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HOUSE OF REPRESENTATIVES—*Thursday, September 19, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give ear to my prayer, O God; and hide not Thyself from my supplication!—Psalm 55:1.

We come before You, O God, with petitions both great and small. We pray for righteousness and justice, and we also pray for those concerns most near to our own hearts. We place before You, gracious God, our own weaknesses and anxieties and we confess that we have not done what we ought to have done and we have done those things we ought not to have done. We place before You this, our prayer, and ask Your blessing upon us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week."

BEDELL PROVISION NECESSARY IN FARM BILL

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, tomorrow we will be taking up the debate on the 1985 farm bill. Next Thursday we will be voting on amendments on that 1985 farm bill.

For those of us from the Midwest, where agriculture and our farmers, small towns, and businesses are being devastated by the present farm economy, there is one necessary provision in that farm bill. That is basically known as the Bedell provision, named after the gentleman from Iowa, BERKELEY BEDELL, providing for a referendum for a provision for a voluntary program for the farmers that permits the farmers to vote on the program itself.

That is the only provision in that farm bill that will provide for increased income for our farmers in the next 4 years. Without that provision, farmers in the Midwest can look forward to decreases in their net income. They are being devastated right now with farm prices and they cannot afford any lower farm prices.

So I ask all of my colleagues, when the amendment which will be offered, I understand, from the minority side to delete that provision, that you support the Bedell provision and oppose any amendment to strike it out.

IS THE PRICE OF REPRESENTATIVE GOVERNMENT BECOMING TOO HIGH?

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, last week, a small town in my State effectively lost representative government. It was priced out of the market. When its liability insurance coverage was terminated, virtually all of the officials resigned from office. They simply couldn't afford to put their families and careers at risk without some protection from the flood of lawsuits which are now a fact of life in government units smaller than State size.

Unfortunately, this incident is neither unusual nor trivial. Other municipalities in my State are about to lose their liability insurance. In some instances, this loss of protection could mean the loss of police and fire protection for the citizens of the community.

In a society caught up in the frenzy of suing everyone for everything, members of police and fire departments are unlikely to perform their duties without a guarantee that they will not be bankrupted by the costs of litigation, let alone the amount of a judgment.

The problem will soon enough be nationwide, if it is not already so. It is a Federal problem as well as a State problem. Many of these suits are founded on legislation passed in Congress over the past few decades. We had better find a solution before we find that representative government is too expensive a luxury.

CASTRO'S ABSURD IDEA

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of Florida. Mr. Speaker, 2 days ago, the AP carried a story in which Fidel Castro blamed the United States for creating the huge market in illegal drugs and said that we should compensate developing nations for narcotics trafficking.

Castro's assertion, of course, is absurd. I doubt that he would compensate the United States—and especially the people of Florida—for the cost of holding his prisoners in our jails and helping Cuban refugees start new lives.

I doubt he would compensate the United States and our Caribbean allies for freeing Grenada from Cuban henchmen.

I doubt he would compensate those countries facing Cuban troops in Africa or Cuban-supported guerrillas in Latin America.

I doubt he would compensate the citizens of Cuba for taking from them their freedom, property, and country, for splitting families and imprisoning innocent men and women who love their country more than their personal liberty.

This simply is another attempt by Castro to divert attention from his government's own involvement in drug

trafficking and international adventurism.

CASTRO BLAMES UNITED STATES FOR DRUG TRAFFIC, DEBTS

MEXICO CITY.—Cuban President Fidel Castro blamed the United States Tuesday for creating the huge market in illegal drugs and said it should compensate developing nations for narcotics trafficking.

Cuba's official Prensa Latina news agency, in a dispatch monitored in Mexico City, reported Castro said America was responsible for the burgeoning narcotics network in Latin America.

It said that Castro, speaking at a forum for Latin American journalists, accused the United States of having the "audacity" to send equipment to other countries to destroy marijuana fields when 48 of its own 50 states produce illegal drugs.

The agency, in an earlier dispatch, quoted Castro as telling the forum that a social upheaval must shake Latin America before the region can find the solutions to its economic problems.

"It seems that what's lacking is a previous, large-scale sacrifice, an explosion, that shakes everything, and from that point the alternatives are going to start to appear," Castro said.

Prensa Latina said Castro participated in the first session of the forum, sponsored by the news agency, on Latin America's financial crisis.

It reported Castro said the critical economic situation for many Latin American governments "means the political death of the democratic processes of Latin America, or that they resolve the problems or there will be social explosions."

The region's governments have had difficulty uniting "because we are weak, because we are fragmented, because we are dependent," he said.

Cuba's pro-Soviet government sponsored a conference in July for Latin American labor, political and social leaders, and Castro called on them to repudiate their nations' foreign debts.

GRAVE MISTAKE TO INCLUDE STATE AND LOCAL EMPLOYEES UNDER MANDATORY SOCIAL SECURITY AND MEDICARE

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, I rise in strong opposition to the proposal to include State and local employees under mandatory Social Security and Medicare.

My home State of Nevada has one of the best public retirement systems in this country. It has been firmly established for many years with adequate and balanced funding and benefit provisions.

I am extremely concerned about the effect of these proposals on the financial integrity of the existing State and local retirement systems, as well as the effect on the government's fiscal posture. A strong retirement system is one of the key incentives that State and local governments have to offer to attract talented and dedicated people. If the ability to offer a sound retirement system is diminished in any way, it will be more difficult to recruit and retain quality people. Also, there is no question that the affected governments, in paying the employers' share of the contribution, will be adversely affected. It is even possible that many governments would have to raise entry-level salaries for their employees to take into account the fact that these employees would be required to pay Social Security and Medicare taxes.

In sum, I firmly believe that we are making a grave mistake if we are to mandate that new State and local employees contribute to Social Security and Medicare.

BIGEYE IS ANOTHER DIVAD

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, in the face of $200 billion deficits, we cannot afford to waste any money on pork barrel projects and programs that do not work. Before we fund any new program we must ask the question, is it so important that we should send our children the bill?

I was pleased to find that the Department of Defense finally found one program that was not worth the borrowed money we were paying for it: the Divad. After a number of GAO reports describing its difficulties and rising costs, the Department finally saved the taxpayer and killed the program.

Why don't they do the same thing with the Bigeye nerve gas bomb? First, like all chemical weapons, it is of doubtful effectiveness and considered relatively unimportant by military tacticians. Second, it is projected to cost over a billion dollars, yet the GAO repeatedly reports that it has failed a number of tests and is not ready for production. Finally, our allies refuse to even talk about accepting it.

Bigeye's problems are just like Divad's. Let's not send our kids the bill for this unnecessary weapon.

FREE TRADE WEAPONS ALREADY IN PRESIDENTIAL ARSENAL

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, although this reminder may not be heard amid the noisy trade deficit debate, it is worth reminding my colleagues and our President that last October the Congress passed and the President signed into law H.R. 3398, the omnibus trade bill.

The bill sailed quickly through Congress on the brisk winds of a then-record $70 billion trade deficit. The projected trade deficit for 1985 is $150 billion.

In other words, we give the President expanded authority to deal with unfair trade practices overseas, he does nothing, and the trade deficit doubles.

Now there is talk of yet another trade bill.

The problem is not a lack of free trade weapons in the Nation's arsenal. The problem is that the Commander in Chief, armed by Congress in 1984 with an array of expanded authorities to deal with unfair trade practices, has opted for unconditional surrender.

To switch metaphors, when the home team is down by 150 billion points, it's time to fire the coach.

PENNSYLVANIA'S SEATBELT SAFETY AWARENESS PROJECT

(Mr. SHUSTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUSTER. Mr. Speaker, I am pleased to inform the House of an exciting new transportation safety project. Through legislation previously approved by this House, we have been able to kick off in Pennsylvania a seatbelt safety awareness project, using prime time media and community involvement.

The evidence is overwhelming. You can avoid serious injury or death; your chances are 300 percent better of walking away from a serious car crash if you have your seatbelt on. The problem is that only about 15 percent of the people wear their seatbelts.

This is an 18-month educational program in which we will attempt to make people aware of the benefits of wearing their seatbelts, and then we will measure before and after what the effect of this is. Our hope is to then be able to develop a nationwide program, using the results of this study and the results of this educational program to save thousands of lives which are needlessly destroyed on our Nation's highways as a result of people not wearing their seatbelts.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I am happy to yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, what the gentleman did not say modestly is that he is the innovator of this great idea. I think that ought to be stated in the RECORD. I want to congratulate him for this and for all the things he has been able to do in transportation safety on the committee.

AIRPORT AND AIRWAYS TRUST FUND

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, with the recent, high incidence of aircraft tragedies, last week, I spoke on my concerns over the growing surplus in the airport and airways trust fund which now stands at approximately $3 billion.

My concern is widely shared by many who have demanded that more be done to improve the safety of air travel.

I rise again to speak on this important subject because I am hearing more and more about the refusal of FAA to spend these funds or the refusal of OMB to permit FAA to spend these funds. And yet, I hear little about Congress' role in this activity. Congress must first appropriate funds for these programs.

Those of us who are serious about spending the trust fund or cutting the aviation taxes should begin by examining our own role in this. It is time to stop the finger-pointing and ask ourselves what we can do.

If these taxes are necessary for airport improvement or air safety programs, we need to ensure that the money is appropriated. If they are not needed Congress should cut the tax now.

BOYS' CLUB OF AMERICA NATIONAL YOUTH OF THE YEAR AWARD

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, I have the privilege and honor to announce the winner of the Boys' Club of America National Youth of the Year Award, which was conferred last night at the Boys' Club ceremony at the Washington Hotel. He is Carlos Romo, a young man of 18 who hails from La Habra, CA, in the 39th District of California.

Carlos graduated from La Habra High School and is currently attending Fullerton College. His goal is to become a bilingual lawyer.

Carlos has been an active member of the La Habra Boys' Club for 9 years. This past year he gave 1,500 hours of volunteer service to the club and chaired a Keystone Club project which raised $2,500 for pediatric cancer research. Carlos was also selected to carry the Olympic torch in last year's relay.

Carlos was a member of the student government and an all-district soccer player; his team mates selected him as "most inspirational player."

"Inspirational" is a truly appropriate word. Winning this award is a tremendous achievement for Carlos. It acknowledges and rewards his efforts and contributions toward helping his neighbors and community. Of this service Carlos can be justifiably proud, as we are all proud of him.

GIVING THE UNITED STATES A FAIR CHANCE IS NOT PROTECTIONISM

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, in the Post this morning there is a quote from a Reagan official regarding trade, and I quote him:

> We promised Congress to send up some legislation of our own, but I don't know what we can give them that will change their minds. They know our hearts are not in it.

Mr. Speaker, that is the real problem. If the administration would stop worrying about throwing a sop to Congress and focus on the fact that it is a problem and on what they want to do about it, then maybe we could make some progress. There is politics in the trade issue because there is a real problem and there is no action going on within the administration.

Those of us who are concerned about this are not trying to build a wall around America. Quite the opposite, we are trying to get other countries to tear down theirs. We are trying to give U.S. industry and U.S. workers a fair chance, and I do not think that is protectionism. It may be protective. It may be "protectivism," but it is not protectionism.

Mr. Speaker, I am an internationalist, but I am not an internationalist if that means America comes last. So I say to the administration, focus on the issue. There is an issue. America has to help itself to make sure we have a fighting chance to protect American industries.

WELCOME HOME, BEN WEIR; ONE BACK, SIX TO GO

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, welcome home, Ben Weir.

Your release and return to the United States is a shining beacon of hope to the families of the six Americans who remain hostages in Lebanon.

Your fortitude and grace is an example to all the world. The strength and courage of your wife, Carol, has been a source of inspiration for many of the families of the men who remain in Lebanon. Your son, John, has been dogged in his advocacy of your cause and the cause of the group of Americans held hostage.

You, I know, would not want to let slip by this opportunity to mention that six Americans remain hostages in Lebanon.

William Buckley, a U.S. Foreign Service officer, has been held hostage 552 days, as of today.

Father Lawrence Jenco, the head of Catholic Relief Services in Beirut, has been held hostage for 255 days.

Today marks the 187th day of captivity for Terry Anderson, the Associated Press bureau chief in Beirut.

Today is the 114th day of captivity for David Jacobsen, the director of the American University Hospital in Beirut.

One hundred and one days ago, Thomas Sutherland, dean of the American University agriculture school, was taken hostage.

Today also marks the 289th day since the kidnaping of Peter Kilburn, the American University librarian.

Mr. Speaker, Rev. Benjamin Weir is home. We are eternally grateful for his release. But the hostage crisis in Lebanon continues. It is in its 552d day.

Welcome home, Ben Weir. Mr. Speaker, we're one down, six to go. Say hello to Jerry Levin.

EPA BLIND TO RABIES THREAT IN MONTANA

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, Montana is faced with an epidemic of deadly rabies this fall, and the reason for this epidemic is EPA redtape.

The almighty EPA has deemed it illegal for the State of Montana to use strychnine to control rabid skunks. Two weeks ago a bobcat attacked a 4-year-old boy in the boy's yard. The bobcat than attacked the boy's mother and father. The bobcat smelled of skunk, and was rabid.

The little boy, who was bitten in the neck and who thank God is still alive, is now undergoing a series of painful rabies shots. The cost of the five shots is $850.

Mr. Speaker, will it take a loss of human life for the EPA to realize the threat rabies pose? Yesterday the EPA admitted to me that there is no alternative to strychnine in controlling rabid skunks. Rabies is a deadly threat to human health—because of its lack of sensitivity EPA has become a threat to human health.

For the past decade Montana has had an application pending before the EPA to use strychnine on a permanent basis. EPA has ignored that application and instead wants the State to comply with a 3-inch thick packet of

mandated studies and bureaucratic gobbledygook that would take the State hundreds of thousands of dollars and years to complete.

Mr. Speaker, I want the EPA to be more responsible and more responsive. I want the EPA to care more about people than paperwork.

□ 1125

LEGISLATION TO RELIEVE ONE-PERSON KEOGH PLAN OWNERS FROM FILING FORM 5500-C

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, when Congress revised the limitations and restrictions on the various pension plans in TEFRA 1982, little was known then about the impact this would have on self-employed taxpayers with one-person Keogh accounts. Because of these changes, the IRS now requires these Keogh plan owners to file the same long and complex form, known as Form 5500-C, filed by corporate pension plans.

The self-employed have neither the time nor resources afforded a large corporation to fill out this form. Second, the IRS has not even made it clear what it is they expect to find. The need for additional information is not a legitimate reason to force thousands of self-employed small business people to pay as much as $150 per plan to have these forms professionally prepared to prevent paying a $25 per day penalty for late or inaccurate compliance.

For this reason, I and several of my colleagues introduced H.R. 3292, to relieve one-person Keogh plan owners from having to file Form 5500-C. This bill also calls on the IRS to promptly prescribe a new and simplified reporting return to replace Form 5500-C. This form is a clearly onerous and unjustified paperwork requirement, and I call on the rest of my colleagues in the House to join us in cosponsoring H.R. 3292.

APPROVAL OF INTERSTATE COST ESTIMATE AND INTERSTATE SUBSTITUTE COST ESTIMATE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1514) to approve the interstate cost estimate and interstate substitute cost estimate.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from New Jersey?

Mr. SHUSTER. Reserving the right to object, Mr. Speaker, I do not object at this time, but I take this time in order to have an opportunity to explain the bill.

Mr. Speaker, I yield to the distinguished chairman, of the committee, the gentleman from New Jersey [Mr. HOWARD].

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the Senate bill, S. 1514.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Speaker, this legislation provides for the release of interstate construction [ICE] and interstate substitute project funds [ISCE] by October 1, 1985. The Congress is required under sections 103 and 104 of title 23, United States Code, to approve the cost-based factors used by the Department of Transportation to apportion to the States interstate construction funds and interstate substitute project funds.

This bill is a 1-year approval for the release of interstate construction funds, interstate substitute project funds, and minimum allocation funds available to the States for obligation for fiscal year 1986. The House adoption of the Senate-passed bill, S. 1514, would provide for the release on October 1 of $3.64 billion for interstate construction, $538 million for interstate substitute highway projects, and $650 million for the 85-percent minimum allocation program. Cost factors are also approved for the distribution of funds appropriated for interstate substitute transit projects. The apportionment factors contained in this legislation reflect the most recent adjustments to the ICE approved by Congress for the release of the 18-month backlog of interstate construction funds on March 9, 1984.

Although this legislation does not contain many of the meritorious provisions included in the commitee bill, H.R. 3129, the Surface Transportation and Uniform Relocation Assistance Act of 1985, the Committee on Public Works and Transportation has agreed to support the Senate-passed bill in order to provide for the expeditious release of the interstate and interstate substitute project funds. In the next weeks, the committee will consider pending legislation, H.R. 3129, to reauthorize the Federal-aid highway, mass transit and highway safety programs through fiscal year 1990 and to amend the Uniform Relocation Act. The committee intends to bring H.R. 3129 to the House floor for consideration during this session of the 99th Congress.

Mr. Speaker, two other issues not addressed in S. 1514 are time-sensitive and require immediate attention. Specifically, we wanted to have considered as a part of this legislation, but were precluded from adding, because of other body's objections, a provision to reprogram bridge funds in the State of Kentucky, and a provision to reduce fiscal year 1986 budget authority for highways to be consistent with reduced highway trust fund revenue projections from the Congressional Budget Office. We feel very strongly about these provisions, believe they offer a responsible course of action, and simply want to alert Members that we intend to pursue these amendments in the next appropriate legislation.

Mr. Speaker, I urge my colleagues to approve S. 1514 without amendments so that the highway program may continue and the States can proceed with important and needed highway construction projects. The House adoption of this legislation will release funding to the States in a timely manner.

Mr. SHUSTER. Further reserving the right to object, Mr. Speaker, I yield to the distinguished chairman of the subcommittee, the gentleman from California [Mr. ANDERSON] for a further explanation.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I will be brief, because the request made by the gentleman from New Jersey is really quite simple and should meet with no opposition. The Senate has passed a 1-year interstate cost estimate. We will now pass this same legislation. It is a routine, but critical matter, that I regret has become all too nonroutine in recent years. With enactment of this measure, the Secretary of Transportation will, on October 1, be able to apportion interstate construction, interstate substitute, and 85-percent minimum apportionment moneys to the States. Failure to pass this measure would be irresponsible.

But let me also express my disappointment at the direction in which these programs may be headed.

As some here may know, the Subcommittee on Surface Transportation was set to mark up H.R. 3129 last week when, at nearly the 11th hour, the administration, and then CBO, came in with a reevaluation of the funding capabilities of the highway trust fund. The estimates upon which all the authorizations in this 5-year legislation were based were revised, meaning we will have to significantly reduce authorizations in the bill.

The CBO analysis gives us several options to explore. The first involves deep cuts in the various highway programs beginning in fiscal year 1987. Another would be to minimize future

reductions by reexamining program increases slated to take effect in fiscal year 1986, apportionments for which are made this October 1. We could, and should, by my estimation, freeze these increases at fiscal year 1985 levels and so help maintain some stability, at higher funding levels, in our Nation's highway programs. By freezing these programs now, we will alleviate the need to cut them so deeply later.

Mr. Speaker, I would have preferred that we amend this legislation to include a freeze on these programs and send that back to the other body. Unfortunately, there was no assurance the other body would accept such a provision. And because it is so important that we approve the ICE and ISCE in a timely manner, and because there are so few days left between now and October 1, we are really left with little choice but to pass the ICE and try to attach the program freeze on the reconciliation bill, along with other pertinent provisions that might be pending such as those relating to bridge funds which should rightly be used in the Commonwealth of Kentucky.

Mr. Speaker, I urge adoption of the unanimous-consent request.

Mr. SHUSTER. Further reserving the right to object, Mr. Speaker, I yield to the distinguished ranking member of the full committee, the gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I want to join my colleagues in strong support for S. 1514, a bill which is vitally important to the continued stability of the Interstate Highway Construction Program, and urge my colleagues to join me in voting its prompt passage.

Enactment of this bill will directly result in the release of just over $3.6 billion in interstate construction funds, $538 million in interstate transfer highway substitute funds, and $649 million in 85-percent minimum allocation funds. It also approves the factors for apportionment of general Treasury revenues for interstate transfer transit substitute projects once the amount to be made available is determined through the appropriations process.

In total, this will mean that on October 1, the Secretary of Transportation will apportion a total of just over $14 billion in formula highway funds in all categories. With other highway and highway safety funds, the total to be financed from the highway trust fund for fiscal year 1986 will be just under $15.5 billion.

Important as these numbers are, they fail to reflect the true significance of timely approval of the interstate cost estimate. Twice now, in 1983 and 1984, it was not possible to obtain agreement between the House and Senate on legislation of which an ICE (interstate cost estimate) approval provision was a part. For that reason, we initiated a clean ICE covering an 18-month period last spring to get the program back on track.

This is indeed an important bill. The Interstate System remains the highest priority system in the Federal-aid Highway Program. We have a real chance to complete it in the early 1990's under a reauthorization to be enacted during this Congress.

This legislation is not controversial. It is a genuinely "clean" ICE with no projects, no policy changes, no changes in eligibilities or distribution formulas. The 85-percent minimum allocation in existing law is not affected, nor is the minimum half percent of interstate provision changed in any way.

We considered adding an amendment which would have reprogrammed, for certain bridge projects, funds left over from a major bridge project which came in under budget. This would have represented no increase in budget authority.

On the basis of conversations with the other body, and in order to get the ICE through with nothing to slow it up, we have decided to proceed with this measure in the reconciliation process.

Mr. Speaker, twice in the past we have come to the floor with catch-up ICE bills to end a crisis. Today there is no crisis. We simply want to approve the ICE because it is the right thing to do. I urge enactment of the bill.

Mr. SHUSTER. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Speaker, I rise in support of S. 1514, a bill providing approval for the interstate cost estimate and interstate substitute cost estimate for 1 year.

Enactment of S. 1514 will make available to the States $3.6 billion for interstate construction funds; approximately $650 million in minimum allocation funds; and $538 million for interstate substitute projects.

S. 1514 is not controversial. This bill is—in common parlance—a "clean ICE" bill, and I encourage my colleagues to support this measure.

Enactment of S. 1514 will enable the continued construction of our Interstate Highway System without interruption. Although this fact may strike some Members as hardly worth mentioning, I wish to remind everyone present of the paralysis—and crisis—atmosphere that has plagued this vital program in the last few years.

I commend the leadership of the committee, Representative HOWARD, Representative SNYDER, Representative ANDERSON, and Representative SHUSTER for the fine bipartisan manner in which they brought this legislation to the floor on such short notice.

I also wish to take this opportunity to express my concern about the future of the interstate cost estimate as it pertains to the upcoming debate on the Surface Transportation Assistance Act, H.R. 3129. It is my hope this legislation will include another feature essential to our interstate program, automatic extension of the interstate cost estimate.

As Members may be aware, Congress has been its own worst enemy when dealing with ICE. In the last few years, efforts have often been contemplated to hold ICE as a hostage for other bills and amendments. Consequently, ICE has unfairly suffered, and with it the taxpayer, interstate highway user, and industry has likewise suffered.

In order to maintain the momentum of extending ICE, as we're doing this morning with S. 1514, I am hopeful that automatic extension of ICE will be an integral part of H.R. 3129.

Thank you.

Mr. SHUSTER. Further reserving the right to object, Mr. Speaker, I would urge support for this legislation. It is a clean ICE bill. The funds come out of the highway trust fund. Indeed, it is a good day for transportation because we will be providing through this legislation the funding to keep our interstate program moving.

Mr. Speaker, the legislation before us today is S. 1514, the Senate-passed interstate cost estimate bill. This bill would release over $3.6 billion in interstate construction funds for use in fiscal 1986, as well as another $1.1 billion in 85-percent minimum allocation and interstate highway transfer funds.

In order to enable the States to utilize these funds most effectively, this legislation should be passed by this October 1. Thus, I urge my colleagues to support this legislation so that we may get on with our national interstate program for the coming year.

Mr. PURSELL. Mr. Speaker, I rise in support of S. 1514, a clean "ICE" bill. This bill contains none of the demonstration projects or other items that held up similar interstate cost estimate [ICE] bills for 2 years.

The Michigan highway industry, which includes our roadbuilders, cannot stand the chaos and uncertainty created in prior years by the ICE being held hostage for political reasons.

Delays in ICE approval cost our States a great deal in terms of jobs, disrupted construction schedules, unnecessary prolonging of highway safety hazards, and traffic congestion. It is for these reasons that I urge the passage of this bill.

Mr. LIGHTFOOT. Mr. Speaker, I rise in support of S. 1514 and I urge my colleagues to approve the fiscal year 1986 interstate cost estimate [ICE].

Enactment of this legislation would allow distribution of $4.8 billion from the highway trust fund. These funds are essential to our effort to maintain our Nation's trans-

portation infrastructure. Approval of this bill today would allow for a timely release of these funds and preclude the economic disruptions that we have experienced in the past by failing to pass an ICE bill on time.

I would also like to commend Chairman HOWARD, Mr. SNYDER, and the rest of my colleagues on the Committee on Public Works and Transportation for acting quickly to bring this bill to the House floor. Approval of ths clean bill is the responsible thing to do, and I urge my colleagues give it their support.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of S. 1514. It is vitally important that the House act favorably on this legislation, which provides approval of the interstate cost estimate and interstate substitute cost estimate.

Enactment of this measure would make available to the States $3.6 billion for interstate construction; $538 million for interstate highway substitute projects, approximately $650 million in the minimum allocation funds; and funding for interstate transit substitute projects.

I am sure most if not all Members of this body remember the paralyzing effect our past failure to provide prompt ICE approval had on State highway programs.

Therefore, it is important that these estimates be approved in a timely fashion so that ICE and ISCE funds can be released on October 1 of this year.

Favorable action on this bill would provide important funding for Arkansas' highway program. Even though the State's interstate system is completed, Arkansas would receive about $18.2 million in interstate construction funds.

These funds can be used for interstate 4R projects as well, and to the extent that the State does not need these funds for 4R work, they can be used for other Federal-aid highway projects such as Highway 71.

Arkansas would be expected to receive about $8.5 million under the 85-percent minimum allocation program, which provides each State return of at least 85 percent of the revenue it contributes to the highway trust fund, excluding revenues going into the mass transit account.

These funds can be used on any Federal-aid highway project, and in that regard, Highway 71 would be the kind of project on which the State would consider using its minimum allocation funds.

I urge my colleagues to approve S. 1514.

Mr. SHUSTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

APPROVAL OF INTERSTATE COST ESTIMATE FOR FISCAL YEAR 1987

SECTION 1. The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1987, the sums authorized to be appropriated for such period by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways using the apportionment factors contained in revised table 5 of the Committee Print Numbered 99-68 of the Committee on Environment and Public Works of the Senate.

APPROVAL OF INTERSTATE SUBSTITUTE COST ESTIMATE FOR FISCAL YEAR 1986

SEC. 2. The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1986, the sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the Committee Print Numbered 99-69 of the Committee on Environment and Public Works and the Committee on Banking, Housing and Urban Affairs of the Senate.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OIL HEAT CENTENNIAL YEAR

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 115) to designate 1985 as the "Oil Heat Contennial Year," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the distinguished gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I want to thank the Chairman, Mr. GARCIA and the senior Republican on the subcommittee, Mr. HANSEN, for bringing my resolution to the floor today.

Mr. Speaker, the joint resolution (S.J. Res. 115) designates 1985 as "Oil Heat Centennial Year." It commemorates the 100th anniversary of the granting of the first patent for oil burners, and the 100th anniversary of the use of oil heat. Times have certainly changed since August 11, 1885, when the U.S. Patent Office granted a patent to David H. Burrell of Little Falls, NY, for a furnace generally regarded as the first technically sound oil burner. Back then, some saw oil burners as "instruments of Satan that brought the fires of hell to Earth."

Today, millions of Americans depend on oil heat to provide comfort for schools, businesses, factories, and homes. By the 1970's, oil burner technology had adapted to the heating needs of over 15 million individuals.

The oil heat industry is, and always has been developed and characterized by a large and diverse group of competitive small businesses which are in the forefront of the new energy efficient technologies of the 1980's. These businesses are leading the way toward higher efficiency oil heat, new conservation techniques, solar heating, and other technologies.

Today, I commend the many thousands of men and women who have developed the oil heat industry in our Nation over the past 100 years. They deserve our commendation, and I urge my colleagues to join me in supporting this resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 115

Whereas, on August 11, 1885, the United States Patent Office granted a patent to David H. Burrell of Little Falls, New York, for a furnace that could burn liquid and gaseous fuels, which patent is generally regarded by technical experts and industrial historians as the first technically sound oil burner;

Whereas at the Columbian Exposition in Chicago in 1893 oil burners, for the first time, were utilized in major public exhibit buildings, and these oil burners were hailed and recognized as a technological breakthrough by most, but were condemned as "instruments of Satan that brought the fires of hell to Earth" by some;

Whereas, by World War I, the oil burner had become the premier naval source of propulsion; its technology was sought and adopted by Russia, Germany, Great Britain, France, and the United States to power large warships, especially superdreadnoughts and battle cruisers; and oil burning techniques and oilfield locations became a major source of naval espionage;

Whereas oil burner technology was adopted to the heating needs of homes, businesses, and industry in the decades that followed World War I, increasing from about twelve thousand installations in 1920 to two million in 1940 to about ten million in 1960 to more than fifteen million in the 1970's, helping to generate improved housing for all Americans and the industrial boom that powered post-World War II America;

Whereas the oil burner continues to be a major, modern heating technology used by millions of consumers in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida, Ohio, Indiana, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota, Montana, Idaho, Utah, Nevada, Oregon, Washington, and the District of Columbia;

Whereas the oil heat industry is, and always has been, developed and characterized by a large and diverse group of competitive small businesses, many of which are family owned through a second, third, and

fourth generation that began in their business endeavors by supplying ice, lumber, coal, and then oil, to their communities;

Whereas many of these small businesses are in the forefront of new energy efficient technologies of the 1980's, leading the way toward higher efficiency oil heat, new conservation techniques, solar heating, and other technologies; and

Whereas the one hundredth anniversary of the development of the oil burner is an appropriate time to recognize the overall contributions of oil heating to the technological revolution of the twentieth century and the individual contributions of the many thousands of small business men and women who made this century of heating comfort progress possible: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1985 is designated as the "Oil Heat Centennial Year" thereby recognizing the contributions of the oil heat industry over the past century. The President is requested to issue a proclamation calling upon the people of the United States to observe this commemorative year, with appropriate Federal agencies to participate in the observance of such year and cooperate with persons and institutions conducting related observances, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENTAL ILLNESS AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 67) to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 67, designating the week of October 6, 1985, as "Mental Illness Awareness Week." As a cosponsor of the House companion bill, House Joint Resolution 78, I commend the gentleman from Oregon [Mr. WYDEN] for bringing the resolution before us today. We would hope that by bringing attention to the overwhelming number of Americans who suffer from one or more forms of mental disorders that the plethora of social stigmas surrounding these diseases will be eliminated in light of improvements in their diagnosis, treatment, and cure.

In spite of a quantum leap in the success of treatments for even the most severe cases of mental illness such as schizophrenia and panic disorders, cruel facts reveal an astonishing 31 to 41 million Americans who suffer from clearly diagnosable mental disorders. What this means in terms of reduced national productivity, not to mention exorbitant health costs, is disconcerting. It is estimated that Americans spend $87 billion annually to provide treatment to those who are incapable, because of their illness, to contribute their talents and energy to society.

Even more distressing are the effects that mental illness has on our youth—at least 12 million children are afflicted, thus crippling our country's ability to carve a dynamic future. And what could be more distressing than the fact that mental disorder-related deaths are estimated to be at least 33,000 annually?

We are not, however, placed in a no-win situation. Recent years have held the key to effectively managing a whole host of previously feared and ignored illnesses. Appropriate treatment has also demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services and lessened social dependence. The horrors of mental institutions in which patients are treated like virtual animals is being replaced by a variety of efficacious remedies which allow sufferers to be reintegrated into society.

At a time when scientific knowledge is providing the means to treat and cure all forms of disease, public awareness should be continually nurtured so as to ensure the removal of any destructive taboos which could stifle progress in this area. While many improvements have already been realized, awareness of these disorders must attain such a level whereby the distinction between the treatability of physical and mental disorders becomes indistinguishable.

Accordingly, I urge my colleagues to adopt Senate Joint Resolution 67, recognizing the need to ensure prompt and effective treatment of all diseases including those which in the past have been deemed untreatable and socially unacceptable.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 67

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas alcohol, drug, and mental disorders affect almost 19 per centum of American adults in any six-month period;

Whereas mental illness in at least twelve million children interferes with vital developmental and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand with combined suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totaling an estimated $87,000,000,000 in direct treatment and support, and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (pharmacological, behavioral, psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major effective disorders, phobias, and panic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congess assembled, That the week beginning on October 6, 1985, is hereby designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SPINA BIFIDA MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 111) to designate the month of October 1985 as "National Spina Bifida Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the

House that the minority has no objection to the legislation being considered.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 111, a resolution designating October 1985 as National Spina Bifida Month. I extend my appreciation to the gentleman from Kentucky [Mr. MAZZOLI] the author of the House companion bill, House Joint Resolution 179, of which I am a cosponsor, for working so diligently to bring this legislation to the floor today.

Spina bifida results from the failure of the spine to close properly during prenatal development. Infants afflicted with spina bifida are born literally, with an opening at the base of their spine. While spina bifida is relatively common; it occurs in 1 out of every 1,000 births, little is known about this crippling disease. When a representative from the National Spina Bifida Association came to speak with me about spina bifida, she told me about her son who was born with spina bifida. At the time of his birth, a little over a decade ago, the doctors didn't even know what to do with him. The young infant suffered through a series of needless operations and subsequent infections before he was able to get the type of medical care he so desperately needed. We have made great strides in recognizing and treating spina bifida since this boy's birth, however not enough is being done.

By designating October 1985 as National Spina Bifida Month we will be lending our hand in a fight to treat and cure spina bifida. The March of Dimes has been in the forefront of the battle to educate the public on the importance of prenatal development and helping our physically handicapped lead happy, productive lives. Let us in Congress do our part by adopting Senate Joint Resolution 111, designating October 1985 as Spina Bifida Month.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York.

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 111

Whereas spina bifida is a birth defect in the spinal column which occurs in one of every one thousand births in the United States;

Whereas spina bifida is the most common crippler of newborns, resulting when one or more bones in the back (vertebrae) fail to close completely during prenatal development;

Whereas while the cause of spina bifida is not known, it appears to be the result of multiple environmental and genetic factors;

Whereas although most of the March of Dimes and Easter Seal poster children have spina bifida, many people have not heard of the defect;

Whereas only a few cities in the United States have proper care centers and specialized professionals that can provide the most effective, aggressive treatment for children and adults with spina bifida; and

Whereas an increase in the national awareness of the problem of spina bifida may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for spina bifida: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1985 is designated "National Spina Bifida Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEARNING DISABILITIES AWARENESS MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 287) to designate October 1985 as "Learning Disabilities Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 287, of which I was a cosponsor, designating October 1985 as "Learning Disabilities Awareness Month." I wish to thank the gentleman from California [Mr. BROWN] for sponsoring this legislation, promoting awareness of a handicap which afflicts approximately 10 million American children.

I speak of a learning disability in terms of a handicap because, like any physical handicap, it is unquestionably restricting. A person, is indeed handicapped when he is incapable of coping with such essential daily activities as reading and writing. While someone in a wheelchair may draw more sympathy from observers, the invisible confinement caused by a learning disability is no less debilitating.

Consider the child who is held back by a learning disability. Frequently, the learning disabled student is included in the ranks of the permanently disabled simply because his parents, teachers or physicians are unwilling or unable to detect the source of his learning difficulties. He may be mislabeled as a slow learner and thus suspended from learning that which is in his realm vis-a-vis attainable potential growth.

The most famous case of mislabeling involved Albert Einstein, the brilliant scientist and mathematician. His grade school teachers thought that he was mentally retarded because of his slowness in reading and writing. We now know that Albert Einstein had dyslexia, which is a form of learning disability. Unfortunately, no one thought to connect his difficulties with a learning disability, prefering to deem his case hopeless—a perfect example of society's ignorance with respect to the manner in which learning disabilities manifest themselves. It is essential that parents, educators, and physicians be aware of the nature of learning disabilities and moreover, be acquainted with the available educational and medical resources which will serve to bestow upon these children every chance for a happy and productive adult life.

How can the above stated goal be achieved? First, awareness of the problem is essential to its eventual resolution. More effective programs to guarantee early diagnosis and treatment will be contingent upon public concern and support of these programs. Furthermore, the hundreds of national and local support groups for learning disabled persons must be encouraged to continue their invaluable service of generating innovative methods of treatment. Parents and professionals should also be recognized for their ceaseless work in meeting the challenges presented by these disabilities. The designation of October 1985 as Learning Disabilities Awareness Month, would encourage these good works and serve to recognize the achievements already attained by the learning disabled and their families.

Accordingly, I urge my colleagues to support House Joint Resolution 287, establishing a National Disabilities Awareness Month, with the hope that the potential learning ability of each and every child will be achieved.

Mr. KEMP. Mr. Speaker, I rise in very strong support of House Joint Resolution 287, which designates October 1985 as "Learning Disabilities Awareness Month."

First, I would like to thank my colleague from California, Congressman GEORGE BROWN, for his leadership on this issue. I also would like to extend my thanks and deep appreciation to Carrie Rozelle, president of the Foundation for Children With Learning Disabilities. For her long-time efforts and diligence in helping increase our awareness of learning disabilities.

Millions of Americans, including more than 10 million children, suffer from learning disabilities. The learning disabled are likely to have problems with coordination, memory, concentration or their ability to perform language tasks. Until recently, many learning disabled were misdiagnosed as being "problem children" or "slow" or even retarded. Actually, the learning disabled suffer from neurological problems and, with proper diagnosis and remediation, they can overcome their disabilities.

The real key to helping the learning disabled is increased awareness by parents, teachers, the public, and the learning disabled themselves. By recognizing the signs of learning disabilities, particularly at a young age, the learning disabled can re-

ceive the attention and training that they need and deserve. With patience and understanding, the learning disabled can achieve their full potential. If this measure helps to educate and identify the learning disabled, then it will have achieved its purpose.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 287

Whereas millions of Americans suffer from 1 or more learning disabilities;

Whereas it is estimated that 10,000,000 American children have been diagnosed as suffering from learning disabilities;

Whereas most learning-disabled persons are of normal or above normal intelligence but cannot learn to read and write in the conventional manner;

Whereas it is important for parents, educators, physicians, and learning-disabled persons to be aware of the nature of learning disabilities and the resources available to help learning-disabled persons;

Whereas early diagnosis and treatment of learning-disabled children gives such children a better chance for a happy and productive adult life;

Whereas the courage necessary for learning-disabled persons to meet their special challenges should be recognized;

Whereas hundreds of national and local support groups for learning-disabled persons, parents of learning-disabled children, and professionals who work with learning-disabled persons have made important contributions to the treatment of learning disabilities;

Whereas research and study have contributed to public knowledge about learning disabilities, but much remains to be learned; and

Whereas public awareness of and concern about learning disabilities may encourage the establishment of the programs necessary to promote early diagnosis and treatment of learning disabilities and to help learning-disabled persons and their families cope with their learning disabilities. Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1985 hereby is designated "Learning Disabilities Awareness Month", and the President of the United States is authorized and requested to issue a proclamation calling upon all public officials and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1140

NATIONAL TOURISM WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 141), to designate the week beginning on May 18, 1986 as, "National Tourism Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Speaker, as vice chairman of the Congressional Travel and Tourism Caucus, I am keenly aware of the economic, social and cultural importance of tourism to the United States. This is why I am pleased to cosponsor National Tourism Week for 1986 just as I have since its inception in 1984.

We should keep in mind that travel and tourism in America directly generated more than 4.6 million jobs in 1983. This ranks travel and tourism as a leading private employer creating new jobs faster than the rest of our economy, particularly for minority groups, women and youth. In my home State of California, travel and tourism is the third largest employer in the State.

Tourism is the second largest service industry export for the United States. In 1983, it accounted for almost one-third of all receipts from service exports. At a time when we are trying to reduce our trade deficit and improve our international balance of payments, more attention should be paid toward promoting tourism to the United States which stimulates our economy by bringing in new revenue.

In addition to the economic benefits we received from tourist spending, we should not overlook that travel and tourism creates a better understanding among people. By venturing out and exploring other areas of our country, our citizens expand their horizons and have a greater appreciation for just what an amazing and beautiful country we have. By encouraging foreign travelers to visit our country, we help break down barriers and welcome those from other lands to really experience America first hand and get to know our people.

National Tourism Week is an important celebration each May as we recognize just how crucial tourism really is and demonstrate our support for it. I am proud to be a cosponsor again for National Tourism Week and urge my fellow citizens to actively participate in next year's State and local celebrations.

Mr. FLORIO. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Speaker, let me just express my appreciation and to identify with the point that has been made by all of the speakers here. Tourism is extremely important. This resolution is extremely important as well.

But I cannot help but point out the irony of the Congress here stating the importance of tourism at the same time that the administration is attempting to totally eliminate the U.S. Travel and Tourism Administration, which is the sole remaining vestige of executive concern about travel and tourism in this country.

I am hopeful that this resolution can be forwarded to the White House. Perhaps they will think through their commitment to eliminating this very important agency that plays a key part in tourism and travel in this country.

I thank the gentleman for yielding.

Mr. HANSEN. Mr. Speaker, I thank the gentleman for his comments.

Mr. BONER of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I am happy to yield to the gentleman from Tennessee.

Mr. BONER of Tennessee. Mr. Speaker, when one hears of travel and tourism the tendency is to think of recreation and relaxation away from home. The Congressional Travel and Tourism Caucus, of which I am chairman, seeks to bring about an awareness that tourism means jobs and increased revenue to our Federal Treasury. At a time when we are striving to reduce the Federal deficit, more attention should be paid toward promoting tourism and recognizing the tremendous economic benefit derived from tourist spending.

To highlight the importance of tourism to the United States, we have celebrated National Tourism Week each May for the past 2 years. I am pleased to announce that 260 Members of Congress have cosponsored House Joint Resolution 296 to officially designate the week of May 18, 1986, as National Tourism Week. This past May thousands of our citizens participated in State and local activities marking the occasion. Many Governors proclaimed National Tourism Week in their States and held special tourism programs. In my home State of Tennessee, our Tennessee Welcome Centers' Reservation System members provided complimentary selected rooms, campground spaces and meals to travelers during National Tourism Week. Other exciting activities around the country included a "Today" television interview by Commerce Under Secretary for Tourism, Donna Tuttle; an "Invite a Friend to Cincinnati" call in; a boat parade in St. Thomas Harbor; a 10-kilometers travel run with total cash

prizes of $12,000; and a Southeastern Tourism Society hoedown on the Mall in Washington, DC. Medical coverage was extensive including supplements in Time and USA Today emphasizing this year's theme that "Tourism Works for America."

Next year's National Tourism Week activities promise to be bigger and better than ever. The Travel and Tourism Caucus will again be joining the Governors and State travel directors in celebrating the important role of tourism to our country.

Mr. HANSEN. Mr. Speaker, I appreciate the gentleman's fine remarks.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 141, designating the week of May 1986 as National Tourism Week. I would like to thank the gentleman from Tennessee [Mr. BONER], chairman of the Congressional Travel and Tourism Caucus, for introducing the House companion measure, House Joint Resolution 296, of which I am a cosponsor. Adoption of this resolution will mark the third year in a row that Congress has been able to recognize the importance of tourism to our U.S. economy. I am pleased to be able to join in this fitting recognition.

The 22d Congressional District of New York which I am proud to represent, surrounds the majestic Hudson River. Our close proximity to New York City, makes the Hudson Valley an ideal resort area. Visitors to the region are in close proximity to both the city and the country. The splendor that is the Catskill Mountain region is a short 1-hour drive from the heart of Manhattan. Once there, visitors can enjoy the beauty of the region in any number of parks, lakes, and historic landmarks. If you have never traveled to this marvelous area I assure you—you will love New York. It is truly breathtaking any time of the year. Without question travel and tourism is alive and well in the historic Hudson River Valley.

The designation of National Tourism Week allows us to pay tribute to the multibillion-dollar travel and tourism industry and its enormous contribution to our continued economic recovery. Accordingly, it was with great dismay that I noted the elimination of funding for the U.S. Travel and Tourism Administration [USTTA] from the fiscal year 1986 budget resolution. Indeed, I jointed with 26 of my colleagues in a letter to House Energy and Commerce Committee chairman, JOHN DINGELL, urging the committee to save the USTTA during consideration of their reconciliation legislation I am pleased to note here that the committee shares our support of the U.S. Travel and Tourism Administration's mission to promote travel and tourism in the United States and voted yesterday against reporting language abolishing USTTA. I commend the committee on their vote and urge their continued support of the USTTA.

I look forward to joining in the many celebrations commemorating National Tourism Week this coming May. Accordingly, I urge my colleagues to support Senate Joint Resolution 141, designating the week of May 18, 1986, as National Tourism Week.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 141

To designate the week beginning on May 18, 1986, as "National Tourism Week".

Whereas tourism is vital to the United States, contributing to economic prosperity, employment, and international balance of payments;

Whereas travelers from the United States and other countries spent $210,000,000,000 in the United States during 1983, directly producing four million, six hundred thousand jobs, $45,800,000,000 in wages and salaries, and over $25,000,000,000 in Federal, State, and local tax revenues;

Whereas, if viewed as a single retail industry, the travel and tourism sector of the economy constituted the second largest retail industry in the United States in 1983 as measured by business receipts;

Whereas tourism contributes substantially to personal growth, education, and intercultural appreciation of geography, history, and people of the United States;

Whereas tourism enhances international understanding and good will; and

Whereas, as people throughout the world become aware of the outstanding cultural and recreational resources available across the United States, travel and tourism will become an increasingly important aspect of the daily lives of the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 18, 1986, is hereby designated as "National Tourism Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DENTAL HYGIENE WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 218), to designate the week beginning September 15, 1985, as "National Dental Hygiene Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 218

Whereas dental hygienists, as licensed oral health professionals, have been actively involved in promoting oral health and preventing oral disease for more than 70 years;

Whereas dental hygienists, as preventive specialists, contribute to the dental health of the American people and provide an essential service for their total health;

Whereas dental hygienists voluntarily donate time and effort to provide dental education and preventive dental care services to groups with special needs, such as elderly persons, mentally or physically disabled persons, underprivileged persons, and children; and

Whereas it is appropriate to honor the dental hygienists of the Nation and to encourage the people of the Nation to become familiar with and appreciative of the practice of dental hygiene: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 15, 1985, hereby is designated "National Dental Hygiene Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to celebrate such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SEWING MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 173), to designate the month of September 1985 as "National Sewing Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Tennessee [Mr. BONER] who is the chief sponsor of National Sewing Month.

Mr. BONER of Tennessee. Mr. Speaker, I would like to thank Chair-

man BOB GARCIA and ranking minority member JIM HANSEN for bringing the National Sewing Month resolution to the floor.

This is the fourth year I have introduced this resolution and, with today's action, it will be the fourth year the Congress will have passed the resolution calling upon the President to issue a proclamation commemorating National Sewing Month.

Some of my colleagues have "needled" me about National Sewing Month. Others have questioned whether sewing is really part of the "fabric of American life." A few of my Democratic colleagues have even asked whether this resolution is really a tribute to the traditional Republican cloth coat. Let me respond by saying that every article of clothing, including Republican cloth coats, starts with the manufacture and selection of fabric, which is carefully cut and sewn with the skill of a tailor and seamstress, then packaged and delivered to one of the thousands of retail clothing stores in our Nation.

In all seriousness, National Sewing Month commemorates not only the contribution the sewing industry makes to our Nation's economy, but also to the millions of individuals who have acquired sewing skills in the home and school. National Sewing Month coincides with an industrywide promotion designed to increase home sewing interest, consumer education, and family sewing participation with a single universal theme.

For years, indeed for generations, the fundamentals of sewing have been taught in the family setting as well as the home economics classes of local elementary and secondary schools. For most individuals, sewing remains oriented toward the family and the home. It is estimated that over 50 million Americans sew at home and over 40 million sew at least part of their wardrobe. For others, of course, acquired sewing skills have led to valuable and creative careers in fashion design, retail merchandising, interior design, patternmaking, and the manufacture of textiles. The great majority of these careers have had their genesis in a home economics class where the enjoyment, pride, and creativity associated with sewing are first encountered.

The home sewing industry contributes greatly to the economic life of our Nation. The industry directly employs thousands of people. In addition, thousands more are teachers, mechanics, truck drivers, contractors, and other professionals associated with the home sewing industry. The industry generates over $3.5 billion in sales annually and invests millions of dollars in new plant and equipment. And, of course, many congressional districts represent factories, plants, stores, and sewing industry employees.

I again would like to thank Chairman GARCIA, ranking minority member JIM HANSEN and the members of the Census and Population Subcommittee for bringing this resolution celebrating National Sewing Month to the floor today.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 173

Whereas the sewing industry annually honors the approximately fifty million people who sew at home and the approximately forty million people who sew at least part of their wardrobe;

Whereas the home sewing industry generates over $3,500,000,000 annually for the economy of the United States; and

Whereas innumerable careers in fashion, retail merchandising, design, patternmaking, and textiles have had their genesis in the home and in elementary school home economics classes; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of September 1985 is designated "National Sewing Month". The President is requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FARM AID DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 384), designating September 22, 1985, as "Farm Aid Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. GARCIA. Mr. Speaker, will my colleague yield?

Mr. HANSEN. I am happy to yield to the distinguished chairman of the subcommittee, the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Mr. Speaker, I would just like to take a few moments because I believe this resolution is going to have a tremendous impact on the future of many of our farmers in the United States. It is interesting that I represent an inner city, in the city of New York, and that we are here talking about and I am here talking about farmers. But having watched a couple of newscasts, and watched Willie Nelson, who is one of the great American singers, and who is undertaking this task, I must commend him here publicly on the floor of this House.

But, coupled with that, there is no question in my mind that as we approach next week when we are going to be talking about the farm aid bill, and I come from, as I said before, the inner city of New York, that we are in this together, whether we are farmers from the rural communities of the Midwest or what part of the country, or whether we come from the cities of this great Nation. We have a serious problem today, and I would hope that that concert that is being put together on behalf of the farmers is something that will ring and come across to all Americans.

Farmers on almost a daily basis are going bankrupt, and I believe we have a crisis. I hope again that this concert is a concert that will really touch the minds and spirits of Americans.

I thank my colleague for yielding.

Mr. HANSEN. Mr. Speaker, I appreciate the excellent remarks of the gentleman from New York.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 384

Whereas the United States agricultural industry employs more people than any other sector of the economy;

Whereas the United States agricultural industry is in dire need of financial assistance;

Whereas the people of the United States must be made aware of the agricultural crisis which looms over the entire United States economy;

Whereas, on September 22, 1985, performers from all over the United States will gather to give the Farm Aid benefit concert, sponsored by country music legend Willie Nelson, which will be nationally broadcast live from the University of Illinois stadium in Champaign, Illinois;

Whereas the unity of, and cooperation among, concerned and caring performers, leaders, private voluntary organizations, corporations, government agencies, and others who are creating the Farm Aid concert will make it possible for the broadcast of the concert to heighten public awareness of the farmers' plight and stimulate financial contributions for needy farmers;

Whereas the broadcast of the Farm Aid concert will enable more than 2,500,000 people in the United States to learn more about the growing crisis in the United States agricultural industry, and will allow each individual to make a difference in the future production of food for our Nation; and

Whereas the magnitude of the farm crisis makes it both a rural and an urban problem,

and therefore a problem which must be immediately addressed: Now, therefore, be it

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That September 22, 1985, is designated as "Farm Aid Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the several joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMTRAK REAUTHORIZATION

The SPEAKER pro tempore. Pursuant to House Resolution 263 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2266.

□ 1155

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2266), authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes, with Mr. BENNETT (Chairman pro tempore) in the chair.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, September 17, 1985, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Section 601(b)(2) of the Rail Passenger Service Act (45 U.S.C. 601(b)(2)) is amended—

(1) in subparagraph (A) by striking out "and" after "403(b) of this Act;";

(2) in subparagraph (B) by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new subparagraphs:

"(C) not to exceed $616,000,000 for the fiscal year ending September 30, 1986.".

(b) LIMITATION.—Such section 601(b) is further amended by adding at the end a new paragraph as follows:

"(5) Unless sufficient funds are otherwise available to operate the Corporation's rail system at substantially the same level of service, maintenance, and equipment overhauls in effect on the date of the enactment of this paragraph, funds appropriated to or for the benefit of the Corporation under this section before the date of the enactment of this paragraph which the Corporation has designated for nonoperational capital projects shall be used as necessary to maintain the operations of the system at such level.".

The CHAIRMAN pro tempore. Are there any amendments to section 1?

Mr. FLORIO. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 2. STUDY COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the National Railroad Passenger Corporation Financial Status Commission (hereafter in this Act referred to as the "Commission").

(b) PURPOSE OF COMMISSION.—The purpose of the Commission is to study—

(1) the ability of the National Railroad Passenger Corporation (hereafter in this Act referred to as "Amtrak") to continue to improve, or to accelerate the improvement of, its financial performance;

(2) the short-term and long-term capital needs of Amtrak; and

(3) alternative funding mechanisms for Amtrak.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of fifteen members as follows:

(A) Two State legislators appointed by the National Conference of State Legislators, one from the area comprised of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia, and one from outside such area.

(B) Two members of the National Association of Railroad Passengers appointed by the President of such Association, one who lives in the area comprised of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia, and one who lives outside such area.

(C) A Member of the United States Senate appointed by the President pro tempore of the Senate.

(D) A Member of the United States House of Representatives appointed by the Speaker of the House.

(E) A State transportation official from a State financially participating in the program established under section 403(b) of the Rail Passenger Service Act, appointed by the Executive Director of the National Conference of State Railway Officials (NCSRO).

(F) A State transportation official from a State not participating in the program established under section 403(b) of the Rail Passenger Service Act, appointed by the Executive Director of the National Conference of State Railway Officials (NCSRO).

(G) A representative of the Department of Transportation designated by the Secretary of Transportation.

(H) A person appointed by the Railway Labor Executives' Association.

(I) A representative of freight railroads appointed by the Association of American Railroads or its successor.

(J) Two commuter authorities, as such term is defined for purposes of the Rail Passenger Service Act, appointed by the American Public Transit Association; one that operates exclusively within the area comprised of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia and one that operates exclusively outside such area.

(K) A person from the private sector, appointed by the President, with no financial interest in Amtrak or any competing mode of transportation.

(L) A representative of the passenger bus industry appointed by the President.

(2) SELECTION.—The members of the Commission shall be selected in accordance with paragraph (1) within sixty days after the date of enactment of this Act.

(3) EXPENSES.—Members of the Commission shall each be reimbursed actual expenses incurred in the actual performance of duties vested in the Commission.

(4) QUORUM.—Eight members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(5) CHAIRMAN.—The Chairman of the Commission shall be elected by the members of the Commission from among such members.

(6) ORGANIZATIONAL MEETING.—The members of the Commission shall hold their first meeting for the purpose of organizing the Commission and electing a Chairman under paragraph (4) within ninety days after the date of enactment of this Act.

(7) All meetings of the Commission shall be open to the public.

(d) STAFF OF COMMISSION.—

(1) STAFF.—Subject to such rules as may be prescribed by the Commission, the Chairman may appoint such personnel as the Chairman considers appropriate.

(2) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(3) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Commission, the Chairman may procure temporary and intermittent services under section 3109(b) of title, 5, United States Code.

(4) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

(e) POWERS OF COMMISSION.—

(1) HEARINGS AND SESSIONS.—The Commission, or, if so authorized by the Commission, any three members of the Commission, may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(2) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(f) REPORT.—The Commission shall transmit to the Congress a report not later than March 30, 1986. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation as it considers appropriate.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the purpose of carrying out this section not to exceed $1,000,000 for the fiscal year ending September 30, 1986, to remain available until expended.

SEC. 3. CAPITAL ASSETS.

Section 304(c) of the Rail Passenger Service Act (45 U.S.C. 544(c)) is amended by adding at the end thereof the following new paragraph:

"(3) The preferred stock issued pursuant to paragraphs (1) and (2) of this subsection shall be deemed to have been issued as of the date of receipt by the Corporation of the funds for which such stock is issued.".

SEC. 4. GOVERNMENT TRAVEL.

Section 306(f) of the Rail Passenger Service Act (45 U.S.C. 546(f)) is amended by inserting ", which shall include allowing the Corporation to participate in the contract air program administered by the General Services Administration in markets where service provided by the Corporation is competitive as to rates and total trip times" before the period.

SEC. 5. REPORT CONSOLIDATION.

Section 308(a) of the Rail Passenger Service Act (45 U.S.C. 548(a)) is amended to read as follows:

"(a) The Corporation shall submit to the Congress a report not later than February 15 of each year. The report shall include, for each route on which the Corporation operated intercity rail passenger service during the preceding fiscal year, data on ridership, passenger miles, short-term avoidable profit or loss per passenger mile, revenue-to-cost ratio, nues, the Federal subsidy, the non-Federal subsidy, and ontime performance.".

SEC. 6. CHARTER TRAINS

Section 402 of the Rail Passenger Service Act (45 U.S.C. 562) is amended:

(1) by repealing subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

SEC. 7. MISCELLANEOUS AMENDMENTS.

(a) AUDITS.—Section 805 of the Rail Passenger Service Act (45 U.S.C. 644) is amended:

(1) in subsection (2)(A) by striking out "shall conduct annually a" in the first sentence and inserting in lieu thereof "may conduct"; and

(2) in subsections (2)(A) and (2)(B) by striking "audit" wherever it appears and inserting in lieu thereof "audits".

(b) REPEAL OF STUDIES AND REPORTS.—Sections 306(k), 806, 810, and 811 of the Rail Passenger Service Act (45 U.S.C. 546(k), 645, 649, and 650) are repealed.

(c) EMERGENCY ASSISTANCE.—Title VII of the Rail Passenger Service Act (45 U.S.C. 621 and 622) is repealed.

(d) NORTHEAST CORRIDOR REPORTS.—Section 703(1)(D) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853(1)(D)) is repealed, effective October 1, 1986.

(3) PERFORMANCE EVALUATION CENTER.—Section 305(1) of the Rail Passenger Service Act (45 U.S.C. 545(1)) is repealed.

SEC. 8. REVENUE-COST RATIO.

Section 404(c)(4)(A) of the Rail Passenger Service Act (45 U.S.C. 564(c)(4)(a)) is amended by adding at the end the following new sentence: "Commencing in fiscal year 1986, the Corporation shall set a goal of recovering an amount sufficient that the ratio of its revenues, including contributions from States, agencies, and other persons, to costs, excluding capital costs, shall be at least 61 percent.

SEC. 9. LABOR-RELATED COST SAVINGS.

Amtrak and the representatives of employees of Amtrak shall negotiate changes in existing agreements between such parties that will result in substantial cost savings to Amtrak, and shall report the results of such negotiations to the Congress within six months after the date of enactment of this Act.

SEC. 10. ROUTE DISCONTINUANCE.

(a) PROHIBITION.—Amtrak shall not, by reason of any provision of this Act, including section 1, reduce the frequency of service on any line on which, as of May 1, 1985, three or fewer trains operate per week.

□ 1155

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 11, after line 25, add the following new section:

SEC. 11. UNSAFE FACILITIES.

Title VIII of the Rail Passenger Service Act (45 U.S.C. 641 et seq.) is amended by adding at the end the following new section:

"SEC. 812. UNSAFE FACILITIES.

"(a) The Corporation, or the owner of any facility which presents a danger to the employees, passengers, or property of the Corporation, may petition the Secretary for assistance to the owner of such facility for relocation or other remedial measures to minimize or eliminate such danger under this section.

"(b) If the Secretary determines that—

"(1) a facility which is the subject of a petition under subsection (a) presents a danger of death or serious injury to any employee or passenger of the Corporation or serious damage to any property of the Corporation; and

"(2) the owner of such facility should not be expected to bear the cost of relocating or other remedial measures necessary to minimize or eliminate such danger, the Secretary shall recommend to the Congress that the Congress, as a part of its periodic reauthorizations of this Act, authorize funding, by reimbursement or otherwise, for such relocation or other remedial measures.

"(c) Petitions may be submitted under subsection (a) of this section with respect to any relocation or remedial measures undertaken on or after January 1, 1978.".

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, I offer this amendment on behalf of the distinguished chairman of the Committee on Rules, the gentleman from Florida [Mr. PEPPER]. The amendment is virtually identical to the amendment that was adopted by the House about 2 weeks ago on the rail safety bill and merely provides a procedure whereby petitions may be submitted to the Secretary of Transportation for assistance in dealing with safety problems associated with Amtrak.

If the Secretary satisfies herself that the costs of remedial action should be considered by this Congress, a recommendation will be made to the Congress. At that point the Congress is charged with the responsibility of evaluating the merits of the recommendation. I do not believe this is controversial.

Mr. LENT. Mr. Chairman, will the gentleman yield to me?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, this amendment is the same one which was passed, as the gentleman indicated, during consideration of H.R. 5585, the Railroad Safety Improvement Act of 1984, and also H.R. 2372, the Railroad Safety Improvement Act of 1985. We have reviewed the amendment. The minority has no objection.

Mr. FLORIO. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment Offered by Mr. RICHARDSON: Page 2, line 10, strike out "$616,000,000" and insert in lieu thereof "$603,500,000".

Mr. RICHARDSON. Mr. Chairman, this amendment, which I believe is relatively uncontroversial, cleared by both sides, simply would reduce the authorized level of Amtrak by 11.5 percent consistent with the appropriations bill. The appropriations decision that was reached last week in the Department of Transportation appropriations, that is.

I believe that this is in line with fiscal responsibility. Let me just state for the record the importance that this Member feels, as the original author of this bill of Amtrak, as a rail passenger service, the outstanding qualities and services that it provides, and I believe that this is simply an amendment that brings us closer to fiscal responsibility.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, the gentleman's representation is correct. This amendment brings the authorization into conformity with the amount of money approved by this House. In the DOT appropriations bill. Mr. Chairman, I am prepared to accept the amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, as I understand this amendment it does not actually reduce Amtrak's funding any further; that was done last week during consideration of the DOT appropriations bill. Obviously, Amtrak cannot spend more in Federal funds then are appropriated for it. So the gentleman's amendment is not objectionable. I have no objection.

Mr. RICHARDSON. I thank the gentleman.

Mr. Chairman, the gentleman is exactly correct in his representation.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is my understanding, and I stand to be corrected if I am wrong, that this is an amendment that cuts us back from the $616 million in the committee bill to $603.5 million which is the amount agreed to on the appropriations bill the other day. And I think that that is a substantive improvement. It certainly gets us in the direction that we ought to be going.

I must express, however, my disappointment that we are not going to have an amendment on the floor which goes to the $582 million which was the implied budget figure.

I fully understand that we debated that. The gentleman from New Mexico who offered this amendment, in fact, offered that amendment on the floor the other day and it was defeated. So I can understand the need to come back to this figure.

But I do think it is important to recognize that we are engaged in a process here of an authorization following an appropriation and then taking the implied appropriation figure which just happens to be a figure above the implied budget figure as being the authorization figure.

You see what we are doing is, once again we are figuring out a way to slip around the budget process. That is my concern, that we are doing that day after day, in way after way, on the House floor.

I mean we are finding all kinds of mechanisms to get around the budget.

Now, there are a number of us who voted for that budget about 8 weeks ago, 6 or 8 weeks ago, who did not particularly like the budget. As a matter of fact, many of us recognized it to be a phony, that there were all kinds of phony figures in there, that the whole thing was a sham and that it was the only chance that we had of voting for anything that was going to try to target on some discipline in the House of Representatives. It was the only disciplinary tool we were going to get.

So therefore some of us voted for it as the only tool.

Now, despite the fact that it is a sham, despite the fact that the figures are phonies, we are finding ways on the House floor day after day, in way after way, to even violate the discipline that is in that budget.

The question has to be, how much longer are we going to allow this to go on without at least admitting to the American people that we are phonies, that this whole process is a total sham?

Because what we did in the budget on this particular program is, we said flatly in the budget, the implied amount in the budget was $582 million. We are now going to authorize and appropriate a fund, an amount of money which is $20 million above that amount.

And we are going to say throughout the process "that everything is within the budget, don't worry about it, and so on, we have figured out another way to get around the budget." Then someone else will bring a figure to the floor and we will say that that gets around the budget too.

And what that adds up to is that in the last 5 years Congress has overspent its own budgets by $150 billion. That is how it is done. That is where deficits come from. We overspend our own budgets, and we do it very consciously, and we do it on individual bill after individual bill.

That is what we are doing here. We are going to cut back a little bit on the authorization, we are going to cut back from $616 million to $603.5 million, but we are not going to get down to the budget figure. In fact, this committee is in a bind because they have now found themselves in a situation where, if they went to the $582 million, the $582 million would not hold up anyway because we have already agreed to an appropriation which is a figure above that. So the House is put in a bind. The House cannot even get down to the $582 million that a lot of people like myself would like to see us do. I contend that that is, in large part, the problem that is facing this country today. Deficits are not born; deficits are made. They are made right here in the House of Representatives on every occasion when we find a way around the Budget Act.

In this bill today we are finding another way around the Budget Act, and we are doing it to the detriment of this country because we are doing deficit add-on, and we do it consciously.

I intend to support the gentleman's amendment because it moves in the right direction. I do not intend, however, to support this legislation because it is a budget buster.

Mr. Chairman, I yield back the balance of my time.

Mr. COATS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment, briefly.

Mr. Chairman, I do rise in support of the gentleman's amendment. As everyone knows, we discussed this in the appropriations process last week and arrived at a figure constituting approximately 1.4-percent reduction in funding for Amtrak. There was disagreement, frankly, as to whether we could have gone further or not. The House voted its will in that matter.

I think it is important to note, however, that those of us who do support national rail passenger service, those of us who do support Amtrak, need to pull together and continue to work together to find ways to make this a more efficient, more effective rail passenger service.

There are things that can be done to accomplish this. There are a number of things that were discussed in committee. There will be amendments offered later in this process to deal with some of those questions.

I would hope that we could continue the process of making this a leaner, more efficient national rail system because, given the budget reality of a $200 billion deficit, spoken to by Mr. WALKER from Pennsylvania and others last week, it is critical that we examine every program that the Federal Government involves itself in and do whatever we can to make those programs more efficient.

Some of those programs probably will be eliminated. I do not believe this is one of them. Some of those programs need to be trimmed, made more efficient. Some of them need to be frozen. Some need to be increased; their demonstrated effectiveness is such that we may need to provide some increases.

In any event, I would hope all Members would scrutinize each piece of legislation to see where we could effect those savings and reduce the Federal deficit. I hope Members will be receptive to the efforts made here today, the efforts made in the Senate, and efforts that should be made on an ongoing basis to streamline Amtrak, to bring about reforms in programs that they are involved in, to make Amtrak a more efficient system.

Two examples of ways that Amtrak can reduce spending that I think we ought to give serious consideration to are: One, that Amtrak directly employ all its workers under the same rules that it presently employs workers in the Northeast corridor and on its Auto-Train. There is no reason why different rules should apply to one system; workers and employees for that system ought to be operating under the same rules.

I would hope we could move on that.

Second, we need to, I think, move forward with a proposal to allow Amtrak to transport unaccompanied motor vehicles on the Auto-Train. The first example can garner an estimated $30 million per year, and the second example, nearly $1 million per year, if we could just enact these two remedies.

There are others, and I will not take the time to discuss them now.

There are areas in labor contracts that can be adjusted, so that Amtrak can have a better handle on its spending.

Now, Mr. RICHARDSON'S amendment is a good one, because even though it does not go as far as some of us would have liked, it does move us in the direction that we ought to go and need to go in terms of saving some money and yet retaining Amtrak as a national rail passenger system.

So I would urge my colleagues to endorse this, to effect this savings and then continue to work together to find ways to make this a more efficient system.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Richardson: Page 3, line 14, strike out "fifteen" and insert in lieu thereof "seventeen".

Page 5, after line 20, insert the following:

(M) A representative of Amtrak appointed by the President of Amtrak.

(N) A representative of the Office of Management and Budget appointed by the Director fo such Office.

Page 6, line 5, strike out "Eight" and insert in lieu thereof "Nine".

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, I think this is a relatively noncontroversial amendment which I believe has been cleared by the chairman of the subcommittee and the ranking minority member.

What it would do is simply in the commission that is established in the Amtrak authorization bill, a commission designed to study alternative funding options and many other initiatives such as the gentleman, Mr. COATS from Indiana, mentioned, in this commission, my amendment would simply add 2 additional representatives to that 15-member commission. It would add a representative from Amtrak, and it would add a representative from the Office of Management and Budget. I believe this is a good addition to this commission. I especially want to thank my colleague, Mr. COATS from Indiana, for his outstanding support and leadership in this bill.

My amendments will do the following:

First, change the funding level from $616 million to $603.5 million. You are doing this to make it consistent with the DOT 12 percent appropriation.

Second, add two representatives to the study Commission—an Amtrak representative and an OMB representative. One would be appointed by the President of Amtrak, the other by the Director of OMB. The quorum numbers, will be changed from eight to nine because of the addition of two study commission members. Study Commission members are not paid, they are only reimbursed for expenses. The chairman of the Commission is elected by the members. The Commission is authorized $1 million. The Commission must transmit its initial report to Congress by March 30, 1986.

The membership is balanced: two State legislators, two members from National Rail Passengers Association, one Senator, one Congressman, two State transportation officials, one DOT representative, one rail labor representative, one rail freight representative, two commuter authorities, one bus industry representative, and one private sector representative.

My bill:

First, reauthorizes Amtrak for 1 year.

Second, includes an Amtrak Study Commission to improve performance of Amtrak and search for alternative sources of funding. Mrs. Dole clearly illustrated the need for this at hearings—there are many alternatives for Amtrak but it was apparent at the hearings that they had not been carefully examined. Before we can consider dramatic cuts we must study the impacts and the alternatives comprehensive plan which includes such things as those recommended by Mr. COATS of Indiana.

Third, sets a goal of improving revenue-to-cost ratio to 61 percent.

Fourth, urges labor contract negotiations to result in savings.

Fifth, allows Amtrak to participate in the Contract Air Program—making Federal travel on Amtrak eligible for reimbursement.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Indiana.

Mr. COATS. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for making this initial suggestion and offering this amendment. This is one of those steps that I think we need to take, and this will hopefully provide us with the kind of information we need so that we can effectively move Amtrak forward and bring about those efficiencies needed to continue nationwide rail passenger service.

I am happy to be able to support the amendment of the gentleman.

Mr. LENT. Mr. Chairman, will the gentleman yield to me?

Mr. RICHARDSON. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the author of the amendment, the gentleman from New Mexico, if the addition of these two people to the study Commission will require any additional Federal funds to be authorized.

Mr. RICHARDSON. No, it would not. The only thing it would change would be the number of members that would constitute a quorum. Previously it was eight, and it will now be nine.

There will be no change whatsoever in the funding.

Mr. LENT. I think that the amendment of the gentleman is a good one. I would certainly hope that the representative of Amtrak to be added to the Commission might be someone of the caliber of Mr. Graham Claytor, the president of Amtrak.

Mr. RICHARDSON. I would agree with that. I think he would be a fine addition. He has the option of appointing himself. The president of Amtrak appoints the Amtrak representative, and the Director of OMB appoints the OMB representative.

Mr. Chairman, I yield back the balance of my time.

□ 1210

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. EVANS OF ILLINOIS

Mr. EVANS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Illinois: At the end of the bill, insert the following new section:

SEC. 11. EMPLOYMENT VACANCY FILING.

(a) LIABILITY.—Section 704(c) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 797c(c)) is amended—

(1) by inserting "(1)" after "VACANCY NOTICES.—"; and

(2) by adding at the end a new paragraph as follows:

"(2)(A) As soon as the Board becomes aware of any failure on the part of a railroad to comply with paragraph (1) the Board shall issue a warning to such railroad of its potential liability under subparagraph (B).

"(B) Any railroad failing to comply with paragraph (1) of this subsection after being warned by the Board under subparagraph (A) shall be liable for a civil penalty in the amount of $1,000 for each vacancy with respect to which such railroad has so failed to comply.".

(b) EXTENSION.—Section 704(f) of such Act (45 U.S.C. 797c(f)) is amended by striking out "4-year" and inserting in lieu thereof "6-year".

(c) EFFECTIVE DATES.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act, and the amendment made by subsection (b) shall be effective as of August 1, 1985.

Mr. EVANS of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. EVANS of Illinois. Mr. Chairman, today I am offering an amendment to the Amtrak authorization bill which is designed to protect the rights of unemployed railroad workers.

Under section 704 of the Regional Rail Reorganization Act of 1973, also known as the "3R Act," Congress ensured thousands of railroad workers certain right-of-first-hire protections. These preferrential hiring protections require the Railroad Retirement Board to maintain a list of unemployed railroad workers in order to promote the placement of those workers who possess the requisite skills and experience in appropriate positions with other railroads.

The railroads, in turn, are required to timely file with the Board any position vacancies for which the railroad intends to accept applications from workers other than the railroad's own employees.

This arrangement should work out well—railroads report the job vacancies to the Board. And the Board forwards to the railroad a list of eligible and capable workers seeking jobs.

But there's a problem: What happens if the railroad fails to report job vacancies to the Board?

Under current law, absolutely nothing happens. The Board has no statutory authority to enforce the reporting requirements Congress so clearly mandated in section 704 of the 3R Act.

My amendment is a simple, straightforward attempt to correct this situation. It first extends for 2 years the requirement to maintain the registry of former railroad workers seeking a job. This requirement expired just this past August.

Second, it directs the Railroad Retirement Board to issue an official warning to any railroad found guilty of a first violation of the job reporting requirement contained in section 704(c) of the act. Following such a warning, any railroad found guilty of a second or subsequent violation of the law would be subject to a civil fine. This penalty would amount to $1,000 for each job vacancy not reported to the Board.

This amendment is a fair, reasonable solution to a very real problem. The Railroad Retirement Board has informed me that it believes most railroads do comply with the job reporting requirements. If this is so, my amendment will pose no threat or financial hardship to the law-abiding railroads.

But I have evidence, which I present to the distinguished chairman of the Commerce, Transportation and Tourism Subcommittee, Mr. FLORIO, that violations of the law have occurred. On such occasions, Congress should not be silent.

We must make it known that when a law is violated, appropriate sanctions will be imposed. If no appropriate enforcement mechanism exists, any law we pass is meaningless.

I would like to note that a similar amendment, when offered to the Amtrak authorization last Congress, passed by voice vote. However, as you know, the House-passed bill never received final action.

I urge my colleagues to support this simple, fair and reasonable amendment to ensure that the rights Congress awarded unemployed railroad workers are adequately protected.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Illinois. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, we have reviewed the amendment. The amendment is desirable, and we are prepared to support it.

Mr. EVANS of Illinois. I thank the chairman of the subcommittee for his concerns.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Illinois. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I just want to ask the gentleman if this is not similar to the amendment offered and passed by the House last Congress, during consideration of H.R. 3648, the Amtrak Improvement Act of 1983. It would appear to be so.

Mr. EVANS of Illinois. The gentleman is correct; however, that particular amendment was not enacted in subsequent legislation by the Senate.

Mr. LENT. This amendment would extend section 704(c) for an additional 2 years, and it would also add to that section a requirement that the Railroad Retirement Board issue a warning to any rail carrier who fails to file a job vacancy notice with the Board, and the penalty would be imposed on any carrier which violates the requirement the second time. Is that correct?

Mr. EVANS of Illinois. The gentleman is correct.

Mr. LENT. Mr. Chairman, I think the amendment of the gentleman from Illinois has a great deal of merit and we are going to support it.

Mr. EVANS of Illinois. Mr. Chairman, I thank both the chairman and the ranking member for their consideration and concern, and yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman form Illinois (Mr. EVANS.)

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RINALDO

Mr. RINALDO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RINALDO: Page 11, after line 25, insert the following new section:

SEC. 12. TRANSPORTATION OF UNOCCUPIED VEHICLES.

Section 103(3) of the Rail Passenger Service Act (45 U.S.C. 502(3)) is amended by inserting ", and, when space is available, of unoccupied vehicles" after "and their occupants".

Mr. RINALDO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RINALDO. Mr. Chairman, I am offering an amendment to the Rail Passenger Service Act which would authorize Amtrak to transport unaccompanied vehicles on its auto train operation.

Amtrak took over the Auto-Train which runs from Lorton, VA. to Seward, FL, on October 1, 1983. It has met with remarkable success increasing its frequency of operation from 3

to 7 days a week, and more than doubling its revenue from this service over the last 2 years.

Yet, the full potential of this enterprise cannot be recognized because of provisions in the law which prohibit unattended vehicles from being transported by Auto-Train. In practical terms this means that during the late fall and early winter when southbound traffic is at full capacity, the train returns North almost empty. This occurs despite the fact that many car rental companies have sought permission to use this space at a significant fee to Amtrak.

The railroad has stated that it will transport these vehicles on a space-available basis. This would mean that current users would not be inconvenienced, and thousands of others who would like to avail themselves of this service but have been prohibited from doing so because of the law could be accommodated.

Amtrak has been financially squeezed over the past few years because of reduced Federal aid. However, it has shown that even under those conditions, it can provide quality service.

This Congress must assist and give them the capability of better utilizing their resources. I believe that my amendment is a step in that direction, and urge my colleagues to join me in support of this revenue-raising measure.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. RINALDO. I yield to the gentleman, from New Jersey.

Mr. FLORIO. Mr. Chairman, I am prepared to support the amendment of the gentleman from New Jersey [Mr. RINALDO]. I think it is a desirable amendment; I think it is key to appreciate the fact that what we are doing is providing the authority to Amtrack to become involved in this practice rather than mandating it.

I heard some of the comments earlier on different areas with suggestions being that we start mandating practices for Amtrak, allegedly to bring about efficiencies. I think we have got to be clear and careful that we do not intrude into the process of Amtrak. Over the last number of years we have tried to have the system operate in a business-like fashion, without political involvement in the management system; and that has resulted in some very good efficiencies.

The gentleman's amendment provides the authority to Amtrak to become involved in this practice; hopefully, if it generates revenues.

So I think the gentleman's amendment is a good one, and I am prepared to support it.

Mr. RINALDO. Mr. Chairman, I want to thank the gentleman from New Jersey [Mr. FLORIO] for his support, and I completely agree with his statement regarding political intrusion into the operation of Amtrak.

Mr. LENT. Will the gentleman yield?

Mr. RINALDO. I yield to the gentleman.

Mr. LENT. Mr. Chairman, the gentleman from Indiana [Mr. COATS] earlier, during a colloquy on a previous amendment, indicated that it is really up to the Congress to find some ways, in working with Amtrak, to make this a more efficient and a more effective service.

I understand that Amtrak is successfully operating an Auto-Train now between Lorton, VA, and Sanford, FL, and while that Auto-Train is a revenue-generating venture, there are times when there is unused space in that train.

Would not the gentleman's amendment simply allow Amtrak to fill this available space with cars which are not accompanied by occupants?

Mr. RINALDO. The gentleman is correct. As a matter of fact, Mr. Chairman, Amtrak has estimated that it could earn up to $1 million in additional revenues each year if the restriction were removed. Associated expenses would be minimal, since the railroad is required to have in place not only its physical plant but also its operating personnel.

Mr. LENT. I want to commend the gentleman for this amendment. We have a bill before us, H.R. 2266, which actually reduces Amtrak's Federal funding. In this legislation Congress is asking Amtrak to increase its revenue-to-cost ratio and, thereby, decrease its reliance on the American taxpayer.

The initiative offered by the gentleman from New Jersey [Mr. RINALDO] would assist Amtrak in its effort to achieve that goal, and I am pleased to be able to support the gentleman's amendment.

Mr. RINALDO. I want to thank my good friend for his support.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey [Mr. RINALDO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLEY: At the end of the bill insert the following new section:

SEC. 11. RAIL EMPLOYEE TAXES.

Section 11504(a) of title 49, United States Code, is amended by adding at the end the following new paragraph:

"(3) No part of the compensation paid by a rail carrier providing transportation subject to the jurisdiction of the Interstate Commerce Commission under subchapter I of chapter 105 of this title to an employee who performs his regular assigned duties as such an employee on a railroad in more than one State, shall be subject to the income tax laws of any State or subdivision thereof other than a State or subdivision thereof described in paragraph (2) of this subsection.".

Mr. FOLEY. Mr. Chairman, this provision was included in the previous authorization bill with the generous support of the floor managers on the majority and minority sides and was passed accordingly by the House as part of that authorization.

Very briefly, it incorporates into the test of liability for taxes owed by railroad workers who operate in more than one State what we presently require for withholding purposes of State income taxes. Namely, that before a State other than that in which an individual resides can withhold State income taxes under Federal law, 50 percent of that individual's time or mileage must spent be in it.

As the situation stands, currently some States are trying to require railroad workers who do not reside within their borders but pass through them in the performance of their work to pay State their income tax.

Mr. FLORIO. Will the gentleman yield?

Mr. FOLEY. I yield to the gentleman.

Mr. FLORIO. Mr. Chairman, the gentleman's arguments are equally persuasive today as they were last year when this House passed this amendment, and I am prepared to support the amendment.

Mr. LENT. Will the gentleman yield?

Mr. FOLEY. I yield to the gentleman.

Mr. LENT. Mr. Chairman, this is the same amendment, I believe the gentleman indicated, that was offered and passed by the House last Congress during consideration of H.R. 3648, the Amtrak Improvement Act of 1983. Is that correct?

Mr. FOLEY. The gentleman is correct.

Mr. LENT. Mr. Chairman, I have no objections to this amendment.

Mr. FOLEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. FOLEY].

The amendment was agreed to.

Mr. JEFFORDS. Mr. Chairman, I rise in strong support of H.R. 2266, the Amtrak Reauthorization Act of 1985, as reported by the Committee on Energy and Commerce.

This legislation represents a rational and fiscally responsible reauthorization of the National Railroad Passenger Corporation that will ensure the continued existence of viable passenger rail service in this country. Amtrak, since its inception in 1971, has proven to be an energy-efficient people mover. Despite any claims to the contrary, it is crucial that we continue this alterna-

tive transportation option. Our energy picture is not so rosey for us to begin abandoning or scaling-back effective conservation efforts such as this.

Amtrak is not only an efficient people mover, it is a very popular one. The Corporation's slogan, "America Is Into Training," is right on the mark. This year, by Amtrak estimates, will prove to be the third consecutive year of ridership increases with over 20.7 million passsengers. It is also the fourth consecutive year passenger miles have increased and the system's revenue to operating cost ratio has improved. Many trains during the busy tourism season are running at or near capacity and Amtrak's on-time record continues to improve.

My home State of Vermont benefits greatly from Amtrak service. Amtrak's Montrealer offers an attractive alternative means of transportation to the greater metropolitan areas to our south for business and other purposes. The current schedule for the train allows Vermonters to travel overnight, ready for a full day at their final destination. In fact the popularity of the Montrealer among Vermonters was just recently made more apparent to me when it was announced that the train may be changed from a nighttime to a daytime schedule. This suggestion inspired quite a response from my constitutents. The overwhelming reaction was that any change would significantly diminish the usefulness and attractiveness of the Montrealer. This feedback not only reenforced the support of Vermonters for Amtrak service but also the value of this service as a real transportation option.

Mr. Chairman, I support Mr. RICHARDSON'S amendment to adjust the level of operating funds for Amtrak suggested in this legislation. This funding level represents approximately an 11.5-percent cut from last year's level. This is consistent with the House-passed transportation appropriations bill and according to Amtrak officials can be absorbed without any disruption of current services. It is very important that we maintain a national passenger rail system. Today's legislation with amendment responsibly provides effective funding for Amtrak while contributing to reducing our Federal deficit. I urge all my colleagues to support this initiative.

Mrs. COLLINS. Mr. Chairman, today, as we debate Amtrak's authorization, I find myself in a difficult position. I fully support Amtrak, an essential component of the American transportation network. I am proud of the fact that East meets West in my district at Chicago Union Station. Over 20,000 hard-working men and women are employed by the National Railroad Passenger Corporation.

However, as chairwoman of the Subcommittee on Government Activities and Transportation, I have been overseeing Amtrak operations for more than 1 year. As an Amtrak supporter, I am sorry to say that Amtrak is a troubled Corporation. Last year, I was shocked to learn of the ease with which some of Amtrak's managers were able to undermine the procedural protections afforded unionized employees accused of rule infractions. This year I learned that one of the same managers involved in several years of labor abuse was himself responsible for creating a slush fund in one of Amtrak's diesel facilities, a scheme undetected by the Corporation until unionized employees stepped forward. My subcommittee is now investigating newer areas where management accountability is dubious.

GAO is now reviewing Amtrak procurement and property control practices at the request of my subcommittee. My ranking subcommittee colleague, Mr. MCCANDLESS, and I made this request jointly. The subcommittee is meanwhile reviewing related aspects of this larger GAO project and will move ahead in this area in the coming months.

For the time being I urge all Members to support Amtrak legislation with an eye toward greatly increasing congressional oversight of this entity which we, in Congress, created. There are many management and union employees of Amtrak who yearn for greater congressional oversight because many of the problems within the Corporation have stagnated for years before they surfaced. Many of these employees believe that their Corporation will not survive unless Congress performs its oversight duties with even greater diligence.

Upon completion of my oversight, the Government Operations Committee will report to Congress its findings and recommendations. I earnestly hope Amtrak's next authorization will address the needed changes so that Federal subsidies of this Corporation may be better spent on passenger service. In the meantime I strongly urge passage of this appropriations legislation.

Ms. MIKULSKI. Mr. Chairman, I strongly support the Amtrak authorization for fiscal year 1986, because a cutoff of Federal funds for Amtrak will have a terrible impact on our economy. The administration may believe that a cutoff of Amtrak funds is good for the Treasury, but the fact is it's bad for our economy. No Amtrak means no jobs. No Amtrak means more crowding of already overcrowded buses and planes. No Amtrak means trouble for railroad retirement.

This past summer we've witnessed a surge in train travel. This past July was the best July for Amtrak in the railroad's 14-year history. Ridership for 1985 appears certain to smash the 20 million mark. The volume of calls to Amtrak reservation centers this August was up 18 percent over last August. Now is not the time to abandon Amtrak. The administration's proposal to eliminate funding for Amtrak is not justifiable when one considers the effectiveness of the program or the value of the service Amtrak provides.

It's a fact that the administration's proposal would result in the cessation of all Amtrak service on October 1, 1985. This would mean the end of national intercity rail passenger service, and it would result in scrapping most of Amtrak's assets, substantial unemployment, and a potential Federal labor protection liability of $2.1 billion.

This bill provides $616 million for Amtrak in fiscal year 1986, and creates a commission to study ways to make Amtrak self-sufficient. This approach provides a downpayment on the deficit, while protecting the vital service of Amtrak.

Over the last few weeks I've heard from hundreds of individuals from all economic groups. Each person has said that Amtrak is vital to them because it provides safe, affordable, reliable transportation. They want to keep Amtrak and so do I.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 2266, a bill providing for the authorization of Amtrak for fiscal year 1986.

As a Member of Congress from Massachusetts, which State contains the northern terminus of Amtrak's Northeast corridor, I have followed Amtrak's progress with great interest since its humble origins in 1971. As the cochairman of the New England Congressional Caucus, which was formed in part to deal with the problem of preserving rail service in the face of the northeastern railroad bankruptcies, and as a member of the Transportation Appropriations Subcommittee, I have constantly fought to provide Amtrak with the resources needed to preserve and improve rail passenger service in this country.

Amtrak has made dramatic improvements during the past 14 years in its on-time performance, its operating efficiency, and its revenue to cost ratio. Amtrak's level of subsidy has steadily decreased, and it has met or exceeded the revenue to cost ratio requirements that the Congress has set for it.

As I indicated last week during our debate on the fiscal year 1986 Transportation appropriations bill, it would be a transportation policy disaster, and a penny-wise, pound-foolish fiscal error, to cut Amtrak off just as it seems to be coming into its own. Ridership figures from my district, in western Massachusetts, indicate that Amtrak is increasingly popular, and I am sure that its performance will continue to improve if we do not make inappropriate cuts in its level of funding.

Although I would have preferred to see the continuation of Amtrak funding at last year's level, I believe that the 10-percent cut called for in this bill, to a level of $616 million, is one that will permit Amtrak to continue its operations at an acceptable level. Last week the House rejected, by a vote of 173 to 245, an effort to make a 15-percent cut in Amtrak funding. I trust that represents a sufficient indication of congressional support for Amtrak, and urge the adoption of this bill at the reported authorization level.

Mr. RICHARDSON. Mr. Chairman, I rise in strong support of H.R. 2266, the Amtrak authorization bill of 1985.

Mr. Chairman, Amtrak provides a vital service to the Nation. we are all familiar with the attempts by this administration to eliminate Federal funding for Amtrak—fortunately, most of us don't support them.

We are all looking at ways to streamline Federal programs and cut back on nonessential services—Amtrak, however, does not fall into the nonessential category.

Twenty million people depend on Amtrak each year—many of them are elderly or cannot fly. Amtrak serves many communities which have no access to other forms of public transportation. It serves 161 communities which have no air service, 52 communities with no bus service and 29 communities with neither bus nor air service. In the event of a national emergency, Amtrak would be able to carry almost 76,000 military personnel, supplementing additional military mobilization plans.

There is strong support in the Congress for Amtrak. We recognize its importance to the national transportation network. H.R. 2266 will ensure the survival of passenger rail service in the country. It is also a fiscally responsible bill—it includes a 10-percent cut from the 1985 funding level and I will be offering an amendment today to reduce it further, in line with the amount appropriated in the DOT appropriation. In addition, H.R. 2266, while recognizing that cuts can and must be made in Federal programs, provides protections against loss of services and routes by requiring that "unless sufficient funds are otherwise available to operate the corporation's rail system at substantially the same level of service, maintenance and equipment overhauls, funds appropriated for nonoperational capital projects shall be used to maintain" current levels of service. Finally, and extremely important to Western and rural States like my home State of New Mexico, lines served by three or fewer trains per week, are prohibited from reductions in service.

While no one supports a balanced budget more than I, I also believe that the rail passenger service provided by Amtrak is vital to our economy, to our security, and to our national health and well-being. I do not advocate unlimited and indiscriminate funding, of rail passenger service—in fact, I advocate just the opposite. With H.R. 2266, I am advocating judicious use of the Federal dollar, congressional willingness to save taxpayer's money, the need to cut back Amtrak funding and serious examination of alternative sources of funding for Amtrak through an Amtrak study commission. Nonetheless, I believe rail passenger service to be important to the future of our country—and congressional support of Amtrak to be important to the future of rail passenger service.

I urge my colleagues to join with me in support of Amtrak and H.R. 2266.

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The CHAIRMAN pro tempore. Are there any further amendments to the bill? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BENNETT, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes, pursuant to House Resolution 263, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

Mr. Speaker, it would be my intention to ask for a recorded vote on the final passage of this bill. However, it has come to my attention that the electronic voting system that we typically use in the House of Representatives is not functioning, and under the rule XV, clause 5, the Speaker does in fact have the discretion to have the vote be by rollcall vote of the Members rather than by electronic means.

It is my reading that the intent of the Constitution and the intent of the rules of this House is to assure that Members of Congress, when casting their vote, do so wholly in public so that the Member's vote is in fact known to the public at the time he or she casts that vote.

It seems to me that if we have an electronic voting system which is not giving the American people that opportunity to understand the votes of their Representatives at the time that vote is cast that we ought to revert to the system that is the underlying system of the House of a voice vote, which in fact that record the Member's vote precisely that way. I would ask, Mr. Speaker, that under the discretion given the Chair in rule XV, the Chair exercise that particular authority with regard to the uncoming vote.

The SPEAKER. In response to the gentleman, the Chair would state that the Chair by utilizing the electronic system is following precedent of June 1, 1977, June 21, 1978, July 18, 1979, October 21, 1981, and September 18, 1985. So there are several precedents.

The Constitution requires that the yeas and nays be spread upon the Journal, and that is what the rules of the House have always guaranteed, both prior to and subsequent to electronic voting. Consequently, the Chair believes that the proper method is being used and that there are precedents therefor.

The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote will be taken by electronic device.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair has been advised that while the electronic display panels are not working, all voting stations are operating. The Chair will direct that all vote-monitoring stations be staffed with personnel so that any Member may go to another monitor and verify his or her vote.

Members may also verify their votes, as they should on any vote, by reinserting their card at the same or at another voting station.

The Chair has now been informed that the voting stations are not working. The House will revert to a standby procedure.

The Clerk will call the roll.

The question was taken; and there were—yeas 290, nays 128, not voting 16, as follows:

[Roll No. 313]

YEAS—290

Ackerman	Brooks	Dellums
Akaka	Brown (CA)	Derrick
Alexander	Bruce	DeWine
Anderson	Burton (CA)	Dicks
Andrews	Bustamante	Dingell
Annunzio	Byron	DioGuardi
Anthony	Campbell	Dixon
Applegate	Carney	Donnelly
Aspin	Carper	Dorgan (ND)
Atkins	Carr	Dowdy
AuCoin	Chapman	Downey
Barnes	Chappell	Durbin
Bateman	Chappie	Dwyer
Bates	Clay	Dymally
Bedell	Clinger	Dyson
Beilenson	Coats	Early
Bennett	Coelho	Eckart (OH)
Bentley	Coleman (TX)	Edgar
Berman	Collins	Edwards (CA)
Biaggi	Conte	Emerson
Boehlert	Conyers	Erdreich
Boggs	Coughlin	Evans (IA)
Boland	Courter	Evans (IL)
Boner (TN)	Coyne	Fascell
Bonior (MI)	Crockett	Fazio
Bonker	Darden	Feighan
Borski	Daschle	Florio
Bosco	Daub	Foglietta
Boucher	Davis	Foley
Boxer	de la Garza	Ford (MI)

Fowler	Markey	Scheuer
Frank	Marlenee	Schneider
Frost	Martin (NY)	Schroeder
Gallo	Martinez	Schulze
Garcia	Matsui	Schumer
Gaydos	Mavroules	Selberling
Gejdenson	Mazzoli	Sharp
Gekas	McCloskey	Shelby
Gephardt	McCollum	Shuster
Gilman	McDade	Sikorski
Glickman	McGrath	Sisisky
Gonzalez	McHugh	Skelton
Gordon	McKinney	Slattery
Gray (IL)	Mica	Slaughter
Green	Mikulski	Smith (FL)
Guarini	Miller (CA)	Smith (IA)
Hall (OH)	Mineta	Smith (NE)
Hall, Ralph	Mitchell	Smith (NJ)
Hamilton	Moakley	Smith, Robert
Hammerschmidt	Molinari	Solarz
Hatcher	Mollohan	Solomon
Hawkins	Montgomery	Spence
Hayes	Moody	Spratt
Hefner	Morrison (CT)	St Germain
Heftel	Mrazek	Staggers
Henry	Murphy	Stallings
Hertel	Murtha	Stangeland
Hillis	Myers	Stokes
Holt	Natcher	Stratton
Horton	Nichols	Studds
Howard	Nowak	Stump
Hoyer	O'Brien	Synar
Hughes	Oakar	Tallon
Hutto	Olin	Tauke
Jacobs	Ortiz	Tauzin
Jeffords	Panetta	Taylor
Jenkins	Parris	Thomas (GA)
Johnson	Pashayan	Torres
Jones (NC)	Pease	Torricelli
Kanjorski	Penny	Towns
Kaptur	Pepper	Traficant
Kastenmeier	Perkins	Traxler
Kennelly	Petri	Udall
Kildee	Pickle	Vento
Kindness	Price	Visclosky
Kleczka	Pursell	Volkmer
Kolter	Rahall	Walgren
Kostmayer	Rangel	Waxman
LaFalce	Ray	Weaver
Lantos	Regula	Weiss
Leach (IA)	Reid	Wheat
Lehman (FL)	Richardson	Whittaker
Leland	Rinaldo	Whitten
Lent	Ritter	Williams
Levin (MI)	Robinson	Wilson
Levine (CA)	Rodino	Wirth
Lewis (CA)	Roe	Wise
Lightfoot	Rose	Wolf
Lipinski	Rostenkowski	Wolpe
Lloyd	Roukema	Wortley
Lowry (WA)	Rowland (CT)	Wright
Lujan	Rowland (GA)	Wyden
Luken	Roybal	Wylie
Lundine	Russo	Yates
MacKay	Sabo	Yatron
Madigan	Savage	Young (MO)
Manton	Saxton	

NAYS—128

Archer	Dannemeyer	Hartnett
Armey	DeLay	Hendon
Badham	Dickinson	Hiler
Barnard	Dornan (CA)	Hopkins
Bartlett	Dreier	Hubbard
Barton	Duncan	Huckaby
Bereuter	Eckert (NY)	Hunter
Bilirakis	Edwards (OK)	Hyde
Bliley	English	Ireland
Boulter	Fawell	Jones (TN)
Breaux	Fiedler	Kasich
Broomfield	Fields	Kemp
Brown (CO)	Fish	Kolbe
Broyhill	Flippo	Kramer
Burton (IN)	Ford (TN)	Lagomarsino
Callahan	Franklin	Latta
Chandler	Frenzel	Leath (TX)
Cheney	Fuqua	Lewis (FL)
Cobey	Gibbons	Livingston
Coble	Gingrich	Loeffler
Coleman (MO)	Goodling	Lott
Combest	Gradison	Lowery (CA)
Cooper	Gregg	Lungren
Craig	Grotberg	Mack
Crane	Gunderson	Martin (IL)
Daniel	Hansen	McCain
McCandless	Packard	Stenholm
McCurdy	Porter	Strang
McEwen	Quillen	Sundquist
McKernan	Roberts	Sweeney
McMillan	Roemer	Swindall
Meyers	Rogers	Thomas (CA)
Michel	Schaefer	Valentine
Miller (OH)	Schuette	Vander Jagt
Miller (WA)	Sensenbrenner	Vucanovich
Monson	Shaw	Walker
Moore	Shumway	Watkins
Moorhead	Siljander	Weber
Morrison (WA)	Skeen	Whitehurst
Neal	Smith (NH)	Whitley
Nelson	Smith, Denny	Young (AK)
Nielson	Snowe	Young (FL)
Oxley	Snyder	Zschau

NOT VOTING—15

Addabbo	Long	Rudd
Bevill	Oberstar	Stark
Bryant	Obey	Swift
Gray (PA)	Owens	
Jones (OK)	Ridge	
Lehman (CA)	Roth	

□ 1255

So the bill was passed.

The result of the vote was announced as above recorded.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill authorizing appropriations for Amtrak for fiscal year 1986, establishing a commission to study the financial status of Amtrak, and for other purposes."

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2266, AMTRAK REAUTHORIZATION

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2266, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending that bill.

The SPEAKER pro tempore (Mr. WISE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

GENERAL LEAVE

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter therein, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

PERSONAL EXPLANATION

Mr. RAHALL. Mr. Speaker, because it was necessary for me to attend a conference of the West Virginia Housing Authority in my congressional district last evening, September 18, 1985, I unavoidably missed the following votes: roll Nos. 310, 311, and 312. Had I been present, I would have voted "nay" on roll Nos. 310 and 311 and "yea" on roll No. 312.

CONGRESSIONAL RECORD PRINTING OF AMENDMENTS TO H.R. 2100, FOOD SECURITY ACT OF 1985

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute.)

Mr. DE LA GARZA. Mr. Speaker, I have been asked by the chairman of the Rules Committee, the distinguished gentleman from Florida [Mr. PEPPER], to advise the Members that the Rules Committee would incorporate in the rule to provide for consideration of H.R. 2100, the farm bill, a provision that all amendments to H.R. 2100 be printed in the RECORD prior to the close of business on Tuesday. I might inform the Members that we did not request this per se, but it is the intention of the Rules Committee to make this provision for orderly consideration in regard to the budget process.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 2100

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight to file a privileged report on H.R. 2100.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. LOTT. Mr. Speaker, reserving the right to object, I take this time for the purpose of asking a couple of questions of the gentleman from South Carolina.

Just so that the Members will once again be reassured on the schedule for Friday, I wonder if the gentleman from South Carolina can confirm once again that on tomorrow, Friday, there will only be votes on two rules and then general debate, and there will not be any votes on substantive amendments to the farm bill out of the Agriculture Committee?

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, that is my understanding.

□ 1310

Mr. DERRICK. That is my understanding.

Mr. LOTT. Further reserving the right to object, Mr. Speaker, I yield to the distinguished chairman of the Agriculture Committee.

Mr. DE LA GARZA. Mr. Speaker, that is my understanding also. We do not know yet if the general debate will be two hours plus something for the Merchant Marine Committee on another

issue, but my understanding is that we are to proceed no further.

Mr. LOTT. Mr. Speaker, I thank the gentleman very much.

Further reserving the right to object, Mr. Speaker, can the gentleman give us information on the rule? Will it be basically an open rule, subject to amendment, and will there not be any limitation, time limitation, on the specific titles or the amendments?

I yield to the gentleman from South Carolina.

Mr. DERRICK. Well, Mr. Speaker, I cannot guarantee that. We have not taken it up, but it is my understanding that there will be no time limitation, that is correct.

Mr. LOTT. So it will be an open rule, so that amendments would be in order.

Mr. DERRICK. That is what has been requested by the Agriculture Committee and as I perceive it, that is what we will do, although I cannot give the gentleman an absolute guarantee.

Mr. LOTT. That is the intent of the Rules Committee at this time?

Mr. DERRICK. That is right.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me under his reservation?

Mr. LOTT. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I wonder if the gentleman could find out whether or not there might be any budget waivers contemplated on the rule on the Agriculture bill.

Mr. LOTT. I would be happy to yield to the gentleman from South Carolina on budget waivers. I do not recall any being requested.

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, the Agriculture Committee is within the overall limit. We do not anticipate any budget waivers.

Mr. WALKER. There are no—either technical waivers or substantive waivers contemplated?

Mr. LOTT. I am advised by counsel that there may be a need for a waiver because of the entitlement provisions of some of the farm bill.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, so we are likely to have a situation on the floor tomorrow where we would be waiving the entitlement section of the Budget Act once again, as we have last week at one point?

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, it is my understanding that the Rules Committee will probably give a waiver on sections 303(a), 402(a), and 401(a).

Mr. WALKER. That does include the entitlement section?

Mr. DERRICK. It does.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Mr. LOTT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. DERRICK]?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3248, ARTS, HUMANITIES, AND MUSEUMS AMENDMENTS OF 1985

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 99-276) on the resolution (H. Res. 266) providing for the consideration of the bill (H.R. 3248) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, which was referred to the House Calendar and ordered to be printed.

EXPRESSING SOLIDARITY WITH THE SAKHAROV FAMILY

Mr. YATRON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 62) expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I take this time to afford the gentleman from Pennsylvania, the chairman of the subcommittee, an opportunity to explain the purpose of the resolution.

I yield to the gentleman from Pennsylvania.

Mr. YATRON. Mr. Speaker, I rise in strong support of Senate Concurrent Resolution 62 which expresses solidarity with the Sakharov family in their efforts to exercise their rights under various U.N. instruments and human rights agreements signed by the Soviet Union.

What makes the passage of this resolution particularly important is the declining health of Dr. Andrei Sakharov and his wife, Dr. Yelena Bonner. Dr. Bonner is believed to be in dire need of medical attention which can only be provided in the West. Dr. Sakharov, a Nobel laureate, in response to his illegal incarceration and in an effort to embarrass his Soviet captors into releasing his wife, has undertaken a hunger strike.

Mr. Speaker, the plight of this brave couple is the most illustrative example of the Soviet Government's blatant disregard for basic standards of human rights. But these two people are among thousands of Soviet citizens who are denied their individual freedom and dignity. It is my hope that this resolution focuses worldwide attention on Dr. Andrei Sakharov and his wife. They fought so valiantly to preserve the rights of others, now it is up to us to do what we can to preserve theirs.

I want to commend the gentleman from New York, BEN GILMAN, and the gentleman from Massachusetts, BARNEY FRANK, for their leadership, dedication, and perseverance. They have fought valiantly on behalf of the Sakharovs, as they have for many others who have been denied their human rights throughout the world.

Mr. BROOMFIELD. Mr. Speaker, I yield to the chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Speaker, will the gentleman from Michigan at this point withdraw his reservation so we can yield him some time?

Mr. BROOMFIELD. I would be happy to do that, Mr. Speaker.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. YATRON]?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 62

Whereas, the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion, and expression;

Whereas, this same Declaration states that "no one shall be subjected to arbitrary arrest, detention, or exile"; and that "no one shall be subjected to arbitrary interference with his privacy, family, home or correspondence";

Whereas, the Declaration further states that "everyone has the right to freedom of movement and residence within the borders of each State", and that "everyone has the right to leave any country, including his own, and to return to his country";

Whereas, the International Covenant on Civil and Political Rights provides that "everyone lawfully within the territory of a State shall, within that territory, have the right to liberty of movement and freedom to choose his residence", and that "everyone shall be free to leave any country, including his own", and that "no one shall be arbitrarily deprived of the right to enter his own country";

Whereas, the Final Act of the Conference on Security and Cooperation in Europe provided that each of the "participating states will respect human rights and fundamental freedoms, including the freedom of thought (and) conscience . . . for all", and recognized that all human rights "derive from the inherent dignity of the human person";

Whereas, this same Act pledged that the participating states would "deal in a positive

and a humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old";

Whereas, the Act further commits participating states "to facilitate wider travel by their citizens for personal or professional reasons";

Whereas, the Act specifically affirms the "right of the individual to know and act upon his rights and duties" under the agreement and affirms the positive role individuals play in the implementation of the Act;

Whereas, the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil Political Rights;

Whereas, Nobel Laureate Andrei Sakharov, who, exercising his right as an individual to monitor compliance with the Final Act, had become a leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of the above-mentioned human rights agreements;

Whereas, his wife Elena Bonner, as a result of her efforts to exercise her right of self-expression, has been detained and charged with anti-Soviet agitation;

Whereas, Dr. Bonner is thought to be in urgent need of medical attention available only in the West;

Whereas, Dr. Sakharov is reported to have undertaken a hunger strike, to the point of endangering his health;

Whereas, communication between the Sakharovs in the Soviet Union and their children and stepchildren in the United States has been repeatedly interruped, delayed, and tampered with by the Soviet authorities;

Whereas, the absence of reliable communications between the branches of the family has created serious doubt as to the state of well-being of Dr. Sakharov and Dr. Bonner;

Whereas, Mr. Alexei Semyonov, the stepson of Dr. Sakharov and the son of Dr. Bonner, has embarked on a hunger strike to dramatize the plight of his family and to protest the cruel obstruction of his efforts to communicate with his loved ones;

Whereas, Mr. Semyonov has demanded a visitor's visa to visit the Soviet Union so that he can reassure himself with his own eyes that his parents are alive and well; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe, the Soviet Union should drop all charges against Dr. Elena Bonner, restore to her and Dr. Andrei Sakharov the full rights to travel (domestic and international) and free expression, allow unimpeded correspondence between them and their relatives and friends in the West, and allow Alexei Semyonov permission to visit them in the Soviet Union.

SEC. 2. The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights by the Soviet authorities, and

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the Ambassador of the Soviet Union to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] is recognized for 1 hour.

Mr. YATRON. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer my support for the concurrent resolution before us today. This timely and important resolution expresses solidarity with the Sakharov family in their efforts to exercise their rights to freedom of expression, of travel, and of communication.

The routine violation of human rights in the Soviet Union is a matter which is of great importance to our Government. It is an issue which I am sure will be raised at the upcoming meeting in Geneva between our President and the Soviet leaders.

As we all know, these rights are guaranteed to the Sakharovs under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Final Act. In this day and age, most self-respecting countries honor these basic human freedoms.

The plight of the Sakharov family is a tragic one which all Americans should know about. In violation of the provisions of these important international acts guaranteeing individuals basic freedoms, the Sakharovs are routinely being denied those freedoms which all of us here today take for granted.

These innocent human beings have been exiled, and are consistently subjected to arbitrary interference with the privacy of their home and their correspondence. They have been denied the right to leave the Soviet Union, and cannot move freely in their own country.

Even though the Soviet Government signed the Helsinki accords, the human rights of the Sakharovs are violated on a daily basis. The Kremlin brazenly ignores its commitments to the provision of the accords. Doctor Sakharov's health is frail and his wife has been denied badly needed medical treatment overseas. Their efforts to communicate with their children are obstructed in a cruel and harsh manner. Their stepson has even been denied a visa to visit his family in the Soviet Union.

Given this massive violation of the basic human rights of this innocent family, I join my colleagues in calling upon the Soviet Union to drop charges against Yelena Bonner and give the family the right to travel both inside their country and overseas. It is also necessary that Soviet officials allow open communications between the Sakharovs and their family in the West.

I urge the President to strongly protest these blatant and cruel violations of the Sakharov's basic human rights. Our Government should also call upon other nations to join in such protests.

As we approach the day when President Reagan and Mr. Gorbachev meet in Geneva, I urge the administration to raise this critical issue of human rights violations in the Soviet Union with the Soviet leader. Human rights is an important issue which must be resolved. It is one of many issues over which we have major differences of opinion with the Soviets. It is one of many problems which remains to be resolved between our two countries. While arms control is important, human rights and other vital subjects must also be discussed.

I urge my colleagues to join me in supporting this important resolution.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. Yes, I am happy to yield to my colleague, the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I rise in strong support of this resolution and I commend the gentleman from New York [Mr. GILMAN], for his leadership on this issue.

The continuing plight of Andrei Sakharov is a pathetic commentary on human rights conditions within the Soviet Union today. In any other country, Andrei Sakharov and his wife, Yelena Bonner, would be held up for the highest of national honors and public recognition for their manifold attainments in the disciplines of science, philosophy, and ethics. As it is, however, the Sakharovs are treated officially as nonpersons, exiles in their own land.

As we consider this resolution, it is worthwhile to remember the citation that accompanied Dr. Sakharov's Nobel Peace Prize in 1975. The final paragraph reads:

> Sakharov's love of truth and strong belief in the inviolability of the human being, his fight against violence and brutality, his courageous defense of the freedom of the spirit, his unselfishness and strong humanitarian convictions have turned him into the spokesman for the conscience of mankind, which the world so sorely needs today.

So in passing this resolution today, we will be honoring a very gifted man who is also an eminent humanitarian. And we will also be adding our voice—the voice of the American people—to an international chorus of outrage—the voice of humanity itself expressing its indignation and revulsion at the way in which the Soviet authorities have treated Dr. Sakharov and his wife. All of the hypocrisy behind Mr.

Gorbachev's smiles and expressions of good will stands exposed before a candid world. When the foremost advocate of peace and human rights in the world today languishes in isolation and exile, the sincerity and intentions of the Soviet leadership must be seriously questioned and challenged on every count.

The Soviets may succeed in breaking Dr. Sakharov's body, but they will never break his mind and spirit. Let us keep faith with him today by passing this resolution unanimously.

Mr. YATRON. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I rise in strong support of Senate Concurrent Resolution 62, expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe. This resolution is identical to House Concurrent Resolution 186, which was introduced in the House by the Honorables BARNEY FRANK and BENJAMIN A. GILMAN. I would like to commend our colleagues for their sponsorship of this important resolution.

Once again we are compelled to consider a resolution on behalf of the Sakharovs. The chronic and deplorable plight of this family has persisted for years. This resolution is an expression of hope that there my be some change in the Soviet attitude toward and treatment of the Sakharovs, and of all its citizens. We sincerely hope that there may be some positive breakthrough in the Sakharovs' situation. We strongly urge compassionate and humane treatment by the Soviets toward these prominent citizens, and call upon the President to protest the blatant and repeated violations of the Sakharovs' rights.

Dr. Sakharov, the Nobel Peace Prize laureate, was exiled in January 1980, to the closed city of Gorky for his human rights activities and for criticizing the Soviet invasion of Afghanistan. His wife Yelena Bonner, a founding member of the Moscow Helsinki Monitoring Group, was arrested and charged with anti-Soviet agitation after freely expressing her views—a fundamental right to which the Soviets subscribe under international documents. The physical well-being of Sakharov and Bonner is in serious question. Their already fragile health was further jeopardized by repeated hunger strikes to protest their condition. Both are thought to need urgent medical attention. Alexei Semyonov, Sakharov's stepson and Bonner's son who lives in the United States, recently undertook a hunger strike to protest the treatment of his parents and the denial of their basic rights. Not only have the Soviets blocked communications among the family members, they have denied Semyonov a visa to visit his parents in the Soviet Union.

As the Reagan-Gorbachev summit approaches, it is appropriate for the Congress to reaffirm the strong American commitment to human rights issues. Unfortunately, present Soviet attitudes toward the Sakharovs are indicative of their disregard for human rights concerns. However, the Soviet leadership is now afforded an excellent opportunity to demonstrate its interest in improving relations between our two countries by allowing the Sakharovs to exercise their basic human rights. Such action would certainly enhance the climate for the summit.

Mr. Speaker, I strongly urge the adoption of Senate Concurrent Resolution 62.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], a sponsor of this resolution.

Mr. GILMAN. Mr. Speaker, I thank the distinguished chairman of the foreign Affairs Committee, Mr. FASCELL, as well as the gentleman from Pennsylvania [Mr. YATRON] who in his capacity as chairman of the Subcommittee on Human Rights has been very helpful in moving House Concurrent Resolution 186 to the floor quickly. Their assistance today is highly appreciated, especially since the other body acted on an identical measure (S. Con. Res. 62) last week.

The House resolution—H. Con. Res. 186—which was introduced by the gentleman from Massachusetts [Mr. FRANK] and myself, was in response to the deteriorating situation surrounding the health, welfare, and safety of Nobel Peace Prize winner Dr. Andrei Sakharov and his wife, Dr. Yelena Bonner. For over 5 years, this noted scientist and former Helsinki Watch Monitor has been isolated in the closed Soviet city of Gorky, serving a 5-year sentence of internal exile which is totally unfounded and which has now been extended by Dr. Bonner being sentenced to exile as Dr. Sakharov's term was ending. As a devout couple, this means that both are in exile together. More alarming is the lack of telephonic and postal communications; always poor, these vital links were virtually cutoff in the last 9 months. Since this spring, Dr. Sakharov's stepson, Alexei Semyenov, has only received two postcards from his parents.

Alexei Semyonov initially contacted me through the gentleman from Massachusetts [Mr. FRANK] because he suspected that one of his parents' postcards had been tampered with. This bears out what our ongoing investigation of the Soviet mail had suspected, and is further proof that the Soviet Union systematically hampers delivery of letters and parcels going to and from the Soviet Union.

Drs. Sakharov and Bonner disappeared from their apartment in Gorky early this past summer; we have no concrete knowledge as to their current health or well-being. Dr. Bonner has needed medical care only available in the West for quite some time, and Dr. Sakharov's health is also frail. The only reports we have had to date of their status are some films produced by the Soviets purporting to show Dr. Sakharov alive and well. This is not proof enough that Drs. Sakharov and Bonner are healthy and well cared for.

What is needed is continued and close communication between parents and children. Alexei Semyonov and his sister, Tanya Yankelevitch, came to Washington recently, where Alexei began what was to be a 2-week long hunger strike near the Soviet Embassy. Although Congressman FRANK and I, along with several of our colleagues, met with Soviet Embassy officials in an attempt to learn about the Sakharov's health and well-being, we were told, "we do not have the authority to discuss this case." Our hand delivered letter to Ambassador Dobrynin was refused, and was subsequently mailed immediately following the meeting.

Alexei's hunger strike was a drastic measure. But this entire human rights situation is a drastic one. It was only after Alexei received assurances from the State Department that the highest priority would be given to American efforts on behalf of his parents that he ceased his hunger strike. However, he still desires to visit the Soviet Union to ascertain personally the health and whereabouts of his parents.

This resolution, House Concurrent Resolution 186, expresses the solidarity of Congress with the Sakharov family in these efforts, and by citing the international agreements and treaties to which the Soviet Union is signatory, urges the Soviet authorities to release the Sakharovs and allow free and unimpeded communication between members of the family. The measure also calls upon the President to protest, "in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights by the Soviet authorities." We call upon all other signatory nations to the Helsinki Final Act to convey their deepest concern to the Soviet Union about this deplorable situation, and to assure the Soviets that we will not cease in our efforts on behalf of Drs. Sakharov and Bonner. By adopting this resolution today, the Clerk of the House is required to transmit a copy of the bill to Ambassador Dobrynin in Washington, as well

as to Andre Gromyko, the new chairman of the Presidium of the Supreme Soviet. I urge our colleagues to join us in this effort, and to continue to lend their support to Dr. Sakharov and Dr. Bonner and to all the refuseniks in the Soviet Union who are denied the basic freedom to emigrate.

□ 1325

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding. I want to commend the gentleman's sponsorship of this resolution, together with the other cosponsors and the chairman and the subcommittee chairman as well as the chairman of the full committee and the ranking member for bringing this resolution before us. I want to commend the gentleman from New York [Mr. GILMAN] for his statement.

I want to also point out that what we are dealing with today is another indication of the kind of an empire that the Soviet Union really is. While Dr. Sakharov has been afforded this very, very bad treatment that has been so well outlined here this afternoon, I think we should keep in mind that there are thousands, perhaps hundreds of thousands, I would suggest millions of people who have been similarly treated and will continue to be so treated as long as that regime follows its present course of action.

I commend the gentleman again and urge my colleagues to vote for the resolution.

Mr. GILMAN. I thank the gentleman from California for his supporting remarks and for being such a longstanding leader in the fight for human rights, and particularly for those rights that have been abused in the Soviet Union. And I thank our distinguished ranking member of our House Foreign Affairs Committee, the gentleman from Michigan [Mr. BROOMFIELD] for continuing in his efforts to keep this issue before the public.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman and thank him and also the gentleman from Massachusetts [Mr. FRANK] for their leadership on this issue.

I would just like to point out that the gentleman from New York, and the gentleman from Massachusetts, and myself and three other Congressman not long ago were down in front of the Soviet Embassy demonstrating on behalf of support of Mr. Semyenov, a constituent of the gentleman from Massachusetts, and the son of Andrei Sakharov.

What was really enlightening was when we were ushered into the Soviet Embassy, and we had a chance to discuss the situation with two First Secretaries of the Embassy, the icy reception that we received, the Orwellian double talk, the stonewall of inhuman response is something that I think many Members of Congress would have benefited from that experience. It is not out of line to put this event not isolated from other events which show the Soviet Union to participate in the kinds of activities such as 007 and Afghanistan, and human rights violations of this ilk that extend to the tens, perhaps hundreds of thousands of people in the Soviet Union.

I commend the authors of the resolution. This resolution is really a symbol of so much other despair and oppression and repression of human rights that takes place in the Soviet Union today. I hope that this is the subject brought up by our own leaders at the Geneva Summit, and I thank the gentleman for yielding.

Mr. GILMAN. I thank the gentleman for his supporting remarks and for joining us at the Soviet Embassy. His description is quite accurate of the response we received. They had no authority to give us any information and refused to accept our petition, and then to tell us that in due time we might hear from them. To date none of us has ever received any response from the thousands of inquiries we make to the Soviet Embassy.

Mr. RITTER. If the gentleman would yield on that point, at one point we asked whether or not they could tell us whether Andrei Sakharov was alive or dead. The first response was "We don't know." The second response was "We are not authorized to say."

I think that is an educational experience for Members of this Congress.

I yield back to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for joining us today on this resolution and for being so supportive.

Mr. YATRON. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK] one of the original sponsors of this resolution.

Mr. FRANK. Mr. Speaker, I want to express my appreciation to the chairs, the ranking minority members of both the full committee and subcommittee for acting so expeditiously on this very grave matter. It was part of the process by which a very courageous son, Alexei Semyonov, was persuaded to give up a hunger strike. All of us understand the anguish he feels when he sees his mother and stepfather, two people he deeply loves and respects, being tortured in a slow but methodical and ultimately destructive way, and understandably this young man, enjoying the freedom of this country, feels driven in the most dramatic and personal way possible to bear testimony on behalf of his mother and his father.

Our job here is to make clear, I hope, to the Soviet Union that our disagreements with them extend to several levels. Obviously there is a profound difference between us and them as to the very fundamentals of their system. They have a system which we find repugnant and none of us would want to live there.

But this resolution in itself is not aimed at that. We are not asking here for the Soviets to become a Western democracy, as desirable as many of us would like to see that. That is not necessary for us to be able with them to pursue common interests in arms reduction, in the stabilization of various hot spots in the world.

What we are saying is that an unnecessary brutalization of these two very distinguished and honorable people, and as has been pointed out, they are really representative of many, many others who are being punished, that does become an obstacle to good relations. Many of us feel that despite our profound rejection of the values on which the Soviet system is based, we can recognize our common reality in the world and work out some problems that may reduce tensions. But they make it harder by inflicting this wholly gratuitous pain on two distinguished and now helpless people.

What we are asking now is not that Andrei Sakharov and Yelena Bonner be appointed to the Politburo. We are not asking for fundamental change. We are asking that these two decent human beings be allowed the freedom of movement, be allowed to communicate with their loved ones and their friends, and that others similarly situated, whether they are being persecuted for religious reasons because they are Jewish, or for political reasons because they want freedom, that the Soviet Union at least allow these people the basic right of moving elsewhere, if nothing else will work.

I would like to see the whole system change, but something short of that is what we are asking here.

It was discouraging to go with my colleagues, and the gentleman from Washington is here, and the gentleman from Ohio, and the gentleman from Michigan as well as the others who have spoken, and to find so little response from the Soviet Union.

I hope that with the passage of this resolution unanimously, to match one that has been passed by the other body, that the President will again take up this at the summit, and that we may begin to get some humane response from the Soviet Union on behalf of these two people.

I want to again thank those, including the gentleman from New York, the cosponsor of this resolution, and the leadership of the committee for bringing this forward to us.

Mr. YATRON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maryland [Mr. HOYER] who is also the cochairman of the Helsinki Commission.

Mr. HOYER. I thank the gentleman from Pennsylvania, the chairman of the Human Rights Subcommittee, and congratulate him for the work he has been doing. I thank him for his inclusion of the Helsinki Commission and the considerations that the Commission has been about.

I also thank the ranking member, the distinguished gentleman from Michigan [Mr. BROOMFIELD] for his leadership not only on this issue, but on so many other human rights issues in which the Commission and the Congress are so concerned. Also my good friend, the gentleman from New York [Mr. GILMAN] for the work that he has done.

I am pleased, Mr. Speaker, to join these gentlemen and the gentleman from Massachusetts, BARNEY FRANK, in support of Senate Concurrent Resolution 62 and House Concurrent Resolution 186, expressing solidarity with the Sakharov family.

The son of Yelena Bonner, Andrei Sakharov's courageous stepson, Alexei Semyonov, of whom BARNEY FRANK just spoke, last week ended a 14-day hunger strike, a strike that brought attention to the plight of his mother and stepfather. He ended that hunger strike only after receiving assurances from the State Department that the Sakharov's quest for freedom would be a top priority of our Government.

By our actions today, we join in that commitment that the State Department has made.

I had the opportunity, Mr. Speaker, of visiting with Alexei Semyonov as he participated in that hunger strike. I visited him there on 16th Street in close proximity to the Russian Embassy. The travesty is, that his expression of that concern had to be carried to the extent of a hunger strike in order to gain the attention of his parents' jailers.

Alexei Semyonov has not heard from his parents in more than 4 months, Mr. Speaker. Conditions clearly are deteriorating more for them than at nearly any time since Andrei Sakharov was first committed to internal exile in Gorky in 1981.

□ 1340

The Soviet Union, Mr. Speaker, professes to be a just nation. Their actions, however, belie that claim. Yes; the Soviets did sign the Helsinki accords, but Soviet citizens and the Sakharovs are specific examples of those who are not allowed the basic human rights set forth in those accords. Their participation, in fact, in the Helsinki process has been and continues to be somewhat of a charade. Senate Concurrent Resolution 62 reaffirms the concern in Congress about the fate of the Sakharovs. As an extension of that concern, we urge that the Sakharovs be allowed to exercise their rights of freedom of expression, travel, and communication. The November summit, Mr. Speaker, is fast approaching. Many previous speakers have referenced that in their remarks. Let me reiterate a statement that I made on this floor in the past: The Soviet Union could do much to improve the climate prior to the summit if they would live up to their commitment to human rights as a signer of the Helsinki accords. One significant demonstration, for the administration, for the Congress, and for the American people, of that commitment would be the release of Andrei Sakharov and Yelena Bonner.

Once again I commend my colleague, BARNEY FRANK, for his leadership in the continuing fight to gain the Sakharovs' release. I again commend Mr. GILMAN, Mr. BROOMFIELD, and the chairman of the committee, Mr. YATRON, for their leadership, and also the chairman of the full Committee on Foreign Affairs, Mr. FASCELL.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. I thank the gentleman from New York.

Mr. Speaker, along with five of my colleagues, I went to the Soviet Embassy on behalf of Dr. Sakharov and Dr. Bonner. The account of that meeting has already been given. I would like to associate myself with the remarks that have already been given, particularly with the comments that, of course, Drs. Sakharov and Bonner are two individuals and there are so many thousands, even millions, in the Soviet Union who also suffer the violation of human rights. But Dr. Sakharov is more than just one individual. He has been a symbol of human rights in the Soviet Union and around the world. He has spoken out for human rights, and I think that is what makes it even more important that we in the U.S. Congress stand up today and express to the world and to the Soviet Union how important it is that the Soviet Union start complying with just a few of the many international agreements that they have signed that support the right of travel and emigration. This would be a wonderful chance for the Soviet Union with these two individuals to show that when they sign an agreement the agreement means something.

This is what is involved in the so-called linkage between human rights and other agreements such as agreements on arms reduction.

If we cannot trust the Soviet Union to honor agreements that they have signed and entered into in the field of human rights, we and other nations in the world must ask ourselves can we trust the Soviet Union when it comes to other agreements that we hope will be in our mutual interest regarding arms reductions?

So I hope, Mr. Speaker, that this resolution is taken seriously by the leaders of the Kremlin as we approach the summit negotiations and that they will heed our call and release Drs. Sakharov and Bonner.

Mr. YATRON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, it is a real privilege, an unfortunate honor, to participate in this debate. It is unfortunate because we should not have to be here pleading with a great nation, which the Soviet Union is, to exercise the kind of normal human concerns that we expect great nations to follow. We realize there are precedential problems here because Mr. Sakharov was a famous atomic scientist, but surely in the span of time which has passed since he participated in their atomic energy program, any really significant security aspects of this case have long since expired.

So, really, that cannot be a serious problem from the standpoint of the Soviet Union.

I remember when we had the case of the author of "Dr. Zhivago" and a great uproar was made during the era of Mr. Khrushchev's chairmanship in the Soviet Union, and finally Khrushchev asked one of his staff to look at the book and tell him what the uproar was all about. They came back and said, "Well, really, there is nothing in this book that ought to embarrass the Soviet Union." So Khrushchev said, "Well, then let's cool the whole thing."

The Sakharov case has been dragging on for a long time and reached proportions in international concern that perhaps elevate it beyond any other case of similar nature, but it does seem to me that what we are doing here, Mr. Speaker and distinguished gentlemen, the gentleman from Pennsylvania and others who brought this to the floor, is simply asking the new head of the Soviet Government, the new chairman, Mr. Gorbachev, to please review this, as Mr. Khrushchev did in the case of the author of "Dr. Zhivago," and see if this really is worth all that they are going through. Would it not be better to show the new look in the Soviet Union, to show that there is indeed an effort to bridge some of the gaps that have hindered better relations in the past and make this a humanitarian gesture which would certainly bring upon the leadership the praise not only of this country but of men of goodwill all over the world.

I cannot think of a more important gesture for peace and goodwill prior to the summit meeting in November than the action which this resolution is recommending.

Mr. Speaker, I commend the gentleman from Pennsylvania [Mr. YATRON] for bringing it about, and I thank him for the time.

Mr. Speaker, I yield back the balance of my time.

Mr. YATRON. I thank the gentleman.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Illinois [Mr. O'BRIEN].

Mr. O'BRIEN. I thank my friend from New York for yielding.

Mr. Speaker, I have been deeply involved in the cause of the seven, now six, hostages. But whether the jail is oppressively hot and dry or chilling and clammy, it makes little difference, the locks are just as fixed. I share Mr. SEIBERLING'S statement that it is an honor to stand in support of this resolution but a rather tragic and mournful one.

I suggest, Mr. Speaker, that if it is possible to get the word out to them, let them know that we have not forgotten, we will not forget until we get them home. That includes Andrei Sakharov and Yelena Bonner.

I thank the gentleman for yielding.

Mr. GILMAN. I thank the gentleman from Illinois for his supporting remarks and also his long, continued efforts on the issue of human rights, particularly his recent efforts in trying to free the seven hostages.

Mr. MATSUI, Mr. Speaker, the treatment of Soviet Jews by the Soviet state continues to deteriorate. This trend is at once dangerous and disturbing.

The rate of Jewish emigration from the U.S.S.R. has dropped from a high of 51,320 in 1979 to a nadir of 896 in 1984. At the same time the situation for the Jewish community remaining in the Soviet Union has deteriorated. We have witnessed increased harassment of Hebrew teachers and cultural activists which have resulted in a wave of searches, threats, and arrests. Changes in leadership have not resulted in a change of policy.

One blatant example of the continuing policy of harassment of Soviet Jews is the treatment being given Yelena Bonner and her husband, Andrei Sakharov. Ms. Bonner is in need of medical treatment which is being denied by Soviet authorities. Her son, Alexei Semyonov, is currently in the 19th day of a hunger strike in front of the Soviet Embassy here in Washington. Our appeal today for the release of Ms. Bonner and Dr. Sakharov is on humanitarian grounds.

I commend Chairman FASCELL for his leadership in bringing this bill before the House of Representatives. In the name of justice and simple human dignity we must continue to remind the Soviet leadership that the plight of Soviet Jews shall not be forgotten.

Mr. BIAGGI. Mr. Speaker, I want to express my full support for this resolution (S. Con. Res. 62) expressing solidarity with the family of Dr. Andrei Sakharov.

While the plight of Dr. Sakharov and his wife Dr. Yelena Bonner has received considerable attention in this body during recent years, concern about their situation has been heightened of late as a result of a 14-day hunger strike on their behalf by Alexei Semyonov, Dr. Bonner's son and Dr. Sakharov's stepson. Mr. Semyonov decided on his hunger strike on August 18, his grandmother's birthday, when for the first time in his memory, there was no birthday card from Drs. Sakharov and Bonner. This single event capped a 6-month period of time when there has been no postal or telephonic communications with the Sakharovs.

Sentenced to internal exile in the closed Soviet city of Gorky for the past 5 years, the Sakharovs have become a symbol to the world of the courageous struggle for basic human rights that is being waged in the Soviet Union. The fact that they have not been heard from in such a long period of time is troubling to all of us, but especially to their own family.

Prior to his hunger strike, Mr. Semyonov made one final plea to the Soviet Embassy, threatening a fast if he was not allowed to see his parents. When his request was ignored, he came to Washington, sat on a street corner near the Soviet Embassy, and did not eat for 14 days. This was clearly a desperate act, but one that could easily be understood.

When the hunger strike was over, Mr. Semyonov had still not received any assurances by the Soviets that he would see his parents, but he had accomplished something of note. Mr. Semyonov ended his hunger strike only after the U.S. State Department pledged to make the plight of his parents a top priority issue. In a recent statement by Mr. Semyonov, he explained:

Today I am breaking my hunger strike which I started 14 days ago. Yesterday, I was contacted by the State Department. I was informed that they are making it a high priority issue for the U.S. Embassy in Moscow to find the whereabouts of my parents and to reestablish communication with them. I was assured that the State Department will use every opportunity to resolve the case of my parents before the November summit.

Today, through this resolution, we are pledging our support to the Sakharov family and recommitting ourselves to securing a full accounting of their whereabouts and welfare.

Most importantly, this resolution urges the President to protest, strongly and at the highest levels of the Soviet hierarchy, the continued human rights violations the Sakharovs have suffered at the hands of the Soviet Government. The timing of this message is obviously very significant. In November, President Reagan will be meeting with Soviet leader Mikhail Gorbachev in Geneva for a 2-day summit. Clearly, it is absolutely essential that the human rights issue—and, particularly the Sakharov case—be a central focus of any talks with the Soviets prior to and during the summit.

Mr. Speaker, the strength and courage of Alexei Semyonov has been acknowledged and applauded by freedom lovers everywhere. Today, we must send our own message to the world that we, too, are morally outraged by the Soviet Union's treatment of Andrei Sakharov and Yelena Bonner, and that we will not rest until their situation is resolved. We must pass Senate Concurrent Resolution 62.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YATRON. Mr. Speaker, I move the previous question on the Senate concurrent resolution.

The previous question was ordered.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REQUEST FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 392, APPROVING THE COMPACT OF FREE ASSOCIATION

Mr. UDALL. Mr. Speaker, I send to the Speaker's table a joint resolution (H.J. Res. 392) to approve the Compact of Free Association and for other purposes, and ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mr. RUSSO. Reserving the right to object, Mr. Speaker, I reserve the right to object in order to ask the chairman of the Committee on Interior and Insular Affairs the following question: Mr. Chairman, as I understand it, the tax and trade language that is in this proposal before the House is identical language that was contained in House Joint Resolution 187 that passed the House of Representatives. Is that correct?

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. RUSSO. Reserving the right to object, I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman for yielding.

Mr. Speaker, that is exactly correct.

Mr. RUSSO. And there is no further compact or treaty language dealing with the country of Palau?

Mr. UDALL. If the gentleman will yield further, that is right; the provisions relating to Palau have been removed from the bill.

Mr. RUSSO. With that assurance from the chairman, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I am concerned about the procedure being used here. At this point we have no copy of the legislation that we are considering, there is no report on the legislation that we are considering, there has been no layover time and no opportunity for Members to study the provisions of the bill.

I am not aware that we have a cost estimate of what this may cost the taxpayers when all is said and done. We are being asked to do it all by unanimous consent here this afternoon without any prior knowledge of the membership that the bill was even coming up.

I would hate to say that I find that the procedure is unusual, I find it disturbing, and I am at a loss to understand why we have to do this in such a hurry-up fashion when, in fact, the House is going to be meeting tomorrow. If, in fact, there are papers enough prepared to bring to the floor this afternoon, with a 24-hour layover period, we may be able to have a procedure that would allow at least an informed consent on behalf of the membership.

I would be very glad to yield, under my reservation, to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I can assure the gentleman, as one who was not in support of the original legislation, the work we have done on it in the House and now through the work with the Senate in the conference that this is why we believe a joint effort will be the best solution to a problem that must meet a deadline for the bases in the Marshall Islands, and the need and necessity to reach that agreement because it is about to expire, I believe the 1st of October.

That is No. 1. No. 2, the deadline is hurting us, but there is another reason; we have a lot of people who have worked on this who will not be able to be here next week, late in the week, and I think it is important, because of that deadline, that we are able to finalize this negotiated settlement between all Members involved.

May I remind the gentleman, the administration is not specifically happy with this solution now, and I do not think they should be unhappy, but their original proposal, I think, was totally wrong. With the help of the chairman from Ohio and the chairman of the full committee and other Members, we have reached very, very good legislation which did pass this House, I believe, approximately 2 months ago and has been in the negotiating process. I am happy with what has come out of that.

□ 1355

Mr. WALKER. Further reserving the right to object, I will yield to the gentleman from Arizona [Mr. MCCAIN] in a moment. Let me yield to the chairman of the committee.

Mr. UDALL. I agree with the gentleman, this is a lousy way to legislate anytime; but I think it is defensible in this situation, because we are dealing with a bill that has already passed the House.

We debated it at length; amendments were considered; months of hard work and trips to the Pacific Ocean to see these territories and listen to the inhabitants.

Mr. Speaker, what we have here today is really a tactical move. We have been negotiating with the Senators concerned with this, except for those on the Finance Committee; and earlier today we were able to get agreement on all of the provisions of the bill except the tax and trade provisions which are going to have to be resolved by the Finance Committee of the other body and the Committee on Ways and Means of this body.

So what we are doing is basically sending over a repeat of what we sent over earlier; but to give them some tactical options on the Senate side, trying to get agreement before the clock runs out on us.

There are some very important national security things, and that is why the Secretary of Defense and the White House gave such strong support. The Kwajalein Missile Range-Base, which is critically important to us in a lot of different ways is involved in this. The lease runs out on September 30 and it is going to take a legislative miracle and a lot of cooperation to get the job done; and that is what we are trying to do today; and not to confuse the Members to legislate in an unwise and hasty fashion.

Mr. WALKER. I thank the chairman.

I yield to the gentleman from Arizona [Mr. MCCAIN].

Mr. MCCAIN. First of all, Mr. Speaker, I would like to express my appreciation to my colleague from Pennsylvania [Mr. WALKER] who devotes so many hours here on the floor of the House to make sure that the proper legislative procedures are followed, and it is a job that requires a great deal of his time and commitment; and I appreciate the gentleman bringing up his reservation at this time.

I would also like to point out, as the chairman did, this is not only not a new piece of legislation; we have been working on this legislation for some 15 years, No. 1. No. 2 is, five different committees in this House have had oversight, and have been able to address this issue and this piece of legislation to what many of us feel is to an exhaustive degree.

There are definite national security-national defense interests involved here, I believe of the highest order; not the least of which is our Kwajalein lease which is going to expire on the 1st of October.

I would like to again express my thanks to the gentleman from Pennsylvania for bringing this up; I do feel as a member of two of the committees that oversight this, I would like to assure them that there has been a great deal of examination of this issue; it is the same piece of legislation that this body did debate at length and vote on, and I hope that he will withdraw his reservation, given those circumstances.

Finally I would like to thank both chairmen who are sitting over there; the gentleman from Florida [Mr. FASCELL] and the gentleman from Arizona [Mr. UDALL] for doing what many people deemed was impossible; with the help of a lot of other people, but without their leadership it would not have been possible.

Mr. WALKER. Further reserving the right to object, let me yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding to me, and I want to assure the gentleman that as I understand the bill and the changes that have been made from what is before us today over what was here several months ago; if anything, this costs the taxpayers less, because the Senate took a pretty hard position on some of the things that we have done and some of those we have backed off in reaching this agreement.

I would echo what the gentleman from Arizona said; the Kwajalein Missile Base is of extreme national security importance to this country, and that arrangement runs out on September the 30th. It is absolutely vital that this legislation passed before that date. I do not know what could happen there; maybe we would be able to extend it, maybe not; I just do not know, but I think to play that kind of a game with our national security could be very damaging.

I would hope the gentleman would withdraw his reservation.

Mr. WALKER. I thank the various gentlemen for their observations.

Let me make my point again, however, Mr. Speaker. Unanimous consent implies informed consent. Now, it

seems to me that there are very few Members of this body who have any idea this piece of legislation is on the floor at the present time, nor do they have any idea that it was coming to the floor.

My question is: Why do we have to do it this afternoon? We are going to be in session here tomorrow. If in fact we can do this with a hurry-up procedure, why cannot we do it tomorrow when at least the Members will have had 24 hours in which to examine the issue, when we will have had a chance to get the administration's views on it. It seems to me that before the September 30 date we are still in timely fashion in order to get some of those kinds of things done.

I just do not understand this hurry-up procedure. I appreciate the assurances of everybody concerned, that in fact what we are doing is in the best interests of everyone, but I do not have very much in the way of documentation; all I have is the Members who are directly concerned with it, who have been in a series of negotiations, evidently over 15 years, finally coming to an agreement that they bring to the floor.

That gives me some cause for concern, I might tell the body, and, it just strikes me that maybe I as one Member who would like to give informed consent on this would like to have a little bit of additional time to look at it; say at least 24 hours.

I will be glad to yield to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. I would only say to the gentleman from Pennsylvania [Mr. WALKER] that every single point the gentleman has raised is valid with the exception that as of 5 minutes ago we do have a copy of the bill on our side.

Mr. Speaker, every point the gentleman has raised is valid. The only question is whether we should go forth. Here, we have had a good bit of bipartisan, biinstitutional cooperation in the sense of discussions with the administration, although they do not have a formal position at this time, as well as discussions with the other body, in that what the unanimous consent request is attempting to do is move forward slightly further in the process of an ultimate bill, of which this probably will not be the exact ultimate statement because the other body will want to work its will as well.

I would only suggest to the gentleman that we have until the 30th of September if we are going to need an agreement that meets the October 1 deadline that the security people at the Defense Department tell us is mandatory. This represents a step forward; he is correct; we could deal with it tomorrow, but some of the people perhaps that are playing an active role might not be here tomorrow; I cannot speak for them.

The gentleman's points are correct, Mr. Speaker; the only question is whether the gentleman wants to continue and persist with his objection. I would urge that he not, but I would certainly respect him if he desires to do so.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, the gentleman has raised another point. If in fact the other body is going to have some concerns where they want to work their will on the piece of legislation, once again, in order to provide unanimous consent here, it seems to me at least we might want to know what some of the things are that are down in this bill that might raise some questions in the other body.

That raises one more point that at least gives me some pause.

I would be glad to yield to the chairman.

Mr. UDALL. Mr. Speaker, I appreciate the gentleman's concern. Let me say again, I wish we had 24 hours safely, or 48 hours; I would like to give the gentleman a lot of background and briefing on the subject, but this is not the last word, I would assure the gentleman.

The bill that is now before us is not acceptable in its present form to the Senate; there will be amendments and changes, and there is going to have to be some compromise between the Finance Committee and the Committee on Ways and Means. So it will be back.

What we are trying to do is save a day, when the clock is running down and you have got 10 days to go, every day counts. Friday is the last day of the week, and maybe the Senate can get a committee hearing, get time on the floor which is increasingly difficult over there.

We were afraid of delay, and really concerned about that, and had reason to believe that getting this today instead of tomorrow would make a big difference.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, and I say to the chairman, it does not seem to me that there would be any prevention in the Senate going ahead and holding hearings if in fact it is being held over in the House for unanimous consent. That would not prevent them from going ahead with hearings.

Let me yield to the gentleman from New York [Mr. SOLARZ], under my reservation.

Mr. SOLARZ. I thank the gentleman for yielding and I want to say to the gentleman that I think in the ordinary course of events, every one of the objections or considerations or concerns which he has expressed would be entirely valid, and I share all of them.

As the gentleman from Arizona [Mr. UDALL] indicated, however, we are up against a deadline here in terms of the expiration of our lease on the Kwajalein Missile Range.

Now, the key point, I think, from the perspective of the interest the gentleman is trying to protect, is that even if we prove this clean bill today, it is still going to have to come back to the House in the form of a conference report. If this was our last opportunity to pass judgment on this legislation, I would object myself, on the grounds that the gentleman has, in the sense that our colleagues have not, had a chance to fully examine it.

Before this is ultimately enacted, there is going to have to be a conference agreement with the Senate; the bill in one form or another is going to come back; there will be ample opportunity at that stage for Members to fully inform themselves as to all the details of the bill, get the cost estimate, get the administration's point of view, find out the position of the Micronesians, et cetera, et cetera.

Whereas if we can approve this today, as the distinguished chairman of the Committee on Interior indicated, it may facilitate more expeditious consideration in the Senate.

The people who are carrying the burden of securing the approval of the other body for this legislation have told us that if we can take this step today, it may make it a little bit easier for them to move it expeditiously through the other body.

So I would hope that the gentleman from Pennsylvania [Mr. WALKER], upon reflection, would be willing to withdraw his objection so we could move it forward with the understanding that it will be coming back to the House, and that before the House votes on this in the final form, we will make sure that every Member has available all of the appropriate materials and documentation so that informed judgments can be made.

□ 1405

But it would be a tragedy if, in spite of everybody's best efforts, we simply ran out of time, which we run the risk of doing because of the congressional schedule in the next couple of weeks where we are not going to be in session for several days, and the need for action by both Houses of Congress.

So this is really simply a measure to move a little bit forward and enhance the prospects for expeditious consideration in the Senate.

Mr. WALKER. I thank the gentleman.

Further reserving the right to object, I yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman raises a very legitimate question here. I side with the distinguished chairman of the Committee on Interior and Insular Affairs. I do not like this procedure one bit. The House passed the

original resolution before the recess, in July. Our staffs have been working with the staffs of the other body and the staffs from the administration throughout the recess and since then. We have been trying to sit down with Members of the other body and bridge the gap that the staffs were not able to bridge, and they are preoccupied over there with their business, which is very important, too, and it was not until today that we were able to sit down with the Senators who have the greatest concern for this legislation and discuss those differences and resolve them, which we did.

Now, the bill that passed the House has all kinds of provisions in it which were additions to and changes in the compact as negotiated by successive administrations over a 15-year period.

The subcommittee which I chair held 14 days of hearings spread out over a year to try to get a real handle on the impact of this very broad compact that was negotiated, impact on defense, on foreign affairs, on our economy, our trade, and so forth, and on the people of Micronesia.

We added a "Buy America" clause, we put in an ethics-in-Government clause, we put in various entitlements that take care of some of the needs that were not being met for the Micronesian people, and so forth, and we sent that to the Senate with the agreement of the House. The Senate, unfortunately, has not been able to focus on this until now.

But I assure the gentleman that none of the provisions here expanded any of the commitments that were made in the legislation that passed the Senate. They are contractions of those commitments. Therefore, it seems to me that this cannot be any more of a problem than the legislation that has already been approved by the House and, as has been already pointed out, it is going to come back from the Senate because they have certain other restrictions they wish to impose and the House will again have an opportunity to go for this.

Now, let me say just one other thing. I am sure the gentleman will be interested in this. I personally do not see any reason why it would be a great tragedy, from the standpoint of the people of Micronesia, if this did not pass, because the trusteeship will continue if that is the case. The trusteeship is far more expensive to the United States than this compact will be.

Second, we do have a risk, however, that the Kwajalein Missile Base lease will expire on September 30, which it will, unless we ratify this by that date, and then we will be at sea not only in terms of whether we can renegotiate it, but certainly we will pay a higher price because of the SDI Program, and so forth.

Now, I happen to oppose the SDI Program. So from that standpoint I might say, "Well, what the heck, let this lease expire, don't cooperate with the Senate and make it easier for them to get to this bill. Let it expire."

But as an institution, I think we have an obligation to the country. That is not the way to decide major issues. And that is why I am working very hard with the chairman and with the Senators and other Members who are interested on the minority side to see if we cannot give this an opportunity to get through the Senate in a timely fashion, because there are high national interests at stake.

That is why I plead with the gentleman to put this into perspective. Some of us are not going to be here, some of the people who have lived with this the most—and that includes myself—tomorrow and next week. Therefore, we feel that this is the best way to protect the House interests and to protect the interests of the country if we can handle it while those who are most familiar with it are here to deal with it. We think that this is in the national interest.

Mr. WALKER. I thank the gentleman for his statement.

Mr. Speaker, further reserving the right to object, I would simply say that I do appreciate the statements of all the Members involved. But unanimous consent does, in fact, mean that I or somebody on the floor, recognizing this procedure is happening, is supposed to give informed consent, I do not know what is in the package that we are being asked to approve by unanimous consent. I would hope that it would be brought back tomorrow, after I do have an understanding of what is in the bill.

For the moment, Mr. Speaker, I do object.

The SPEAKER pro tempore. Objection is heard.

COMMUNICATION FROM THE HONORABLE JOHN PAUL HAMMERSCHMIDT, A MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable JOHN PAUL HAMMERSCHMIDT, a Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 12, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Office of the Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that Mr. Archie Lantz of my district office staff has been served with a witness subpoena issued by the State of Arkansas. After consultation with the General Counsel to the Clerk, I will inform you of the determinations as required by the House Rule.

Sincerely,

JOHN PAUL HAMMERSCHMIDT,
Member of Congress.

GENERAL LEAVE

Mr. DE LUGO. Mr. Speaker, I ask unanimous consent that all Members be given the opportunity to revise and extend their remarks on House Joint Resolution 392, the issue that was just objected to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the Virgin Islands?

There was no objection.

□ 1110

AMERICA'S NO. 1 EMPLOYER, THE TEXTILE INDUSTRY, NEEDS HELP

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, earlier this week I spoke in this Chamber concerning the current trade deficit, and the lack of a fair and effective trade policy by the administration for the United States. Today, I would like to concentrate my remarks on an industry that is very important to my congressional district, my home State of Alabama, and the entire United States of America. I speak of the textile/apparel industry which is shouldering the brunt of the unregulated flood of imports coming into this country.

The textile/apparel industry has been the sleeping giant for employment for decades in America. Few people realize that this industry employs more Americans than any other manufacturing industry—more than steel, auto, or electronics. Yet, if measures are not taken, we will witness, before our very eyes, the elimination of this vitally important part of our industrial base. The symptoms are clearly prevalent, and if measures are not taken, and soon, the diagnosis will be terminal, and so will be the jobs of millions of Americans.

Who will be affected most if measures are not enacted to curtail the amount of imports flooding American markets? It will not be middle or upper class America. Instead, the Americans who can least afford it will be affected the most. Only last week I talked with a vice president at Dan River Mills in Alabama. He was making preparations for a mill to be permanently closed in only a few weeks. The employees are 85 percent black with a majority being women. When the plant closes the vice president will also lose his job, so the problem, Mr. Speaker, is affecting all class-

es, but with minorities obviously hardest hit.

Where can a 50-year-old black man who has been a loom fixer in a textile mill most of his entire adult life find a new job? Or what about a single-parent mother of four with only a high school education, and a home mortgage due at the end of each month? These are your typical textile workers, but where can they find new jobs? Relocate? Certainly, this is not a realistic option, because most workers own a home in the town where the mill was closed and it would be totally impractical to sell their home, pull up stakes, and locate elsewhere. The textile mill is usually the only employer in a small town, and when it closes down so does the entire community. As another alternative, should they get a job with one of the new high-tech industries of the future? With little formal education, textile workers are unlikely candidates for a position with a computer or electronics company. So where do they go?

Mr. Speaker, I contend the answer that is best for America and for the millions of citizens who depend on this industry for their livelihood, is for this Congress and the current administration to agree on legislation that is currently pending before Congress that will place limits on the amount of goods foreign nations can export to America. This legislation will also enforce trade agreements that constitute a fair international trade policy. I have grave concerns that if measures are not taken, and soon, we will witness Hong Kong, Korea, and China dominating the textile industry—an industry that America can little afford to lose.

And, Mr. Speaker, why should we not pass this critically needed legislation? Some opponents of the legislation say that quotas would increase prices for Americans. But, in reality, retailers already take cheap imports and oftentimes mark them up several hundred percent so that they are barely less expensive than domestic materials. Therefore, I suggest that no real increase in prices would be forthcoming, only a decrease in profit for retailers who are now benefiting from cheap imported products. Other critics contend passage of the textile bill would start a trade war. But again, Mr. Speaker, in reality this would not be the case because currently the United States has a tremendous trade deficit with the major textile producers in the world. There is no reason to believe whatsoever that these countries would cut off the few goods that are being imported into their countries.

Mr. Speaker, I would hope the President, in the coming days, will see the necessity for passage of the current textile bill before the House and Senate, and lend his support to this measure. Anything less will mean the continued loss of jobs in America's No. 1 manufacturing industry, the textile/apparel industry, and the continued erosion of our Nation's industrial base.

CORNELIUS M. DALTON, DISTINGUISHED POLITICAL WRITER, COLUMNIST, EDITOR

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I was saddened to learn of the death last week of Cornelius M. Dalton, the renowned former political columnist and editor of the old Boston Herald-Traveler. I had known Connie Dalton since my service in the Massachusetts Legislature and can personally attest to his fairness and perceptiveness as a reporter, columnist, and editor. He was a stickler for details and the truth in a broad spectrum of local, State, and national affairs, and he was the preeminent dean of Massachusetts political columnists. Connie Dalton's crowning work in his long and scholarly writing career was an excellent and illuminating history of the Massachusetts Legislature, which was published last summer.

Mr. Speaker, I extend my profound sympathy to Connie Dalton's beloved wife, Frances, and his three sons. I ask permission to have printed with my remarks an excellent column on Connie Dalton by David Farrell in the Boston Globe on Monday, September 16, 1985:

CONNIE DALTON: THE MR. CHIPS OF POLITICAL COLUMNISTS

(By David Farrell)

U.S. House Speaker Thomas P. O'Neill Jr. said it all when he described Cornelius M. Dalton, former political columnist and editor of the Boston Herald-Traveler, as "a grand gentleman . . . a great guy, honest and fair and decent in his reporting. I have never met a journalist who was more highly admired and respected."

The scholarly Dalton, who wrote about local and national politics for more than four decades, died last Thursday. His death caused little more than a ripple in the local media which is dominated by people who were in diapers when Dalton was in his prime.

But the qualities that made him special will never pass away. His integrity, professional standards, patriotism, warmth and sincerity were the hallmarks of his distinguished career.

Dalton was one of a kind. As a young political reporter in the early 1950s, I had the good fortune of breaking in under him at the State House.

He was a beautiful man, my Mr. Chips. He could get angry, but he never cursed and always maintained perfect decor. He quietly practiced his Catholic faith to which he was as true as he was to his wife, Fran.

When I think of men who have had a profound influence on my life, Connie ranks at the top with the Edward Hanifys, Eugene Moriartys and Jesuits at Boston College High School.

There was no guile in this honest man whose conscientousness about his responsibilities bordered on the extreme. He was stickler for detail, for the precise word or phrase he felt would convey what he wanted to say. I can recall many times watching him staring at the copy in his typewriter in the State House pressroom and agonizing, sometimes for as much as an hour, over the wording of a particular paragraph.

Although he regularly labored long and hard for his scholarly columns about the issues of the day, he was not all work and no play. Occasionally after the day's work was done, he would hoist a couple of drinks at the old Bellevue Bar and engage some of his contemporaries in lively discussions about whatever else happened to be of interest at the time.

He could take a ribbing from his colleagues and often did. Mun Owens of the Globe, Jim King of the Associated Press and John (Chartreuse Gallagher) O'Conner of the Herald delighted in needling Dalton about his preoccupation with the "menace of communism" in America.

His lifelong concern with communism grew out of his wartime service with the Army Counterintelligence Corps and its focus on the subversive activities of local party functionaries.

After World War II he returned to the afternoon Traveler and wrote extensively about communists in America. He became friendly with FBI counter-spy Herbert Philbrick of Melrose, whose undercover role was revealed in a New York federal courtroom in 1949 and exposed the extent to which the Communist Party was infiltrating labor unions and other groups in the United States. Philbrick subsequently wrote a book, "I Led Three Lives," which was made into a popular television series in the 1950s.

Dalton concentrated on Massachusetts party officials such as Ann Burlak Timpson and Otis Archer Hood to such an extent that he once was accused by a communist labor organizer of being an undercover man for the House UnAmerican Activities Committee.

Throughout much of his career, Dalton lived in the shadow of the late Herald political editor William E. Mullins, whose "This Is How I See It" column dominated the New England political scene.

Under the direction of the late Herald-Traveler publisher Robert B. Choate, the widely read Mullins generally promoted the GOP cause in the Republican Herald. Dalton was too independent for anyone, Choate included, to dictate or even suggest what he should write.

Once when Dalton learned that an editor was preparing to sanitize and improve the taped responses of a prominent politician with whom he had conducted an interview, he became angry as I ever saw him, charged into Choate's office and aborted the scheme.

With the death of Mullins in 1958 and Dalton's transition to full-time columnist, Connie came into his own and enjoyed the status of being the dean of local political writers.

His excellent history of the Massachusetts Legislature, published this summer by Secretary of State Michael J. Connolly, is a tribute to Dalton's high standards. When I last talked to him several weeks ago, he had just been released from the hospital and was thrilled as a child with a new toy because his five-year effort was rolling off the presses.

THE RESCISSION REVISION

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, to quote Mark Twain, "It could probably be shown by facts and figures that there is no distinctly native American criminal class except Congress."

After carefully reviewing the budget resolution recently passed by this Chamber, I have to conclude that Mark Twain is probably right. The document is a fraud and by my best reckoning overstates fiscal year 1986 savings by $27 billion. With accounting like that, it is no wonder people are crying out for budget reform.

Part of the problem with the budget process is a lack of accountability. In order that we might bring some small measure of accountability back to the process, I have recently introduced legislation that would amend the Budget Act of 1974 to provide that any rescission of budget authority proposed by the President, which are funds for which the President does not anticipate any current or prospective need, will take effect after 45 days unless disapproved by Congress.

As you are aware, under current law when the President requests a rescission, the funds must be spent unless the Congress approves the rescission within 45 days. Therefore, if the Congress does nothing, the money gets spent. This lets individual Members of Congress off the hook because they do not have to go on record as supporting or opposing specific budget cutting proposals presented as rescissions by the President. For instance, in fiscal year 1983, President Reagan proposed rescissions totaling some $1.6 billion. The congressional reaction was to do nothing, and the money was spent. No vote, no record, no accountability. It was all nice and clean, and inherently destructive to budgetary responsiblity.

There is no legitimate reason why the Congress should not be required to vote up or down on specific rescission proposals. My proposal would not shift the balance of power between the President and Congress in any significant way, but would bring some congressional accountability back to the rescission process.

We were all elected, everyone of us, because our constituents thought we were gritty enough to stand tall in representing them and make the tough decisions. It is about time that we started making those tough calls, and amending our rescission process is a good place to start.

I therefore urge my colleagues to cosponsor this important piece of legislations.

Mr. Speaker, in my remaining time, I want to comment on the ABC program, "45-85" followup discussion last night on television, hosted by liberal stars Peter Jennings and Ted Koppel.

Last night's 3 hours of "45-85" was basically balanced although most important accomplishments of our country over the last 40 years were left out. But the hour-and-a-half discussion that followed the last evening news was nothing short of nauseous.

Why do we put on our free networks a paid, Soviet, hard-line Communist propagandist, the likes of Georgi Arbatov? Even Jeane Kirkpatrick was so disgusted with his outrageous lies that she came off as a disinterested party, while liberal journalists were generally obsequious. It was a disgusting performance by a weakly challenged Arbatov.

VOYAGE THROUGH THE GRAND CANYON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. MCCAIN] is recognized for 5 minutes.

Mr. MCCAIN. Mr. Speaker, during the August recess, I had the pleasure of accompanying a National Park Service River Patrol through the Grand Canyon on the Colorado River. I departed from the halfway point, Phantom Ranch, on August 12. I believe it is significant to note that this was exactly 45 years after Arizona's distinguished senior Senator, BARRY GOLDWATER, left Phantom Ranch on his maiden voyage through the Canyon.

Forty-five years ago, BARRY GOLDWATER was the 73d person to run the Grand Canyon, a tradition that began with noted adventurer and explorer, John Wesley Powell, in 1869. Between the Senator's voyage and my own, more than 100,000 people from all over the world have experienced the thrill of rafting the Canyon. A trip, through the Canyon is a far different journey today then it was 45 years ago. Yet, as Senator GOLDWATER has stated, "Any voyage on the Colorado River through its canyons is an experience known only to those whose travels take them to places where footprints are seldom seen." And I believe John Wesley Powell's words are as appropriate today as they were 116 years ago. "All about me are interesting geological words. The book is open, and I can read as I run. All about me are grand views, for the clouds are playing again in the gorges."

During my raft trip, I had the good fortune to spend time with members of the National Park Service River Patrol. I watched them perform their duties firsthand, in the form of a serious medical evacuation as well as enforcing river safety and sanitation. I am proud that our country has such dedicated public servants such as Kim Crumbo, Kim Johnson, Mark O'Niel, and Ruth Ann Murray, who are capable and willing to aid visitors on their journeys through the Canyon. These people are truly dedicated and committed to preserving our precious environment.

Although my trip was truly a remarkable experience, it did expose a problem: The issue of aircraft noise. This is largely the result of aircraft sightseeing within the canyon. While I do not deny the joy many must feel in viewing the spectacular sights that abound in the canyon, I do not believe this should be done at the complete expense of those trying to experience the canyon accompanied by the sounds of rushing water, the cry of the blue heron, and the other unique sounds endemic to the area.

I am aware that the Superintendent of the Grand Canyon National Park Dick Marks who is performing an outstanding service plans to hold a series of public meetings this fall to examine the noise pollution question. I commend him for this effort. I believe the Congress should be prepared to act in whatever fashion appropriate to aid in a resolution of the noise issue. I also believe a solution must take into account any impact it could have on the economy of the surrounding communities while respecting the rights of those seeking the river's solitude.

Of the countless natural treasures our Nation possesses, the Grand Canyon is truly one of the most magnificent. Over the years millions of visitors have had the opportunity to enjoy the canyon as well as our other natural wonders. I believe it is our duty as responsible Members of Congress to ensure that our children and our children's children yet to come can experience these treasures and have such an opportunity.

A MOLE AMONG THE GERBILS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. MCKINNEY] is recognized for 5 minutes.

Mr. MCKINNEY. Mr. Speaker, on April 2 of this year I introduced H.R. 1924, a bill to prohibit the use of polygraph tests in private industry in connection with applications for employment or as a condition of continued employment. In July the Subcommittee on Employment Opportunities held hearings on the issue of polygraph testing in the workplace, and yesterday the subcommittee favorably reported polygraph legislation. It has taken many years for such legislation to move this far, and I hope this measure quickly moves through full committee and onto the House floor for discussion and vote.

My colleagues, the issue of lie detector tests in private industry can no longer be ignored, and their rampant use no longer tolerated. I urge you to help put an end to the countless humiliating and frustrating experiences to which the American people

are subjected because of the polygraph. There are hundreds of cases that I could relate to you describing the unreliability of lie detector tests and their accusatory and demeaning nature, but I will limit myself to two such examples.

In the March 11, 1985, edition of Newsweek magazine, Mr. Irving Kaler, an attorney in Atlanta, GA, wrote an article about his young son's ordeal with the polygraph. Mr. Kaler's son, Michael, applied for a job at a local discount store in the pet department. Michael was to assume the duties of handling animals such as rabbits, goldfish, and puppies and stocking supplies. He would handle absolutely no cash since all purchases are made at the registers at the front of the store. Michael was required to take a polygraph test as a condition of employment. He flunked the test and was denied employment. Mind you, Michael is only 16 years old—16 years old and thanks to some mechanical contraption is now branded as deceitful, an infamous scoundrel, a would-be birdseed burglar. Talk about child abuse, let alone violating one's civil rights guaranteed by our Constitution. This story horrified me, and I wonder how you would feel if your teenager was unable to find employment because he or she could not pass a polygraph test.

The second incident involves a woman working in a California grocery store who was required to take a polygraph test after money was found missing from a store register. It was not her register but she was required to take the test out of fairness to all employees. Unfortunately, this woman failed the test and was promptly fired from her position. One of the employees told her that not only did he take the money but he also passed the test. This is a common example of countless situations when people lie and pass the polygraph test, while others tell the truth and are wrongly punished.

The Congressional Office of Technology Assessment in a recent study of the validity of polygraph testing concluded that the percentage of innocent people found deceptive is as high as 50 percent. Too often, innocent people are labeled liars or social misfits. Consequently, potential or current employees, people both valuable and productive, are needlessly denied employment. In addition, employees who fail the lie detector test often find that their alleged deceptive or dishonest tendencies become part of their personnel record, hindering future employment. As brought out during the polygraph hearings, over 2 million people are given these inaccurate, unreliable, intrusive tests annually. Why are we allowing our constituents to be subjected to this horror?

Fellow colleagues, I urge you to give this issue your utmost attention so that we can make the use of this barbaric workplace practice a part of history.

I call your attention to the following Newsweek article, which I earlier mentioned.

A MOLE AMONG THE GERBILS?

(By Irving K. Kaler)

It wasn't until my son Michael applied for a job as a stockboy in the pet department of a local discount store that I learned that I was the father of a potentially hardened criminal.

As a condition of his employment, Michael was subjected to a lie-detector test. After all, the pet department must be protected from unwittingly giving employment to a possible guppy snatcher or a goldfish filcher. But Michael, who is only 16 and who has never had any altercation with the law, became understandably agitated when asked questions such as how many times he had been married (none), and how many times he had been arrested (again, none).

Apparently, the machine and the operator made no distinction between one type of agitation and another, so Michael, whose nature is open and guileless, was declared to have flunked that test. Michael's only transgressions are an excessive volubility in class and perhaps an affinity to a father whose humor inclines more toward Milton Berle than to Russell Baker.

Now, thanks to this incident, I almost feel as if I have joined the company of Ma Barker in the pantheon of wicked parents. I avert my eyes when passing our neighborhood post office, apprehensive that there is displayed an unflattering picture of my son.

This episode jarred me into investigating the current use of the lie-detector device, also known as the polygraph. Why, for instance, are we Americans increasingly willing to consign to some person or machine our right to think and make determinations for ourselves? It is bad enough that we entrust this authority to politicians, but it is absolutely incomprehensible that we rely upon some goofy, Rube Goldberg-type contraption to make sensitive decisions.

FEELING

It so happens that Michael has an unusual aptitude for caring for small animals. As a matter of fact, he has a regular job with a neighbor feeding and watering chickens, rabbits and even ponies. The machine that disqualified him is not capable of discerning this special feeling and regard.

This box which measures pulse rate, blood pressure, respiration and perspiration, is being used, I learned by a great many businessmen and retailers to screen employees; at least a million tests are performed each year. In the store where Michael works carrying customers' bags to their cars, only a few departments administer a polygraph test. Under this idiosyncratic policy, he has been disqualified from stocking birdseed, but not from becoming a manager.

I am not alone in registering any apprehension about this matter. There is increasing opposition to the expanded use of the polygraph, based on concerns that the machine represents an invasion of privacy and that its findings are often unfounded an imprecise. Twenty-two states and the District of Columbia prohibit employers from requiring an employee to take a lie-detector examination. Congress is considering a bill that would restrict its use by federal agencies, except the CIA and National Security Agency, and require the consent of the person being examined. A federal judge in Macon, Ga., Judge Wilbur D. Owens Jr., has also noted that "because of the lack of scientific evidence in support of polygraph validity, polygraph results are inadmissible as evidence in criminal prosecutions, both in the United States courts, and in Georgia courts."

In his potentially landmark decision, Judge Owens recently ruled that it is unconstitutional for certain Georgia municipalities to compel their employees to take lie-detector examinations even during departmental investigations into suspected drug use. "No device known to man can 'read' an individual's mind and indicate whether that person is lying," he said. The test, he found, is "nothing more than the polygraph examiner's personal opinion of the truthful or deceptive manner in which the questioned person responded." The examiner formulates the questions; the employee is not allowed to present any evidence or otherwise dispute a suggestion of wrongdoing. "The polygraph examiner in reality becomes both judge and jury."

Moreover, the polygraph report may become a permanent part of an employee's records, and he can never compel a correction. Thus, like the mark of Cain, detrimental results can pursue him forever and mar his chances for any job. As Judge Owens points out, this may violate his rights under Fourteenth Amendment.

GUARDS

I recently went to the pet department of the store I mentioned earlier and was appalled by the indifferent care accorded the rabbits, guppies, hamsters, goldfish, canaries, gerbils, parakeets and puppies being sold there. I also noticed that no money is exchanged in that department since all purchases are concluded at a battery of cash registers at the front of the store. Only pets, or their supplies, can be pilfered. And I can't imagine any commodity less capable of being smuggled through the maze of detectors, sonic beams, sound alarms, turnstiles, guards, clerks and cashiers than a squirming rabbit, or more difficult to camouflage than a bulbous goldfish bowl.

Men and women of America, it is time we rise in indignation against this untrammeled invasion of our humanity! After all, we should possess a greater power to reason than some cold and merciless machine which, in all likelihood, hates rabbits, puppies and even those limpid-eyed guppies.

SUPERFUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. ECKART] is recognized for 60 minutes.

Mr. ECKART of Ohio. Mr. Speaker, today I wish to direct the attention of the House to an issue of grave importance to us all, the imminent expiration of the Superfund Hazardous Waste Cleanup Program and the urgent need to reauthorize it.

Failure to pass a 5-year reauthorization of this important environmental protection program will unnecessarily expose thousands of our constituents across the United States to the unnecessary risks of continuing to live with these awful cancerous substances in their backyards.

As this first chart so graphically illustrates, Mr. Lee Thomas, EPA Administrator, recently advised the Congress of his intentions, through the balance of this fiscal year and through the next, to spend between $900 mil-

lion and $1.05 billion under their current spending program.

□ 1420

That kind of money could mean a lot of relief to our constituents who find these hazardous waste dumps littering their backyards. But because we have failed to yet authorize Superfund for another 5 years, as this chart so clearly indicates, under the contingency plan developed by Mr. THOMAS, that spending would go from almost $900 million in fiscal year 1986 to the dangerously low level of $145 million. This means that from those very high projected expenditures, EPA will slash and cut, stop and discontinue meaningful enforcement and cleanup programs all across the United States because of congressional inaction.

Whether we agree or disagree with any of the several proposed bills, including the one that Congressman NORM LENT and I guided through the House Energy and Commerce Committee, and which was approved by a margin of 31 to 10, the course and the cause of this session of Congress ought to be clear: Failing to reauthorize Superfund subjects our constituents to only the most egregious hazardous waste dangers.

Cleanup has already been delayed or slowed at 67 sites across the United States, including 4 in my own home State and 2 in my own district. Thirteen in New Jersey, five in Massachusetts, four in California, three in Washington, and the list goes on.

But even if we were to pass an extension in Superfund taxing authority to give us more time to act, the infusion of money into the EPA would be nowhere near enough to keep the program moving. As this second chart shows, there would be a shortfall of almost $685 million between that which the Agency has simply requested and that which a 3-month extension would provide.

My friends, there are $685 million unspent toward the cleanup of this Nation's hazardous waste, money that is long overdue and which needs to be spent. But by far, the worst effect of our failure to reauthorize Superfund is seen so dramatically and clearly when we compare the remaining cleanup funds with the proposed cleanup funding levels in my bill, H.R. 2817, the Superfund reauthorization legislation passed by the Energy and Commerce Committee.

As this chart so graphically demonstrates, under H.R. 2817, compared with the administration's request, and compared with the contingency plan and meaningless 90-day extension advocated by some of our adversaries, you can quickly see that the difference is $1,785,000,000 less: $1.7 billion less of cleanups; $1.7 billion less of removing cancerous, hazardous waste dumps from our constituents' backyards.

An astonishing figure, Mr. Speaker, and a number that could mean so much more to clean water, clean air, and a prevention of environmental disasters all across this Nation's landscape. My friends, a clean, safe, and healthy environment truly has no price. It is invaluable. But saving our health and environment truly does. Its price is hard work, determination, and dedication on the part of the Members of the House and indeed, even of the other body, which this very day, some of which I agree and some of which I disagree, is nonetheless moving inexorably toward meeting that critical September 30 deadline.

Let us not play politics; environmental, industrial, or partisan politics with the health and welfare of millions of constituents all across this Nation. Reauthorization for 5 years of Superfund, and particularly H.R. 2817 which provides $10 billion for cleaning up the Nation's worst hazardous waste sites is a political, economic, and environmental imperative.

THE FARM CREDIT CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. WEBER] is recognized for 30 minutes.

Mr. WEBER. Mr. Speaker, on September 3, I held a hearing on the farm credit crisis with Congressman TOM DASCHLE in Worthington, MN. This hearing was an excellent opportunity to receive testimony on the farm credit situation from a broad spectrum of rural America. We heard from bankers, farmers, farmers' wives, a representative of the Farm Credit System, and representatives of farm groups. Their testimony demonstrated just how serious the situation is in rural America, and how desperately congressional action is needed to avoid a complete disaster.

Because Congress will be taking up the farm bill tomorrow, and will in all likelihood vote on the farm bill next week, and because in all likelihood credit legislation may be acted upon this year, I think our findings at this hearing are especially timely and important. Time and time again I heard from my constituents, "Do people understand in Washington? Are they hearing our message?" This is a great frustration in rural America today. Congressman DASCHLE and I pledged that we would report back to Washington the feelings of those people that met with us in Worthington as well as in South Dakota earlier in the day. I want to report to my colleagues in Congress on these hearings, and recap the views that were presented. The testimony we heard included an overall presentation of the credit crisis in rural America, accounts of how this crisis is affecting individuals, descriptions of the situation rural bankers face, and a report on the problems of the Farm Credit System.

The reports that I am going to make to the Members now in the course of this special order consist mainly of direct quotations from individuals, not Members of Congress, but individuals who are on the front line, either as borrowers or lenders in the Farm Credit System.

Leslie Peterson, the president of the Farmers State Bank of Trimont, gave us an overview of the credit situation in rural America. He said that the situation is "critical and continues to deteriorate, more rapidly now, particularly in the midsection of the country." He quoted studies that estimate half of the farm debt in America is under stress and one-third in serious trouble. Then he outlined how the credit crisis is having an impact on all lenders and more specifically on rural banks:

The farm credit crisis is rapidly being transferred to the lending industry along with the responsibility for determining who remains farming. Lenders are finding the task of determining who remains farming extremely difficult because there is no price support structure in place to base projections on.

The losses realized after liquidation of these farm operations will be assumed by the lenders. These losses are in turn passed on to the good borrowers in the form of higher interest rates and fees. These imposed responsibilities on lenders are a primary reason many are withdrawing from the farm credit field and even rural communities.

The credit crisis with loan defaults and the resulting losses adversely impact all lenders and more specifically country banks in many ways:

There is a public loss of confidence in the private financial institutions. Deposits will move elsewhere or above market rates will have to be paid to retain them. The farm credit system is already experiencing this increased cost of funds in the market which is passed on to borrowers.

Above market loan rates must be charged to off set losses and loans on nonaccrual. This drives the good customer to competing sources of credit and financial services.

Legal defense costs and bankruptcies become a significant part of the cost of lending.

Personnel costs to properly supervise marginal credits and monitor the lenders security position escalate. (Example—compliance with the farm product exception to the Uniform Commercial Code changes.

Insurance companies are withdrawing from the country bank market for Directors and Officers Liability and Bankers Blanket Bond insurance. The increased cost of the coverages impact the profitability of country banks and can force a bank to close if coverage cannot be obtained.

Inability to obtain Directors and Officers Liability coverage makes it difficult to impossible to retain good directors in a country bank.

The stress imposed upon lending officers makes it difficult to retain good people in these positions.

Losses impair the capital of banks, reduce dividends, and cause a loss of confidence in

country banks and their ability to serve their communities.

This farm financial crisis is building on itself. As net farm income declines, the ability of farmers to service debt is reduced, leading to more liquidation of land and other assets and lower land values. We don't see an end to this cycle. These conditions increase the number of insolvent farmers and the magnitude of loan losses to lenders.

This cycle of deterioration has to be stopped before farm asset values are totally destroyed and with it, the total infra-structure supporting agriculture, including the farm lenders.

□ 1430

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. WEBER. I have a limited time and a lot of testimony, but I would be more than pleased to yield to my colleague, the gentleman from North Dakota, who has been such a leader on these issues.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Speaker, I was interested in hearing the gentleman's discussion, and I agree that what we are hearing in our districts, me in North Dakota and the gentleman in a rural district in Minnesota, spells serious trouble not just in the next months but in the next 6 years unless we resolve this issue one way or another.

I am struck by the information the gentleman has provided us with respect to credit needs and credit institution difficulties. My observation is that all of this ultimately has to be solved with the price, one way or another, whether the price comes from a Government program or from the marketplace, and that ultimately, unless we stop the bleeding at the bottom, anything we do at the top really is irrelevant because the thing will continue to hemorrhage and things will continue to deteriorate in rural America.

It is not a Democrat or Republican problem, but my concern is that in order to solve it, at least it seems to me in the short term with respect to price, we are going to have to pass a farm bill that shores up some of the prices through price supports, and the threat of a Presidential veto of the bill that we are bringing to the floor in a few days is a very ominous threat, at least to me in North Dakota and to farmers in the gentleman's district.

I am hoping that we can work together on both sides of the aisle to convince the administration that we have to, in order to solve this problem in the short term, move price supports to an area that will give family farmers a chance to make a decent living. It is that simple. In the long term, we can adjust all sorts of mechanisms that respond more to what we hope would be improved market conditions worldwide, but in the short term farmers have to survive.

Mr. WEBER. I thank the gentleman for his contribution.

Mr. Speaker, I want to emphasize the bipartisanship with which we have to approach this problem is one of my objectives. That is why, and I do not know if the gentleman heard the first part of my remarks, but this is a hearing I held with Congressman DASCHLE, and that is one of the points we make. I appreciate the gentleman's contribution here, too.

I do want to say, even though, as the gentleman knows, I am a supporter of this administration in most areas, I agree with him that they are dead wrong in farm policy. The old adage about being penny wise and pound foolish really applies to their approach to this farm bill. They are going to find that if they do not accept a farm bill that will deal with the underlying problems that the gentleman has outlined, it is going to cost them far more in the next few years than they would otherwise incur if they would be willing to spend the money that is necessary to get agriculture out of its depression now.

I agree with the gentleman that we have to change that bill when it comes to the floor, and we have got to be ready to deal with a Presidential veto if it comes.

Mr. DORGAN of North Dakota. If the gentleman will yield further, let me say that what the gentleman is saying about the conditions that exist is accurate, and I know that he is working to try to solve these problems.

Again, it is not my intention to be partisan at all, but it is to say that the President sent us a plan, as the gentleman knows, that was just unacceptable to both sides of the aisle.

Mr. WEBER. I agree.

Mr. DORGAN of North Dakota. It says let us just do nothing for agriculture; got to the open market. That is just unacceptable. So that lack of leadership has really caused us a great deal of turmoil inside. There are areas where the President is right, where he is leading in the right direction; there are areas where he is wrong. That is the case with all of us in public life.

In this instance, it hits home pretty hard because in agriculture we desperately need some leadership. Let me say to the gentleman that his willingness to step out and address these problems on his side of the aisle is appreciated by me and others.

Mr. WEBER. I thank the gentleman.

Mr. Speaker, I just want to add one additional point. The other component of this problem, and I mention it because the gentleman from North Dakota has also been outspoken in this area, is Federal Reserve monetary policy, not to detract at all from the shortcomings from the administration's farm policy, but that is the other part of the problem that I have talked about and the gentleman from North Dakota has talked about as well. That is the other thing that needs to be addressed.

I thank the gentleman for his contribution.

Returning to my report to the Congress on the hearings that we held in Worthington, MN, the analysis that I just went through shows how serious the overall financial situation in rural America is. As Representatives, we also should know how the credit crisis affects individuals as people. Congressman DASCHLE and I heard accounts from several people about their own farming operations, and I would like to recount some of them because this is, after all, a personal and individual and human problem as well as an economic and to some extent political problem.

Linda Ehrens grew up on a farm, farms with her husband now in Renville County, MN, and is a former employee of a local production Credit association. She told us about the growing tension in rural areas.

I see friends and neighbors being left without funds for food, clothing, and the staples of life without a fair hearing. I see others being "talked" into selling out without available loan servicing options being presented to them. I see Federal Land Bank and Production Credit Associations having no forebearance in working with member-borrowers in financial stress. I see Boards of Directors and staff being forced to approve and implement policies and mergers to "save the system" no matter what the consequence. What I don't see from Farm Credit is a program to save agriculture, a program to save family farms, a program to get a fair price for the producer, a program to promote free-enterprise within agriculture.

Jay York is a farmer in Murray County and a director of the National Rural Electric Cooperative Association. In his testimony, he mentioned how interest rates have climbed. This past year, while general interest rates were falling for most of the economy, the St. Paul district of FCS, which includes the area I represent, raised their interest rates by one-half of 1 percent to cover heavy losses elsewhere in the system. His testimony tells of the squeeze farmers are caught in today.

I am Jay A. York, of Lake Wilson, Minn. Murray County, and raise corn, soybeans and some small grain on 520 acres of owned land and some additional rented acres. My two sons also farm on their own, but we do have some jointly owned machinery and work together as a family operation to make maximum use of our labor and equipment.

I have a federal land bank loan and my son, Lee, is a third generation borrower, having purchased 160 acres a few years ago. We are current with our loans, but can see problems, and are having them with the interest rates charged on these loans. Loans that were 7 or 8 percent when made are at 12¾ percent now, and as a letter from them states, there may be higher rates ahead to cover losses or slow payment problems. It seems their remedy for the inability to pay

is to charge more. We realize the problem they face, and the answer may be to make agriculture more profitable. However Secretary Block seems to be saying our prices are too high, and that to survive we need lower support prices. At a time when our costs are going higher, this does not seem to be the answer, at least in the short term. The problem is here now! we cannot pay our ever increasing bills with lower priced commodities.

Let's not destroy production agriculture by "kicking the can along" and not seriously addressing its problems.

I am encouraged today by this joint meeting and participation of these two Congressmen representing our two main parties. In times of crisis we need the best from everyone. As a rural electric director and a director of the National Rural Electric Association representing this State, I want to commend both these gentlemen for their support of REA. I urge you to make every effort to find a solution to these many problems. The need is urgent in rural America.

Allan Wiese, who lives in Blue Earth County, told us how his two brothers were forced to sell out. Let me read you the description of that sale and his concluding remarks:

Finally, the day of the sale arrived. It was like going to a funeral of your best friend. The three-hour sale wiped out what it took our family 30 years to accumulate and develop in livestock and machinery. It was one of the most devastating moments of our lives. I watched tractors, combines, a swather, etc., we had used from dawn to dusk, day in and day out, liquidated in minutes and seconds. I watched two young farmers and one weary father fight back tears and anger time and again as their lives built on sweat, hopes, and dreams were snuffed by what they understood as the auctioneer's cry and buyer's highest bid. In retrospect we know it was not necessarily poor management, but instead forces beyond their control that dashed their dreams and crippled their confidence.

Just because farm sales are held and businesses go broke does not mean the problems are resolved. Subsequent to my brothers' sale, my youngest brother and sister-in-law have worked even more hours than before their farm crisis at a steak house. This means more time away from their two young sons and less family time together. My brother, who partially sold out, has taken on more acreage to try to offset the decline in commodity prices and continued high interest rates. This prevents him from having more time with his wife and three children. Despite his 11 years of hard work, attempting to save his land and livelihood, he seems to be waging a losing battle. Because of their financial status, these two families now qualify to receive free government commodities, e.g., cheese. Each brother has also reduced their social and community activities to save money. Finally, an outgrowth of the decimation of farmers and rural communities is the crumbling of the values of these good citizens. Just two weeks ago when I inquired of my sister-in-law how things were going in her neighborhood, she stated people were more out for themselves and less trusting of their neighbors as to whether repayment for things borrowed would occur. Though not members of my own family, I know farmers who have quit attending church and community functions because of pride and personal conflicts as a result of the economic conditions in rural America today.

In summary, rural Americans, be they a farmer, housewife, teacher, laborer, student, or small town businessperson, are more than bits of data. They are first class citizens that possess and nurture the spirit of America that began with our Founding Fathers and has continued to serve as the foundation of this nation. That spirit embodies individualism, creativity, neighborliness, a strong work ethic, and patriotism. Every time a farmer or business goes broke in rural America the spirit of America is diminished. Does it make sense to cut away the business, social, and religious fabric that undergirds the soul of this nation for the sake of cheap foreign labor and cheap food. I submit to you history will judge harshly those that measure the greatness of a nation based on financial statements and balance sheets while ignoring the irreparable harm being done to the social structure and family institution in rural America.

□ 1440

Delores Swoboda is on the State steering committee of Groundswell, a farm organization that has sprung up in Minnesota in response to the farm crisis that we find gripping our part of the country today. She told us how fast the crisis is spreading from individuals to entire communities:

I am shocked at how fast the crisis is becoming worse and worse. Dozens of farmers in every county in Minnesota have already deeded back their land to their lender, dozens more are facing foreclosure in the next few months, and dozens more are already in foreclosure. As each farmer loses out, so also do the businesses in rural America, and as the businesses fail laborers are without work, and all of this is affecting the welfare of our banks. It is a chain effect that will result in the total destruction of rural America, and a way of life that may never be able to be replaced.

RURAL BANKS

The farm crisis does indeed affect everyone in rural America. Gary Sonstegard from the Watson State Bank in Watson, MN, told how rural banks are trying to deal with fluctuating interest rates and a weak farm economy. I quote from his testimony, as follows:

Another area of concern is interest rates. I know in our area the interest rates have not dropped as dramatically as the prime rate for farm borrowers. The major reason for this is the risk involved in each bank's portfolio and unless we keep our spread between the rates we are paying and the rates we are receiving, we will also be in trouble as a lending institution. We have to continue to generate profits in order to cover and make allowance for potential loan losses in our portfolio.

The other part of this problem is profitability on the farm level. At current prices it is almost impossible for any farmers to cash flow his operation. In 1984 in going through our own credit files, we can see from the farmers tax returns that were submitted to us, 90 percent of them lost money. We need a price so that farmers can make a profit and remain in business. If not, I can see, as stated before, farmers, businesses, and financial institutions dependent upon agriculture will fall like dominoes. This in turn will cause many rural communities to become ghost towns. I don't think the Government or anyone else wants to see this. Agriculture has been and is the back-bone of our country. It is still directly related to 40 percent of our economy yet only 3 percent of our Federal Budget is spent on farm programs. In reality, we are not subsidizing the farmer, we are subsidizing the consumer. We have the cheapest food in the world. I have seen several studies that peg 15 percent of our disposable income is spent for food while 25-35 percent of disposable income is spent in almost all other countries. If we want to continue to have cheap food, then we cannot penalize the farmer, who is the most efficient operator in the world. If the farmer can make a profit, he will pay taxes, buy goods and services, create employment and in turn our whole economy will be better off. I would venture to say that whatever the Government spends on farm programs, a good portion of this would come back in taxes, reduced unemployment benefits, increased sales taxes to states and probably the most important, the continuation of a rural society that will continue to grow and prosper and be the back-bone of our country. What would be the cost of re-training and relocating this society? If the present trend continues the economic and social structure we now have with the family farms and small businesses and rural communities will be a thing of the past.

Our farm customers, for the most part, are usually very optimistic people. This is not the case now. They are, to put it frankly, depressed just like the economy. They feel there is little hope. They feel the administration has abandoned them. They cannot give their children any hope of a future in farming as they see little hope for themselves. The majority of these are good farmers who enjoy their work and take pride in it. The pressure put on them by the situation is almost too much to bear. A sign of the times, was last winter when about half of all farm meetings had to do with stress and how to handle it. I dread the thought of what this winter will be like if nothing is done to bolster the farm economy.

Finally, we also heard testimony from John Ryan, who is the director of the Farm Credit Board of St. Paul, which represents the seventh district of the Farm Credit System. He outlined how serious the situation was for the entire Farm Credit System. I quote now from John Ryan's testimony, as follows:

I'd like to give you a few specifics of what is happening in our district this year. The seventh district is anticipating at least $170 million in loan losses this year—$100 million for Federal Land Bank and $70 million for PCA. These reflects farmer's losses; farmers involved with that credit and are also experiencing losses. Farmers are increasingly unable to service debt on many of their loans. Nonperforming assets are expected to total about $605 million—$400 million for FLB; $200 million for PCA, and $5 million for Bank of Cooperatives. That affects our earnings: Our earnings in 1984 for the Seventh District amounted to $122 million. Right now, even though we have increased our Land Bank interest rate during the past few months, we are projecting a $7 million dollar loss in 1985 compared to $122 million we earned in 1984. Our objective is to lower this rate as soon as possible. However, with

these projected losses, without outside help, this won't be possible.

If we look at our Production Credit Associations across the southern tier of Minnesota counties, of which most are on Congressman Weber's district, we would find that barely 50 percent of our loans at the current time are classified acceptable. This means that nearly half of our loans are in the problem and vulnerable class and almost 20 percent of the loans we have are considered loss loans at this time. Our 1985 PCA foreclosures in the state of Minnesota are currently at 57 compared to 15 we had in 1984. We have also had 86 farmers declare bankruptcy compared to 32 last year. This does not take into consideration the acquired property which we have, which was deeded directly to the Land Banks and the PCAs throughout the state.

We have made a commitment in the Seventh District to continue to serve the farmers as best we can by keeping all of our associations offices open, by protecting the B-stock to the highest degree possible by use of capital management, merger and so forth. We feel that we are in this together and will work together to solve the problem together.

These efforts alone are not enough to swing the pendulum back to a more profitable, less stressful agriculture. It will take more than just state or local answers and solutions. As I mentioned earlier, it will require national answers, cooperation and a commitment from you, myself, your congressional peers and our borrowers. We have made that commitment and support your continued efforts to help solve our problems.

We must act together to ensure agriculture remains a viable industry here in southern Minnesota and throughout all other farming communities across rural America. Reasonable profits, stable asset values and manageable interest rates is what the American farmer needs. It's what he deserves and with your help, it's what he will get.

In conclusion, Mr. Speaker, we got testimony from a wide range of people. There were some points of disagreement among them, as is natural. But all testified that the credit situation is extremely serious, indeed that it is declining and deteriorating day by day, hour by hour, and the Congress is going to be forced to act to avoid a complete disaster.

Mr. Speaker, I hope that this has been helpful to my colleagues, and I hope they will keep these comments in mind as they consider the farm bill this week and next week and farm credit legislation that I expect will come before the Congress before we adjourn this year.

Mr. Speaker, under my unanimous-consent request to include extraneous matter, I include the entire text of the testimony I have quoted, as follows:

STATEMENT OF JOHN RYAN, THE ST. PAUL DISTRICT FARM CREDIT COUNCIL

Thank you, Congressman. I appreciate the opportunity to talk to you about Farm Credit. First of all, I'd like to introduce myself, I'm John Ryan, a corn and soybean farmer, with a hog, farrow to finish operation near Springfield, Minnesota. I am currently on the Board of Directors of the Federal Land Bank Association of St. James, which is in southern Minnesota. I also serve on the District Board of the Seventh Farm Credit District which includes the states of North Dakota, Minnesota, Wisconsin and Michigan as well as on the St. Paul District Farm Credit Council Board, for which I'd like to speak today.

I'd like to first tell a little bit about the Farm Credit System. The Farm Credit System is a national agricultural lending cooperative, owned by farmers. On behalf of these over one million farmers nationwide, Farm Credit System's purpose is to collectively raise money in the nation's money markets and bring that capital back to rural communities and individual farmers. We also have the charge to provide credit and related services to farmers and their cooperatives at competitive rates through both good and bad times.

The Seventh Farm Credit District, the largest of the System's twelve districts, is committed to the Farm Credit System's mission. To ensure that the district remains in a viable financial position to be able to carry out the mission, the Seventh District recently adopted a seven point plan to control its costs, decrease losses and enhance farmer confidence. These seven points are focused on cost control, high return on assets, alternative loan programs and competitive prices for farmers, continued consolidation of Production Credit Association and Federal Land Bank Association management operations into 23 farmer controlled Farm Credit Service Centers and effective capital management. We support legislation that helps farmers and their Farm Credit System, and are committed to communicate regularly and openly with stockholders and other publics. I have a attachment which further explains this plan. (Attachment A)

Through a decade of inflation, today's low farm income and commodity prices are resulting in high debt to asset ratios and rapidly declining land and asset values. Farmers and their lenders did not, by their own choice, fail. Many others, including governmental ag policy, universities, and the public have had a role in causing this dilemma of over-valued assets and more debt than farmers can repay under existing and forecasted prices.

As a agricultural lending cooperative whose portfolio is totally in agriculture, the Farm Credit System has fewer options for offsetting our losses than other commercial lenders. Consequently, Farm Credit can only pass the losses from some of its borrowers onto all other borrowers through higher interest rates. Further, Farm Credit cannot simply turn its back on the ag sector when times are difficult and pursue more profitable ventures as some commercial lenders now in fact are doing. We have been in agriculture for over 60 years; we are in agriculture today; and we intend to stay in agriculture for many years to come. Our loan portfolio mirrrors the economic strength of agriculture. When farmers are doing well, our portfolio reflects that. Conversely, when farmers are not doing well, the strength of our loan portfolio similarly declines. Therefore, if the Farm Credit System is to continue as a healthy, farmer-directed ag lending system, it is incumbent upon us to work to ensure a healthy agricultural economy.

To help farmers survive the current depression in agriculture and to keep a farmer-directed Farm Credit System to serve farmers today and tomorrow, the Seventh Farm Credit District through the Farm Credit Council, has developed policies on several issues of importance and concern to farmer-owners. A copy of these issues is attached. (attachment B)

The Farm Credit System started with public capital assistance and over time, the farmers of America paid it back and built a reliable, dependable, efficient farmer-directed system that supplies over a third of all ag credit used in America. Today, we in the St. Paul District feel that the Farm Credit System is at a point where it might need that public capital again. Farmers alone should not have to bear the total costs of supporting the agricultural depression through higher interest rates because of factors beyond their control. The Seventh District supports legislative policies that will enable farmers to earn an income that will support their investments in their farming operation. We support public or government capital assistance through the Farm Credit System while ensuring continued farmer control. Such assistance should reduce the interest rates for all farmers while providing extended options for other deserving farmers who are having difficulty making ends meet. Congressman Weber has introduced a concept that could be key to meeting this objective. In his proposal to allow the Farm Credit System to sell tax exempt and/or guaranteed bonds. This would generate capital at a lower cost to farmers. We also support giving regulatory authorities to the Farm Credit Administration that are equal to authorities given to other financial regulatory organizations.

Unfortunately, these are stressful times for both lenders and borrowers; and it looks like it will continue to be stressful. We anticipate the trends will worsen until we have in place some long-term national solutions. We foresee no quick answer, just as we foresee no quick turn around to the agriculture crisis. The solution to our problems lies with reversing two of the most detrimental trends facing farmers in the 1980's, low commodity prices and declining land values. These two factors, in large part, influence farm income, which in turn determine a farmer's austerity or prosperity. The main problem is farm income not farm credit.

To give you better idea of how asset values, commodity prices and debt determine a profit or loss, I've included an attachment that will show you the effects of these factors in two time periods on three different types of farms. It illustrates how highly leveraged farmers could profit in the 1970's, yet lose substantially in the 1980's. These farmers were making the right decisions at that time give those circumstances. (attachment B)

We and our borrowers are doing everything possible to cut costs, service our loans and otherwise help farmers and our associations weather the tide of this economic depression. In spite of this and even with our strong capital base and the resources we have available in the Seventh District, we really question whether the System can work its total problems out working with only our own resources and with a majority of our increased cost burden borne by our farmer owners.

I'd like to give you a few specifics of what is happening in our District this year. The Seventh District is anticipating at least $170 million in loan losses this year—$100 million for Federal Land Bank and $70 million for PCA. These reflects farmer's losses; farmers involved with that credit and are also experiencing losses. Farmers are increasingly unable to service debt on many of their loans. Non-performing assets are expected

to total about $605 million—$400 million for FLB; $200 million for PCA, and $5 million for Bank for Cooperatives. That affects our earnings: Our earnings in 1984 for the Seventh District amounted to $122 million. Right now, even though we have increased our Land Bank interest rate during the past few months, we are projecting a $7 million dollar loss in 1985 compared to $122 million we earned in 1984. Our objective is to lower this rate as soon as possible. However, with these projected losses, without outside help, this won't be possible.

If we look at our Production Credit Associations across the southern tier of Minnesota counties, of which most are in Congressman Weber's district, we would find that barely 50% of our loans at the current time are classified acceptable. This means that nearly half of our loans are in the problem and vulnerable class and almost 20% of the loans we have are considered loss loans at this time. Our 1985 PCA foreclosures in the state of Minnesota are currently at 57 compared to 15 we had in 1984. We have also had 86 farmers declare bankruptcy compared to 32 last year. This does not take into consideration the acquired property which we have, which was deeded directly to the Land Banks and the PCAs throughout the state.

We have made a commitment in the Seventh District to continue to serve the farmers as best we can by keeping all of our associations offices open, by protecting the B-stock to the highest degree possible by use of capital management, merger and so forth. We feel that we are in this together and will work together to solve the problem together.

These efforts alone are not enough to swing the pendulum back to a more profitable, less stressful agriculture. It will take more than just state or local answers and solutions. As I mentioned earlier, it will require national answers, cooperation and a commitment from you, myself, your congressional peers and our borrowers. We have made that commitment and support your continued efforts to help solve our problems.

We must act together to ensure agriculture remains a viable industry here in southern Minnesota and throughout all other farming communities across rural America. Reasonable profits, stable asset values and manageable interest rates is what the American farmer needs. It's what he deserves and with your help, it's what he will get.

Thank you. I'll be glad to answer any question you might have.

STATEMENT BY LESLIE W. PETERSON, PRESIDENT, FARMERS STATE BANK OF TRIMONT, TRIMONT, MN

The financial condition of the agricultural sector is critical and continues to deteriorate, more rapidly now, particularly in the mid-section of the country.

This deterioration continues exacerbated by negative real income flows to farmers and the resultant decline in farm asset values that provide the security behind farm loans.

Several studies of this credit crisis in agriculture have been done; by the Federal Reserve, the USDA, the "Farm Journal" and just recently a report commissioned by the National Corn Growers Association and Pioneer Hi-bred International, Inc. This study was done in cooperation with the Farm Journal Magazine, FAPRI at Iowa State University and the University of Missouri and Wharton Econometrics Forecasting Associates.

These studies further verify the credit problems found in country banks in southwestern Minnesota and the farm credit system. Of the 211 billion in total farm debt, half is under stress and one third in serious trouble. The latter study shows 27 percent of the farm debt is held by 14 percent of the farm operators with debt to asset ratios of over 70 percent. This group will find it difficult or impossible to correct their problems. The losses that will be realized by farm lenders with this group of borrowers will approach 25 billion.

The farm credit crisis is rapidly being transferred to the lending industry along with the responsibility for determining who remains farming. Lenders are finding the task of determining who remains farming extremely difficult because there is no price support structure in place to base projections on.

The losses realized after liquidation of these farm operations will be assumed by the lenders. These losses are in turn passed on to the good borrowers in the form of higher interest rates and fees. These imposed responsibilities on lenders are a primary reason many are withdrawing from the farm credit field and even rural communities. (Example—1st Bank System)

The credit crisis with loan defaults and the resulting losses adversely impact all lenders and more specifically country banks in many ways:

There is a public loss of confidence in the private financial institutions. Deposits will move elsewhere or above market rates will have to be paid to retain them. The farm credit system is already experiencing this increased cost of funds in the market which is passed on to borrowers.

Above market loans rates must be charged to off set losses and loans on non-accrual. This drives the good customer to competing sources of credit and financial services.

Legal defense costs and bankruptcies become a significant part of the cost of lending.

Personnel costs to properly supervise marginal credits and monitor the lenders security position escalate. (Example—compliance with the farm product exception to the Uniform Commercial Code changes)

Insurance companies are withdrawing from the country bank market for Directors and Officers Liability and Bankers Blanket Bond insurance. The increased cost of the coverages impact the profitability of country banks and can force a bank to close if coverage cannot be obtained.

Inability to obtain Directors and Officers Liability coverage makes it difficult to impossible to retain good directors in a county bank.

The stress imposed upon lending officers makes it difficult to retain good people in these positions.

Losses impair the capital of banks, reduce dividends, and cause a loss of confidence in country banks and their ability to serve their communities.

This farm financial crisis is building on itself. As net farm income declines, the ability of farmers to service debt is reduced leading to more liquidation of land and other assets and lower land values. We don't see an end to this cycle. These conditions increase the number of insolvent farmers and the magnitude of loan losses to lenders.

This cycle of deterioration has to be stopped before farm asset values are totally destroyed and with it, the total infra-structure supporting agriculture, including the farm lenders.

This cycle of deterioration can only be stopped with government intervention. Intervention can take one of two forms or a combination:

A direct infusion of capital to farm lenders to stabilize their situation and enable them to hold land and other acquired assets off the market.

Income support levels to farm producers to enable them to service debt in an orderly manner.

There is presently no flow of new capital into the ag sector and rural America. The two principal sources of this capital have dried up completely, namely—

Net income from farm operations.

Flow of new capital from lenders and investors in financing the purchase of land and other farm assets into the hands of new owners and operators.

The capital base of agriculture and rural communities is continuing to shrink and with it the deposit base of rural banks. This coupled with loan losses and their effect on a banks capital will seriously impair the country bank's ability to meet the credit needs of the community. Without a reliable source of capital and credit, rural communities will wither and die.

Survival of 25% of our farmers is in doubt. Survival of the rural credit system is in doubt. Without these, survival of the rural community itself is in doubt.

The potential negative economy-wide effects of this farm financial crisis call for direct and comprehensive measures by Government to address the problem. The first of these measures essential to correct the problem is passage of farm legislation—as quickly as possible—that will assure stability of income to agriculture at levels high enough to stop the cycle of asset value deterioration that is destroying the economy of rural America.

NORTH MANKATO, MN,
September 3, 1985.

Representative TOM DASCHLE,
Rayburn Office Building,
Washington, DC.
Representative VIN WEBER,
Cannon House Office Building,
Washington, DC.

DEAR SIRS: The following is being submitted for the record of the hearings on the farm crisis, September 3, 1985, Worthington, MN.

My interest in providing testimony stems from several factors. I was raised on a diversified farming operation, my doctoral dissertation was done on agricultural policy and farm interest groups, and members of my immediate family who farm have had to sell out this year.

Many statistics indicate the consequence of high interest rates, declining farm land prices, and declining farm commodity prices over the past several years relative to farms, rural communities, and the State of Minnesota. According to United States Department of Agriculture figures, 4 out of every 10 counties in Minnesota are dependent on farming (these counties rely on farms for at least 20 cents out of every dollar of income) (Minneapolis Star and Tribune, 12 August 1985, p. 13A). Also, in Minnesota, approximately one in four jobs is related to agriculture and are divided between metropolitan areas and rural areas as follows:

Farms employ the equivalent of about 100,000 people.

Forty-eight thousand people are involved in food manufacturing.

Three hundred thousand people are indirectly dependent on farming—wholesalers, retailers, truckers, suppliers of farm materials and sellers of services such as lenders, insurance, and real estate (Minneapolis Star and Tribune, 12 August 1985, p. 13A).

The farm crisis will take its toll on farmers and businesses. In Minnesota alone, the state economist predicts 5,000 farmers will leave in the next five years, nearly 10,000 will go out of business in the 1990's, even if price supports remain in place (Minneapolis Star and Tribune, 11 August 1985, p. 25A). Finally, for every 6 farmers who go broke, one nonfarm business is closed (Mankato Free Press, 1985). Clearly, such figures are very significant and beg our attention. They still, however, do not capture the trauma and devastation rural Americans have been facing in their personal lives the past several years and will have to face in the near term if the Reagan Administration and Congress does not immediately address the needs of these people.

Given the above background, I would like to speak to the human dimension that gets lost in the shuffle of data. As noted earlier, members of my family have had to sell out of the farming business during the past eight months. What is this like? How does it impact a family and a community?

In my case, two of my brothers sold out (one totally, one partially) in February, 1985. At Christmas time, 1984, my brother, who partially sold out, told me he was having difficulty obtaining loans to plant his spring crop. He expressed he had recently found out about his financial problem, but he was only able at that time to discuss it with his wife and myself. It seemed this once confident and outgoing young farmer was having great difficulties expressing his deep concerns. This man and his wife had been farming since about 1974 and had faced other farm related problems before—hail, drought, animal diseases—but this one had them trapped. They had been facing high interest rates since 1980 and farm land prices had been declining for a year, so their borrowing power was decreasing while production costs continued to increase.

I was deeply disturbed by this brother's revelation—if he could not secure a loan, he would have to sell out. During the month of January, Karin, my wife, and I made numerous phone calls and visits to this brother and his family who lived 150 miles from our home in North Mankato, MN. I, too, tried to find capital for my brother. As time went on and time ran out, the emotional stress became very severe. On several occasions between Christmas, 1984 and the day of my brothers' sale, February 16, 1985, we all shed some tears.

It became apparent about mid-January my youngest brother would have to also sell out. As the time approached for my brothers' sale and money to borrow could not be found, tension in our families' homes heightened. Noticeably, my parents did not wish to discuss what my brothers were doing for work on their farms. This was so unlike in the past when my father and mother would gladly strike up a conversation immediately upon our arrival at their home and converse about the daily events on their sons' farms.

Finally, the day of the sale arrived. It was like going to a funeral of your best friend. The three hour sale wiped out what it took our family 30 years to accumulate and develop in livestock and machinery. It was one of the most devastating moments of our lives. I watched tractors, combines, a swather, etc., we had used from dawn to dusk, day in and day out liquidated in minutes and seconds. I watched two young farmers and one weary father fight back tears and anger time and again as their lives built on sweat, hopes, and dreams were snuffed by what they understood as the auctioneer's cry and the buyer's highest bid. In retrospect we know it was not necessarily poor management, but instead forces beyond their control that dashed their dreams and crippled their confidence.

Just because farm sales are held and businesses go broke does not mean the problems are resolved. Subsequent to my brothers' sale, my youngest brother and sister-in-law have worked even more hours than before their farm crisis at a steak house. This means more time away from their two young sons and less family time together. My brother, who partially sold out, has taken on more acreage to try to offset the decline in commodity prices and continued high interest rates. This prevents him from having more time with his wife and three children. Despite his 11 years of hard work, attempting to save his land and livelihood, he seems to be waging a losing battle. Because of their financial status, these two families now qualify to receive free government commodities, e.g., cheese. Each brother has also reduced their social and community activities to save money. Finally, an outgrowth of the decimation of farmers and rural communities is the crumbling of the value of these good citizens. Just two weeks ago when I inquired of my sister-in-law how things were going in her neighborhood, she stated people were more out for themselves and less trusting of their neighbors as to whether repayment for things borrowed would occur. Though not members of my own family, I know farmers who have quit attending church and community functions because of pride and personal conflicts as a result of the economic conditions in rural America today.

In summary, rural Americans, be they a farmer, housewife, teacher, laborer, student, or small town businessperson, are more than bits of data. They are first class citizens that possess and nurture the spirit of America that began with our Founding Fathers and has continued to serve as the foundation of this Nation. That spirit embodies individualism, creativity, neighborliness, a strong work ethic, and patriotism. Every time a farmer or business goes broke in rural America the spirit of America is diminished. Does it make sense to cut away the business, social, and religious fabric that undergirds the soul of this Nation for the sake of cheap foreign labor and cheap food. I submit to you history will judge harshly those that measure the greatness of a nation based on financial statements and balance sheets while ignoring the irreparable harm being done to the social structure and family institution in rural America.

Sincerely yours,

ALLAN WIESE.

TESTIMONY OF GARY SONSTEGARD

DIFFICULTIES WITH FARM CREDIT FOR BORROWERS AND LOAN OFFICERS

We, as lenders, are very concerned about the future of agriculture in its present state. We are a small farm bank in western Minn. and the majority of our customers are either farmers or people who directly depend on agriculture for their income. Inability of our customers to generate a profit because of poor markets, weather conditions, heavy debt and high interest rates has caused large problems. This has caused deterioration of values on equipment, farm real estate, and livestock and the majority of our borrowers, who were in good shape several years ago, are now in financial trouble. As the farm situation deteriorates, the banks are under constant pressure from regulators to keep capital at a certain level, to shore-up problem loans, and to keep loss reserves at higher than normal levels. This causes us to keep rates higher than they should be in order to survive. Risk in our portfolios increase as this downward spiral of lower values and unprofitability continues. Lenient bankruptcy laws and all the other legal entanglements just complicate the situation. We have all been a part of causing this present situation. Farmers, government, financial institutions, you go down the list, but the important thing is that we do not dwell on who is to blame, but that we all pull together and do something to address and correct this situation.

We were able to get most of our farmers in the field this spring because we applied early for Approved Lenders Status under the FmHA Loan Guarantee Program and the majority of our operating loans have been guaranteed by FmHA in 1985. We had some difficulties getting the program started as both FmHA and ourselves were new to all the rules and documentation, but once the program got rolling, we were fairly successful in handling most of the requests that we had. We are optimistic that most of these operating funds will be repaid from sale of crop or selling of grain through Commodity Credit as we have the potential of a very good crop in the field in our area. We are concerned about the weather because we do need some time for this crop to reach its full potential. As we all know, prices have dropped drastically since spring. At that time on most of our cashflow projections, we were estimating wheat to be $3.75 per bushel, it is presently $3.32; soybeans to be $6.30 per bushel, which is presently $4.79; and corn to be $2.65 per bushel, which is presently close to the $2.02 mark for new crop. As you can see, if it was not for the big crop (15-25 percent over our projection) we would be in trouble as far as even getting our operating loans repaid. We are fortunate that the majority of our customers are in the program but are very concerned of what lies ahead with price levels being what they are at currently. It is going to be impossible for farmers to cash flow their operation at current price levels for 1986. This includes livestock loans. We feel we need a continuation of this guarantee program and we need to have it funded in all areas of agriculture lending, not only operating and farm equipment but also farm real estate.

Another area of concern of ours is the unavailability of long-term credit for farming. At the present it is my understanding that there are no farm ownership funds available through FmHA. In 1985 I think only five farm ownership loans were made in Chippewa County and I know there are 25-30 applications pending. Federal Land Bank and the insurance companies who are the other sources of long-term credit, for all practical purposes, are out of the market. Their requirements that the borrower must show profitability on his tax returns over the last several years, plus their lowering of appraisals on farm land and the amount they will borrow against this land has made it impossible for farmers to get any credit from this source. We are a short-term lending institu-

tion as we have to try to match up our loans with our deposits and therefore, it is impossible for us to make any long-term credit commitments which is something that most of our borrowers need desperately. We must have a source of long-term credit at low interest rates in order for our borrowers to work out of this very serious situation. If the present debt cannot be restructured and given a chance to work out we will begin seeing many more farm sales, foreclosures, and this will lead to a further depression. Close behind this will be failures of may farm banks and right behind this many farm communities. We hope that the Congress and the President will see fit to continue the FmHA Guarantee Program as we see this as an avenue to allow banks to continue to keep our farmers in business.

Another area of concern is interest rates. I know in our area the interest rates have not dropped as dramatically as the prime rate for farm borrowers. The major reason for this is the risk involved in each bank's portfolio and unless we keep our spread between the rates we are paying and the rates we are receiving, we will also be in trouble as a lending institution. We have to continue to generate profits in order to cover and make allowance for potential loan losses in our portfolio.

The other part of this problem is profitability on the farm level. At current prices it is almost impossible for any farmers to cash flow his operation. In 1984 in going through our own credit files, we can see from the farmers tax returns that were submitted to us, 90 percent of them lost money. We need a price so that farmers can make a profit and remain in business. If not, I can see, as I stated before, farmers, businesses, and financial institutions dependent upon agriculture will fail like dominoes. This in turn will cause many rural communities to become ghost towns. I don't think the government or anyone else wants to see this. Agriculture has been and is the back-bone of our country. It is still directly related to 40 percent of our economy yet only 3 percent of our Federal Budget is spent on farm programs. In reality, we are not subsidizing the farmer, we are subsidizing the consumer. We have the cheapest food in the world. I have seen several studies that peg 15 percent of our disposable income is spent for food while 25-35 percent of disposable income is spent in almost all other countries. If we want to continue to have cheap food, then we cannot penalize the farmer, who is the most efficient operator in the world. If the farmer can make a profit, he will pay taxes, buy goods and services, create employment and in turn our whole economy will be better off. I would venture to say that whatever the Government spends on farm programs, a good portion of this would come back in taxes, reduced unemployment benefits, increased sales taxes to states and probably the most important, the continuation of a rural society that will continue to grow and prosper and be the back-bone of our country. What would be the cost of re-training and relocating this society? If the present trend continues the economic and social structure we now have with the family farms and small businesses and rural communities will be a thing of the past.

Our farm customers, for the most part, are usually very optimistic people. This is not the case now. They are, to put it frankly, depressed just like the economy. They feel there is little hope. They feel the administration has abandoned them. They cannot give their children any hope of a future in farming as they see little hope for themselves. The majority of these are good farmers who enjoy their work and take pride in it. The pressure put on them by the situation is almost too much to bear. A sign of the times, was last winter when about one-half of all farm meetings had to do with stress and how to handle it. I dread the thought of what this winter will be like if nothing is done to bolster the farm economy.

In summary, we need the following things:

Short term:

(1) A continuation of the Government guarantee program in all areas of ag credit, operating, expenses, equipment and real estate.

(2) Interest rates and terms that will allow the farmers to work themselves out of the present credit dilemma. (This would start with funds available for low interest FmHA farm ownership programs.)

(3) Price supports or some sort of price stability that would allow farmers to make a profit and to cash flow his operation.

(4) Government and the consumer must be educated to know what the consequences of a failure in the ag economy would mean.

Long term:

(1) We need a farm program that is consistent and stable. Farmers cannot continue to make 20-year investments based on three or four year programs.

INTRODUCTION OF H.R. 3373, THE CALIFORNIA OUTER CONTINENTAL SHELF PROTECTION AND DEVELOPMENT ACT

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, today I am introducing legislation which seeks to restore an important measure of balance and certainty to the process of developing and protecting California's offshore resources. The past 4 years have been characterized by growing conflict and confrontation between the Congress and the administration over the issue of leasing the State's Outer Continental Shelf for oil and gas development.

Seeking a long-term resolution of this conflict, a bipartisan group of Members of the California delegation entered into negotiations with Interior Secretary Hodel in early June in order to break the deadlock on the issue. After 6 weeks of good faith negotiations, the Secretary joined the Members, including Senators CRANSTON and WILSON, in announcing what he termed "a landmark agreement" on the status of the offshore lands currently protected by a congressional moratorium on oil and gas leasing.

The process of negotiation involved compromise and sacrifice on both sides. The preliminary agreement which was announced on July 16 provides the balance between protection and development which was called for in the OCS Lands Act Amendments of 1978. It embodies safeguards to protect the $16 billion tourism industry and the $1.75 billion commercial fishing industry—industries which depend upon a nonindustrialized coastal zone and an unpolluted marine environment. At the same time it provides for the expanded hydrocarbon resource development which will make California the Nation's second largest producer of offshore oil by 1990.

Unfortunately, the Secretary recently announced that the resource information provided to the congressional negotiators was basically incorrect and that he would have to abandon the original terms of the agreement. However, a bipartisan majority of the California delegation, including both Senators, continues to support the balanced approach represented by the preliminary accord, and have committed themselves to implementing this agreement, with or without the Secretary's support.

Our hope now, as it has been over the past 4 years, is to see a process established which makes extraordinary congressional involvement in this issue unnecessary. The present approach is allowing the oil companies to dictate national policy on OCS development. Pursuant to the wishes of the majority of the coastal counties, 25 coastal cities, a number of State legislators, the attorney general, the Lieutenent Governor, and 75 percent of the California congressional delegation which support this agreement, I am introducing this long-term legislation to implement the original July accord.

Given the Secretary's rejection of the agreement, I believe that it is now the legislative mandate of the Congress to inact the agreement which the Secretary made with the California Members. Like the pact announced with Secretary Hodel, this legislation will:

One, open 150 of the tracts currently protected by moratorium for leasing and development.

Two, protect the remaining areas until the year 2,000, except in the event of a national energy emergency.

Three, permit the drilling of one exploratory well in each of three northern basing—Santa Cruz, Bodega, and Point Arena—in order to inventory the resource in those areas.

I would prefer to be introducing this legislation with the support of Secretary Hodel. Without the Secretary's backing of a compromise approach, the Nation's OCS Leasing and Development Program will continue to be stalled in the Congress and in the courts. California's coastal communities, the Nation, and future generations of Americans deserve an offshore development policy which provides for a reasonable balance between environmental and economic concerns and which insures a reasonable amount of

certainty over the pace of development.

An agreement was reached which provides the required balance and certainty to the process of developing California's offshore resources, and which has engendered the support of the State's coastal communities, local and State government officials, and the majority of its congressional representatives. We cannot back away from this agreement, and therefore must move to implement it.

The following is the text of H.R. 3373:

H.R. 3373

A bill imposing certain limitations and restrictions on leasing lands on the Outer Continental Shelf off the State of California, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "California Outer Continental Shelf Protection and Development Act".

SEC. 2. CALIFORNIA OUTER CONTINENTAL SHELF LEASING.

(a) APPLICATION.—The provisions of this Act shall apply to submerged lands of the California outer Continental Shelf described in subsection (b).

(b) DESCRIPTION OF LANDS.—Lands to which this Act applies shall be tracts within the following areas:

(1) the lands within the Department of the Interior Central and Northern California Planning Area which lie north of the line between the row of blocks numbered N816 and the row of blocks numbered N817 of the Universal Transverse Mercator Grid System,

(2) an area of the Department of the Interior Southern California Planning Area bounded by the following line on the California (Lambert) Plane Coordinate System: From the point of intersection of the international boundary line between the United States and Mexico and the seaward boundary of the California State Tidelands west along said international boundary line to the point of intersection with the line between the row of blocks numbered 28 west and the row of blocks numbered 27 west; thence north to the northeast corner of block 20 north, 28 west; thence northwest to the southwest corner of block 29 north, 35 west; thence north along the line between the row of blocks numbered 36 west and the row of blocks numbered 35 west to its intersection with the seaward boundary of the California State Tidelands; thence easterly along the seaward boundary of the California State Tidelands to the point of beginning;

(3) a portion of the Department of the Interior Southern California Planning Area which lies both: (A) east of the line between the row of blocks numbered 53 west and the row of blocks numbered 52 west, and (B) north of the line between the row of blocks numbered 34 north and the row of blocks numbered 35 north, on the California (Lambert) Plane Coordinate System;

(4) the boundaries of the Channel Island National Marine Sanctuary, as defined by title 15, part 935.3 of the Code of Federal Regulations; and

(5) the boundaries of Santa Barbara Channel Ecological Preserve and Buffer Zone, as defined by the Department of the Interior, Bureau of Land Management Public Land Order numbered 4587 (vol. 34, page 5655 Federal Register March 26, 1969).

SEC. 3. AREAS AVAILABLE FOR LEASING.

(a) AUTHORITY.—Of the lands described in section 2(b), oil and gas leasing may be carried out under the Outer Continental Shelf Lands Act as provided in this section with respect to lands described in subsection (b).

(b) DESCRIPTION OF LANDS.—The lands referred to in subsection (a) are as follows:

(1) In the Eel River Basin area those tracts described, using the Universal Transverse Mercator Grid System, by the following coordinates:

Row N939, E71, E74, E75.
Row N940, E71-E72, E74-E76.
Row N941, E71-E76.
Row N942, E71-E76.
Row N943, E71-E76.
Row N944, E71-E76.
Row N945, E71-E76.
Row N946, E71-E74.
Row N947, E71-E74.
Row N948, E71-E74.
Row N949, E71-E74.
Row N950, E70-E74.
Row N951, E69-E74.
Row N952, E69-E74.
Row N953, E69-E74.
Row N954, E69-E74.
Row N955, E69-E74.
Row N956, E69-E74.
Row N957, E69-E74.

(2) In the Santa Maria Basin area, those tracts described, using the Universal Transverse Mercator Grid System, by the following coordinates:

Row N817, E125-E132.
Row N818, E126-E132.
Row N819, E129-E130.

(3)(A) In the Santa Monica Bay area, those tracts described, using the California (Lambert) Plane Coordinate System Zone 6, by the following coordinates:

Row N41, W½ of W52.
Row N40, W52.
Row N39, W52.
Row N38, W52.
Row N36, W41-W42.
Row N35, W36-W43, S½ of W44, S½ of W45.

(B) Those tracts, or portions of tracts, lying within the following described area, using the California (Lambert) Plane Coordinate System Zone 6: Beginning at the northwest corner of that tract described as Row N37, W52; thence south to the southewest corner of that tract described as Row N35, W52; thence east to the southeast corner of that tract described as Row N35, W46; thence northwest to the northeast corner of that tract described as Row N37, W52; thence west to the point of beginning.

(4) In the Camp Pendleton area, those tracts described, using the California (Lambert) Plane Coordinate System Zone 6, by the following coordinates:

Row N25, W27.
Row N26, W25-W27.
Row N27, W26.

(c) CONDITIONS.—

(1) LEASING SUBJECT TO APPLICABLE LAW.—Leasing and all post-lease activities permitted under this Act shall be carried out in accordance with the Outer Continental Shelf Lands Act and other applicable Federal, State, and local law.

(2) MINIMIZE IMPACT.—Leasing and all post-lease activities permitted under this Act shall be carried out in a manner so as to minimize the environmental, economic, and social impacts of activities related to such leasing.

SEC. 4. AREAS AVAILABLE FOR EXPLORATON.

(a) AUTHORIZATION.—Notwithstanding any other provision of this Act, one Continental Off-Structure Stratigraphic Test well may be authorized under applicable law in each of the following three areas:

(1) in the Point Arena area on those lands which lie between, but do not include, the row of blocks numbered N890 and the row of blocks numbered N922 of the Universal Transverse Mercator Grid System;

(2) in the Bodega Bay area on those lands which lie between, but do not include, the row of blocks numbered N869 and the row of blocks numbered N891 of the Universal Transverse Mercator Grid System; and

(3) in the Santa Cruz area on those lands which lie between, but do not include, the row of blocks numbered N851 and the row of blocks numbered N870 of the Universal Transverse Mercator Grid System.

(b) RESTRICTION.—No well may be authorized pursuant to subsection (a) which is closer than 18 miles from the shoreline.

SEC. 5. AREAS AVAILABLE FOR EMERGENCY LEASING ONLY.

(a) NECESSARY CONDITIONS.—Exploration, development or production activities, and drilling shall be allowed by lease or permit or otherwise under the Outer Continental Shelf Lands Act with respect to submerged lands described in section 2(b), but not described in section 3(b), only if the President—

(1) finds under section 161(d) of the Energy Policy and Conservation Act (42 U.S.C. 6241(d)) that a drawdown and distribution from the Strategic Petroleum Reserve is required by a severe energy supply interruption;

(2) finds that such a drawdown and distribution would be insufficient to meet such severe energy supply interruption; and

(3) finds that issuing such specific leases or allowing such specific activities would contribute significantly to the alleviation of the energy emergency resulting from such severe energy supply interruption.

(b) FOREIGN ENERGY CRISIS.—Leasing shall not be permitted under this section if the severe energy supply interruption referred to in subsection (a)(1) is attributable to treaty obligations of the United States to assist foreign countries in the event of their energy emergency.

(c) TERMINATION OF LEASING ACTIVITIES.—

(1) TERMINATION.—Leasing activities permitted under this section shall terminate unless—

(A) during the drawdown and distribution described in subsection (a)(1), the President renews his findings under subsection (a) at least once every 6 months; and

(B) when such drawdown and distribution terminates, and at least once every 6 months thereafter, the President renews his finding under subsection (a)(3).

(2) DISPOSITION.—When leasing activities are terminated under paragraph (1)—

(A) tracts which have been leased pursuant to this section, and with respect to which the Secretary of the Interior has determined that substantial development and production expenditures have been made after such lease was issued, may remain leased under the terms of the original lease, and such lease may be renewed under the Outer Continental Shelf Lands Act, but if the original lessee abandons leasing activities, such tracts may not be re-offered for

lease until the necessary conditions described in subsection (a) exist again; and

(B) all other tracts shall be subject to the provisions of this Act, and any lease previously issued with respect to such tracts shall be cancelled under section 5(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)).

SEC. 6. EXPIRATION OF EFFECTIVENESS.

This Act shall cease to be effective as of January 1, 2000.

IMMIGRATION REFORM

The SPEAKER pro tempore (Mr. DORGAN of North Dakota). Under a previous order of the House, the gentleman from New Hampshire [Mr. SMITH] is recognized for 60 minutes.

Mr. SMITH of New Hampshire. Mr. Speaker, I am taking this special order today to speak about an issue that affects all Americans. Many times we take the floor in this body and talk about special interests and limited groups of people, but the issue I am going to address today affects us all, and that is the issue and the problem of illegal immigration. And I emphasize the words, "illegal immigration."

This is a highly charged, hotly debated, and a very emotional issue. The other body is in the process of considering a major immigration reform bill, and the House Judiciary Committee has begun hearings over here on this issue.

In addition, I have introduced in April of this year my own immigration bill, H.R. 2267, which at this time has 13 cosponsors. People might ask, why does a Congressman from the small State of New Hampshire get involved in an issue like immigration, an issue that is supposed to involve districts in Texas, California, and Florida?

Well, the answer is quite simple. As I stated in my opening remarks, it is a national issue, it is a national concern. We are being invaded, and America's borders have become so porous that we have lost control of our own country.

Illegal immigration is a problem that affects all Americans, not just certain sectors of the country. For example, let me cite this headline in the Manchester Union Leader, a local paper in my State, from Salem, NH: "16 people arrested at a park raid; drugs, illegal aliens charged."

Let me cite some more examples of why this is truly a national problem. "Border Patrol is troubled by attacks on agents from illegal aliens."

The Los Angeles Herald Examiner: "Factory raids net 180 more alleged illegal aliens while officials say illegals are causing crime."

From the Los Angeles Times: "INS holds 600 illegal aliens in sweep of six job locations." "936 arrested in weeklong INS sweep of illegal alien workers."

□ 1455

Mr. Speaker, this is a national problem. The fact that Congress has not dealt with that problem is a national disgrace.

The number of illegals residing in America—how many? Nobody knows. Estimates range from 3.5 million to as many as 30 million, but you do not exactly get illegal aliens coming forth and saying, "Here I am, an illegal. Count me."

How can we grant amnesty when we do not know how many are eligible for amnesty?

Let me quote from a book entitled "The Immigration Timebomb," written by Palmer Stacy of the American Immigration Control Foundation:

How many illegal aliens are there in the United States? Because illegals hide from authorities, the exact number can never be known.

In mid-1975 a study commissioned by the INS estimated there were around 8 million illegal aliens in the United States.

A report entitled "Illegal Aliens Invasion Out of Control" in the U.S. News & World Report of January 29, 1979, said that as many as 12 million illegals may be in the United States today.

The Environmental Fund, an authoritative nonpartisan research organization that studies the impact of overpopulation concluded that New York City and Los Angeles together have more than 3 million illegal aliens.

Let us look at some interesting statistics. Apprehended aliens, that is apprehended aliens, in 1964 there were 86,000.

In 1965, 110,000.
In 1966, 138,000.
In 1967, 161,000.
In 1968, 212,000.
In 1969, 283,000.
In 1970, 345,000.
In 1971, 420,000.
In 1972, 505,000.
In 1973, 655,000.
In 1974, 788,000.
In 1975, 766,000.
In 1976, 875,000.
In 1977, 1 million plus.
In 1978, 1 million plus.
In 1979, 1 million plus.
In 1980, 910,000.
In 1981, 975,000.
In 1982, 970,000.
In 1983, 1.2 million.

I would assume from 1964 to 1985 that there were Congresses of the United States of America and it certainly does not sound like they were dealing with the problem of illegal aliens.

There were 12 to 13 million people apprehended and yet according to the INS statistics, only one in three is apprehended. You do not need to be a mathematician to figure out how many made it through who were illegal if you add up the fact that 12 to 13 million were apprehended and those were only one-third of the ones that actually came in.

Let us look at the cost of this problem. Why are we concerned? Why should we be concerned? Let us look at some of the myths.

Myth one: "Illegal aliens don't take high-paying jobs. They just take jobs Americans don't want."

Bunk, entirely wrong. According to Alan Nelson, Commissioner of the INS, 40 percent of illegal aliens apprehended at employment sites in 1984 were in high-paying jobs.

In a study conducted by Donald Huddle, he found that over 53 percent of the illegal aliens he interviewed occupied jobs that paid $5 per hour and 12 percent were in jobs that paid over $6 an hour.

In addition, Huddle found in a separate study of highway and construction workers that illegal aliens were commonly paid between $8 and $9 per hour.

Let us take a look at a quote from the Huddle study:

"Illegal Immigration Job Displacement and Social Costs" by Donald L. Huddle, Ph.D.

In a 1983 survey we found that undocumented "urban" emigrants, mostly Mexican nationals, were 38 percent of the total of 200 illegals interviewed. About 53 percent of the sample earned an hourly wage in excess of $5 per hour and 12 percent earned more than $6 per hour. Only 38 percent of the respondents were working as common laborers. The others were distributed among 14 trades.

In a 1982 field study of highway and commercial construction we found illegals commonly earned between $8 and $9 per hour as insulators, concrete finishers and painters.

Let us look at a second myth: "Illegal aliens are not a drain on the American economy."

The Huddle study is probably the best argument against this position. Let us look at a quote again for the same study:

No doubt consumer and real estate taxes paid by illegal aliens, even in rental housing, help to cover some of the costs, but this is offset by money immigrants send to the home country.

In their 1976 study, North and Houstoun estimated that 80 percent of illegal alien workers sent such remittances, an average of $151 a month for each alien, and an average of $129 per month for Mexican aliens.

Veteran immigration officers think it is reasonable to assume that undocumented Mexican workers alone, who may number 3 to 4 million, counting seasonal agricultural workers, may presently be sending $3 billion a year in American dollars to Mexico.

In any case, if we were to total up the probable job displacement costs caused by undocumented workers in the American economy in 1982, that sum could easily be over $30 billion.

Then one might add the cost of illegal aliens—still quoting from the Huddle survey:

One might add the cost of illegal aliens using taxpayer-supported programs. If one were to assume 9 million illegals with dependents in the United States in 1982, as we do, then the cost for such aliens in tax-supported programs would be close to $5 billion. Here we accept the INS table as a range of plausible estimates. However, we believe that the next net tax contribution of undocumented aliens is probably much less than that indicated by the INS for the reasons given. The two costs taken together, that of displacement of U.S. workers and of illegals receiving tax-supported services, amount to approximately $35 billion per annum. One may give or take a few billion, but by any measurement, by any set of assumptions, cheap alien labor considered from all angles, including structural employment, is anything but a subsidy for the American economy, society, and educational system.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Hampshire. Yes, I am happy to yield.

Mr. GEKAS. I do not want to interrup the gentleman's excellent review of the statistics that are important to this issue. As a matter of fact, the gentleman is to be commended for placing into the RECORD the array of numbers that the gentleman is telling us about, because very little is being said around the Nation as to the monumental problem that we have that is being articulated.

I simply wish to state and to confirm what the gentleman has said about the seriousness of the problem.

The Federal Government of the United States or any Federal Government, any central government anywhere in the world, has as its primary responsibility the securing of its borders, as the gentleman has stated. That just goes without saying, to preserve national unity, national identity, national cohesiveness, the borders must be secure.

We have been lucky over the years to have a border with Canada which is self-regulating and which has had a history of excellence. The southern borders, however, and the Atlantic and Pacific borders, if you will, are porous, as the gentleman has said, and it is there where we must focus attention.

The President of the United States has put the full force of the White House right from the first moment of his incumbency into legislation that would shore up our borders. What he has said, and which the gentleman confirms, and again I commend the gentleman for it, is that it is no longer just a question of a policy that has to be dealt with. It is now a question of national security, because the unprecedented flow of illegal aliens within our country, whether it be 3 million or 30 million, as the gentleman has stated, constitutes a problem of national and domestic security. Even if we did not have any trouble articulating the problems of jobs and the identity of them, their very presence in our midst, unaccounted for, not on the Social Security rolls, not on the accountability rolls on which every American appears in one way or another, that means that we have an internal security problem. Coupling that with the national security problem, which the gentleman just said, putting all that together, it does appall me, as it does the gentleman, why the Congress of the United States, throughout all these intervening years when the problem has been growing and festering and getting worse and worse, has not acted.

The 98th Congress, the one just concluded, did make a valiant attempt in one way to do it, but here we are again in the 99th Congress being pressured by the very people in some quarters whom we wish to help in these circumstances.

Employers, where we must have employer sanctions to make a bill work, worry about whether this is an infringement on their rights.

The people who are against amnesty, and I am very reluctant about the problem of amnesty, must realize that we cannot have a political solution to this unless some kind of amnesty be given, because there is no other solution.

So, where are we? We have employers fighting and business fighting employer sanctions, yet one of the solutions to the problem, one of the benefits of some kind of a program, would be to the benefit, it seems to me, of the business community if we stabilize this whole problem; yet, they oppose some of the employer sanctions which have to be a part of any broad bill.

The reason I interrupted the gentleman in this nice presentation is simply to try to join in the effort to bring this matter to the conscience of the U.S. Congress. We must do something. We must begin the debate.

We now have to wait for the other body to deliver, to conclude its deliberations, because they are in the midst of them; but, when the problem comes to us, let us move ahead and try to have a bill before we leave in November.

Immigration, the trade policy, deficit reduction, is an important issue and the House must deal with it.

Again, I am so happy that the gentleman has taken the time in these special orders, as I say, to fill the RECORD with these statistics that loom before us and which accent the monumental problem that we have.

I thank the gentleman for yielding.

Mr. SMITH of New Hampshire. Well, I thank the gentleman for participating. His remarks are certainly well taken.

I think as the gentleman correctly alluded to, when we have a situation in America where this Congress does not hesitate at a moment's notice to try to deal with a domestic problem, as well it should, whether it be drugs, whether it be terrorism, internally, or whether it be agricultural problems, we seem to be overlooking the fact that some of the problems, many of the problems that are being caused here, are because we are unwilling or reluctant or perhaps do not have the courage to deal with these borders that we are faced with. I cannot understand why the Congress has not dealt with it. I think these statistics will back us up that the Congress has not dealt with it. They did make an attempt to deal with it, and although some of us, and I think I probably disagree with the gentleman slightly on amnesty; however, the important thing is let us get an immigration bill out.

I have taken this special order knowing full well that there are people who disagree with me on employer sanctions, which I support, and probably some disagree with me on not having amnesty, which I do not believe we should have; but the point is, let us get a bill. Let us argue it on the floor, but let us come out of here with a bill that is going to do something to stop basically this invasion of the United States of America.

It is not meant to be discriminatory against anybody. It just so happens that the borders to the south of us are the borders where most of the problem is coming from. I thank the gentleman.

I think there are two problems in addition to the obvious economic ones as we deal with the issue of illegal immigration which sometimes we overlook and need to be addressed.

Let us look at the drug problem as a result of illegal aliens. We can never expect to control the inflow of drugs into this country if we do not have control over our borders. We have a Select Committee on Narcotics and Drug Abuse and we print volumes of paper and we continue to fund that program or that committee every year. But why are we not willing to fund the INS sufficiently and to have the proper people on the borders to stop the flow of illegal drugs into this country? Then maybe we would not need a Committee on Narcotics.

In 1979, INS officers seized nearly 53 tons of marijuana while arresting aliens. That is just marijuana. That is not counting any other illegal drugs.

In 1984, according to testimony by Alan Nelson, over 50 million tons of narcotics were seized at the border. Since we only apprehend one in every three illegal aliens, we can assume the actual amount of illegal drugs is a heck of a lot more.

Let us look at Palmer Stacy's book again:

The millions of illegal aliens flooding our country by land, sea and air, clearly have little respect for our laws—

And I emphasize illegal aliens—

Their very presence shows that. Many bring illegal drugs with them as they come. In 1979, INS officers seized nearly 53 tons of marijuana while arresting illegal aliens. Gangs of Mexicans have repeatedly attacked Border Patrol officers with rocks and guns near the border. The Border Patrol has been forced to obtain some special armored vans—nicknamed "War Wagons"—in which to conduct border watches.

Many illegals engage in crime as soon as they are across the border. Charles Perez, INS director from the El Paso, Texas, area, says half of that city's downtown crime is related to illegal immigration. In Houston, more than 30 percent of the city's murders involve illegal aliens. And Denver Police Chief Art Dill notes that illegals who cannot quickly find work "steal to survive."

That is from Palmer Stacy.

□ 1510

Let us look at the LA Herald Examiner of Friday, June 17, 1985:

Factory Raids Net 180 More Alleged Aliens . . . While Officials Say Illegals are Causing Crime. Illegal aliens, once attracted to northern San Diego County by field labor, are now coming to burglarize homes in the area's well-to-do communities, authorities say.

We're dealing with illegal aliens as suspects in crimes in numbers that we've never seen before," Escondido police Lt. Mike Stein said.

Stein and other law enforcement officials blame the influx of aliens—estimated at about 1,000 a day—for the first increase in the county's crime rate in five years.

Deputy district attorneys in the North County Superior Court, which operates out of Vista, estimate that 25 percent of their cases involve illegal aliens.

Most of them come to work, but a lot of them come here for the sole purpose of robbing and stealing, Escondido police Detective Joe Santibanez said.

Let us look at another issue related to illegal aliens that a lot of us forget about. Very recently on the floor of this body, in a great deal of debate, we debated the issue of terrorism, about how we were going to stop it, and we were going to do everything we could to stop terrorism.

We could stop a heck of a lot of it by stopping the illegal aliens who come into this country. Obviously a terrorist who comes into America to blow up an airplane, to assassinate a figure, is not coming here illegally. In many cases, they are, believe it or not, but in most cases they are not.

On the threat of terrorism, a recent State Department report published in August of this year states that:

The Sandinista government has issued Nicaraguan passports to radicals and terrorists of other nationalities, including radicals from the Middle East, Latin America, and Europe, thus enabling them to travel in Western countries without their true identities being known.

Let us look again at the State Department report: The Sandinistas and Middle Eastern Radicals, U.S. Department of State, dated August of 1985:

The Sandinista government has issued Nicaraguan passports to radicals and terrorists of other nationalities, including radicals from the Middle East, Latin America, and Europe, thus enabling them to travel in Western countries, without their true identities being known. PLO agents working in Central America and Panama use Nicaragua as their base of operations. The Sandinistas' willingness to provide new documentation and a base from which to travel is undoubtedly one reason why Nicaragua has become a haven for terrorists and radicals from Europe as well as Latin America. Groups with a known presence in Nicaragua include the Basque Homeland and Liberty organization, known as ETA, the German Baader-Meinhof Gang, and Italy's Red Brigades.

I think the information from the State Department itself certainly lends a great deal of credence to that argument.

Again, Mr. Stacy, in his book, "The Immigration Time Bomb," page 112, states "Business Week for December 21, 1981, reported on "A Communist Push Along the Mexico Border," and revealed that "A revitalized Mexican Communist Party, invigorated by a new, young Cuban-trained and Soviet-schooled nucleus, is building an infrastructure in a group of towns on the Rio Grande along the Texas border. With the border region's festering problems of high unemployment, illegal immigration and drugs, U.S. officialdom is concerned about the development of a local political movement with ties to Havana and Moscow:

Lax border security and loopholes in official U.S. immigration policy have opened the possibility for foreign terrorists or their Soviet, Cuban, Libyan and Iranian allies to infiltrate this country. New West magazine suggested that there may be as many as 300 Palestinian terrorists in the United States.

What are the solutions? Congress is great at debating solutions. But we do not very often come up with any. I think it is time we did. This is a major crisis, a major crisis in the United States of America, and we have got to deal with it.

Why are our borders out of control? Because, very frankly, INS simply does not have the manpower to handle the problem.

According to Palmer Stacy's book, there are more law enforcement officers working on Capitol Hill protecting Congress than there are border patrolmen guarding our southern border with Mexico. Think of that.

Let me quote from an article from the Wall Street Journal of Thursday, May 9, 1985.

INS troops are rapidly being overrun by a swelling tide of illegal immigrants. At any one time, there are fewer border patrol officers on duty along the 2,000-mile Mexican-American border than there are policemen on the day shift in Philadelphia. The INS has slightly more than a dozen immigration investigators in Houston to round up an estimated 500,000 illegal immigrants. Since 1972, the number of INS investigators in Los Angeles has been more than halved, to 60 from 140, while the number of illegal immigrants living in the city is believed to have grown to between 500,000 and one million.

The illegal immigrants are ingenious in frustrating their outnumbered adversary. Some wear horseshoes to throw mounted pursuers off the track. A well-aimed rock from an illegal immigrant brought a low-flying INS helicopter crasing to the ground in Southern California a few years ago. When border patrolmen in Eagle Pass, Texas, planted sophisticated elecrtonic detection devices along the Rio Grande, some Mexicans stole one and forced the Border Patrol to pay an intermediary a $100 ransom to arrange for its return.

"When you're trying to stop a man who hasn't eaten in a day or two, you find he can be a very clever opponent," says Gene R. Smithburg, assistant chief patrol agent in the service's Sand Diego sector.

A couple of more lines from the Wall Street Journal article.

Mexicans and Central Americans aren't the only ones who penetrate America's soft underbelly. Last year, border patrolmen in the Rio Grande Valley of South Texas arrested illegal immigrants from 43 countries, including China, Korea and Poland. Agents in Los Angeles recently broke up a network that smuggled Indian Sikhs into the U.S. through Tijuana. "I come to work knowing I might meet anyone in the world," says Ed Barrett, a border patrolman in El Paso.

But there are just too many immigrants and too few border patrolmen.

It is as simple as that.

One more quote from the same article:

Despite the INS's high-tech wizardry, it still lacks many of the basic tools of law enforcement. In recent years, officers in the Dallas district have at times been told not to arrest illegal immigrants because there hasn't been enough money left in the budget to pay for the gasoline needed to drive them back to the border. In McAllen, Texas, officers are sometimes forced to release 20 to 30 illegal immigrants from Central America a day on their own recognizance because there isn't room to detain them in INS facilities or money to house them in the county jail; almost all of the illegal immigrants released without bond are never seen again.

Mr. DAUB. Mr. Speaker, would the gentleman yield?

Mr. SMITH of New Hampshire. I will be happy to yield to the gentleman from Nebraska.

Mr. DAUB. I am very pleased that my good friend and colleague, BOB SMITH, who has yielded to me is taking this time. As he may know from our prior conversations, and because of my cosponsorship of this legislation, I am very interested in the question of immigration reform and in the mechanism that we utilize to get more effective control of our borders. I think that is a common goal that we both share. So I want to commend the gentleman for his initiative on the reform bill.

H.R. 2267 does essentially four things, as I view it. It substantially increases the Immigration and Natural-

ization Service enforcement or border control with dollars, simply a cost that we are going to have to incur to get this job done correctly. It engages us in the pursuit of stricter employer sanctions on the civil side aimed at the employers who knowingly hire those undocumented workers. It absolutely foregoes the temptation of granting amnesty, which I think is an appropriate solution if other things can be worked into the legislation. And it contains H-2 provisions, or guestworker provisions denying immediate relative status to certain individuals as well who would have violated our immigration laws internationally.

I am proud to say that you and I are not alone. You have a number of cosponsors on this legislation, and in fact, I think the number will grow as we commence to focus on what the other body has been doing with respect to trying to come up with a bill that solves some of the problems.

I would like to call attention of my colleagues to an article which appeared in the Christian Science Monitor on Monday, September 9. I have a copy of it here which at the appropriate time I hope will be made a part of the RECORD and of this special order. I would refer to a number of the comments which I made which are quoted in that article with respect first to the issue of amnesty, which is the principal subject about which I would like to talk in this special order.

I make the following points:

That amnesty rewards lawbreakers. Why should illegal aliens become citizens when millions of legal aliens are waiting their turn to enter the United States?

I make the point that amnesty could be very costly. Public expenses for education, welfare, and other needs will soar, and who is going to pay for what we legislate if we are not careful?

I make the point that amnesty in its pure form, that is, blanket amnesty, across the board, as of a contemporary date, say 1984, or 1985, or 1986, will send the wrong signal. If the United States grants amnesty once, it may do so again. Other people will be encouraged to sneak across our borders, to swim, to walk, to drive or to fly on the theory that simply after the first wave has been legalized, then it is an assured signal that we will continue to do that very same kind of thing, and the invitation is more open, and the door is opened further.

Amnesty could set off a U.S. population explosion, and there are a number of my colleagues and I that are concerned about this. It is a bipartisan kind of thing. I am working now with the gentleman from New York [Mr. SCHEUER] and the gentleman from New Jersey [Mr. HUGHES] and we have a "Dear Colleague" letter out that indicates our interest in looking at the chain migration problem that results from the legalization to the citizenship window, and then anywhere between 50 and 70 million additional persons that will legally be entitled to come in once the legal alien status is legalized, and that function of those numbers is so suffocating, and so staggering as the consequence of trying to be appropriate in addressing the concerns we have for those that are already here without legal status that we simply open Pandora's box. And we have made a very difficult situation even worse. There may be as many as 12 to 16 million illegal aliens today in the United States. Once they are citizens, and again I quote from the article by John Dillon, they could legally bring in millions of their relatives unless some kind of guards are put into the legislation with respect to brothers, sisters, mothers, fathers, spouses of each and their offspring.

□ 1525

If you run the multiplication factor, you get to those 50 to 70 million people figures just in a 15-year period once we would grant blanket amnesty. Another point that I am trying to make with respect to amnesty is that it could lead to resource problems in the Southwest. Most new immigrants would be expected to settle in California and other Western States. Water shortages indeed would become a problem and other kinds of elements like that. The next point I make is that amnesty takes pressure off other nations to solve their own problems. Mexico, for example, has a severe population problem, and as long as Mexico can use the United States as its safety valve there is little pressure to hold down its own population growth.

Lastly, I try to make a point that amnesty could damage the U.S. economy. The United States is moving toward a high-technology computerized, robotized kind of economy and absorbing those large numbers of unskilled workers from abroad would require the United States to develop a very different kind of economy.

Let me say that there are solutions within the range of the question of amnesty. I have been interested in an alternative which is a form of amnesty which is referred to as the registry date proposal. In fact, I offered a registry date mechanism which is a more realistic and more affordable solution to those aliens who are already here and who may be integrated already in their communities, those who are entitled to be recognized as productive and desirable additions to our population and are well on their way to every other goal that we would aspire to with respect to citizenship.

The present law provides a registry date procedure. It is a limited form of amnesty for all aliens who can show their good moral character and continuous residence in the United States since 1948. That is current law. I proposed in the previous congressional debate on immigration reform and in fact my legislation was adopted by the Committee on the Judiciary in what was then known as section 301 of the bill, but to be superseded by blanket amnesty in section 302. So the trigger eliminated the adoption by the committee. But at least it was a recognition on the committee's part that this was an alternative, that if amnesty were stricken, the registry update or upgrade, as I had proposed, to 1978 in the previous Congress, would take effect. Registry date was established in 1929 when the lawful permanent admission date was 1921. It has been moved forward several times. The last time was in 1965.

In the 97th Congress, as I said, I proposed that that registry date be moved from its current law, its 1948 limitation, and upgraded or progressed to 1973.

Subsequently during the House Judiciary markup, the amendment was proposed to strike the general amnesty provisions and substitute it for the language of my bill. Mr. KINDNESS, the gentleman from Ohio, has since in this debate introduced a registry provision which I trust that the committee will consider as an alternative. Because of the continuing debate over amnesty, that amendment was withdrawn and the registry amendment alone was adopted without dissent in the committee a year ago.

Mr. MCCOLLUM, the gentleman from Florida, then offered that amendment on the floor and subsequent amendments, particularly with respect to the question of amnesty and, indeed, while we were not successful in the last debate on striking the amnesty provision, the registry date idea still has, I think, a lot of merit. It is a way to take the pressure off the system, acknowledge those folks that are here, upgrade that date, and I think we can solve a lot of problems with that particular provision.

I just have one other point that I would like to make, if the gentleman continues to have the time, and I would like to talk for just a minute about some other options besides registry.

If this House would decide, as it works its will on immigration, that we are going to keep some form of amnesty or legalization, I would hope that that date would be something like 1980 or 1981. It has a lot to do with the numbers, it has a lot to do with whether or not we send that signal to folks still wanting to come in that they can come in anyway. But I am willing to engage in some compromise that I think might be realistic.

One of the things that we can consider would be the limitation on who

would be eligible for sponsorship under the permanent laws of immigration, under the legal quota system once that person who came in with unclean hands, in violation of all principles of equity and fairness, came here illegally, but was deemed now to be a permanent resident to have legal status and now 5 years later, or 3 years later, by virtue of marrying one already here, becomes a permanent citizen, is then eligible to sponsor. We can say you can only sponsor the unmarried brother or sister. That would be a form of checking the hemorrhage from the outyear numbers that would be legalized or able to seek legal entry to the country, or we could do something like indicating, whether it is a debate between the nuclear family and extended family, we can argue that times have changed and it is not like the Italians who immigrated or the English immigrating, where we were trying to keep the whole family together, we can argue that the economic consequences are too dire.

So we could say, "On the date that you were legalized and raised your hands and we wiped the slate clean because you are here, just because you are here, that you have to list on a piece of paper that would be kept in your immigration file all the names of your relatives subject to immigration under legal terms." So mothers, brothers, sisters, fathers, spouses, and offspring thereof, children of these combinations, you would have to list all their names and addresses so that on that date 5 years later when you become a citizen and seek to legally sponsor those people to come into the country you could not have the midnight divorce and marriage and all of the adoption and paperwork committed by perjury and fraud, manufactured say, "Well, now I have a brother that I did not have when I illegally entered the United States. Now I have a sister who has since married, and they have five children," but those five children are not in the family registry or the family history or birth records of that country; but someone procured documentary evidence to support the petition filed for the legal immigration of all of those relatives. So you could do some things to at least eliminate the chance for fraud and abuse and further doctoring of records for illegal entry to the country.

That would help to guard against the abuse of entry that I think many of us are concerned about as a consequence of blanket amnesty. We have to be fair to our poor and to our budgeting problems and to those we need to get a helping hand extended to that are here now. I guess the sum and substance of it is, I say to my distinguished friend, that there are a lot of people in this country who feel that amnesty in blanket terms without some rule attached to it, carte blanche, cheapens or devalues or shrinks, somehow just erodes the value of American citizenship.

I mean what citizenship really ought to be and what it means.

To that extent, I think we have to understand those very strong feelings out there in the country and figure out some ways to manage to do this in a much more sensible and fair way. Fair, I say, as well literally to those hundreds of thousands of people who stood in line for 8, 10, 20 years, waiting to immigrate to this country legally. And now what a slap in the face to say, "Well, if you had cheated, if you had committed some iilegal act and secretively gotten yourself inside the borders of the United States of America, you would be far better off than having waited outside, continuing to persist and come legally to this great melting pot, this great country of ours."

So I want to urge my colleagues and those who may be interested in the subject to really study carefully the consequences of amnesty and, on the other side of it, to recognize that I am looking for ways to support a bill that will get our borders under control, and swift, tough, expensive employer sanctions, in my judgment, coupled with a beefing up or a substantial increase in our INS enforcement actions will be two of those measures, with the guarding of our outyear numbers, and isolating that chain migration problem from the issue of amnesty, those can be the three things that we can do in immigration reform to find a middle ground here in Congress, to pass a bill and get it to conference.

So I want to commend the gentleman for his bright and careful draftsmanship, for his concern for the difficulties that we do face in our country as a result of the serious problem of undocumented workers in our country. I indicate to the gentleman that I, as one Member, will do all that I can to cooperate and to seek a solution that the gentleman is trying to perfect in his legislation.

I thank the gentleman for taking out this time to better inform our membership on what will be an important debate here in this 99th Congress.

At this point I submit the following article:

[From The Christian Science Monitor, Sept. 9, 1985]

AMNESTY: EMOTIONAL ISSUE IN IMMIGRATION DEBATE ON CAPITOL HILL—REAGAN, HILL LEADERS CALL IT A FAIR AND NECESSARY STEP

(By John Dillin)

WASHINGTON.—Should undocumented aliens in the United States be granted "amnesty"? Should millions of aliens be given American citizenship, even though they have slipped into the U.S. illegally?

The American public doesn't like the idea. In a series of polls spanning 1977-84, Gallup found that a consistent 52 to 55 percent of the voters opposed amnesty. About 38 percent favored it.

Even so, President Reagan and many leading members of Congress have insisted that amnesty is the fairest, most expeditious way to resolve the mounting crisis along the US border with Mexico.

This fall on Capitol Hill, two major immigration reform measures—the Simpson bill in the Senate and the Rodino-Mazzoli bill in the House—will tackle this issue. Both call for amnesty.

The bills have put Congress on a collision course with public sentiment, and this could help to spark one of the most emotional fights in the immigration debate now warming up on Capitol Hill.

Critics of amnesty, such as Rep. Hal Daub (R) of Nebraska, make these points:

Amnesty rewards law-breakers. Why should illegal aliens become citizens when millions of legal aliens are waiting their turn to enter the US?

Amnesty could be costly. Public expenses for education, welfare, and other needs could soar. Who will pay?

Amnesty sends the wrong signal. If the US grants amnesty once, it might do it again. Other people will be encouraged to sneak across the border.

Amnesty could set off a US population explosion. There may be 6-to-12 million illegal aliens today in the US. Once they are citizens, they could legally bring in millions of their relatives.

Amnesty could lead to resource problems in the Southwest. Most new immigrants would be expected to settle in California and other Western states. Water shortages could result.

Amnesty takes pressure off other nations to solve their problems. Mexico for example; has severe population problems. As long as Mexico can use the US as a "safety valve," there is little pressure to hold down its population growth.

Amnesty could damage the US economy. The US is moving toward high technology—"computerization and robotization," in Mr. Daub's words. Absorbing large numbers of unskilled workers from abroad would require the US to develop a different type of economy.

But amnesty has its defenders.

Sen. Alan K. Simpson (R) of Wyoming says if the US doesn't permit amnesty, a massive roundup of millions of people would be required, with forceful deportation. Many of those who would be deported have lived here for years, have jobs, and have children who were born in the US. Senator Simpson says he couldn't support their deportation.

Some economists, such as Julian Simon, also argue that illegal aliens have made a positive contribution to the US. They harvest many of the crops, work in restaurants, clean hotels, assemble computers, and make many other contributions to the US.

Without low-cost, hard-working alien labor, some US industries, such as clothing, would have a difficult time surviving some economists contend.

Rep. Bill Richardson (D) of New Mexico defends amnesty as "a practical decision that is consistent with effective law enforcement. The failure to include [an amnesty] program would aggravate conditions."

Even advocates of amnesty, however differ on some points. Senator Simpson's original bill this year called for amnesty only after the US had regained control of its borders. That was later changed to permit amnesty after no more than three

years. The Rodino-Mazzoli bill call for amnesty concurrent with the imposition of employer sanctions. The sanctions would make it unlawful for busineses to hire illegal aliens.

Another key difference: the Rodino-Mazzoli bill grants amnesty to aliens who were in the US before Jan. 1, 1982. The Simpson bill gives amnesty only to those who were here before Jan. 1, 1980.

That small difference makes a huge difference in numbers. The Senate bill, according to an estimate by the Congressional Budget Office, applies to only 17 percent of aliens now in the US. The House bill would apply to 40 percent.

Obviously, not every eligible alien would apply for citizenship. Some have strong ties to their homelands. Some would not be able to pass the required English-language or US history tests.

The Congressional Budget Office estimates that about 60 percent of those eligible would eventually pledge allegiance to the red, white, and blue.

Mr. SMITH of New Hampshire. I thank the gentleman from Nebraska, my friend, I really appreciate his leadership. I know before I got to this body he had been a leader on this issue. His comments certainly added a great deal to the debate. I very much appreciate the gentleman's comments.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I have sat listening to the gentleman's special order, and I want to congratulate both he and the gentleman from Nebraska, because I think it is one of the most important parts of this special order, the fact that he is dealing on a subject matter and showing that it is multifaceted in nature. I think many people, when they think about the illegal alien problem, think about it in a one-dimensional sense, that we have got a problem with the illegals coming across the border and we have got to do something to simply put a wall in the way of that. But they do not deal with it from the standpoint of all of the various sociological problems connected with it, the economic problems connected with it, the implications for a large segment of our society and a large number of institutions in our society, what illegal immigration means to all of those things.

I think the gentleman in some of the material that he has quoted here today made that point.

The gentleman from Nebraska [Mr. DAUB] also, in dwelling on some of the questions that relate to amnesty and how broadly based that becomes, I think it is important, I think it will help Americans focus on the fact that we are not dealing with a one-dimensional problem, we are dealing with a multifaceted problem.

It also helps, I think, our colleagues in beginning to understand that this is not a subject matter that can be ignored, it is not a subject matter that for political or economic reasons or whatever can be shoved off to the side and ignored. It is so deeply ingrained in so many aspects of our life today that we need to come up with solutions.

So I congratulate the gentleman for the special order, but I also congratulate he and the other Members of Congress who have worked so hard to try to develop solutions to the problem, because that is what Congress literally has to begin doing. We have to deal with a solution to this problem or the very nature of its broad base will overwhelm us.

I thank the gentleman for yielding.

Mr. SMITH of New Hampshire. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding. Let me say that one of the real complicated problems we face in this search for a solution is federally taking action that would impose massive financial burdens on our States, particularly in the area South, what I call the soft underbelly of our country, because, generally speaking, our migration tends to come from warmer climates to seek warmer climates here. So that puts Florida, Texas, and California under immense stress.

So if we mandate indeed certain things and then fail to pay for them at the Federal level which, if we do not guard in those outyear numbers, we will literally be legislating billions and billions of dollars in Federal costs and that will indeed bring those same kind of costs on to our States. While avoiding paying the responsibility for paying for them, it will create real, I think, tearing in the Federal-State relationship over an issue that could be handled, in my opinion, more sensibly than it appears the Congress is heading now.

□ 1540

Mr. SMITH of New Hampshire. I thank the gentleman from Nebraska [Mr. DAUB] and the gentleman from Pennsylvania [Mr. WALKER] for their input.

Mr. Speaker, I think all of us, as Members of Congress, certainly deal on a day-to-day basis with cases of people who are trying to emigrate, immigrate into this country legally. I guess when we embrace the concept of blanket amnesty, what do we say to those people? What do we say to someone who for years and years petitions, waits, in many cases with severe hardship to legally come into the United States of America, to pass that Statue of Liberty, and to get that lump in the throat and feel so good about coming here legally, what do we say to them when this Congress is prepared to accept—there are many people in this Congress who are prepared to accept blanket amnesty for the lawbreakers.

In 1977, when President Jimmy Carter proposed amnesty, then-Senator Richard Schweiker from Pennsylvania made the statement, and I think it is a great statement, and it sums it up very nicely: "Amnesty puts the Government squarely behind the lawbreaker."

What you in effect say to the lawbreaker is, "Congratulations. You have successfully violated our laws and avoided detection. Here is your reward." That is exactly, ladies and gentleman, what is happening. That is exactly what we do with blanket amnesty. We ignore, as anybody who has talked about amnesty; has anybody talked about giving amnesty to those people who have been waiting for 7 or 8 years to get in here legally? How about amnesty for those people? How about saying, Let everybody who has been waiting come in? I have not heard that.

We are working strictly on those who are illegal aliens in this country, and it is wrong, and the American people know it is wrong, and that is why this Congress was unable to pass legislation last year in the 98th Congress, because it had the amnesty provision in it. Otherwise, legislation would have come out of this body.

On the subject of amnesty, again, Thursday, December 31, 1984, the Christian Science Monitor: "Blanket Amnesty: Contrary to U.S. Interests." Of course it is contrary to U.S. interests.

* * * amnesty encourages the prospect of repeated amnesties. As a result, it would encourage additional illegal immigration of low-skilled workers; indeed, illegal immigration increased sharply after President Carter first proposed amnesty in 1977.

Second, perhaps several million family members of the illegal aliens given amnesty might seek to migrate to the US.

A third consideration is that with amnesty, many of the adult male illegal aliens now in the United States would be less inclined to return to their home countries * * *

Quoting again from the Christian Science Monitor:

Granting amnesty is discriminatory. It discriminates against other deserving people who wish to migrate to the US but do not do so illegally because they view it as either distasteful or too costly.

"Public policy"—and we do set public policy here—quote from the Christian Science Monitor:

Public policy should not reward those who begin their lives in the United States by violating its laws!

In conclusion, this bill, H.R. 2267, is an attempt; I believe an honest attempt, I believe it is an attempt to bring some people together in this body to get legislation that will deal with this tremendous problem that we face in the United States of America.

I invite my colleagues to look over H.R. 2267, respond to the mail that I know is coming into their offices because I have heard about it coming in, and take a good look at the bill; examine your conscience; think about the

amount of dollars that we vote for everything that comes down the pike to solve every problem we can think of in this country. Many of those problems that we are throwing money at are the result of our illegal aliens and the result of the lack of enforcement and the lack of giving dollars to the appropriate people in the INS.

One INS agent made the statement that working as a border patrolman was like serving in Vietnam. Now, that is a sad commentary on the people who are trying to protect our borders, when they feel it is almost like combat pay. We should be giving them all the help they need. Every dollar we spend in enforcing and beefing up the border patrol will be millions returned, believe me.

THE 1985 FARM LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DE LA GARZA] is recognized for 60 minutes.

Mr. DE LA GARZA. Mr. Speaker, my colleagues, I take the time today to visit briefly with my colleagues about the farm legislation which we will begin debate on tomorrow, Friday, September 20, 1985. Actually, we began the process when the 1981 act was enacted; the revision process began then, 4 years ago.

In earnest, last year we started hearings throughout this Nation to listen to farmers, to a whole spectrum of agriculture. For the first time, we brought in implement dealers, fertilizer dealers, seed dealers, bankers; everyone involved in rural America with the farmer, with the producer, with the rancher, and we had testimony from them, counsel, advice.

We, either myself personally as chairman of the Committee on Agriculture, or subcommittee chairmen and/or other Members had hearings in 45 of the 50 States; we went from California to Vermont, from Florida to North Dakota, to Texas, to Colorado, Wyoming, downtown New York City, upstate New York, and we made a diligent effort to document what the problems were and what area we should address in this legislation.

No one can say, I can attest, that they were not heard or they were not given the opportunity to present their views.

Then, after that was done, our respective subcommittees began the process here in Washington continuing hearings; and once that was done, then they began what we call markup, they began writing the bill, or their jurisdictional part of the bill.

Mr. HUCKABY. Will the chairman yield?

Mr. DE LA GARZA. I am happy to yield to my colleague.

Mr. HUCKABY. I thank the gentleman from Texas [Mr. DE LA GARZA] for yielding. I would like to take this moment to commend the gentleman from Texas. I can remember perhaps over a year and a half ago, when the chairman of the Committee on Agriculture began suggesting and pushing: "Let's get out, let's start having field hearings." The chairman was most perceptive in seeing the rapid pitfall that agriculture was doing, to give everyone the opportunity to participate and have input into this.

I have sat in meetings, literally for hundreds of hours that the chairman has conducted, so that this input could be obtained, and then the development of the farm bill.

I would also like to commend the chairman for the manner in which he conducted and allowed the subcommittees to do their own thing, working with the various leaders, the various farmers, et cetera, in Agriculture and the various commodities as such, and then the excellent job that you have done in molding this product together and bringing it to the floor of the House, and the real political courage of getting out front before the other body.

Thank you, Mr. Chairman.

□ 1550

Mr. DE LA GARZA. I thank the gentleman for his remarks and I thank him for his contribution as the distinguished chairman of the Cotton, Sugar, and Rice Subcommitte, three major commodities. That will be part of the overall omnibus bill that we will begin with in what we call general debate, the discussion, tomorrow.

But let me continue by saying that then the subcommittees did the drafting of the cotton version, the sugar, the rice, the soybeans, the wheat, the feed grain, conservation, credit—19 sections to the bill.

I introduced H.R. 2100 to be the vehicle, and I say very humbly and honestly that no intent was had at all that it has my name. My name is incidental only as author. What we attempted to provide with this H.R. 2100 that will be the vehicle that we begin discussion on tomorrow was that I would provide the engine and the caboose with flatcars, and then each subcommittee then would piggyback their version onto the flatcar, and eventually we would have a train engine, caboose, and 19 flatcars that would have from the subcommittees what they had drafted or crafted themselves, with the hearings, with the input from everyone concerned, and make that the vehicle that would come to the floor.

I would submit to my colleagues that it has been a very difficult process, it has been long, many hours have been taken and devoted by members of the committee, the subcommittee, the subcommittee chairmen, myself, staff of the committee and the various subcommittees.

I would, very briefly, like to enumerate the sections which I will incorporate into the RECORD.

Title I will be sugar, which, basically, extends the program that we now have until 1990.

Title II would be dairy. And this is an area that is very important because we have had added inventory, or surplus, if you would call it, in that area, and it has a combination of diversion, of buyout protection. One of the interesting areas, I think my colleagues would be interested in knowing, I liken somewhat to a juggler. You see a juggler juggling, but I have never noticed, and I am sure most of us have not noticed, he always juggles the same item, the duckpin, plate, or ball, but always they are the same size, same weight, and all he has to provide then is the rhythm. Once he starts the rhythm, it is the same item, same size ball, same configuration, same everything. Well, in trying to pass a farm bill and adding all of the provisions, we do not have that luxury. We have to juggle a bale of cotton, a can of milk, a bushel of wheat, everything different. But we have to keep them in the air and balance so one will not do damage to the other. This is one of the areas that I would like to mention in the dairy section. In attempting to reduce the overage in the dairy, you cull some cows or you buy out a whole herd, but if you put that into the red-meat market, then you do damage to the producers of the red-meat industry.

So we have to be very conscious and we have to dedicate our best efforts to see that we have a balance, that in helping one you do not do damage to the other one over here on the other side. I think we have done that fairly well in the dairy section. We create a national dairy research endowment institute, to be funded by revenues raised from milk producers, and we bring in the importers for the first time so they participate. We have differentials for areas, different regions, of the country, and we extend the authority to transfer dairy products to the military for 5 years. So that would be the second section.

Then the third section would be wool and mohair. This is a national strategic item. Many people really do not know that we have a major wool industry, getting wool from sheep. Mohair, for those who may be from urban areas, comes from goats. That is a strategic material that we provide support so that we might have in time of need.

Then we have title IV. That is wheat. It establishes a program for the 1986 through 1990 years, extending and modifying provisions for target price.

I want to be very elementary and I want to see that everyone understands, not only our colleagues, but

their constituents, exactly what we are doing with that legislation and what it does.

You might hear loan rate and target price. Well, what does that mean? Well, target price is, basically, arbitrary, but you take some averages for 3 years back, and the target price is what we decide, the Congress decides, the item should sell for. And then you have loan rate. Loan rate is a provision for credit to the producer, that you give him assistance either before or after, depending on which road you take, the crop is harvested. But, basically, it guarantees him the opportunity that, if he cannot sell his crop, he can leave it in the loan, forfeit it, basically, and get from the Government that amount of loan per pound or per bushel, or whatever the crop might be. And that is done by the CCC, the Commodity Credit Corporation. This is a semi-, quasi-governmental agency that sits off on the side to regulate all of this and is the one that the loan is forfeited to.

Target price. I am just using arbitrary figures, not what would be the actual figure. But let us say that the cotton target price would be 85 cents. The farmer then sold it for 80 cents. So that means that the Government would make up the 5 cents that he sold below the target price. That would be taxpayers' money, that would be your funds, that would be taxpayers' money. Later I will go into why and the need for it.

So, basically, section 4 would be wheat.

Section 5 would be feedgrains. That is corn and milo sorghum and the other grains that we deal with. Again, this modifies provision for target price protection. And I might add that it freezes for 2 years the target price.

Title V(A) would be a producer-approved referendum. This has stirred some controversy, but it is a very simple process, that the Secretary of Agriculture would referendum, would ask producers, farmers, if they would like to have this program, and they would vote, anyone who has over 15 acres would then have the opportunity to vote, "Yes, we want it," or, "No, we do not want it." If they say "No," then he has this backup, what I just explained in title V. This referendum, then, the farmers, producers themselves, for wheat and the feedgrains, which is basically corn and sorghum, would make the decision, and this would provide for domestic and foreign provisions so that you would have certificates, what would be the domestic part of the product that he would have a certificate and could get the Government guarantee or the Government loan. The rest, then, would go into export, and there would be a provision to see that we can compete with the rest of the world that produces this commodity. Later, I will also mention in the trade section one of the problems there.

Title VI would be cotton, and it basically carries forward the provisions of the present act.

Title VII would be rice. Again we have a little problem with rice. Many of the countries of the world that were not producing rice are now producing. Some that were producing are now producing sufficiently to export and are competing with us in the exports in that their price is below our price, and we have a difficult situation in that respect. So we are trying to bolster or sustain as best we can the American production and make it compatible with the other nations in the world that produce and export.

Title VIII would be peanuts. We basically extend the present program.

Title IX would be soybeans, and the existing soybean price program would be continued, with one change. This change provides the Secretary of Agriculture with additional authority whereby he can reduce the level of the 1986 soybean loan, that loan I mentioned that they can forfeit into the Government, by up to 5 percent if he so determines.

Title X would be general commodity provisions, which covers commodities and technical means.

Title XI would be trade. And this extends Public Law 480. This is the law whereby it would take from that quasi-Government institution, the Commodity Credit Corporation, for donations to other countries, to needy countries, and/or to sell at lower interest rates to developing countries. This section now raises authorization for Public Law 480 so we can assist more countries and participate in exporting more of our commodities. It directs the Secretary of Agriculture to direct a payment-in-kind export assistance program to encourage expansion of our domestic farm productivity. It broadens authority for intermediate-term export loans, and it provides for Government guarantees of at least $5 billion in commercial short-term export credits.

This is a very good program. An exporter or an individual finds a customer in another country. The other customer then has to secure his commercial financing for the commodity, but under this provision our Government would guarantee to the bank an x percentage of that loan, so he is committed to pay for the loan, but then should something go wrong, we would pick up that loan. It is rarely done. It is a very good program.

Title XII would be credit. One of my colleagues mentioned earlier the farm credit system. That is another issue. I will mention that again later. But what we deal with now is basically Farmers Home Administration, an entity of the Department of Agriculture, and that is the one that makes operating loans or available loans to purchase land or refinance, and that would be title XIII of our bill.

Title XIV would be the national agricultural research extension and teaching policy. This is where we extend that for 5 years. We have several formulae by which we provide assistance to land grant institutions for reserach, for extension purposes, and we continue that very, very, very good program.

Title XV is food stamp and related issues. The Food Stamp Program or assistance to those in need are handled through our committee and are a basic part of the Department of Agriculture. We authorize the program or reauthorize for 5 years.

Title XVI is amendments to the temporary emergency food assistance, and we extend for 2 years.

Title XVII is nutrition programs. We expand the consumer education services for low-income families, and we work with low-income families in nutrition programs to see that those who avail themselves or are in need of that program utilize it to the utmost.

□ 1605

We have in my area in south Texas, we have a beautiful program that a young lady who is in charge of that program has gone into the neighborhoods and has selected a volunteer who is then trained to work with the rest of the neighborhood in what is a nutritious meal. What can you prepare for the lowest amount of money for the most nutrition. How can you feed your family. What are the items required in the diet. You should not give a 2-year-old child the same meal that you give your 40-year-old husband. They deal beautifully. This program has worked. Where properly utilized, and I would hope that it would be thus, it is a very good program.

Title XVIII are miscellaneous provisions. For example, additional standards for processing of eggs; revises and strengthens the Beef Research and Information Act; it established a promotion, research, and consumer information for pork and pork producers. These two are basically to assist the industry in promoting the products. Again, we have a problem in the balancing act I was mentioning.

We have beef producers, a rancher out there or a feedlot. They hire x number of people, and they have to sell their products to stay in business. They are doing fairly well. Some others not as well. But then you have coming from the other side, either in imports or then the health situation saying you should not eat beef or you should not eat this or that because of a health problem or possible health problem. I am not going to start an argument. I do not intend to start an argument. I do not challenge the ex-

perts. I do not challenge the medical profession. My wife and I have son who is a doctor, so I am not attempting to do that.

I have taken the attitude as chairman of the Agriculture Committee that we want to sell every one of our products that we can and the only caviat I use is that you have to use moderation. You have to use moderation. Maybe you should not eat too much of this or too much of that. I guess I am not the best example of using moderation, but that is what we have to do.

Then we have title XIX, which is the National Agricultural Policy Commission Act, that we hope would be helpful to the process. Let me go to the general aspects.

Are our farmers and producers in trouble? Yes, a great number of them are. Why are they in trouble? Are they in trouble because they are not good farmers? No, we have the best in the world. Are they in trouble because they are lazy or inefficient? No, we have the best in the world. Are they in trouble because they do not have good land? No, we have the best in the world. So then you might ask: Why are they in trouble? They are in trouble, basically, for something beyond their control. Something that has befallen them made by other events and other circumstances. Those that are in trouble are in trouble because of the high interest rates in one respect. They have to borrow money. It is very rare the farmer, rancher, or producer that has his own resources to raise the annual crop. He has to borrow for that, almost like every business. Most major manufacturing institutions program debt. They borrow; they give debentures; they sell bonds, and so does the farmer. He has to borrow either from the private sector, from the farm credit system, or from the U.S. Government. This is basically where he borrows from. When the interest escalated, many of them got in trouble and they have not been able to recoup and get back.

Another area was inflation. Now, we have got inflation fairly well under control; it is coming down some. But inflation escalated because of what the farmer uses to make their crops. The largest consumer in the United States is the agricultural sector, the farm sector, because he uses that land given to us by God, but that is only the receptacle for that seed. Beyond that, he has to buy the seed, he has to buy the fertilizer, he has to buy in most instances water to water his seed, to water the fertilized seed. Then he has to have insecticides, pesticides, rodenticides. He has to have machinery in the shop, the tractor. He has to have pickups, he has to have trucks. All of this he has to buy, and when he was buying it at inflated prices, but his commodity prices were not keeping up with that, then he got in trouble.

In the export area, this is a very difficult thing, and it is very difficult for me and for our committee. There is trading in currency. The average American pays little attention to that. You see in the paper or here on the television or the radio that the price of the dollar as against the deutsche mark or the British pound or the Japanese yen, and you say, well, it does not affect me. Well, it does. Because as the dollar gains in strength or in value, that means the other currency came down. This is what they were using to buy our products. So let us say that 100 deutsche marks, 100 German marks bought a bale of cotton. Not the actual amount, but we will use that; it bought a bale of cotton. That was 100 as contrasted to $100 when they were equal.

But then, when the value of the dollar went up, that $100, now you have to have 150 deutsche marks to buy that $100 in the currency markets, which means then that the fellow that was going to buy the bale of cotton for $100 now has to add another $50. If he is going to add another $50, when he would have bought two bales of cotton, now he can only buy one, for one-half or what would have bought the second half. That reduces our sale of exports. This is not the doing of the farmer; he has nothing to do with it. It is our Government, the stability, the Federal Reserve, the other countries' stability of their currencies; Heaven knows what. But the ultimate one that suffered was our farmer. He has that problem.

Now, I have the problem, our committee has the problem; do we say, "Do not buy our dollars; they are no good." How can we say that? So we have to then have current shifts and controls and manipulations to try and see how we can undo some of the damage by that value of the dollar.

Then we have another very serious problem—that other countries in the export business subsidize. They subsidize their farmers and the export sector which makes their commodities of equal value, quality, maybe lesser quality, but more attractive because the government is subsidizing them so they can sell at a lower price. By and large we do not subsidize for exports; we have some in this legislation.

Now, an area where we are going to try and match, to put it plainly or simply, as many Members mention, that we play the world game of export in an uneven field. Unbalanced against us, so we are going uphill. All we are trying to do is to balance that field so we have an even field, and then we can compete actively.

Now, my colleagues ask: Why should we use the taxpayers' money to work with the farmer, to help the farmer or the producer? Well, that is a legitimate question, but it is answered very simply.

□ 1615

The American people are the best fed people in the world in the history of the world. It does not mean that there is no hunger here or deprivation. It does not mean that. But overall, we are the best fed people in the world. I would like to mention this.

If someone does not have appropriate nutrition, it has not been the fault of the farmer; never the fault of the farmer. The food has been there, but the man does not have a job, the family does not have income, there has been a disaster of some kind, transportation, marketing, whatever, but never the fault of the farmer.

Second and very important, the American family spends the least amount of money from their income for food of any other nation in the world. The least amount of disposable income per family for food is the United States. Everything from there on escalates. We are now maybe at about 12 percent of disposable income, and going down, up to about 50 or 60 percent in other areas of the world.

Some people call it a cheap food policy. I do not like to use the term, but I do want to emphasize that all that bounty that the homemaker or the housewife has at the grocery store comes from the farmer who by and large did not get what it cost him to produce that item, and he is the one at the bottom of the totem pole. Everything that you buy at the grocery store, my colleague, the one who got the least amount for what you paid was the farmer.

You buy a loaf of bread, 86 cents, 6 cents went to the farmer. You buy a pound of beef, $3, maybe the cow sold on the hoof at 80 or 90 cents a pound and $1 a pound.

That is part of the problem, and that is one of the reasons that Government has and should and well ought to intervene to see that we do not have this. I want to make something very clear: that not all commodities in my area of Texas, the fruit and vegetable industry, they get no support of any kind from Government. I probably could say most of what they get from Government is harassment and intervention in their affairs, but yet they are not here asking and they are not complaining because they feel that they can do well with the system that they have now. Prices go up and down and we have problems there.

But then one final item as to why we should use Government funds, taxpayers' money, my taxes, to work with the producers and the farmers. This is my submarine story that many of my colleagues have heard.

When I was 17 years old I joined the Navy. I saw a sign that said, "Join the

Navy and see the world." I joined. They lied to me. I went to San Diego, CA, and the Great Lakes in Illinois, Camp Wallace, TX, between Houston and Galveston, the back way, a place called Hitchcock. So I never got on board a ship. I got run out of more captains' offices and lieutenants' offices. I said, "I want to go on board a ship." Well, it never happened. They kept sending me to school. I did not want to go to school. I did not join the Navy to go to school, but I kept going to school.

When I was elected to Congress, we have liaison. That is, members of the Army, Navy, Air Force, Marines, and Coast Guard who are the liaison between their service and the Members of Congress. Naturally, when a new Member of Congress is elected, they come to visit him and to tell him about their service, and this is very important.

So when the Navy fellow came to see me, he said, "I hear you are an old sailor."

I said, "You bet."

He started off with, "What ship were you on?"

Well, I had to say, "Great Lakes, IL." That was my ship.

But then he said, "Anything I can do for you?"

I said, "Yes, get me on board a ship."

So he said, "When?"

I said, "Any time."

"What kind of ship?"

I said, "Shoot the works. Give me the biggest one. A carrier."

They have a program where they invite civic leaders and elected officials and Members of Congress and Boy Scouts, and so on, bring them aboard ship and give them sometimes an orientation cruise, staying overnight, and this is very interesting.

So they had one of those and I went. We went on this carrier and we had a tremendous visit, a beautiful visit. I enjoyed it so much that the next time I said, "I would like to see a cruiser." I progressed, and about 3 years ago I finally came up with the big one. "I want to go on a submarine, nuclear power, nuclear arms."

They said, "Well, you may have to take a physical exam. You might have to lose a few pounds." Those holes you go in and out of on a submarine are not too terribly big, so I had a little bit of a problem. We worked it out and off I went. We went on this submarine out in the Atlantic, nuclear power, nuclear arms. It was beautiful. The experience of a lifetime for me.

For those of you who fly, you fly a submarine just like an airplane. It has dual controls. You push down, it goes down. Pull up and it goes up. Port. Starboard. That is left and right in Navy language.

It was a great day, a beautiful experience. We are coming back, we are topside, I have seen everything, I have done everything, and I asked the captain, because we have in the national defense, in the physical defense of our country, and indeed the world, something we call the triad. We defend our country with the troops on the ground and missiles on the ground and in underground silos. We have the airplanes overhead, and we have the submarines under the sea, undetected, that are part of the triad for national defense in case of attack, and God forbid that it should ever happen, but they are there.

So one of the most important things is how long can that submarine stay underwater undetected, so I asked him that question. He smiled at me and said, "That is a military secret." I did not want to involve myself with a military secret, but then he smiled and said, "Do you want to take a guess?"

So I said, "Sure, I will take a guess," and I was thinking of the reactor, the propellant, that nuclear core that propels the ship, because they are self-contained. In World War II and prior to that, the conventional submarines had to surface to recharge batteries, and so on, and this was very dangerous and very critical in wartime, especially in a war zone. But the nuclear-powered sub does not have to do that. So my question was, "How long can you keep that baby down there undetected?"

He said, "Guess."

So I thought, short, 2 years, long, 15 years, so I said, "7 years."

He smiled and he said, "No." He said, "You are chairman of the Ag Committee."

I said, "Yes."

He said, "Would you like to take another guess?"

I said, "No. If you are going to tell me, tell me."

He looked me straight in the eye and he smiled, and he said, "I can keep this submarine under water, undetected, as long as I have food for my crew."

That is the limitation. So who is keeping the peace for the world and the United States? The farmers of America are the ones who are keeping that submarine under water, undetected. And let me tell you that that one submarine, it was an awesome feeling to know that that submarine had enough megatonnage to destroy the world. On one submarine, enough megatonnage to destroy the world, to be a deterrent to any aggressor, to be the item that we use in discussions for reducing armament, for reducing the possibility of nuclear exchange. That submarine could be the all of what we use to deter, to negotiate, to keep the peace, and yet its major limitation was food, provided by the farmers of America.

□ 1625

Should we not then use the taxpayers' money to see that the farmer stays on the land, I ask my colleagues? Is it not worth the safety and peace for our generation, our children and our children's children, that we use some of the taxpayers' dollars?

How many of the taxpayers' dollars do we use in relation to the budget? We have a budget now that is around $1 trillion. That is $100 billion. Three percent of that goes to agriculture. Three percent of the total budget of the appropriated funds from your tax dollars, only 3 percent, goes to agriculture. One percent almost goes to food stamp programs. One percent goes to run the Department of Agriculture and all of the areas of agriculture: research, extension, land-grant colleges, Farmers Home, and the areas where you do not have borrowing activity but appropriated funds. And only 1 percent goes to the commodity programs that I have been discussing. So we are the best-fed people in the world, with some exceptions, we have the lowest amount of disposable income for food per family, and we are keeping that submarine guarding the peace, for 1 percent of the total budget. Certainly I would be happy if they take 1 percent of what I pay. And I think that you would, too. You see farmers out there; they are selling their land, they are selling their implements. I have seen them cry. I just had a call from a lady from Colorado, Fort Morgan, CO. She said I could use her name, Naomi Woods. "I have 3,700 acres about to be auctioned off," she said.

They are good farmers. She and her husband and the kids all worked on their farm. They are efficient. But they had to borrow when the interest rate was high. Maybe they made a bad judgment in buying additional land when the interest rate was high, but they cannot keep up the payment; they cannot sell the product they are producing. And she told me something I would like to leave with you, my colleagues, that we have to look at. Should we help Naomi Woods? I think so. Why? Because she is a nice, kind lady? No. Why? Because she is a farmer or a farmer's wife? No, not necessarily. Why? She mentioned something so humbly, so simply; she said, "Congressman, rural Colorado is dying. They have closed the sugar mill at Fort Morgan, they have closed the beef plant at Fort Morgan, they closed the grain elevator at Fort Morgan, they are closing down the main street, and we cannot all go to Denver to look for jobs because they are not there." And if they all go to Denver, food stamps, aid to dependent children, housing, medical attention, everything that we do as a government with sensitivity, with compassion for those in time of need, would cost more than

helping her keep her farm. That is the question. It is for the benefit of that taxpayer that would ultimately pay more if we let her go to Denver, because we are a compassionate people, and we are not going to let her go hungry, and we are not going to let her and her family go homeless. We are going to help. But it is going to cost more than that little help she needs to keep that farm, to keep that submarine under water protecting the peace. That is why I would want my taxpayers' money, the money I pay, to go in part to agriculture. And I think you would, too, I say to my colleagues.

The farmers of America need help. They need support. One of my colleagues asked me, "What do I ask my constituents to do?"

I told him, "Very simply, you have your constituents contact their Congressman. Have them write him. Support the farmers of America."

That is what I hope he tells his constituents right now, this week: "Write your Congressman. Tell him. Support the farmers of America, support the people who are keeping that submarine there protecting the peace for us. Support those who are providing the food for our troops in Europe and Korea and every corner of the world. Support the people who are giving us that food for the lowest amount of disposable income."

That is what I told my colleague. I said, "You tell your friends, you tell your constituents, you tell anyone that will listen to you. Write, call, or contact your Member of Congress. He should know of your interest."

That is what I told my colleague to tell his constituents. This is what I tell my constituents.

I know that every farmer is not in trouble. Every farmer is not going broke. Yet it could be traumatic if those who are in trouble were to go under. It is not as simple as saying, "Well, if the Woods go, the Browns will come in. Interest rates will be lower, and they can replace them and they can continue." It does not work that way, because my colleagues might remember that I sent a chart in an article from one of the local newspapers that showed it in scale. In the graph the price of what the farmer pays for commodities went up, up, up, and then there was a little decline. The price of what the farmer paid for what he uses in farming, insecticides, pesticides, seed, fertilizer, et cetera, goes up, up, up on the graph, and then slightly down. And then the last part of the graph shows the income the farm gets. It goes along on a level, and then it goes down, down, down.

That is the graphic situation. That is what is happening, and that is why all of us need to get together.

There are some areas of the farm bill I might mention—sugar, for example. We are a deficit nation in sugar. We do not produce all the sugar we consume in this country, so some wise people a few years back started a program that we import basically about 50 percent of the sugar that we consume in this country. So they put a little tariff or a fee on that sugar that comes in from another country. It guarantees a price, a level, higher than the world price. There is a floating level in the world price that is sometimes as low as 4 or 5 cents, but that is not what we would buy the sugar for. We helped developing countries, we helped our friends who ship us the sugar by giving them a good price. Then we said, "Hey, for the sake of that good price, for that protection you get for selling into our market, which is a lucrative market, why don't you give us back about 2 or 3 cents?"

Well, we take that 2 or 3 cents, and that is what we use to provide support to the producer of sugar, and we do not use our taxpayers' money. It is a good program. It has worked well. We have not utilized taxpayer money but very rarely in the past few years, because we get it from the people we give the privilege to, to sell us sugar at better prices than they would get if they would go into the open market or the world market, and we recoup that money.

I have heard some of my colleagues over here from the shoe caucus tell us about the shoe industry being in trouble. Over here the steel caucus says the steel industry is in trouble. Over here they talk about textiles. The textile industry is in trouble. One of our subcommittees passed a bill out of subcommittee today dealing with the textile issue.

Then we have bricks, and then we have concrete, and we have automobiles. Almost all of America is in trouble. But these farsighted individuals long ago addressed the issue of sugar, and I would hope none of my colleagues would oppose that program. I know some will, and it is sad really that anybody would be trying to undo that program. It is not costing the taxpayer any money.

They say, "Well, you are raising the price of sugar to the American consumer." But he still gets all his basket of food at the grocery store for less money than any other people in the world, and sugar is a small item in his diet.

I would hope that my colleagues would listen and take heed of that with some degree of compassion and then in an intelligent way look to see that we have done what they are asking us now to do for shoes, for textiles, for steel, for cars, and for all the other items we have manufactured.

I say this with sadness in my heart: The world is not buying what we manufacture in the United States of America. We are not the greatest manufacturing country in the world anymore. What they are buying from us is what we produce in agriculture, and even that is coming down. That is the only thing that is bringing money back.

We read in the paper, we hear, and we discuss it here, about the tremendous balance of payments, that more dollars are going out than are coming in. The only dollars coming in—and this is hard to acknowledge—are from agriculture. And in the area where we are dificient, in sugar, I cannot imagine that any Member would even remotely think to undo a program that has worked so well and that has helped the American consumer. We should have pride in that we have at least some producers who are willing to continue at risk to produce cane or sugar beet for sugar in this market. And now we have sugar through this high fructose with corn liquid sweetners.

So I say to my friends that I would hope my colleagues who are listening to me and who will read this in the Record will study this issue, and hopefully they will agree with me. Again I repeat that I hope every one of my colleagues tells his constituents, "Write me or write your Congressman and tell him to help the farmer of America. Help those who are helping us be healthy, be a proud nation, be a great nation, and be a strong nation in spite of adversity."

Even if everything were perfect, farmers still have to fight Nature, drought, flood, insects, pests. Even with everything being perfect, the farmer has the deck stacked against him.

"Why does he stay?" someone asked me. "Why does he stay year after year?"

"Well," I replied, "I come from south Texas, and in our area of south Texas we have a saying: 'If you don't feel the vibration when you go on the land, forget it, it isn't going to grow for you.' "

That is what the farmer is all about. If you do not feel the vibration when you go on the land, you are not a farmer, you are not a rancher, and it is not going to work.

That is why they hang in there, hoping against hope. Farmers are proud. They do not want sympathy. They do not go around begging. The last thing they want is to have the Government intervene, but there comes a time when need arises and they have to ask, and we have to give.

The good Lord made us, in my belief, to His image and His likeness. Why did He make the human body require food or water? Only God can give us water. Only the farmer can give us food.

So, Mr. Speaker, I guess the good Lord made the body to His image and His likeness needing food because he wanted farmers on the land. That is why.

Mr. Speaker, the major provisions of the Food Security Act of 1985 are briefly described below.

TITLE I—SUGAR

The bill extends, through the 1990 crop, the price support loan program for sugar beets and sugarcane.

TITLE II—DAIRY

The Dairy Unity Act of 1985—

(1) For the fiscal years 1986 through 1990—

(A) establishes price supports for milk under a formula that ties the support level to changes in the real cost of producing milk and adjusts the initial support level for each year to reflect changes in commercial demand for milk;

(B) authorizes the Secretary of Agriculture to adopt a milk supply-reduction program if projected surpluses exceed trigger levels, and requires him to do so if the projected surpluses exceed a higher trigger;

(C) provides for payments to dairy farmers who agree to reduce their production under the program;

(D) requires a reduction in the price of milk when a diversion program is in effect to cover costs of the program that exceed the costs to the Government of 5 billion pounds of milk; and

(E) directs the Secretary, when a milk diversion program is in effect, to purchase and distribute an additional 200 million pounds of red meat annually.

(2) Directs the Secretary to study whether casein imports interfere with the milk price support program.

(3) Creates a National Dairy Research Endowment Institute to be funded by revenues raised from milk producers and dairy product importers.

(4) Requires the Secretary to increase differentials in a number of specified milk marketing orders.

(5) Establishes a National Commission on Dairy Policy to study and make recommendations on the operation of the Federal milk price support program.

(6) Extends for five years (A) authority to transfer dairy products to the military and veterans hospitals, and (B) the dairy indemnity program.

TITLE III—WOOL AND MOHAIR

The bill extends for five years the present program of payments to producers of wool and mohair.

TITLE IV—WHEAT

The bill establishes a program for the 1986 through 1990 crops of wheat that would—

(1) extend and modify provisions for target price protection for producers; (targets would be frozen for two years and, after that, could be reduced only if farm costs come down);

(2) make available a price support loan program that is responsive to market prices; and

(3) establish acreage reduction programs that must be implemented if surplus stocks are large.

TITLE V—FEED GRAINS

The bill establishes a program for the 1986 through 1990 crops of feed grains that would—

(1) extend and modify provisions for target price protection for producers; (targets would be frozen for two years and, after that, could be only if farm costs come down);

(2) make available a price support loan program that is responsive to market prices; and

(3) establish acreage reduction programs that must be implemented if surplus stocks are large.

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAINS PROGRAMS

The bill includes a program under which wheat and feed grain producers would have the opportunity, through referendum, to adopt a program under which cooperators under the voluntary program would obtain price support loans and marketing certificates. The program would provide for export subsidies to keep grain competitive in world markets, and producers who elect not to participate (and, thus, do not receive marketing certificates) would be required either to feed their grain on their farms or export it at world market prices.

TITLE VI—COTTON

The bill establishes a program for the 1986 through 1990 crops of feed grains that would—

(1) extend and modify provisions for target price protection for producers (targets would be frozen for two years and, after that, could be reduced only if farm costs come down);

(2) make available a price support loan program that is responsive to market prices;

(3) establish acreage reduction programs that must be implemented if surplus stocks are large; and

(4) direct the Secretary of Agriculture to issue marketing certificates to handlers when the world market price falls below the loan rate.

TITLE VII—RICE

The bill establishes a program for the 1986 through 1990 crops of rice that would—

(1) extend and modify provisions for target price protection for producers (targets would be frozen for two years and, after that, could be reduced only if farm costs come down);

(2) make available a price support loan program that is responsive to market prices;

(3) establish acreage reduction programs that must be implemented if surplus stocks are large; and

(4) direct the Secretary of Agriculture to issue marketing certificates to exporters when the world market price falls below the loan rate.

TITLE VIII—PEANUTS

The bill generally continues, through the 1990 crop, the price support and marketing quota program that has been in effect since 1981, but makes certain modifications to reflect changed circumstances. Price supports would be linked to production costs, and any added domestic quota acreage would be shared by new growers.

TITLE IX—SOYBEANS

The bill extends, through the 1990 crop, the existing soybean price support program, with one change. This change provides the Secretary of Agriculture with additional authority whereby he can reduce the level of the 1986 soybean loan by up to 5 percent if he determines that the initial rate would not make the crop competitive on world markets. No target price or acreage control authorities will be authorized.

TITLE X—GENERAL COMMODITY PROVISIONS

The Agricultural Efficiency and Equity Act of 1985 adopts a revised system, to be reflected in permanent law, for establishing farm and commodity acreage bases and program yields for wheat, feed grains, upland cotton, and rice.

The bill also—

(1) establishes (unchanged from existing law) a $50,000 annual payment limitation under the wheat, feed grains, upland cotton, extra long staple cotton, and rice programs;

(2) establishes a $100,000 annual limitation on disaster payments under the wheat and feed grains programs;

(3) establishes a $250,000 annual limitation on the total amount of noncourse loans that a person may receive under the 1986 through 1990 crops of wheat, feed grains, soybeans, peanuts and tobacco;

(4) permits producers of wheat, feed grains, upland cotton or rice to devote any part of diverted acreage to haying and grazing during eight months of the year;

(5) authorizes the Secretary of Agriculture to provide a supplemental set-aside and acreage limitation program for wheat and feed grains if such action is in the public interest because of the imposition of export restrictions;

(6) authorizes the Secretary to enter into the multiyear set-aside contracts with producers of wheat, feed grains, upland cotton, and rice;

(7) authorizes the Secretary, in order to reduce the costs of a commodity program, to—

(a) purchase, on the commercial market, a commodity for which a nonrecourse loan program is in effect;

(b) settle the loan for less than the total of the principal and interest when the domestic price of a commodity will not cover the principal and accumulated interest on the loan; and

(c) reopen a production control or loan program for a major commodity for the purpose of accepting bids from producers for conversion of acreage planted to the crop to diverted acres in return for payments in kind from Commodity Credit Corporation stocks;

(8) modifies the provisions of permanent law relating to the producer reserve program for wheat and feed grains;

(9) authorizes the Secretary to make advance deficiency payments to producers if an acreage limitation or set-aside program is in effect for wheat, feed grains, upland cotton, and rice, and if deficiency payments will probably be made;

(10) authorizes the Secretary to establish an export certificate program for wheat or feed grains;

(11) requires the Secretary to dispose of certain surplus Government-owned stocks for purposes of emergency domestic food assistance and emergency humanitarian food needs abroad;

(12) authorizes the Secretary to make advance recourse commodity loans to producers; and

(13) authorizes the use of Commodity Credit Corporation stocks, at no cost or reduced cost, to encourage the purchase of such commodities for the production of liquid fuel.

TITLE XI—TRADE

The bill—

(1) extends authorities under Public Law 480 for five years;

(2) raises the authorization for the Title II program under Public Law 480 to $1.2 billion annually;

(3) directs the Secretary of Agriculture to develop a payment-in-kind export assistant

program to encourage expansion of farm exports;

(4) directs the Secretary, in coordination with the Special Trade Representative, to seek multilateral consultations to reduce the need for export subsidies and the likelihood of a trade war;

(5) provides for Government guarantees for at least $5 billion in commercial short-term export credits in fiscal year 1986, plus at least $325 million in direct export loans, for use in blended credit transactions;

(6) exempts blended credit and other commercial-type export sales from cargo preference provisions; and

(7) broadens authority for intermediate-term export loans and extends for five years authority for an export credit revolving fund.

TITLE XII—RESOURCE CONSERVATION

The bill—

(1) provides, with various exceptions, that persons who produce agricultural commodities on highly erodible land or converted wetlands will be ineligible for benefits under various Federal programs;

(2) establishes a conservation reserve program under which up to 25 million acres of highly erodible cropland may be converted from payments and Federal sharing in the cost of conservation measures;

(3) authorizes the Secretary of Agriculture to provide technical assistance to protect the quantity and quality of subsurface water; and

(4) extends the Soil and Water Resources Conservation Act of 1977 through the year 2008.

TITLE XIII—CREDIT

The bill—

(1) includes joint operations among entities that may receive Farmers Home Administration (FmHA) farm ownership, operating, and disaster loans;

(2) modifies the program for FmHA water and waste disposal programs for smaller and poorer communities;

(3) imposes a "family farm" requirement on the FmHA disaster loan program, and provides that eligibility for disaster production loss loans is to be determined on whether the applicant has suffered a disaster loss and not on whether the applicant is located in a disaster county designated by the Secretary;

(4) requires the Secretary of Agriculture to ensure that FmHA loan guarantee programs are responsive to needs of borrowers and lenders;

(5) reforms the provisions governing the composition of FmHA county committees;

(6) provides protection to purchasers of farm products from liens held by the creditors of the sellers if prescribed procedures are followed;

(7) authorizes the Secretary to make grants to enable public or private nonprofit groups to establish rural technology centers; and

(8) makes various revisions in operations of FmHA farm lending programs.

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985

The bill—

extends for five years various authorities to fund agricultural research and extension programs, and makes a number of modifications in program provisions.

TITLE XV—FOOD STAMP AND RELATED PROVISIONS

The bill reauthorizes the food stamp program for five years, and make various modifications in the Food Stamp Act of 1977.

TITLE XVI—AMENDMENTS TO THE TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983 AND OTHER COMMODITY DISTRIBUTION PROVISIONS

The bill extends for two years the Temporary Emergency Food Assistance program.

TITLE XVII—NUTRITION PROGRAMS

The bill—

(1) expands consumer education services to low-income individuals; and

(2) directs the Secretary of Agriculture to include a representative sample of low-income individuals in conducting the Department's survey of food intake, and maintains the Department's nutrient data base.

TITLE XVIII—MISCELLANEOUS

The bill—

(1) establishes additional standards for the commercial processing of eggs for human food;

(2) requires that poultry and poultry products for use as food that are imported into the United States be subject to the same inspection, sanitary, and certain other requirements as poultry and its products produced in the United States;

(3) imposes more stringent requirements on inspection and other standards for imported meat and meat products;

(4) revises and strengthens the Beef Research and Information Act;

(5) establishes a promotion, research, and consumer information program for pork and pork products;

(6) establishes a research and promotion program for watermelons;

(7) increases the maximum penalty for violations of marketing orders;

(8) prohibits the Secretary of Agriculture from terminating a marketing order for any commodity for which there is no Federal price support program, unless termination is favored by a majority of the producers involved;

(9) includes moisture content as a criterion in the official grade designations of grain if it is requested by the government of the country to which grain is shipped;

(10) provides for the establishment of a new grade for grain that exceeds current standards for United States No. 1 grade;

(11) improves quality standards for grain to be exported from the United States with respect to dockage, foreign material, and other factors;

(12) reforms the provisions of the Soil Conservation and Domestic Allotment Act relating to county and community committees;

(13) prescribes provisions to be included in Commodity Credit Corporation storage contracts to reduce costs;

(14) declares as a congressional policy that it is in the public interest to maintain Federal involvement in providing agricultural weather and climate information; and

(15) strengthens provisions denying program benefits to persons growing marijuana or other prohibited drug-producing plants on land they control.

TITLE XIX—NATIONAL AGRICULTURAL POLICY COMMISSION ACT OF 1985

The bill establishes a National Commission on Agricultural Policy to conduct a study and report to Congress on the structure, procedures, and methods of formulating and administering agricultural policies, programs and practices in the United States.

THE PROLIFERATION OF FEDERAL SPENDING AND THE MAGNITUDE OF THE FEDERAL DEBT

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 30 minutes.

Mr. WALKER. Mr. Speaker, we have a problem in the country. The problem is Federal spending because Federal spending has led us to massive budget deficits. Those deficits and that spending are driving us toward the time when the whole series of issues being addressed by this Congress will proliferate in magnitude to where we will be unable to deal in a meaningful way with a lot of the issues that we hear talked about from day to day in this body.

We have just heard a very eloquent discussion of the farm problems of this country by the chairman of the Agriculture Committee. The farm problem in this country is in large part a problem which has accrued from the deficit problem, from the Federal spending problem.

□ 1640

High interest rates on the farm have done immense damage to the ability of farmers to survive in the market economy, so therefore they have to come to Washington suggesting that dealing with that symptom, we need programs.

The trade problem that we have heard so much about comes largely from the fact that the dollar has risen to such levels as the result of our deficits here and the interest rates that those deficits drive up, that foreign investors coming into this country have in fact brought their money out of their homelands here and resulted in the deficit problem. It has also resulted in the cost of our products overseas going up, which again drives up the trade problem.

Too often around here what we want to deal with, we want to deal with those symptoms. We want to deal with the farm problem as a singular item. We want to deal with the trade problem as a singular item. We do not want to deal with the basic item, spending, the deficit.

You will hear most people in this body go home to their districts and talk a lot about the deficit. My guess is when we were home during the August recess that there was no topic talked about more by the Members of this body as they talked to their constituents than the deficit. I assume that every one of them was saying, "Yes, indeed, I am in Washington. I am going to address that problem." It is something that needs to be ad-

dressed. The American people are saying in overwhelming numbers that they want it addressed. So there is no Member of Congress who would not say that it is not a serious problem that needs to be addressed.

The question is, what are we really doing about it? Now, we have been back in town from that August recess for a couple weeks. Have we in fact done very much about the deficit? I would submit that we have done little or nothing about the deficit. We have failed to address the deficit because we have failed to do the things which are badly needed to address the deficit.

I would tell you that it seems to me there are two basic items that need to be done in order to address the deficit. You can do it in a couple ways. You can, as some of my colleagues in this body suggest, very few, but some do suggest, you can increase taxes. Many people looking at static economics will tell you that the way to get at the deficit is we will simply increase taxes.

The problem is, of course, that what this body has shown itself prolific in doing over the years is spending away all the taxes that we raise. We do not use them against the deficit. We simply spend the money away.

Mr. DE LA GARZA. Mr. Speaker, I wonder, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. I do not want to interrupt the gentleman. I appreciate the gentleman yielding. I commend him for the diligent work that he does on and off the floor of this House in relation to the deficit.

I just wanted to mention that I perhaps got overly involved in the process of the plight of the farmer in the discussion that I had previous to the gentleman's time; but we in agriculture, in spite of the traumatic circumstances we face and the very critical situation we face, have contributed almost $20 billion in the past 5 years toward the reduction of the budget and this legislation that I explained that will begin the process tomorrow will again be under the budget as imposed upon us. We will save approximately $11.8 billion in the next 3 years as mandated by the Budget Committee as our contribution to the effort which the gentleman so valiantly makes in this endeavor.

Mr. WALKER. Well, I thank the gentleman. I must tell the gentleman that I have some problems with the bill that the gentleman is bringing to the floor, or at least with the rule that is being brought to the floor tomorrow, because while the gentleman evidently has figures to demonstrate that, the fact is as I understand it there are at least three budget waivers necessary in order to bring the gentleman's bill to the floor. One of the things that I intend to discuss at some length in this special order is the fact that that is exactly the way in which we are getting around the Budget Act is by doing waiver after waiver on rule after rule.

The gentleman's rule is not the first rule that will come out here with budget waivers. It is one of a long series of rules that we bring to the floor with budget waivers in them.

One of my suggestions is going to be in the course of this special order that the way in which we are overspending ourselves is by consciously waiving the Budget Act, which is in fact our disciplinary tool.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield further?

Mr. WALKER. Yes.

Mr. DE LA GARZA. I understand that. I might tell the gentleman, those are technical waivers required by the act, not requested basically by our committee.

We did the cuts. The gentleman is welcome to see the scars and go see where the blood was shed. We did the cuts. We sent the cuts in, but then other rules say that we have to have this waiver; but $11.8 billion is out and I can show the gentleman the scars and where the blood was shed.

I thank the gentleman.

Mr. WALKER. I thank the gentleman. I, of course, will wait to see the analysis of that, but I appreciate the work the gentleman has tried to do.

Let me get back to the point that I was making. You can go about this business of trimming deficits by raising taxes, which is not my preferred means, because my experience with that is that Congress spends away all the additional taxes that are raised and therefore the deficits do not drop.

You can also go about the work then of cutting spending. That is at least reducing the rate of growth of spending, because I am one who happens to believe that one of the things you are going to have to do in order to eliminate deficits completely is to have a growing economy and within that growing economy to reduce the rate of Government growth, thereby collapsing the deficit.

In other words, if you have the economy as a whole growing that is bringing in additional revenues, instead of spending away those revenues, use those revenues to eat into the deficits; so that you need a growing economy, plus cuts in spending, not really cuts in programs so much as a reduction in the rate of growth of the Government.

The reason why I suggest that going with the spending cut scenario to be the appropriate one is that if you take a look at the gross national product and what percentage of the gross national product the Federal Government revenues represent, you will find that traditionally over the last couple decades that we have collected 19 percent of the gross national product in revenues for the Federal Government. That is precisely what we are collecting today.

The American people are not undertaxed. They are overtaxed. We are collecting nearly 20 percent. We are collecting 19 percent of the money being generated by our economy in Federal revenues today.

Despite the fact that we did a massive tax cut, the growth of the economy since that tax cut has led to a situation whereby we are continuing to collect 19 percent of the gross national product in Federal revenues. That is not the cause of the deficit problem. The cause of the deficit problem, the reason why the deficit has been rising, is because we have been spending faster and faster. Up until a few years ago, we were spending about 20 percent of the gross national product at the Federal level for Federal programs, so you had a deficit, but it was a 1-percent GNP deficit. We were collecting 19 percent in revenues. We were spending 20 percent in Federal spending programs; however, within the last few years, largely as the result of the spending that this Congress has determined to do, we have moved that spending from 20 percent up to 25 percent, so we now have a 6-percent gap of GNP in spending; so you are going to have to do something about the spending problem of the Government if you are going to deal with deficits.

All right. How do you go about cutting spending? Well, one of the things you can do is eliminate some programs. I would prefer that route. That is the route that the President suggested in his original budget this year. He had I think it was a total of 19 or 20 programs that he set out to eliminate completely, because once you have them off the books, obviously you are not going to spend any more money for them. So that is one way of reducing that spending growth in Government is to just get rid of the programs.

There are some programs at the Federal level that we can in fact do without; not that they are bad programs, not that they do not serve some people, but in terms of massive deficits that are driving up farm interest rates, that are driving up our trade deficits, that are doing all these terrible things to our economy, there are some things the Federal Government can get along without that essentially are frills in our economic life that we could in fact cut back on and totally eliminate. That is one way of doing it.

I will tell you, Congress is not very sympathetic toward that kind of an idea. The elimination of programs does not go down very well around here. We simply do not have the intestinal fortitude to face up to special interest groups and say, "We are getting rid of your program."

So what you have then, if you are going to cut spending, you have got to begin to trim back on a whole series of programs.

Now, how do you do that? Well, you do it with the budget. You set up a budget and you say, "OK, across the board, this is the way we are going to discipline ourselves."

The Budget Act is a disciplinary tool. It says that within the constraints of the Budget Act, this is the way we are going to spend the money.

Then you have the authorization process and under the authorization process, what we do is we change policy. It is essentially a policy process, so that we change the policy in order to bring down spending. You revise things around the way the program runs. You make the program more efficient, more effective. You trim back the number of people. You change the policy in order to lower the spending.

Then you have the appropriations process and that is where you actually set the spending levels, so you can decide to set the spending levels somewhat lower when you appropriate the money.

In each of those areas then Congress has the opportunity to do the job of trimming back on the spending in order to lower the deficit. The problem is that we do not do that, either, in any of these three areas.

We are engaged in a great shell game with the American people, trying to convince them that indeed under this shell there are real spending cuts and we know exactly what to do about it.

The fact is that we are not really engaging in any kind of a spending cut scenario. We are with regard to the disciplinary tool, the Budget Act, regularly waiving the Budget Act in terms of its implications. In other words, if you believe that the way to get down spending is to discipline our spending habits underneath a set budget, a macroeconomic approach, so to speak, then what you have to do is you have got to enforce the Budget Act. You have got to say that those spending limits set in the Budget Act, we are going to live with.

What have we done since all those great speeches of the recess period where we said we were going to do something about deficits, told our constituents that? What have we done regularly on this floor for the last 2 or 3 weeks? We have waived the Budget Act. On rule after rule that has hit this floor, we have had provisions in them to waive the Budget Act.

What does that mean? It simply says, forget the Budget Act. It is now time to spend the money. The discipline that we imposed upon ourselves, forget it.

What do we hear about waivers of the Budget Act? They are simply technical violations. It does not really mean anything. It is a technical violation.

Well, let me tell you what some of those technical violations are. For instance, it is regarded as a technical violation if what you are doing is spending money, regardless of the fact that you did not report that you wanted to spend that money by May 15.

People say, "Well, that sounds like a pretty minor kind of thing. What are you complaining about that for?"

Well, for this reason. If in fact you follow the Budget Act, anybody who reports spending after May 15, we could not do it. You would in fact save the money. You would in fact save billions of dollars because the authorization committee did not follow the mandate of the Budget Act. That is more than a technical violation. It may be regarded by the authorization committee that did not meet the deadline as a technical violation. It may well be regarded by the Rules Committee as a technical violation.

The bottom line is, though, the reason it was put in there is so that when we were planning on the budget we would know in advance what the spending priorities were and these committees have not met that time. So therefore we ought not to regard their budget or their money as a part of our budget scenario. That is more than a technical violation, and yet that is what is called technical violations out here all the time.

When we get to the farm bill tomorrow that the chairman and I discussed here a few moments ago, we are going to have a rule on the floor for consideration of that farm bill that will have at least three budget waivers in it. One of the waivers in that bill is going to be to waive the entitlement section of the Budget Act. That is the section of the Budget Act that is supposed to keep us from adding new entitlement spending to the Federal budget without having some kind of prior process.

Tomorrow when the farm bill comes before us, we are simply going to waive that section, despite the fact that most economists taking a look at our budget process say that the entitlement problem is one of the major problems around here.

There are some estimates, the chairman has his own estimates that they have saved $11.8 billion, there are some estimates which indicate that we may be $20 billion to $30 billion over the budget with that farm bill.

And how are we going to carry out that kind of increased spending? We are going to do it by waiving the Budget Act tomorrow, putting the discipline aside and saying that it is now time to authorize and go ahead and spend the money.

So the fact is that Congress has shown itself to be unable to operate within the discipline of the Budget Act. That is one reason why Congress has overspent its own budget in recent years by $150 billion. We have committed ourselves to these budgets over the last 5 years and then gone ahead and overspent those budgets by $150 billion.

□ 1655

So we do not have the discipline and we are not showing the discipline now despite all of the great speeches. We have people, a majority of this body, that continues to go ahead and votes to waive the Budget Act on occasion after occasion after occasion, not once, not just tomorrow on the farm bill. We have voted that way on bill after bill after bill even since the August recess.

What about the authorization process? Surely Congress having not taken the descipline of the Budget Act is willing to do something within the authorization process. Surely Congress, recognizing that the Budget Act does not really apply, is going to do things which are reasonable within the authorization process.

Not since the August recess. Not before the August recess either, but certainly not since the August recess.

We had the Amtrak bill on the floor today. The Amtrak bill is one of those items where we are spending $600 million. The budget, the budget that we passed, called for us to spend in that area $582 million.

Did we listen to the budget? Did we authorize within the budget? No, no, we spent $20 million more than the budget called for.

Within the authorization process we simply decided to go ahead and spend more money. We do not show within that that we are willing to adopt policies aimed at eliminating spending. The fact is that we adopt policies in this body aimed at increasing spending.

Time and time again we develop policies on this floor aimed at increasing spending. Let me give you another example.

Just this week, we had a bill on the floor on the School Lunch Program. There was an amendment offered on the floor which suggested that at least we might be able to save the money that is now going in cash subsidies to reasonably wealthy people. Now no one was arguing the question of whether or not you ought to have school lunches for poor kids. That is one of the priorities I think that is probably readily accepted in this body as being something we ought to do, providing nutritious meals to poor children.

There is some question, though, that once you get 250 percent above the poverty level, not just the poverty level, not just 100 percent above the

poverty level, not just 200 percent above the poverty level, but once you get 250 percent above the poverty level, maybe we ought not to be giving cash subsidies to those families.

You see, the way it is right now, if David Rockefeller had kids in school, we would give him a cash subsidy out of this program. If you had a $100,000 doctor in the town that sends his kids to the public school, we are giving him a cash subsidy out of Federal money for the school lunches that his kids eat. If you have a $60,000 lawyer or a $75,000 Congressman, we are providing those people with cash subsidies so that their children can eat meals at the expense of the taxpayer.

Now at times a massive deficit it strikes me that is not a priority that most Americans would probably think that we need to meet. They do think that we ought to be compassionate enough to feed poor children. The question is whether we ought to be compassionate and feed the children of the rich, too.

What the amendment we had on the floor suggested was we ought to change the policy and provide school lunches to only those people who are at 250 percent above the poverty level and below. Beyond that, we ought to have those people pay the extra $23 a year that it would cost them to buy the school lunch for their children without a subsidy.

That amendment lost. That change in policy was not acceptable. That was not an acceptable way of saving $188 million of taxpayers' money.

We are prospending here. The policies that we adopt are prospending. So the authorization process does not work.

What about the appropriation process? Well, then, if we are not going to enforce the Budget Act, we are not going to do something about changing policy in the authorization process, surely then those Members that are talking big talk about eliminating deficits are willing to do something within the appropriation process.

Do not believe it. Do not believe it. Within the appropriation process we are going through all kinds of shenanigans to make certain we can go ahead and spend money.

For example, we have techniques around here of bringing up an appropriation bill to the floor that is said to be within budget, and we bring it out and we say, well, the kinds of money that are in this appropriation bill are, in fact, within the Budget Act. But when you look, you find that there are a couple of little tricks down in there.

For example, on the Food Stamp Program, when we brought it out, we brought it out saying that it was within the budget, that the $11 billion that was within the appropriation bill was, in fact, the same amount of money as the $11 billion in the budget. That is true. That is exactly what was in there.

However, we only funded the Food Stamp Program for 9 months. So we funded it for 9 months at $11 billion knowing that at some point later on in the year we were going to have to come up with another 3 months' worth of spending, which is another $2 or $3 million which will then put us over the budget.

We use that trick around here all the time. For example, we also, in several of the appropriation bills that have been out here, underfunded the amount of salaries that we knew we had to pay the Federal workers in the course of the year, so that at some point during the year, we will have to come back and get enough money to continue to pay the salaries.

We also then have a bias in all of those appropriation bills toward supplemental appropriations, because the way in which you get to this is once you have spent all of the money that was in the appropriation bill, and you have no more money, once you get 9 months into the Food Stamp Program and you are out of money, at that point you pass what is known around here as a supplemental appropriation. It is add-on spending. It is by definition an add-on amount.

And so, therefore, that add-on spending carries you beyond the budget level and results in additional spending, spending beyond what we have committed ourselves to in all of the headlines.

So we do the spending, and then we try to cover it up down in the midst of committee reports, and down in the midst of the language of the bill, and tell the American people that we are living within our means when, in fact, nothing of the kind is happening.

It seems to me that it shows up time and time again that the appropriation process is failing. It is overspending and resulting in deficits. The result is massive deficits. We have a massive spending problem. It is a $200 billion a year spending problem.

I think the American people need to begin to ask themselves then the question of how do we find out who is responsible for that problem. And I think you need to ask yourself, then, three questions if you are someone who is interested in that. I think you simply ask yourself who is it in the Congress who is voting for budget waivers. If they are voting for budget waivers, they are voting ultimately for deficits.

Your second question: Who is it in Congress who is voting for authorizations that increase spending, because then you have somebody who is contributing to the deficit problem.

The third question: Who is it in Congress that is voting for increased appropriations and supplementals. If you have got somebody who is voting all three of those things, you have got yourself a spender. If you have somebody who is voting for budget waivers, if they are voting for increases in authorization, and they are voting for increased appropriations and supplementals, if you find them voting in all of those, you have got yourself a spender.

You will know precisely then who it is that is contributing to the Federal spending problem and thus to the deficit problem. There can be no doubt in your mind whatsoever, you have got yourself a spender, and spending is the problem.

Then it seems to me you want to examine the Representative who claims to be doing something about the deficit but is spending us blind. The answers to those three questions need to become very important to the American people. Who is voting for budget waivers, who is voting for increased authorizations, who is voting for increased appropriations and supplementals. If we begin to smoke out the spenders, maybe we can begin to reduce the deficit.

It is high time that we do, and I yield back the balance of my time.

IMPORTED OIL IS BANKRUPTING AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 20 minutes.

Mr. ALEXANDER. Mr. Speaker, our Nation has just passed a dark milestone in our history. We have reverted for the first time in over 70 years to being a debtor nation where we are importing more than we are exporting. This year, our trade deficit is expected to reach a record $150 billion.

This has grave implications for our economic well-being. It means that we are consuming more and more and borrowing to pay later. It means that the dollar remains overvalued, pricing U.S. products out of foreign markets. It means that U.S. interest rates remain persistently high, dampening economic growth at home.

One way that we can make a significant dent in the trade deficit is to reduce greatly our reliance on imported oil. One-third of the U.S. trade deficit—$57.3 billion—is due to imported oil.

We can reduce the trade deficit if our Nation at long last follows the recommendations of the U.S. National Alcohol Fuels Commission and the Coordinating Committee on Energy of the Public Affairs Council and the example of Brazil.

The Alcohol Fuels Commission, on which I was privileged to serve, issued a landmark report in 1981 which discussed in great detail how a coordinated public and private national effort to produce alcohol fuels would move the United States toward energy independence. It issued sensible recommendations on how to achieve this.

Let me summarize the Commission's three conclusions. They were:

First, that alcohol-blend fuels, notably gasohol, can help to decrease the consumption of petroleum in the United States;

Second, that the United States must design and make available pure-alcohol vehicles—those capable of running on 100 percent alcohol; and

Third, that the Nation must develop available domestic resources to produce both ethanol and methanol.

In November 1982, the Coordinating Committee on Energy of the Public Affairs Council issued a statement calling for the use of alcohol fuels to replace petroleum fuels in some cases and extend the use of petroleum fuels through blending in other cases. It issued six recommendations which I would like to quote:

1. The central objective of the development and use of alcohol fuels must be to reduce the nation's dependence on nondomestic oil by cost effective use of domestic resources.

2. Abundantly available feedstocks, such as municipal solid wastes, coal and biomass, must be used wherever feasible in the production of alcohol fuels.

3. A significant consideration in the selection and design of alcohol-fuel production systems should be the efficiency of producing liquid fuels, as well as the overall energy efficiency.

4. The production and use of alcohol fuels, as with any fuel, must take place in a manner such that the environmental effects and risks to public health and safety are acceptable.

5. Soil erosion should be minimized in the production of fuel from biomass. Cost of soil losses should be factored into the cost of production of ethanol and methanol from biomass.

6. Government assistance should be to stimulate research and development, assist with regulatory requirements, and provide economic incentives similar to those provided to other agricultural and energy industries.

I recently returned from a visit to Brazil where I saw firsthand how alcohol fuels can be an effective alternative to petroleum fuels.

Brazil's public and private sectors have already established widespread production and distribution systems for alcohol fuels. They have in place automotive manufacturing operations which devote more than 90 percent of its production to alcohol fueled automobiles. It has in place a system for converting older vehicles to alcohol fuel operation. One-third of Brazil's automobiles currently operate on alcohol fuels. In 1984, Brazil shaved $2 billion from its import bill through use of alcohol fuels.

Since the mid 1970's, Brazil's private sector alcohol fuels industry has generated jobs for Brazilians in many areas of the nation. Also, since 1980, through the use of alcohol fuels the city of Sao Paulo has reduced, by 75 percent, the lead pollution in its air. Lead pollution in the metropolitan area, which contains more than 12 million persons, had reached dangerous levels.

The United States should follow Brazil's example and vigorously promote alcohol fuel development. The benefits for our Nation would be enormous. The trade deficit would be reduced through ending the importation of foreign oil. Farm surpluses, which are now piling up at record rates in storage bins and driving down commodity prices, could be used to produce alcohol fuels. Environmental pollution caused by petroleum fuels would be reduced through the increased use of alcohol fuel. And Arkansas would greatly benefit because of the pioneering research and development conducted into alcohol fuel production at the University of Arkansas' Biomass Research Center.

Currently, the U.S. alcohol fuels industry produces approximately 500 million gallons a year. This is insufficient to meet our needs. Last year, we imported $100 million worth of alcohol fuels. The demand in our country will be even greater as lead is eliminated as an octane enhancer from gasoline consumed in the United States.

The time is late but we must start now to make alcohol fuels an alternative to petroleum fuels. Our Nation's environmental, political, and financial health depends on this.

SANDINISTA ATROCITIES REVEALED BY RECENT DEFECTOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. McCOLLUM] is recognized for 30 minutes.

Mr. McCOLLUM. Mr. Speaker, this morning there was in one of the papers a very small blurb in the New York Times about an event yesterday, a press conference, a press availability down at the State Department. In the Washington Times, there was a much large article about this. In most of our newspapers, and in most of our media, there was no mention of it whatsoever.

But on July 1, a very prominent, relatively high-ranking member of the Sandinistas in Nicaragua defected across the Honduran border and yesterday he was questioned by the media and given an opportunity to give us a view of what it is like on the inside of the Communist Sandinista world.

The New York Times article in today's paper says:

A Nicaraguan defector who said he worked for Interior Minister Thomas Borge asserted today that large numbers of peasants and Miskito Indians had been killed by the Government because of suspicion that they might join United States-backed rebel forces.

Not only did this fellow tell us about that, he also told us about the use of the Cubans who are down there in the area of the Minister of Interior for their internal security matters in planning and carrying out some of the operations, including those connected with the genocide of Miskito Indians. And he also described for us in some detail the aspects that we do not like to think about, but we know exist down there, of the use of the sale and smuggling of cocaine and other narcotics to raise money for the Communist Sandinistas. And I do not think this ought to go as unnoticed as it has gone up to this point in time. It is too important an issue for the American people. It is too important for our national security for us to not be fully aware of the nature of the type of government and leaders that we are dealing with when we encounter the Nicaraguan Sandinistas.

A lot has been said over the months on the floor of this House about what is or is not good or bad about the government down there, about whether we should or should not be supporting the Contras who are waging a valiant effort to try to restore democracy, about the problems that may be followed if we allow the Sandinistas free rein in terms of what they do to sabotage our neighbors, to bring about the fall of the democracy in El Salvador, to wreak havoc with that fragile democratic force, the Government in Costa Rica, and the emerging one in Honduras.

But I think this is the most clear-cut example of the problem of human rights violations, and the problem of the very basic philosophical, if you want to call it that, orientation of the mind, of the thinking of the leadership of the Sandinistas that I have seen to date.

I would like to tell you who he is. The defector is Alvaro Baldizon Aviles, Baldizon being the last name that we would normally associate in English. He is 26 years old. He joined the Sandinista police in April 1980 and became the chief investigator of a special investigation commission of the Interior Ministry under Thomas Borge for 2½ years. And he received a 10-month criminology course in the Soviet Union.

He tells us that there are probably thousand of Miskito Indians and peasants who have been intentionally executed in the last few years by the Sandinista regime. He said that his figures were an extrapolation of the hundreds that he knew about firsthand as the investigator of the internal abuses.

The killings were carried out, he says, by a mixed commission of Army and police officers. And I quote from the article in the Washington Times yesterday. He says "For those hundreds of names that were inquired about by the Inter-American Human Rights Commission," Mr. Baldizon's commission, that is, the "Commission was ordered to concoct cover stories for their disappearances."

In other words, to explain to us and to the world what had happened in some fictional manner.

"But many others," he said, "not identified by the OAS Commission, went completely unexplained, even though his investigations turned up

other cadavers he was ordered not to identify.

"He said that he had personal knowledge of the executions of 150 Miskito Indians between July and September 1982." This is not from secondhand investigations or reports, not from what someone else told him, but personal knowledge of 150 of these executions.

He also said that "Most of those executed were listed as 'potential enemies' of the revolution, according to criteria established by the security police," for which he worked.

"Usually," he said, "they were suspected of giving aid to the resistance forces or having a relative join the Contras."

I do not think there is much difference between that and all of the other forms of genocide that have unfortunately surfaced in the history of this world, and all too often we have read about in some form or fashion in the past few decades, including most recently what happened under the tyrannical regime of Pol Pot in Cambodia, or as it is now known, Kampuchea. And yet, we have not heard nearly as much about that, even though this genocide, this human killing has been occurring in a country that is very close to the United States, and very vital to an ongoing national security debate that this body has been engaged in for quite some time.

Mr. Baldizon went on to tell us about other things that occur down there. He told about the Cuban involvement. We have known for some time there are several thousand Cuban "advisers" that are in Nicaragua to aid the Sandinistas.

□ 1710

Some of them supposedly are down there for varying missions; most of them, we have been led to believe, and I think are down there under the same kind of cover, really being armed forces members but down there under cover of some other job or task, as were the Grenadan Cubans.

But we have identified 2,000 or 3,000 down there as being there primarily for military purposes.

Mr. Baldizon, though, says that there are 200 or so of these Cuban advisers who are a very integral part of the internal security police forces of Nicaragua that have been carrying out the dastardly deeds that I just described, as he related them.

He says the Cuban advisers at the Interior Ministry are at every level except the lowest office unit. He says in Nicaragua they indirectly give the orders because they have the technical know-how. I find it interesting that he also says the Cubans who rotate every 2 years, according to him, supervise every plan and operation. Any Nicaraguan officer who acts without prior Cuban approval will be demoted if there is any failure, he said according again to the Washington Times article of today.

Not only does he describe the genocide, the killing intentionally of peasants and Miskito Indians and the involvement of the Cubans directly in this, but he also describes for us the way that the Sandinistas are going about, in large measure, financing their "revolution." Baldizon tells us at yesterday's press conference that Interior Minister Tomas Borge and Vice Minister Luis Carrion actively engaged in the transfer of Colombian cocaine through Nicaragua to the United States markets. He said he had firsthand knowledge, according to the Times article, he said he had firsthand knowledge of one air shipment late last year that was diverted to a rural airfield where Mr. Borge picked up the cocaine to avoid Customs inspections. Another police officer reported the incident to Mr. Baldizon who was ordered to investigate it.

And I quote: "Some days after, Borge called me into his office and called off the investigation," he told the news conference. He said he was told that the matter was a state secret and not to be mentioned further.

He went on to say that cocaine trafficking was still going on when he left Nicaragua July 1. "Cocaine traffic is a necessity because of the need for dollars, and my understanding is that it will not stop."

I think that this is a damning indictment of the Sandinista regime. Many of my fellow colleagues here on the floor have recognized for some time that the Sandinistas were not carrying out their stated democratic intentions, that in fact they are intent on being a part of the international group of Communists that spread the word, so to speak, through revolutionary violence in neighboring countries, that they are truly a very devious and hardened core dictatorship of the Communist ilk with the Stalinist/Leninist philosophy. But despite the fact we have had speeches, copies of speeches from people like Commandante Ramirez who spelled that out before the party activists on one occasion last year, and we have discussed that here on the floor, we have not had until now a high-ranking defector like this come forward with details that set forth the clear human rights violations and the Cuban direct involvement in the drug traffic like we had yesterday.

It is very surprising to me and a little disappointing that more public attention was not given to that particular defector's testimony in front of the media down at the State Department on that occasion.

I trust that as time passes and as more information becomes available from his knowledge and from what we gain from others who defect down there we will be able to put together a better piece of the entire scene as to what precisely has been going on.

But one thing is clear from what he said and from other reports that have come out to us through our State Department; it is very, very clear that the Sandinistas have intentionally engaged in forms of genocide, that they are financing in large measure their revolution through drug trafficking, through their country to the United States, and that the Cubans who are down there as advisers are not only involved in advising in the military sense but have some direct involvement with the entire internal security matter which, in itself, clearly, from what Mr. Baldizon said, involves the genocide issue.

Mr. Speaker, I hope that my colleagues and the American public take heed, take warning, and that the next time we have votes on the floor of the House concerning aid to the Contras concerning the question of moneys for training the internal security forces of the neighboring democracies in El Salvador, Honduras, and Costa Rica, that the concerns I have expressed today, that Mr. Baldizon related yesterday, can be taken into account and that we will act firmly and solidly and without nearly the acrimony of the past making a solid and long-term commitment to the resistance of the forces of oppression and communism coming out of Nicaragua and that we are indeed in the future committed solidly behind the forces of those freedom fighters we call the Contras who want to stop this type of spread of communism and terrorism on our southern borders.

I thank the Speaker, and I yield back the balance of my time.

THE ARREST OF LEE YA-PING: AN AFFRONT TO THE AMERICAN HERITAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LEACH] is recognized for 30 minutes.

(Mr. LEACH of Iowa asked and was given permission to revise and extend his remarks.)

Mr. LEACH of Iowa. Mr. Speaker, friends of Taiwan are deeply concerned over the news of the arrest in Taiwan of Lee Ya-Ping, publisher of a United States-based Chinese language newspaper, on charges of sedition for articles published here in the United States.

Ms. Lee, who is a permanent resident of the United States and married to an American citizen, could face the death penalty for publishing articles which the Taiwan Government alleges promote mainland Chinese propaganda, including a 1982 interview with the former Ambassador from the People's

Republic of China to the United States, Chai Zemin.

Taiwan's conduct in this case is an outrage to all her democratic friends, particularly the United States.

The arrest of a newspaper publisher for the exercise of constitutionally protected freedoms while in the United States must be considered an affront to the American heritage. Our constitutional government is based on the freely given consent of the governed. That consent, our Founding Fathers determined, could only be protected if freedom of speech, freedom of the press, and freedom of assembly were guaranteed as bedrock rights. Therefore, it can only be concluded that the arrest of a U.S. newspaper publisher for her professional activities in the United States is an act of intimidation and harassment directed not only against individuals of Taiwanese descent, but against our system of government.

For a foreign government to censure its own press is a violation of civil liberties with which no American can sympathize; but for a foreign government to attempt to muzzle free expression in America itself is a high crime of a profoundly graver nature.

Why, my colleagues might ask, does the Taiwanese Government have so much concern? Part of the answer presumably relates to the desire of Taiwanese authorities to repress potential criticism of their government in the United States. Part is simply a reflection of paranoid authoritarianism. And part may be an understanding that the freedom of dissent that exists here causes America to be a safe haven for political ideas and prospective political organizing. Governments around the world understand that it is no accident leaders of the stature of Sun Yat Sen, Benigno Aquino, and Kim Dae Jung lived in exile at one time or another in the United States. Taiwanese officials, in fact, have told me they are concerned Ms. Lee intends to run for office in Taiwan and therefore shouldn't be considered an American, despite her residency in this country.

But whatever the reasons foreign governments may have for their efforts to stifle dissent in America, we have a responsibility to uphold without compromise our constitutional standards. It is one thing for a foreign government to establish repressive institutions within its borders, but there must never be any tolerance of any kind of intimidation of American citizens or residents on American shores.

In discussing this incident with Taiwanese Government officials I have been struck by the Taiwanese assessment that we Americans should temper our concerns because Ms. Lee has allegedly transgressed Taiwanese laws on sedition by criticizing that government's policies, and that this criticism is principally a Taiwanese affair because while expressed in the United States, it was done in the Chinese language press rather than in standard American tabloids.

The response of any democrat is obvious: The Constitution of the United States applies to all opinions—good or bad, progovernment or antigovernment—written or spoken in any language on our shores. The fact that criticism may violate Taiwanese laws reflects more on the Government of Taiwan than on Ms. Lee. The issue simply cannot be considered solely in the context of Taiwanese laws. Every person stepping foot in the United States, whether or not an American citizen, is protected by the standards laid down in our Constitution and Bill or Rights. Foreign governments have neither the right nor the authority to violate the civil rights of any individual living in this country. For them to do so sends a chilling message to all Americans of Taiwanese descent living in the United States. It cannot be tolerated.

The Lee incident unfortunately cannot be viewed in isolation. Just this week, we have learned of a series of major arrests by the FBI of individuals here in the United States involved in the so-called United Bamboo crime syndicate. Originally formed in Taiwan, the so-called Bamboo gang gained notoriety earlier this year when it was discovered that two of its members were involved at the behest of high-level Taiwan security officials in the coldblooded assassination in San Francisco of an American critic of the Taiwan Government, Henry Liu. What kind of government, Americans might ask, is it that hires thugs from a crime syndicate which the FBI has charged with drug dealing, extortion, bribery, kidnapping, and murder for hire?

Americans have come over the years to view citizens of Chinese descent as hard-working, education-oriented people embodying all the characteristics of the American dream. To the degree a preception comes to be propagated that some of Chinese descent belong to a Mafia-like secret cult, the ability of all Americans of oriental descent to get ahead is jeopardized. And to the degree Americans come to identify the Taiwanese Government with these thugs, the question will inevitably be asked: What distinguishes the KMT from the Communist Party of so many totalitarian societies?

The arrest of Ms. Lee, the murders of Henry Liu and Dr. Chen Wen-Chen, the accounts of intimidation and harassment of Taiwanese students in the United States underscores an unflattering similarity between the authorities in Taiwan and the authorities in the very Communist countries from which Taiwan hastens to distinguish itself. Political scientists have from time to time pointed out that the spectrum of right to left among political movements is often not linear but should be viewed as a circle. A frequently cited example is the similarity between the totalitarianism of Hitler's German Republic of the right and Stalin's Soviet Union of the left. While Taiwan and its Communist adversaries today may not pose such an extreme parallel, Taiwan's conduct suggests that there is a similarity between Taiwan and Mainland China not only in denial of political pluralism but in party structure as well. Designed by Soviet Comintern agents in the mid-1920's, the KMT functions as a government within a government, just as does the Chinese Communist Party of Deng Xiaoping. With most government officials belonging to the KMT, the line between party and government is a thin one. The question democrats must ask is why can't opposition parties be sanctioned? Why can't the Government of Taiwan receive the stamp of legitimacy that only the explicit consent of the governed can offer?

There has long been a special tie of friendship between the American people and the people of Taiwan. But the Taiwan Government treads on dangerous ground to assume the United States will continue to tolerate conduct which attempts to treat American soil as a playground for agents of repression.

More importantly, the Taiwanese Government jeopardizes rationalization for its very existence by conducting itself like its adversaries. Largely speaking, economic democracy has been achieved on the island, but on political issues the difference between Taiwan and the mainland appears to be narrowing. For the Western democracies to want to maintain close long-term ties to Taiwan, political democracy cannot be put off much longer.

Although the United States may have a national interest in maintaining warm relations with certain governments which do not protect as assiduously as we do the civil liberties of their citizens, such relations can not provide opportunity and temptation to such governments to abridge the rights guaranteed by the U.S. Constitution to individuals—citizens and aliens alike—residing within our borders.

The protection and guarantees of the U.S. Constitution are not negotiable. The Taiwan Government has been effectively on notice since 1981 that any action taken by their agents against any individual in this country who is engaged in the lawful exercise of his or her civil and constitutional liberties would seriously jeopardize the warm relations between our Governments.

Symbolically, I believe we have no choice but to ask that Taiwan's CCNAA office in Los Angeles be closed and that the officials of that office be returned to Taiwan.

Mr. Speaker, the issue is not only one of personal freedom for an individual. It is the future of Taiwan itself. Hopefully calmer, more democratic minds will come to prevail on the island.

To Americans, Taiwan's Government looks more and more like the governments of the Philippines, South Korea, and South Africa. The argument that martial law produces greater stability than democracy has been shot down by the Shah in Iran, Somaza in Nicaragua, Batista in Cuba. For the sake of stability as well as democracy martial law should be lifted. And for the sake of justice, Ms. Lee, must immediately be released.

Martial law may have been warranted by war conditions a generation ago, but today it is the most destabilizing of all factors in Taiwan's domestic political context. The period of democratic tutelage defined by Sun Yat-sen as a necessary step toward democracy should be brought to an end. It is time for martial law to be repealed and for Taiwan's democracy to flourish without interference from various intelligence organs and the Taiwan Garrison Command.

Thank you.

NATIONAL TOURISM WEEK, 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, as the Representative from a district that includes Orlando and Melbourne areas of central Florida with many tourist attractions, I am very aware of how important tourism is to my district. I think it is significant, however, that 260 of our colleagues have signed on as cosponsors of National Tourism Week for 1986. Members on a bipartisan basis from large and smaller States, urban and rural areas, and from every geographic area of our country, recognize tourism as one of our Nation's greatest assets.

While many areas of the country like mine have long been considered tourist attractions, many other areas are turning toward tourism development as a new source of jobs and increased revenue. As plants closed and more smokestack industries gave way to new technology, many communities across the country turned to tourism to reinvigorate their downtown areas. Convention centers have been built and transportation systems were improved. Food services and hotels were developed specifically to lure more visitors into these troubled areas.

U.S. residents and foreign visitors spent $210 billion in 1983 traveling in America. This was a 6-percent increase over the previous year. By encouraging and promoting tourism in our States, we generate new jobs and badly needed revenue. My home State of Florida alone experienced an increase of almost 40,000 new travel-related jobs in 1983.

As secretary-treasurer of the Congressional Travel and Tourism Caucus, I would like to thank those who joined me in cosponsoring National Tourism Week for 1986. By passing House Joint Resolution 296 today, we once again express our belief that tourism does work for America.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Pennsylvania. Mr. Speaker, due to a previous obligation, I was unable to be present for the vote on final passage on H.R. 2266, the Amtrak reauthorization. However, had I been in attendance I would have voted in the affirmative.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MILLER of Washington) to revise and extend their remarks and include extraneous material:)

Mr. MCCAIN, for 5 minutes, today.
Mr. LUNGREN, for 60 minutes, on September 26.
Mr. MCKINNEY, for 5 minutes, today.
Mr. WALKER, for 30 minutes, today.
Mr. MCCOLLUM, for 30 minutes, today.
Mr. LEACH of Iowa, for 30 minutes, today.

(The following Members (at the request of Mr. DE LUGO) to revise and extend their remarks and include extraneous material:)

Mr. UDALL, for 5 minutes, today.
Mr. RAY, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. ALEXANDER, for 20 minutes, today.
Mr. RAY, for 5 minutes, on September 20.

(The following Members (at the request of Mr. LEACH of Iowa) to revise and extend their remarks and include extraneous material:)

Mr. NELSON of Florida, for 5 minutes, today.
Mr. GRAY of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MILLER of Washington) and to include extraneous matter:)

Mr. KEMP.
Mr. TAUKE.
Mr. GILMAN in four instances.
Mr. BEREUTER.
Mr. GALLO.
Mr. WEBER.
Mr. MCCOLLUM.
Mr. HORTON.
Mr. BROOMFIELD.
Mr. CONTE in two instances.
Mr. FRENZEL in five instances
Mr. GEKAS.
Mr. YOUNG of Florida.
Mr. SNYDER.
Mr. KOLBE in three instances.
Mr. LEACH of Iowa.

(The following Members (at the request of Mr. DE LUGO) and to include extraneous matter:)

Mr. RODINO.
Mr. TALLON.
Mr. COELHO.
Mr. SMITH of Florida.
Mr. OWENS.
Mr. SKELTON.
Ms. MIKULSKI.
Mr. HAWKINS.
Mr. WAXMAN.
Mrs. BYRON.
Mr. GAYDOS.
Mr. RAY.
Mr. BONER of Tennessee.
Mr. ATKINS.
Mr. GUARINI.
Mr. SOLARZ.
Mr. HERTEL of Michigan.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes, and

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

ADJOURNMENT

Mr. LEACH of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p.m.), the House adjourned until tomorrow, Friday, September 20, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2017. A letter from the Deputy for Programs and Commercial Activities, Office of the Assistant Secretary, Department of the Army, transmitting notice of a decision to convert to contractor performance the motor vehicle operations and maintenance activity, Fort Bragg, NC, pursuant to 10

U.S.C. 2304 note; to the Committee on Armed Services.

2018. A letter from the Deputy for Programs and Commercial Activities, Office of the Assistant Secretary, Department of the Army, transmitting notice of a decision to convert to contractor performance the motor vehicle operations and maintenance activity, Fort Lewis, WA, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

2019. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Information on Selected Areas of UDC Operations," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

2020. A letter from the Acting U.S. Postal Service Records Officer, transmitting notice of a computer matching program between the Postal Service and the Department of Housing and Urban Development, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2021. A letter from the Plan Administrator, Eighth Farm Credit District Employee Benefit Trust, transmitting the General Accounting Office report for the plan year ending December 31, 1984, for the eighth farm credit district retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2022. A letter from the General Counsel of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of U.S. securities and obligations and to clarify existing authority to combat counterfeiting; to the Committee on the Judiciary.

2023. A letter from the Chairman, Commission on the Bicentennial of the Constitution, transmitting the first report of recommendations for commemoration and coordination of the Bicentennial and related activities, pursuant to Public Law 98-101, section 6(e); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 266. Resolution providing for the consideration of H.R. 3248, a bill to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes (Rept. 99-276). Referred to the House Calendar.

Mr. DIXON: Committee on Standards of Official Conduct. Report on investigation of alleged improper political solicitation (Rept. 99-277). Referred to the House Calendar.

Mr. GLICKMAN: Committee on the Judiciary. Senate Joint Resolution 127. Joint resolution to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois (Rept. 99-278). Referred to the House Calendar.

Mr. BONIOR of Michigan: Committee on Rules. House Resolution 267. Resolution providing for the consideration of H.R. 2100, a bill to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes (Rept. 99-284). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1863. A bill for the relief of O. Edmund Clubb; with an amendment (Rept. 99-279). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1261. A bill for the relief of Richard W. Ireland (Rept. 99-280). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1598. A bill for the relief of Steven McKenna (Rept. 99-281). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 2991. A bill for the relief of Betsy L. Randall (Rept. 99-282). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 2316. A bill for the relief of Paulette Mendes-Silva (Rept. 99-283). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRENZEL (for himself, Mr. PENNY, and Mr. JONES of Oklahoma):

H.R. 3366. A bill to amend the Internal Revenue Code of 1954 to include obligations issued with respect to certain State student loan programs within the definition of qualified student loan bonds; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself and Mr. GIBBONS):

H.R. 3367. A bill to extend the Trade Adjustment Assistance Program until November 30, 1985; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 3368. A bill to direct the Secretary of Labor to continue to enforce exemption regulations regarding the application of the Fair Labor Standards Act to State and local government employees; to the Committee on Education and Labor.

By Mr COURTER (for himself, Mr. GALLO, Mr. RUDD, Mr. HUTTO, Mr. DELAY, Mr. DORNAN of California, Mr. TORRICELLI, Mr. BEREUTER, Mr. SAXTON, Mr. WOLF, Mr. BLILEY, Mr. BRYANT, Mr. HOPKINS, Mr. BOULTER, Mr. STUMP, Mr. LUNGREN, Mr. KINDNESS, Mr. SILJANDER, Mr. MATSUI, Mr. LAGOMARSINO, Mr. BATEMAN, Mr. WORTLEY, Mr. WEBER, Mr. DARDEN, Mr. WHITEHURST, Mr. BARTON of Texas, Mr. ECKERT of New York, Mr. NEAL, Mrs. LLOYD, Mr. GROTBERG, Mr. LOWERY of California, Mr. EDWARDS of Oklahoma, and Mr. HYDE):

H.R. 3369. A bill to prohibit the employment of Soviet nationals at United States diplomatic and consular missions in the Soviet Union; to the Committee on Foreign Affairs.

By Mr. DYMALLY:

H.R. 3370. A bill to require criminal prosecutions concerning violations of the laws of the District of Columbia to be conducted in the name of the District, to provide permanent authority for hearing commissioners in the District of Columbia courts, to modify certain procedures of the District of Columbia Judicial Nomination Commission and the District of Columbia Commission on Judicial Disabilities and Tenure, and for other purposes; to the Committee on the District of Columbia.

By Mr. GALLO:

H.R. 3371. A bill to amend the Higher Education Act of 1965 to reduce the default rates of direct and guaranteed student loans; to the Committee on Education and Labor.

By Mr. GEJDENSON (for himself, Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mrs. JOHNSON, Mr. ROWLAND of Connecticut, Mr. GUARINI, Mr. ROE, and Mr. RODINO):

H.R. 3372. A bill to grant the consent of the Congress to the Northeast Interstate Low-Level Radioactive Waste Management Compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. PANETTA (for himself, Mr. LOWERY of California, Mr. LEVINE of California, Mr. BADHAM, Mr. BATES, Mr. BEILENSON, Mr. BERMAN, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mrs. BURTON of California, Mr. COELHO, Mr. DELLUMS, Mr. DIXON, Mr. EDWARDS of California, Mr. FAZIO, Mr. HUNTER, Mr. LANTOS, Mr. LEHMAN of California, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mr. ROYBAL, Mr. STARK, Mr. TORRES, Mr. WAXMAN, Mr. ZSCHAU, and Mr. REID):

H.R. 3373. A bill imposing certain limitations and restrictions on leasing lands on the Outer Continental Shelf off the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GOODLING:

H.R. 3374. A bill to provide for orderly trade in nonrubber footwear, to reduce unemployment in the domestic shoe industry, and for other purposes; to the Committee on Ways and Means.

By Mr. GUARINI:

H.R. 3375. A bill to provide that the U.S. District Court for the District of New Jersey shall be held at Jersey City, NJ, in addition to those places currently provided by law; to the Committee on the Judiciary.

By Mr. HERTEL of Michigan:

H.R. 3376. A bill to prohibit the issuance of Federal oil and gas leases in the Great Lakes; to the Committee on Interior and Insular Affairs.

By Mr. IRELAND:

H.R. 3377. A bill to establish a loan guarantee program to help citrus producers replant groves damaged by freezing temperatures in recent winters; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself, Mr. MOORHEAD, Mr. MORRISON of Connecticut, Mr. FEIGHAN, and Mrs. SCHROEDER):

H.R. 3378. A bill to amend title 18, United States Code, with respect to the interception of certain communications, other forms of surveillance, and for other purposes; to the Committee on the Judiciary.

By Mr. KOLBE:

H.R. 3379. A bill to amend the Internal Revenue Code of 1954 to allow a limited deduction for contributions to education savings accounts established for the children of a taxpayer and to provide that amounts received from such accounts for educational expenses shall never be subject to income tax; to the Committee on Ways and Means.

By Mr. LOEFFLER:

H.R. 3380. A bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes; to the Committee on Education and Labor.

By Mr. McCOLLUM (for himself, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, Mr. DANNEMEYER, Mr. SENSENBRENNER, and Mr. DEWINE):

H.R. 3381. A bill entitled, "Federal Computer Systems Protection Act of 1985"; to the Committee on the Judiciary.

By Mr. MOLINARI:

H.R. 3382. A bill to prohibit the construction of the Westway highway project in New York and to extend until December 30, 1985, the deadline for withdrawal of approval of such project and for approval of highway and transit projects substituted for such project; to the Committee on Public Works and Transportation.

By Mr. MOODY (for himself, Mr. EDGAR, Mr. MINETA, Mr. OBERSTAR, Mr. NOWAK, Mr. MOLINARI, Mr. ATKINS, Mr. TRAFICANT, Mr. SAVAGE, Mr. KOLTER, Mr. LIPINSKI, Mr. VISCLOSKY, Mr. TOWNS, and Mr. BOEHLERT):

H.R. 3383. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980: jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Ms. OAKAR (for herself, Mr. SOLARZ, Mr. LELAND, Mr. YOUNG of Alaska, Mr. BARNES, Mr. FAZIO, Mr. HORTON, Mr. HOYER, Mr. MOAKLEY, and Mr. Wolf):

H.R. 3384. A bill to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the employees health benefits fund, to make miscellaneous amendments relating to the civil service retirement system and the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE:

H.R. 3385. A bill to make parts of certain portable stoves and other kinds of portable heating or cooking apparatus dutiable at the same rate as are such apparatus; to the Committee on Ways and Means.

By Mr. SMITH of New Hampshire (for himself and Mr. McKERNAN):

H.R. 3386. A bill to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire; to the Committee on Public Works and Transportation.

By Mr. STUMP (for himself, Mr. IRELAND, Mr. HYDE, Mr. CHENEY, Mr. LIVINGSTON, and Mr. McEWEN):

H.R. 3387. A bill to provide for a congressional security survey, and for other purposes; to the Committee on House Administration.

H.R. 3388. A bill to provide for forfeiture of Federal employee retirement benefits upon conviction of the felony of unauthorized disclosure of the identity of a covert agent, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALKER:

H.R. 3389. A bill to deny tax exemptions to, and income tax, estate tax, and gift tax deductions for contributions to, religious organizations having a substantial interest in the promotion of witchcraft; to the Committee on Ways and Means.

By Mr. YATRON (for himself, and Mr. EDGAR):

H.R. 3390. A bill to provide for research regarding radon exposure and for emergency response to adverse health effects associated with radon exposure, and for other purposes; to the Committee on Energy and Commerce.

By Mr. UDALL:

H.J. Res. 392. Joint resolution to approve the "Compact of Free Association", and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Foreign Affairs, and Ways and Means.

By Mr. GONZALEZ (for himself, Mr. ST GERMAIN, Mr. WYLIE, and Mr. McKINNEY):

H.J. Res. 393. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WRIGHT (for himself and Mr. MICHEL):

H. Con. Res. 195. Concurrent resolution commemorating the 50th anniversary of the Congressional Staff Club; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. HARTNETT and Mr. TORRICELLI.

H.R. 864: Mr. WATKINS and Mr. GEJDENSON.

H.R. 1099: Mr. DYSON.

H.R. 1156: Mr. BUSTAMANTE and Mr. SEIBERLING.

H.R. 1272: Mr. ZSCHAU and Mrs. KENNELLY.

H.R. 1608: Mr. FORD of Tennessee.

H.R. 1701: Mr. WALGREN, Mr. KANJORSKI, Mr. OLIN, and Mr. WEAVER.

H.R. 1894: Mr. DYSON.

H.R. 2114: Mr. MRAZEK, Mr. DORNAN of California, and Mr. FRANKLIN.

H.R. 2164: Mr. KOLBE, Mr. McCOLLUM, and Mr. GINGRICH.

H.R. 2365: Mrs. LLOYD, Mr. WOLPE, Mr. MATSUI, Mr. SHARP, Mr. BATES, and Mr. HOYER.

H.R. 2406: Mr. SUNIA, Mr. BUSTAMANTE, and Mr. SABO.

H.R. 2489: Mr. ROBINSON.

H.R. 2520: Mr. SAXTON, Mr. GREGG, and Mr. CRANE.

H.R. 2587: Mr. FLIPPO.

H.R. 2679: Mr. CARPER, Mr. NIELSON of Utah, Mr. YOUNG of Alaska, Mr. MITCHELL, Mr. LAGOMARSINO, Mr. STALLINGS, Mr. MARTINEZ, Mr. SMITH of New Hampshire, Mr. RANGEL, Mr. LOWERY of California, Mr. MONSON, Mr. CROCKETT, Mr. MARLENEE, Mr. FLORIO, Mr. WILLIAMS, Mrs. JOHNSON, Mr. PETRI, Mr. OBEY, Mr. McCAIN, Mrs. SCHROEDER, and Mr. STRANG.

H.R. 2761: Ms. MIKULSKI, Mr. MOLLOHAN, Mr. LEVIN of Michigan, Ms. OAKAR, Mr. YATRON, Mr. MANTON, and Mr. TRAFICANT.

H.R. 2943: Mr. LELAND, Mr. FEIGHAN, Mr. SCHUMER, Mr. NIELSON of Utah, Mr. GARCIA, Mr. CHANDLER, and Mr. SMITH of Florida.

H.R. 2944: Mr. CONTE.

H.R. 3006: Mr. MOLLOHAN.

H.R. 3041: Mr. DYSON, Mr. HAYES, Mr. DYMALLY, Mr. DORGAN of North Dakota, Mr. BRYANT, Mr. CHANDLER, Mr. MILLER of California, Mr. FROST, Mrs. BOXER, Mr. NEAL, Mr. ERDREICH, Mr. BATES, and Mr. REID.

H.R. 3120: Mr. SWINDALL, Ms. OAKAR, and Mr. LEHMAN of Florida.

H.R. 3237: Mr. HANSEN, Mr. DELAY, Mr. WHITEHURST, Mr. STUMP, Mr. DORNAN of California, Mr. LATTA, Mr. ROTH, Mr. ENGLISH, Mr. WHITTAKER, Mr. CHENEY, Mr. SILJANDER, Mr. ARMEY, Mr. EMERSON, Mr. DANIEL, Mr. FIELDS, Mr. PASHAYAN, Mr. LIGHTFOOT, and Mr. BADHAM.

H.R. 3275: Mr. COURTER.

H.R. 3357: Mr. ARMEY and Mr. ROEMER.

H.J. Res. 23: Mr. BLAZ, Mr. WRIGHT, Mr. MICHEL, Mr. FOLEY, Mr. LOTT, Mr. ALEXANDER, Mr. KEMP, Mr. GEPHARDT, Mr. ADDABBO, Mr. AKAKA, Mr. ANDERSON, Mr. ANDREWS, Mr. ANTHONY, Mr. AUCOIN, Mr. BARTON of Texas, Mr. BATES, Mr. BEDELL, Mr. BENNETT, Mrs. BENTLEY, Mr. BEREUTER, Mr. BERMAN, Mr. BIAGGI, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOEHLERT, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mrs. BOXER, Mr. BROWN of California, Mrs. BURTON of California, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CARR, Mr. CHAPPIE, Mr. CHENEY, Mr. CLAY, Mr. COBEY, Mr. COELHO, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONYERS, Mr. COURTER, Mr. COYNE, Mr. CROCKETT, Mr. DARDEN, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DELAY, Mr. DELLUMS, Mr. DEWINE, Mr. DICKS, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EARLY, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FISH, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FOWLER, Mr. FRANK, Mr. GARCIA, Mr. GEKAS, Mr. GILMAN, Mr. GLICKMAN, Mr. GONZALEZ, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GUARINI, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. RALPH M. HALL, Mr. HAWKINS, Mr. HAYES, Mr. HEFNER, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUCKABY, Mr. HUGHES, Mr. HUTTO, Mr. JACOBS, Mr. JEFFORDS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KILDEE, Mr. KINDNESS, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LEHMAN of California, Mr. LELAND, Mr. LEVINE of California, Mr. LEWIS of California, Mr. LIGHTFOOT, Mr. LUJAN, Mr. LUNDINE, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. McDADE, Mr. McGRATH, Mr. McHUGH, Ms. MIKULSKI, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MINETA, Mr. MITCHELL, Mr. MOLLOHAN, Mr. MONSON, Mr. MONTGOMERY, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. MURPHY, Mr. MURTHA, Mr. MYERS of Indiana, Mr. NATCHER, Mr. NEAL, Mr. OBERSTAR, Mr. OWENS, Mr. PANETTA, Mr. PEPPER, Mr. PERKINS, Mr. RAHALL, Mr. RANGEL, Mr. RICHARDSON, Mr. ROEMER, Mr. ROSE, Mr. ROYBAL, Mr. SABO, Mr. SAVAGE, Mr. SCHAEFER, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. DENNY SMITH, Mr. SMITH of Iowa, Mr. SNYDER, Mr. STOKES, Mr. STRANG, Mr. STRATTON, Mr. STUMP, Mr. TAYLOR, Mr. THOMAS of California, Mr. TORRES, Mr. TOWNS, Mr. TRAXLER, Mr. UDALL, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VENTO, Mr. VISCLOSKY, Mr. VOLKMER, Mr. WALGREN, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WHEAT, Mr. WHITEHURST,

Mr. WHITLEY, Mr. WHITTAKER, Mr. WILLIAMS, Mr. WILSON, Mr. WIRTH, Mr. WOLPE, Mr. WYDEN, Mr. YATRON, Mr. YOUNG of Alaska, Mr. ZSCHAU, Mr. COLEMAN of Missouri, Mr. PORTER, Mr. SMITH of Florida, and Mrs. MARTIN of Illinois.

H.J. Res. 79: Mr. GRADISON, Mr. SCHUMER, Mr. JEFFORDS, and Mr. RUSSO.

H.J. Res. 105: Mrs. BENTLEY.

H.J. Res. 296: Mr. FEIGHAN.

H.J. Res. 313: Mr. SCHUETTE, Mr. HATCHER, Mr. ROBERT F. SMITH, Mr. YOUNG of Alaska, Mr. GOODLING, Mr. MCCANDLESS, Mr. PORTER, Mr. PASHAYAN, Mr. STRANG, Mr. FAWELL, Mr. MARLENEE, Mr. ROBERTS, Mr. SCHAEFER, and Mr. BLAZ.

H.J. Res. 316: Mr. CLINGER, Mr. ROBERTS, Mr. HALL of Texas, Mr. LEHMAN of Florida, Mr. NOWAK, Mr. MOLLOHAN, Mr. RAHALL, Mr. STAGGERS, Mr. DANNEMEYER, Mr. NELSON of Florida, Mr. WISE, Mr. ROBERT F. SMITH, Mrs. LLOYD, Mr. ADDABBO, Mr. LAFALCE, Mr. QUILLEN, Mr. HERTEL of Michigan, Mr. GREGG, Mr. LIGHTFOOT, Mr. THOMAS of California, Mr. SMITH of Florida, Mr. BONER of Tennessee, Mr. EVANS of Iowa, Mr. WEBER, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. RICHARDSON, Mr. PACKARD, Mr. HUNTER, Mr. PASHAYAN, and Mr. HORTON.

H.J. Res. 319: Mr. ROBERT F. SMITH, Mr. ERDREICH, Mr. LANTOS, Mr. WALKER, Mr. HAMMERSCHMIDT, Mr. IRELAND, Mr. FEIGHAN, Mr. KILDEE, and Mr. STANGELAND.

H.J. Res. 329: Mr. AKAKA, Mr. ANDERSON, Mr. ANDREWS, Mr. ANTHONY, Mr. ATKINS, Mr. BADHAM, Mr. BARNARD, Mr. BEDELL, Mr. BEVILL, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mrs. BURTON of California, Mr. CARPER, Mr. COELHO, Mr. CONYERS, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DIOGUARDI, Mr. DIXON, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. FIELDS, Mr. FUQUA, Mr. FUSTER, Mr. GILMAN, Mr. GINGRICH, Mr. GRAY of Illinois, Mr. GREEN, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HATCHER, Mr. HEFNER, Mr. IRELAND, Mr. JEFFORDS, Ms. KAPTUR, Mr. KASICH, Mr. KASTENMEIER, Mr. KEMP, Mr. KOLTER, Mr. KOSTMAYER, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mrs. LLOYD, Mr. LOEFFLER, Mr. LUNDINE, Mr. LUNGREN, Mr. MCDADE, Mr. MCEWEN, Mr. MADIGAN, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MOAKLEY, Mr. MORRISON of Washington, Mr. MURTHA, Mr. NATCHER, Mr. ORTIZ, Mr. PASHAYAN, Mr. PERKINS, Mr. PRICE, Mr. PURSELL, Mr. RAHALL, Mr. REID, Mr. RINALDO, Mr. RODINO, Mr. ROWLAND of Georgia, Mr. RUDD, Mr. SAVAGE, Mr. SKELTON, Mr. STUDDS, Mr. TORRICELLI, Mr. TRAXLER, Mr. VENTO, Mr. WALGREN, Mr. WATKINS, and Mr. WHITTAKER.

H.J. Res. 363: Mr. DURBIN and Mr. KRAMER.

H.J. Res. 365: Mr. MOODY.

H.J. Res. 381: Mr. BILIRAKIS, Mr. MOLLOHAN, Mr. DYSON, Mr. DINGELL, Mr. DWYER of New Jersey, Mr. MAVROULES, Mr. MRAZEK, and Mr. LIVINGSTON.

H. Con. Res. 158: Mr. BONIOR of Michigan, Mr. BORSKI, and Mr. SCHEUER.

H. Con. Res. 186: Mr. LEVIN of Michigan.

H. Res. 208: Mr. DEWINE, and Mr. FISH.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. OLIN:

—Page [11], strike out line [21] and all that follows through line [21] on page [35], and insert in lieu thereof the following:

SEC. 201. This title may be cited as the "Responsible Dairy Act of 1985".

Subtitle A—Milk Price Support

LEVEL OF MILK PRICE SUPPORT FOR FISCAL YEARS 1986 THROUGH 1990

SEC. 211. Effective October 1, 1985, section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended to read as follows:

"(d)(1) In order to achieve a balance between milk production and the availability of milk and milk products to consumers at reasonable prices, to protect producers and consumers from disruptive fluctuations in the prices of milk and milk products, and to provide that benefits of increased productivity in milk production resulting from new production techniques are shared with consumers, the price of milk shall be supported in fiscal years 1986 through 1990 as provided in this subsection. Notwithstanding any other provision of law and except as provided in paragraphs (2) and (3), during the period beginning on October 1, 1985, and ending on September 30, 1990, the price of milk shall be supported at the level of $11.60 per hundredweight of milk having 3.67 per centum milkfat.

"(2)(A) On January 1, 1986, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 10 billion pounds (milk equivalent) in the absence of a reduction in the level of price support for milk, then the level of price support in effect for such period shall be $11.10 per hundredweight of milk having 3.67 per centum milkfat.

"(B) On January 1 of each of the years 1987, 1988, 1989, and 1990, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 5 billion pounds (milk equivalent) in the absence of an additional reduction in the level of price support for milk, then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents less than the level of price support in effect immediately before such date.

"(C) On January 1 of each of the years 1987, 1988, 1989, add 1990, if the Secretary estimates that in the 12-month period beginning on such date and under the level of price for milk in effect immediately before such date, purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will not exceed 2 billion pounds (milk equivalent), then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents greater than the level of price support in effect immediately before such date.

Page [35], line [23], strike out "SEC. 213." and insert in lieu thereof "SEC. 212.".

Page [36], line [3] and strike out "SEC. 214." and insert in lieu thereof "SEC. 213.".

Page [37], line [4], strike out "SEC. 215." and insert in lieu thereof "SEC. 214.".

Page [35], strike out line [12] and all that follows through line [7] on page [54].

Page [54], after line [7], insert the following:

"Subtitle B—Milk Marketing Orders"

Page [54], line [10], strike out "SEC. 232." and insert in lieu thereof "SEC. 221.".

Page [55], line [4], strike out "SEC. 233." and insert in lieu thereof "SEC. 222.".

Page [55], strike out line [10] and all that follows through line [8] on page [56].

Page [56], line [10], strike out "SEC. 235." and insert in lieu thereof "SEC. 223.".

Page [56], line [16], strike out "Subtitle D" and insert in lieu thereof "Subtitle C".

Page [56], line [18], strike out "SEC. 241." and insert in lieu thereof "SEC. 231.".

Page [58], line [5], strike out "SEC. 242." and insert in lieu thereof "SEC. 232.".

Page [59], line [23], strike out "SEC. 243." and insert in lieu thereof "SEC. 233.".

Page [61], line [4], strike out "SEC. 244." and insert in lieu thereof "SEC. 234.".

Page [61], line [19], strike out "section. 245" and insert in lieu thereof "section. 235.".

Page [62], line [22], strike out "SEC. 245." and insert in lieu thereof "SEC. 235.".

Page [63], line [15], strike out "SEC. 246." and insert in lieu thereof "SEC. 236.".

Page [63], line [18], strike out "Subtitle E" and insert in lieu thereof "Subtitle D".

Page [63], line [21], strike out "SEC. 251." and insert in lieu thereof "SEC. 241.".

Page [64], line [2], strike out "SEC. 252." and insert in lieu thereof "SEC. 242.".

Amend the table of contents of the bill by striking out the matter relating to title II and inserting in lieu thereof the following:

TITLE II—DAIRY

Subtitle A—Milk Price Support

Sec. 211. Level of milk price support for fiscal years 1986 through 1990.
Sec. 212. Application of amendments.
Sec. 213. Avoidance of adverse impact of dairy diversion program on beef, pork, and lamb producers.
Sec. 214. Study relating to casein.

Subtitle B—Milk Marketing Orders

Sec. 221. Adjustments for seasonal production; hearings on amendments; determination of milk prices.
Sec. 222. Cooperative association representation.
Sec. 223. Status of producer handlers.

Subtitle C—National Commission on Dairy Policy

Sec. 231. Findings and declaration of policy.
Sec. 232. Establishment of Commission.
Sec. 233. Study and recommendations.
Sec. 234. Administration.
Sec. 235. Financial support.
Sec. 236. Termination of Commission.

Subtitle D—Miscellaneous

Sec. 241. Transfer of dairy products to the military and veterans' hospitals.
Sec. 242. Extension of the dairy indemnity program.

By Mr. PETRI:

—Page 516, after line 9, insert the following new title:

TITLE XX—TOBACCO

SHORT TITLE

SEC. 2001. This title may be cited as the "Tobacco Deregulation Act of 1985".

REPEAL OF PROVISIONS OF LAW CONCERNING PRICE SUPPORT FOR TOBACCO

SEC. 2002. (a)(1) Section 101(a) of the Agricultural Act of 1949 (7 U.S.C. 1441(a)) is amended by striking out "tobacco (except as otherwise provided herein), corn," and inserting in lieu thereof "corn".

(2) Section 101(c) of such Act (7 U.S.C. 1441(c)) is repealed.

(3) Section 101(d)(3) of such Act (7 U.S.C. 1441(d)(3)) is amended—

(A) by striking out ", except tobacco,", and

(B) by striking out "and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;".

(b) Sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1445-1, 1445-2) are repealed.

(c) Section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)) is amended by striking out "tobacco,".

REPEAL OF PROVISIONS OF LAW CONCERNING TOBACCO ACREAGE ALLOTMENTS AND MARKETING QUOTAS

SEC. 2003. (a) Section 2 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1282) is amended by striking out "tobacco,".

(b) Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) in paragraph (3) by striking out subparagraph (C),

(2) in paragraph (6)(A) by striking out "tobacco,",

(3) in paragraph (7) by striking out "Tobacco (flue-cured), July 1-June 30; "Tobacco (other than flue-cured), October 1-September 30;",

(4) in paragraph (10) by striking out subparagraph (B),

(5) in paragraph (11)(B) by striking out "and tobacco",

(6) in paragraph (12) by striking out "tobacco,",

(7) in paragraph (14)—

(A) by striking out "(A)", and

(B) by striking out subparagraph (B),

(8) by striking out paragraph (15), and

(9) in paragraph (16) by striking out subparagraph (B).

(c) Section 303 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1303) is amended by striking out "rice, or tobacco," and inserting in lieu thereof "or rice,".

(d) Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is repealed.

(e) Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking out "tobacco,".

(f)(1) Section 371(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371(a)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(2) Section 371(b) of such Act (7 U.S.C. 1371(b)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(g)(1) Section 373(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373(a)) is amended—

(A) in the first sentence—

(i) by striking out "peanuts, or tobacco, and" and inserting in lieu thereof "or peanuts, and",

(ii) by striking out "peanuts, or tobacco from" and inserting in lieu thereof "or peanuts from", and

(iii) by striking out "all persons engaged in the business of redrying, prizing, or stemming tobacco for producers,", and

(B) in the last sentence by striking out "$500;" and all that follows through the end thereof and inserting in lieu thereof "$500.".

(2) Section 373(b) of such Act (7 U.S.C. 1373(b)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(h) Section 375(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1375(a)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(i) Section 378(f) of the Agricultural Adjustment Act of 1983 (7 U.S.C. 1378(f)) is repealed.

(j) The Act entitled "An Act relating to burley tobacco farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended", approved July 12, 1952 (7 U.S.C. 1315), is repealed.

(k) Section 4 of the Act entitled "An Act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes", approved April 16, 1965 (7 U.S.C. 1314c note), is repealed.

(l) Section 703 of the Food and Agriculture Act of 1965 (7 U.S.C. 1316) is repealed.

EXCLUSION OF TOBACCO FROM CONCESSIONAL EXPORT SALES PROVISIONS OF PUBLIC LAW 480

SEC. 2004. The proviso to the first sentence of section 402 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732) is amended by striking out ", and for the purposes of title II of this Act," and inserting in lieu thereof "or".

PROHIBITION AGAINST COMMODITY CREDIT CORPORATION USING POWERS WITH RESPECT TO TOBACCO

SEC. 2005. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end the following new undesignated paragraph: "Notwithstanding any other provision of law, the Corporation may not exercise any of the powers specified in this section or in any other provision of this Act with respect to tobacco.".

PROHIBITION AGAINST TOBACCO MARKETING ORDERS

SEC. 2006. Section 8c(2) of the Agricultural Adjustment Act (7 U.S.C. 608c(2)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by striking out "tobacco,",

(2) by inserting "tobacco," after "(B) any agricultural commodity (except honey,", and

(3) by adding at the end the following new sentence: "Notwithstanding any other provision of law, no order concerning tobacco may be issued or enforced under this Act.".

WITHDRAWAL OF CONSENT RELATING TO COMPACTS AMONG STATES FOR REGULATING TOBACCO PRODUCTION AND COMMERCE

SEC. 2007. (a) The Act entitled "An Act relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes", approved April 25, 1936 (7 U.S.C. 515 et seq.), commonly known as the Tobacco Control Act, is repealed.

(b) The Congress hereby withdraws its consent to any compact or agreement entered into under the Act referred to in subsection (a).

EFFECTIVE DATES

SEC. 2008. (a) The amendments made by sections 2002 through 2006 shall apply with respect to the 1986 and subsequent crops of tobacco.

(b) Section 2007 shall take effect January 1, 1986.

Amend the table of contents at the beginning of the bill accordingly.

SENATE—*Thursday, September 19, 1985*

(Legislative day of Monday, September 16, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer will be offered by the Reverend Paul Durham, pastor of the Radnor Baptist Church, Nashville, TN. He is sponsored by Senator ALBERT GORE.

PRAYER

The Reverend Paul Durham, pastor, Radnor Baptist Church, Nashville, TN, offered the following prayer:

Let us pray.

Dear Father in Heaven.

We thank You today for the blessings that You have been so kind to give to us.

I pray for our President and his staff as they make decisions every day.

Now Lord, this great Senate body, wilt Thou bless our President and every Senator, as only You can do by Your love.

I pray for wisdom and knowledge to be given to them as they think, plan, pray, and vote on every issue that comes before them.

Dear God, may Your love abound with each and this love be so demonstrated that, as goes the Senate, so goes our Nation, and also as goes the Nation, so goes our world; that we will find love and peace with all Your people everywhere, and above all, that we have peace with Thee. I pray this prayer in Your name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I yield to the distinguished Senator from Tennessee [Mr. GORE].

The PRESIDENT pro tempore. The Senator from Tennessee.

REV. PAUL DURHAM

Mr. GORE. Mr. President, I thank the majority leader for this courtesy. It is indeed an honor for me to welcome the Reverend Paul Durham, and to thank him on behalf of my colleagues for such an inspiring and insightful message. Reverend Durham is pastor of Radnor Baptist Church, which has a congregation of more than 2,500. I have attended services there on occasion. The last time I attended church there, I resolved to invite Revered Durham to deliver the opening prayer of the Senate so we can all benefit from his guidance.

This happens to be the 32d wedding anniversary of Reverend Durham and his wife, Nadene. They have four sons and three granddaughters. I thank them for taking the time to come to Washington and join us in the Senate for a moment of reflection and prayer.

RESERVATION OF MINORITY LEADER'S TIME

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. I ask unanimous consent that the minority leader's time be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, following the leaders' time, Senator PROXMIRE has 15 minutes under a special order, and there will be a period for routine morning business until 10:30. Then we resume consideration of S. 1200, the immigration bill.

I hope we can limit the debate to the immigration bill. We are hoping for passage of that bill, and I urge my colleagues who wish to debate the Social Security matter to save that for another bill. It has nothing to do with the immigration bill.

The immigration bill is very important legislation. It is my view that if we pass it this early in the session, it will bring pressure on the House to act, and we can end up with a good immigration bill this year, something that has been needed in this country for a number of years.

I hope my distinguished colleagues, the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Arkansas [Mr. BUMPERS], would be willing to work out some arrangement so they can bring up Social Security with all its implications at a later date.

Again, I point out that we will be in session tomorrow; there will be votes tomorrow. We would like to complete action on Superfund this week, along with the D.C. appropriations bill, H.R. 3087, and also Senate Joint Resolution 77, the compact of free association.

That is one on which we hope we can keep off any amendments, any trade amendments. It is something that must be passed, as I understand it, before the week is out. We have had calls from the distinguished Secretary of State, Secretary Shultz, and from the White House. It is not a partisan matter at all, it is something that must be done. I urge my colleagues who have trade amendments to wait for another vehicle. There will be another piece of legislation along soon.

I have discussed this matter with the distinguished chairman of the Committee on Energy, Mr. MCCLURE. I know he has discussed it with the distinguished President pro tempore, Mr. THURMOND, and other Senators on both sides of the aisle to see if we can work out some short time agreement.

RETURN OF BENJAMIN WEIR

Mr. DOLE. Mr. President, last May, on the first anniversary of the kidnaping of Benjamin Weir, a number of Senators came to the floor to pray for his release and the release of the other Americans still held hostage in Lebanon. Late yesterday, we learned that our prayers for Reverend Weir had been answered. After 16 months in captivity, he has been returned to his country and reunited with his family. I urge all my colleagues to join me in welcoming him back. Let us hope that the remaining hostages will also soon be returned safely. Our prayers are still with them and with those who are working tirelessly for their release.

MARTIN LUTHER KING HOLIDAY

Mr. DOLE. Mr. President, yesterday, Mrs. Coretta Scott King was the guest speaker of the National Press Club. The topic of her speech was the celebration of the first official observance of the Martin Luther King, Jr., Federal holiday, to occur on January 20 of next year. Mrs. King's articulate and thoughtful comments evoked a standing ovation from those in attendance. I recommend that all Members and their staffs read Mrs. King's speech for guidance as to how they might contribute as preparations begin for the national celebration. As a member of the King Federal Holiday Commission, I believe that Congress should provide an example in helping to make next year's observance a big success.

Mr. President, I ask unanimous consent that the text of Mrs. King's remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

REMARKS BY CORETTA SCOTT KING—NATIONAL PRESS CLUB LUNCHEON

Mr. Hess, distinguished ladies and gentlemen of the press, fellow commissioners and honored guests. It is a great privilege for me to stand before this same forum that once gave my husband the opportunity to carry his message of love and nonviolence to the world.

Monday, January 20, 1986 will be an occasion for the celebration of the legacy, life and dream of a man with a special vision for America and the world.

What makes this holiday special?

For the first time in the history of this great Nation, we are honoring a peacemaker, a messenger of nonviolence—a drum major for justice, love and righteousness who was a native son of America.

Under his leadership, nonviolent protests brought about the greatest social change in the history of this country. I believe this tells us much more about what America stands for than all of our nuclear weapons and great technological achievements.

His leadership, not just of black Americans, but of all Americans, lifted a heavy burden from this country. Where others preached hatred, he taught the principles of love, nonviolence and a patriotic commitment to making democracy work for all Americans.

Martin raised his mighty eloquence for love and hope, rather than for hostility and bitterness. He took the tension he found in our Nation, a tension of injustice and channeled it for the good of America and all her people. I only wish that those few who oppose the holiday could understand that Martin had a deep and abiding faith in the American dream.

The establishment of the Federal Holiday Commission represents an unshakeable commitment to make this holiday an all-American celebration, consistent with the national theme "Living the Dream." Let it be a day when people of all races, cultures, religions, politics and stations in life unite in a spirit of brotherhood to honor an American son, hero and patriot.

President Reagan has called for "a celebration of freedom and justice which will unite all our citizens."

The act of Congress which established the holiday states: "the holiday should serve as a time for Americans to reflect on the principles of racial equality and nonviolent social change espoused by Martin Luther King, Jr."

Martin's Day, therefore, should be a time for peace and nonviolence in all our human relationships and in every aspect of our personal lives . . . a day when all of us put aside our differences and join in a spirit of togetherness in recognition of our common humanity.

The Federal Commission is calling upon all Americans to sign a special pledge card, which you have in your press kits, committing themselves personally to "living the dream" by: "loving, not hating; showing understanding, not anger; and making peace, not war"

We also have a special "world" pledge card which we hope will be signed by people all over the world, especially the young.

Many Americans are not aware that Martin is honored throughout the world for his work for universal peace and justice, international sisterhood and brotherhood and advocating and working for the elimination of hunger and poverty.

For his efforts on behalf of international justice and universal peace, he was awarded the Nobel Peace Prize. This is why many countries and international organizations have approached the Commission asking about what observances are planned to mark the King holiday abroad.

I am happy to be able to tell you today that people and organizations all over the world will be taking part in the international observance of the holiday. We are in touch with the United Nations; the leaders of some 65 countries; world religious leaders and international peace and human rights organizations. We are asking that nations and people all over the world make Martin's birthday a day of peace, a day of amnesty and a day of mercy, forgiveness and reconciliation with all adversaries.

We have also contacted the Secretary General of the United Nations and Secretary of State Schultz requesting that the United Nations pass a resolution calling on all nations and liberation movements to cease all violent actions for one day on January 20, 1986 in honor of Dr. King and our common humanity. We fully expect that much of the world will join America in celebration on January 20.

We must also continue to struggle nonviolently for the goals and objectives for which Martin gave his life. We must work and pray for world peace and genuine disarmament. Martin said that "True peace is not merely the absence of tension; it is the presence of justice." I think this means we must continue to work for an end to poverty and world hunger. We should work for freedom and self-determination in South Africa and against other unjust and repressive systems everywhere. We must remain vigilant in support of civil and equal rights in America as well as firm in support of human rights all over the world. In so doing, we truly honor the life and work of Martin Luther King, Jr. in a meaningful way.

Our Federal Commission asked Congressman Ralph S. Regula, Republican of Ohio and State Senator Clarence Mitchell, III of Baltimore to head a committee which would work with legislatures on the passage of State holiday legislation. So far, only 10 States and Puerto Rico have not enacted legislation for observing Martin's birthday on January 15 or on the third Monday. Several of these States have bills pending.

Many corporations are observing Martin's birthday on the 15th or the 3rd Monday. I cite only two, the Kellogg Company and the Equitable Life Assurance Society of the U.S. as outstanding examples. I am also delighted to see the great unions of America making the observance of Martin's birthday part of their labor contracts.

And now, a word about the holiday events. There will be national events in both Atlanta and Washington, D.C.

On Thursday, January 16 in Washington, D.C., there will be a congressional tribute to Martin at the U.S. Capitol and the unveiling of a bust in the Rotunda. Federal employees will hold a noon tribute rally at the Department of Commerce auditorium and in late afternoon, a diplomatic reception will be sponsored by D.C. Mayor Marion Barry, co-chairperson of the Federal Commission's Committee on Special Events and the Washington, D.C. diplomatic corps.

On Monday, January 20, in Atlanta, we will hold our 18th annual ecumenical services at historic Ebenezer Baptist Church and award the Martin Luther King, Jr. Nonviolent Peace Prize. A wreath-laying ceremony will follow at Dr. King's crypt. Afterward, the official national march and parade will be held in Atlanta, featuring participants from the fifty States, U.S. territories and several nations.

Monday evening, Stevie Wonder, chairperson of the Entertainment Committee for the Federal Holiday Commission and a board member of the King Center, will present a 3-hour prime time network tribute to Martin, featuring some of the great entertainers and personalities of our Nation and the world.

Many of you know that the King Center has been observing Martin's birthday since 1968, long before the Federal holiday. The King Center's schedule of events will start on Sunday, January 12 with its interfaith service and continue through the 20th. Let me call your attention to three of these events: Friday, January 17 is the labor/management/Government/social responsibility awards breakfast, co-chaired by U.S. Secretary of Labor, William Brock; William Lucy, president of the coalition of Black Trade Unionists and John D. Ong, president and CEO of B.F. Goodrich Company.

On Saturday, January 18, the center will sponsor its second national action symposium on poverty and world hunger. This forum will bring together the major international and international organizations concerned with poverty and world hunger issues, including representatives of the American Government and the United Nations.

On Sunday, January 19, the center will sponsor, in cooperation with the United Nation's Special Committee Against Apartheid, an international conference against apartheid. I am delighted to report that the right Reverend Desmond Tutu and his family will be with us in Atlanta on both January 19 and 20.

You have been provided with a detailed schedule of King week 1986 activities and the national events. These are just a small part of the hundreds of activities that are being planned by the 50 State holiday commissions and other localities with the assistance of the League of Cities, Conference of Mayors, civil rights and human rights organizations, business and labor groups, United Way organizations, civic and social groups, schools, colleges and universities, religious organizations, veteran organizations and many others. Tributes to Martin are being planned by professional athletes and special television programs will be aired by public broadcasting and the Turner Broadcasting System.

The Federal Commission receives no Federal funds and must seek donations and probono services to carry out its mission. I'm grateful to Governor James Thompson of Illinois, our vice chairperson; Senate Majority Leader Robert Dole and Mr. Edward Jefferson, chairman and CEO for the Dupont Company, for helping us to raise funds and also, to Mr. Jesse Hill, Jr., president of the Atlanta Life Insurance Company, former Attorney General Nicholas Katzenbach, former Attorney General Edward Levi, Congressman Jack Kemp, Mayor Andrew Young, individual commissioners and of course, all those who have contributed. The Commission now has offices in Washington, D.C., and Atlanta and a special thanks must go to Secretary Samuel Pierce of the U.S. Department of Housing and Urban Development, for helping us to secure donated Federal Government space, essential resources and loan personnel. Staff in these offices come from most of our Federal departments and agencies. The Commission also owes a special thanks to Vice President Bush who has worked with us and encouraged us every

step along the way. Also, to Secretary of State George Shultz, Secretary of Defense Caspar Weinberger and Charles Wick, Director of the United States Information Agency.

From Congress: Speaker Tip O'Neill; Senators Charles McC. Mathias and Ernest Hollings; Congressmen Ralph Regula, William Gray, Mickey Leland, John Conyers; Walter Fauntroy; the Black and Hispanic Caucuses and former Congresswoman Katie Hall. From the ranks of organized labor, Murray Finley, president of the Amalgamated Clothing and Textile Workers Union, AFL-CIO who has headed an outstanding labor committee for the Commission, consisting of not only the international unions in the AFL-CIO, but also the great unions like the Teamsters, Mine Workers and many others. We thank Lloyd Davis, our executive director and all our staff. I wish time would permit me to thank individually every member of the Federal Commission; the men and women and young people who serve on our national committees and the firms that have provided us with legal, accounting and other essential services, probono.

You will see from the literature produced by the Commission that we are calling upon Americans to fly the U.S. flag proudly on January 20 in honor of Martin, who loved this great Nation. We are asking houses of worship to ring their bells at 12 o'clock noon and all drivers to turn on their lights at the same time in honor of Martin and for peace, unity and goodwill among all people.

I am pleased that the Federal Holiday Commission decided to encourage the King Center to provide the leadership in developing the official memorabilia to commemorate the holiday. The following items have been designated as official items and will be made available to the public through the center: a medallion with Dr. King's image on it that is packaged in a plastic encasement with a historical summary and chronology of Dr. King; a button with the image of Dr. King; a lapel pin with the image of Dr. King and three images of Dr. King in art prints and lithograph posters. Additionally, two textbooks have been written by Dr. King's sister, Mrs. Christine King Farris, entitled: "Dr. Martin Luther King, Jr.: His Life and Dream". The books have been published by Ginn and Company, in conjunction with the King Center for School Systems and Educators. The book will be offered in elementary and intermediate editions, for use in grades 3-5 and 6-8. There may be a few more items which the King Center will officially designate for the holiday and announcements on these items will be made at a later date.

Martin once said, "it is time for all people of conscience to call upon America to return to her true home of brotherhood and peaceful pursuits". He showed us how much good a single life devoted to God and humanity can accomplish. His philosophy of nonviolent social change is the very foundation of American democracy and it has never had more relevance than it does today.

It was Martin's belief that "an individual has not started living until he can rise above the narrow confines of his individualistic concerns to the broader concerns of all humanity. . . ." He said "life's most persistent and urgent question is, 'what are you doing for others?' "

This is the challenge he left us and his holiday offers all of us an opportunity to honor his memory by pledging to do all we can to make a new world, where his dream of freedom, justice, peace and love will grow and flourish.

Thank you. I am now ready for questions.

Mr. President, I reserve the remainder of my time. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO VITIATE SPECIAL ORDER FOR SENATOR PROXMIRE

Mr. DOLE. Mr. President, I am advised that Senator PROXMIRE will not need his special order, and I ask unanimous consent that that be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. I hope that understanding is correct.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 10:30 a.m., with statements therein limited to 5 minutes each.

MYTH OF THE DAY: THAT THE HUGE DEFICITS DO NOT BRING SHORT-TERM EUPHORIA

Mr. PROXMIRE. Mr. President, today's myth is that the record shattering series of Federal deficits during the past 4 or 5 years have handed this country an unmitigated economic disaster. The myth embodies the belief that no economic benefits have or will come from these deficits. And this, Mr. President, is a myth. The fact is that at this very moment America is enjoying the benefits. And those benefits are very great. It is also a fact that this all time record shattering series of Federal deficits represents the most reckless and irresponsible fiscal policy in American history. This Senator is convinced that they will cause this country to pay a very dear price in the future. But that is in the future.

Consider the present. First, the series of deficits has immensely stimulated the American economy. After all, between 1980 and 1985 the national debt more than doubled. It will certainly exceed $2 trillion by the end of next year. What did that do to the economy? Plenty. Massive increases in Federal spending year after year, combined with a reduction in tax rates, greatly increased economic activity and the number of jobs. Nonagricultural, private sector jobs shot ahead by an astounding 8 million between 1980 and 1985. In fact, the American economic expansion was so great that it sharply increased economic activity throughout the world, particularly which such trading partners as Canada, Japan, Mexico, and Western Europe. Almost everyone has missed the plain fact that this short-term bonanza flowed not from some innate American blessedness or virtue. It flowed from the reckless U.S. fiscal policy.

Take Herbert Stein. Dr. Stein is one of the wisest and most competent economists in the country. He served with distinction as Chairman of the Council of Economic Advisers in both the Nixon and Ford administrations.

On July 29, Dr. Stein wrote in the Wall Street Journal a brilliant diatribe against congressional protectionism. He argued that the $123 billion adverse balance of trade suffered by America this year did not reduce American jobs. As proof, Dr. Stein pointed to the huge increase in American jobs in the past 5 years during the time the balance of trade was worsening. If Dr. Stein is wrong, how come jobs did grow by a huge 8 million at the same time the U.S. trade balance was becoming the worst by far in our long history? Don't ask, Dr. Stein. He said nothing about the enormous fiscal deficits that swamped the trade deficit. But, of course, the fiscal deficit is exactly what permits the United States to import $123 billion more than it exports while at the same time increasing employment.

The short-term job increase is only one of the silver linings that bedeck the deficit's dark clouds. If there is one simple lesson most students learn in elementary economics, it is that persistent deficits drive up prices. They may cause inflation. And they do, usually. Big deficits have certainly done that in places like Israel and post-World War I Germany and present day Argentina. But in America in 1985? No, indeed, the deficits have been accompanied by an astonishing moderation in inflation. The double-digit inflation scare of a few years ago has vanished. Inflation bobs along at a relatively pleasant rate of 3 or 4 percent. The Post-Hoc-Ergo-Propter Hoc crowd might even contend that the deficits have reduced inflation. Of course, the reduction in inflation is the handmaiden of the heavily adverse balance of trade. There is enough idle capacity, unemployment, and excess commodities in the world so that even our $200 billion deficits fail to put much upward pressure on prices. Our immensely adverse balance of trade has indeed helped keep our unemployment rate about 7 percent, and higher than it was 5 years ago. In the process it has held down American prices. Foreign goods are cheaper and

competition from foreign goods keeps American goods cheaper than they otherwise would be.

But how about interest rates? If there is one economic element that deficits should raise it is interest rates. After all, don't the huge deficits require borrowing and year after year increases in borrowing? The demand for credit rises as the deficit and national debt rise. The Federal Reserve Board can print the money to satisfy the credit but only at the cost of roaring, bellowing, runaway inflation. Really? Then how come inflation is behaving like a purring pussy cat and interest rates have been falling for months? Answer: Interest rates have been falling because the Federal Reserve Board is accommodating the increased demand for credit by increasing the money supply—a whopping 10.6 percent in the first 6 months of this year. The domestic economy slowed to a 1-percent growth rate in the first 6 months of 1985 in spite of the huge deficit and the Fed's expansive monetary policy. And foreign lenders are rushing to take advantage of risk free and relatively enticing interest rates in the United States.

So, Mr. President, there you have the insidiousness of the deficit. The myth that the utterly irresponsible peacetime Federal deficits are strictly bad economic news is a myth. In the short run they have been accompanied by rapidly expanding employment, moderate inflation, falling interest rates and an American contribution to international economic well being not experienced since the Marshall plan.

What is insidious about all that? It makes it very hard to persuade the Congress and the President to buck all that happy jive, when bucking it means cutting or killing popular spending programs and, worst of all, increasing taxes. It is especially hard when honesty compels us to admit that in the short run such action will reduce the number of jobs, slow the economy, and probably bring on a deep and long recession. Malthus sure said a mouthful when he called economies the dismal science.

STOP THE NUCLEAR ARMS RACE NOW

Mr. PROXMIRE. Mr. President, the weakest argument for continuing the nuclear arms race is that the United States must rush to catch up with the Soviet Union. According to this pitch, the U.S.S.R. is ahead of the United States in overall military power. It is not. But the assumption that the Soviets are ahead is essential to give even the shadow of legitimacy to the arms race. For those who accept this assumption the argument turns like this.

If we negotiate in those areas where they are ahead, we negotiate from weakness. The Soviets will understandably argue that both sides should stop and stand fast where they are at the moment. This would freeze our country into a position of permanent inferiority. This argument is applied by the Reagan administration to the proposal to stop testing antisatellite weapons. It is applied to the proposed agreement to end all nuclear weapons testing. It is applied to the proposed nuclear freeze. Why is this Reagan argument wrong? Well, it is wrong, seriously and tragically wrong. Here is why:

First, there is absolutely no credible evidence that the United States is behind the Soviet Union in nuclear capability. Both superpowers have about the same number of strategic and tactical warheads. Each country has the nuclear capability to destroy the other utterly several times over. If either has an advantage in delivering nuclear weapons on the adversary's homeland, that advantage lies with the United States. By some calculations the United States can deliver 13,000 strategic nuclear warheads on the Soviet Union. The Soviet Union can deliver about 9,000 on the United States. But the numbers are academic because a small fraction of either number would totally destroy either superpower.

A second clear and critical advantage lies with the United States. The U.S. nuclear weapons are far less vulnerable. More than 70 percent of the Soviet nuclear arsenal is concentrated in stationary, land based ICBM's. This is without doubt the most vulnerable mode. Less than 25 percent of the American arsenal is in this vulnerable mode. On the other hand the United States has a nearly 3-to-1 advantage in nuclear warheads based on submarines with 50 percent of U.S. deterrent based in this, the most secure and least vulnerable mode.

In strategic bombers, the other virtually invulnerable basing mode, the United States has literally 10 times as many strategic warheads as the Soviet Union. These advantages for the United States are greatly enhanced because United States nuclear weapon equipped bombers are in the air far more than their Soviet counterparts and United States nuclear weapons bearing submarines spend far more time out of port and at sea than Soviet subs. If the nuclear weapon advantage right now lies with either superpower, it lies with the United States. The time for this country to get on with arms control negotiations based on comparative strength is now.

There is no more urgent or critical mission for our Government than to end the nuclear arms race. As the Catholic bishops have rightly argued, ours is the first generation since Genesis that has developed the military power to wipe mankind as a species off the face of the Earth. Does the nuclear arms race increase the threat of nuclear war? Of course it does. The superpowers continue to develop ever more devastating and threatening nuclear weapons. The United States develops a brandnew breakthrough that permits each nuclear missile to carry a number of independently targeted nuclear warheads. With a year or two the Soviet Union matches the United States coup and both superpowers massively increase their destructive capability. Today, we develop lasers that can strike with great force and at the speed of light. Tomorrow the U.S.S.R. will develop their own devastating lasers.

And worse—much worse is yet to come. Just over the horizon lies the antimatter bomb. This new super-nuclear development will constitute an enormous step-up in the power of our nuclear arsenal. Think of it. Nuclear fission made atomic power possible. Nuclear fusion brought on the hydrogen bomb. Both released a huge new increase in explosive power. But, it was still a relatively small part of the total energy available in a nuclear explosion. The antimatter bomb will release not a fusion or fission fission fraction of the energy in matter but all the energy—all of it in a nuclear explosion. The explosive power would dwarf the A bombs and H bombs.

What is the military significance of antimatter explosions? The military significance is that one small, light, easily transportable warhead could utterly devastate every section of a huge metropolitan area like the five boroughs of New York City or all of Moscow. We will have the antimatter bomb soon. The Soviets will have it shortly after. Could an end to nuclear testing end this aimless march to the destruction of human life? It would certainly have a fighting chance to end it, particularly if we apply our superb technology to developing means of verifying compliance with an agreement to stop testing. If we do this, is the United States locked in a permanent position of inferiority? No way!

The Under Secretary of Defense for Research reported to the Congress this year that our Defense Department's comparison of United States and Soviet standing in the 20 most important areas of military technology shows that the United States leads in 15 areas. The two superpowers are tied in five. The U.S.S.R. leads in none! If ever there were a time to stop the race no country can win, it is now. Let us give a treaty stopping the arms race a full, fighting chance. How do we do that? We do it by devoting our marvelous technology to verification. We do it by aggressively using the Standing Consultative Commission to insist on compliance into an agreement that both sides will keep because it is the only way to survival on both sides.

ABUSE OF SOVIET JEWS

Mr. PROXMIRE. Mr. President, the Anti-Defamation League of B'nai B'rith and the National Conference on Soviet Jewry recently published a booklet entitled, "Trapped in the Soviet Union."

The booklet gives summary biographies of 20 Jewish prisoners of conscience and 39 refuseniks. Prisoners of conscience are Jews whom the Soviets jail on trumped-up charges when, in truth, they simply taught Hebrew or tried to practice their religion freely and in peace. Refuseniks are Jews denied the right to leave the Soviet Union. Often they want to join family members in Israel.

The Soviet Union denies Soviet Jews their right of freedom of religion. The booklet draws attention to this policy of abuse and points out that during the past year the Soviets have increased their harassment of Hebrew teachers and Jewish activists in the U.S.S.R.

The Jews profiled in the pamphlet represent only a handful of the thousands of Jews who struggle to maintain their religion and to emigrate to Israel.

Members of Congress have always strongly supported the rights of Soviet Jews. Many of us have adopted refusenik families. Some of us correspond with and have met refuseniks during trips to the Soviet Union. Finally, 300 Senators and Representatives participate in the Congressional Coalition for Soviet Jews.

Mr. President, I am proud to take part in the activities of the Congressional Coalition for Soviet Jews. In fact, every Member of Congress should take pride in its efforts to secure the rights of Soviet Jews.

We cannot, however, take pride in the Senate's failure to ratify the Genocide Convention. In fact, I am ashamed at our handling of the treaty.

Although the abuse of Soviet Jews is not genocide, it is a situation well on its way to becoming genocide.

We cannot call upon the Soviets to end their prelude to genocide because we have thrown aside the Genocide Convention—the one tool that would legitimately allow us to ask the Soviets to end their abuse of Jews.

Why do we do everything we can to stop the abuse of Soviet Jews, yet deny ourselves the moral weight of the Genocide Convention? Why do we abhor the Soviets and all other human rights violators, yet refuse to ratify the Convention? Why do we bemoan the ruthless suppression of religious rights, yet delay ratification of the treaty that would help stop these abuses?

Mr. President, 36 years is too long to wait. It is time to back our strong words with action. It is time to prove to the world that we seriously want to stop the abuse of Jews. It is time to act to prevent all forms of genocide. It is time, Mr. President, to ratify the Genocide Convention.

UNITED STATES-SOVIET COOPERATIVE ACTION AS A FOUNDATION FOR SUBSTANTIVE EAST-WEST PROGRESS

Mr. PELL. Mr. President, the conduct of superpower diplomacy raises a perennial and fundamental question of cause and effect: Should we expect a general improvement in East-West relations only after we have achieved progress in such central substantive areas as nuclear arms control? Or is the converse in fact more realistic: To seek some measure of comity in superpower relations as a precondition to major substantive progress?

For some years, my personal inclination has been to view the establishment of a businesslike, mutually respectful atmosphere as an essential first step toward progress on major East-West issues. It is indeed precisely for that reason that I have regarded with apprehension the demonstrated penchant of this administration to engage in flights of rhetorical bellicosity toward the Soviet Union. Verbal theatrics, however psychologically satisfying and politically expedient they may be, are in my judgment little related to the demands of a superpower statesmanship aimed at erecting a stable structure of peace.

Two years ago, I chaired a delegation of Senators to Moscow for a meeting with General Secretary Yuri Andropov at a point when superpower relations were already in a condition of serious deterioration. Pursuant to my belief concerning the need to establish an atmosphere conducive to substantive progress, I raised with Secretary Andropov the idea of initiating cooperative superpower activity in certain peripheral subject areas as a needed step toward progress in the crucially important but stalemated nuclear arms negotiations. I was, I confess, seriously disappointed at his rather blunt rejection of this approach. The Soviet leader's attitude was, I inferred, a reflection of Soviet resentment at Reagan administration rhetoric, and also of a calculated Soviet determination to allow no diversion from the Geneva negotiations at a moment when the Kremlin still hoped to derail NATO's impending nuclear deployments.

For the past 2 years, United States-Soviet relations have undergone little discernible change, and certainly scant improvement. But two significant factors have altered in the United States-Soviet equation. First, the successful commencement of NATO nuclear deployments has essentially removed that issue from the Soviet and United States agendas. Second, the ascension of Mikhail Gorbachev has seemingly brought to a close the extended Soviet succession crisis, which posed one significant obstacle to the possibility of United States-Soviet rapprochement.

Last month, to meet the new Soviet leader I traveled again to Moscow with a Senate delegation led this time by the minority leader, Senator BYRD. Hopeful that the change in circumstances and Soviet leadership might have induced some change in attitude, I took the opportunity during the delegation's meeting with Secretary Gorbachev to suggest the desirability of certain United States-Soviet cooperative measures as a means of improving the climate in East-West relations. Specifically, I identified three subject areas:

Joint superpower leadership in promoting a comprehensive multilateral immunization program for the world's children;

Superpower cooperation in international environmental assessment;

Initiation of an extensive United States-Soviet political and academic exchange program—possibly funded by outstanding Soviet lend-lease debts to the United States—along with a resumption of significant United States-Soviet cultural exchanges—possibly commencing with a U.S. visit by the Bolshoi Ballet.

I am pleased to report that, in contrast to his predecessor, Secretary Gorbachev did not appear adverse to the concept inherent in these suggestions, and indeed conveyed an evident interest in reestablishing the atmosphere necessary for substantive progress in the superpower relationship. Having derived a measure of optimism from his response, I shall urge our own administration to give careful consideration to the particular suggestions I proferred in Moscow and, more generally, to the concept of cooperative activities as first—rather than final—steps in the superpower diplomacy to come.

Our central aim—our solemn obligation—will remain the achievement of reductions in the nuclear threat posed to all mankind by the superpower arsenals. But prudently devised cooperative activities can create an effective foundation for the protracted negotiations necessary to attain that goal. Let us then—on both sides of the superpower rivalry—undertake the creative diplomacy needed to build such a foundation for the improved and stable East-West relationship on which the world's future so crucially depends.

CONSTITUTION WEEK

Mr. THURMOND. Mr. President, the greatest document ever conceived by mortals in pursuit of self-government is our own Constitution. By carefully writing this outline for responsi-

ble government, our forefathers literally rewrote the rules of citizenship and public responsibility.

As a trustee of the Freedoms Foundation at Valley Forge, I am excited over the development of another document which can have a major impact on our Nation.

The Center for Responsible Citizenship, an important arm of the Freedoms Foundation, has produced its first product: the Bill of Responsibilities. This is the result of much careful consideration by the Foundation's board of directors and council of trustees.

I ask unanimous consent that this document be printed in the RECORD at the conclusion of my remarks so that my colleagues can share its poignant message.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

BILL OF RESPONSIBILITIES

Preamble. Freedom and responsibility are mutual and inseparable; we can ensure enjoyment of the one only by exercising the other. Freedom for all of us depends on responsibility by each of us. To secure and expand our liberties, therefore, we accept these responsibilities as individual members of a free society:

To be fully responsible for our own actions and for the consequences of those actions. Freedom to choose carries with it the responsibility for our choices.

To respect the rights and beliefs of others. In a free society, diversity flourishes. Courtesy and consideration toward others are measures of a civilized society.

To give sympathy, understanding and help to others. As we hope others will help us when we are in need, we should help others when they are in need.

To do our best to meet our own and our families' needs. There is no personal freedom without economic freedom. By helping ourselves and those closest to us to become productive members of society, we contribute to the strength of the nation.

To respect and obey the laws. Laws are mutually accepted rules by which, together, we maintain a free society. Liberty itself is built on a foundation of law. That foundation provides an orderly process for changing laws. It also depends on our obeying laws once they have been freely adopted.

To respect the property of others, both private and public. No one has a right to what is not his or hers. The right to enjoy what is ours depends on our respecting the right of others to enjoy what is theirs.

To share with others our appreciation of the benefits and obligations of freedom. Freedom shared is freedom strengthened.

To participate constructively in the nation's political life. Democracy depends on an active citizenry. It depends equally on an informed citizenry.

To help freedom survive by assuming personal responsibility for its defense. Our nation cannot survive unless we defend it. Its security rests on the individual determination of each of us to help preserve it.

To respect the rights and to meet the responsibilities on which our liberty rests and our democracy depends. This is the essence of freedom. Maintaining it requires our common effort, all together and each individually.

MICHAEL VAN LEESTEN

Mr. PELL. Mr. President, William Raspberry, in his column in today's Washington Post, has featured Mr. Michael Van Leesten, the executive director of the Opportunities Industrialization Center in my home State of Rhode Island. Mr. President, the great bulk of Mr. Van Leesten's substantial energies have been devoted to social progress, education and job development. His is an extremely capable and articulate spokesman for the black, Hispanic, and blue collar communities in Rhode Island. Mr. Van Leesten's career is a monument of achievement dating back to the fair housing debates as well as the voting and civil rights struggles. He has long been, and continues to be, a prime mover in developing educational, employment and economic opportunities for countless Rhode Islanders.

It is fitting, Mr. President, that William Raspberry has chosen to focus on Michael Van Leesten's views regarding minority job development. It is fitting for two reasons: First, Mr. Van Leesten's professional background is one of demonstrated ability and tangible results in this area; second, Mr. Van Leesten's ideas, views and programs are compelling, timely and successful.

Mr. President, we expend considerable energy here in the Senate examining ways of creating jobs and economic opportunities for our citizens. This is a vital portion of our legislative function. The Raspberry article briefly describes the efforts that Michael Van Leesten is making with the Rhode Island OIC. The Rhode Island OIC is attempting, with considerable success, to create private sector, minority owned businesses and jobs. These efforts must be applauded and encouraged. There can be no doubt during this time of huge Federal deficits that initiatives such as those undertaken by Mr. Van Leesten and OIC are not only commendable—they are becoming increasingly necessary.

Mr. President, I ask unanimous consent that the full text of the Raspberry article be printed in the RECORD. I urge my colleagues to read this article about these efforts to enhance the ability of our citizens to empower themselves economically.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CREATING JOBS

(By William Raspberry)

PROVIDENCE, R.I.—For Michael Van Leesten, executive director of Rhode Island's Opportunities Industrialization Center, it is a philosophical tightrope. OIC needs federal money. It could not run its extensive job training and placement program without federal help.

At the same time, the Reagan administration's cutbacks of federal support for such social-action programs as OIC make clear to Van Leesten how dangerous it is to be dependent on the government. In a way, it's like welfare, he says. You need, it, but it is deadly to become addicted to it. The way out is the same in both cases, he believes: to become self-supporting.

As a result of that belief, the Rhode Island OIC is taking a different direction from that of its sister organizations around the country. Instead of training its low-income, mostly minority clientele for jobs in somebody else's work place, the local OIC is trying to create its own jobs right here in South Providence.

"The idea is we eventually want to be able to supply our own budget from the profits of companies we own an interest in," Van Leesten says. "That isn't something that can be done overnight, but we expect to be a little less dependent on federal grants next year than we are this year, and a little less dependent than that the year after."

It's not just empty talk. Already a consortium of which OIC is a member has acquired Pawtucket-based Peerless Precision, a $2 million machined-metals company. Van Leesten hopes to move the entire operation, of which OIC owns half, to a new industrial park in South Providence, therby creating new job and training opportunities.

Another of the Rhode Island OIC's joint projects—this one in conjunction with Roger Williams Foods and the University of Rhode Island—is the formation of American Surimi, a company that will produce a high-protein fish product that can be textured, shaped and flavored to mimic a variety of seafoods at a cost far below that of the real thing. OIC will use the Surimi production venture as a means of providing jobs, job training and income to finance its operation.

The 46-year-old Van Leesten has a raft of other ideas, including Nexus, a scheme to encourage black Americans to invest in African ventures (the Philadelphia-based OIC, founded by the Rev. Leon Sullivan, has training operations in nine African countries). Meanwhile, he's constantly trying to persuade the city's young black professionals not to limit their ambitions to good jobs with downtown firms but to consider starting and managing their own companies, preferably in South Providence.

"I'm really talking about the necessity of building something that will make a permanent difference, that will help not just OIC but the minority community here to become more independent," says Van Leesten.

"We've had to struggle so hard just to get the opportunity to work for someone else that a lot of us find it difficult to think in long-term, institutional terms. But what I have in mind is to help minorities here to become an integral part of the business structure—not just consumers and job-seekers but producers and employers," he says.

Nor is Van Leesten talking charity. He is unapologetic that each new venture enhances his personal economics. For instance, in addition to his $50,000 salary as OIC executive, he is paid a fee as chairman of Peerless Precision.

What he preaches is not so much the notion of personal sacrifice as a different approach to the problems of low-income minorities: "I'm not saying that we don't need help from the society. Maybe there never will be a time when we won't need some help. But the major part of that help must come from our own efforts. That's the only way we'll ever attain real economic power."

HISPANIC HERITAGE WEEK

Mr. DOLE. Mr. President, this week, the Nation is observing Hispanic Heritage Week. Since 1968, we have set aside this special time to officially pay tribute to Hispanic-Americans and their contributions.

Beginning with Queen Isabella's support for Columbus' voyage to the New World, Hispanics have played a unique and imporant role in our Nation's historical development. Today, there are no fewer than 17.6 million Hispanics residing in this country, contributing and achieving in all areas of society, be it business, academia, sports, or the arts.

The accomplishments of Hispanic-Americans in the field of politics and government service is particularly noteworthy. At every level of government, Hispanic-Americans are assuming their rightful place—on school boards, city councils, in Governors' mansions, and the Congress of the United States. And in the Senate, an important precedent was recently set when Ernie Garcia became the first Hispanic to be appointed Sergeant-At-Arms.

America is a country of diversity—a land of immigrants—her customs and mores defined by a citizenry that represents a wide array of national origins. The Hispanic culture—which itself is a melting pot of nationalities, bonded together by common customs and traditions—has richly contributed to American life.

Throughout the country, various Hispanic organizations have been holding special events, festivals, and exhibits in proud celebration of Hispanic Heritage Week. I salute these organizations, and the businesses, and public and private agencies which have joined them, in making this year's observance a great success.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent that I may speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUSAN AKIN, ANOTHER MISS AMERICA FROM "OL' MISS."

Mr. COCHRAN. Mr. President, I know that most Senators by now realize that our newest Miss America is another Miss Mississippi. Last Saturday evening, in Atlantic City, Miss Susan Akin of Meridian, MS, a student at the University of Mississippi, was selected as Miss America.

All of us in Mississippi are very proud of this. It carries on a great tradition of Miss America's being selected from the Magnolia State of Mississippi.

Miss Akin is the fourth Mississippian to have been awarded this title since the pageant began in 1920. Prior winners from my home State include Mary Ann Mobley, from Brandon, MS, who was a classmate of mine at the University of Mississippi in 1959; then Linda Mead, the very next year, in 1960, from Natchez, MS, was selected as our Miss America. Cherly Prewitt, from Ackerman, MS, was selected as Miss America in 1980.

Let me say that Miss Akin is not just pretty and talented, she is also a dean's list scholar majoring in broadcast journalism at the university, a member of Pi Beta Phi Sorority, and is an outstanding young woman in every way. She is an excellent choice to carry on this great tradition in our State and I am sure she will serve with great distinction as our newest Miss America.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I am not going to do anything, I say to my colleagues, except simply to urge those who are holding up passage of S. 1200 with debate on Social Security, whether it ought to be on or off budget, to try to come to terms so that we can move on and pass this bill, because we still have Superfund legislation which we hope to conclude this week, and we had hoped to be able to address a couple of appropriation bills. I know there is a lot of pressure from Senators on both sides who have official business elsewhere starting tomorrow, but the leader is in a position where we have already frittered away about 20-some hours trying to resolve a nongermane, nonrelevant matter to the immigration bill. I do not say it is not important. It is important.

The question is whether Social Security should be on or off the budget. We could argue that for months and probably will, but I would rather not do it on the immigration bill.

It is my hope that we might work out some satisfactory language, satisfactory to the distinguished Senator from Pennsylvania [Mr. HEINZ] and the distinguished Senator from Arkansas [Mr. BUMPERS], that would not preempt their rights later on, that would preserve the argument and their leadership, and still finish the immigration bill early this afternoon, move back to Superfund, and then line up some time tomorrow for a couple of appropriations bills.

I say to my colleagues that, about 1:30, if there is no action, we may start some of our own.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KASTEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, S. 1200, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending: Heinz Amendment No. 623 (to Hawkins Amendment No. 622), of a perfecting nature, to express the sense of the Senate regarding the separation of Social Security Trust Funds from the Unified Federal Budget.

Mr. SIMPSON. Mr. President, may I inquire as to what the pending amendment is?

The PRESIDING OFFICER. Amendment No. 623.

Mr. SIMPSON. That is the amendment of Senator HEINZ?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMPSON. That is with regard to the Social Security issue?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMPSON. Mr. President, I want to indicate that I am well aware of the intent of Senator HEINZ and his sincerity in bringing this issue to the body. It is something that will be dealt with.

I would sincerely hope and would reiterate that it not be dealt with on the Immigration Reform and Control Act of 1985.

I think it is important to pursue that now and go forward with that amendment. We shall see whether it can be

disposed of. I would hope that it would be disposed of on an up-or-down vote. We will know that shortly, apparently.

If it cannot be, then I would have to indicate to the sponsor and to all those involved that I would try to bring the issue to a conclusion at some appropriate moment with regard to this issue. I say that out of at least present recognition that I do not believe there will be any further amendments on the immigration bill. If there were going to be a great string of those in the background, and they could come as we remain ever creative and leave the bill hanging here after 7 days, then, of course, it is a different matter. But there are presently no amendments that I know of other than perhaps one that may be accepted by a voice vote that will be coming up.

That may change; it will change, indeed, I think, if we continue to string this out. I want to avoid that. I do not make any bones about that. I think I have been very patient and quite malleable and courteous; I might say, a genial fellow in all respects. But at some point in time, if we are going to have to get into other parts of that, we do.

That is not a threat, Mr. President, it is the reality of a bill. It is the reality of the legislative process working. it is called legislating. When you do it for 5 or 6 or 7 days and you come to a conclusion and you want to go for an up-or-down vote—win, lose, or draw—you are ringing the gong for the bill. It will be a tough vote. But I think you have to let a legislature legislate.

That is where we are, Mr. President. It does not have anything to do with my fine friend from Pennsylvania, who is a lovely friend, my fishing companion. If you think I am ever coming back—no, no, that was a momentary lapse there.

I say that as a legislator. That is where I must proceed.

So, let us go to the Heinz amendment and see where that debate goes. I am hopeful we can reach an up-or-down vote. If not, then a little later in the afternoon, I shall perhaps do some other procedural thing that will, hopefully, get us to a vote, with the knowledge that we can get to a vote today, I think, on this measure—and the majority leader will make that decision. If we can conclude this this evening, get to a final vote, there may likely not be a session tomorrow. But that is for the majority leader. I cannot even suggest that that is so. We may go back on Superfund, there may be other things.

With that, Mr. President, I am ready to proceed with the Heinz amendment, and we shall proceed to let the body work its will on that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania. The yeas and nays have been ordered.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BINGAMAN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BINGAMAN. Mr. President, reserving the right to object on that, for what purpose——

Mr. HEINZ. Maybe we had better try it again. I think the objection was heard.

Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BINGAMAN. Reserving the right to object, Mr. President, I just ask what the intention of the sponsor of the amendment is at this point, if he has additional points he wants to make in support of his amendment. There are still people on our side of the aisle who would like to speak about this amendment.

Mr. HEINZ. Mr. President, I appreciate the opportunity to respond to my colleague from New Mexico. I think it is apparent that our colleagues on the other side of the aisle are trying to prevent the Senate from expressing its will on this amendment. I find it ironic, and I do not say this in reference to the Senator from New Mexico. As far as I know, he has not been in any way obstructing consideration of this amendment. But it is clear that all the debate, argument, and slowdown tactics have been on that side of the aisle. Nobody here on the Republican side has in any way attempted to obstruct getting to a vote on this. I think that it should be clear that there are some people in the Democratic Party who, for one reason or another, are just not interested in having the Social Security System maintained in its integrity, separated from the budget process, so that the Federal Government either does not bail it out or it does not bail out the Federal Government.

The PRESIDING OFFICER. If the Senator from Pennsylvania will desist for a moment, the Chair must remark that this is out of order in that we had the request for a quorum call, then the request that the quorum call be rescinded, and there was an objection. That would be in order, but to reserve the right to object is not in order. We either have a quorum call or we do not, and we either have an objection to the rescinding of the quorum call or we do not.

Mr. BINGAMAN. Mr. President, I object to resciding the quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I want to renew my unanimous-consent request to rescind the call of the quorum.

Mr. BINGAMAN. Mr. President, I renew my objection.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The bill clerk resumed the call of the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LONG. I object.

The PRESIDING OFFICER (Mr. COHEN). Is there objection?

Mr. CRANSTON. Mr. President, I do not object to its being taken off, but I do not want action for just a few more minutes.

Mr. HEINZ. Fine. No problem.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to call the roll.

The bill clerk resumed the call of the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CRANSTON. I object momentarily.

The PRESIDING OFFICER. The momentary objection is heard.

Mr. HEINZ. Has a moment expired?

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk continued to call the roll.

Mr. HEINZ. Mr. President, a moment or more having expired, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CRANSTON. I still object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The legislative clerk continued to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO TABLE AMENDMENT NO. 623

Mr. HEINZ. Mr. President, the Senate has been discussing nothing all day. We have been trying to move the business of the Senate along since, I guess, about 11 or 11:30 this morning.

This afternoon, a quorum call was put in place on the other side of the aisle and, despite repeated attempts to try and get the quorum lifted so we could move ahead, it is clear that there was some kind of confusion, difficulty, obstruction, whatever you

want to call it, on the other side of the aisle.

I think it is important we get the Senate clearly on record, one way or the other, on the amendment before us so we can move on to ALAN SIMPSON'S immigration bill.

Therefore, I am going to move to table my own amendment. I am going to vote against tabling my amendment. I urge all Senators in this body who believe the Social Security Trust Fund should be separated from the unified budget to join me in voting against my motion to table. We will, therefore, since a tabling motion is a privileged motion, get a clear record of the sentiment of this body.

With that, I move to table the Heinz amendment.

Mr. RIEGLE. Mr. President, will the Senator yield before making the motion to table just for a comment?

The PRESIDING OFFICER. The Senator has moved to table. The Chair reminds the Senator that there is a first- and a second-degree amendment of the Senator from Pennsylvania.

Mr. HEINZ. The Senator moves to table the second-degree amendment.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. HEINZ. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Pennsylvania [Mr. HEINZ]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 22, nays 77, as follows:

[Rollcall Vote No. 189 Leg.]

YEAS—22

Armstrong	Evans	Roth
Boren	Goldwater	Rudman
Boschwitz	Gorton	Stennis
Chafee	Hatfield	Symms
Danforth	Helms	Wallop
Dole	Johnston	Weicker
Domenici	Kassebaum	
Eagleton	McClure	

NAYS—77

Abdnor	D'Amato	Hart
Andrews	DeConcini	Hatch
Baucus	Denton	Hawkins
Bentsen	Dixon	Hecht
Biden	Dodd	Heflin
Bingaman	Durenberger	Heinz
Bradley	Exon	Hollings
Bumpers	Ford	Humphrey
Burdick	Garn	Inouye
Byrd	Glenn	Kasten
Chiles	Gore	Kennedy
Cochran	Gramm	Kerry
Cohen	Grassley	Lautenberg
Cranston	Harkin	Laxalt
Leahy	Murkowski	Sasser
Levin	Nickles	Simon
Long	Nunn	Simpson
Lugar	Packwood	Specter
Mathias	Pell	Stafford
Matsunaga	Pressler	Stevens
Mattingly	Proxmire	Thurmond
McConnell	Pryor	Trible
Melcher	Quayle	Warner
Metzenbaum	Riegle	Wilson
Mitchell	Rockefeller	Zorinsky
Moynihan	Sarbanes	

NOT VOTING—1

East

So the motion to lay on the table amendment No. 623 was rejected.

MOTION TO COMMIT WITH INSTRUCTIONS

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, the Senate has now made clear by that vote something that we all knew, that it is the desire of the Senate to see to it that Social Security is not used to balance the budget and offset spending in other areas. We were voting on a sense-of-the-Senate resolution. There are many on both sides of the aisle who would like to go further and actually take steps that would lead as soon as possible, beyond just expressing our desires, to protecting Social Security from actions to balance the budget that would reduce benefits to recipients. I am now going to offer a motion to recommit the immigration bill in a way that will bring it back immediately without the Social Security issue on it but will assure that real action will take place in regard to protecting the Social Security Program.

The motion would instruct the Budget Committee and the Finance Committee to find ways of dealing with the Social Security problem that, to quote from the motion, would make plain that "alterations would not be made in Social Security benefits for the purpose of reducing the Federal deficit; and the placement and means of considering the Social Security Program in relation to the congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall Federal deficit by means of proposing reductions in Social Security benefits" and to report back to the Senate within a fixed period of time legislation to do just that.

Let me simply add one point before I send this to the desk. That is that negotiations on both sides of the aisle and across the aisle have led to a situation where this is a bipartisan effort. It is not a partisan effort. As proof of that, my cosponsors are Senators RIEGLE, HEINZ, SIMPSON, LONG, MOYNIHAN, BUMPERS, and KERRY. Having said that, to save time, I send this motion to recommit to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for himself, Mr. RIEGLE, Mr. HEINZ, Mr. SIMPSON, Mr. LONG, Mr. MOYNIHAN, Mr. BUMPERS, and Mr. KERRY proposes a motion to commit with instructions.

Mr. CRANSTON. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion is as follows:

MOTION TO COMMIT WITH INSTRUCTIONS

I move, on behalf also of Senators RIEGLE, HEINZ, SIMPSON, LONG, BUMPERS, and KERRY, to commit S. 1200 to the Committee on the Budget with instructions to report back on or before October 15, 1985, with legislation for the purpose of assuring in the best and most reliable manner possible that, effective beginning with Federal Fiscal Year 1986:

(a) Alterations will not be made in Social Security benefits for the purpose of reducing the federal deficit; and

(b) The placement and means of considering the Social Security program in relation to the Congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall federal deficit by means of proposing reductions in Social Security benefits; and

S. 1200 shall be reported back to the Senate forthwith with all present amendments agreed to in status quo; and

It is the Sense of the Senate that the legislation so reported from the Budget Committee should be sequentially referred to the Committee on Finance and that it shall report the legislation on or before November 1, 1985.

AMENDMENT NO. 644

Mr. RIEGLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. RIEGLE] proposes an amendment numbered 644 to the motion to commit.

Mr. RIEGLE. I ask unanimous consent that further reading be dispensed with.

Mr. KENNEDY. I object, Mr. President.

Mr. CRANSTON. Mr. President, objection.

The PRESIDING OFFICER. Objection is heard. The clerk will state the amendment.

The assistant legislative clerk read as follows:

Strike out all after "alterations" and insert in lieu thereof the following:

(a) Alterations will not be made in Social Security benefits for the purpose of reducing the federal deficit; and

(b) The placement and means of considering the Social Security program in relation to the Congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall federal deficit by means of proposing reductions in Social Security benefits; and

S. 1200 shall be reported back to the Senate with all present amendments agreed to in status quo; and

It is the Sense of the Senate that the legislation so reported from the Budget Committee should be sequentially referred to the Committee on Finance and that it shall report the legislation on or before November 2, 1985.

AMENDMENT NO. 645

Mr. CRANSTON. Mr. President, I send an amendment to the pending amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] proposed an amendment numbered 645 to amendment numbered 644.

Mr. CRANSTON. I ask unanimous consent that further reading be dispensed with.

Mr. STEVENS. I object.

Mr. SIMPSON. Objection.

The PRESIDING OFFICER. Objection is heard. The amendment will be stated.

The assistant legislative clerk read as follows:

In the pending amendment strike out all after "alterations" and insert the following:

(a) Alterations will not be made in Social Security benefits for the purpose of reducing the federal deficit; and

(b) The placement and means of considering the Social Security program in relation to the Congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall federal deficit by means of proposing reductions in Social Security benefits; and

S. 1200 shall be reported back to the Senate forthwith will all present amendments agreed to in status quo; and

It is the Sense of the Senate that the legislation so reported from the Budget Committee should be sequentially referred to the Committee on Finance and that it shall report the legislation on or before November 3, 1985.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have been asked by the distinguished minority leader if I could give him an indication of the schedule for the balance of the day and the balance of the week.

The PRESIDING OFFICER. The Senate will please be in order.

The majority leader.

Mr. DOLE. There will be, of course, as ordered, the yeas and nays on this amendment, followed by an immediate rollcall vote on passage of the immigration bill. Then we shall return to the Superfund legislation, S. 51. I hope we can complete action on that, if not this evening, some time tomorrow.

Then, on Monday, I hope we can take up appropriations bills, either the D.C. bill or State-Justice, maybe Treasury or perhaps HUD. I do not believe that will be ready yet.

If we could work out some agreement on that, I would be prepared—we have had people here working on amendments and not seeking to delay it—not to have any record votes on Monday. There would be votes on Tuesday, but then no votes on Wednesday, because that is another holiday and many of our colleagues will be out of the city and would have to return on Wednesday evening if there should be votes Wednesday evening. On Thursday and Friday of next week, we will be in session.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. Yes, Mr. President.

Mr. BYRD. In the event the Senate completes action on the immigration bill and the Superfund legislation today, would the Senate be in session tomorrow?

Mr. DOLE. No. If this were to happen, I think we could probably avoid a Friday session, but I understand that it is quite unlikely. There will be a number of major amendments on Superfund and perhaps some dispute on some of them.

Mr. BYRD. In the event, Mr. President, that the Senate does not complete action on both bills today, how late this evening does the distinguished majority leader expect to be in?

Mr. DOLE. As the distinguished minority leader knows, it cannot be too late because we are official hosts for the Chinese delegation—that meeting starts at 7:30 this evening—unless there can be a window provided. I would be perfectly willing to try to work that out. We would be only away from the Senate about an hour and a half, so I can check with the distinguished chairman of the Environment and Public Works Committee, Senator STAFFORD, and the chairman of the Finance Committee, Senator PACKWOOD. Maybe they would like to work on Superfund and finish it up tonight. If they do that, we could probably avoid a session on tomorrow.

Mr. BYRD. Very well. We will know a little later today then.

Mr. DOLE. I would request, if the Senators are on the floor or Members of their staff, they might give us a report immediately following action on the immigration bill. Then I can make a further announcement today.

Mr. BYRD. I thank the distinguished majority leader.

Mr. CRANSTON. Mr. President, let me briefly say that the perfecting amendments that have now been proposed in relationship to the motion to commit with instructions do not change in any way the substance of what I earlier stated. What we have done is offered a bipartisan proposal that would permit the immigration bill to be back on the floor as soon as the motion is adopted without any Social Security language in that measure. The Budget Committee would be instructed to consider this matter and report back language, to be sequentially considered by the Finance Committee, in a bill which would provide that alterations will not be made in Social Security benefits for the purpose of reducing the Federal deficit, and the placement and means of considering the Social Security Program in relation to the congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall Federal deficit by means of proposing reductions in Social Security benefits. This will in effect protect senior citizens against raids on Social Security for purposes of balancing the budget. This bipartisan action in this body, if it is taken, will be consistent with action taken in a relevant subcommittee in the other body. Earlier today, the House Ways and Means Social Security Retirement Subcommittee voted unanimously, with members of both parties represented, to report language that would protect Social Security from being a victim of the budget process.

Under the motion I have offered, the details of how this will be done are to be worked out within the appropriate committees rather than through any precipitate action on the Senate floor. But there is a time period set forth in the instruction that requires final action by the committees on or before November 3, 1985, this will mean we will be in a position to end the annual jeopardy to Social Security when the budget is under consideration. I hope we can move swiftly to a vote on this matter.

Mr. HEINZ. Will the Senator yield?

Mr. CRANSTON. I will be glad to yield the floor to the Senator.

Mr. HEINZ. Just for a comment. I commend him on his motion. We have expressed the sense of the Senate as to separating Social Security from the unified Federal budget. Then in the motion to commit we have established a procedure using the Budget Committee and the Finance Committee for properly sequencing consideration of that measure procedurally. I think it will work very well together, and I thank my colleague from California for coming up with an elegant solution.

Mr. CRANSTON. I agree with the Senator and I thank him for his cooperation.

Mr. SIMPSON. Mr. President, I want to deeply thank the Senator from Pennsylvania and the Senator from California, Senator HEINZ and Senator CRANSTON, for a remarkable piece of work which saved this sponsor a great deal of pain. I must indicate that win, lose, or draw, I think it is time, or should be and perhaps we will

know shortly, if we can get to an up-or-down vote on that issue, and I thank them sincerely. It is a pleasure to work with them. If I got to any degree of light testiness, I certainly apologize. I do recall mumbling a little louder than usual a time or two to both of the participants. I appreciate their courtesy and I appreciate their willingness to work this out so that we can proceed. I thank them. They have been very, very courteous to me in that process.

Mr. KENNEDY. Mr. President, I rise in support of this motion to keep faith with America's senior citizens.

In almost every year since 1981 the Reagan administration and my colleagues on the other side of the aisle have tried to sacrifice aged and disabled Americans on the altar of the horrendous budget deficits their failed fiscal policies have created. As recently as this spring, the majority party in this body passed a budget resolution that would have cut $3 billion next year from the Social Security cost-of-living adjustment owed our senior citizens. By the end of 1987, under this Republican proposal, our senior citizens would have been $10.5 billion poorer. By the end of 5 years, Social Security beneficiaries would have been cheated of a whopping $49 billion. An additional 600,000 senior citizens would have been thrown into poverty, and all of our senior citizens would have seen their standard of living decline.

The fact is that Social Security is a sacred compact between the Federal Government and the citizens of this country. That compact says to all Americans: If you pay a portion of your hard-earned wages into the Social Security System while you are young, we will pay those wages back to you in the form of a stable, predictable, inflation-adjusted pension when you are old.

The Social Security Trust Fund is a self-financed program. It is supported entirely by employer and employee-paid payroll taxes. The fund must, by law, be self-supporting; it has no claim on general tax revenues. Because it is self-supporting, it can never contribute to the overall budget deficit.

The motion we are considering today would recognize the independent nature of the Social Security fund and the fact that there is no legitimate reason to include it in deficit reduction efforts.

But, there is a more important and basic message that we will convey by adoption of this motion: Just as the men and women who are senior citizens today kept faith with America through the Great Depression and Second World War, America intends to keep faith with them.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER (Mr. GARN). The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, before we vote on this measure—I intend to vote against it—I want to briefly explain why I am going to vote against it. This Senator feels very strongly that the integrity of the Social Security Trust Fund should be protected, we should not transfer funds from the Social Security Trust Fund to finance spending of any other function of Government. We should not at any time abate any kind of pension program for current spending needs. I do have a concern that it would prevent us from behaving in a responsible fashion down the line in regard to budget deficits. I find it difficult to understand how we are going to enhance our ability to reduce budget deficits if we rule off limits from the budget process potentially about a third of the spending. I have been told by those who have crafted this proposal that it will not do that, that it will not necessarily make it impossible for us through budget reconciliation to consider how we can save money; for example, in the Medicare Program or some other program and credit those savings, so that we will have an incentive to make those savings. That remains to be seen. I hope that when the Budget Committee and the Finance Committee report back, they will do so with a proposal that is responsible.

But I do want to serve notice that if they report back, and if there is a proposal adopted that would make it impossible for the Senate to be able to consider expenditures on entitlement programs when we are trying to figure out how to save money, then I think we ought to just finish the job and take agriculture out—we are very concerned about helping the farmers—and say that any savings in agriculture would not count to reduce the budget deficit so that we will not be tempted to make any cuts in agriculture. I believe in education strongly and education programs, and I am going to move then that we take education off budget so that we will not be tempted at all to ever propose any cuts in education to balance the budget. Then there are many of us who believe in a strong national defense, and I am going to move we take defense off so we will not be tempted to make any cuts in the defense program in order to try to reduce the budget deficits, and that will once and for all mean there will be no temptations on the part of any of us to propose cuts to bring the total budget deficits under control; we can accomplish it all by moving everything off budget. And then what we will have left maybe is 4 or 5 percent of the spending and it will be in balance, we can congratulate ourselves that we balanced the budget; we moved everything off budget, off line. We are not tempted any more by having it out there to make it a part of the reconciliation process; we can congratulate ourselves, and we can go home and tell the people we have done our job to the fullest extent possible.

I think this is a very serious matter. As a member of the Finance Committee, I will be doing everything I can to make sure our deliberations are conducted in a responsible fashion. I hope the Budget Committee will do so also. But I do want to serve notice that I am prepared, if we report something back that in essence keeps us from ever again looking at a balanced approach—many of us have talked about fair sacrifice and shared sacrifice and freezes across the board, that even those who are receiving pension benefits might share in that sacrifice as long as every other American shared in a sacrifice.

Most senior citizens I talk with are strongly in favor of that concept of shared sacrifice. We take the kind of action that prevents us from looking at a shared sacrifice approach and bring all Americans together and help us reduce the deficits. When we consider the taxation that is going into the trust funds and how high the payroll taxes are compared to the income tax, if we want to rule off limits for any consideration of trying to get that one-third of spending under control that is included in entitlement programs, we should finish the job and be open about it and tell the American people that we do not intend to have anything on budget anymore and will balance the budget by moving those items off budget.

I sympathize with my colleagues who said they do not like the surplus in the Social Security Fund to mask the true deficits. I agree with them. The deficit is even larger than it appears to be by reading press accounts, because it is masked by amounts in the Social Security Trust Fund. I agree wholeheartedly on that with the Senator from California and others.

I do not want my "No" vote to indicate that I am not for the integrity of the Social Security Trust Fund. I am. I am simply going to cast it as a warning that I hope the two committees involved will act responsibly and move to ensure the integrity of that fund and that it will still leave us the flexibility to be responsible in trying to get spending under control and to get the budgets eventually brought into balance.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. BOREN. I yield.

Mr. DECONCINI. I am under the impression that in 1993, the Social Security Fund comes out of the unified budget, anyway.

Mr. CHAFEE. Mr. President, will the Senator use his microphone?

Mr. DECONCINI. I am using my microphone.

I am under the impression that under the Social Security amendment we adopted, the Social Security Fund comes out of the unified budget in 1993. If that is correct and we did nothing, would the Senator's position be the same as to take out farming, education, and defense at that time?

Mr. BOREN. I think the important thing is the manner in which it is taken out of the unified budget, and that is the reason why I am raising this point, I say to the Senator from Arizona.

I want us to have a separate accounting. I want us to make sure that there is never a possibility that money is transferred out of the Social Security Trust Fund that belongs to the retirees to fund any other program of Government.

For example, we have saved some $12 billion in the Medicare Program in the last 3 years. Some has been through control of the cost of medical care and has been to the benefit of senior citizens and has helped make Medicare more sound. We have frozen some reimbursements or curtailed some in order to retain that for the senior citizens.

One strong incentive we have to make as to those savings is that when the committees meet and have that chalk board at the front, when they write down the savings they are ordered to make as a committee, under the budget process, they are able to list that.

As we are struggling with the budget, if you say to the committees, "No, you can't write that down any more; anything you do to help the Medicare system or the Social Security system cannot be written down as a positive act," as we look at the budget process, you will take away from the committees an important incentive for doing it. If we write it in a way that does not prevent that, it will be all right.

Mr. DECONCINI. Is the Senator satisfied that the 1993 extraction from the unified budget is written in a proper way?

Mr. BOREN. We would have to amplify how that is done. The committees would have the right to go in and say how that is going to be done.

Mr. DECONCINI. I thank the Senator.

Mr. BOREN. I am not sure that this proposal takes us down this path at this moment. But I just intend to cast a "No" vote, really, as a warning shot to those committees involved, to say that I hope this is done responsibly and is not done in a way that will take away from the Senate the incentive to make further reductions wherever we can, in terms of getting costs under control—to shore up the trust fund and to get deficits under control.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. BOREN. I yield.

Mr. CRANSTON. Mr. President, I share the Senator's concern about the deficit. I voted for a budget that would do more than the budget that was adopted in terms of reducing the deficit.

Let me make one point plain. This instruction does not commit us to the foreboding course that the Senator perceives it might. The Senator will have a full opportunity in the Finance Committee to do his best to see that it does not lead us in that direction, and I will support him in that effort.

The main difference between agriculture and education and defense and so forth is that here, with Social Security, we are dealing with a trust fund that has a surplus. We are dealing with a trust fund which is funded by a special, dedicated payroll tax.

In the other areas the Senator mentioned, you are dealing with general appropriations, where there is no trust fund, and no surplus, and there are deficits. It is a very different matter.

Mr. BOREN. I thank the Senator from California. I understand the distinction.

There are some revolving funds involved—agriculture, CCC funds, which are replenished, and expenditures on loans that are ultimately going to be paid. So there are some other areas of the budget where we do treat it as a current account.

I am saying that there is nobody in this body who does not recognize that when you total Government expenditures—and I am talking about Government checks—approximately 30 percent of all spending is in the so-called primary area. Medicare is important, as are other programs.

I do not think we can look the American people in the eye and say we are being totally responsible if we remove that incentive—if we build a wall around 30 percent of the spending and say there is no incentive in Congress for doing anything about those areas. It is like making them untouchable. Some have said defense should be. This Senator might say that agriculture should be untouchable. I have strong feelings about education.

I do not believe that any area of the budget should be untouchable or unreachable or off limits. The point is that we should always be fair in the way we distribute the sacrifice. I do not think we should foreclose the opportunity of across-the-board actions or shared sacrifice, if we decide to freeze tax indexing, as some have proposed. We all will have to get in the same boat together, without regard to age or economic status and sacrifice, and get this thing under control.

I do not want to see us, politically popular as it might be, take that kind of action.

Also, I feel very strongly about the senior citizens. I think I have an excellent record with regard to their needs. I do not want to do anything that will take away incentives from Congress to take action year in and year out, not waiting for a crisis or waiting for a commission on Social Security. We should take action to make the system secure for the sake of the senior citizens. We had better think not about the next 6 or 12 months.

Those who voted for Social Security COLA's now want to find a way to make amends, to say: "We voted to really protect it and we are not allowing it to be cut any more." That might look good today, but 10 years from now, when we have problems, that will not look good to the very people we are here saying we are trying to help.

I realize that this vote may be misunderstood and that is why I want to explain it. I am in favor of protecting the integrity of the Social Security Fund.

I would be the last person or among the last persons here, because I know there are many others, who would ever vote to raid the Social Security fund to spend that money on something else. On the other hand, I do not want to see us begin the process of dismantling the budget procedures to the point that our committees no longer have incentives to find savings wherever they can. That is in the Medicare area, they are holding down cost. We should find ways to make those savings which should be credited in the reconciliation process.

I do not cast aspersions on anyone else's vote on this matter. I know there are a wide range of views, including those who would strongly agree with me who are going to vote for this motion. I may be the only one to vote against it. I want to do so for no other reason than to fire a warning shot that we must not let this process be accomplished in a way that will begin to remove things off budget. If we do one Senator is going to be out here voting or moving just to show the American people the irresponsibility of what we are doing, but take all the rest of the items off the budget, unless there is some one or two little programs remaining that I think should be abolished, and then we will keep them on the budget because we will have an incentive to make savings in those areas. If I can find any programs I think we should cut back strongly or abolish we will keep them in here because there would be incentives for the committee to cut them. Everything else this Senator likes and I suspect others join with me, pick your favorite item that you do not want to have any incentive to cut and let us all

join together and ban together and move those off budget and then we will all have our pet programs protected.

Mr. DOMENICI. Mr. President, I do not intend to talk very long. I want to get this matter over with. I have the greatest empathy for the distinguished floor managers of this immigration bill and I compliment them profusely for their patience.

I want to say to my friend from Oklahoma, Senator BOREN, that I personally heard many of his remarks yesterday and read them all and I compliment him. He has been talking real straight talk yesterday and today.

Frankly, it is so interesting we are talking about off budget and on budget. I would venture to bet there are not 10 Senators who know that this year formerly off-budget agencies have been moved on budget. They are all on there this year.

Why did we include trust funds in the united budget? We did not put them on because we want the budget process to take advantage of the trust funds. You people have to vote on policy for the trust funds. Congress has to vote in order to change trust funds, whether it is Medicare, Social Security, or highways. I will tell you that one-third of all outlays and nearly one-half of all revenues today are trust funds.

We are talking about Social Security trust funds here. But we also have highways, airports—there is a whole list of them. If anyone is interested I will put them in. They are protected by us and our votes and by the law.

But there is another reason that the Budget and Finance Committees have to be serious and concerned about this issue. We are talking about our need to be able to look at the fiscal policy of the Government.

Can a trust fund that is nearly one-third of the budget of America, therefore one-third of all its revenues—you know they come from the same people that you are taxing for everything else—can you really have a fiscal policy without including that in the budget?

Social Security has a surplus right now. Medicare did not have a surplus 4 years ago and except for some action down here and borrowing from Social Security, Medicare would be insolvent today. Would we run around and say that is all right, it is only a trust fund? But it was an insolvent trust fund, so we looked at it.

Don't you think it is important to the fiscal policy of your country that when Social Security gets to a surplus of $200 billion—and it will be there one of these days—it's important to know how that surplus affects our budget's impact on the economy? What is the reason to look at fiscal policy? You need to know how much you are taxing your people, how much are you spending, and what is the impact of deficits.

So the upshot of it all is that the railroad is coming. Somehow or another everyone is going to prove one time more that they are more for the old folks and the seniors and Social Security if they can do just one more thing and that is take it off budget. We have all had our votes and some are scared that they voted wrong before, some are very proud they voted right before, and now we just want to make sure that we send this message out there that we are really for them.

Well, frankly, we are going to do our very best to comply with this in committee, but we are also going to do our very best to retain the ability to show the Senators and Congressmen and the American people the status of our fiscal policy. We hope we can do that consistent with the spirit of this. We hope we can do it in such a way that you are sure that we are not changing Social Security or Medicare for the sole purpose of balancing budgets.

I am glad no one has at least said the reductions in Medicare the last 4 years has been for purposes of balancing the budget because there are many people on the Finance Committee who think those actions were for the very purpose of making sure Medicare was solvent. In fact, the most astute say if we had not done it we would have waited until it was insolvent and then probably formed a blue ribbon commission with 3 months to work on it.

But I am really proud to tell you it is probably solvent for 10 years, thanks to a budget document that looked at fiscal policy and said to a committee "You better look at that, you better cause some savings." And since it was all part of a budget, when they made savings it affected the deficit of the United States. But it was a real impact because, in fact, that one was going insolvent.

I compliment those who have been prudent to do this in an orderly manner. Legislation will come back for the Senate, the other body, and the President to consider. We will do our very best to make sure that the intention of this is maintained and that this budget process, complies ultimately with your desires here tonight.

I do not think we need to do this, but I think clearly it is better than what many others have thought might happen, and we hope to do a good job both for this country and the senior citizens and preserve fiscal responsibility in our deliberations on it.

Mr. BUMPERS. Mr. President, last Friday afternoon I came over here to the floor because I knew the Senator from Pennsylvania was going to offer his sense-of-the-Senate resolution, and I simply intended to offer a second-degree perfecting amendment to mandate removal of Social Security from the unified budget rather than just a nonbinding, sense-of-the-Senate resolution on this issue. I have offered my share of those resolutions and voted for my share of them. Yet they are rather time consuming and in the end they do not mean anything. The people out in the hinterlands, however, do not always know the difference between when the Senate has done something real and when we have just pretended to do something.

So, I took exception to the sense-of-the-Senate approach. I would vote for it, if nothing else was available. When I got here on Monday I found that a first- and a second-degree amendment had been offered to amendment number 602 and so the amendatory process was filled. That was that and I was effectively blocked from offering my amendment.

Now, I think we have reached what I think is a sensible accommodation for all the parties who feel as strongly about this issue as I do.

I want to make this first point. It is a funny thing how debates like this take on a life of their own and the logic slowly changes.

Now, the argument being raised for leaving the Social Security trust fund in the unified budget is that all Government spending should be subjected to our scrutiny and consideration in the reconciliation process.

But I want to invite your attention to an historical fact. The Social Security trust fund was not put in the unified budget so we could get all spending before us in the reconciliation process. The reconciliation process didn't even exist then. It was put in there for the most devious of reasons. And so far as I am concerned, the logic for taking it out is just as great now as the illogic was for putting it in then.

Lyndon Johnson promised the American people two things: No. 1, that he would balance the budget, and, No. 2, that we could fight the Vietnam War without raising taxes to pay for it. You remember all the "guns and butter" arguments during the entire Vietnam debate. When these debates started Social Security was then running surpluses, as it had always run and it was not included in the unified budget.

So Lyndon Johnson called his folks in and says,

> I have a political commitment to the American people to balance the budget, and I also have a commitment not to raise taxes to pay for this war. Figure out a way to reconcile these positions.

They came back and said,

> Let's take the Social Security Fund, which has a surplus, and dump it into the budget to cut the deficit figure. You then can go to the American people and tell them you balanced the budget and that there is plenty of revenue to fight that war without raising taxes.

The American people at that time really did not understand what had happened. But that was the reason it happened, not because of a unified budget, not because of any reconciliation process, and not so that the Congress could look at all spending.

The Senator from Oklahoma and I do not disagree very often. He is a most able, articulate spokesman for that great State. We just have a simple difference of opinion on whether Congress is more or less likely to face up to our deficits with Social Security in the budget.

I want to say two or three things on this question. First, we all now that right now the Social Security Trust Fund has a slight surplus, not a big one, but that the Chief Actuary for the Social Security Administration says by 1994, Social Security could have a $627.6 billion surplus. Let us assume that that prognostication turns out to be true. I hope it is true.

Mr. DOLE. Will the Senator yield for a moment?

Mr. BUMPERS. I am only going to speak another 40 or 50 minutes.

Mr. DOLE. I had that fear. But I wanted to indicate to other Senators that I have to leave here at 5:15 and will not be back until sometime after 6, and I do not intend to miss any votes while I am gone.

Mr. BUMPERS. I say to the Senator, I am going to speak for about 5 more minutes.

Mr. DOLE. I know there will be a few votes. There will be a vote on the motion to commit and a vote on final passage. I do not want to shut anybody off.

Mr. BUMPERS. With the current trust fund surplus no one in this body can doubt that Congress is underestimating the real deficit problem by subtracting the surplus of the Social Security Fund from the deficit figure.

Now, why not have a little truth in Social Security? Put the trust fund out here in the full view of the American people so the young workers, who are apprehensive about the system and about whether there will be anything for them there when they retire can see it. Trust the American people with the truth. The only time we ever get in trouble here is when we mislead them and deceive them. Thomas Jefferson and Harry Truman both said, "Don't do that. Tell them the truth. They can handle it."

So I say put the trust funds out there, Medicare and OASI both. Let the people see the financial condition of each, with their surpluses or deficits.

I know this. The pressures to cut Social Security in order to balance the budget are a lot greater if you leave these trust funds in the unified budget. You know that.

To suggest that Congress is abdicating all jurisdiction over the Social Security trust fund simply because we take it out of the budget is nonsense. Congress will continue to decide what the payroll tax will be, whether recipients should get a COLA, how big the COLA will be. The only thing we are doing is ensuring that these questions will be decided on the merits, not based on some impact on the accounting of the deficit.

When you talk about taking defense spending off budget or education off budget, I say this. The day there is a tax imposed on the American people specifically to pay for defense spending, I will be the first one to say, "Let us set this budget function off in a separate trust fund off the budget." The minute people pay a separate tax, as they do payroll taxes for Social Security, for education, I will be the first one to say, "Move it off budget. Let the American people see where their education money is going. Let them see whether their taxes are paying for our defense spending."

Social Security, however, is unique. There is no specific tax for any other program of this size and there is no other program where so many Americans depend on the integrity of such a fund.

The argument that somehow or other we can more easily, cut Medicare spending, or whatever trust fund program you name, if we keep it hidden in the budget is not in keeping with the better instincts of this body.

When it comes to the reconciliation process for the Medicare Program, the Finance Committee voted to freeze physicians' fees in order to ensure the integrity of the fund. But the suggestion here is that with reconciliations you can put Medicare on a blackboard in the Finance Committee and proceed to cut it, such as by freezing physicians' fees, and somehow there will be no opposition to it or politically it will be acceptable: whereas, if you take this program off budget and set it over here for all the world to see, you cannot take prudent steps to manage the program because it is not politically acceptable.

Well, we did not fool any doctors by using the reconciliation process. I had 20 of them in my office yesterday, all complaining about the freeze in physicians' fees.

I am just simply saying, we need to face up to our responsibilities on both the deficits and Medicare. In 1994, if the prognostication about Social Security Trust Fund Surpluses comes true, what are we going to do? Are we going to leave the $627.6 billion in the unified budget to give some sense of security to the American people that there is no deficit? Will leaving these surpluses in the budget assure people that Social Security is solvent, which they have a right to know? Or are we going to break faith with the American people by taking some of that $627.6 billion to reduce the national debt and deficits that we are so recklessly and irresponsibly building here? Or are we going to cut payroll taxes? Those are options that we will have, whether Social Security is off or on budget.

Let me close with this observation. I said yesterday that this Social Security Surplus is being used to disguise the deficit. However, people do not pay Social Security taxes to reduce or balance the budget. They pay Social Security taxes so there will be something there for them to draw upon when they are 65 years old.

I promise you the American people do not have the foggiest idea about how the Social Security Fund is been handled in the deficit calculations. They want to know. They strongly suspect their money is being tinkered with. We need to reassure them by taking Social Security out of the budget. In a technical sense, the surplus in the Social Security fund is not being used to fund any other programs, but in a real sense it is reducing the Government's need to pay for these other programs. This is so because the current $50 billion dollar surplus in the fund is being used indirectly to reduce the deficit figure.

In addition this surplus is also being used to finance other programs of Government. How? Because, the Social Security Trust Fund loans its surplus funds to the only person it can loan its surplus to, and that is the U.S. Treasury. It cannot loan the surplus to the American people by making investments. It has to loan it to the U.S. Treasury, and it has been loaning the surplus to them at a bargain basement interest rate.

The U.S. Treasury pays the Social Security Trust Fund billions of dollars in interest, to borrow these funds, borrowing that shows up as a "wash" transaction in the budget. When we figure out the gross interest we are paying to finance the debt the figure really is $180 billion, but we tell the American people it is only $130 billion because we count Treasury Department interest charges as both a cost and—elsewhere in the budget—as income to the Social Security Trust Fund.

When the Treasury pays the Social Security Administration billions of dollars in interest we show that as income to the Government, and we subtract the same amount from the $180 billion that we should report as our true expense to finance the debt. Now, if that isn't a "sweetheart" operation, I never saw one.

So, Mr. President, I will conclude my remarks. I think we are taking a very responsible position here in moving to take Social Security out of the unified budget. I cannot help but feel that some of the people who do not like

this idea do not like it because they do not want to see how Social Security reduces the deficit figure.

I certainly intend to vote for the motion. I applaud the Senator from California for offering it.

Mr. CRANSTON. Mr. President, I thank the Senator from Arkansas. He has stated with his customary eloquence the reason for supporting this motion to recommit. There have been a number of points he has made which concur with. Because of our time constraints, I would like to just very briefly add a footnote to one point raised by the Senator from Oklahoma on the issue of whether or not Social Security should be on or off the budget or related to it in some way in terms of fiscal constraints on Federal spending. Social Security presently has a surplus and it is growing. In 10 years under the intermediate economic assumptions of the Social Security actuaries, the Social Security's trust fund is expected to have a surplus of $500 billion. So if we keep Social Security in the budget, we will have less incentive—not more incentive—to constrain Federal spending on non-Social Security programs. Therefore, you can turn the argument of the Senator from Oklahoma upside down, and say the sooner we get it out of the budget, the more likely we will be to have incentive to hold down spending on non-Social Security programs.

Mr. DOLE. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from California. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 79, nays 20, as follows:

[Rollcall Vote No. 190 Leg.]

YEAS—79

Abdnor	Durenberger	Kasten
Andrews	Eagleton	Kennedy
Baucus	Exon	Kerry
Bentsen	Ford	Lautenberg
Biden	Garn	Leahy
Bingaman	Glenn	Long
Bradley	Gore	Lugar
Bumpers	Grassley	Mathias
Burdick	Harkin	Matsunaga
Byrd	Hart	Mattingly
Chafee	Hatch	McConnell
Chiles	Hawkins	Melcher
Cochran	Hecht	Metzenbaum
Cohen	Heflin	Mitchell
Cranston	Heinz	Moynihan
D'Amato	Helms	Murkowski
DeConcini	Hollings	Nickles
Denton	Humphrey	Nunn
Dixon	Inouye	Pell
Dodd	Johnston	Pressler
Proxmire	Sasser	Trible
Pryor	Simon	Warner
Quayle	Simpson	Weicker
Riegle	Specter	Wilson
Rockefeller	Stafford	Zorinsky
Roth	Stennis	
Sarbanes	Thurmond	

NAYS—20

Armstrong	Goldwater	McClure
Boren	Gorton	Packwood
Boschwitz	Gramm	Rudman
Danforth	Hatfield	Stevens
Dole	Kassebaum	Symms
Domenici	Laxalt	Wallop
Evans	Levin	

NOT VOTING—1

East

So the amendment (No. 645) was agreed to.

Mr. DOLE. Mr. President, if we may have order, I will indicate to the distinguished minority leader that, as I understand, we will go to final passage almost immediately. That will be the last rollcall vote this evening. Following final passage, we will go back to Superfund. I understand both Senators STAFFORD and BENTSEN have agreed to take up noncontroversial amendments until about 6:30. Following that, we will go out this evening and come back tomorrow about 10. We will either go to the Compact of Free Association, if we get permission to set aside Superfund, or, if not, stay on the Superfund bill.

I am also advised by a couple of my colleagues that they have minor resolutions which they would like to bring up tonight. I have no objection to the matter that the distinguished Senator from Massachusetts called to my attention, and I think the Senator from Illinois is trying to clear another resolution on National Dental Hygiene Week, so we will try to complete that this evening also.

We would also like to get permission for the Agriculture Committee, if there is no objection, to meet beyond 6 p.m.

The PRESIDING OFFICER (Mr. RUDMAN). The Senator from Wyoming is recognized.

order to conclude past proceedings, I would ask that we have a voice vote on the motion.

The PRESIDING OFFICER. The question before the Senate is agreeing to the Riegle amendment, as amended.

The amendment (No. 644) was agreed to.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the Cranston motion, as amended.

The motion, as amended was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, as chairman of the Budget Committee, I report back Senate bill 1200 as required.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes, reported with amendments.

Mr. SIMPSON. Third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question before the Senate is, Shall the bill pass?

Mr. KENNEDY. Yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent the Secretary of the Senate be authorized to make clerical and technical corrections in the engrossment of S. 1200.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 646

Mr. SIMPSON. Mr. President, I ask unanimous consent that technical amendments to the bill be adopted.

The PRESIDING OFFICER. Is there objection to adopting the technical amendments after third reading has been ordered?

Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 646.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 80, line 10, insert before the period the following: "by an alien other than an alien who is eligible for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 for the month in which such alien is granted lawful temporary residence status under subsection (a)".

Page 85, lines 9 through 10, strike out "(other than a special Cuban and Haitian entrant, as defined in subsection (a)(2)(D))".

Page 85, line 24, strike out "and".

Page 85, after line 24, insert the following: except that the foregoing disqualification shall not apply in the case of—

(D) any assistance described in subparagraph (A), (B), or (C) if the alien is a special Cuban or Haitian entrant, as defined in subsection (a)(2)(D), or

(E) the program of supplemental security income benefits authorized by title XVI of the Social Security Act or medical assistance under a State plan approved under title XIX of the Social Security Act, if the alien is determined by the Secretary of Health and Human Services, based on an application for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 filed prior to the date designated by the Attorney General in accordance with subsection (a)(1)(A), to be permanently residing in the United States under color of law as provided in section 1614(a)(1)(B)(ii) of the Social Security Act and to be eligible to receive such benefits for the month prior to the month in which such data occurs, for such time as such alien continues without interruption to be eligible to receive such benefits in accordance with the provisions of title XVI of the Social Security Act or section 212 of Public Law 93-66, as appropriate; and

EXPLANATION OF AMENDMENT

The amendment is a "grandfather" provision intended to permit the continuation of supplemental security income (SSI) and medicaid benefits to those aliens who are eligible for SSI benefits under current law prior to being granted lawful temporary resident status under S. 1200. The possible loss of these benefits could act as a deterrent to affected aliens applying for legalization.

On page 2, in the table of contents of the bill, insert after the item relating to section 124 the following new item:

Sec. 125. Seasonal agricultural worker program.

On page 37, line 12, insert ", 101(a)(15)(O)," after "101(a)(15)(N)".

On page 60, line 1, insert "or 217" after "section 216".

On page 60, line 3, strike out "such section" and insert in lieu thereof "section 216 or subsection (b)(4) of section 217, as the case may be,".

On page 63, line 6, insert "and section 217" after "section 216".

On page 64, between lines 14 and 15, insert the following:

"(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

"(A) The standards described in subsections (b)(2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

"(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

"(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

"(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

"(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.".

On page 64, line 16, strike out "two years" and insert in lieu thereof "three years".

On page 64, line 19, insert "and seasonal" after "temporary".

On page 64, line 20, strike out "program under section 216" and insert in lieu thereof "programs under sections 216 and 217".

On page 64, line 24, strike out "subsection (b)(2)" and insert in lieu thereof "subsections (b)(2) and (3)".

On page 65, line 2, insert "and seasonal" after "temporary".

On page 65, between lines 12 and 13, insert the following:

"(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time under section 217.

"(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

On page 66, lines 11 and 12, strike out "in consultation with the Vice Chairman" and inserting in lieu thereof "in accordance with rules agreed upon by the Commission".

On page 68, line 4, strike out "27 months" and insert in lieu thereof "39 months".

On page 104, lines 20 and 21, strike out "216 (added by section 122(c)" and insert in lieu thereof "217 (added by section 125(b)".

On page 104, line 24, strike out "SEC. 217." and insert in lieu thereof "SEC. 218.".

On page 112, line 22, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 7, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 15, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 18, strike out "section 216 (added by section 122(f)" and insert in lieu thereof "section 217 (added by section 125(i)".

On page 113, between lines 19 and 20, strike out "SEC. 217." and insert in lieu thereof "SEC. 218.".

On page 114, line 9, strike out "paragraph (15)(O)" and insert in lieu thereof "paragraph (15)(P)".

On page 114, lines 22 and 23, strike out "paragraph (15)(O)" and insert in lieu thereof "paragraph (15)(P)".

On page 116, line 6, strike out "section 122(a)" and insert in lieu thereof "sections 122(a) and 125(b)".

On page 116, line 7, strike out "subparagraph (M)" and insert in lieu thereof "subparagraph (N)".

On page 116, line 8, strike out "subparagraph (N)" and insert in lieu thereof "subparagraph (O)".

On page 116, line 11, strike out "(O)(i)" and insert in lieu thereof "(P)(i)".

On page 121, line 10, strike out "section 217" and insert in lieu thereof "section 218".

Section 501(a), on line 9, strike "10" and insert in lieu thereof "12".

Section 501(b), on line 24, insert "and Mexico" after "United States".

Section 501(e), on line 9, strike "(e)" and insert in lieu thereof "(d)" and redesignate subsequent subsections.

Section 501(d), (as amended above), on line 11, strike "(f)(2), (f)(3), (g), and (h)" and insert in lieu thereof "(d), (f)(2), (f)(3), (g), (h), and (i)".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 646) was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that all Senators may have the privilege of inserting statements in the RECORD as though read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATTINGLY. Mr. President, the issue before us today is a familiar one. As my colleagues are well aware, this is the third time in as many Congresses that we have considered immigration reform legislation. On each of the previous occasions, I have cast my vote in favor of the legislation, and I will do so again today.

Without question, we must take steps to stop the flow of illegal aliens across our border. The well-being of our citizens requires that. I believe the bill before us represents a serious effort to gain control of our borders. The increased funding for the Immigration and Naturalization Service for enforcement activities and the employer sanctions will both contribute to this control.

There are those who argue against the need to impose sanctions against knowingly hiring illegal aliens. I believe, however, that the employer sanctions are the centerpiece of the bill. Without doubt, the promise or even the hope of employment and the economic gain that employment will bring is the strongest lure drawing illegals across the border. While the bill provides for stiff penalties against employers who knowingly hire illegals, it also furnishes needed protection aganist wrongful prosecution. In this area, I believe Senate bill 1200 is stronger than the two previous versions of Simpson-Mazzoli.

Mr. President, I will not take anymore of my colleagues' time at this point, because these issues are familiar to us. But let me simply say that the American people favor immigration reform. The majority believe it is long overdue. I agree, and I urge my colleagues to join me today in voting for S. 1200.

Mr. BUMPERS. Mr. President, I rise today to voice my support for the Immigration Reform and Control Act of 1985, which is presently pending before the Senate. The enactment of this very important legislation has been long overdue. I have supported similar measures in the 97th and 98th Congresses and I continue to believe that this legislation is in the national interest of the United States.

No other country in the world accepts or resettles the numbers of immigrants that the United States accepts. We can be proud of this heritage and of our commitment to the principles that are so eloquently enunciated in the words etched in stone on one of this country's most beautiful monuments—the Statue of Liberty. Those words describe the open arms of this country that still extend to the "huddled masses" yearning to breathe the free air of democracy. Reform of our immigration laws does not mean that the United States will isolate itself from the world. It simply means that this Government has a responsibility to allow immigration to occur in

an orderly and lawful fashion with a sense of fairness and reasonableness.

For years, we have known that immigration into this country has been out of control and no action has been taken to reform our badly outdated immigration laws. I am hopeful that the House will now proceed with, and pass, a comprehensive immigration measure during this 99th Congress. We all recognize that the first duty of a sovereign nation is to control and protect its borders, and it is time that we met that responsibility.

Immigration into this country—legal and illegal—now exceeds over 750,000 per year and accounts for 30 to 50 percent of our annual population growth. No one disputes that immigrants have been the building blocks of this country. The problem arises when immigration is in violation of the law and that we have no programs to assimilate new immigrants. Net illegal immigration is estimated at 500,000 per year, or over two-thirds of all immigration. Should illegal immigration continue unabated, by the year 2025, some 100 million of the estimated 300 million people in the United States will be post-1980 immigrants.

We need to get contol of this influx for many reasons. Most importantly, we need to know how our country is changing. The Select Commission of Immigration has estimated the number of illegal immigrants in this country to be between 3.5 to 6 million. This figure represents data that was compiled 7 years ago. Surely, there are many more illegal immigrants in this country today than in 1978. In a recent exposé on immigration in the United States, Time magazine reported that there may be as many as 12 million illegal immigrants in the United States.

The point, Mr. President, is that we don't know. Not only are we not aware of the number of illegal immigrants, we do not know how many of these immigrants have displaced American workers. Nor do we know how much the U.S. Government spends in health care, education, and other social services for illegal immigrants. While many have argued that lack of data is a reason to postpone immigration reform, I contend it is the very reason why we must proceed with this legislation. It is essential in the responsible management of our economy and of fiscal policy that we know the full extent of illegal immigration.

There have been many concerns that we not enact a bill designed to control the influx of illegal immigrants that may be discriminatory or a bill that is inconsistent with our longstanding tradition of providing refuge for the downtrodden. I share these concerns, yet I am pleased that over the many years that immigration reform has been considered and the many hours of hearings and testimony on these questions, a bill has been put together that addresses these concerns. I congratulate my colleagues who have worked so many hours on a bill that will be fair, yet effective.

Again, I urge the Senate to adopt this legislation so that we may deal effectively with a problem that grows increasingly harder to solve every year. The United States accepts and is honored by the fact that freedom and democracy are attractive to people throughout the world. Yet, with that, we must also accept our last responsibility to the citizens of this country, to the thousands of legal immigrants, and to the untold millions of illegal immigrants, to forge a fair and effective policy to stem the rising tide of illegal immigration and equalize the opportunity this bountiful land provides for all.

Mr. GRASSLEY. Mr. President, I rise today to congratulate my most distinguished colleague from Wyoming [Senator SIMPSON] for the outstanding job of once again accomplishing passage of immigration reform in the Senate.

As is apparent over debate in the last Congress, this issue is a very difficult one and though people tend to agree in general that control of our borders must be improved, the specifics of how to implement that improvement stir violent disagreement.

The gentleman from Wyoming has proved a master at bringing these different forces together—working out compromises to complete a piece of legislation that the Senate can support and that will have a major positive impact on this Nation.

So I extend to him my heartiest congratulations. It has been a great pleasure and a real learning experience working with him during the period in which I have been in the Senate. I hope that I can continue that experience over the years to come and this is the first of several immigration reform proposals we consider in this body. Fine tuning will be needed on this bill and other immigration and refugee issues which will come before us.

I look forward to working with Senator SIMPSON and his very competent staff, Dick Day, Carl Hempe, Chip Wood, and Jodi Brayton as we struggle with those issues.

At this time I would also like to commend the chairman of the Judiciary Committee for his diligence in seeing that this issue stayed before the Senate until it was resolved. As always his support has been unflagging and without that, the immigration reform bill would never have seen the light of day.

I now urge the House to act quickly on its measure so that we may proceed to conference and finally give the American people a response they have long awaited.

Mr. GLENN. Mr. President, on both previous occasions when the Senate considered immigration reform legislation I voted for it. I believe it is shameful that Congress has delayed so long in meeting our responsibility to address the serious problem of illegal immigration into this country. Again today, I will vote for the immigration reform bill, but I must admit Mr. President, I do so reluctantly.

My primary reservation stems from the addition to the bill of authorization for a large new guestworker program. In so doing, I fear we have created a bureaucratic nightmare and posed a serious threat to the underlying purpose of this bill—to control illegal immigration. Now, Mr. President, I am not insensitive to the special needs of the growers of perishable agricultural commodities. However, I believe the bill as reported went a long way toward addressing those needs. It created a special procedure for seasonal workers in agriculture, phased it in over 3 years to give growers to adjust, and required an expedited response by the Secretary of Labor in recognition of time-sensitive needs of growers.

I wonder how any one is going to keep track of up to 350,000 guestworkers as they move from farm to farm over a 9-month period. And if we cannot keep track of them, then we risk undermining the very purpose of this bill.

Further, the availability of 350,000 foreign workers will, I believe, inevitably impact adversely on the job opportunities for our domestic labor force in this area.

I am pleased that, at a minimum, we will have an opportunity to reconsider this ill-advised program in 3 years. Despite my serious reservations about this one provision of the bill before us, I will vote for the overall package because I believe that the bill's main provisions—increased enforcement, employer sanctions, and legalization—represent the best method any number of experts have ever devised to deal with this pressing problem. These changes are needed, and they are long overdue.

Mr. HATFIELD. Mr. President, the Senate once again is faced with final passage of legislation to restructure our Nation's laws with respect to illegal immigration. I support S. 1200, and commend Senators SIMPSON and KENNEDY for their perserverence on this highly complex and controversial issue. Crafting immigration reform legislation which responds to the unique conditions of our day takes tremendous wisdom and requires a great deal of time.

As we are all aware, our Nation's present immigration laws have proven woefully inadequate in controlling the flow of persons entering the country illegally. For years it has been clear

that immigration reform is necessary. Unfortunately, because of highly emotional and diverse views on the myriad of issues relating to immigration reform, Congress has been unable to reach agreement.

This paralysis is regrettable. Our Nation admits more legal immigrants and refugees than any other nation. However, unless Congress takes swift action to control the flow of illegal immigrants, the increased competition for jobs and the growing number of illegal workers, will likely spawn an outcry for the complete closure of our borders from the American people.

Mr. President there are four basic components which form the foundation of this legislation's efforts to halt the flow of illegal immigrants. In my judgment, each play an essential part in responding to the difficult challenge of immigration reform.

First, S. 1200 states that it is the sense of the Congress that the Immigration and Naturalization Service [INS] should increase its border patrol and other inspection and enforcement activities. Accordingly, the bill establishes the authority to increase funding for the INS by approximately $300 million in 1987 and 1988. The bill also increases penalties for bringing an alien into the United States, for the use and manufacture of counterfeit or altered entry documents and for the use and manufacture of false identification.

Second, the bill institutes employer sanctions for those employers who knowingly hire unauthorized aliens. Under current law it is not unlawful for an employer to hire an illegal alien. This fact, coupled with the fact that our Nation is the most prosperous and promising country in the world, creates a powerful magnet which draws poor, and often desperate individuals to cross our borders illegally in search of a means to support themselves and their families. These aliens are often subject to inhumane and oppressive treatment by unscrupulous employers who know full well that the worker will not report to law enforcement authorities any violations for fear of being deported.

Employer sanctions would place a civil fine of up to $2,000 per alien on an employer, of four or more persons, who knowingly hires an illegal alien. A second offense would bring a fine of up to $5,000 per illegal alien, and upon conviction of a third violation the fine could be as high as $10,000 per illegal alien. Additionally, the third offense would establish a pattern or practice of violations. Once a pattern or practice of violations has been established, any additional offense would bring a criminal penalty of up to $3,000 per alien, and imprisonment of up to 6 months.

The employer sanctions, however, would not go into full effect until 1 year after enactment of the bill. The first 6 months would be an "education period." Should an employer be found in violation during the second 6 months, he or she only would receive a warning, unless a warning had already been given earlier in the period.

With the imposition of penalties on employers, the availability of American jobs to illegal workers will drop significantly. Additionally, without the employment incentive, the numbers of persons seeking to immigrate illegally also will be reduced.

The third foundational component is closely related to employer sanctions. It provides a voluntary employer verification system. This system will establish an affirmative defense for an employer found to have employed an illegal worker after enactment of S. 1200. This is intended to protect employers who, after making a good faith effort to abide by the law, are found to have inadvertently hired illegal workers.

Under the system an employer must keep records on all newly hired employees which verifies that he or she had checked specified documents, such as a U.S. passport, certificate of U.S. citizenship, driver's license, or Social Security card, to determine the prospective employee's identity and work authorization status. If an employer chooses not to keep the verification records and is found to have employed an illegal alien, he or she is presumed to have knowingly hired the alien and must rebut the presumption with "clear and convincing evidence."

Finally, S. 1200 institutes a legalization program for certain illegal aliens already in the country. It does not grant legal status to all illegal aliens. Such an act would be far too burdensome to State and local governments and would send a dangerous signal to those considering entering this country illegally. Also, the legalization program does not make all forms of public assistance available to these newly legalized persons. S. 1200 does grant temporary legal status, not citizenship, to aliens who can prove they have resided continuously in the country since January 1, 1980.

There is an estimated 6 million undocumented aliens in our country. It is both impractical and unwise to attempt to round up these aliens and throw them out of the country. In parts of the United States such an attempt by the Federal Government would precipitate a near civil war, and would subject legal residents of foreign appearance to gross invasions of privacy.

Studies have shown that between 64 to 75 percent of all undocumented aliens pay Federal income taxes, and as many as 88 percent pay Social Security taxes. Eight years ago, a report by the Federal Government stated that undocumented aliens pay almost $6 billion a year in Federal, State, and local taxes. By setting the cutoff date at January 1, 1980, those aliens legalized will have been the ones who are holding jobs and producing identifiable benefits for their communities.

Mr. President, as I stated before, S. 1200 is not a perfect piece of legislation. There are aspects of the bill with which I am not completely comfortable. One specific concern, which I raised earlier in the debate, relates to our almost unconscious drift toward the establishment of a national ID card. I strenuously oppose creation of such a card and I believe that the vast majority of the American people do also. Such an ID card would be a gross invasion of privacy and a violation of the liberties secured to all citizens by the Constitution. Regardless of how legitimate the immediate need may be, such as immigration law enforcement, a national ID card, in the long run, could be used for appalling purposes.

During consideration of a similar immigration reform measure 2 years ago, I offered an amendment which granted Congress a legislative veto power over any Presidential proposal to implement a national ID card. This year, S. 1200 includes provisions which insures that Congress will have a role in any Presidential efforts to establish a national ID card. It also will enable the Congress to express disapproval for any minor change in an existing identification document.

Even though S. 1200 contained the above provisions, I still sought, and received, assurances from Senator SIMPSON, the chairman of the Subcommittee on Immigration and Refugee Policy, that it was neither the intention of Congress to establish a new national ID card nor to expand the use of the Social Security card for such purposes.

Let me address one final concern Mr. President, I realize many Senators expressed reservations about the adoption of an amendment, offered by Senator WILSON, establishing a more realistic foreign worker program for perishable agriculture. Because of the highly vulnerable nature of perishable crops, growers needed an alternative to the present H-2 Program. Unfortunately, the expanded H-2 Program in S. 1200 does not provide the flexibility necessary to respond to the rapidly changing labor needs of perishable growers.

Consequently, I supported Senator WILSON's amendment. The amendment was not what its opponents claimed. It would not have taken jobs away from American workers. Foreign workers would be given visas only if it was determined by the Attorney General, after consultation with the Secretaries of Labor and Agriculture, that there was not a sufficient number of qualified domestic workers available.

Further, the amendment required that the foreign workers be paid sufficient wages so as to not depress domestic rates. It obligated employers to provide housing, workman's compensation and afforded certain labor law protections to guest workers. Finally, Senator WILSON's amendment included certain provisions to insure that the foreign workers involved in the Guest Worker Program return to their countries when their visas expire.

Mr. President, again let me make it clear, I support S. 1200. I believe it represents a reasonable and effective response to bringing about the necessary reform of our Nation's outdated illegal immigration policy. Through increased enforcement activities, the removal of employment incentives, and a limited legalization program, our Nation will be better equipped to stem the flow of illegal immigrants across our borders and to respond to the problems and abuses which accompany the presence of a significant illegal population.

Thank you, Mr. President.

Mr. PELL. Mr. President, I am voting in favor of S. 1200, the Immigration Reform and Control Act of 1985, because I believe it represents a well reasoned approach to a national problem of growing proportions, a national problem which touches delicate nerve-endings of many aspects of our American life and beliefs.

This bill provides an approach to sanctions on those who knowingly hire illegal aliens that I believe is fair to business. By exempting small businesses with less than four or more employees and making the paperwork requirments on covered employers optional, S. 1200 is responsive to the legitimate hiring concerns of employers.

While I believe these provisions are fair to businesses, I am not so certain about the fairness of these provisions to foreign sounding and looking people. The potential for discrimination resulting from passage of S. 1200 poses a challenge to all proponents of immigration reform. As I vote in favor of final passage of this bill, I look forward to the hearings and continuing oversight on the issues of discrimination and proposed remedies that Senator SIMPSON has promised.

The legalization programs envisioned by this bill, while modest, should prevent stimulated immigration by making effective controls on immigration a prerequisite for a legalization program. As we deal with this pressing national problem, I believe a cautious approach to sensitive issues such as legalization is the wise course.

This legislation, as I have noted above, is not perfect, but given the nature and scope of the problem, perfect legislation is highly elusive if not altogether impossible. I do believe that this bill and the adopted amendments provide many protections to resident and prospective aliens, without sacrificing any protection for American jobs and laborers.

It is imperative that the Senate recognize that final passage of this bill does not end the immigration problem; rather, it merely begins a new process for dealing with this problem. We must continue to be vigilant in our monitoring of immigration to ensure control of our borders which is conceptually faithful to our democratic heritage. Fairness to the American people, employers, and the alien population must be the foundation upon which we proceed with these reforms.

Mr. BYRD. Mr. President, I wish to express my support of S. 1200, the Immigration Reform and Control Act of 1985. One particular provision in this bill involving the H-2, Temporary Foreign Worker Program, has a direct effect on the economy of the eastern panhandle of West Virginia. The $25 million fruit crop in the panhandle is harvested in large part by H-2 workers.

The H-2 Program is complex and cumbersome. It is designed to be difficult to work with, so that domestic workers are protected from the unlimited importation of cheap foreign labor. However, the history of the West Virginia fruit growers in the past years suggests to me that the H-2 Program is not being used by growers to displace domestic workers. For each of the past few years, there has been a shortage of domestic workers available to growers in the eastern panhandle of West Virginia at the beginning of the harvest.

In order to provide some relief to the growers without reducing the valid protection of domestic workers, I offered and had accepted an amendment to the immigration bills of the 97th and 98th Congresses that would modify the findings that the Secretary of Labor must make in order to issue a certification for growers to have access to temporary foreign workers.

The amendment language required a finding that a worker must be able, willing, qualified, and who will be available at the time and at the place needed to perform the labor for which H-2 workers are being requested.

I am pleased that the language of that amendment is contained in section 122 of S. 1200. This language removes an unfair burden from growers in West Virginia and other States who may use relatively small numbers of H-2 workers in agriculture, as it will streamline this program for temporary foreign workers and reduce a perennial barrier to the smooth operation of the harvest.

I want to commend the distinguished chairman of the Immigration Subcommittee, Senator SIMPSON, for his diligent, tireless, and painstaking efforts with respect to this legislation and his help and consideration of the special problems connected with the West Virginia fruit growers.

I also wish to commend Senator KENNEDY, manager of the bill on the Democratic side, for his hard work on this legislation.

Mr. LEVIN. Mr. President, I believe the Congress must do something to stop the flow of illegal immigration and I generally support the approach taken in this bill. During the 98th Congress I voted in favor of the immigration reform bill even though it did not include essential protections for those who may be discriminated against on the basis of national origin or alienage as a result of employer sanctions. However, I reserved judgment on how I would vote on the conference report in part because of the fact that it did not address the discrimination issue.

Today the Senate is again voting on a bill which does not provide any mechanism that will allow persons discriminated against as a result of employer sanctions to seek redress. However, the chairman of the Subcommittee on Immigration and the majority leader have assured me that the Senate will have a window to debate the issue of discrimination after a joint hearing on this subject is held and before any conference with the House on immigration reform.

Mr. President, I voted for the bill reluctantly in the absence of a discrimination provision during the 98th Congress and would have again, with the assurances I received that the Senate will separately consider the issue.

However, I cannot vote for S. 1200 because it has other serious flaws.

Under S. 1200, the Legalization Program will not go into effect until up to 3 years after employer sanctions begin. During this period those persons who will be eligible for legalization cannot be hired by employers and may be deported by the Immigration and Naturalization Service. Yesterday I offered an amendment to S. 1200 with Senator DECONCINI and others which would have allowed the narrow class of illegal aliens who will be eligible for legalization to work and to remain in the United States until the Legalization Program begins. That amendment was defeated. Unless we close the gap between employer sanctions and legalization by providing some interim, stopgap protection to persons who are eligible to become temporary residents under the bill, we are creating an inconsistency and a terrible anomaly.

I will vote against S. 1200 now with the hope that the conference report will adequately address the discrimination issue, will properly address the guest worker issue, and will close the gap in the bill which prohibits employers from hiring the same persons the Congress has decided should be legalized.

Mr. BINGAMAN. Mr. President, I commend the Senator from Wyoming for his diligence and leadership in attempting to craft a workable solution to the serious immigration problem that exists in this country. But I feel, after careful consideration, that the bill still does not meet the fundamental tests of fairness and effectiveness and I must reluctantly oppose it in its current form.

The seriousness of the immigration problem is not disputed. The committee report accompanying S. 1200 states that:

No other country in the world attracts potential migrants as strongly as the United States of America. No other country approaches the United States in the number of legal immigrants accepted or refugees permanently resettled. The committee believes that most Americans are proud of both the reputation and the history of this country as a land of opportunity and refuge. We believe that this reputation and this history have generally had a positive effect on America.

However, current U.S. immigration policy is no longer adequate to deal with modern conditions, including the growing immigration pressure on the United States. Immigration to the United States is "out of control" and it is perceived that way at all levels of Government and by the American people—indeed by people all over the world.

I agree with the statement of the committee—that immigration is out of control—and I, too, believe reform is imperative. However, I am very concerned with the approach taken in S. 1200 for several different reasons.

Therefore, I have cosponsored and supported those amendments that I feel would make the immigration bill a more equitable measure. Minority Americans, farmers, business owners and employers all have a stake in this legislation and I have tried to balance their concerns. Some important additions have been made to S. 1200. In particular, an amendment I cosponsored, would require the General Accounting Office to study the implementation of the employer sanctions to determine if a pattern of discrimination has resulted against prospective employees. Additionally, I am pleased the Senate passed an amendment I cosponsored to protect farmers against unreasonable and warrantless searches.

However, even in light of these improvements I am dismayed that the Senate failed to approve an amendment which would have provided an administrative procedure for redress of employment discrimination as a result of employer sanctions.

Of great concern to me, in particular, are the revisions in S. 1200 that rely on employer sanctions as a means of enforcing the law. This is of critical concern to New Mexico, where 36.6 percent of the residents are of Hispanic origin. They are loyal U.S. citizens who share the ethnicity of many present undocumented workers. In July several of my colleagues and I wrote to Senator SIMPSON requesting a hearing to explore the possible effect employer sanctions could have on those who "look foreign." I am pleased to say that he agreed to a joint Senate-House hearing on employer sanctions and discrimination for September 18. Such notables as former Civil Rights Commission Chairman Arthur Flemming, Chicago Mayor Harold Washington, Representative ROBERT GARCIA, and Richard Keatings, of the American Bar Association, among others, are scheduled to testify at this hearing. However, I regret we are voting on this bill without the benefit of that hearing record.

While there is serious concern about the impact of increased illegal immigration into this country, I believe it would be tragic to create a system which aggravates discrimination problems, and which submits American citizens and legal immigrants to indignities and suspicion because of their surnames or the color of their skin.

The reason for employer sanctions is to remove the economic incentive for illegal aliens to come to the United States for jobs. Sanctions exist today in Canada and a number of European countries. However, a General Accounting Office study of these programs reveals that they have not achieved their goal of reducing knowing employment of illegal aliens and I believe we must proceed carefully on this issue.

Also, of concern to me is the new triggering mechanism in S. 1200 to start legalization. This is certainly a step backward, for legalization will not occur immediately but must be delayed for as long as 3 years. My concern is that this will lead to "witch hunts" for illegal aliens that may occur during the interim—after enactment and before legalization period.

As a Senator from a State that shares a long border with Mexico, I feel that I have a good understanding of the problems that have resulted and will result if we continue to ignore the immigration problem.

The present bill does not adequately take into account some of the unique conditions that exist along the United States-Mexican border, the effect of our long-term relations with Mexico, or the impact on the eocnomy of the Southwest.

The border region between the United States and Mexico is unlike any other international boundary. There is a unique cultural and economic interdependence between the communities on both sides of the border. This interdependence, which benefits both Mexicans and Americans, requires the smooth flow of goods and people between the border cities. Of course this flow must be regulated according to the laws of both countries, but I am concerned that no serious analysis has been undertaken to assess the effect of this legislation on these border communities.

Another concern is how the economy of Mexico is likely to respond if this bill becomes law. We cannot ignore what happens in Mexico, as economic and political turbulence there will directly affect the United States. Thus, if an unintended result of this legislation was to push Mexico even further into economic crisis, the pressure on our southern border will become even greater than it is now.

We have also not adequately examined how this bill will effect our own economy, particularly in the Southwest. In some cities, like Los Angeles, there would be no apparel industry if it were not for workers from Mexico. In Houston almost one-third of all construction workers are undocumented—doing jobs that many Americans refuse to do. I am not suggesting that we rely on illegal workers to underpin our economy, but rather that we need to examine the true role these workers play in our economy, and to make sure that this legislation does not harm us in the long run. That is why I opposed establishing a new temporary worker program as proposed by Senator WILSON. I believe S. 1200 does provide some flexibility to address the needs of the perishable crop industry and that while further attention is needed to better assist this unique industry, the Wilson amendment is not the solution.

This legislation, without the Wilson amendment, recognized the needs of the perishable crop industry, making changes in the existing H-2 Program and creating a 3-year Agricultural Labor Transition Program. The Wilson amendment, however, creates a new, separate, and much larger Guest Worker Program for as many as 350,000 temporary, alien workers. I am extremely dubious of this new program because of its size and the uncertainty of its impact on the economy of the Southwest. As a result of its addition to the bill at this time, I have even greater concern over the fairness and impact of the immigration reform legislation. As a final compromise the Senate agreed, and I supported, a 3-year sunset of the Wilson Guest Workers Program, at which time the Congress will be forced to consider its impact. But I think it is still unacceptable.

In the long term we must also maintian better control of the border. I am seriously considering a plan to develop a border management agency that will help combat illegal activities along the border. Presently, law enforcement along the border is handled by at least three different Federal agencies: the Customs Bureau, the Immigration and Naturalization Service, and the Drug Enforcement Administration. The

border agency would combine many of these functions now performed by these separate agencies, thereby strengthening law enforcement along the border. The border management agency would also address the many other problems, such as water and boundary disputes, air and water quality, and health and sanitation.

I know the solution to our immediate immigration problem is a complex one, and although I cannot support the bill before us today I believe that we must not turn our backs on the problem. We must all search for the correct combination that balances the civil liberties of individuals and the interests of all Americans, while still taking into consideration the very real problems of the neighbor on our southern border.

Thank you, Mr. President.

Mr. SPECTER. Mr. President, I have a question with respect to the employer sanction provisions of this legislation. I understand the purpose of these provisions but I am concerned that they are very strict and do not differentiate between employers. I am concerned that there are a few employers, who because of unique and special circumstances that are characteristic of their activities and operations, may be subject to technical violations. I am thinking specifically of athletic teams.

I understand that some sports, such as hockey, must rely on aliens as well as Americans to be competitive. I know the leagues and clubs spend a substantial amount of time and effort each year in ensuring that their players receive proper work authorizations to play here. Nonetheless, I understand that they may be caught in technical violations because of procedures and requirements limited to them or because of administrative processes within the Department of Labor or INS in approving work visas.

I understand that teams hold training camps immediately prior to their regular season and, as with all sports, wait until the very last moment to cut or sign players in order to be sure that they have the best available. Since they cannot file for employee work visas until they have signed the players, this means that they must file for work visas with Labor or INS at the last moment in many cases. Unfortunately, since the regular season begins immediately after training camps and there may be a time lag in INS's actually issuing the visas, some clubs could be caught in technical violations. This "catch-22" type of situation may therefore subject them to employer sanctions.

I also understand that when a player is traded from one club to another, new work visas must be sought by the new club even though the player had been approved to play with the prior club. Inasmuch as these players are highly skilled and make substantial amounts of money, the new club may not be able to afford, and the fans may not appreciate, that player's sitting on the bench until his paperwork is routinely processed.

For these reasons, I understand that there may be technical violations on occasion with respect to professional sports even though they make a bona fide effort to comply.

I realize that there are very, very few industries that have such unique problems and my question only arises with respect to this one. How will this legislation impact on this situation?

Mr. SIMPSON. It is certainly not our intention to modify the discretion the Attorney General has exercised in the past to address such technical violations.

I understand that the Immigration Service traditionally handles H visas for athletes on a special case basis, and unless the athlete is otherwise inadmissible they are generally admitted despite the occasional delay in issuing the H visa.

I do not expect this to change with the enactment of the employer sanctions legislation.

Mr. DOMENICI. Mr. President, illegal immigration has attracted much attention in the past few years. It is estimated that there were between 3.5 and 6 million illegal aliens in the United States in 1978, and that figure allegedly grows at the rate of 250,000 a year, despite the fact that the United States takes in more legal immigrants and more refugees than the rest of the world combined. Approximately 60 percent of the illegal aliens in this country are from Mexico, and significant numbers of illegal aliens are from other Latin American and Caribbean nations. Yet, the Western Hemisphere is not the sole source of all our illegal aliens. In fact, individuals from 92 different nations were among the 1.2 million illegal aliens apprehended in the United States last year. The Border Patrol estimates that it captures half of the persons attempting to enter this country illegally, but many believe that figure to be too high.

While the precise scope of the problem may be unclear, it is clear that immigration reform is long overdue in this country. The security and stability of our country demands it, and the people demand it. According to a recent Time magazine poll, 75 percent of Americans want greater enforcement to stem illegal immigration and two-thirds want legal immigration reduced. We all agree that something needs to be done. T.H. White aptly described America's immigration situation:

> One starts with the obvious: That the United States has lost one of the cardinal attributes of sovereignty—it no longer controls its own borders. Its immigration laws are flouted by aliens and citizens alike, as no system of laws has been flouted since prohibition.

While there is a consensus that our immigration laws need reform, history and emotion add a complicating dimension. We are all descendants of immigrants. Americans have always been of two minds about immigration: the desire to close the golden door or at least hire a doorkeeper contradicts the Statue of Liberty's proud exhortation, "Give me your tired, your poor."

The immigration problem is a dilemma because it involves a number of very complex cultural, economic, social, and practical issues. There are competing interests, all of them worthy of consideration. In order to sort out all these interests and develop a comprehensive approach to immigration reform, President Carter established the President's Select Commission on Immigration and Refugee Policy. The Immigration Reform and Control Act of 1985, the bill now before us, is the product of extensive study and debate by the select commission, the Immigration Subcommittee, the Judiciary Committee, and prior Congresses. I want to compliment the Senator from Wyoming. His assignment was tough, and he has been laboring on this bill for years, literally. He deserves our thanks and respect for his tireless efforts on behalf of immigration reform.

The bill before us is the product of substantial compromise. It attempts to deal with the illegal immigration problem by imposing employer sanctions, by expanding the foreign agricultural worker programs, and by legalizing a significant number of the illegal aliens already in this country. I recognize that the legislative process is an exercise in compromise. The more competing interests involved regarding a piece of legislation, the more compromises result. Language is changed, provisions are deleted. In the case of the Immigration Reform and Control Act, the compromises have left us with a bill that I don't think can work.

As far as employer sanctions are concerned, I don't think that employers should be put in the position of protecting our borders from illegal entry. The provisions of the bill, while not mandatory, will in practice be unnecessarily burdensome on employers. More importantly, however, I don't think that employers should be subject to criminal penalties for hiring illegal aliens except in those instances where they have abused the workers. I also don't honestly see how the already understaffed and beleaguered Immigration and Naturalization Service can enforce employer sanctions in addition to its other duties.

The bill will also give the phony documents industry a boost. The stories about immigration kits consisting of forged identifcation documents are

true. Fake driver's licenses sell for $60 to $65 in Los Angeles. Doctored green cards go for $25 apiece. You can buy a Social Security card for as little as $5 dollars. You can be sure that the the market for these documents will be increased due to this bill, because new hires will be required by many employers to show them. The end result won't be a reduction in the employment of illegal aliens, but rather will be an increase in the number of illegal aliens working under phony documents.

I am also concerned about the discrimination that may result from the employer sanctions portion of this bill. Many employers may be hesitant to hire persons of various races, ethnic groups, or nationalities for fear of violating the law. The bill has no provision to protect against such discrimination, and I am not sure that any provision could be drafted that would protect the rights of minorities and at the same time protect the employment opportunities of American citizens.

As far as the amnesty provisions are concerned, I think they set a dangerous precedent. Every nation that has ever had an immigration amnesty has had great pressure to repeat the amnesty, and most have. Canada, has had several. The amnesty provision, therefore, will act as an inducement for persons to enter this country illegally so that they can take advantage of a future amnesty. I also have objections to persons being rewarded on a wholesale basis for violating the law. In addition, I think the amnesty provisions of this bill are unworkable from a practical administrative standpoint. I don't believe that the Immigration and Naturalization Service can properly screen millions of applicants for amnesty. The costs of legalization, amounting to at least $600 million a year for the first 3 years, cannot be justified in this period of fiscal restraint.

Although I cannot support the bill as presented to us today, there are many portions of this bill which I favor. The Seasonal Agricultural Worker Program established by Senator WILSON's amendment is one of those. I am not sure that the H-2 Program, even as streamlined in this bill, will work for the short harvest seasons in my State and throughout the West. Our employment patterns and farming practices are different from the East. Perhaps the streamlined H-2 Program is an adequate temporary labor program on the east coast, but it won't work for New Mexico farmers. We need a temporary worker program that acknowledges and meets the farmers' needs.

The Seasonal Worker Program meets the needs of perishable agriculture. It will operate as a safety valve to provide workers to the perishable crop industry in the country when there is an insufficient number of domestic workers available. By removing restraints on the free flow of workers from employer to employer and by allowing the market to determine the allocation of labor, we will better serve the needs of the growers of perishable crops and the consumers of those crops. This program protects domestic workers and provides decent wages and working conditions for foreign workers brought into this country. In addition, it provides guarantees that the workers admitted will return to their countries of origin when the work for which they were brought to this country is completed. Without such a program, the needs of the farmers in New Mexico and throughout the West would not be met.

I also support the prohibition of an adjustment to status for an individual who overstays his or her visa. There currently is a loophole in the law which allows a person to enter the country under a student or tourist visa and overstay the visa and then apply for permanent resident alien status. This backdoor method toward immigration flies in the face of the orderly process which the law imposes and is unfair to all those persons who comply with the law yet who are unable to immigrate because their nation's immigration quota is being eaten up by adjustments to status.

In addition, I am pleased that this bill was amended to prohibit officers of the Immigration and Naturalization Service from entering a ranch or farm to search for illegal aliens unless he has a properly executed search warrant. Current law requires the INS to obtain a warrant before entering any place of business, except where that place of business is a farm or ranch. It thus singles out ranches and farms as areas which the INS can search without a warrant. This amendment, which I cosponsored along with Senator MCCLURE, remedies an injustice in the current law and assures that farms and ranches will be treated the same as any other place of business by the INS. In doing so, it protects the rights of ranchers and farmers and their employees.

Finally, the provisions increasing funds for immigration enforcement and increasing penalties for immigration-related offenses are long overdue. Another provision on which I believe we all can agree is the requirement that the Immigration and Naturalization Service produce an internal efficiency report to highlight areas for improvement in agency functioning.

Yet, regardless of a number of beneficial provisions in the measure before us, I cannot support this bill. We must realistically face the fact we are not going to keep illegal aliens from entering our country by passing this bill. The issue is economic. As long as we have poverty in high proportions in the world, the illegal aliens are going to come. They will come in spite of employer sanctions or any other obstacle that we can put in their path. A job in the United States means surviving or not surviving economically to these people.

To put the problem in perspective, consider these facts. The population of the world will pass the 6 billion mark by the year 2000. Ninety percent of the babies in the coming years will be born in poor, underdeveloped countries. Our neighbor, Mexico, has one of the highest birth rates in the world. In 1982, Mexico had a population of 70 million. Its population is expected to grow to 116 million by the year 2000 and 174 million by 2025. Mexico currently has a per capita income of $2,000, as compared with a per capita income of $8,000 in the United States. Its unemployment rate fluctuates around 50 percent.

The incentive to come to the United States is obvious. The tide of job-seeking illegal aliens shows no sign of ebbing. Illegal immigration isn't going to disappear because of this bill. The problem will only get worse in the future.

Of course, we shouldn't throw up our arms in despair when faced with these facts. The solution to our illegal immigration problem must start with gaining control over our border with Mexico. Any control of the Mexican border will depend on some kind of cooperation with Mexico. This is a bilateral problem which demands a bilateral solution. Although this bill includes a provision which establishes a joint United States-Mexico commission to look at long-term solutions to the immigration problem, this provision is only a first step. In order to come to grips with this problem fully, we must work out solutions with Mexico. Immigration is an international issue. This should be an essential element in our immigration policy, yet is the missing element of the bill before us. As it has been presented to us, the Immigration Reform and Control Act fails to address the real problems of illegal immigration.

Hardly anything tugs at the conscience more severely than the relentless problem of illegal immigrants. The dilemma is whether this country can protect the resources of its own citizens while exercising humanity to our less fortunate neighbors. It is a very serious and complex problem. I am highly skeptical that this bill offers an acceptable answer. For the above reasons, I am voting against the bill.

Mr. HATCH. Mr. President, I commend Senator SIMPSON for his long and arduous work in a difficult and almost impossible task. He has given a great deal of time and energy to S. 1200 and has done a prodigious job

in attempting to pull together the various issues relating to immigration. No one can have been more dedicated and more sincere in seeking to create a bill which would be acceptable to the multiplicity of views on immigration issues.

Unfortunately, although I believe that the immigration bill has made a valiant attempt to resolve the basic issues of immigration control, I cannot support S. 1200 in its present form.

The immigration bill rests upon the twin pillars of employer sanctions and legalization. I share the view of the American Bar Association that the proponents of the bill have failed to demonstrate that employer sanctions will provide an effective mechanism to curb illegal immigration into the United States. I particularly feel that the threat of criminal sanctions, even though to be applied to a second offense, will have a detrimental effect on employment of agricultural workers. I have been told by a number of perishable crop growers and those involved in agricultural production that employer sanctions will have a discriminatory effect upon their hiring of farm workers. The presumption contained in S. 1200, that employers knowingly hired undocumented aliens found in their employment unless they keep records of the immigration status of their employees will have a discriminatory effect upon the very group that this bill is seeking to protect. Even those agricultural employers with less than four employees, knowing about civil and criminal sanctions in the immigration bill, will shy away from hiring foreign workers.

The burden placed upon prospective employers and the cost of administration to those same employers outweighs whatever positive effects might be obtained from the punitive aspects of the bill with respect to the reduction of illegal immigration.

Criminal sanctions are all the more unacceptable. There is a question of their enforceability. If they are not enforceable they will breed a disrespect and disdain for the law and the legal process. If they are vigorously and effectively enforced, the type of sanction is far too excessive for the violation that it is designed to prexent.

Finally, Mr. President, I believe that the presumption against employers who do not keep full and complete records, places a difficult and perhaps impossible burden upon the employers, who are certainly placed in a difficult legal position. And it is not altogether clear, that the civil presumption against noncomplying employers is legally valid.

The second pillar of the immigration bill, that of legalization, is another serious impediment to an effective approach to immigration. According to polls of recent years, the majority of Americans opposed a blanket legalization or amnesty program. More important, a large number of Hispanic citizens in the Southwest and West oppose a broad-based legalization, fearing strong competition in the marketplace, a potential loss of jobs, and a blot upon their status as valid and long-time U.S. citizens. How does one tell potential future illegals that this one-time only approach will be in fact one time only?

I am also concerned with the limitations and restrictions placed upon the Wilson amendment by the Simon amendment and its 3 year cap. There is no doubt in my mind that the growers of perishable crops are going to be much more cautious and prudent in their planting and production, and that the lack of flexibility for the long term in the production of perishable commodities will be injurious to that industry. It will hurt producers and, ultimately, will hurt consumers. The new version of the Wilson amendment will prevent the effective operation of a well-balanced immigration reform package.

Finally, I feel that the trigger mechanism for the legalization process has been greatly watered down and no longer provides an effective trigger by requiring an absolute diminution of illegal immigration into the United States. The working of the present trigger has been softened and its potential has been blurred. I am not sure that our borders will be secure at the time that anmesty comes into effect.

For all of these reasons, Mr. President, I regret that I must oppose final passage. I know how hard Senator SIMPSON has worked and I commend him and his excellent staff for it. But an unworkable bill is a bad bill, and in that case, I prefer no bill at all. I would hope that we could still begin again, perhaps in narrower scope and concentrating on more limited objectives, like beefing up the INS and our border security first, and then taking up these controversial measures at a later date in more piecemeal fashion.

I, therefore, am going to vote against S. 1200.

Mr. LEVIN. Mr. President, I voted against the Cranston motion because I believe that the only way out of the deficit dilemma is through a policy of shared sacrifice. If the committee adhere to the instructions contained in this motion, then it would be impossible to fashion that policy. The Chiles-Hollings budget plan which I supported earlier this year included a 6-month delay in Social Security COLA's. I was able to swallow that in the name of developing a policy of shared sacrifice. It would be inconsistent to now turn around and effectively rule out such votes in the future.

I agree with the goal of moving Social Security off budget. I believe that we should do it as soon as possible. However, if we are to leave ourselves room to pursue a deficit reduction strategy through shared sacrifice, then it might be difficult to, in effect, move up that date to this year.

Mr. LAUTENBERG. Mr. President, I am voting against passage of the immigration reform bill. I support immigration reform, but I am unable to support the provisions of the bill before us today. The issue of immigration reform has been before the Congress for a number of years. The public is concerned about the number of illegal immigrants entering this country. I think it is important to move forward in finding a solution to this problem. The House of Representatives will be considering its own version of immigration reform, based on the bill introduced by my colleague from New Jersey, the chairman of the Judiciary Committee, PETER RODINO. The Rodino bill is preferable to the Senate bill in several important respects. After the House acts on the Rodino bill, the two versions will have to be reconciled by a House-Senate conference committee. I look forward to examining the product of the conference when the time comes. I sincerely hope that the conference agreement will be an improvement over today's bill and a piece of legislation that I can support.

My concerns with S. 1200 include the delay in the implementation of the legalization process, the lack of adequate protection against employment discrimination, and the new Guestworker Program. A number of amendments were offered during the debate on this bill which would have dealt with some of these concerns and would have improved the bill, in my view. Unfortunately, these amendments were not approved. Without these improvements, I believe that the bill is unsatisfactory.

Mr. President, immigration reform requires the balancing of some very important considerations. Immigrants must not be allowed to enter this country illegally. Steps must be taken to reduce their incentive to come here. But in the process of controlling illegal immigration, new legislation must not create a new form of discrimination against people with a legitimate right to be in this country. Furthermore, if immigration reform is to include the benefit of legalization for people with a long and stable residency in this country, such a program should begin at the same time as penalties against employers who hire illegal aliens. The two parts of the program should begin operating simultaneously or the fairness of the entire plan is undermined.

I am voting against today's bill, but I hope that I will be able to support a more equitable compromise bill in the near future.

Mr. KERRY. Mr. President, I applaud the efforts of the Senator from Wyoming to achieve a comprehensive bill for reform of our immigration laws. I realize how difficult it is to put together a package which attempts to satisfy many different interest groups, and at the same time addresses the very real problems posed by a massive influx of immigrants into our society. I admire the dedication and persistence of my colleague from Wyoming, and I appreciate his efforts in this task.

However, having said that, I must add that I have serious reservations about this legislation in its current form. I am very mindful of the need for reform of our immigration laws, and I had very much hoped that a bill would emerge from our deliberations here which I could support without reservation. Regrettably, because of certain amendments which have been added to this legislation, particularly with regard to allowing a massive influx of "guest workers" which would create a reprise of the failed Bracero Program of an earlier era, I can no longer support this legislation in its current form.

I am also concerned that this bill, in its current form, perpetuates an injustice to aliens currently residing in this country who are eligible for legalization by saying to them, in effect, that you can live here and become eligible for legal status in 3 years, but you can't be legally hired in the meantime. This is an unfair result which we cannot in good conscience permit. For this reason, I supported the amendment of Senators LEVIN and DECONCINI, which would have corrected this unfair result, by allowing these people to continue to reside in the United States and continue to work until such time as they apply for legalization. I will continue to work for adoption of this provision.

Many undocumented aliens have been in this country for a number of years, and have families and children here. Many of them have come from countries where they suffered from political persecution, death squads, repression, and guerrilla warfare. In many cases, it would be impossible for these people to return to their homes. In addition, these are people who have come to this country seeking a better life, and have settled here and developed roots here. They have become productive members of our economy and our society, even without the benefit of U.S. citizenship. Surely we have not forgotten that we are, in the words of John F. Kennedy, "a nation of immigrants." It is therefore appropriate that we recognize the suffering that these people have endured, and the contributions that they have made, by legalizing their status in this country, and allowing them to enjoy the full benefits of U.S. citizenship. For this reason, I have supported the amendment of my distinguished colleague from Massachusetts, Senator KENNEDY, which would advance the cutoff date for legalization to January 1, 1981, and would eliminate the requirement for a legalization commission to study this problem. I congratulate Senator KENNEDY for the work that he has done on this issue. I agree with him that the time for studies of this issue has passed. The time for action is long overdue.

I am deeply concerned that this legislation may become a vehicle for discriminatory actions against Hispanic-Americans and other minority groups. For this reason, I have strongly supported Senator KENNEDY's efforts to strengthen the bill in this regard. The provisions which he has offered would ensure that this legislation would not promote discrimination, and that, if it does, the sanctions would be terminated after 3 years.

In addition, I have been pleased to cosponsor, with Senator SIMON and others, an amendment which would ensure that visitors to this country are not denied nonimmigrant visas because of their political beliefs. Under current law, a visitor to this country may be denied a temporary visa for any 1 of 33 reasons contained in the McCarran-Walters Act. This act is an outgrowth of the McCarthy era in our country. It is a national embarrassment, which has resulted in the exclusion of such distinguished literary figures as Graham Greene, Carlos Fuentes, and Gabriel Garcia Marquez. Mr. President, the fundamental difference between our system and that of other repressive regimes is that we enjoy freedom of thought and freedom of speech. Our society has benefited immeasurably from the free flow of ideas and information. We should be setting an example to the rest of the world of what a free society is. By removing the present ideological restrictions on visitors to this country, we send a message to the world about the kind of society we are. I might add that this amendment would continue to exclude those who would engage in terrorism, espionage, sabotage, criminal activity, or would be a threat to our national security. But at the same time it would say that no one will be excluded on the basis of his or her lawful political beliefs, activities, or associations. An open society makes us stronger, not weaker. For this reason, I strongly supported the amendment of my distinguished colleague from Illinois, and I regret that the Senate has not seen fit to act upon it.

I also supported the efforts of Senators HART and LEVIN to prevent discrimination on the basis of alienage. I commend Senators MCCLURE and DECONCINI for their efforts to protect the fourth amendment rights of those who work in the fields, by requiring that INS agents and others obtain a search warrant before entering the fields. All of these amendments strengthen this legislation, and make it more fair and equitable. I deeply regret that the Senate has chosen to pass an amendment expanding the "guest worker" provisions of this legislation.

This amendment allows expansion of the Foreign Guest Worker Program to unpredictable levels. Many Americans recall the Bracero Program which existed in this country from 1946 to 1964. It permitted nearly 500,000 Mexican nationals into this country to work in agriculture, and led to widespread abuse by employers. The current amendment would expand the current Guest Worker Program to nearly the scope of the Bracero Program, and would repeat the mistakes of that program.

With the changes I have outlined, I would feel free to give my wholehearted support to this legislation. Without them, I fear that we would do more harm than good. I support the effort to reform our immigration laws. But let us be sure that we do so in a manner that does justice to our Constitution, our American values, and our tradition as a nation of immigrants.

History has shown that, once an immigration law is enacted, Congress does not act again for many years. It is therefore imperative, when we are considering the subject of reform of our immigration laws, that we be sure to pass the very best bill we can, in order to correct the injustices that have been done in the past, and to ensure that they are not perpetuated into the future. I am very hopeful that many of the problems with this bill can be resolved in conference, and that a bill will then emerge which I can support wholeheartedly. But for now, I must reluctantly cast my vote against this legislation.

Mr. CRANSTON. Mr. President, it will come as no suprise to anyone in this body that I cannot and will not support this bill.

Like virtually every Member of this body, I am genuinely concerned about illegal immigration.

I do not approve of it.

I do not condone it.

I am very much against it.

If I thought for a minute that this bill would stop, or even significantly slow up, illegal immigration, I might swallow some of the deep concerns I have about the harmful side effects of this legislation. But this bill will not close our borders, nor will it bring from the limbo in which they live the millions of undocumented foreign nationals who are already here, either for legalization or for deportation.

What it will do is cost money, cause discrimination against foreign-born

and foreign-looking American citizens and legal resident aliens—especially Hispanics and Asians—impose new burdens on American businesses, take the very dangerous first step toward national identification cards and internal passports which is a very basic threat to the freedom of all American citizens, and, as amended, bring in waves of new, cheap foreign workers without adequate safeguards to protet American labor standards and those Amerians who are available to work these jobs.

I have great admiration for the sincerity and effort of my very good friends from Wyoming [Mr. SIMPSON] who has been laboring so long with this bill.

I know that he recognizes the very real problems that this legislation has and would correct them if he could. But he cannot.

The real problem is that this bill is full of internal inconsistencies.

There is no way to make the employer sanctions provisions more effective without increasing the burdens on employers and making the spectre of a national identification card and internal passport more ominous.

There is no way to make employer sanctions less burdensome and more discretionary with employers, without inviting more employment discrimination against Hispanics and Asians.

There is no way to close our borders even if we build a Berlin wall, or providing for its human equivalent in border guards. And if we attempted them, those alternatives would involve intolerable costs in both money and human freedom of movement, and would make a statement about America that the American people will not stand still for.

There is no way to make the legalization provisions of this bill just and attractive enough to cause long-time undocumented workers to risk their security by coming forward to apply, and still satisfy the xenophobic passions of those who have provided the demand for this legislation.

There is no way to acknowledge and provide Federal support for the real costs of this bill and still avoid a Presidential veto from a President who consistently believes that the Federal Government can incur costs and obligations without having to pay for them.

The dilemma of this bill is illustrated by the need the Senator from Wyoming felt the other day to resist my very minor amendment designed to make the legalization provisions of this bill work more fairly.

Having established a series of factual tests for an undocumented worker to qualify for legalization, the bill can be interpreted to restrict the kind of proof which may be offered to sustain the burden of proof which is imposed on an alien seeking legalization.

What would happen if we imposed similar restrictions on those charged with the burden of proof in our courts?

Don't just come in with credible proof, Mr. President, such as rent receipts, affidavits of witnesses, or other documentation. Only employment records will do, regardless of the facts.

What would happen is what will happen here. Some people who are entitled to carry their judicial burden would be denied justice, because they lacked the right kind of proof.

And why, Mr. President?

Because of fear: Fear of falsified documents. Fear that the system is unable to detect cheating. Fear of legalizing someone who meets all the usual tests for legal immigration, but does not have employment records demonstrating his continuous residence in the United States. Fear of antagonizing those who want to deport all the undocumented, and perhaps all the legal resident aliens as well.

I know that my good friend from Wyoming genuinely believes that passing this unworkable bill is necessary to give the Congress something symbolic with which to stifle those passions, because if they are not stifled, they will intensify, and what we are asked to do next time to rid ourselves of foreigners—aliens—will be even worse than what this bill will do.

I do not believe that waving this unworkable symbol of immigration reform will stifle those passions or persuade anyone that we have achieved genuine reform.

This bill may or may not stifle those passions for a time, if it ever works its way through both Houses in the same form. But it will not deter illegal immigration, it will not reform our immigration laws, and it will cause a great deal of injustice and discrimination along the way.

I will vote no on final passage.

Mr. DIXON. Mr. President, I rise in reluctant opposition to final passage of S. 1200. I say "reluctant" opposition because I think there are many worthwhile sections of the bill—for example, the authorizations for INS border patrol and enforcement, the creation of a new criminal offense for bringing an alien to the United States; penalties against individuals who knowingly hire an alien who is not authorized for such employment.

These and other provisions are workable and fair mechanisms for the United States to regain control of our borders and to overhaul our immigration laws. Many of these provisions were also contained in S. 2222 and S. 529, from the 97th and 98th Congresses, and accordingly, I voted for final passage of both prior bills. Unfortunately, I fear S. 1200 goes too far, and actually contains provisions which may adversely affect Hispanic-Americans and other minority groups.

The major difference between S. 2222 and S. 529, on the one hand, and S. 1200, on the other hand, is that the former legislation authorized legalization of undocumented workers shortly after enactment, but S. 1200 postpones legalization as much as 3 years following the President's signature.

A 3 year difference is a long, long time, Mr. President. In light of the fact that the past proposals adopted concurrent programs for employer sanctions and legalization, this year's legislation represents a distinct departure from past efforts. S. 1200 puts in place enforcement mechanisms, but delays substantially the amnesty program which has been so central to past legislative remedies.

Let me just say in conclusion, Mr. President, I have voted for immigration reform twice. I believe there is a serious immigration problem in this Nation that needs to be addressed, but this time the proposed remedy is fatally flawed. If the Senate bill passes, as I fully expect that it will, and the House completes action on its version, I hope the conference committee will send back a better bill. If the conferees send back a bill with a provision like the one offered by Senator Kennedy to move forward the legalization program and provide for contemporaneous progress on sanctions and amnesty, then I will have no qualms about voting for it. Until then, I must vote reluctantly against S. 1200.

Mr. DOLE. Mr. President, this marks the third time we have voted on major immigration reform over the past 5 years. In 1982, we passed the bill, S. 2222, by a vote of 80 to 19. In the first session of the last Congress, we passed the bill, S. 529, by a vote of 76 to 18. I anticipate today's vote will be similarly lopsided.

Despite the broad, longstanding consensus that exists in the Senate for revamping our immigration laws, we have as yet been unable to reach agreement with the other body and send a bill to the President for his signature. I am optimistic that in this Congress, we will succeed. I trust that the Senate's articulate, effective, and hardworking chief advocate for immigration reform, the distinguished assistant majority leader, knows he will have my full support in that endeavor.

Immigration reform does not represent a turning away from our country's long tradition as a land of immigrants. This Nation will always welcome the tired, hungry, and poor of other nations. We deeply value our ethnic diversity, believing the rich blend of cultural values strengthens and unifies us as a nation.

At the same time, we must be realistic. If we lose control over our borders, the national attitude of welcome for those of other countries could turn to fear and resentment. And we are be-

ginning to lose control over our borders. Though it is difficult to obtain an accurate count of illegal immigation, most studies and indicators demonstrate that it is dramatically on the rise. For instance, one measure—the number of illegal residents apprehended—has grown from 100,000 in 1965 to its current level of over 1 million per year. In 1978, the Select Commission on Immigration estimated there were 3.5 to 6 million illegal aliens in this country. And whatever the number currently is, it surely has gone much higher. Immigration control laws—written decades ago—are proving inadequate to deal with the influx. To avert a potential crisis for our children and grandchildren, we must deal effectively with the problem now.

Moreover, this is not just a problem reflected in cold statistical analyses of population trends, employment rates, and wage disparities between various nations. It is also a human problem—a tragedy of men, women, and children coming to this country in illegal secrecy—people who search for a new and better way of life, only to find themselves destitute, working in low-paying jobs and living under poor housing conditions. They also live in fear—fear of being caught and sent back to their homelands—and their fear deters them from complaining to authorities about exploitation and abuse. It also keeps them from seeking redress in the criminal justice system when they are victimized by crime, or seeking public services they need, such as health care.

S. 1200 takes a humane approach toward solving our immigration problems by placing the emphasis on penalizing those employers who would knowingly hire illegal aliens, while offering to illegal aliens who have been living in this country for many years, and contributing to our society, the chance to become legal residents, with the opportunity of fully experiencing the benefits and opportunities offered by this great Nation. It is well-constructed and carefully balanced legislation—the product of years of discussion and debate over a highly complex, emotional issue. Though not everyone may agree with each of the bills provisions, taken as a whole, it is good, sound legislation, which deserves broad-based support.

Mr. President, in conclusion, I would like to pay tribute to Senator SIMPSON for all the work he has put into this bill—for his patience and tenacity in guiding it through the Senate, and, in general, for keeping this important issue on the front burner of the Nation's agenda. I don't know if we will have a new immigration law in the 99th Congress, but I do know that if we fail, it won't be for lack of effort on the part of the distinguished Senator from Wyoming.

I would also like to thank Senator KENNEDY, the manager for the minority. I know he does not agree with many of the bill's provisions, but he has been most cooperative and helpful in facilitating its orderly consideration.

Finally, I would like to thank all the other Senators who have devoted substantial amounts of time to this measure including the chairman of the committee, Senator THURMOND, and Senators GRASSLEY, HATCH, HEFLIN, and SIMON.

Mr. KENNEDY. Mr. President, I will just take one moment of the Senate's time.

I again commend the distinguished Senator from Wyoming for an extraordinary effort over the period of the last 5 years on this issue. The Senate has visited this issue on three occasions. I feel that in the course of the hearings and the conduct of the Judiciary Committee and again in his actions in considering various amendments before this body, he has demonstrated a deep awareness of the issues, a deep dedication to the purposes for which this legislation was fashioned.

Equally important, he has shown extraordinary patience and perseverance.

It has been a pleasure for me to work with him. Regrettably, I cannot support the legislation for the reasons I have outlined during the course of our debate.

The inclusion of the massive guest worker program and the failure of implementing legalization together with sanctions makes it an unfair approach.

Mr. President, I favor and support genuine immigration reform, and I will continue to work closely with Senator SIMPSON to achieve the reforms we all seek. But this bill is fundamentally flawed. We have thrown out the window genuine immigration control when we open the door to a massive, 350,000 foreign worker program—even for 3 years—which is on top of the already expanded temporary worker provisions contained in the bill.

This bill is becoming a growers bill, not an immigration reform bill. It is a welfare program, a Federal subsidy, for the growers.

We have also retreated on the legalization program that the Senate has supported twice in the past—and voted by the House last year—and agreed to in conference last October by the sponsor of this bill. We are retreating from the one, small benefit this bill holds out to the Hispanic community—to deal humanely with the problem of those undocumented aliens already living and contributing to our society, especially as we launch new enforcement programs and employer sanctions. They were supposed to go hand-in-hand; now they are separated.

Mr. President, a large number of organizations have now expressed their strong opposition to this bill in its current form—organizations that have a long history of supporting immigration reform and working with immigrants. I would like to share some of their statements with my colleagues, and ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES CATHOLIC CONFERENCE,
Washington, DC, September 17, 1985.

DEAR SENATOR: The Immigration Reform and Control Act of 1985, S. 1200, currently before you for consideration and final vote is incomplete and therefore not yet acceptable to the United States Catholic Conference (USCC).

USCC's concern centers on the failure of S. 1200 to provide adequate and sufficient relief for the undocumented workers in our country. It no longer presents a balanced solution which would allow the Church to "tolerate" the establishment of employer sanctions, with strong controls against increased discrimination and potential abuse of identification systems. I say tolerate because the sanctions solution is unsure, indeed as even admitted in the present legislation. The limited legalization program proposal depends on verification of "the substantial elimination of employment of unauthorized aliens" by a Legalization Commission. There is no specification of a start date, which in fact may never be a reality. This is a faulty proposal. The conditions under which we previously were willing to accept sanctions (a generous amnesty program and strong controls to prevent discrimination in employment) are not present in this bill.

Another weakness in S. 1200 is its treatment of the issue of temporary workers. Our position on the use of temporary workers is based on the Church's concern for the basic human and workers' rights which are so easily abused in temporary workers' programs. The current proposals do not sufficently address these issues and if these basic concerns cannot be addressed by enforceable laws for the protection of these migrant workers, a temporary worker program according to the present proposals or a transitional program (unless it means to bring a real end to the temporary worker program) could not be acceptable to the United States Catholic Conference.

Therefore, we urge you to vote against the passage of S. 1200.

Sincerely yours.

DANIEL F. HOYE,
Rev. Msgr. Daniel F. Hoye,
Secretary General.

NATIONAL COUNCIL OF LA RAZA,
Washington, DC, September 19, 1985.

Hon. EDWARD KENNEDY,
Russell Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The National Council of La Raza has long followed debate over how best to reform our nation's immigration policy. It now appears likely that the Senate will soon vote on the Immigration Control and Reform Act of 1985 (S.1200). Based on our experience with this highly complex issue, and out of concern for Hispanics in this country, we consider S. 1200 a fundamentally flawed proposal. We urge you to vote "no" on final passage, and ask that you consider the following:

(1) S. 1200 regresses from last fall's House-Senate compromise on legalization, by delaying implementation for up to three years. As you and several other Senators have noted, it is likely that many persons who in fact would be eligible for legalization will be deported before the program begins.

(2) S. 1200 regresses from the House-Senate compromise on employer sanctions, by eliminating uniform verification requirements, and by omitting a system of protections against discrimination. Further, although you and 10 other Senators formally requested that a hearing on the discrimination issue take place before consideration of S. 1200, no such hearing took place. We have enclosed materials documenting sanctions-related employment discrimination for your review.

(3) S. 1200 regresses from Conference on guestworker programs, by providing the expansion of current H-2 programs, and a transitional labor program, and a separate, extremely large program for growers of perishable crops. This "Immigration control" bill could import one-half million guestworkers in a single year. We have attached a flyer on guestworkers for your review.

S. 1200 represents a completely different proposal than others considered by the Senate in past years. Because of its serious flaws, S. 1200's passage would mark a low point in recent Senate immigration policy history, and would greatly reduce the chances that the House-Senate compromise required to achieve long-needed reform in this area will be reached.

Sincerely,

RAUL YZAGUIRRE,
President.

Mr. KENNEDY. Mr. President, I also ask unanimous consent that an excellent analysis of the potential impact of the Wilson amendment, now unfortunately included in this bill, prepared today by Dolores Huerta of the United Farm Workers be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SIMPSON BILL WITH WILSON AMENDMENT

FORCE LOCAL DOMESTIC FARM WORKERS TO THE WELFARE ROLLS

This measure will cause the massive displacement of local farmworkers especially those in Texas and Florida which have been hit with massive unemployment because of the recent freezes. These workers will be forced to go on the welfare rolls for food and medical services, thereby placing a burden on the taxpayers, as was the experience during the last bracero period. Farmworkers who usually migrate—will find their jobs taken by the time they get there.

IMPACT ON LOCAL SMALL BUSINESSMEN

Further suffer loss of revenues—lose business because workers receive lower wages—less money to spend—foreign workers send money abroad—do not spend it in U.S.

PROPORTIONAL INCREASE OF UNDOCUMENTED WORKERS TO "GUESTWORKERS"

Studies taken during the previous bracero program showed the numerical proportional increase in the numbers and deportations of undocumented workers increased proportionately with the number of "bracero" workers brought into the United States under Public Law 78. In other words, the "bracero" program did not stop the numbers of undocumented workers into the United States, it actually increased it. Workers from other countries are much sophisticated now and will continue to come in, especially since the currency devaluation in Mexico is now 375 pesos to one dollar as against 12 to one as as it was in the 50's.

UNIONIZATION OF FARM WORKERS

Unionization of farm workers was not possible until Bracero program ended. At present, farm workers covered by United Farm Workers AFL-CIO collective bargaining agreements including toilets, decent housing, full medical coverage, and adequate wages—they do not live in holes—in the ground.

The Simpson Bill will make the unionization of farm workers impossible.

Under Public Law 78—the bracero program—an agreement between Mexico and the United States, to import temporary agricultural workers, in addition to having his living conditions written into the agreement, the Mexican agricultural worker or "bracero" was given the right of representation by the Mexican government in cases of abuse by the employer and in addition have the right of choosing any other representative.

In spite of these protections, there were massive, wide scale abuses.

1. Workers were housed in miserable conditions.

2. Workers were not fed adequately.

3. Injured workers were shipped to Mexico without medical care.

4. They were overcharged for basic necessities so at the end of their pay period, they owed the company store all of their wages.

5. They were not given toilets, cold drinking water, handwashing facilities, or rest periods.

6. Many were killed because they were transported in unsafe vehicles, buses, etc., or put to do work on machinery that they did not know how to operate, or given unsafe equipment to operate.

In addition to the inhuman exploitation of the foreign workers, local domestic farmworkers suffered proportionately.

1. They were discriminated and refused employment. (The state director of the farm placement agency in California was fired after it was proven that the State agency was in conspiracy with the local farmers to refuse employment to domestic workers.)

This occurred even though Public Law 78 had a strong provision for domestic recruitment of local farm workers, which the Simpson Bill does not have. Also the Department of Labor had to certify that there was a domestic labor shortage.

The wages between agricultural workers and industrial workers widened enormously after the bracero program went into effect.

Imperial Valley—Construction workers went to $1.94 in 1952; Farm workers, $.70 cents.

San Joaquin Valley—Electricians, $3.75; Farmworkers, $.90 cents.

Farmworkers are now generally underpaid. The movement upwards of wages that has come thru the unionization of farmworkers will be reversed. Agricultural employers are now refusing to sign labor agreements because they are anticipating the availability of cheap "captive" labor.

DEPORTATION AND BLACKLISTING

Foreign workers who complained about their situation to the employers were immediately sent to the association and deported. The same and worse will happen under the Simpson bill. Undocumented workers who do not like their conditions now are free to move. Under this new system, as all workers have to be identified, they would be blacklisted.

LABOR CONTRACTORS BECAME WEALTHY

The associations that were certified to use "bracero" rented the workers to other associations that had not been certified so the "rent a slave" system was prevalent. In addition the workers were so underpaid, that many became wealthy because the workers were not paid.

SLAVERY

Many instances of slavery were reported where workers were not paid anything except their food, and oftentimes that was inadequate to keep them nourished so they could work. Cases of slavery in agriculture are still being reported so it seems that employers will find it easier to try this if they can get away with it.

Farmworkers work in rural areas. They are miles from the nearest town. In many areas of rural America, there unfortunately still exists vestiges of racism. Workers will be without any type of protections from abuse. The agricultural community has demonstrated that it is not really socially mature enough to be given captive workers. Their recent opposition to having agricultural workers given toilets, the most basic human need, gives a strong representation that they still do not consider their farm workers as human.

Mr. KENNEDY. Finally, Mr. President, I want to draw to the attention of the Senate an extraordinary disaster which occurred to our good neighbor to the south, Mexico. One of the severest earthquakes recorded in the history of the world has just occurred. Communications with Mexico City have been interrupted since noon today. There have been reports that up to 35 percent of all the buildings in Mexico City have been destroyed or damaged, with the attendant loss of thousands of lives.

At the conclusion of this legislation, we will introduce a resolution on behalf of the chairman of the Foreign Relations Committee, the majority leader, the chairman of the Immigration Subcommittee, Senator SIMPSON, myself, hopefully the Senator from Rhode Island, the ranking member of the Foreign Relations Committee, and the distinguished leader of the Democrats, Mr. BYRD, which will express our sense about this disaster and urge our Government to work in every way possible to help relieve the pain and suffering of our good friend and neighbor.

I thank the Chair.

Mr. WILSON. Mr. President, I will take but a few minutes of the Senate's time. Through the long course of the debate on this measure, the Senator from Wyoming and I have had I think a spirited exchange of views. We have covered a great deal of ground.

Earlier he had expressed the expectation that I would vote, as I have voted before, against final passage of this measure. I have come to a differ-

ent conclusion, Mr. President. It is not simply because the bill as it leaves the Senate at this time will contain several amendments which I think improve it, not only my own but the requirement that there be more than a review with respect to the possible prejudicial aspect of our employer sanctions.

But, Mr. President, the basic fact is it has been almost 2 years since the Senate last voted on this measure. During that period of time illegal immigration has increased. It has grown worse. I do not know that what we pass today will in fact be able to stem more than 10 or 25 percent of the massive illegal immigration which besets this Nation. But I do know that there is virtually no alternative being offered by anyone else other than the Senator from Wyoming.

Yes; I have spoken in the past of the need for an economy in Mexico that could employ its people. Well, Mr. President, that could perhaps require half a century and a cooperation of the kind that has not yet been forthcoming. So I hope this measure will exceed my expectations. At the very least, the American people are clamoring for a response. If this response proves not to be the right one or an inadequate one, then we will come to grips, I hope, with a very bitter reality that more desperate measures are required.

Let up hope that we will not. Let us hope that this measure will pass not just the Senate but the House of Representatives and go to the President's desk for signature. Let us hope that all of the expectations of the Senator from Wyoming will be met. It addresses a very real problem. For that reason, I think it deserves our support.

I thank the Senator from Wyoming for extraordinary leadership and fairness in his conduct of this measure.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank the Senator from California for his moving remarks and for his support of the bill. He has been an extraordinary participant.

I thank Senator KENNEDY, the ranking member of the committee, Senator SIMON, Senator HEINZ, and Senator CRANSTON for their willingness to take the Social Security issue to a new place.

Mr. President, before the final vote on S. 1200, I would like to make a few concluding remarks.

First, I want to say to my colleagues that this bill shows that a subject which is so difficult in its moral implications and so complex in the interaction of its numerous aspects can still be dealt with fairly and openly—allowing all points of view full access to the public forum of the hearing process as well as private contact with principals and staff. It shows that such a subject can be dealt with in a way which balances the very real needs of many interest groups in this country—business, labor, heavily impacted State and local governments, and many others—keeping paramount the fundamental obligation of all Members of Congress, to serve the interests of the American people as a whole and their descendants.

Mr. President, S. 1200 contains, most importantly, provisions intended to reduce the problem of illegal immigration. I say "most importantly" since the potential benefits and protections of even the most carefully designed statutory standards for determining who may enter the United States, as well as for how long and under what conditions they may remain, will not be available in practice if those statutory standards cannot be enforced.

Mr. President, the American people want reform. Poll after poll discloses that the American people overwhelmingly wish to see illegal immigration brought under control. Why is that? In these past several years, I have been involved in the discovery of the significance of this fact, and I have learned that the concern of the American people is well founded.

In my supplemental statement to the final report of the Select Commission on Immigration and Refugee Policy, in my statements to this body over the past 3 years, and elsewhere, I have attempted to discuss the problems which must be solved. S. 1200 is the proposed solution. It is the product of so many, many persons over the past 6 years—of all the faiths and philosophies.

Mr. President, there can be no perfect immigration reform bill. We saw that. We know that. There are so many conflicting interests—special interests conflicting with the national interest and with each other as well—that it would truly take a miracle of a kind we mortals are unwise to hope for to accomplish and achieve a perfect balance.

I do earnestly hope that my colleagues will believe, however, that I have done my very damndest to follow a procedure which provided the best possible chance to produce a bill that will serve the interests of our beloved land and hear every view—that will serve not only the interest of some or even all of the generation now making decisions for America, but the interests of their children and their children's children—and that will serve not only their economic interests but all of the many and varied interests which are part of what determines the well-being of real live human beings—citizens and those not so blessed.

So let me admit, Mr. President, that we have not achieved perfection here and that neither will we achieve perfection in the conference. But I think we have done well. I remain proud of the effort and I believe that all those who have participated in drafting and amending and improving it should feel proud.

Mr. President, I will conclude by saying to my colleagues that I truly believe that S. 1200 deserves their support—and not because of the work or effort, or time expended to reach this point. I ask them to support this bill if they agree with me that it is a balanced, well-intended and painstakingly crafted proposal which, if enacted into law, will promote the best interests of the United States of America. I hope that none of my colleagues will withhold his or her support—unless he or she believes that S. 1200 does not promote the national interest, that it is reasonable to expect that a different and better bill could be passed in the foreseeable future.

That is where we are.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is necessarily absent.

The PRESDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 191 Leg.]

YEAS—69

Abdnor	Gorton	Nickles
Andrews	Grassley	Nunn
Baucus	Harkin	Packwood
Bentsen	Hatfield	Pell
Boren	Hawkins	Pressler
Boschwitz	Hecht	Proxmire
Bumpers	Heinz	Quayle
Byrd	Hollings	Rockefeller
Chafee	Johnston	Roth
Chiles	Kassebaum	Rudman
Cochran	Kasten	Sarbanes
D'Amato	Laxalt	Sasser
Danforth	Leahy	Simpson
Denton	Long	Specter
Dodd	Lugar	Stafford
Dole	Mathias	Stennis
Durenberger	Matsunaga	Stevens
Eagleton	Mattingly	Thurmond
Evans	McConnell	Trible
Exon	Melcher	Wallop
Ford	Metzenbaum	Warner
Glenn	Moynihan	Weicker
Gore	Murkowski	Wilson

NAYS—30

Armstrong	Garn	Kerry
Biden	Goldwater	Lautenberg
Bingaman	Gramm	Levin
Bradley	Hart	McClure
Burdick	Hatch	Mitchell
Cohen	Heflin	Pryor
Cranston	Helms	Riegle
DeConcini	Humphrey	Simon
Dixon	Inouye	Symms
Domenici	Kennedy	Zorinsky

NOT VOTING—1

East

So the bill, as amended, was passed, as follows:

S. 1200

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Immigration Reform and Control Act of 1985".

(b) AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Except as otherwise specifically provided in this Act, whenever in this Act an amendment or repeal is expressed as an amendment to, or repeal of, a provision, the reference shall be deemed to be made to the Immigration and Nationality Act.

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TITLE III—OTHER CHANGES IN THE IMMIGRATION LAW

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Sec. 303. G-IV special immigrants.
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Sec. 501. Commission.

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Sec. 602. Sense of the Senate regarding ethanol imports.
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TITLE I—CONTROL OF ILLEGAL IMMIGRATION

PART A—FUNDING FOR IMPROVED ENFORCEMENT

SEC. 101. AUTHORIZATION OF APPROPRIATIONS FOR ENFORCEMENT AND SERVICE ACTIVITIES OF THE IMMIGRATION AND NATURALIZATION SERVICE AND WAGE AND HOUR ENFORCEMENT.

(a) TWO ESSENTIAL ELEMENTS.—It is the sense of Congress that two essential elements of the program of immigration control established by this Act are—

(1) an increase in the border patrol and other inspection and enforcement activities of the Immigration and Naturalization Service and of other appropriate Federal agencies in order to prevent and deter the illegal entry of aliens into the United States and the violation of the terms of their entry, and

(2) an increase in examinations and other service activities of the Immigration and Naturalization Service and other appropriate Federal agencies in order to ensure prompt and efficient adjudication of petitions and applications provided for under the Immigration and Nationality Act.

(b) INCREASED AUTHORIZATION OF APPROPRIATIONS FOR INS.—Section 404 (8 U.S.C. 1101 note) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 404. (a) There are authorized to be appropriated to the Department of Justice for the Immigration and Naturalization Service—

"(1) for fiscal year 1987, $840,000,000, and

"(2) for fiscal year 1988, $830,000,000.".

(c) SENSE OF CONGRESS REGARDING ENFORCEMENT OF THE IMMIGRATION LAWS.—It is the sense of the Congress that—

(1) the immigration laws of the United States should be enforced vigorously and uniformly, and

(2) in the enforcement of such laws, the Attorney General should take due and deliberate actions necessary to safeguard the constitutional rights, personal safety, and human dignity of United States citizens and aliens.

(d) SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR WAGE AND HOUR ENFORCEMENT.—There are authorized to be appropriated, in addition to such sums as may be available for such purposes, such sums as may be necessary to the Department of Labor for enforcement activities of the Wage and Hour Division and the Office of Federal Contract Compliance Programs within the Employment Standards Administration of the Department in order to deter the employment of unauthorized aliens and remove the economic incentive for employers to exploit and use such aliens.

PART B—INCREASED PENALTIES FOR IMMIGRATION-RELATED VIOLATIONS

SEC. 111. UNLAWFUL TRANSPORTATION OF ALIENS TO THE UNITED STATES.

(a) CRIMINAL PENALTIES.—Subsection (a) of section 274 (8 U.S.C. 1324) is amended to read as follows:

"(a) CRIMINAL PENALTIES.—

"(1) Any person who—

"(A) knowing or in reckless disregard of the fact that a person is an alien, brings to or attempts to bring to the United States in any manner whatsoever such person at a place other than a designated port of entry or place other than as designated by the Commissioner, regardless of whether such alien has received prior official authorization to come to, enter, or reside in the United States and regardless of any future official action which may be taken with respect to such alien;

"(B) knowing or in reckless disregard of the fact that an alien has come to, entered, or remains in the United States in violation of law, transports, or moves or attempts to transport or move such alien within the United States by means of transportation or otherwise, in furtherance of such violation of law; or

"(C) knowing or in reckless disregard of the fact that an alien has come to, entered, or remains in the United States in violation of law, conceals, harbors, or shields from detection, or attempts to conceal, harbor, or shield from detection, such alien in any place, including any building or any means of transportation; or

"(D) encourages or induces an alien to come to, enter, or reside in the United States, knowing or in reckless disregard of the fact that such coming to, entry, or residence is or will be in violation of law,

shall be fined, imprisoned not more than five years, or both, for each alien in respect to whom any violation of this subsection occurs. For the purposes of subparagraph (C) of this paragraph, employment (including the usual and normal practices incident to employment) by itself does not constitute harboring.

"(2) Any person who, knowing or in reckless disregard of the fact that an alien has not received prior official authorization to come to, enter, or reside in the United States, brings to or attempts to bring to the United States in any manner whatsoever, such alien, regardless of any official action which may later be taken with respect to such alien shall, for each transaction constituting a violation of this subsection, regardless of the number of aliens involved—

"(A) be fined, or imprisoned not more than one year, or both; or

"(B) in the case of—

"(i) a second or subsequent offense,

"(ii) an offense done for the purpose of commercial advantage or private financial gain,

"(iii) an offense in which the alien is not upon arrival immediately brought and presented to an appropriate immigration officer at a designated port of entry,

"(iv) an offense during which either the offender or the alien with the knowledge of the offender makes any false or misleading statement or engages in any act or conduct intended to mislead any officer, agent or employer of the United States,

be fined, or imprisoned not more than five years, or both.".

(b) MISCELLANEOUS AMENDMENTS TO SEIZURE AND FORFEITURE PROCEDURES.—Subsection (b) of such section is amended—

(1) in paragraph (1) before subparagraph (A) by striking out "is used" and inserting in lieu thereof "has been or is being used",

(2) by striking out "subject to seizure and" in paragraph (1) and inserting in lieu thereof "seized and subject to",

(3) by inserting "or is being" after "has been" in paragraph (2),

(4) by striking out "conveyances" in paragraph (3) and inserting in lieu thereof "property",

(5) by inserting ", or the Federal Maritime Commission if appropriate under section 203(i) of the Federal Property and Administrative Services Act of 1949," in paragraph (4)(C) after "General Services Administration",

(6) in paragraph (4)—

(A) by striking out "or" at the end of subparagraph (B),

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or", and

(C) by inserting after such subparagraph the following new subparagraph:

"(D) dispose of the conveyance in accordance with the terms and conditions of any petition of remission or mitigation of forfeiture granted by the Attorney General.";

(7) by striking out ": *Provided*, That" in paragraph (5) and inserting in lieu thereof ", except that",

(8) by striking out "was not lawfully entitled to enter, or reside within, the United States" in paragraph (5) and inserting in lieu thereof "had not received prior official authorization to come to, enter, or reside in the United States or that such alien had come to, entered, or remained in the United States in violation of law" each place it appears, and

(9) by inserting "or of the Department of State" in paragraph (5)(B) after "Service".

SEC. 112. FRAUD AND MISUSE OF CERTAIN IMMIGRATION-RELATED DOCUMENTS.

(a) APPLICATION TO ADDITIONAL DOCUMENTS.—Section 1546 of title 18, United States Code, is amended—

(1) by amending the heading to read as follows:

"§ 1546. Fraud and misuse of visas, permits, and other documents";

(2) by striking out "or other document required for entry into the United States" in the first paragraph and inserting in lieu thereof "border crossing card, alien registration receipt card, or other document prescribed by statute or regulation for entry into or as evidence of authorized stay or authorized employment in the United States";

(3) by striking out "or document" in the first paragraph and inserting in lieu thereof "border crossing card, alien registration receipt card, or other document prescribed by statute or regulation for entry into or as evidence of authorized stay or authorized employment in the United States";

(4) by inserting "(a)" before "Whoever" the first place it appears; and

(5) by adding at the end the following new subsections:

"(b) Whoever uses—

"(1) an identification document, knowing (or having reason to know) that the document was not issued lawfully for the use of the possessor,

"(2) a identification document knowing (or having reason to know) that the document is false, or

"(3) a false attestation,

for the purpose of satisfying a requirement of section 274A(b) of the Immigration and Nationality Act, shall be fined, or imprisoned not more than two years, or both.

"(c) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a subdivision of a State, or of an intelligence agency of the United States, or any activity authorized under title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481).".

(b) CONFORMING AMENDMENT TO TABLE OF SECTIONS.—The item relating to section 1546 in the table of sections of chapter 75 of such title is amended to read as follows:

"1546. Fraud and misuse of visas, permits, and other documents.".

SEC. 113. RESTRICTIONS ON ADJUSTMENT OF STATUS.

(a) REQUIRING LEGAL STATUS AT TIME OF APPLICATION.—Subsection (c) of section 245 (8 U.S.C. 1255), relating to nonimmigrants who may not adjust to immigrant status while in the United States, is amended to read as follows:

"(c) ALIENS FOR WHOM THIS SECTION DOES NOT APPLY.—Subsection (a) shall not apply to the following aliens:

"(1) An alien crewman.

"(2)(A) Except as provided in subparagraph (B), an alien who—

"(i) continues in or accepts unauthorized employment before the date of filing an application for adjustment of status,

"(ii) is not in legal immigration status on the date of filing the application for adjustment of status, or

"(iii) has failed to maintain continuously a legal status since the date of entry into the United States.

"(B) Subparagraph (A) shall not apply to an alien who is—

"(i) an immediate relative, described in section 201(b), or

"(ii) a special immigrant described in section 101(a)(27)(H).

"(3) An alien admitted in transit without a visa under section 212(d)(4)(C).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to applications for adjustment of status filed before, on, or after the date of the enactment of this Act.

PART C—CONTROL OF UNAUTHORIZED EMPLOYMENT OF ALIENS

SEC. 121. MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.

(a) IN GENERAL.—(1) Chapter 8 of title II is amended by inserting after section 274 (8 U.S.C. 1324) the following new section:

"UNLAWFUL EMPLOYMENT OF ALIENS

"SEC. 274A. (a) MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.—

"(1) HIRING, RECRUITING, OR REFERRING.—It is unlawful for a person or other entity to hire, or to recruit or refer for a fee or other consideration, for employment in the United States an alien knowing the alien is an unauthorized alien (as defined in subsection (h)(2)) with respect to such employment.

"(2) CONTINUING EMPLOYMENT.—It is unlawful for a person or other entity, after hiring an alien for employment, to continue to employ the alien in the United States knowing the alien is (or has become) an unauthorized alien with respect to such employment.

"(3) DEFENSES.—

"(A) COMPLIANCE WITH EMPLOYMENT VERIFICATION SYSTEM.—A person or entity that establishes that it has complied in good faith with the requirements of subsection (b) with respect to the hiring, recruiting, or referral for employment of an alien in the United States has established an affirmative defense that the person or entity has not violated paragraph (1) with respect to such hiring, recruiting, or referral.

"(B) PRESUMPTION FOR EMPLOYERS OF 4 OR MORE EMPLOYEES.—Except for purposes of subparagraph (2)(E) of subsection (d), if a person or entity is employing four or more employees and hires (or recruits or refers for a fee or other consideration) for employment in the United States an unauthorized alien, for purposes of paragraph (1) the person or entity shall be presumed to have known that the alien was an unauthorized alien unless the person or entity has complied with the requirements of subsection (b).

"(C) PRESUMPTION FOR LARGE RECRUITERS OR REFERRERS.—If a person or entity recruits or refers for a fee or other consideration more than four individuals in any 12-month period and recruits or refers for a fee or other consideration for employment in the United States an unauthorized alien, for purposes of paragraph (1) the person or entity shall be considered to have known that the alien was an unauthorized alien unless the person or entity has complied with the requirements of subsection (b).

"(D) REBUTTAL OF PRESUMPTION.—The presumption established by subparagraph (B) or (C) may be rebutted through the presentation of clear and convincing evidence which contradicts the presumption.

"(4) VIOLATORS SUBJECT TO ORDER.—A person or entity that violates paragraph (1) or (2) is subject to an order under subsection (d).

"(b) EMPLOYMENT VERIFICATION SYSTEM.—Except as provided in subsection (c), the requirements referred to in subsections (a)(3) and (d)(2)(C)(i) are, in the case of a person or other entity hiring, recruiting, or referring an individual for employment in the United States, the requirements specified in the following four paragraphs:

"(1) ATTESTATION AFTER EXAMINATION OF DOCUMENTATION.—

"(A) IN GENERAL.—The person or entity must attest, under penalty of perjury and on a form designated or established by the Attorney General by regulation, that it has verified that the individual is not an unauthorized alien by examining—

"(i) a document described in subparagraph (B), or

"(ii) a document described in subparagraph (C) and a document described in subparagraph (D).

A person or entity has complied with the requirement of this paragraph with respect to examination of a document if the document reasonably appears on its face to be genuine.

"(B) DOCUMENTS ESTABLISHING BOTH EMPLOYMENT AUTHORIZATION AND IDENTITY.—A document described in this subparagraph is an individual's—

"(i) United States passport;

"(ii) certificate of United States citizenship;

"(iii) certificate of naturalization;

"(iv) unexpired foreign passport, if the passport has an appropriate, unexpired endorsement of the Attorney General authorizing the individual's employment in the United States; or

"(v) resident alien card or other alien registration card, if the card—

"(I) contains a photograph of the individual or such other personal identifying information relating to the individual as the At-

torney General finds, by regulation, sufficient for purposes of this subsection, and

"(II) is evidence of authorization of employment in the United States.

"(C) DOCUMENTS EVIDENCING EMPLOYMENT AUTHORIZATION.—A document described in this subparagraph is an individual's—

"(i) social security account number card (other than such a card which specifies on the face that the issuance of the card does not authorize employment in the United States);

"(ii) certificate of birth in the United States or establishing United States nationality at birth, which certificate the Attorney General finds, by regulation, to be acceptable for purposes of this section; or

"(iii) other documentation evidencing authorization of employment in the United States which the Attorney General finds, by regulation, to be acceptable for purposes of this section.

"(D) DOCUMENTS ESTABLISHING IDENTITY OF INDIVIDUAL.—A document described in this subparagraph is an individual's—

"(i) driver's license or similar document issued for the purpose of identification by a State, if it contains a photograph of the individual or such other personal identifying information relating to the individual as the Attorney General finds, by regulation, sufficient for purposes of this section; or

"(ii) in the case of individuals under 16 years of age or in a State which does not provide for issuance of an identification document (other than a driver's license) referred to in clause (ii), documentation of personal identity of such other type as the Attorney General finds, by regulation, provides a reliable means of identification.

"(2) INDIVIDUAL ATTESTATION OF EMPLOYMENT AUTHORIZATION.—The individual must attest, under penalty of perjury on the form designated or established for purposes of paragraph (1), that the individual is a citizen or national of the United States, an alien lawfully admitted for permanent residence, or an alien who is authorized under this Act or by the Attorney General to be hired, recruited, or referred for such employment.

"(3) RETENTION OF VERIFICATION FORM.—After completion of such form in accordance with paragraphs (1) and (2), the person or entity must retain the form and make it available for inspection by officers of the Service or the Department of Labor during a period beginning on the date of the hiring, recruiting, or referral of the individual and ending—

"(A) in the case of the recruiting or referral for a fee or other consideration (without hiring) of an individual, three years after the date of the recruiting or referral, and

"(B) in the case of the hiring of an individual—

"(i) three years after the date of such hiring, or

"(ii) one year after the date the individual's employment is terminated,

whichever is later.

"(4) UNIFORM VERIFICATION POLICY.—The person or entity must apply the requirements of the previous three paragraphs uniformly to all individuals hired (or recruited or referred for a fee or other consideration).

"(5) COPYING OF DOCUMENTATION PERMITTED.—Notwithstanding any other provision of law, the person or entity may copy a document presented by an individual pursuant to this subsection and may retain the copy, but only (except as otherwise permitted under law) for the purpose of complying with the requirements of this subsection.

"(6) LIMITATION ON USE OF ATTESTATION FORM.—A form designated or established by the Attorney General under this subsection and any information contained in or appended to such form, may not be used for purposes other than for enforcement of this Act and sections 1001, 1028, 1546, and 1621 of title 18, United States Code.

"(c) EVALUATION AND CHANGES IN EMPLOYMENT VERIFICATION SYSTEM.—

"(1) PRESIDENTIAL MONITORING AND IMPROVEMENTS IN SYSTEM.—

"(A) MONITORING.—The President shall provide for the monitoring and evaluation of the degree to which the employment verification system established under subsection (b) provides a secure system to determine employment eligibility in the United States and shall examine the suitability of existing Federal and State identification systems for use for this purpose.

"(B) IMPROVEMENTS TO ESTABLISH SECURE SYSTEM.—To the extent that the system established under subsection (b) is found not to be a secure system to determine employment eligibility in the United States, the President shall, subject to paragraph (3) and taking into account the results of any demonstration projects conducted under paragraph (4), implement such changes in (including additions to) the requirements of subsection (b) as may be necessary to establish a secure system to determine employment eligibility in the United States. Except as provided in subparagraph (C), such changes in the system may be implemented only if the changes conform to the requirements of paragraph (2).

"(C) REQUIRING USE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARDS.—The President may require, without regard to paragraph (2), that the only social security account number cards which may be presented in order to comply with subsection (b)(1)(C)(i) are such cards as are in a counterfeit-resistant form consistent with the second sentence of section 205(c)(2)(D) of the Social Security Act.

"(2) RESTRICTIONS ON CHANGES IN SYSTEM.—Except as provided in paragraph (1)(C), any change the President proposes to implement under paragraph (1) in the verification system must be designed in a manner so the verification system, as so changed, meets the following requirements:

"(A) RELIABLE DETERMINATION OF IDENTITY.—The system must be capable of reliably determining whether—

"(i) a person with the identity claimed by an employee or prospective employee is eligible to work, and

"(ii) the employee or prospective employee is claiming the identity of another individual.

"(B) USING OF COUNTERFEIT-RESISTANT DOCUMENTS.—If the system requires that a document be presented to or examined by an employer, the document must be in a form which is resistant to counterfeiting and tampering.

"(C) LIMITED USE OF SYSTEM.—Any personal information utilized by the system may not be made available to Government agencies, employers, and other persons except to the extent necessary to verify that an individual is not an unauthorized alien.

"(D) PRIVACY OF INFORMATION.—The system must protect the privacy and security of personal information and identifiers utilized in the system.

"(E) LIMITED DENIAL OF VERIFICATION.—A verification that an employee or prospective employee is eligible to be employed in the United States may not be withheld or revoked under the system for any reason other than that the employee or prospective employee is an unauthorized alien.

"(F) LIMITED USE FOR LAW ENFORCEMENT PURPOSES.—The system may not be used for law enforcement purposes, other than for enforcement of this Act or sections 1001, 1028, 1546, and 1621 of title 18, United States Code.

"(G) RESTRICTION ON USE OF NEW DOCUMENTS.—If the system requires individuals to present a new card or other document (designed specifically for use for this purpose) at the time of hiring, recruitment, or referral, then such document may not be required to be presented for any purpose other than under this Act (or enforcement of sections 1001, 1028, 1546, and 1621 of title 18, United States Code) nor to be carried on one's person.

"(3) NOTICE TO CONGRESS BEFORE IMPLEMENTING CHANGES.—

"(A) IN GENERAL.—The President may not implement any change under paragraph (1) unless at least—

"(i) 60 days, or

"(ii) in the case of a major change described in subparagraph (D), two years,

before the date of implementation of the change, the President has prepared and transmitted to the Committee on the Judiciary of the House of Representatives and to the Committee on the Judiciary of the Senate a written report setting forth the proposed change. The President promptly shall cause to have printed in the Federal Register the substance of any major change (described in subparagraph (D)) proposed and reported to Congress.

"(B) CONTENTS OF REPORT.—In any report under subparagraph (A) the President shall include recommendations for the establishment of civil and criminal sanctions for unauthorized use or disclosure of the information or identifiers contained in such system.

"(C) CONGRESSIONAL REVIEW OF MAJOR CHANGES.—

"(i) HEARINGS AND REVIEW.—The Committees on the Judiciary of the House of Representatives and of the Senate shall cause to have printed in the Congressional Record the substance of any major change described in subparagraph (D), shall hold hearings respecting the feasibility and desirability of implementing such a change, and, within the two year period before implementation, shall report to their respective Houses findings on whether or not such a change should be implemented.

"(ii) CONGRESSIONAL ACTION.—No major change may be implemented unless the Congress specifically provides, in an appropriations or other Act, for funds for implementation of the change.

"(D) MAJOR CHANGES REQUIRING TWO YEARS NOTICE AND CONGRESSIONAL REVIEW.—As used in this paragraph, the term 'major change' means a change which would—

"(i) require an individual to present a new card or other document (designed specifically for use for this purpose) at the time of hiring, recruitment, or referral, or

"(ii) provide for a telephone verification system under which an employer, recruiter, or referrer must transmit to a Federal official information concerning the immigration status of prospective employees and the official transmits to the person, and the person must record, a verification code;

but does not include a change in any card used for accounting purposes under the Social Security Act.

"(4) DEMONSTRATION PROJECTS.—

"(A) AUTHORITY.—The President may undertake demonstration projects (consistent with paragraph (2)) of different changes in the requirements of subsection (b). No such project may extend over a period of longer than three years.

"(B) REPORTS ON PROJECTS.—The President shall report to the Congress on the results of demonstration projects conducted under this paragraph.

"(d) COMPLIANCE.—

"(1) COMPLAINTS AND INVESTIGATIONS.—The Attorney General shall establish procedures—

"(A) for individuals and entities to file written, signed complaints respecting potential violations of subsection (a),

"(B) for the investigation of those complaints which, on their face, have a substantial probability of validity,

"(C) for the investigation of such other violations of subsection (a) as the Attorney General determines to be appropriate, and

"(D) for the designation in the Service of a unit which has, as its primary duty, the prosecution of cases of violations of subsection (a) under this subsection.

"(2) ORDER FOR VIOLATIONS.—

"(A) IN GENERAL.—If, after notice and opportunity to request a hearing respecting a violation of subsection (a), the immigration judge determines, upon the preponderance of the evidence received, that a person or entity named in the complaint has violated subsection (a), the judge shall state his findings of fact and issue and cause to be served on such person or entity an order.

"(B) CIVIL PENALTY AS PART OF ORDER.—An order under subparagraph (A) shall require the person or entity to cease and desist from such violations and to pay a civil penalty in an amount of—

"(i) not less than $100 and not more than $2,000 for each unauthorized alien with respect to whom a violation of subsection (a) occurred,

"(ii) not less than $2,000 and not more than $5,000 for each such alien in the case of a person or entity previously subject to an order under this subsection, or

"(iii) not less than $3,000 and not more than $10,000 for each such alien in the case of a person or entity which has engaged or is engaging in a pattern or practice of such violations.

"(C) ADDITIONAL REMEDIES AS PART OF ORDER.—An order under subparagraph (A) may require the person or entity—

"(i) to comply with the requirements of subsection (b) (or subsection (c) if applicable) with respect to individuals hired (or recruited or referred for employment for a fee or other consideration) during a period of up to three years, and

"(ii) to take such other remedial action as is appropriate.

"(D) DISMISSAL OF COMPLAINTS.—If upon the preponderance of the evidence taken, the judge is of the opinion that the person or entity named in the complaint has not violated subsection (a), the judge shall state his findings of fact and shall issue an order dismissing the complaint.

"(E) CRIMINAL PENALTY.—Any person or entity which, after having been previously required to pay a civil penalty under subparagraph (B)(iii) for a pattern or practice of violations of subsection (a), again engages in such a pattern or practice shall be fined not more than $3,000 for each unauthorized alien with respect to whom a violation of subsection (a) occurred, imprisoned for not more than six months for the entire pattern or practice, or both, notwithstanding the provisions of any other Federal law relating to fine levels.

"(3) AUTHORITY IN INVESTIGATIONS.—In conducting investigations and hearings under this subsection—

"(A) immigration officers and immigration judges shall have reasonable access to examine evidence of any person or entity being investigated, and

"(B) immigration judges, by subpoena, may compel the attendance of witnesses and the production of evidence at any designated place or hearing.

In case of contumacy or refusal to obey a subpoena lawfully issued under this paragraph and upon application of the Attorney General, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt thereof.

"(4) TREATMENT OF CERTAIN SUBDIVISIONS.—In applying this subsection in the case of a person or entity composed of distinct, physically separate subdivisions each of which provides separately for the hiring, recruiting, or referring for employment, without reference to the practices of, and not under the control of or common control with, another subdivision, each such subdivision shall be considered a separate person or entity.

"(5) ADMINISTRATIVE APPELLATE REVIEW.—The Attorney General may provide for the administrative appellate review of the determination of an immigration judge under this subsection by an appropriate administrative appellate body.

"(e) JUDICIAL REVIEW OF ORDERS.—Judicial review of orders under this subsection shall be exclusively under the procedures provided in chapter 158 of title 28, United States Code, except as follows:

"(1) FILING DEADLINE.—Petitions for review may be filed not later than 45 days after the date of the final order.

"(2) VENUE.—The venue of any petition for review under this subsection shall be in the judicial circuit in which the administrative proceedings before an immigration judge were conducted in whole or in part, or in the judicial circuit wherein is the residence of the petitioner, but not in more than one circuit.

"(3) SERVICE.—In the case of review sought by an entity other than the Service, the action shall be brought against the Immigration and Naturalization Service as respondent and service of the petition to review shall be made upon the Attorney General and upon the official of the Service in charge of the Service district in which the office of the clerk of the court is located.

"(4) SUBSTANTIAL EVIDENCE.—The petition shall be determined solely upon the administrative record upon which the order is based and the immigration judge's findings of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive.

"(5) TYPEWRITTEN BRIEFS.—It shall not be necessary to print the record or any part thereof, or the brief, and the court shall review the proceedings on a typewritten record and on typewritten briefs.

In any judicial review of an immigration judge's order under this subsection, the court may provide for such order of enforcement as may be appropriate. Section 279 shall not apply to causes arising under this section.

"(f) ENFORCEMENT OF ORDERS.—If a person or entity fails to comply with a final order issued under subsection (d) against the person or entity, the Attorney General shall file a suit to seek compliance with the order in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final order imposing the assessment shall not be subject to review.

"(g) MISCELLANEOUS PROVISIONS.—

"(1) DOCUMENTATION.—In providing documentation or endorsement of authorization of aliens (other than aliens lawfully admitted for permanent residence) authorized to be employed in the United States, the Attorney General shall provide that any limitations with respect to the period or type of employment or employer shall be conspicuously stated on the documentation or endorsement.

"(2) PREEMPTION.—The provisions of this section preempt any State or local law imposing civil or criminal sanctions (other than through licensing and similar laws) upon those who employ, or recruit or refer for a fee or other consideration for employment, unauthorized aliens.

"(h) DEFINITIONS.—As used in this section—

"(1) IMMIGRATION JUDGE.—The term 'immigration judge' means an immigration officer specially designated to hear cases under this section.

"(2) UNAUTHORIZED ALIEN.—The term 'unauthorized alien' means, with respect to the employment of an alien at a particular time, that the alien is not at that time either (A) an alien lawfully admitted for permanent residence, or (B) authorized to be so employed by this Act or by the Attorney General.".

(b) EFFECTIVE DATES.—(1) Except as otherwise provided in this subsection or subsection (c), the amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) Paragraph (1) of section 274A(a) of the Immigration and Nationality Act, making unlawful the hiring, recruiting, or referral of unauthorized aliens for employment, shall only apply to the hiring, recruiting, or referral of individuals occurring after the date of the enactment of this Act.

(3) Paragraph (2) of section 274A(a) of the Immigration and Nationality Act, relating to making unlawful the continuing employment of unauthorized aliens, shall only apply to aliens who are hired after the date of the enactment of this Act.

(4) Section 274A(g)(2) of the Immigration and Nationality Act takes effect on the first day of the seventh month beginning after the date of the enactment of this Act.

(c) PROMULGATION OF REGULATIONS AND EDUCATION AND WARNING PERIOD.—(1) The Attorney General shall, not later than the first day of the seventh month beginning after the date of the enactment of this Act, first issue, on an interim or other basis, such regulations as may be necessary in order to implement section 274A of the Immigration and Nationality Act.

(2) The Attorney General, in cooperation with the Secretaries of Agriculture, Commerce, Health and Human Services, Labor, and the Treasury and the Administrator of the Small Business Administration and with organizations representing or assisting employers, employees, and employment agencies, shall take steps to broadly disseminate forms and information and provide for public education respecting the provisions of section 274A of the Immigration and Nationality Act.

(3) Where the Attorney General has reason to believe that a person or entity may have violated subsection (a) of section 274A of the Immigration and Nationality Act during the six-month period beginning on the first day of the first month beginning after the date of the enactment of this Act, the Attorney General shall notify such person or entity of such belief and shall not conduct any proceeding, nor impose any order, under such section on the basis of such alleged violation or violations.

(4) Where the Attorney General has reason to believe that a person or entity may have violated subsection (a) of section 274A of the Immigration and Nationality Act during the subsequent six-month period, the Attorney General shall, in the first instance of such an alleged violation (or violations) occurring during such period, provide a warning to the person or entity that such a violation or violations may have occurred and shall not conduct any proceeding, nor impose any penalty, under such section on the basis of such alleged violation or violations.

(d) CONFORMING AMENDMENTS TO MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT.—(1) The Migrant and Seasonal Agricultural Worker Protection Act (Public Law 97-470) is amended—

(A) by striking out "101(a)(15)(H)(ii)" in paragraphs (8)(B) and (10)(B) of section 3 (29 U.S.C. 1802) and inserting in lieu thereof "101(a)(15)(N), 101(a)(15)(O),";

(B) in section 103(a) (29 U.S.C. 1813(a))—

(i) by striking out "or" at the end of paragraph (4),

(ii) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and

(iii) by adding at the end the following new paragraph:

"(6) has been found to have violated paragraph (1) or (2) of section 274A(a) of the Immigration and Nationality Act.";

(C) by striking out section 106 (29 U.S.C. 1816) and the corresponding item in the table of contents; and

(D) by striking out "section 106" in section 501(b) (29 U.S.C. 1851(b)) and by inserting in lieu thereof "paragraph (1) or (2) of section 274A(a) of the Immigration and Nationality Act".

(2) The amendments made by paragraph (1) shall apply to the employment, recruitment, referral, or utilization of the services of an individual occurring on or after the first day of the seventh month beginning after the date of the enactment of this Act.

(e) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents is amended by inserting after the item relating to section 274 the following new item:

"Sec. 274A. Unlawful employment of aliens.".

(f) REPORTS ON IMPLEMENTATION OF SECTION.—For monitoring and study respecting the enactment of this section (including actions taken on any discrimination in employment which might result from enactment of this section), see section 402 of this Act.

(g) STUDY ON THE USE OF A TELEPHONE VERIFICATION SYSTEM.—(1) The Attorney General, in consultation with the Secretary of Labor and the Secretary of Health and Human Services, shall conduct a study for use by the Department of Justice in determining employment eligibility in the United States. Such study shall concentrate on those data bases that are currently available to the Federal Government which through the use of a telephone and computation capability could be used to verify instantly the employment eligibility status of job applicants.

(2) Such study shall be conducted in conjunction with any existing Federal program which is designed for the purpose of providing information on the resident or employment status of workers for employers. The study shall include an analysis of costs and benefits which shows the differences in costs and efficiency of having the Federal Government or a contractor perform this service. Such comparisons should include reference to such technical capabilities as processing techniques and time, verification techniques and time, back up safeguards, and audit trail performance.

(3) Such study shall also concentrate on methods of phone verification which demonstrate the best safety and service standards, the least burden for the employer, the best capability for effective enforcement, and procedures which are within the boundaries of the Privacy Act of 1974.

(4) Such study shall be conducted within twelve months of the date of enactment of this Act.

(5) The Attorney General shall prepare and transmit to the Congress a report—

(A) not later than six months after the date of enactment of this Act, describing the status of such study; and

(B) not later than twelve months after such date, setting forth the findings of such study.

(h) COUNTERFEITING OF SOCIAL SECURITY ACCOUNT NUMBER CARDS.—(1) The Comptroller General of the United States, upon consultation with the Commissioner of Immigration as well as private sector representatives (including representatives of the financial, banking, and manufacturing industries), shall inquire into technological alternatives for producing and issuing social security account number cards that are more resistant to counterfeiting than social security account number cards being issued on the date of enactment of this Act by the Social Security Administration, including the use of encoded magnetic, optical, or active electronic media such as magnetic stripes, holograms, and integrated circuit chips. Such inquiry should focus on technologies that will help ensure the authenticity of the card, rather than the identity of the bearer.

(2) The Comptroller General of the United States shall explore additional actions that could be taken to reduce the potential for fraudulently obtaining and using social security account number cards.

(3) Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall prepare and transmit to the Committee on the Judiciary and the Committee on Ways and Means of the House of Representatives and the Committee on the Judiciary and the Committee on Finance of the Senate a report setting forth his findings and recommendations under this subsection.

SEC. 122. TEMPORARY AGRICULTURAL WORKER PROGRAM.

(a) PROVIDING NEW "N" NONIMMIGRANT CLASSIFICATION FOR TEMPORARY AGRICULTURAL WORKERS.—Section 101(a)(15) (8 U.S.C. 1101(a)) is amended—

(1) by inserting "other than agricultural services described in section 216(h)(1)" in subparagraph (H)(ii) after "temporary services or labor",

(2) by striking out "or" at the end of subparagraph (L),

(3) by striking out the period at the end of subparagraph (M) and inserting in lieu thereof "; or", and

(4) by adding at the end the following new subparagraph:

"(N) an alien, having a residence in a foreign country which he has no intention of abandoning, who is coming temporarily to the United States under section 216 to perform agricultural services (as defined in section 216(h)(1)) of a temporary or seasonal nature.".

(b) INVOLVEMENT OF DEPARTMENTS OF LABOR AND AGRICULTURE IN TEMPORARY AGRICULTURAL WORKER PROGRAM.—Section 214(c) (8 U.S.C. 1184(c)) is amended—

(1) by striking out "or (L)" in the first sentence and inserting in lieu thereof ", (L), or (N)", and

(2) by adding at the end the following: "For purposes of this subsection the term 'appropriate agencies of Government' means the Department of Labor and includes, with respect to nonimmigrants under section 101(a)(15)(N), the Department of Agriculture. The provisions of section 216 shall apply to the question of importing any alien as a nonimmigrant under section 101(a)(15)(N).".

(c) ADMISSION OF TEMPORARY AGRICULTURAL WORKERS.—Chapter 2 of title II is amended by adding after section 215 the following new section:

"ADMISSION OF TEMPORARY AGRICULTURAL WORKERS

"SEC. 216. (a) APPLICATION FOR LABOR CERTIFICATION.—

"(1) REQUIREMENT.—A petition to import an alien as a temporary agricultural worker (as defined in subsection (h)(3)) may not be approved by the Attorney General unless the petitioner has applied to the Secretary of Labor for a certification that—

"(A) there are not sufficient eligible individuals who are able, willing, and qualified and who will be available at the time and place needed to perform the services involved in the petition, and

"(B) the employment of the alien in such services will not adversely affect the wages and working conditions of eligible individuals in the United States similarly employed.

"(2) PAYMENT OF REQUIRED FEES.—The Secretary of Labor may require by regulation, as a condition of applying for the certification, the payment of a fee to recover the reasonable costs of processing applications for certification.

"(b) CONDITIONS FOR DENIAL OF LABOR CERTIFICATION.—The Secretary of Labor may not issue a certification under subsection (a) with respect to an employer if the conditions described in that subsection are not met or if any of the following conditions exist:

"(1) LABOR DISPUTE.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) VIOLATION OF TERM OF PREVIOUS CERTIFICATION.—

"(A) IN GENERAL.—The employer at any time during the previous two-year period employed temporary agricultural workers and the Secretary of Labor has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid every penalty which has been assessed by the Secretary of Labor for a violation of a term or condition of such labor certification.

"(B) DISQUALIFICATION LIMITED TO ONE YEAR.—No employer may be denied certification under subparagraph (A) for more than one year for any violation described in that subparagraph.

"(3) NOT PROVIDING FOR WORKERS' COMPENSATION.—The employer has not provided the Secretary with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(c) RULES CONCERNING APPLICATIONS FOR LABOR CERTIFICATION.—The following rules shall apply in the case of the filing and consideration of an application for a labor certification for a temporary agricultural worker:

"(1) DEADLINE FOR FILING APPLICATIONS.—The Secretary of Labor may not require that the application be filed more than 65 days before the first date the employer requires the services of the worker.

"(2) NOTICE WITHIN 14 DAYS OF DEFICIENCIES.—

"(A) NOTICE OF DEFICIENCIES.—The application shall be considered to have met the requirements of subsection (a)(1) (other than subparagraph (A) thereof) unless the Secretary of Labor, within 14 days of the date of filing the application, notifies the employer filing the application that the application does not meet the requirements.

"(B) SUBMITTAL OF MODIFIED APPLICATION.—If the application does not meet the requirements, the notice shall include the reasons therefor and the Secretary shall permit the employer an opportunity for the prompt resubmission of a modified application.

"(3) ISSUANCE OF CERTIFICATION.—

"(A) IF CONDITIONS MET.—The Secretary of Labor shall make, not later than 20 days before the date such services are first required to be performed, the certification described in subsection (a)(1) if—

"(i) the employer has complied with the requirements for certification (including the recruitment of eligible individuals as prescribed by regulation), and

"(ii) the employer does not actually have, or has not been provided with referrals of, eligible individuals who have agreed to perform such services on the terms and conditions of a job offer which meet requirements of regulations.

"(B) CONTINUED ACCEPTANCE OF APPLICANTS.—A labor certification under this section remains effective only if the employer continues to accept for employment, until the date the temporary agricultural workers depart for work with the employer, eligible individuals who apply or are referred to the employer.

"(4) PROVIDING HOUSING ALLOWANCE.—In the employer's complying with terms and conditions of employment respecting the furnishing of housing, the employer shall be permitted for a period of not to exceed three and one-half years from the date of enactment of this Act, at the employer's option and instead of providing for suitable housing accommodations, to substitute payment of a reasonable housing allowance, but only if suitable housing is otherwise available in the proximate area of employment: *Provided, however,* That the period specified in this paragraph may be extended for a particular employer by not more than one year by the Attorney General if the employer demonstrates that, despite all reasonable good faith efforts, initiated as soon as practicable after the enactment of this Act, furnishing of housing has been delayed due to failure to receive regulatory approval from State or local governmental entities.

"(d) ROLES OF AGRICULTURAL ASSOCIATIONS.—

"(1) PERMITTING FILING BY AGRICULTURAL ASSOCIATIONS.—A petition to import an alien as a temporary agricultural worker, and an application for a labor certification with respect to such a worker, may be filed by an association representing agricultural producers which use agricultural services.

"(2) TREATMENT OF ASSOCIATIONS ACTING AS EMPLOYERS.—If such an association is a joint or sole employer of temporary agricultural workers, the certifications granted under this section to the association may be used for the certified job opportunities of any of its producer members and such workers may be transferred among its member producers to perform agricultural services of a temporary or seasonal nature for which the certifications were granted.

"(3) TREATMENT OF VIOLATIONS.—

"(A) MEMBER'S VIOLATION DOES NOT NECESSARILY DISQUALIFY ASSOCIATION OR OTHER MEMBERS.—If an individual producer member of such an association is determined to have committed an act that under subsection (b)(2) results in the denial of certifications with respect to the member, the denial shall apply only to that member and does not apply to the association or another producer member of the association unless the Secretary determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(B) ASSOCIATION'S VIOLATION DOES NOT NECESSARILY DISQUALIFY MEMBERS.—If an association representing agricultural producers as a joint employer, or employer is determined to have committed an act that under subsection (b)(2) results in the denial of certification with respect to the association, the denial shall apply only to the association and does not apply to any individual producer member of the association unless the Secretary determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) EXPEDITED ADMINISTRATIVE APPEALS OF CERTAIN DETERMINATIONS.—

"(1) DENIAL OF LABOR CERTIFICATION.—The Secretary of Labor shall provide for an expedited procedure for the review of a denial of certification under subsection (a)(1) or, at the applicant's request, for a de novo administrative hearing respecting the denial. In the case of a request for such a review or hearing with respect to denial of certification for temporary agricultural workers to perform agricultural services in the production of perishable commodities (as defined by the Secretary of Agriculture for purposes of this section), the Secretary of Labor shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(2) REDETERMINATION WHERE UNQUALIFIED WORKERS REFERRED FOR EMPLOYMENT.—The Secretary of Labor shall expeditiously, but in no case later than 72 hours after the time a new determination is requested, make a new determination on the request for certification in the case of a temporary agricultural worker if the employer asserts that eligible individuals who have been referred are not able, willing, or qualified because of lawful employment-related reasons. If the employer asserts that an eligible individual who has been referred is not able, willing, or qualified, the burden of proof is on the employer to establish that the individual referred is not able, willing, or qualified because of employment-related reasons.

"(3) ATTORNEY GENERAL EXPEDITED REVIEW WHERE WORKERS NOT ACTUALLY AVAILABLE.—To the extent that—

"(A) a certification under subsection (a)(1) was denied solely because of the availability of eligible individuals to perform the agricultural services specified in the petition, and

"(B) eligible individuals who agree to perform the services for which the temporary agricultural workers are sought are not actually available at the time and place such services are required,

the Attorney General shall provide by regulation for an expedited review of the petition respecting the workers not later than 72 hours after the time the employer requests expedited review under this paragraph. To the extent that the Attorney General determines that the facts described in the previous sentence exist, the Attorney General may provide for approval of the petition (subject to the other conditions required for the approval of certification under subsection (a)(1)), notwithstanding the denial of the certification by the Secretary of Labor.

"(4) EXPEDITED APPLICATION WHERE UNFORESEEN NEED FOR WORKERS.—

"(A) PERMITTING AMENDED APPLICATION OR ABBREVIATED RECRUITMENT PERIOD.—If the Secretary of Labor makes the determination described in subparagraph (C), the Secretary—

"(i) shall permit the employer to amend or to make an application for certification under subsection (a)(1), and

"(ii) may waive some or all of the 65-day recruitment period described in subsection (c)(1) as necessary to meet the critical need described in subparagraph (C)(i).

"(B) PROMPT REDETERMINATION.—In the case of an amended or new application under subparagraph (A)—

"(i) USING BEST DATA.—The Secretary shall make the determination on the amendment or application based upon the best available labor market information.

"(ii) DEADLINE FOR DETERMINATION.—Except as provided in clause (iii), the Secretary shall make the determination on the amendment or application not later than 20 days before the date on which the workers are needed.

"(iii) DEADLINE FOR LATE AMENDMENTS AND APPLICATIONS—If an amendment or application is made at any time later than 3 days before such date of need described in clause (ii), the Secretary shall make the determination on the amendment or application within 72 hours after the date the amendment or application is submitted.

"(C) DETERMINATION OF UNFORESEEN CIRCUMSTANCES.—The determination under subparagraph (A) is that—

"(i) in the case of an employer that has filed an application for a certification under subsection (a)(1), the employer—

"(I) has a critical need for workers before the expiration of the 65-day period described in subsection (c)(1), or

"(II) has a critical need for additional workers who had not been requested in the previous application;

"(ii) in the case of an employer that had not previously filed such an application, the employer has a critical need for workers before the expiration of the 65-day period described in subsection (c)(1) and the employer made prompt application for certification under subsection (a)(1) when the employer's need for workers became known; and

"(iii) based on the employer's past experience and on reasonable expectations, the need for such workers at the time required could not have been foreseen.

"(5) PERMITTING PRESENTATION OF COUNTERVAILING EVIDENCE.—If the Secretary of Labor denies a certification under subsection (a)(1) or fails to act on the application, the Attorney General may permit the applicant to present countervailing evidence to the Attorney General that—

"(A) there are not sufficient workers who are able, willing, and qualified and who will be available at the time and place needed to perform the services involved in the petition for which the certification is sought, and

"(B) the employment policies of the Department of Labor have been observed.

"(f) ENTRY AND TRANSFER OF TEMPORARY AGRICULTURAL WORKERS.—

"(1) TIME LIMITATION.—An alien may not be admitted to the United States as a temporary agricultural worker for an aggregate period longer than the period (or periods) determined by regulations of the Attorney General. The regulations may provide for a period of admission of longer than one year in the case of agricultural services which the Secretary of Labor has recognized, for purposes of the admission of certain nonimmigrants under section 101(a)(15)(H)(ii), before the date of the enactment of this section.

"(2) VIOLATORS DISQUALIFIED FOR 5 YEARS.—An alien may not be admitted to the United States as a temporary agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(3) TRANSFER OF WORKERS AMONG EMPLOYERS PERMITTED.—Nothing in this section shall prohibit an employer which has a petition approved with respect to the importation of temporary agricultural workers from hiring such a worker who has completed a work contract entered into with another employer. The Attorney General shall provide for a procedure to allow temporary agricultural workers, who have completed a work contract under this section and who are not otherwise deportable, to remain in the United States for brief periods in which to seek and accept employment with employers who are authorized to employ the workers.

"(g) MISCELLANEOUS PROVISIONS.—

"(1) AUTHORITY OF SECRETARY OF LABOR.—The Secretary of Labor is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) APPROPRIATE DOCUMENTATION.—The Attorney General shall provide for such endorsement of entry and exit documents of temporary agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) PREEMPTION.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(4) TREATMENT FOR FICA, FUTA, AND SOCIAL SECURITY.—For the administration of the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and the Social Security Act, a temporary agricultural worker shall be considered to be an alien admitted to the United States to perform agricultural labor pursuant to sections 214(c) and 101(a)(15)(H)(ii) of this Act.

"(h) DEFINITIONS.—For purposes of this section:

"(1) AGRICULTURAL SERVICES.—The term 'agricultural services' has the meaning given such term by the Secretary of Labor in regulations and includes—

"(A) agricultural labor, defined in section 3121(g) of the Internal Revenue Code of 1954, and

"(B) agriculture, as defined in section 3(f) of the Fair Labor Standards Act of 1938.

"(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means, with respect to employment, an individual who is not an unauthorized alien (as defined in section 274A(h)(2)) with respect to that employment.

"(3) TEMPORARY AGRICULTURAL WORKER.—The term 'temporary agricultural worker' means a nonimmigrant described in section 101(a)(15)(N).".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 404 (8 U.S.C. 1101 note), as amended by section 101(b) is further amended by adding at the end the following new subsections:

"(b) AUTHORIZATIONS OF APPROPRIATIONS FOR SECRETARY OF LABOR.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1987, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by temporary agricultural workers described in section 216, and

"(B) of monitoring terms and conditions under which such temporary agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(2) There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1987, such sums as may be necessary for the purpose of enabling the Secretary of Labor to make determinations and certifications under section 216 and under section 212(a)(14).

"(c) AUTHORIZATION OF APPROPRIATIONS FOR SECRETARY OF AGRICULTURE.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1987, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 216.

"(d) Nothing in this Act is intended to authorize funding for fiscal year 1986.".

(e) PROHIBITING ADJUSTMENT OF STATUS OF TEMPORARY AGRICULTURAL WORKERS.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by section 113(a) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 201(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(N).".

(2) Section 248(1) (8 U.S.C. 1258(1)) is amended by striking out "or (K)" and inserting in lieu thereof "(K), or (N)".

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) of this section apply to petitions and applications filed under sections 214(c) and 216 of the Immigration and Nationality Act on or after the first day of the seventh month beginning after the date of the enactment of this Act (hereinafter in this section referred to as the "effective date").

(g) REGULATIONS.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(N) and 216 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(h) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents is amended by inserting after the item relating to section 215 the following new item:

"Sec. 216. Admission of temporary agricultural workers.".

SEC. 123. AGRICULTURAL LABOR TRANSITION PROGRAM.

(a) ESTABLISHMENT OF TRANSITION PROGRAM.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall promulgate rules and regulations for the implementation of an agricultural labor transition program. The program shall be effective for a three-year period beginning on the first day of the seventh month beginning after the date of enactment of this Act.

(b) LIMITATION ON NUMBER OF WORKERS UNDER PROGRAM.—During the first year of the transition program, an agricultural employer, except as provided in (c), (d), and (e), may, as provided by regulation, employ up to 100 percent of his nondomestic seasonal agricultural worker need with transitional workers. During the second and third years of the program, the employer may employ up to 67 percent and 33 percent, respectively, of his nondomestic seasonal agricultural worker needs with transitional workers.

(c) CANNOT REPLACE LEGAL WORKERS.—Nothing in this section shall permit transitional workers to replace available United States workers or legal foreign workers admitted under the Immigration and Nationality Act.

(d) COVERAGE UNDER OTHER EMPLOYMENT LAWS.—All workers employed under the provisions of this section shall be fully protected by all Federal and State laws and regulations governing the employment of United States migrant and seasonal agricultural workers.

(e) ELIGIBILITY OF ALIENS.—(1) An undocumented alien in the United States shall be eligible to be a transitional worker under the provisions of this section if the person was employed on the date of enactment as a seasonal agricultural worker in the United States, or has been employed as such a worker for at least 90 days during a period of time after January 1, 1980, and before the date of enactment.

(2) An undocumented worker shall not be eligible to be a transitional worker and may not be registered under this section if the person is deportable for any reason other than those described in paragraphs (2) and (9) of section 241(a) of the Immigration and Nationality Act, or on the basis, under paragraph (1) of that section, of being excludable at the time of entry under paragraph (19), (20), or (26) of section 212(a) of such Act. Only persons employed as transitional workers and registered as such by the Attor-

ney General during the first year of the program shall be eligible during the second and third years.

(3) A transitional worker under this section is not eligible to apply for adjustment of status under section 245(a) of the Immigration and Nationality Act, unless the alien is an immediate relative described in section 201(b) of such Act.

(f) REQUIREMENTS FOR EMPLOYERS TO PARTICIPATE.—To employ transitional workers under the provisions of this section, an agricultural employer must—

(1) notify the Attorney General of the employer's intention to participate in the transition program within twelve months of the beginning of the program, and

(2) provide such information relating to the employer's requirements for seasonal agricultural workers in months or other periods in previous and future years as the Attorney General may specify.

(g) REPORTS ON USE OF WORKERS.—After an employer begins participation in the agricultural labor transition program the employer shall provide, upon request, to the Attorney General a numerical count of the number of transitional workers employed and the total number of domestic and foreign seasonal agricultural workers employed by the employer.

(h) APPLICATION OF STANDARDS FOR TEMPORARY AGRICULTURAL WORKERS IN CERTAIN CASES.—Any eligible employer under the transition program who employs nonimmigrant alien agricultural workers under the provisions of section 216 or 217 of the Immigration and Nationality Act shall provide wages and working conditions as required by subsection (a)(1)(B) of section 216 or subsection (b)(4) of section 217, as the case may be, to all similarly employed workers of that employer.

(i) EMPLOYMENT DOES NOT PRECLUDE LEGALIZATION OF A WORKER.—Agreement by an alien to be a transitional worker would not preclude that alien from eligibility under the legalization provisions of title II of this Act.

(j) PAYMENT OF FEES.—The Attorney General may require by regulation, as a condition of participation by an employer in the transition program, the payment of a fee to recover the reasonable costs of processing registrations under the transition program.

(k) TREATMENT OF CERTAIN DOCUMENTATION.—In accordance with regulations of the Attorney General, a work permit or other documentation issued under this section to a transitional worker shall be considered to be documentation evidencing authorization of employment for purposes of section 274A(b)(1)(C)(iii) of the Immigration and Nationality Act and an alien employed by an employer and in possession of a properly endorsed work permit or other such documentation for a period of time shall be considered (for purposes of section 274A(h)(2) of such Act) to be authorized by the Attorney General to be so employed during that period of time. For purposes of section 3121(a)(1) of the Internal Revenue Code of 1954 and section 210(a) of the Social Security Act, a transitional worker performing seasonal agricultural services for an employer participating under the program shall be considered to be lawfully admitted to the United States on a temporary basis to perform agricultural labor.

(l) MISCELLANEOUS ADMINISTRATIVE PROVISIONS.—(1) Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Attorney General is authorized to expend from the appropriation provided for the administration and enforcement of the Immigration and Nationality Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section during the period of the transition program.

(2) USE OF RETIRED FEDERAL EMPLOYEES.—Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Armed Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the Service for the period of the transition program to perform duties in connection with the program.

SEC. 124. COMMISSION ON TEMPORARY AGRICULTURAL WORKER PROGRAMS.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established a commission (hereinafter in this section referred to as the "Commission") to be composed of 12 members—

(A) two to be appointed by the Attorney General,

(B) two to be appointed by the Secretary of Labor,

(C) two to be appointed by the Secretary of Agriculture,

(D) three to be appointed by the Speaker of the House of Representatives, and

(E) three members to be appointed by the President pro tempore of the Senate.

(2) In appointing individuals as members, the Attorney General, the Secretaries of Labor and Agriculture, the Speaker, and the President pro tempore shall assure that members include some individuals who represent labor organizations for agricultural workers and some individuals who represent agricultural employers of nondomestic workers. Appointments to the Commission shall be made in a manner that provides for balanced representation of the various interests in the matters considered by the Commission.

(3) A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(4) Appointments to the Commission shall first be made within 30 days after the date of the enactment of this Act.

(5) Members shall be appointed to serve for the life of the Commission.

(b) REVIEW OF AGRICULTURAL LABOR PROGRAMS.—(1) The Commission shall study and review—

(A) the temporary agricultural worker program described in section 216 and section 217 of the Immigration and Nationality Act, and

(B) the agricultural labor transition program under section 123 of this Act,

particularly as such programs impact on the labor needs of agricultural employers in the United States and on the wages, working conditions, and job opportunities of United States agricultural workers.

(2) The Commission shall specifically review the following with respect to the temporary agricultural worker program under section 216 of the Immigration and Nationality Act:

(A) The standards described in subsection (a)(1) of that section for the certification respecting temporary agricultural workers.

(B) Whether or not there should be a statutory or other specific limit on the number of such workers who may be imported in any period.

(C) Whether or not payments equivalent to the taxes otherwise imposed under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act should be made by the employers of such workers and what use should be made of these payments.

(D) What is a proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

(E) Whether foreign agricultural workers should be contractually restricted to employment with specific employers.

(F) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

(G) Whether certain geographic regions need special programs or provisions to meet their unique needs.

(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

(A) The standards described in subsections (b)(2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.

(c) REPORT TO CONGRESS.—(1) The Commission shall report to the Congress not later than three years after the effective date (described in section 122(f)) on its reviews under subsection (b). The Commission shall include in its report recommendations for improvements in the temporary and seasonal agricultural worker programs under sections 216 and 217 of the Immigration and Nationality Act, including specific legislative recommendations—

(1) on the matters specifically reviewed under subsections (b) (2), and (3),

(2) improving the timeliness of decisions regarding the admission of temporary and seasonal agricultural workers under the program,

(3) removing any current economic disincentives to hiring United States citizens or permanent resident aliens where temporary agricultural workers have been requested,

(4) improving the cooperation among government agencies, employers, employer associations, workers, unions, and other worker associations to end the dependence of any industry on a constant supply of temporary foreign agricultural workers.

(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time under section 217, and

(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

(d) COMPENSATION OF MEMBERS.—(1) Each member of the Commission who is not an officer or employee of the Federal Government is entitled to receive, subject to such amounts as are provided in advance in appropriations Acts, the daily equivalent of the minimum annual rate of basic pay in

effect for grade GS-18 of the General Schedule for each day (including travel-time) during which the member is engaged in the actual performance of duties of the Commission. Each member of the Commission who is such an officer or employee shall serve without additional pay.

(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.

(f) MEETINGS OF COMMISSION.—(1) Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) The Chairman and the Vice Chairman of the Commission shall be elected by the members of the Commission for the life of the Commission.

(3) The Commission shall meet at the call of the Chairman or a majority of its members.

(g) STAFF.—(1) The Chairman, in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Commission to carry out its functions, without regard to the laws, rules, and regulations governing appointment in the competitive service. Any Federal employee subject to those laws, rules, and regulations may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(2) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the minimum annual rate of basic pay payable for GS-18 of the General Schedule.

(g) AUTHORITY OF COMMISSION.—(1) The Commission may for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may accept, use, and dispose of gifts or donations of services or property.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(h) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(2) Notwithstanding any other provision of this section, no payment, or authorization to make payments or to enter into contracts under this section, shall be effective to such extent, or in such amounts, as are provided in advance in appropriations Acts.

(i) TERMINATION DATE.—The Commission shall cease to exist 39 months after the effective date (described in section 122(f)).

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) PROVIDING NEW "O" NONIMMIGRANT CLASSIFICATION FOR SEASONAL AGRICULTURAL WORKERS.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(11) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

(b) ADMISSION OF SEASONAL AGRICULTURAL WORKERS.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

"(a) ESTABLISHMENT OF SEASONAL AGRICULTURAL WORKER PROGRAM.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)(2)).

"(b) ADMISSION OF SEASONAL AGRICULTURAL WORKERS.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) SEASONAL AGRICULTURAL EMPLOYER IN PERISHABLE COMMODITIES.—

"(A) NATURE OF PETITIONER.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) REQUIREMENTS OF PETITIONS.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) WILL MAKE RECRUITING EFFORT.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) REPORT ON RECRUITMENT.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) ADEQUATE WORKING CONDITIONS.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) HOUSING.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) NOTICE TO ATTORNEY GENERAL OF EMPLOYMENT.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) EMPLOYMENT ONLY IN SEASONAL AGRICULTURAL EMPLOYMENT IN PERISHABLE COMMODITIES.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) LIMITATION ON THE USE OF "O" WORKERS IN PERISHABLE COMMODITIES.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) JOB INFORMATION DISCLOSURE TO "O" WORKERS.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) SUSPENSION OF CERTIFICATION.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) LABOR DISPUTE.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) VIOLATION OF TERM OF PREVIOUS CERTIFICATION.—

"(A) IN GENERAL.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) DISQUALIFICATION LIMITED TO ONE YEAR.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) NOT PROVIDING FOR WORKERS' COMPENSATION.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by

State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) ROLES OF AGRICULTURAL ASSOCIATIONS.—

"(1) PERMITTING FILING BY AGRICULTURAL ASSOCIATIONS.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) TREATMENT OF ASSOCIATIONS ACTING AS EMPLOYERS.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) TREATMENT OF VIOLATIONS.—

"(A) MEMBER'S VIOLATION DOES NOT NECESSARILY DISQUALIFY ASSOCIATION OR OTHER MEMBERS.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) ASSOCIATION'S VIOLATION DOES NOT NECESSARILY DISQUALIFY MEMBERS.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) EXPEDITED ADMINISTRATIVE APPEAL OF SUSPENSION OF CERTIFICATION UNDER SUBSECTION (C)(2)—

"(1) EXPEDITED PROCEDURES.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) HEARING DE NOVO BEFORE THE U.S. DISTRICT COURT.—

"(1) JURISDICTION.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) PRECEDENCE OF CASES.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) MISCELLANEOUS PROVISIONS.—

"(1) AUTHORITY.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) APPROPRIATE DOCUMENTATION.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) PREEMPTION.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) DEFINITIONS.—For purposes of this section:

"(1) SEASONAL AGRICULTURAL SERVICES IN PERISHABLE COMMODITIES.—The term 'seasonal agricultural services in pgrishable commodities' means services in agricultural employment including planting, cultural practices, production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) SEASONAL AGRICULTURAL WORKER.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) CARIBBEAN BASIN.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Recovery Act (19 U.S.C. 2702(b)).

"(i) ESTABLISHMENT OF NUMERICAL LIMITATIONS BY AGRICULTURAL EMPLOYMENT REGION.—

"(1) ESTABLISHMENT OF AGRICULTURAL EMPLOYMENT REGION.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) NUMERICAL LIMITATIONS.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region, except until the end of the third year after the effective date of this Act, the Attorney General may not establish a numerical limitation on the number of such visas that may be issued at any given time in excess of 350,000.

"(3) FACTORS IN DETERMINATION.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) NUMERICAL LIMITATIONS AFTER THREE YEARS.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with the Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) CHANGES IN NUMERICAL LIMITATIONS IN EXTRAORDINARY CIRCUMSTANCES.—

"(A) INADEQUATE MONTHLY AND REGIONAL LIMITATIONS.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) DETERMINATION.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) INCREASE IN THE NUMERICAL LIMITATION ESTABLISHED BY THE ATTORNEY GENERAL. If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established the Attorney General under paragraph (4).

"(j) ENTRY OF SEASONAL AGRICULTURAL WORKERS.—

"(1) ANNUAL TIME LIMITATION.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) VIOLATORS DISQUALIFIED FOR 5 YEARS.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) WAGES AND WORKING CONDITIONS.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) ALLOCATION AND USE OF VISAS UNDER THE PROGRAM.—

"(1) IN GENERAL.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) PREVIOUS WORKERS.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) OTHERS.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) TREATMENT OF SPOUSES AND CHILDREN.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virture of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is a qualified as such a worker.

"(D) NO INDIVIDUAL EMPLOYER VISA PETITION REQUIRED.—An alien admitted pursuant to section 101(a)(15)(O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) NO LIMITATION TO PARTICULAR EMPLOYER OR CROP.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) DISQUALIFICATION FROM FEDERAL ASSISTANCE.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) ALLOCATION OF VISAS TO CARIBBEAN BASIN COUNTRIES.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) TRUST FUND FOR PROGRAM ADMINISTRATION.—

"(1) ESTABLISHMENT.—The Attorney General shall establish by regulation a trust fund the purpose of which to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country or origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) PAYMENTS INTO TRUST FUND.—In the case of employment of a seasonal agricultural worker under the program—

"(A) EMPLOYER PAYMENT.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) WORKER PAYMENT.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) WAGES DEFINED.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) USE OF AMOUNTS IN TRUST FUND.—

"(A) EMPLOYER PAYMENTS AND INTEREST.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) WORKER PAYMENTS.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) EXPANSION OF CONSULATES.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 404 (8 U.S.C. 1101), as amended by section 101(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) AUTHORIZATIONS OF APPROPRIATIONS FOR SECRETARY OF LABOR.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) AUTHORIZATION OF APPROPRIATIONS FOR SECRETARY OF AGRICULTURE.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) PROHIBITING ADJUSTMENT OF STATUS OF TEMPORARY AGRICULTURAL WORKERS.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).".

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) REGULATIONS.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) DEPORTATION OF SEASONAL AGRICULTURAL WORKERS FOR FAILURE TO BE EMPLOYED OR SEEK EMPLOYMENT.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or"; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) SENSE OF CONGRESS RESPECTING ADVISORY COMMISSION.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries

and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(i) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program.".

PART D—IMMIGRATION EMERGENCY REVOLVING FUND

SEC. 131. INCREASE IN BORDER PATROL ENFORCEMENT ACTIVITIES.

There are authorized to be appropriated to an immigration emergency revolving fund, to be established in the Treasury, $35,000,000, to be used to provide for an increase in border patrol or other enforcement activities of the Service and for reimbursement of State and localities in providing assistance as requested by the Attorney General in meeting an immigration emergency, except that no amounts may be withdrawn from such funds with respect to an emergency unless the President has determined that the immigration emergency exists and has certified such fact to the Judiciary Committees of the House of Representatives and of the Senate.

TITLE II—LEGALIZATION OF STATUS

SEC. 201. LEGALIZATION COMMISSION.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established a Select Commission on Legalization (hereinafter in this section referred to as the "Commission"), to be composed of nine members—

(A) four to be appointed by the President from a list of names submitted by the Speaker of the House of Representatives,

(B) four to be appointed by the President from a list of names submitted by the President pro tempore of the Senate, and

(C) one to be appointed by the President alone, and who shall be appointed Chairman of the Commission.

(2)(i) Each list submitted under paragraph (1) shall contain the names of at least 12 individuals, none of whom are officials or employees in the legislative branch of the Federal Government and each of whom supports the concept of the legalization program described in section 202. At least seven of the individuals on each list shall be sitting or retired Federal judges, former Members of the Select Commission on Immigration and Refugee Policy, former Members of Congress, or former Attorneys General of the United States. At least two of the remaining individuals on each list shall be representatives of religious organizations, voluntary agencies, civil rights organizations, or organizations representing minority or ethnic groups.

(ii) The individual appointed by the President to be Chairman shall also be one who supports the concept of the legalization program described in section 202.

(3) A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(4) The Speaker of the House of Representatives and the President pro tempore of the Senate shall submit the lists described in paragraph (2) to the President not later than 30 days after the date of the enactment of this Act and the President shall first appoint individuals as members of the Commission within 30 days after the date of receipt of such lists. At least five members of the Commission shall be sitting or retired Federal judges, former Members of the Select Commission or Immigration and Refugee Policy, former Members of Congress, or former Attorneys General of the United States.

(5) Members shall be appointed to serve for the life of the Commission.

(b) DUTIES OF COMMISSION.—The Commission shall monitor and review—

(1) the border patrol and other enforcement programs of the Federal Government designed to curtail illegal entry of aliens into, and illegal stay of aliens in, the United States, including the amount of resources devoted to these programs and their effectiveness, and

(2) the programs of the Federal Government designed to curtail the employment of unauthorized aliens in the United States, including the amount of resources devoted to these programs and their effectiveness.

The Commission may also study improvements that can be made to improve the effectiveness of these programs.

(c) REPORTS TO CONGRESS.—(1) The Commission shall transmit a report to Congress on its activities not later than one year after the date a majority of its members are first appointed, and (until its expiration) not less frequently than annually thereafter.

(2) Each report shall include a description of the increase in resources being devoted to the programs described in subsection (b) and the effect of the increase and such recommendations for improvements in the programs as the Commission determines to be appropriate.

(3) Each report also shall contain a finding of whether the following conditions have been met:

(A) More effective enforcement measures (including the new enforcement measures provided in section 274A of the Immigration and Nationality Act) have been instituted by the Federal Government, and have adequate resources, to curtail illegal entry of aliens into, and illegal stay of aliens, in, the United States.

(B) There is reasonable likelihood that these measures will continue to be instituted, and have adequate resources for their implementation, after the implementation of the program of legalization under section 202 of this Act.

(C) Because of more effective enforcement, the program of legalization under section 202 of this Act will not serve as a stimulus to further illegal entry.

(d) COMPENSATION OF MEMBERS, MEETINGS, STAFF, AUTHORITY OF COMMISSION, AND AUTHORIZATION OF APPROPRIATIONS.—(1) The provisions of subsection (d), (e), (f)(3), (g), and (h) of section 124 of this Act shall apply to the Commission under this section in the same manner as they apply to the Commission established under section 124.

(2) Five members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(e) TERMINATION DATE.—The Commission shall cease to exist upon the effective date of the legalization program (described in section 202(a)(1)(C)), except that the Commission may continue to function for up to 90 days thereafter for the purpose of concluding its activities.

SEC. 202. LEGALIZATION OF STATUS.

(a) TEMPORARY RESIDENCE STATUS.—The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for temporary residence if the alien meets the following requirements:

(1) TIMELY APPLICATION.—

(A) DURING APPLICATION PERIOD.—Except as provided in subparagraph (B), the alien must apply for such adjustment during the 12-month period beginning on a date (not later than 90 days after the effective date of the legalization program, described in subparagraph (C)) designated by the Attorney General.

(B) APPLICATION WITHIN 30 DAYS OF SHOW-CAUSE ORDER.—An alien who, at any time during the 12-month period described in subparagraph (A), is the subject of an order to show cause issued under section 242 of the Immigration and Nationality Act, must make application under this section not later than the end of the 30-day period beginning either on the first day of such 12-month period or on the date of the issuance of such order, whichever day is later.

(C) EFFECTIVE DATE OF LEGALIZATION PROGRAM.—As used in this section, the term "effective date of the legalization program" means the date the Legalization Commission reports, under section 201(c)(3), that conditions described in such section have been met or three years from the date of enactment of this Act, whichever is earlier.

(D) INFORMATION INCLUDED IN APPLICATION.—Each application under this subsection shall contain such information as the Attorney General may require, including information on living relatives of the applicant with respect to whom a petition for preference or other status may be filed by the applicant at any later date under section 204(a) of the Immigration and Nationality Act.

(2) CONTINUOUS UNLAWFUL RESIDENCE SINCE 1980.—

(A) IN GENERAL.—The alien must establish that he either (i) arrived in the United States before January 1, 1980, and has resided continuously in the United States in an unlawful status since such date, or (ii) is a special Cuban or Haitian entrant (as described in subparagraph (D)) and has resided continuously in the United States since October 14, 1981.

(B) NONIMMIGRANTS.—In the case of an alien who entered the United States as a nonimmigrant before January 1, 1980, the alien must establish that the alien's period of authorized stay as a nonimmigrant expired before such date through the passage of time or the alien's unlawful status was known to the Government as of such date.

(C) EXCHANGE VISITORS.—If the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J) of the Immigration and Nationality Act), the alien must establish that the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof.

(D) SPECIAL CUBAN OR HAITIAN ENTRANT.—As used in this section, the term "special Cuban or Haitian entrant" means an alien who is—

(i) a national of Cuba who arrived in the United States and presented himself for inspection after April 20, 1980, and before October 15, 1981, and who was physically present in the United States on October 14, 1981;

(ii) a national of Haiti who has established a record with the Immigration and Naturalization Service before October 15, 1981, and who was physically present in the United States on that date; or

(iii) a national of Cuba or Haiti who on December 31, 1980, had an application for asylum pending with the Immigration and Naturalization Service.

(3) CONTINUOUS PHYSICAL PRESENCE SINCE ENACTMENT.—The alien must establish that the alien has been continuously physically present in the United States since the date of the enactment of this section.

(4) ADMISSIBLE AS IMMIGRANT.—The alien must establish that he—

(A) is admissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2),

(B) has not been convicted of any felony or of three or more misdemeanors committed in the United States,

(C) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

(D) is registered or registering under the Military Selective Service Act, if the alien is required to be so registered under that Act.

(b) SUBSEQUENT ADJUSTMENT TO PERMANENT RESIDENCE AND NATURE OF TEMPORARY RESIDENT STATUS.—

(1) ADJUSTMENT TO PERMANENT RESIDENCE.—The Attorney General, in his discretion and under such regulations as he may prescribe, may adjust the status of any alien provided lawful temporary resident status under subsection (a) to that of an alien lawfully admitted for permanent residence if the alien meets the following requirements:

(A) TIMELY APPLICATION.—The alien must apply for such adjustment during the 12-month period beginning with the first day of the thirty-first month that begins after the date the alien was granted such temporary resident status.

(B) CONTINUOUS LAWFUL RESIDENCE.—

(i) IN GENERAL.—The alien must establish that he has continuously resided in the United States since the date the alien was granted such temporary resident status.

(ii) TREATMENT OF CERTAIN ABSENCES.—An alien shall not be considered to have lost the continuous residence referred to in clause (i) by reason of an absence from the United States permitted under paragraph (3)(A).

(C) ADMISSIBLE AS IMMIGRANT.—The alien must establish that he—

(i) is admissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2), and

(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States.

(D) BASIC CITIZENSHIP SKILLS.—

(i) IN GENERAL.—The alien must demonstrate that he either—

(I) meets the requirements of section 312 of the Immigration and Nationality Act (relating to minimal understanding of ordinary English and a knowledge and understanding of the history and government of the United States), or

(II) is satisfactorily pursuing a course of study (recognized by the Attorney General) to achieve such an understanding of English and such a knowledge and understanding of the history and government of the United States.

(ii) EXCEPTION FOR ELDERLY INDIVIDUALS.—The Attorney General may, in his discretion, waive all or part of the requirements of clause (i) in the case of an alien who is 65 years of age or older.

(2) TERMINATION OF TEMPORARY RESIDENCE.—The Attorney General shall provide for termination of temporary resident status granted an alien under this subsection—

(A) if it appears to the Attorney General that the alien was in fact not eligible for such status;

(B) if the alien commits an act that—

(i) makes the alien inadmissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2), or

(ii) is convicted of any felony or three or more misdemeanors committed in the United States; or

(C) at the end of the forty-second month beginning after the date the alien is granted such status, unless the alien has filed an application for adjustment of such status pursuant to paragraph (1) and such application has not been denied.

(3) AUTHORIZED TRAVEL AND EMPLOYMENT DURING TEMPORARY RESIDENCE.—During the period an alien is in the lawful temporary resident status granted under subsection (a)—

(A) AUTHORIZATION OF TRAVEL ABROAD.—The Attorney General shall, in accordance with regulations, permit the alien to return to the United States after such brief and casual trips abroad as the Attorney General determines reflect an intention on the part of the alien to adjust to lawful permanent resident status under paragraph (1).

(B) AUTHORIZATION OF EMPLOYMENT.—The Attorney General shall grant the alien authorization to engage in employment in the United States and provide to that alien an "employment authorized" endorsement or other appropriate work permit.

(c) APPLICATIONS FOR INITIAL ADJUSTMENT OF STATUS.—

(1) TO WHOM MAY BE MADE.—The Attorney General shall provide that applications for adjustment of status under subsection (a) may be filed—

(A) with the Attorney General, or

(B) with a qualified designated entity, but only if the applicant consents to the forwarding of the application to the Attorney General.

As used in this section, the term "qualified designated entity" means an organization or person designated under paragraph (2).

(2) DESIGNATION OF QUALIFIED ENTITIES TO RECEIVE APPLICATIONS.—For purposes of assisting in the program of legalization provided under this section, the Attorney General shall designate qualified organizations and State and local governments as qualified designated entities for purposes of this section.

(3) TREATMENT OF APPLICATIONS BY QUALIFIED DESIGNATED ENTITIES.—Each qualifed designated entity must agree to forward to the Attorney General applications filed with it in accordance with paragraph (1)(B) but not to forward to the Attorney General applications filed with it unless the applicant has consented to such forwarding. No such entity may make a determination required by this section to be made by the Attorney General.

(4) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—Whoever files an application for adjustment of status under this section and knowingly and willfully falsifies, misrepresents, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined, or imprisoned not more than five years, or both.

(5) APPLICATION FEES.—

(A) FEE SCHEDULE.—The Attorney General shall prescribe a fee of $100 or more to be paid by each alien who files an application for adjustment of status under subsection (a) or subsection (b)(1).

(B) USE OF FEES.—The Attorney General shall deposit payments received under the preceding sentence in a separate account and amounts in such account shall be available, without fiscal year limitation, only to cover administrative expenses incurred in connection with the review of applications filed under this section.

(d) WAIVER OF NUMERICAL LIMITATIONS AND CERTAIN GROUNDS FOR EXCLUSION.—

(1) NUMERICAL LIMITATIONS DO NOT APPLY.—The numerical limitations of section 201 and 202 of the Immigration and Nationality Act shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

(2) WAIVER OF GROUNDS FOR EXCLUSION.—In the determination of an alien's admissibility under subsections (a)(4)(A), (b)(1)(C)(i), and (b)(2)(B)(i)—

(A) GROUNDS OF EXCLUSION NOT APPLICABLE.—The provisions of paragraphs (14), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply.

(B) WAIVER OF OTHER GROUNDS.—

(i) IN GENERAL.—Except as provided in clause (ii), the Attorney General may waive any other provision of section 212(a) of such Act in the case of individual aliens for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(ii) GROUNDS THAT MAY NOT BE WAIVED.—The following provisions of section 212(a) of such Act may not be waived by the Attorney General under clause (i):

(I) Paragraph (9) and (10) (relating to criminals).

(II) Paragraph (15) (relating to aliens likely to become public charges) insofar as it relates to an application for adjustment to permanent residence by an alien other than an alien who is eligible for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 for the month in which such alien is granted lawful temporary residence status under subsection (a).

(III) Paragraph (23) (relating to drug offenses), except for so much of such paragraph as relates to a single offense of simple possession of 30 grams or less of marihuana.

(IV) Paragraphs (27), (28), and (29) (relating to national security and members of certain organizations).

(V) Paragraph (33) (relating to those who assisted in the Nazi persecutions).

(e) TEMPORARY STAY OF DEPORTATION AND WORK AUTHORIZATION DURING APPLICATION PERIOD.—The Attorney General shall provide that in the case of an alien who, during the application period described in subsection (a)(1), presents an application for adjustment of status under subsection (a) which application establishes a prima facie case of eligibility to have his status adjusted under such subsection, and until a final administrative determination on the application has been made in accordance with this section, the alien—

(1) may not be deported, and

(2) shall be granted authorization to engage in employment in the United States and be provided an "employment authorized" endorsement or other appropriate work permit.

This subsection shall not be construed as preventing the Attorney General from commencing deportation proceedings against any alien.

(f) ADMINISTRATIVE AND JUDICIAL REVIEW.—

(1) LIMITATION ON ADMINISTRATIVE AND JUDICIAL REVIEW.—Except as provided in paragraph (4) there shall be no administrative or judicial review (by class action or otherwise) of a decision or determination under this section.

(2) NO REVIEW FOR LATE FILINGS.—No denial of adjustment of status under this section based on a late filing of an application for such adjustment may be reviewed by a court of the United States or of any State or reviewed in any administrative proceeding of the United States Government.

(3) NO COLLATERAL ATTACKS.—An alien denied adjustment of status under this section may not raise a claim respecting such adjustment in any proceeding of the United States or any State involving the status of such alien, including any proceeding of deportation or exclusion under this Act.

(4) SINGLE LEVEL OF ADMINISTRATIVE APPELLATE REVIEW.—The Attorney General shall establish an appellate authority to provide for a single level of administrative appellate review of a final determination respecting an application for adjustment of status under this section. Such administrative appellate review shall be based solely upon the administrative record established at the time of the determination on the application and may not review a denial described in paragraph (2).

(g) IMPLEMENTATION OF SECTION.—

(1) REGULATIONS.—The Attorney General, after consultation with the Committees on the Judiciary of the House of Representatives and of the Senate, shall prescribe—

(A) regulations establishing a definition of the term "resided continuously", as used in this section, and the evidence needed to establish that an alien has resided continuously in the United States for purposes of this section, and

(B) such other regulations as may be necessary to carry out this section.

(2) CONSIDERATIONS.—In prescribing regulations described in paragraph (1)(A)—

(A) PERIODS OF CONTINUOUS RESIDENCE.—The Attorney General shall specify individual periods, and aggregate periods, of absence from the United States which will be considered to break a period of continuous residence in the United States.

(B) ABSENCES CAUSED BY DEPORTATION OR ADVANCED PAROLE.—The Attorney General shall provide that—

(i) an alien shall not be considered to have resided continuously in the United States, if, during any period for which continuous residence is required, the alien was outside the United States as a result of a departure under an order of deportation, and

(ii) any period of time during which an alien is outside the United States pursuant to the advance parole procedures of the Service shall not be considered as part of the period of time during which an alien is outside the United States for purposes of this section.

(C) WAIVERS OF CERTAIN ABSENCES.—The Attorney General may provide for a waiver, in the discretion of the Attorney General, of the periods specified under subparagraph (A) in the case of an absence from the United States due merely to a brief temporary trip abroad required by emergency or extenuating circumstances outside the control of the alien.

(D) USE OF CERTAIN DOCUMENTATION.—The Attorney General shall require that—

(i) continuous residence and physical presence in the United States must be established through documents, together with independent corroboration of the information contained in such documents, and

(ii) the documents provided under clause (i) be employment-related if employment-related documents with respect to the alien are available to the applicant.

(3) INTERIM FINAL REGULATIONS.—Regulations prescribed under this section may be prescribed to take effect on an interim final basis if the Attorney General determines that this is necessary in order to implement this section in a timely manner.

(h) TEMPORARY DISQUALIFICATION OF NEWLY LEGALIZED ALIENS FROM RECEIVING CERTAIN PUBLIC ASSISTANCE.—During the six-year period beginning on the date an alien is granted lawful temporary resident status under subsection (a) and notwithstanding any other provision of law—

(1) an alien granted lawful resident status under this section is not eligible for—

(A) financial assistance furnished under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government,

(B) medical assistance under a State plan approved under title XIX of the Social Security Act,

(C) assistance under the Food Stamp Act of 1977,

except that the foregoing disqualification shall not apply in the case of—

(D) any assistance described in subparagraph (A), (B), or (C) if the alien is a special Cuban or Haitian entrant, as defined in subsection (a)(2)(D), or

(E) the program of supplemental security income benefits authorized by title XVI of the Social Security Act or medical assistance under a State plan approved under title XIX of the Social Security Act, if the alien is determined by the Secretary of Health and Human Services, based on an application for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 filed prior to the date designated by the Attorney General in accordance with subsection (a)(1)(A), to be permanently residing in the United States under color of law as provided in section 1614(a)(1)(B)(ii) of the Social Security Act and to be eligible to receive such benefits for the month prior to the month in which such date occurs, for such time as such alien continues without interruption to be eligible to receive such benefits in accordance with the provisions of title XVI of the Social Security Act or section 212 of Public Law 93-66, as appropriate; and

(2) a State or political subdivision therein may, to the extent consistent with paragraph (1), provide that the alien is not eligible for welfare assistance furnished under the law of that State or political subdivision.

For the purpose of section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-122), assistance shall be continued under such section with respect to an alien without regard to the alien's adjustment of status under this section. Unless otherwise specifically provided by law, an alien in temporary lawful residence status granted under subsection (a) shall not be considered (for purposes of any law of a State or political subdivision providing welfare assistance) to be permanently residing in the United States under color of law.

(i) MISCELLANEOUS PROVISIONS.—

(1) DISSEMINATION OF INFORMATION ON LEGALIZATION PROGRAM.—During the three-month period beginning on the effective date of the legalization program, the Attorney General, in cooperation with qualified designated entities and the Secretary of Labor, shall broadly disseminate information respecting the benefits which aliens may receive under this section and the requirements to obtain such benefits.

(2) PROCEDURES FOR PROPERTY ACQUISITION OR LEASING.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Attorney General is authorized to expend from the appropriation provided for the administration and enforcement of the Immigration and Nationality Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section. This authority shall end two years after the effective date of the legalization program.

(3) USE OF RETIRED FEDERAL EMPLOYEES.—Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Armed Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the Immigration and Naturalization Service for a period of not to exceed 18 months to perform duties in connection with the adjustment of status of aliens under this section.

(4) APPLICATION OF PROVISIONS OF IMMIGRATION AND NATIONALITY ACT.—Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act apply in the administration of this section. Nothing in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted lawful residence status under this section shall not preclude the alien from seeking such a status under any other provision of law for which the alien may be eligible.

(j) LIMITING APPLICATION OF PUBLIC LAW 89-732.—The first section of Public Law 89-732 shall not apply to any alien who is first inspected and admitted or paroled into the United States after the date of the enactment of this Act.

SEC. 203. STATE LEGALIZATION IMPACT-ASSISTANCE GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make payments to States (and for related Federal administration costs) under this section $300,000,000 for each of the first two fiscal years, beginning with the fiscal year in which the application period (described in section 202(a)(1)(A)) ends, and $600,000,000 for each of the next four fiscal years.

(b) CAPPED ENTITLEMENT.—(1) The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall provide, in accordance with this section and from the allotment for that State determined under paragraph (2), for payment to each of the States with an application approved under this section for reimbursement of the costs—

(A) of public programs of assistance provided with respect to eligible legalized aliens, for which such aliens were not dis-

qualified under section 202(h) at the time of such assistance, and

(B) for the imprisonment of aliens convicted of a felony who are in the United States unlawfully and—

(i) whose most recent entry into the United States was without inspection, or

(ii) whose most recent admission to the United States was as a nonimmigrant but—

(I) whose period of authorized stay as a nonimmigrant expired, or

(II) whose unlawful status was known to the Government,

before the date of the commission of the crime for which the imprisonment was imposed.

(2)(A) The amount of the allotment to a State under this section for a fiscal year shall bear the same proportion to the total allotments to States under this section for such fiscal year as the number of eligible legalized aliens (as defined in subsection (i)(3)) in such State that are applying for public programs of assistance (for which such aliens were not disqualified under section 202(h) at the time of such assistance) bears to the total number of such aliens that are applying for such assistance in all States.

(B)(i) The total of the allotments to States under this section is equal to $300,000,000 for each of the first two fiscal years and $600,000,000 for each of the next four fiscal years described in subsection (a).

(ii) To the extent that all the funds appropriated under this section for a fiscal year are not otherwise allotted to States either because all the States have not qualified for such allotments under this section for the fiscal year or because some States have indicated in their description of activities that they do not intend to use, in that fiscal year or the succeeding fiscal year, the full amount of such allotments, such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this clause.

(2) In determining the number of eligible legalized aliens for purposes of paragraph (1)(A), the Secretary may estimate such number on the basis of such data as he may deem appropriate.

(3) For each fiscal year the Secretary shall make payments, as provided by section 6503 of title 31, United States Code, to each State from its allotment under this subsection. Any amount paid to a State for any of the following fiscal years and remaining unobligated at the end of such year shall remain available to such State for the purposes for which it was made, as follows: Amounts appropriated for the first, second, third, fourth, and fifth fiscal years, as described in subsection (a), shall remain available for the next five, four, three, two, and one fiscal years thereafter, respectively.

(c) STATEMENTS AND ASSURANCES.—(1) No State is eligible for payment under this section unless the State—

(A) has filed with, and had approved by, the Secretary an application containing such information, including the information described in paragraph (2) and criteria for and administrative methods of disbursing funds received under this section, as the Secretary determines to be necessary to carry out this section, and

(B) transmits to the Secretary a statement of assurances that certifies that (i) funds allotted to the State under this section will only be used to carry out the purposes described in subsection (d), (ii) the State will provide a fair method (as determined by the State) for the allocation of funds among State and local agencies in accordance with subsection (d)(2), and (iii) fiscal control and fund accounting procedures will be established that are adequate to meet the requirements of subsections (e) and (f).

(2) The application of each State under this section for each fiscal year must include detailed information on—

(A) the number of eligible legalized aliens residing in the State, and

(B) the costs (excluding any such costs otherwise paid from Federal funds) which the State and each locality is likely to incur for programs of public assistance and for imprisonment costs described in subsection (b)(1)(B).

(d) USE OF FUNDS.—A State may use amounts paid to it under this section only—

(1) for the purpose of providing assistance with respect to eligible legalized aliens under programs of public assistance and under programs of public health assistance for which such aliens were not disqualified under section 202(h) at the time of such assistance, but only to the extent such assistance is otherwise available under such programs to citizens residing in the State, and

(2) for the purpose of paying for costs incurred by the State for the imprisonment of aliens described in subsection (b)(1)(B).

(e) REPORTS AND AUDITS.—(1)(A) Each State shall prepare and submit to the Secretary annual reports on its activities under this section. In order to properly evaluate and to compare the performance of different States assisted under this section and to assure the proper expenditure of funds under this section, such reports shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General) to be necessary—

(i) to secure an accurate description of those activities,

(ii) to secure a complete record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes of this section, and

(iii) to determine the extent to which funds were expended consistent with subsection (d).

Copies of the report shall be provided, upon request, to any interested public agency, and each such agency may provide its views on these reports to the Congress.

(B) The Secretary shall annually report to the Congress on activities funded under this section and shall provide for transmittal of a copy of such report to each State.

(2)(A) For requirements relating to audits of funds received by a State under this section, see chapter 75 of title 31, United States Code (relating to requirements for single audit).

(B) Each State shall repay to the United States amounts ultimately found not to have been expended in accordance with this section, or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this section.

(C) The Secretary may, after notice and opportunity for a hearing, withhold payment of funds to any State which is not using its allotment under this section in accordance with this section. The Secretary may withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

(3) The State shall make copies of the reports and audits required by this subsection available for public inspection within the State.

(4)(A) For the purpose of evaluating and reviewing the assistance provided under this section, the Secretary and the Comptroller General shall have access to any books, accounts, records, correspondence, or other documents that are related to such assistance, and that are in the possession, custody, or control of States, political subdivisions thereof, or any of their grantees.

(B) In conjunction with an evaluation or review under subparagraph (A), no State or political subdivision thereof (or grantee of either) shall be required to create or prepare new records to comply with subparagraph (A).

(f) CRIMINAL PENALTIES FOR FALSE STATEMENTS.—Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or misrepresentation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this section, or

(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized,

shall be fined, imprisoned for not more than five years, or both.

(g) ANTI-DISCRIMINATION PROVISION.—(1)(A) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this section are considered to be programs and activities receiving Federal financial assistance.

(B) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this section.

(2) Whenever the Secretary finds that a State or locality which has been provided payment from an allotment under this section has failed to comply with a provision of law referred to in paragraph (1)(A), with paragraph (1)(B), or with an applicable regulation (including one prescribed to carry out paragraph (1)(B)), he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted,

(B) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable, or

(C) take such other action as may be provided by law.

(3) When a matter is referred to the Attorney General pursuant to paragraph (2)(A), or whenever he has reason to believe

that the entity is engaged in a pattern or practice in violation of a provision of law referred to in paragraph (1)(A) or in violation of paragraph (1)(B), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(h) CONSULTATION WITH STATE AND LOCAL OFFICIALS.—In establishing regulations and guidelines to carry out this section, the Secretary shall consult with representatives of State and local governments.

(i) DEFINITIONS.—For purposes of this section:

(1) The term "State" has the meaning given such term in section 101(a)(36) of the Immigration and Nationality Act.

(2) The term "programs of public assistance" means programs in a State or local jurisdiction which—

(A) provide for cash, medical, or other assistance (as defined by the Secretary) designed to meet the basic subsistence or health needs of individuals or required in the interest of public health,

(B) are generally available to needy individuals residing in the State or locality, and

(C) receive funding from units of State or local government.

(3) The term "eligible legalized alien" means an alien who has been granted lawful resident status under section 202(a), but only until the end of the six-year period beginning on the date the alien was granted such status.

TITLE III—OTHER CHANGES IN THE IMMIGRATION LAW

SEC. 301. CHANGE IN COLONIAL QUOTA.

(a) INCREASE TO 5,000.—(1) Section 202(c) (8 U.S.C. 1152(c)) is amended by striking out "six hundred" and inserting in lieu thereof "5,000".

(2) Section 202(e) (8 U.S.C. 1152(e)) is amended by striking out "600" and inserting in lieu thereof "5,000".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to fiscal years beginning after the date of the enactment of this Act.

SEC. 302. VISA WAIVER PILOT PROGRAM FOR CERTAIN VISITORS.

(a) ESTABLISHING VISA WAIVER PILOT PROGRAM.—Chapter 2 of title II is amended by adding after section 217 (added by section 125(b) of this Act) the following new section:

"VISA WAIVER PILOT PROGRAM FOR CERTAIN VISITORS

"SEC. 218. (a) ESTABLISHMENT OF PILOT PROGRAM.—The Attorney General and the Secretary of State are authorized to establish a pilot program (hereafter in this section referred to as the 'pilot program') under which the requirement of paragraph (26)(B) of section 212(a) may be waived by the Attorney General and the Secretary of State, acting jointly and in accordance with this section, in the case of an alien who meets the following requirements:

"(1) SEEKING ENTRY AS TOURIST FOR 90 DAYS OR LESS.—The alien is applying for admission during the pilot program period (as defined in subsection (e)) as a nonimmigrant visitor (described in section 101(a)(15)(B)) for a period not exceeding 90 days.

"(2) NATIONAL OF PILOT PROGRAM COUNTRY.—The alien is a national of a country which—

"(A) extends (or agrees to extend) reciprocal privileges to citizens and nationals of the United States, and

"(B) is designated as a pilot program country under subsection (c).

"(3) EXECUTES ENTRY CONTROL AND WAIVER FORMS.—The alien before the time of such admission—

"(A) completes such immigration form as the Attorney General shall establish under subsection (b)(3), and

"(B) executes a waiver of review and appeal described in subsection (b)(4).

"(4) ROUND-TRIP TICKET.—The alien has a round-trip, nonrefundable, nontransferable, open-dated transportation ticket which—

"(A) is issued by a carrier which has entered into an agreement described in subsection (d), and

"(B) guarantees transport of the alien out of the United States at the end of the alien's visit.

"(5) NOT A SAFETY THREAT.—The alien has been determined not to represent a threat to the welfare, health, safety, or security of the United States.

"(6) NO PREVIOUS VIOLATION.—If the alien previously was admitted without a visa under this section, the alien must not have failed to comply with the conditions of any previous admission as such a nonimmigrant.

"(b) CONDITIONS BEFORE PILOT PROGRAM CAN BE PUT INTO OPERATION.—

"(1) PRIOR NOTICE TO CONGRESS.—The pilot program may not be put into operation until the end of the 30-day period beginning on the date that the Attorney General submits to the Congress a certification that the screening and monitoring system described in paragraph (2) is operational and effective and that the form described in paragraph (3) has been produced.

"(2) AUTOMATED DATA ARRIVAL AND DEPARTURE SYSTEM.—The Attorney General in cooperation with the Secretary of State shall develop and establish an automated data arrival and departure control system to screen and monitor the arrival into and departure from the United States of nonimmigrant visitors receiving a visa waiver under the pilot program.

"(3) VISA WAIVER INFORMATION FORM.—The Attorney General shall develop a form for use under the pilot program. Such form shall be consistent and compatible with the control system developed under paragraph (2). Such form shall provide for, among other items—

"(A) a summary description of the conditions for excluding nonimmigrant visitors from the United States under section 212(a) and under the pilot program,

"(B) a description of the conditions of entry with a waiver under the pilot program, including the limitation of such entry to 90 days and the consequences of failure to abide by such conditions, and

"(C) questions for the alien to answer concerning any previous denial of the alien's application for a visa.

"(4) WAIVER OF RIGHTS.—An alien may not be provided a waiver under the pilot program unless the alien has waived any right—

"(A) to review or appeal under this Act of an immigration officer's determination as to the admissibility of the alien at the port of entry into the United States, or

"(B) to contest, other than on the basis of an application for asylum, any action for deportation against the alien.

"(c) DESIGNATION OF PILOT PROGRAM COUNTRIES.—

"(1) UP TO 8 COUNTRIES.—The Attorney General and the Secretary of State acting jointly may designate up to eight countries as pilot program countries for purposes of the pilot program.

"(2) INITIAL QUALIFICATIONS.—For the initial period described in paragraph (4), a country may not be designated as a pilot program country unless the following requirements are met:

"(A) LOW NONIMMIGRANT VISA REFUSAL RATE FOR PREVIOUS 2-YEAR PERIOD.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2.0 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(B) LOW IMMIGRANT VISA REFUSAL RATE FOR EACH OF 2 PREVIOUS YEARS.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(3) CONTINUING AND SUBSEQUENT QUALIFICATIONS.—For each fiscal year (within the pilot program period) after the initial period—

"(A) CONTINUING QUALIFICATION.—In the case of a country which was a pilot program country in the previous fiscal year, a country may not be designated as a pilot program country unless the sum of—

"(i) the total of the number of nationals of that country who were excluded from admission or withdrew their application for admission during such previous fiscal year as a nonimmigrant visitor, and

"(ii) the total number of nationals of that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission,

was less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year.

"(B) NEW COUNTRIES.—In the case of another country, the country may not be designated as a pilot program country unless the following requirements are met:

"(i) LOW NONIMMIGRANT VISA REFUSAL RATE IN PREVIOUS 2-YEAR PERIOD.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(ii) LOW NONIMMIGRANT VISA REFUSAL RATE IN EACH OF THE 2 PREVIOUS YEARS.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(4) INITIAL PERIOD.—For purposes of paragraphs (2) and (3), the term 'initial period' means the period beginning at the end of the 30-day period described in subsection (b)(1) and ending on the last day of the first fiscal year which begins after such 30-day period.

"(d) CARRIER AGREEMENTS.—

"(1) IN GENERAL.—The agreement referred to in subsection (a)(4)(A) is an agreement between a carrier and the Attorney General under which the carrier agrees, in consideration of the waiver of the visa requirement with respect to a nonimmigrant visitor under the pilot program—

"(A) to indemnify the United States against any costs for the transportation of the alien from the United States if the visitor is refused admission to the United States or remains in the United States unlawfully after the 90-day period described in subsection (a)(1)(A), and

"(B) to submit daily to immigration officers any immigration forms received with respect to nonimmigrant visitors provided a waiver under the pilot program.

"(2) TERMINATION OF AGREEMENTS.—The Attorney General may terminate an agreement under paragraph (1) with five days' notice to the carrier for the carrier's failure to meet the terms of such agreement.

"(e) DEFINITION OF PILOT PROGRAM PERIOD.—For purposes of this section, the term 'pilot program period' means the period beginning at the end of the 30-day period referred to in subsection (b)(1) and ending on the last day of the third fiscal year which begins after such 30-day period.".

(b) LIMITATION ON STAY IN UNITED STATES.—Section 214(a) (8 U.S.C. 1184(a)) is amended by adding at the end the following new sentence: "No alien admitted to the United States without a visa pursuant to section 218 may be authorized to remain in the United States as a nonimmigrant visitor for a period exceeding 90 days from the date of admission.".

(c) PROHIBITION OF ADJUSTMENT TO IMMIGRANT STATUS.—Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(5) An alien (other than an immediate relative specified in section 201(b)) who was admitted as a nonimmigrant visitor without a visa under section 212(l) or section 218.".

(d) PROHIBITION OF ADJUSTMENT OF NONIMMIGRANT STATUS.—Section 248 (8 U.S.C. 1258) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and" and by adding at the end thereof the following new paragraph:

"(4) an alien admitted as a nonimmigrant visitor without a visa under section 212(l) or section 218.".

(e) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents is amended by adding after the item relating to section 217 (added by section 125(i) of this Act) the following new item:

"Sec. 218. Visa waiver pilot program for certain visitors.".

(f) SENSE OF THE SENATE.—It is the sense of the Senate that the visa waiver pilot program authorized by the amendments made by this section will provide economic benefits, greater international understanding and cooperation, and more efficient use of consulor resources, and that such goals are highly desirable and in the national interest. The Senate reaffirms its support for such program.

SEC. 303. G-IV SPECIAL IMMIGRANTS.

(a) SPECIAL IMMIGRANT STATUS FOR CERTAIN OFFICERS AND EMPLOYEES OF INTERNATIONAL ORGANIZATIONS AND THEIR IMMEDIATE FAMILY MEMBERS.—Section 101(a)(27) (8 U.S.C. 1101(a)(27)) is amended by striking out "or" at the end of subparagraph (G), by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; or", and by adding at the end of the following new subparagraph:

"(I)(i) an immigrant who is the unmarried son or daughter of an officer or employee, or of a former officer or employee, of an international organization described in paragraph (15)(G)(i), and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv) or paragraph (15)(P), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least seven years between the ages of five and 21 years, and (II) applies for admission under this subparagraph no later than his twenty-fifth birthday or six months after the date this subparagraph is enacted, whichever is later;

"(ii) an immigrant who is the surviving spouse of a deceased officer or employee of such an international organization, and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv) or paragraph (15)(P), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least 15 years before the date of the death of such officer or employee, and (II) applies for admission under this subparagraph no later than six months after the date of such death or six months after the date this subparagraph is enacted, whichever is later;

"(iii) an immigrant who is a retired officer or employee of such an international organization, and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least 15 years before the date of the officer or employee's retirement from any such international organization, and (II) applies for admission under this subparagraph before January 1, 1993, and no later than six months after the date of such retirement or six months after the date this subparagraph is enacted, whichever is later; or

"(iv) an immigrant who is the spouse of a retired officer or employee accorded the status of special immigrant under clause (iii), accompanying or following to join such retired officer or employee as a member of his immediate family.".

(b) NONIMMIGRANT STATUS FOR CERTAIN PARENTS AND CHILDREN OF ALIENS GIVEN SPECIAL IMMIGRANT STATUS.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by sections 122(a) and 125(b) of this Act, is further amended by striking out "or" at the end of subparagraph (N), by striking out the period at the end of subparagraph (O) and inserting in lieu thereof "; or", and by adding at the end the following new paragraph:

"(P)(i) the parent of an alien accorded the status of special immigrant under paragraph (27)(I)(i), but only if and while the alien is a child, or

"(ii) a child of such parent or of an alien accorded the status of a special immigrant under paragraph (27)(I) (ii), (iii), or (iv).".

SEC. 304. VERIFICATION OF IMMIGRATION STATUS OF ALIENS APPLYING FOR BENEFITS UNDER CERTAIN PROGRAMS.

(a) REQUIRING IMMIGRATION STATUS VERIFICATION.—

(1) UNDER AFDC, MEDICAID, UNEMPLOYMENT COMPENSATION, AND FOOD STAMP PROGRAMS.—Section 1137 of the Social Security Act (42 U.S.C. 1320b-7) is amended—

(A) by redesignating paragraphs (4) through (7) of subsection (a) as paragraphs (5) through (8), respectively, and inserting after paragraph (3) the following new paragraph:

"(4) the State shall require, as a condition of eligibility for benefits under any program listed in subsection (b), that each applicant for or recipient of benefits under that program must declare in writing, under penalty of perjury, whether or not the individual is a citizen of the United States, and, if not a citizen of the United States, the individual shall present alien registration documents or other proof of immigration registration from the Immigration and Naturalization Service that contain the individual's alien admission number, or alien file number (or numbers if he has more than one number), and—

"(A) if such applicant or recipient is not a citizen of the United States, the State shall utilize the individual's alien file or alien admission number to verify with the Immigration and Naturalization Service the alien's immigration status through an automated or other system (designated by the Service for use with States) that—

"(i) utilize the alien's name, file number, admission number or other means permitting efficient verification, and

"(ii) protects the alien's privacy to the maximum degree possible,

"(B) if the verification under subparagraph (A) does not indicate that the individual is in an immigration status permitting eligibility for benefits under the applicable program—

"(i) the State shall provide the alien with an opportunity to prove otherwise by submitting to the State documents establishing a satisfactory immigration status for the applicable program, photostatic or other similar copies of which documents shall be transmitted by the State to the Immigration and Naturalization Service for official verification, and

"(ii) the State may not deny, reduce, or terminate an individual's benefits under the program on the basis of immigration status without affording the individual the opportunity described in clause (i), and

"(C) if an individual has been determined (after the opportunity described in subparagraph (B)(i)) to be an alien in an immigration status which does not permit the individual to be eligible for benefits under the applicable program, the State shall deny or terminate the individual's participation in the program;"; and

(B) in subsection (b), by striking out "income verification system" in the matter preceding paragraph (1) and inserting in lieu "income and eligibility verification system".

(2) UNDER SSI PROGRAM.—Section 1631(e)(1)(B) of such Act is amended by striking out "subsections (a)(6) and (c)" and inserting in lieu thereof "(a)(4), (a)(7), and (c)".

(b) PROVIDING 90 PERCENT MATCHING FUNDS FOR NONLABOR COSTS OF IMPLEMENTATION AND OPERATION.—

(1) UNDER AFDC PROGRAM.—Section 403(a)(3) of the Social Security Act is amended by inserting before subparagraph (B) the following new subparagraph:

"(A) 90 percent of so much of such expenditures as are for the nonlabor costs of the implementation and operation of the

immigration status verification system described in section 1137(a)(4),".

(2) UNDER MEDICAID PROGRAM.—Section 1903(a) of such Act is amended by inserting after paragraph (3) the following new paragraph:

"(4) an amount equal to 90 percent of the sums expended during the quarter which are attributable to the nonlabor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(3) UNDER UNEMPLOYMENT COMPENSATION PROGRAM.—The first sentence of section 302(a) of such Act is amended by inserting before the period at the end the following: ", including 90 percent of so much of the reasonable expenditures of the State as are attributable to the nonlabor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4)".

(4) UNDER CERTAIN TERRITORIAL ASSISTANCE PROGRAMS.—Sections 3(a)(4), 1003(a)(3), 1403(a)(3), and 1603(a)(4) of the Social Security Act (as in effect without regard to section 301 of the Social Security Amendments of 1972) are each amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

"(B) 90 percent of so much of such expenditures as are for the nonlabor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(5) UNDER THE FOOD STAMP PROGRAM.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by adding at the end the following new subsection:

"(h) The Secretary is authorized to pay to each State agency an amount equal to 90 per centum of the non-labor costs incurred by the State agency in implementing and operating the immigration status verification system described in section 1137(a)(4) of the Social Security Act.".

(c) EFFECTIVE DATES.—

(1) INS ESTABLISHING VERIFICATION SYSTEM BY OCTOBER 1, 1987.—The Commissioner of Immigration and Naturalization shall implement a system for the verification of immigration status under section 1137(a)(4)(A) of the Social Security Act (as amended by this section) so that the system is available to all the States by not later than October 1, 1987.

(2) HIGHER MATCHING EFFECTIVE IN FISCAL YEAR 1988.—The amendments made by subsection (b) take effect on October 1, 1987.

(3) USE OF VERIFICATION SYSTEM REQUIRED IN FISCAL YEAR 1989.—The amendments made by subsection (a) take effect on October 1, 1988. States have until that date to begin complying with the requirements imposed by those amendments.

(4) FUNDS AUTHORIZED.—Such sums as may be necessary are authorized for the Immigration and Naturalization Service to carry out the purposes of this section.

SEC. 305. POWERS OF IMMIGRATION OFFICERS AND EMPLOYEES.

Section 287 of the Immigration and Nationality Act (8 U.S.C. 1357) is amended by adding at the end thereof the following:

"(d) Notwithstanding any other provision of this section (other than paragraph (3) of subsection (a)), in the enforcement of this Act an officer or employee or the Service may not enter onto the premises of a farm or other agricultural operation without a properly executed warrant.".

TITLE IV—REPORTS

SEC. 401. TRIENNIAL COMPREHENSIVE REPORT ON IMMIGRATION.

(a) TRIENNIAL REPORT.—The President shall transmit to the Congress, not later than January 1, 1987, and not later than January 1 of every third year thereafter, a comprehensive immigration-impact report.

(b) DETAILS IN EACH REPORT.—Each report shall include—

(1) the number and classification of aliens admitted (whether as immediate relatives, special immigrants, refugees, or under the preferences classifications, or as nonimmigrants), paroled, or granted asylum, during the relevant period;

(2) a reasonable estimate of the number of aliens who entered the United States during the period without visas or who became deportable during the period under section 241 of the Immigration and Nationality Act; and

(3) a description of the impact of admissions and other entries of immigrants, refugees, asylees, and parolees into the United States during the period on the economy, labor and housing markets, the educational system, social services, foreign policy, environmental quality and resources, the rate, size, and distribution of population growth in the United States, and the impact on specific States and local units of government of high rates of immigration resettlement.

(c) HISTORY AND PROJECTIONS.—The information (referred to in subsection (b)) contained in each report shall be—

(1) described for the preceding three-year period, and

(2) projected for the succeeding five-year period, based on reasonable estimates substantiated by the best available evidence.

(d) RECOMMENDATIONS.—The President also may include in such report any appropriate recommendations on changes in numerical limitations or other policies under title II of the Immigration and Nationality Act bearing on the admission and entry of such aliens to the United States.

SEC. 402. REPORTS ON UNAUTHORIZED ALIEN EMPLOYMENT AND DISCRIMINATION IN EMPLOYMENT.

(a) PRESIDENTIAL REPORTS.—The President shall transmit to Congress annual reports on the implementation of section 274A of the Immigration and Nationality Act (relating to unlawful employment of aliens) during the first three years after its implementation. Each report shall include—

(1) an analysis of the adequacy of the employment verification system provided under subsection (b) of that section;

(2) a description of the status of the development and implementation of changes in that system under subsection (c) of that section, including the results of any demonstration projects conducted under paragraph (4) of such subsection; and

(3) an analysis of the impact of the enforcement of that section on—

(A) the employment, wages, and working conditions of United States workers and on the economy of the United States,

(B) the number of aliens entering the United States illegally or who fail to maintain legal status after entry, and

(C) the violation of terms and conditions of nonimmigrant visas by foreign visitors.

(b) GAO REPORTS.—(1) Beginning one year after the date of enactment of this Act, and at intervals of one year thereafter for a period of three years after such date, the Comptroller General of the United States shall prepare and transmit to the Congress and to the taskforce established under subsection (c) a report describing the results of a review of the implementation and enforcement of section 274A of the Immigration and Nationality Act during the preceding twelve-month period, for the purpose of determining if—

(A) such provisions have been carried out satisfactorily;

(B) a pattern of discrimination has resulted against citizens or nationals of the United States or against eligible workers seeking employment; and

(C) an unnecessary regulatory burden has been created for employers hiring such workers.

(2) In each report, the Comptroller General shall make a specific determination as to whether the implementation of that section has resulted in a pattern of discrimination in employment (against other than unauthorized aliens) on the basis of national origin.

(3) If the Comptroller General has determined that such a pattern of discrimination has resulted, the report—

(A) shall include a description of the scope of that discrimination, and

(B) may include recommendations for such legislation as may be appropriate to deter or remedy such discrimination.

(c) REVIEW BY TASKFORCE.—(1) The Attorney General, jointly with the Chairman of the Commission on Civil Rights and the Chairman of the Equal Employment Opportunity Commission, shall establish a taskforce to review each report of the Comptroller General transmitted under subsection (b)(1).

(2) If the report transmitted includes a determination that the implementation of section 274A of the Immigration and Nationality Act has resulted in a pattern of discrimination in employment (against other than unauthorized aliens) on the basis of national origin, the taskforce shall, taking into consideration any recommendations in the report, report to Congress recommendations for such legislation as may be appropriate to deter or remedy such discrimination.

(3) The Committees on the Judiciary of the House of Representatives and of the Senate shall hold hearings respecting any report of the taskforce under paragraph (2) within 60 days after the date of receipt of the report.

(d) TERMINATION DATE FOR EMPLOYER SANCTIONS.—(1) The provisions of section 274A of the Immigration and Nationality Act shall terminate 30 calendar days after receipt of the last report required to be transmitted under subsection (b),

(A) the Comptroller General determines, and so reports in such report, that a widespread pattern of discrimination has resulted against citizens or nationals of the United States or against eligible workers seeking employment, the sole result of the implementation of employer sanctions; and

(B) there is enacted, within such period of 30 calendar days, a joint resolution stating in substance that the Congress approves the findings of the Comptroller General contained in such report.

(2) Any joint resolution referred to in clause (B) of paragraph (1) shall be considered in the Senate in accordance with subsection (f).

(e) EXPEDITED PROCEDURES IN THE HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (d), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall

be treated as highly privileged in the House of Representatives.

(f) EXPEDITED PROCEDURES IN THE SENATE.—(1) For purposes of subsection (d), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (d), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.

(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (d) has not reported such joint resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

SEC. 403. REPORT ON VISA WAIVER PILOT PROGRAM.

(a) MONITORING AND REPORT PILOT PROGRAM.—The Attorney General and the Secretary of State shall jointly monitor the pilot program established under section 218 of the Immigration and Nationality Act and shall report to the Congress not later than two years after the beginning of the program.

(b) DETAILS IN REPORT.—The report shall include—

(1) an evaluation of the program, including its impact—

(A) on the control of alien visitors to the United States,

(B) on consular operations in the countries designated under the program, as well as on consular operations in other countries in which additional consular personnel have been relocated as a result of the implementation of the program, and

(C) on the United States tourism industry; and

(2) recommendations—

(A) on extending the pilot program period, and

(B) on increasing the number of countries that may be designated under the program.

SEC. 404. PRESIDENTIAL REPORTS ON ANY LEGALIZATION PROGRAM.

(a) IN GENERAL.—The President shall transmit to Congress two reports after the legalization program has been established under section 202 of this Act.

(b) INITIAL REPORT ON LEGALIZED ALIENS.—The first report, which shall be transmitted not later than 18 months after the end of the application period for adjustment to lawful temporary residence status under the program, shall include a description of the population whose status is legalized under the program, including—

(1) geographical origins and manner of entry of these aliens into the United States,

(2) their demographic characteristics, and

(3) a general profile and characteristics of the population legalized under the program.

(c) SECOND REPORT ON IMPACT OF LEGALIZATION PROGRAM.—The second report, which shall be transmitted not later than three years after the date of transmittal of the first report, shall include a description of—

(1) the impact of the program on State and local governments and on public health and medical needs of individuals in the different regions of the United States,

(2) the patterns of employment of the legalized population, and

(3) the participation of legalized aliens in social service programs.

SEC. 405. REPORT ON THE IMMIGRATION AND NATURALIZATION SERVICE.

Not later than 90 days after the date of enactment of this Act, the Attorney General shall prepare and transmit to the Congress a report describing the type of equipment and personnel resources required to improve the capabilities of the Immigration and Naturalization Service so that it can adequately carry out services and enforcement activities.

SEC. 406. SENSE OF THE CONGRESS.

It is the sense of the Congress that the President of the United States should consult with the President of the Republic of Mexico within 90 days after enactment of this act regarding the implementation of this Act and its possible effect on the United States or Mexico. After the consultation, it is the sense of the Congress that the President should report to the Congress any legislative or administrative changes that may be necessary as a result of the consultation and the enactment of this legislation.

TITLE V—COMMISSION FOR THE STUDY OF COOPERATIVE UNITED STATES-MEXICAN ENDEAVORS TO IMPROVE ECONOMIC CONDITIONS

SEC. 501. COMMISSION.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established the Commission for the Study of Cooperative United States-Mexican Endeavors to Improve Economic Conditions (hereafter in this section referred to as the "Commission"), to be composed of twelve members—

(A) four Members of the House of Representatives to be appointed by the Speaker of the House of Representatives, upon the recommendation of the majority leader and the minority leader; and

(B) four Members of the Senate to be appointed by the President pro tempore of the Senate, upon the recommendation of the majority leader and the minority leader.

(C) four members to be appointed by the President, not more than two from any one political party.

(2) Members shall be appointed to serve for the life of the Commission.

(3) A majority of the members of the Commission shall elect a Chairman.

(b) DUTY OF COMMISSION.—The Commission shall examine how the United States and Mexico can work together to improve the economy of Mexico and the economy of the United States.

(c) REPORT TO CONGRESSIONAL COMMITTEES.—Not later than one hundred and eighty days after the appointment of the members of the Commission, the Commission shall prepare and transmit to the President and to the Congress a report describing what steps the United States should be taking to work with Mexico to improve economic conditions.

(d) COMPENSATION OF MEMBERS, MEETINGS, STAFF, AUTHORITY OF COMMISSION, AND AUTHORIZATION OF APPROPRIATIONS.—(1) The provisions of subsections (d), (f)(2), (f)(3), (g), (h), and (i) of section 124 of this Act shall apply to the Commission under this section in the same manner as they apply to the Commission established under section 124.

(2) Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(e) TERMINATION DATE.—The Commission shall terminate on the date on which a report is required to be submitted by subsection (c), except that the Commission may continue to function for not more than thirty days thereafter for the purpose of concluding its activities.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY TOWARD THE ENGLISH LANGUAGE.

(a) FINDINGS.—The Congress finds that—

(1) the United States has been and will continue to be enriched by the contributions of immigrants from diverse cultures;

(2) a common language, English, fosters harmony among our people, promotes political stability, permits the interchange of ideas, encourages societal accord, and unites

us as a people committed to freedom and equality;

(3) the learning of the English language by our Nation's immigrants is vital to their participation in the economic, education, social, and political opportunities of our country; and

(4) a role of the Congress is supporting the bonds that unite our people, one of the most important of which is the use of the English language.

(b) POLICY.—It is the sense of the Congress that the English language is the official language of the United States.

SEC. 602. SENSE OF THE SENATE REGARDING ETHANOL IMPORTS.

(a) ETHANOL IMPORTS.—The Congress finds and declares that—

(1) the Treasury Department's decision on August 28, 1985, to postpone until November 1, 1985, implementation of a 60-cent-per-gallon tariff on imported Brazilian ethanol would cause significant harm to United States agricultural and commercial ethanol industries, a loss of jobs in the ethanol and related industries, further deteriorate the United States balance of trade, pressure downward commodity prices even further and heighten the long-term threat of more United States dependence on imported oil;

(2) this decision clearly is counter to the explicit dictates of the Congress in the passage of Public Law 96-499 adopted by the Congress in 1980 and signed into law by the President; and

(3) the potential amount of ethanol which could be imported under reduced tariffs before November 1, 1985, could equal the total amount of annual domestic ethanol production in the United States.

(b) TARIFF ON IMPORTED ETHANOL.—It is therefore the sense of the Senate that the 60-cent-per-gallon tariff on imported ethanol should be immediately implemented.

SEC. 603. REIMBURSE STATE GOVERNMENTS FOR COST OF INCARCERATING ILLEGAL ALIENS.

(a) REIMBURSEMENT TO STATES.—The Attorney General shall reimburse a State for the costs incurred by such State for the imprisonment of any illegal alien or Marielito Cuban who is convicted of a felony by such State.

(b) ILLEGAL ALIENS CONVICTED OF A FELONY.—An illegal alien referred to in subsection (a) is any alien convicted of a felony who is in the United States unlawfully and—

(1) whose most recent entry into the United States was without inspection, or

(2) whose most recent admission to the United States was a nonimmigrant but—

(A) whose period of unauthorized stay as a nonimmigrant expired, or

(B) whose unlawful status was known to the Government,

before the date of the commission of the crime for which the imprisonment was imposed.

(c) MARIELITO CUBANS CONVICTED OF A FELONY.—A Marielito Cuban convicted of a felony referred to in subsection (a) is a national of Cuba who—

(1) was allowed by the Attorney General to enter the United States in 1980,

(2) after such entry committed any violation of State law for which a term of imprisonment was imposed, and

(3) at the time of such entry and such violation was not an alien lawfully admitted to the United States—

(A) for permanent residence, or

(B) under the terms of an immigrant visa or a nonimmigrant visa issued,

under the laws of the United States.

(d) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(e) EFFECTIVE DATE.—This section shall become effective on October 1, 1985.

SEC. 604. TERMINATION DATE FOR CERTAIN AGRICULTURAL PROVISIONS.

(a) TERMINATION DATE FOR CERTAIN AGRICULTURAL PROVISIONS.—(1) The provisions of section 125 of this Act and amendments made by such section shall terminate 90 calendar days after receipt of the report described in section 124(c) of this Act unless there is enacted within 90 calendar days a joint resolution stating in substance that Congress approves the continued applicability of the provisions of section 125 and amendments made by such section.

(2) Any joint resolution referred to in paragraph (1) of this subsection shall be considered in the Senate in accordance with subsection (c).

(b) EXPEDITED PROCEDURES IN THE HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (a), a motion to proceed to the consideration of any such joint resolution after it has been reported to the appropriate committee shall be treated as highly privileged in the House of Representatives.

(c) EXPEDITED PROCEDURES IN THE SENATE.—(1) For purposes of subsection (a), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (a), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.

(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (a) has not reported such joint resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I wish to take this opportunity to commend the able Senator from Wyoming, Senator SIMPSON, for the skill and splendid manner in which he handled this bill. We have passed this bill through the Senate now for the third time and we are hoping this time the House will come across and go with us and pass a bill. We almost got a bill last year.

Senator SIMPSON has worked ardently and he has worked around the clock on this bill. He is very knowledgeable on it. He did a fine job in the committee. He had done an excellent job here and he did a splendid job in conference. I am hoping this time that we can get a bill for the American people, as it is badly needed.

I just wanted to especially commend and congratulate the able Senator from Wyoming on the magnificent work he has done on this immigration bill.

Mr. SIMPSON. Mr. President, as chairman of the Subcommittee on Immigration and Refugee Policy, my duties are presented to me often by the chairman of the committee. I could never have had a more supportive, loyal, and remarkable chairman

than Senator STROM THURMOND. I cannot say enough about him. He has proved his loyalty, his kindness, and his affection to me. He served with my father in this place and when I came here he took me under his wing. He has been like a second father to me. He is a special, special person, and I thank him for his remarks.

Mr. THURMOND. I wish to thank the able Senator for his kind remarks.

Mr. SIMPSON. Mr. President, let me just thank the members of the staff, diligent people on both sides of the aisle in this remarkable Immigration Subcommittee, especially these people: Debbie Gibbs, Denise Herzog, Chip Wood, Carl Hampe, Jodi Brayton, Helen York, and Frankey DeGooyer. I deeply appreciate their extraordinary time and effort; the intrustion on their weekends and the things that go with a piece of legislation.

Also, a particular thanks to Jerry Tinker, who represents Senator KENNEDY so very well; Ally Milder, of Senator GRASSLEY'S staff; Andy Hartsfield, of Senator DENTON'S staff; Mark Contreras, of Senator SIMON'S staff; and Dick Dargan, of Senator THURMOND'S staff. All of those are members of the subcommittee. I am deeply appreciative of their efforts.

Especially, thanks to Dick Day, who I lured out of Cody, WY some 4 years ago and said, "Come on out and help me with the immigration bill, Dick; you will love it." And he came, like a lovely friend. I am sure that he is as pleased as I am, but if we have to do this one more round, he will go back to Cody, WY and practice his mysteries of law back there. To Dick Day, a special friend, who is the right hemisphere of my brain on immigration, my thanks, my richest thanks.

With that, Mr. President, just to comment to another man in the Chamber, Senator GORTON, who entered into the spirited parts of the debate and left much of his imprint here—and I deeply appreciate that—as a very remarkable Member of this body.

I would also like to extend my appreciation to INS Commissioner Alan Nelson and his fine organization. They are unfailingly helpful to those of us who have grappled with this difficult and complex issue of immigation reform.

Again, thanks to Senator KENNEDY, who fully realized the situation. Throughout the entire endeavor, as he has come to positions for which he could not vote, out of this finest conscience, he was always there supporting me and guiding me and assisting me with certain constituencies that I did not exactly have access to. I appreciate that.

Mr. President, I thank my colleague, who will now take the floor, Senator STAFFORD, for his continuing support. He is my other chairman. I have two—Senator THURMOND and Senator STAFFORD. I appreciate their good counsel.

Mr. KENNEDY. Mr. President, I, too, want to express my appreciation for the outstanding work of the Immigration Subcommittee staff. They have shown the same patience and perseverance that Senator SIMPSON has shown.

I particularly what to note the work of the subcommittee's chief counsel, Dick Day. He has been extraordinarily thoughtful and helpful to me and to my staff, as has Karl Hampe and others.

Finally, I want to thank Jerry Tinker of my staff, who has served as my counsel on this difficult issue for 15 years.

The issue now moves to the House of Representatives, and I am prepared to work with Senator SIMPSON if and when we go to conference.

SUPERFUND IMPROVEMENT ACT OF 1985

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act Of 1980, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 647

(Purpose: To encourage the use of innovative technologies at radon contaminated Superfund sites)

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY], for himself and Mr. LAUTENBERG, proposes an amendment numbered 647.

Mr. BRADLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I insert the following new section:

"SEC. . RADON PROTECTION AT CURRENT NPL SITES.—It is the sense of the Congress that the President, in selecting response action for facilities included on the National Priorities List published under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 because of the presence of radon, is not required by statute or regulations to use fully demonstrated methods, particularly those involving the offsite transport and disposition of contaminated material, but may use innovative or alternative methods which protect human health and the environment in a more cost-effective manner."

Mr. BRADLEY. Mr. President, this amendment would provide congressional guidance to enable EPA to use innovative or alternative cleanup methods at radon-contaminated Superfund sites if these methods protect human health and the environment in a more cost effective manner than is now the practice at EPA. These alternative cleanup techniques have the potential to provide more effective, more rapid, and less costly relief from the dangers of radon gas.

Radon gas creates a severe health problem to humans when it collects in a building. It is not a problem if the gas is allowed to diffuse into the air. The sources of radon gas are, first, naturally occurring radon in the Earth's surface and, second, manmade radon deposited as the waste product of a manufacturing process. I am joining Senators MITCHELL and LAUTENBERG in offering an amendment dealing with the problem of naturally occurring radon and the indoor air pollution problem in general. The pending amendment deals only with manmade radon contamination.

There are several sites on the current Superfund list where the hazardous waste is manmade radon buried in the ground. Current practice at Superfund sites is to use only previously demonstrated techniques. This is not as irrational as it may seem. There is a real concern that untried and unproven cleanup techniques could lead to wasteful and even counterproductive efforts. However, the problem of radon gas is very unusual. The only cleanup procedure now being considered at Superfund sites where manmade radon is the principal contaminant is to dig up the ground beneath the building and truck the contaminated dirt somewhere else. This cleanup technique is extremely time consuming and expensive and, if unchecked, could result in a real drain on limited Superfund resources.

Other cleanup techniques have been studied and have been tested. These techniques have been shown to be effective at reducing the threat to the health of the occupants of the home. The intent of this amendment is to encourage EPA to consider and use all techniques when they protect public health and the environment in a cost-effective manner.

An additional benefit of this amendment is that the experience gained by EPA at radon-contaminated Superfund sites may be incorporated into the indoor air pollution program being established by the Mitchell-Lautenberg-Bradley amendment.

I urge my colleagues to support this amendment.

Mr. President, I have checked this amendment with both the distinguished chairman of the committee, Senator STAFFORD, and the distinguished ranking member, Senator BENTSEN. I offer the amendment on behalf of myself and my distinguished

colleague, Senator LAUTENBERG, and ask unanimous consent that he be listed as offering the amendment as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I am pleased to join my colleague from New Jersey, Senator BRADLEY, in sponsoring this amendment to address the treatment of radon contamination at Superfund sites.

This amendment expresses the sense of the Senate that the Environmental Protection Agency, in determining proper remedial action plans for treating radon-contaminated national priorities list sites, is not limited to consideration of fully demonstrated methods, particularly those involving offsite transport and disposal of contaminated material. The amendment further expresses the sense of the Senate that the EPA, in selecting response actions for these sites, may use innovative or alternative methods which protect human health and the environment in a cost-effective manner.

According to EPA regulations, in order to qualify as an innovative or alternative method which would protect human health and the environment, any such method would have to provide a degree of protection equal to or superior to existing standards.

Mr. President, the threat to public health from radon exposure has only recently begun to receive the attention it deserves. The problem of naturally occurring radon contamination has surfaced in recent months, and could, according to estimates by the Environmental Protection Agency, affect 1 million homes nationwide. The extensive threat naturally occurring radon contamination poses nationwide underscores the need to implement Federal programs to address the radon hazard.

Earlier in this debate, Senator MITCHELL, Senator BRADLEY, and I were successful in adding an amendment to S. 51 which directs the Environmental Protection Agency to undertake an aggressive national program to deal with the threat posed by naturally occurring radon.

However, Mr. President, we have situations were radon contamination is not a naturally occurring phenomenon, but is the result of human activities. In the communities of Montclair, West Orange, and Glen Ridge, NJ, over 100 homes are located immediately above radon-contaminated soil. This contamination resulted from the reckless disposal of radium wastes by a firm involved in the manufacture of luminescent watch dials many years ago. Soil contaminated with the radium was later taken from the site, and used as fill for the development of homes on more than 100 acres in New Jersey.

The threat posed by radon contamination is clear. Long term, high-level exposure to radon is known to cause lung cancer. Because of this threat, the Environmental Protection Agency has included these radon sites in New Jersey on the national priorities list, making them eligible for federally funded cleanup under Superfund.

But radon contamination is a treatable hazard. Once a problem is diagnosed, relatively inexpensive, simple measures can be taken to alleviate the health threats of radon. In many cases, alternatives to excavation and removal of soil may be available and adequate to protect human health. There are means which have been employed by the Environmental Protection Agency in treating radon contaminated homes in Pennsylvania that can alleviate the threat. These measures, such as sealing of cracks and spaces in foundations and installation of ventilation systems, are relatively low-cost items, and provide the degree of health protection needed.

In its remedial investigation/feasibility study recently completed for these sites, the EPA has investigated the feasibility of using such measures. However, because of the nature of the contamination, such alternative and innovative measures may not be adequate remedial action. In cases where the contamination could be remediated and public health protected through the implementation of alternative and innovative measures, this option should be fully investigated.

Prior to the undertaking of Federal remedial action under Superfund, the State of New Jersey began a pilot program to alleviate the health hazard facing the residents in the affected homes. Under this program, the State of New Jersey is excavating and removing the contaminated soil from 12 homes.

The cost of this action is staggering. This pilot program will cost at least $8 million. If similar action were taken to remediate the remainder of the affected homes, the price tag, according to the EPA, could easily approach $200 million. Mr. President, this enormous cost would serve as a significant drain on the Superfund, and could slow down the cleanup of these sites.

However, Mr. President, the residents of these contaminated homes should be protected from this health hazard as soon as possible.

The use of such innovative technologies, where feasible and adequate to protect human health and the environment, would make the cleanup of these sites more cost-effective and practical, and timely while ensuring the health of those residents affected in an expedient manner.

I urge my colleagues to support this measure.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, we have examined the legislation proposed in the amendment by the able Senator from New Jersey. We are prepared to accept it.

Mr. BENTSEN. Mr. President, acting for the minority, we have examined the legislation and think its contribution will be helpful. We have no objection to it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 647) was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 648

Mr. STAFFORD. Mr. President, I send an amendment to the desk on behalf of myself and the able Senator from Texas [Mr. BENTSEN] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself and Mr. BENTSEN, proposes an amendment numbered 648.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Delete the text from page 54, line 4, through page 58, line 20, and insert in lieu thereof a new section as follows:

"SEC. 106. (a) Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by this Act, is further amended by adding after "Notice, Penalties" in the title to section 103: ", Inventory, and Emergency Response". Section 103 is further amended by adding at the end thereof the following new subsection:

"(h)(1) The requirements of this subsection shall apply to owners and operators of facilities that have ten or more full-time employees and that are in Standard Industrial Classification Codes 20 through 39 (as in effect on July 1, 1985) that manufacture or process more than 200,000 pounds per year of a chemical substance listed pursuant to paragraph (2) or that use more than 2,000 pounds per year of a substance listed pursuant to paragraph (2). For purposes of this subsection,

"(A) The term 'manufacture' means to produce, prepare or compound a chemical substance.

"(B) The term 'process' means the preparation of a chemical substance, after its manufacture, for distribution in commerce—

"(i) in the same form or physical state as, or in a different form or physical state

from, that in which it was received by the person so preparing such substance,

"(ii) as part of an article containing the chemical substance.

"(C) The term 'use' means to use for purposes other than processing.

"(2)(A) Not later than July 1, 1986 the President shall publish a list of toxic chemical substances which, on the basis of available information and in the judgment of the President, are manufactured in or imported into the United States in aggregate quantities that exceed 500,000 pounds per year and, (i) based on epidemiological or other population studies, generally accepted laboratory tests, or structural analysis are known to cause or are suspected of causing in humans adverse acute health effects, cancer, birth defects, heritable genetic mutations, or other health effects such as reproductive dysfunction, neurological disorder, or behavioral abnormalities, or (ii) because of toxicity, persistence, or tendency to bioaccumulate in the environment, may cause adverse environmental effects. Unless and until such list is published, those specific chemical substances identified in section 101(14) of this Act shall constitute such list.

"(B) the President shall, as necessary, but no less other than every two years, review and revise the list required by this paragraph. Any person may petition the President to add a chemical substance to the list or to remove a chemical substance from the list.

"(C) The President may establish a quantity different from that established in paragraphs (1), (2), or (3) for particular chemical substances, based on their toxicity, extent of usage and such other factors as the President deems appropriate. The President, on his own motion or at the request of a Governor of a State (with regard to facilities located in that State), may apply the requirements of this subsection to the owners and operators of any particular facility that manufactures, processes, or uses a chemical substance listed under subparagraph (A) if the President determines that such action is warranted on the basis of toxicity of the substance, proximity to other facilities that release the substance or to population centers, the history of releases of such substances at such facility, or such other factors as the President deems appropriate.

"(3) The owners or operators of a facility subject to this subsection shall complete a Toxic Chemical Release Inventory Form as published under paragraph (4) for each chemical substance listed under paragraph (2) that was manufactured, processed, or used in quantities exceeding those established under paragraph (1) or, where applicable, subparagraph (2)(C), during the preceding calendar year at such facility. Such form shall be submitted on or before June 30, 1987, June 30, 1990, and June 30, 1993, and shall contain data reflecting releases during the preceding calendar year. If the President has not published the form required by paragraph (4) on or before December 31, 1986, owners and operator required to submit information under this subsection shall do so by letter to the Administrator of the Environmental Protection Agency postmarked on or before June 30, 1987.

"(4)(A) Not later than June 1, 1986, the President shall publish a Toxic Chemicals Release Inventory Form. Such form shall provide for the name and location of and principal business activities at the facility and shall provide for submission of the following information for each listed substance known to be present at the facility—

"(i) the use or uses of the chemical substance at the facility;

"(ii) the annual quantity of the chemical substance transported to the facility, produced at the facility, consumed at the facility, and transported from the facility as waste or as a commercial product or byproduct or component or constitutent of a commercial product or byproduct;

"(iii) the annual quantity of the chemical substance entering each environmental wastestream, including air, surface water, land, subsurface injection, and discharge to publicly owned treatment works; and

"(iv) for each wastestream, the waste treatment methods employed and the annual quantity of the chemical substance remaining in the waste-stream after treatment.

"(B) For purposes of this paragraph, facility owners and operators may utilize readily available data collected pursuant to other State and Federal environmental laws, or, where such data are not readily available, reasonable estimates. Nothing in this subsection shall require the monitoring or actual measurement of quantities of substances or releases beyond that required under other authorities. In order to assure consistency, the President shall require that data be expressed in common units.

"(5) The Governor of each State shall designate an official or officials of the State to receive Toxic Chemical Release Inventory Forms. The facility owner or operators shall submit the Forms to such official or officials and to the President.

"(6) Subject to the provisions of paragraph (8), the President and the Governor shall make the information submitted pursuant to this subsection available to the public. The President and the Governor may charge reasonable fees to recover the cost of reproduction and mailing of data.

"(7) The President shall establish and maintain in a computer database a National Toxic Chemical Release Inventory based on data submitted under this section. EPA shall make these data accessible by computer telecommunication to any person on a cost-reimburseable user fee basis.

"(8)(A) The President may verify the data contained in the Toxic Chemicals Release Inventory Form using the authority of section 104(e) of this Act.

"(B) Information submitted under this subsection shall be treated as information submitted under section 104(e) and (other than data on the quantity and nature of any release and the identity of the chemical substance released) shall be subject to the provisions of section 104(e).

"(9) Any person who knowingly omits material information or makes any false material statement or representation in the Toxic Chemicals Release Inventory Form shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than one year, or both.

"(10) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission of information related to hazardous substances, toxic chemical substances pollutants or contaminants or other materials.

"(11) Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by this Act, is further amended by inserting 'and section 103' after 'under this section' in the first sentence.".

Mr. STAFFORD. Mr. President, this amendment is a substitute for section 106 of S. 51, which provides for a hazardous substances inventory. Section 106 was included in the bill.

At the suggestion of my good friend and colleague, and most valuable member of our committee, the Senator from New Jersey, Senator LAUTENBERG, has been instrumental in developing this substitute as well.

The intent behind this amendment is to require manufacturing facilities handling substantial quantities of toxic chemicals to report the annual quantities of these chemicals they dump into the environment. These reports when compiled will constitute an inventory which tells us where the toxic chemicals are and where they are being released into the environment. Such an inventory will be a valuable tool for environmental regulators, for the health professionals, the concerned public, and the companies themselves.

The inventory will provide the basic what, where, and how information that is vital for sensible management and control of toxic chemicals. This substitute amendment responds to concerns that have been raised about the inventory requirements in section 106. It will apply to fewer facilities and require less reporting by submitters.

It will include only chemicals that can harm public health or the environment when released, allows the use of already available data and reasonable estimates, no new testing or monitoring requirements are established, trade secrets are protected, and it reduces the paperwork burden on industry in terms of distributing completed forms. In short, Mr. President, this amendment is as responsive as possible to the legitimate concerns that have been expressed while not giving up to any significant degree its intended public health and environmental benefits. This inventory is a concept that the people support.

After the Bhopal disaster and the continuing litany of chemical accidents in this country, the public wants to know and the public has a right to know about the releases of toxic chemicals, deliberate releases that occur every day as well as accidental releases. This amendment, Mr. President, will provide that information.

Mr. President, I would like to take a few minutes to discuss further the need for a toxic chemicals release inventory and the intent behind this amendment. But first, I particularly want to thank my good friend and colleague, the distinguished Senator from Texas, Senator BENTSEN, for his help in developing this amendment. As usual, he was the source of many good ideas for ways to achieve the goals of the amendment without creating too large a burden on the manufacturing industry.

Public concern about toxic chemicals is at an all time high. Hardly a week

passes without new revelations about the dangers of chemicals substances in our daily lives. Chemical substances that are known to cause cancer, birth defects, and other serious diseases are being released daily into our environment not only by accident, but also by design. Despite 15 years of progress in pollution control, it is still common business practice to dump dangerous chemicals into the air, into the water, and under the ground.

Mr. President, it is clear that, as a society, we still have a long way to go before we can say we are effectively managing our exposure to these chemicals. What do we need to do? Common sense and the most elementary principles of management tell us that one essential component is information. We need answers to three questions. First, which chemicals are we really worried about? Second, where are these toxic chemicals being manufactured, used, and released? And third, what quantities are being released?

Our present system of pollution control laws suffers from being fragmented. The information needed to answer these three vital questions, to the extent it exists, is scattered throughout different program files at several levels of government. Even if these data could be systematically collected together by the thousands of bureaucrats who control them, they still would be hard to analyze. Existing data are reported in inconsistent units—pounds per hour on the one hand versus milligrams per liter on the other. It is difficult if not impossible, to get a picture of toxic chemical releases at one industrial plant, much less develop a community or regional or national picture of toxic pollution activity.

My colleagues may well ask whether I am exaggerating. I am not. Last year, a sophisticated environmental research organization in New York City tried for months to understand waste handling practices at some 35 chemical processing plants around the country. The organization, Inform, Inc., selected several toxic chemicals widely used in industry. They searched every publicly available pollution control agency file at every level of government trying to get answers to these simple questions: On an annual basis, how much of the chemical is used at the plant? How much waste containing the chemical is generated in a year? What happens to this waste?

Despite hundreds of hours of research, Inform could not get satisfactory answers to these questions.

Except in the State of New Jersey, where the answers exist on one-page forms submitted by the companies themselves. These forms, called the New Jersey Industrial Survey, contain each facility manager's best estimate of the input, output, and loss of designated toxic chemicals. A very similar inventory exists in the State of Maryland.

Both the Maryland and New Jersey inventories have proven to be very useful to environmental managers and health officials. With these inventories, officials know how to contact persons who handle particular chemicals so that they can be notified of health warnings or other important information. the inventories reveal geographic and industrial patterns of environmental release, which health officials can correlate with records of disease incidence to seek out possible relationships. Regulatory officials from various programs, from occupational safety to air and water pollution, use these inventories to cross check other data. Aggregated data from an inventory of chemical waste production and discharge can be used by environmental managers to help set program priorities. Are there certain geographical areas with particularly heavy air emissions of a potent carcinogen? Which toxic chemicals or categories of chemicals are discharged the most, and into which media? Do some companies release more toxics than others manufacturing the same product? Which industrial categories warrant more attention?

In short, Mr. President, a toxic chemicals release inventory offers the possibility of making the management of toxic chemicals more efficient. Scarce resources can perhaps be targeted to where the problems are greatest.

Mr. President, there is another reason why companies should disclose their dumping practices. It is that the public has a right to know about the toxic chemicals that are being released day by day into the air and water. Just as there is a right to know about accidental release of a carcinogen, for example, there is a right to know about intentional release of the same chemical.

The amendment which Senator BENTSEN and I are offering today makes an important contribution to achieving the benefits I have been describing. And it does so without placing an undue burden on industries. There are thresholds in terms of size of facility and volume of production and use that are sensitive to the concerns of small companies. Further, the amendment does not require new emissions monitoring programs. It simply requires that exising data be gathered into one place, supplemented by reasonable estimates where necessary. Mr. President, it simply cannot be very expensive to go through the files, or talk to the plant foreman, and pull these numbers together. They probably already are consolidated in most facilities in order to assure compliance with regulatory programs; and if they aren't, they should be.

This amendment responds to every concern that I have heard about the provision in S. 1251 that it would replace, section 106. Yet it does so without harming the intent of that section. I commend this amendment to my colleagues and urge that they support it.

Mr. President, if I may, I will continue now with a discussion of the specific provisions of this amendment and the intent behind them.

This amendment establishes a new subsection (h) in section 103 of the Comprehensive Environmental Response Compensation and Liability Act of 1980.

Consistent with other provisions of the Comprehensive Environmental Response Compensation and Liability Act, the amendment places responsibility for implementation on the President. It is intended that the President delegate this responsibility to the Administrator of the Environmental Protection Agency as he has other Comprehensive Environmental Response Compensation and Liability Act Responsibilities.

Paragraph (1) establishes the characteristics of facilities that are subject to the requirements of this subsection. These include a small business exemption: facilities with fewer than 10 employees are not subject to the reporting requirements.

The requirements apply to facilities in Standard Industrial Codes 20 through 39. They do not apply to retail outlets, dry cleaning establishments or warehouses not associated with manufacturing facilities.

The requirements apply to facilities that handle substantial quantities of listed toxic chemicals. These include facilities that manufacture or process more than 200,000 pounds per year of a listed substance, or that use more than 2,000 pounds per year.

The term "use" is deliberately not defined precisely. Examples of chemical use, as distinct from chemical manufacture or processing, would include use as a nonreactive industrial solvent or a component of a cutting fluid. The President may, of course, further define these terms in regulations, based on the experience and knowledge of chemical uses obtained under the Toxic Substances Control Act and other statutes.

A distinction in threshold quantities is made between manufacturing and processing facilities and facilities that use a listed chemical for other purposes. This distinction is made because users of chemicals are more likely to release a larger proportion of the toxic chemicals as waste than are facilities that manufacture or process the chemical for sale as a product.

Paragraph (2) requires the President to publish a list of toxic chemicals which shall be the subject of reporting requirements. To be designated, a

chemical generally must be manufactured or imported in aggregate quantities that exceed 500,000 pounds per year. This determination of aggregate quantity is to be based on information available to the President. It is recognized that the quantity of a chemical manufactured and imported may vary from year to year. The President should use the most recent data available to him in making a determination of aggregate volume pursuant to this paragraph. Implementation of these provisions should not be delayed while waiting for more recent or more precise production and import data. Nor is the President expected to undertake programs to gather production and import data solely for the purpose of identifying chemicals pursuant to this paragraph although he has the authority to obtain such information under the Toxic Substances Control Act and may choose to do so for purposes of this subsection, provided it will not delay implementation.

In order to determine that a chemical meets the aggregate volume criterion, the President need not prove that the chemical exceeded that volume in the year for which reporting is required. He need only determine that the criterion was met in the most recent year for which he has data. Of course, substances may be added to or moved from the list during periodic revisions if more recent data should so indicate.

This paragraph also describes the toxicity criteria for including a chemical substance on the list. These are broadly defined to include both acute and chronic adverse human health effects as well as adverse environmental effects. As adverse human health effect need not be life threatening, debilitating or long lasting to be considered. The President should include, for example, substances that can cause significant respiratory or eye irritation in exposed populations.

The President is to list chemical substances known to cause or suspected of causing adverse human health effects. The potential for causing human cancer for example, is indicated by tests carried out on animals or other organisms, or in some cases because of structural similarity to other substances which have been subjected to testing. Such substances should be listed. It is not intended that chemical substances should be listed only on the basis of proof of human toxicity, because such proof often is unavailable.

In construction the list of toxic chemical substances under this paragraph, the President should consult lists of toxic chemicals compiled by the International Agency for Research on Cancer, the National Toxicology Program Annual Report on Carcinogens, and other lists compiled by other entities. He also should consult various State lists of chemicals for which similar reporting has been required, including those of New Jersey and Maryland. Generally, any substance appearing on these lists that also meets the aggregate volume requirement should be included on the list compiled under this paragraph.

Should the President fail to publish the required list of chemicals, then the reporting requirements will apply to specific chemicals that appear on the list of hazardous substances compiled under section 101(14)—the so called Superfund list.

Subparagraph (B) of paragraph (2) requires the President to review and revise the list of chemicals no less often than every 2 years. Any person may petition the President to add chemical substances to the list or delete chemical substances from the list, based upon the criteria set forth in this amendment.

It is recognized that, with regard to particular chemical substances, the threshold quantities described ip paragraphs (1), (2), or (3) may be found to be inappropriate. Consequently, the President is given the authority to establish, for a particular chemical substance, a different quantity based on toxicity, extent of usage, and such other factors as the President deems appropriate.

Similarly, the President may apply the requirements of this subsection to a facility to which they otherwise would not apply, based on the toxicity of a chemical substance manufactured, processed or used at the facility, proximity to other facilities or to population centers, history of releases at the facility, and other factors the President deems appropriate. The Governor of a State may request that this subsection apply to such facilities within that State, and it is expected that the President will comply with such a request.

Paragraph (3) calls for three toxic chemicals release inventory reports, at 3-year intervals, beginning in 1987. Each inventory is to be based on activity during the preceding calendar year. This approach allows ample time for affected facilities to obtain and compile the necessary data or estimates during calendar year 1986 for reporting by June 1, 1987.

This subsection does not require actual measurement or monitoring of the quantities of listed toxic substances or releases beyond that required in other statutes. The President has ample authority in the various environmental statutes to require measurement and monitoring, should additional measurement or monitoring be warranted. Owners and operators of facilities subject to the requirements of this subsection may utilize readily available data collected pursuant to other laws. Reasonable estimates may be used where actual data are not available. Estimates may be based on engineering estimates and computation, process material balance studies, or other estimation techniques. In order to report data in common units, it may be necessary to perform conversion calculations on some existing data before they are submitted.

Paragraph (5) requires the Governor of each State to designate one or more officials to receive inventory forms, and requires facility owners or operators to submit the forms to these officials and to the President. Paragraph (8) provides that submitted data is subject to the provisions of section 104(e), which defines applicable trade secret protection and the conditions under which information obtained from any person may be held confidential. Data on the annual quantity and nature of chemical substances released and the identity of released substances may not be held confidential. This provision is consistent with other environmental statutes.

Except insofar as information is protected by these provisions, the Governor and the President are required to make all submitted data and information available to the public. Consistent with the purposes of this subsection, the public must have access to the name and location of the facility and to data on which chemical substances are being released and the annual quantity of such substances released.

The President is required by paragraph (7) to establish and maintain in a computer data base a National Toxic Chemical Release Inventory into which information submitted on the forms will be entered. The information should be entered in such a way as to allow aggregation and analysis according to location and type of facility, by chemical substance, and by such other variables as may lead to useful analyses of patterns and trends of release of toxic chemical substances. The Environmental Protection Agency already maintains a chemical information data base under the Toxic Substances Control Act with which the information and data required by this subsection generally are compatible. According to information supplied by the Agency, this data base can be modified to allow input of data from these requirements within a short time and with little expense. Consequently, it is assumed and intended that the President will make use of this existing data base rather than establishing a new data base.

Paragraph (9) establishes penalties applicable to any person who knowingly omits material information or makes any false material statement or representation in the toxic chemicals release inventory form.

Paragraph (10) provides that this subsection does not preempt State or local submission requirements. Also,

paragraph (11) is a conforming amendment to clarify that the provisions of section 104(e)(2) apply to reports and information obtained by the President under this subsection, as provided in paragraph (8).

Mr. BENTSEN. Mr. President, when the Committee on Environment and Public Works reported S. 51, it recognized that section 106 was an imperfect provision that would need additional attention. As reported, section 106 included some provisions that were designed to acquire information to assess emissions and discharges of hazardous substances to the environment and some provisions that were designed to provide information to emergency response authorities. This combination tended to produce an unwieldy array of material for authorities who needed something much simpler.

The amendment the committee leadership is introducing now replaces this section with a more targeted inventory of hazardous substances emissions and discharges. Other amendments will address the question of the information and procedures to be required for an Emergency Preparedness and Response Program.

A hazardous substances inventory, on a national scale, is a new and extensive undertaking. Inventories have been used effectively by several States for regulatory purposes. A properly constructed inventory can provide valuable information about potential emissions that should be regulated, the effectiveness of regulations, and trends in emissions over time. At issue now is how to construct a national inventory which attempts to balance adequacy of information and the inherent demands on businesses that an inventory poses when its uses are not precisely defined. This amendment changes several aspects of the committee bill to address this dilemma.

First, it limits the facilities subject to the inventory to industries in the manufacturing division of the standard industrial classification. These are groups 20 through 39. Mr. President, I ask unanimous consent that a listing of these industries be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DIVISION D—MANUFACTURING

Major Group 20: Food and kindred products;

Major Group 21: Tobacco manufactures;

Major Group 22: Textile mill products;

Major Group 23: Apparel and other finished products made from fabrics and similar materials;

Major Group 24: Lumber and wood products, except furniture;

Major Group 25: Furniture and fixtures;

Major Group 26: Paper and allied products;

Major Group 27: Printing, publishing, and allied industries;

Major Group 28: Chemicals and allied products;

Major Group 29: Petroleum refining and related industries;

Major Group 30: Rubber and miscellaneous plastics products;

Major Group 31: Leather and leather products;

Major Group 32: Stone, clay, glass, and concrete products;

Major Group 33: Primary metal industries;

Major Group 34: Fabricated metal products, except machinery and transportation equipment;

Major Group 35: Machinery, except electrical;

Major Group 36: Electrical and electronic machinery, equipment, and supplies;

Major Group 37: Transportation equipment;

Major Group 38: Measuring, analyzing, and controlling instruments; photographic, medical and optical goods; watches and clocks; and

Major Group 39: Miscellaneous manufacturing industries.

Mr. BENTSEN. Facilities in the SIC groups that manufacture or process more than 200,000 pounds per year of substances subject to the inventory or that use more than 2,000 pounds per year of these substances would respond to the inventory. Thus, a chemical plant manufacturing substances or using them above these quantities would be affected, but a dry-cleaner would not.

Second, it more precisely focuses the inventory on hazardous substances. While the committee-reported section would cover any hazardous substance under Superfund if it were more than 1 percent of a mixture, this proposal looks at the substance itself. If a plant used a product that was 1 weight percent a hazardous substance, it would have to use 200,000 pounds per year before meeting the 2,000-pound-per-year reporting threshold for use.

Third, the committee-reported bill applied to all substances defined as hazardous under Superfund. This proposal requires the President to establish a list of toxic chemical substances which are manufactured or imported into the United States in an aggregate volume of more than 500,000 pounds per year and are known to cause or are suspected of causing, in humans, adverse acute health effects, cancer, birth defects, heritable genetic mutations, or other health effects such as reproductive dysfunction, neurological disorder, or behavioral abnormalities, or, because of toxicity, persistence, or tendency to bioaccumulate in the environment, may cause adverse environmental effects. Until this list is published, specific chemicals defined as hazardous under Superfund serve as the list.

The President is given the authority to establish different thresholds for particular chemicals based on his judgment of their toxicity, extent of use, or other factors. The President may lower the threshold for other manufacturing facilities in S.I.C. Codes 20-39 based on such factors as toxicity of the substance, proximity to other facilities that release the same substance or to population centers, the history of releases at a facility. For his State, a Governor can request that additional manufacturing facilities in S.I.C. Codes 20-39 be added to the inventory.

The committee-reported bill would have required the first inventory 180 days after enactment and additional inventories at least every 2 years thereafter. This proposal requires three inventories: the first by June 30, 1987, for calendar year 1986; the second by June 30, 1990, for calendar year 1989; the third by June 30, 1993, for calendar year 1992. There were several reasons for these changes. It allows ample opportunity for industry to consider how to collect or estimate its emissions during 1986 and an adequate time to prepare this data for submission by mid-1987. There are 3 years between inventories to reduce the burden of preparing them and to allow the recipients to evaluate and use the information they receive. Finally, Congress must act to continue this inventory requirement. If it proves to be a useless effort or unreasonably burdensome or poorly targeted, it will not continue beyond these three submissions. If the information is useful but needed more or less frequently, Congress will have the opportunity to make such judgments and to weigh these needs against their costs.

The information required has been reduced one, to require annual quantities of materials known to be present at a facility rather than annual and monthly quantity information and two, to require general waste treatment information rather than detailed information regarding such items as the location of disposal and the identity of transporters. These are items more properly related to regulatory activities rather than inventories.

In preparing the inventory, a facility may use readily available data collected pursuant to other State and Federal environmental laws; or, where such data are not readily available, reasonable estimates may be used. In my view, this inventory is created to try to develop a reasonable sense of where hazardous substances encounter the environment. It attempts to create a loose material balance of such substances. It will be imperfect. Consequently, the use of data required by State or Federal law should be emphasized. Estimates are equally appropriate and techniques are available for such estimates—many published by EPA and other regulatory agencies. It is not the intent of this inventory to generate massive monitoring and data collection efforts. In fact, nothing here shall require the monitoring or actual measurement of quantities of substances or

releases beyond that required under other authorities. The Clean Air Act, Clean Water Act, Solid Waste Disposal Act, Toxic Substances Control Act, other provisions of Superfund, and other environmental laws contain ample authority to require monitoring and data collection for regulatory or enforcement purposes. This is an important distinction. Decisions to require monitoring or data collection need to have a defined intent. In some cases a regulatory program needs to be developed, sometimes nationally, sometimes locally or regionally. In other cases, site-specific enforcement actions may be under consideration. These situations warrant the cost and burdens of added monitoring or data collection. Such decisions should be made through the authorities provided in these other authorities. This inventory is not the proper place to vest such authority and it is prohibited here.

This is not to say that an inventory is not a useful regulatory tool. Several States have developed inventories far more extensive than this one. They have used them for regulatory development such as State implementation plans under the Clean Air Act or cross checks on solid waste disposal quantities. These are important functions, tailored to the specific needs of a State and should be preserved. This proposal preserves State and local authority.

Finally, I would like to emphasize that this proposal has modified the recipients of this inventory considerably. The committee-reported bill would have required the inventories to be submitted, at a minimum, to the following: the President; State and local emergency and medical response personnel; the State police, health and environmental departments; area police and fire departments; area emergency medical services; area hospitals; and area libraries. This proposal provides for the inventory to be sent to State officials designated by the Governor and to the President. They shall make the information available to the public at a cost to cover reproduction and mailing. The President shall establish and maintain a computer data base which shall be accessible by computer telecommunication at a cost-reimbursable user fee basis. Confidential business information protection under section 104(e) of this act applies to the inventory as well.

Mr. LAUTENBERG. Mr. President, I would like to commend the leadership of the committee for its hard work on section 106 of this bill. I offered this provision when the committee considered S. 51 in March. As the esteemed chairman of the committee has explained, the bill contains a provision which would establish a hazardous substances inventory. The amendment before us would serve as a substitute to the existing section 106 in S. 51. The differences between the existing section 106 and the amendment before us reflect changes that the committee felt should be made based on comments received subsequent to markup of S. 51.

The amendment before us would accomplish the emissions inventory goals set out in section 106. It would establish a national industrial inventory that would provide information about chemical use, storage, and regular environmental releases into the air and environment from facilities manufacturing or storing certain hazardous substances.

This inventory is to be used by State and Federal agencies to improve toxic chemical management by monitoring use and tracking releases of these substances. An effective inventory will help us better understand the flow of toxics into the environment and thereby aid in preventing future Superfund sites. It will also provide critical information to Federal and State air, water, and hazardous waste programs to track compliance and enforcement efforts within these programs. As in the State of New Jersey, such information can help inform and direct research efforts. Finally, Mr. President, the inventory will provide the Government and the public with information about daily and routine exposure to toxics in our environment—something essential to protecting the public health.

Mr. President, the inventory provided for in the committee amendment will better organize existing data about chemicals being released into the environment. EPA and the States currently collect much of this information, and a number of States and cities have instituted similar inventories. They have found that the inventories are quite helpful in conducting their environmental programs. However, many States and the EPA do not have so-called multimedia inventories. The information may be scattered in air files, water files, and on RCRA manifest forms, for example, but not pulled together in one place to provide a complete, and usable, picture of total environmental exposure. In some cases, the information may not be available at all.

If we are to slow the creation of Superfund sites, and develop a profile of public exposure to toxic emissions, we must do a better job of monitoring the release of hazardous substances to the environment.

Since the committee deliberations on Superfund in March, our staffs have had the opportunity to hear many comments and continue our work on this provision. Many hours have been spent analyzing threshold levels for substances and facilities that would be covered by this provision. Our staffs have met with concerned parties and they have discussed the experience that States have had in implementing industrial inventories with State officials.

The result is a provision that will accomplish our goal of establishing a national inventory, while at the same time meeting a number of the concerns raised by small business and other industries.

Mr. President, section 106 of S. 51 is widely supported by firefighting, labor, health, environmental, religious, and consumer organizations. These organizations include the International Association of Firefighters, the National Lung Association, the AFSCME, the U.S. Conference of Mayors, the AFL–CIO, and many of our Nation's prominent environmental organizations. While the orginal provision of the bill has been limited somewhat in scope to meet concerns raised about its implementation, the provision should go far toward meeting the goals to which section 106 was addressed. I ask that a letter in support of section 106 authored by 43 of these groups be inserted in the RECORD at the conclusion of my comments.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. Again, Mr. President, I very much appreciate the committee's support for the inventory and the work of the committees leadership on this provision. I urge Senate adoption of the committee amendment.

EXHIBIT 1

FIREFIGHTING, LABOR, HEALTH, ENVIRONMENTAL, AGRICULTURAL, RELIGIOUS, CITIZEN AND CONSUMER ORGANIZATIONS STRONGLY SUPPORT SUPERFUND HAZARDOUS SUBSTANCE INVENTORY AND EMERGENCY PREPAREDNESS AND RESPONSES PROVISIONS

Dear Senator: On December 3, 1984, more than 2,000 citizens were killed and 200,000 injured in Bhopal, India, when the toxic cloud of methyl isocyanate from a Union Carbide manufacturing facility spread over the sleeping city. Following the Bhopal tragedy, the worst industrial accident in history, the American public asked, "Could it happen here?"

Today, we know it can. According to the Congressional Research Service, approximately 75 percent of all Americans live in the vacinity of facilities which handle, treat, or store hazardous chemicals. Recent chemical releases in this country, especially the release on August 11 from another Union Carbide facility in Institute, West Virginia, have underscored the lack of adequate public information about hazardous substances and the health hazards associated with exposure to them. In addition, life-threatening inadequacies in emergency response capabilities also have become apparent.

In response to these chemical disasters, the Senate Environment and Public Works Committee incorporated a provision establishing a Hazardous Substance Inventory in S. 51, the Superfund Improvement Act of 1985.

The Hazardous Substances Inventory would provide information about chemical use, storage, and releases into the air and environment from facilities handling hazardous substances. Covered facilities also would attach Material Safety Data Sheets, required by the OSHA Hazard Communication Standard, to the inventory form in order to provide information about the health hazards and safe handling of these substances.

The inventory is to be used by local, state, and federal agencies to improve toxic chemical management by monitoring location and use, as well as tracking regular environmental releases of these substances. It is to be made widely available to the public, including emergency response officials, who sorely need this information to plan for and respond to toxic chemical releases.

In addition, in late July, Senators Lautenberg, Moynihan, and Humphrey introduced S. 1531, the Community Emergency Preparedness and Response Act of 1985. They intend to offer an amendment similar to S. 1531 when the full Senate takes up the Superfund reauthorization this fall. This legislation builds upon the emergency response provisions of Superfund by providing a framework for improved community preparedness and notification around facilities that handle hazardous substances.

S. 1531 mandates that a priority list of hazardous substances be developed by the Environmental Protection Agency and that designated facilities, which store, handle or manufacture these substances, participate in emergency response planning. The Governors of each state are responsible for designating planning districts in areas where releases from such facilities might endanger public health or the environment. Local emergency planning committees subsequently would be established to prepare emergency response plans and ensure that local emergency response personnel are trained to carry out the plans successfully. This legislation provides federal technical assistance where appropriate, but relies upon the states and localities to take primary responsibility for developing plans for protecting their citizens.

The undersigned firefighting, labor, health, environmental, agricultural, religious, citizen, and consumer organizations strongly support the Hazardous Substance Inventory in S. 51, and the emergency preparedness amendment to be offered when the full Senate takes up S. 51. The events of recent months have illustrated dramatically the need for strengthening the information requirements and emergency response capabilities under Superfund. The adoption of these provisions could literally mean the difference between life and death for the citizens of this country and for those who must respond to chemical releases.

We urge you to support these important provisions when S. 51 is brought to the Senate floor.

Sincerely,

Mike Kerr, American Federation of State, County, and Municipal Employees; Richard Duffy, International Association of Firefighters; Fran Dumelle, American Lung Association; Greg Humphrey, American Federation of Teachers; Mary Lou Licwinko, Association of Schools of Public Health; Len Simon, U.S. Conference of Mayors; Julia A. Holmes, League of Women Voters; Linda Tarr-Whelan, National Education Association; Lori Rogovin, American Association of University Women; Janet Hathaway, Public Citizen's Congress Watch; Diane VanDe Hie, National Association of Local Governments on Hazardous Waste; Robert Alpern, Washington Office, Unitarian Universalist Association of Congregations in North America; Allen Spalt, Rural Advancement Fund; Haviland C. Houston, General Board of Church and Society, United Methodist Church; Rick Hind, U.S. Pirg; Eric Jansson, National Network to Prevent Birth Defects; Linda Golodner, National Consumers League; David Mallino, Industrial Union Department, AFL-CIO; Jeff Tryens, Conference on Alternative State and Local Policies; Gene Kimmelman, Consumer Federation of America; Leslie Dach, National Audubon Society; Jay Feidman, National Coalition Against the Misuse of Pesticides; and Shirley Briggs, Rachel Carson Council.

Charles Lee, United Church of Christ Commission for Racial Justice; Bill Klinefelter, United Steelworkers of America; Victoria Leonard, National Women's Health Network; Ken Kamlet, National Wildlife Federation; Martha Broad, Natural Resources Defense Council; Anthony Guarisco, International Alliance of Atomic Veterans; Geoff Webb, Friends of the Earth; John O'Connor, National Campaign Against Toxic Hazards; Norman Solomon, Fellowship of Reconciliation; Ann F. Lewis, Americans for Democratic Action; Cathy Hurwit, Citizen Action; Blaise Lupo, Clergy and Laity Concerned; Fred Millar, Environmental Policy Institute; Scott Martin, League of Conservation Voters; Joseph R. Hacala, S.J., Jesuit Social Ministries, National Office; Kathleen Tucker, Health and Energy Institute; David Zwick, Clean Water Action Project; Dan Becker, Environmental Action; Sally Timmel, Church Women United; and Ralph Watkins, Church of the Brethren.

Mr. STAFFORD. Mr. President, this amendment is a substitute for language which was reported by the committee in S. 51. In the bill as reported and in the first draft of this floor amendment, but excluded from the language as we are presenting it here this afternoon, was an exemption from the Paperwork Reduction Act for the form that is required by this amendment. Mr. President, I would like to take a few moments of the Senate's time to outline the considerations that caused us to remove the exemption from the final language that we are offering.

Frankly, Mr. President, we included the exemption in the committee bill because we were concerned, and it is a concern well founded in recent experience, that if the Office of Management and Budget should decide to oppose the program required by this amendment, that it might block the program by prohibiting the information collection procedures on which the success of the program depends. OMB has authority to review forms and surveys and other information collection instruments prepared by the regulatory agencies under the Paperwork Reduction Act which was adopted by the Congress in 1980.

Although the committee is not now aware of any case in which the Paperwork Reduction Act has been used to prohibit the publication or use of a form required by statute, it is important that Congress exercise vigilance in this area. For instance, members of the committee—members who will be joining in this colloquy—have also recently joined in communicating our concern to the Director of the Office of Management and Budget on the use of review authorities under Executive Order No. 12291 which have unduly delayed publication of some 40 recommended maximum contaminant levels that have been proposed by the Administrator of the Environmental Protection Agency to fulfill, in part, his responsibilities under the Safe Drinking Water Act. Those RMCL's, as they are called, have been gathering dust on a desk at OMB since last April—long past the deadline set by Executive Order 12291 for Agency review.

So, Mr. President, there is cause for concern in this area. But Senator BENTSEN and I have been willing to consider removing the Paperwork Reduction Act exemption in our amendment, and which was contained in the bill as reported, on the assurance that the Office of Management and Budget does not have the authority under that act to prohibit the publication or use of a form that is specifically required by law. Let me be clear on this point, Mr. President. This amendment requires EPA to publish and distribute a form to collect information. We are taking the Senate's time to establish the point that OMB cannot prohibit EPA from writing, publishing, circulating, and collecting data through this form. It cannot be prohibited because it is required by law.

As it happens, one of the members of our committee is also chairman of the Subcommittee on Intergovernmental Relations which has legislative jurisdiction over the Paperwork Reduction Act. On behalf of that subcommittee, the Senator from Minnesota is here to describe the provisions of the Paperwork Reduction Act which are relevant in this case. He is joined by the Senator from Florida who is also the ranking minority member of the subcommittee.

I would yield at this time, Mr. President, to the Senator from Minnesota so that the Senate might learn of his views.

Mr. DURENBERGER. Mr. President, I thank the distinguished chairman of the Committee on Environment and Public Works, the Senator from Vermont, for bringing this issue to the attention of the Senate and for his willingness to consider a different method to assure the same end. The Senator from Florida, Senator CHILES, and the Senator from Missouri, Senator DANFORTH, both raised concerns when they reviewed the committee reported bill and saw that it contained an exemption to the Paperwork Reduction Act. That exemption is removed by this amendment. But in no

event should this legislative history confuse a point which is clear to all Senators. OMB cannot use its authority under the Paperwork Reduction Act to block or delay the publication or use of a form or survey or other information collection instrument that is required by law. The amendment offered by Senator STAFFORD and Senator BENTSEN here today will require the preparation and use of a form to assure the success of the program. The form which is developed under authority of this amendment is a form required by law.

Mr. President, in 1980 when the Paperwork Reduction Act was presented to the full Senate by the Governmental Affairs Committee it was accompanied by a committee report, Senate Report 96-930, which contained the following language at page 49.

Unless the collection of information is specifically required by statutory law, the Director's determination is final for agencies which are not independent regulatory agencies.

Mr. President, that language from the committee report reflects a carefully crafted compromise. It states two conditions under which the authority of the Director on whether an information collection instrument is necessary is not final. One case is the case of independent regulatory agencies, a matter which does not concern the Senate this afternoon. The other case is the one in which the collection of information is specifically required by law. In that case it is clear that the Director does not have authority to block or prohibit use of the form.

Mr. President, I hope that those comments have been helpful, if only in reiteration of the case already well stated by the chairman of the Committee on Environment and Public Works. OMB can't stop this form.

Mr. BENTSEN. Mr. President, I want to join in remarks by Senators STAFFORD, DURENBERGER, and CHILES. The requirement for a hazardous substance inventory, which has been specifically established by the substitute amendment, can be accommodated with the requirements and protections of the Paperwork Reduction Act.

The committee was sensitive to the precedent which would be established by an exemption. The Paperwork Act is Governmentwide in its scope and covers all the Federal agencies. Given the concerns raised, and the understanding of the Paperwork Act which has been discussed today, we did not feel an exemption was warranted. The idea that Congress is not going to try to keep controls on paperwork requirements that impact the public is not a signal that should be sent.

Mr. STAFFORD. Mr. President, I thank all Senators for their remarks and participation in this colloquy. The Paperwork Reduction Act can be a useful tool to reduce the burden of Government paperwork which has been felt by so many small businesses and other concerns in this country.

But as useful as this management tool can be, it is just as important that those of us in Congress who created the Paperwork Reduction Act and have provided authority for other management tools of a similar kind make sure that authority is not abused to the point that substantive provisions of law or national policies established by the Congress are undone. I believe that this discussion on the floor of the Senate has served both ends well.

Mr. CHILES. Mr. President, I want to thank Senators STAFFORD, BENTSEN, and DURENBERGER for their consideration of whether an exemption to the Paperwork Reduction Act is needed in mandating an inventory for hazardous substances. The substitute amendment to section 106 of S. 51 proposed by the Senators does not contain any such exemption. I agree with that judgment.

As the sponsor of the Paperwork Reduction Act in 1980, I do want to address certain concerns which have been raised over the relationship of the requirements and protections provided by the Paperwork Act to the creation of a national hazardous substances inventory.

Collecting, using, and disseminating information is a vital activity to the proper functioning of our Government. Congress has made critically important commitments to the people of this Nation in such areas as civil rights, and ensuring a safe workplace and healthy environment. Without adequate information these commitments can not be met.

The premise behind the Paperwork Reduction Act is that the Federal Government has a positive responsibility to ensure information it asks the public to provide or maintain is necessary, and will be used for the purposes intended by Congress. The public protection section of the act declares that all individuals, State and local governments, nonprofit organizations, or businesses are entitled to an assurance from their Government that the information they are either asked or required to provide has been checked for its need and efficiency. The law requires a control number be displayed by all requests for information, whether they came by way of regulations, forms, or recordkeeping requirements. Absent this control number, no one can be penalized for not following the request.

The intent behind this entitlement was to eliminate waste and hidden taxes imposed by unnecessary paperwork and regulatory requirements; and to create a meaningful structure of accountability to help restore public confidence in the idea that Government can work effectively and efficiently to use and provide information needed to meet our national commitments.

To this end, the act requires Federal agencies to justify their information demands. The public, by way of the Federal Register, is to be made aware that an agency intends to request information. Public comment is invited. The agency is to check to be sure the information is not duplicative, does have practical utility, and is being asked for in the least costly manner.

The Director of the Office of Management and Budget is responsible for reviewing agency justifications. The Director is intended to be the central manager, the manager that insists on interagency coordination if needed, the point in the system accountable for seeing to it that agencies have an incentive to meet the standards in the act. With an approval comes a control number; no control number is assigned a disapproval.

The Director must make all decisions publicly available. Both the agencies and the Director must operate within statutorily prescribed timetables.

The law is designed to enable an open and visible decision process which encourages public participation. Plenty of sunshine is key to the integrity of this process. All requests of the public, in whatever form, must be rejustified and opened for public comment every 3 years.

Unless the collection of information is specifically required by statutory law the Director's determination of an agency justification is final. Independent regulatory agencies may override the Director's review. Executive branch agencies may not.

This aspect of the Director's role raised questions concerning the form and collecting of information required by the mandate for an inventory for hazardous substances. The Director's ability to disapprove a justification of need does not extend to a collection of information requirement specifically contained in statutory law. In such instances, Congress has determined the need for information. The Paperwork Reduction Act in no way enables the Director to overturn a determinaton made by Congress and stated in law. What an agency may decide to add to a requirement specifically contained in law would be subject to approval.

In those cases Congress has specified the request and where the Director may not disapprove, the agency would still be required to assess the burden of the requirement. The Federal Register announcement and invitation for public comments would still prevail. A control number would be automatically assigned. The intent here is to enable Congress to have the best information to carry out its responsibility for oversight and periodic review of its determination of need.

From the standpoint of a single agency, or single program whose primary mission may be to save lives or protect the public, it is sometimes difficult to understand the need for a governmentwide accountability structure for paperwork and regulatory demands with its associated justification and public participation requirements. It is when you look at the overall impact of all the Federal Government's information needs upon the public that the need to establish a discipline within the exectutive agencies to control and better manage information resources becomes apparent.

Again I want to thank the sponsors of this amendment for their consideration. Senator BENTSEN, I know, has long been a warrior in the fight against unnecessary paperwork and regulations. His experience goes back to the early 1970's in trying to keep the old Federal Reports Act, the law upon which the Paperwork Reduction Act was built, from being weakened. He was a key and original sponsor of the Paperwork Reduction Act efforts in 1980.

Mr. STAFFORD. Mr. President, I know of no further speakers on this side of the aisle. I am prepared to have the Senate act.

Mr. BENTSEN. Mr. President, I know of no additional speakers on this side. We are prepared to act.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 648) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 649

Mr. STAFFORD. Mr. President, I send an amendment to the desk on behalf of myself and Senator BENTSEN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself and Mr. BENTSEN, proposes an amendment numbered 649.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, after line 3, insert the following new section and renumber subsequent sections accordingly:

METHANE RECOVERY

SEC. . (a) Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subparagraph:

"(D) in the case of a facility at which equipment for the recovery or processing (including recirculation of condensate) of methane has been installed (i) the term "owner or operator" shall not include the owner or operator of such equipment, unless such owner or operator is also the owner or operator of the facility at which such equipment has been installed, and (ii) the owner or operator or manufacturer of such equipment (other than the owner or operator of the facility at which such equipment has been installed) shall not be considered to have arranged for disposal or treatment of any hazardous substance at such facility pursuant to section 107 of this Act, except to the extent that there is a release of a hazardous substance from such facility which was primarily caused by activities of the owner or operator of such equipment other than the recirculation of condensate or other waste material which is not a waste meeting any of the characteristics indentified under section 3001 of the Solid Waste Disposal Act."

(b) Unless the Administrator promulgates regulations under Subtitle C of the Solid Waste Disposal Act addressing the extraction of wastes from landfills as part of the process of recovering methane from such landfills, the owner and operator of equipment used to recover methane from a landfill shall not be deemed to be managing, generating, transporting, treating, storing, or disposing of hazardous or liquid wastes within the meaning of that subtitle; provided, however, that if the aqueous or hydrocarbon phase of the condensate or any other waste material removed from the gas recovered from the landfill meets any of the characteristics identified under section 3001 of that subtitle, then such condensate phase or other waste material shall be deemed a hazardous waste under that subtitle, and shall be regulated accordingly.

EXPLANATION OF METHANE RECOVERY AMENDMENT

Mr. STAFFORD. Mr. President, subsection (a) of this amendment modifies the current law's definition of "owner or operator" to promote the development of methane gas recovery facilities at landfills. The amendment will remove the present risk that the owner and operator of a landfill gas operation may become involved in Superfund litigation as a result of releases or threatened releases that result from activities unrelated to the gas recovery operation.

Subsection (b) provides that unless and until EPA decides to regulate methane gas recovery processes under subtitle C of RCRA, the landfill gas operator will not be subject to challenge by a third party who alleges that the gas operator is handling hazardous wastes in violation of RCRA. The exception to this provision is the case where it can be shown that the waste material removed from the gas that is recovered from the landfill meets any of the characteristics identified under section 3001 of RCRA.

EPA's determination that methane gas recovery processes should be subject to regulation under subtitle C of RCRA is not to be constrained by the factors set forth in this amendment. A finding that the waste material removed from the gas meets a 3001 characteristic is just one of many factors that might justify an EPA decision to regulate the process of extracting wastes from landfills to recover methane. Such a finding is not necessarily a prerequisite to an EPA decision to regulate such processes under RCRA.

Mr. BENTSEN. Mr. President, a lot of these operators are small operators and would not get involved in this business because they cannot afford to be exposed to the kind of liability in Superfund. Therefore, we would not accomplish the utilization of the methane gas from landfills. This amendment changes the definition of "owner-operator." I believe it is a progressive step and would be helpful. We suggest adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 649) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I would like to bring to the attention of the Senate a grave problem that exists in qualifying Louisiana's hazardous waste sites for funding under the current Superfund Program. Namely it is a question of equity and fair dealing and directly involves application of the hazardous ranking system [HRS] criteria to the geological characteristics of Louisiana.

The inability of this system to adequately address my State's hazardous waste sites is especially disconcerting given the large monetary Superfund contribution that is made by Louisiana-based petroleum and petrochemical industries. For example, during the past 5 years petroleum refiners and petrochemical manufacturers in Texas and Louisiana paid approximately 40 percent of the crude oil taxes and 80 percent of the petrochemical feedstock taxes; even though we only have 3 percent of the hazardous waste sites that are eligible for Superfund cleanup. In contrast, New Jersey contains 16 percent of the total number of hazardous waste sites, yet the industry in that State contributes only 2 percent of the petrochemical feedstock tax and 3 percent of the crude oil tax.

Two factors contribute to this regional discrepancy between funding of the program and cleanup of sites. First and most important is the inadequacy of the Mitre Model to take into account the geological characteristics of Louisiana. Second, is the inability of the petrochemical and petroleum in-

dustries to pass along the feedstock taxes to consumers.

As you know, Mr. President, when the Superfund Program was implemented in 1980, it was funded primarily by a petroleum tax and a chemical feedstock tax that was levied on 42 chemicals, many of which are not hazardous themselves, but which comprise the building blocks of hazardous substances. It was generally believed that this tax would then be passed along through the production process and would ultimately be paid by the consumer. However, this has not happened. Rather, it appears that 12 companies are paying 70 percent of the tax and that due to current market conditions these companies are unable to pass this tax along to the consumer. Furthermore, it appears that the overwhelming majority of these companies are located in the South, primarily in Louisiana and Texas.

Mr. President, the petrochemical and petroleum industries are the prime industries in my State. They are credited with developing Louisiana's economy, including new jobs for construction of these production facilities and the thousands of jobs at these plants themselves. More than any other category of industry to this time, these industries have transformed Louisiana's economy from a primarily agricultural economy to one of the leading petrochemical production forces in our country.

Beginning in 1979, and with more detail as new Federal hazardous waste requirements were added into Louisiana's regulations, stringent permitting requirements have been set for treatment, storage, and disposal of hazardous wastes that were and are attributable to Louisiana's industries. In general, Louisiana's businesses have responded well to these requirements. There is an improving track record of protection of the public and the environment from hazardous wastes that are now being generated, or that will be generated and managed in the future.

However, we still have a legacy of improper management of hazardous sites from the past. This happened for a variety of reasons. Federal and State hazardous waste management regulations in the past were sketchy or nonexistent, so that industry was not provided with sufficient guidelines or regulatory requirements. Some technologies once thought to be adequate for proper management of waste have not worked well and some waste disposers were careless or negligent, thus contributing to the problems that must now be solved.

Mr. President, there are currently 337 sites in Louisiana that EPA determined to be potential hazardous waste sites. The Louisiana Department of Environmental Quality estimates that 60 of these sites will turn out to be actual sites. The State needs Federal Superfund moneys to help clean up these sites. However, it appears that the current Superfund regulations are biased against solving Louisiana's problems. Under this system, Louisiana has found it very difficult to qualify sites for the national priorities list, which is the first step in qualifying for investigation and cleanup assistance from Superfund.

There are several reasons for this and I would like to briefly mention them. The hazardous ranking system [HRS] is the scoring and ranking model employed by EPA for qualifying sites for the national priorities list. The HRS model scores candidate sites as to three potential routes of exposure of the public and the environment to releases from hazardous sites; namely, ground water releases, surface water releases, and air emissions. For both surface and ground water releases, high scores can be obtained only if there are significant population exposures through drinking water contamination threats within a 3-mile radius of the site. This ranking system has worked against Louisiana's interests for the following reasons:

First, no inactive or abandoned hazardous waste site so far scored in Louisiana is within 3 miles upstream of a public drinking water supply system surface water intake. This is because most of the sites are located in areas of the State primarily using ground water;

Second, most inactive or abandoned waste sites in Louisiana are in relatively sparsely populated areas, or areas in which public water wells are more than 3 miles from the site. The Federal HRS model acts like a triage screen, which concentrates attention on large population exposures to toxics and gives relatively little weight to potential toxic exposure to small populations in rural areas; and

Third, no active or abandoned hazardous waste site as yet actually contaminated a drinking water source. Most sites are in areas where ground water contaminants move toward drinking water aquifers relatively slowly. Few sites are old by comparison to similar sites in the older industrialized States such as New Jersey, New York, and Massachusetts. As above, the HRS scoring tends to be biased toward high scores for sites that have actually contaminated drinking water supplies. This means that relatively little scoring weight is given to Louisiana's needs to stop ground water threats before contamination actually happens. Within a few decades, perhaps, many sites in Louisiana will have aged enough to qualify just like sites in New Jersey do, today. Waiting for this eventuality will neither be in the interest of Louisiana nor the Nation as the cost differential for cleanup after drinking water contamination has occurred is staggering.

EPA's strong reliance on already existing damage to usable ground water aquifers is especially damaging to Louisiana's attempts to qualify sites for the NPL. This is so because the Mitre Model, the model that is used in the HRS scoring gives few points for potential damage to deep water aquifers. Rather, in order to score points, the Mitre Model requires the State to prove that there is a connection between the ground water resources and the underlying deep aquifer. In technical terms, the model wants the State to show that there exists "least permeable continuous confining layers." Without such a showing, EPA presumes that there is no connection between the water systems and therefore, the site is not given many points.

The problem with this grading system is that it does not recognize the unique hydrological features of Louisiana. The State's entire water regime acts as one system, and, in fact, to geologists who are accustomed to working with soils and ground water in southern Louisiana, it has become an acceptable fact that the water table acts in concert with, and is an integral part to, the underlying aquifers. In essence, the entire ground water regime, from the water table to the deepest freshwater aquifer, acts as one system.

Mr. President, the Louisiana Department of Environmental Quality developed a position paper which explains in detail how the shallow water aquifer and the deeper artesian aquifers interconnect in southern Louisiana. This paper concisely describes how a waste may seep through layers of Pleistocene clays and why this geographic situation cannot be recreated in the laboratory setting. This paper has been reviewed and verified by the District Chief of the Department of Interior's U.S. Geological Survey Water Resources Division. I ask unanimous consent that a copy of the position paper and the comments of the USGS District Chief be printed in the RECORD immediately following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

I would now like to take a moment to apply this information to the Louisiana situation. The Department of Environmental Quality has identified 27 sites as either Superfund or potential Superfund sites. Five of these sites have already been listed on the NPL and one site is on the proposed list of NPL sites. Of these 27 sites, 19 have the potential of contaminating the Chicot and Norco aquifers. These acquifers are the prime drinking water sources for the all of southern Louisiana. However, given the EPA ranking system, it will be an uphill battle to

qualify any of the 19 sites for the NPL list.

Mr. President, given my State's inability to have its unique geographic characteristics adequately considered under the current regulations, I was pleased to see that the committee reported bill requires the President to revise the national hazardous substance plan to make sure the system accurately assesses the relative degree of risk to human health and environment posed by sites and facilities. I believe the situation in Louisiana that I have just described is but one example of the flaws that are apparent with this system. I am sure other States will be able to demonstrate similar shortcomings.

EXHIBIT 1

THE INTERCONNECTION OF THE SHALLOW WATER TABLE AQUIFER WITH THE DEEPER ARTESIAN AQUIFERS IN SOUTHERN LOUISIANA, APRIL 26, 1985

To most geologists accustomed to working with soils and groundwater in southern Louisiana, it has become an accepted fact that the water table acts in concert with, and is an integral part of, the underlying aquifers. In essence, the entire ground water regime, from the water table to the deepest freshwater aquifer, acts as one system. Each component of this system, including the aquitards, has a measurable contribution to the flow of water within the system. While the geology of the Gulf Coast Regional Aquifer System is well known, and therefore not documented herein, we are just now beginning to appreciate the amount of interconnection between the components of the system.

Several studies, some of which are used as backup documents for this position paper, have shown that the degree of leakance through the aquitards and aquicludes is much higher than previously suspected. While this interconnection is a complex issue, three primary factors contribute to this condition: (1) the artesian nature of the entire system; (2) the heterogeneity of the aquifer materials; and (3) the physical structure of the Pleistocene clays.

Due to the Gulfward-dipping attitude of all the strata in Louisiana, the major aquifers in the system are under artesian pressure. This pressure acts in three dimensions, producing a complex pattern of groundwater flow between the discrete aquifers of the system. These complex pressure gradients are acting on the intervening clays, producing leakance values far different than those predictable by means of laboratory-produced data.

The second factor involves the character of the geologic materials that make up the aquifer system. Due to their depositional history, deltaic and alluvial deposits consist of beds that are very hetergeneous. A bed classified as clay may contain lenses of coarser material, as well as coalescing and bifurcating stringers of sand. Even though in one dimension there appears to be a discontinuity of sediments, groundwater and contaminants are able to move, albeit circuitously, through the aquitards. The attached cross-section, developed through ongoing work by the USGS, demonstrates this heterogeneity in an area south of the Baton Rouge Fault, similar to the Dutchtown site.

This heterogeneity is also documented in the enclosed Louisiana Highway Research Report "Pressuremeter Correlation Study". Although this study mainly investigates engineering parameters, the study does document the minute variations evident in Pleistocene clays. The Houma and Plaquemine sites are Recent clays. The Sorrento site (at depth), Perkins Road and Lake Charles sites evaluated Pleistocene clays.

The physical structure of the Pleistocene clays has a major role in groundwater flow. The megascopic structure of these clays in the Gulf Coast cannot be reproduced in the laboratory where soil samples are either remolded, or taken on such a small scale that the gross structural aspects are negated. The most widespread and dominant structure feature is the "slickenside". This fracture pattern was produced when the clays were differentially consolidated during burial and the rise and fall of sea level during glacial periods. Slickensides are a prevalent, non-predictable fracture feature which form preferential pathways of migration for fluids.

Although the reference "The Effects of Conventional Soil Sampling Methods on the Engineering Properties of Cohesive Soils in Louisiana" primarily explores the effects of sampling and handling on soil engineering properties, it also documents the extent and prevalence of these fractures and slickensides throughout Pleistocene and Recent clays in Louisiana. Also documented in the report are the geochemical effects of groundwater migration through the soils dissolving and precipitating minerals such as calcium and pyrite. This reference additionally includes a good general description of geology in Louisian.

A particular case demonstrating this factor is at the BFI (CECOS) Willow Springs facility in Louisiana, where contaminants were shown to be migrating through slickensides across silt lenses. The source of this contamination was a series of old pits dug in the native clay. The enclosed photograph and report depict this situation.

Although not proven through observation, as in the case of Willow Springs, the BFI (CECOS) facility in Livingston Parish, Louisiana clearly demonstrates movement of contaminants through clays which was not predictable by laboratory permeabilities. It is our contention that the heterogeneity of the confining Pleistocene clay provides "conduits" for the movement of contaminants through sand lenses and silt stringers to the underlying aquifers.

All the major aquifer systems in Louisiana evidence these three factors to one degree or another. Although boundaries between the systems can be theoretically drawn, all the systems overlap and interconnect with each other. The same geological processes produced all the Pleistocene aquifer materials and aquitards throughout the southern part of the state; thus the groundwater movement through these geologic materials has similar flow patterns throughout this region.

These are only a few of the observations and case situations that have lead to the conclusion that all groundwater in southern Louisiana acts as one system from the water table to the lowest freshwater aquifer.

GEORGE H. CRAMER. II,
Assistant Administrator, Hazardous Waste Division, Louisiana Department of Environmental Quality.

U.S. DEPARTMENT OF THE INTERIOR,
GEOLOGICAL SURVEY, WATER RESOURCES DIVISION,

Baton Rouge, LA, May 6, 1985.

MS. PATRICIA L. NORTON,
Secretary, LA Dept. of Environmental Quality, Baton Rouge, LA

DEAR MS. NORTON: We have reviewed the Position Paper on "The Interconnection of the Shallow Water-Table Aquifer with the Deeper Artesian Aquifers in Southern Louisiana", and find the hydrogeology to be conceptually correct. Our work has dealt more with the first two factors, those of artesian presssures and aquifer materials, than with the physical structure of the clays. However, the documentation by other investigators on the "slickensides" supports its occurrence and the fracture phenomena is just another means by which water can preferentially move downward through low hydraulic conductivity materials.

The basic concept that we have formulated through our studies over the years is that the aquifer systems in southern Louisiana are described as leaky. In other words—because of heterogeneity of the materials, fractures in the clays, plant roots, and animal burrows—avenues for preferential flow have developed. The average vertical hydraulic conductivity is low when considered on a regional basis, but in those places where there is preferential flow routes, the hydraulic conductivity can be many orders of magnitude higher.

The stratigraphy and structure of the deltaic deposits, as found in southern Louisiana, are characterized by heterogeneity and thus allow for higher vertical flow rates than homogeneous clay alone would allow.

We hope our review has been beneficial and within the framework of the cooperative program; we always are pleased to help with water-resource problems.

Sincerely yours,

DARWIN KNOCHENMUS.

Mr. JOHNSTON. Mr. President, in my statement I have described how the hazardous ranking system fails to take into consideration the unique geological characteristics of Louisiana. I was wondering if it might be possible to ask the managers of the bill whether they think Louisiana's situation should be addressed by EPA as it tries to develop and improve its NPL ranking system.

Mr. STAFFORD. The Senator from Louisiana has correctly stated that S. 51 requires EPA to amend its hazard ranking system to more accurately assess the relative degree of risk to health and the environment posed by sites and facilities. The points raised by the Senator regarding Louisiana's geology are certainly examples of the type of situation the committee intended EPA to review before amending the hazard ranking system.

Mr. BENTSEN. Mr. President, the Senator from Louisiana raises some important concerns related to the geology of Louisiana. It is certainly my view that this situation be addressed by EPA as it revises the hazard ranking system.

Mr. STAFFORD. Mr. President, for the information of our colleagues, we are anticipating that the Senator from Minnesota [Mr. DURENBERGER] will arrive in the Chamber shortly to offer an amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, this afternoon, I wish to offer a few general remarks on the legislation that is before the Senate, the Superfund Improvement Act of 1985.

Let me begin by commending the distinguished chairman of the Committee on Environment and Public Works, the Senator from Vermont [Mr. STAFFORD] for successfully seeing this major piece of legislation to the floor of the Senate. There have been many days of hearings and markups on this bill, both in this session and over the last 2 years in the committee. The bill has been reviewed by three separate Senate committees and will be the subject of many amendments here on the floor.

Superfund is a very complicated program with many very technical aspects that must be reviewed in the authorization process. That we are here on the floor of the Senate, wrapping up the last stages of the reauthorizations, is a testament to the skill and the patience of the Senator from Vermont.

Let me also say, Mr. President, that this is not the only piece of major legislation that has come from the Environment and Public Works Committee this year. We have already considered the Clean Water Act amendments and the Safe Drinking Water Act amendments. The omnibus water resources bill is also on the Senate Calendar. There has been much that has been accomplished by the committee this year. So it is appropriate that, during the discussion of Superfund, many Senators will have remarked on the productivity of the committee under the leadership of the Senator from Vermont and the unparalleled skills of the ranking member, the Senator from Texas [Mr. BENTSEN]. Our colleagues will rise to admire their skills in assuring that the legislative work of the Senate gets accomplished.

Turning now to the subject at hand, Mr. President, I must confess that throughout the entire process of Superfund reauthorization, I have been somewhat ambivalent about the issues before the committee and now before the Senate. On the one hand Superfund is an extremely important program that offers needed protection to the environment and millions of Americans exposed to hazardous substances being released from thousands of sites across the country. On the other hand, Congress has been under constant pressure to turn this critical piece of public health legislation into just another public works program that will put the names of politicians in hometown headlines.

As I look at the bill that we have produced and the amendments that are before us, I see much that adds to the strength of the program. We will be increasing the funding for the program about fivefold when the process is completed. We will be adding tough, new, and much-needed provisions to assure that Federal agencies like the Defense Department and the Department of Energy adhere to a tight schedule of cleanup at facilities they own and operate. We will be authorizing health assessments at Superfund sites and will be giving the toxicologists new resources to increase our knowledge of the health effects of various chemicals which are released into our environment everyday. Perhaps, most important, we have decisively rejected the suggestions made by some that the liability standard now applied at Superfund sites be substantially weakened.

So there is much that is good in this bill. But there are also other items that trouble me. In 1980, when Congress first embraced this problem, it was intended that Superfund would be a new kind of environmental statute. It was not to focus on any specific natural resource or any specific type of pollution. It was to be a generic program that was to address all forms of releases of substances that could be hazardous to human health or valued natural resources.

Superfund was not conceived to be principally a regulatory program. It was intended that a combination of feedstock taxes to pay for cleanups and strict, joint, and several liability imposed on responsible parties would work in tandem to prevent and correct releases.

So the 1980 law was a fundamental departure from past programs and represented a concerted effort to put new principles of environmental protection into Federal law.

As we have gone through the hearings and markups on Superfund over the past 2 years, I have often returned to those fundamental principles of the program to ask myself whether the proposals before us would extend the program along paths begun in 1980 or are we instead, being asked to make the public rather than the polluter pay and to edge away from full liability for responsible parties.

I think my colleagues must agree that—at least in the financing title of this bill—we are beginning to abandon the polluter-pays principle. The manufacturers' excise tax which is the revenue engine of this new authorization effectively breaks any connection between the cause of the releases—that is the production and use of hazardous substances—and the remedy for releases—a national fund to pay for cleanups.

I think that everyone well understands why the tax has been shifted away from feedstocks and why a waste end tax—another variation of polluter pays—was not adopted. Neither of those taxes would produce sufficient revenue to run a program of the size that we now realize is necessary. The Congress has been convinced that a waste-end tax of more than $1 billion per year would not be a reliable source of funding.

As the Senator from Rhode Island [Mr. CHAFEE] argues so convincingly, it is not that we fear falling short of the needed revenue that has kept us from adopting the waste-end tax. It is the effect that a huge waste-end tax might have. It would encourage the taxed parties to seek exclusions from this program and from the regulatory regime under RCRA, even though the materials in question pose substantial hazards to the public and the environment.

In the Senate Finance Committee most members were persuaded that a very large increase in the feedstock tax would have negative consequences for the American chemical industry which today is one of the few industries that contributes a positive balance to the international trading position of our country.

So everyone knows why we have moved to a broad-based tax. But I do not know that everyone fully appreciates how this change in tax mechanisms also changes the underlying philosophy of the program in ways that have important implications on the spending side of the equation, as well.

Take for example the provision in the 1980 law which allows States to file claims against the fund for compensation for the loss of natural resources. This provison has not been implemented fully, because the Department of the Interior failed to produce the necessary regulations. And now the Senate and the House have been asked to extend the deadline for filing natural resource damage claims that have been developed by the States.

On its face the natural resource damage claim provision of the existing law is a curious component of the Superfund Program. It appears that the Federal Government is being required to make payments to the States to compensate them for losses that were caused by actions of parties in the private sector who were wholly unrelated to the Federal Government. Why in the world should all the taxpayers of the United States compensate the State of South Dakota, for instance, for losses that were caused by a business concern operating under South

Dakota law? That does not seem to make sense.

The answer under Superfund as it exists, of course, is that all the taxpayers of the Nation are not being required to compensate the State of South Dakota for its loss. Under Superfund as it exists the cost of compensation is taken from a fund financed by the tax on chemical feedstocks which are used in the production of the kinds of hazardous substances that have caused natural resource damages. There is connection between the source of the damage and the source of the compensation.

But that is only a good explanation of the damage claims provision under the law through 1985. The reauthorization that we are about to adopt puts Superfund on a new foundation, establishes a new set of fundamental principles. It will now be the general taxpayers of the Nation who will bear the burden of any natural resource damage compensation because we are financing Superfund with general excise tax. Do natural resource damage claims continue to make sense in that context? I think not.

Mr. President, I am very much opposed to the manufacturers' excise tax that we have in the bill before us. I appreciate the dilemma that faced the Finance Committee when it designed this tax, because I am a member of the Finance Committee. We needed to raise $7.5 billion and there was no certain way to achieve that amount and stay close to the polluter-pays principle. But I think this new revenue title moves much too far in the direction of a general fund tax and it is my hope that in conference with the House we will find some middle ground between this bill and the fundamentals of the current program.

Mr. President, there is another aspect of this reauthorization package that has troubled me a great deal and that is the relationship between the Federal Government and the States that is established by this program. The 1980 law built a program with a very strong Federal Government component. The Federal Government imposed the tax. The Federal Government wrote the priority list. The Federal Government designed the cleanups to meet Federal standards. The 1980 Superfund was a very national program for what was perceived to be a national problem.

States were, some thought, even preempted for imposing a feedstock tax on the same chemicals for the same purposes. States were obligated to bear 50 percent of the costs for sites that were on lands that they owned. Localities would eventually bear the full cost of cleanup at landfills that they owned and operated. There was no grant to the States to run the administrative side of their own cleanup programs. The 1980 law was very much a Federal emergency action designed to protect Americans wherever they lived from immediate and substantial hazards. Superfund was the farthest thing from a public works block grant to the States that has been less than vigilant in protecting their own natural resources.

But we see here in 1985 a virtual parade of amendments to make Superfund the porkbarrel of first resort. The tax preemption has been lifted. The 90-to-10 match has been extended from the cost of cleanup to the cost of operation and maintenance, as well. States are being forgiven their 50 percent share at sites owned by the States. Credits for expenditures at one site are being allowed to pull down the 90 percent match at another site. A floor amendment will be offered to create a new grant program out of Superfund to pay for cleanup at sites that are not on the national priority list.

And that is just the Senate bill. Over in the House, much more is promised. State expenditures on administration and litigation are allowed as a match against Federal cleanup spending. And there is a State credit feature in the House bill that, I believe, will be the proverbial straw that breaks the camel's back.

Under the language reported by the Energy and Commerce Committee in the House, a State may make whatever authorized expenditures it chooses to today and it will thereby guarantee that nine times that amount in Federal dollars will be spent at that site or in that State at other sites in the future. Testimony before the Senate Environment and Public Works Committee indicates that New Jersey intends to spend about $240 million on its Superfund cleanup program during the 1985 and 1986 fiscal years. Under the House bill, the Federal Government will be obligated to spend nine times that amount or $2.16 billion—about 30 percent of the total 5-year program we are authorizing—in New Jersey at some point in the future. It's guaranteed. We are making New Jersey an appropriations subcommittee of the U.S. Congress because through this advance credit mechanism they will control the future direction of the Superfund Program.

Should four or five States make the decision to invest substantial funds in eligible activities—and almost everything from administration to litigation to construction is eligible under the House bill—in the next year or two, the rest of the Nation could find itself virtually shut out of the program because all of the funds would already be under obligation through this credit mechanism. Mr. President, I think that is unfair and I think that it fundamentally changes the underlying philosophy of the Superfund Program.

Even under current law, spending is already concentrated in a few States. I ask unanimous consent that a short article and table of statistics from the August 15, 1985, issue of the Washington Post be printed in the RECORD at this point, Mr. President.

This article shows where in the Nation that Superfund dollars have been spent in the fiscal years 1982, 1983, and 1984. Sixty percent of the funds have been spent in just six States, New Jersey, New York, California, Missouri, Pennsylvania, and Massachusetts. Fifteen percent of the dollars have gone to New Jersy alone.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 15, 1985]

WHERE SUPERFUND MONEY GOES

A handful of states accounted for nearly 60 percent of the funds obligated for hazardous waste cleanup under the Superfund program in fiscal 1982-84, according to a new study.

Because the Superfund program is not a grant program, the Environmental Protection Agency does not keep track of how much money goes to each state. But the Federal Funds Information for States, a computerized data base sponsored by the National Governors' Association and the National Conference of State Legislatures, has prepared a breakdown of where the funds were distributed.

It found that three states—New Jersey, Missouri and California—accounted for nearly 40 percent of the funds obligated. When New York, Pennsylvania and Massachusetts were included, the six accounted for 60 percent of the obligated funds.

Five states—Alaska, Mississippi, Nebraska, Nevada and South Dakota—had no sites designated for cleanup and no funds obligated during that period. States in the industrial Northeast, where larger volumes of hazardous waste were disposed in the past, tended to receive more of the funds.

EPA decides whether to include sites nominated by the states on the Superfund priorities list. Funds are distributed as the cleanup takes place. All together, $335 million was obligated in 1982-84, but only $91 million was actually spent.

[Dollar amounts in thousands]

	Obligations	Share (percent)
State:		
Alabama	$34	.01
Alaska		
Arizona	8,956	2.67
Arkansas	3,046	.91
California	38,478	11.48
Colorado	3,620	1.08
Connecticut	1,394	.42
Delaware	2,575	.77
Florida	7,538	2.25
Georgia	732	.22
Hawaii	50	.01
Idaho	139	.04
Illinois	5,715	1.70
Indiana	3,679	1.10
Iowa	2,287	.68
Kansas	350	.10
Kentucky	2,293	.68
Louisiana	2,810	.84
Maine	1,090	.33
Maryland	1,511	.45
Massachusetts	20,035	5.98
Michigan	11,778	3.51
Minnesota	5,993	1.79

[Dollar amounts in thousands]

	Obligations	Share (percent)
Mississippi		
Missouri	40,149	11.98
Montana	3,178	.95
Nebraska		
Nevada		
New Hampshire	11,570	3.45
New Jersey	51,593	15.39
New Mexico	1,485	.44
New York	28,874	8.61
North Carolina	2,394	.71
North Dakota	250	.07
Ohio	10,155	3.03
Oklahoma	5,875	1.75
Oregon	139	.04
Pennsylvania	23,327	6.96
Rhode Island	4,116	1.23
South Carolina	2,551	.76
South Dakota		
Tennessee	828	.25
Texas	11,919	3.56
Utah	15	
Vermont	360	.11
Virginia	1,884	.56
Washington	7,818	2.33
West Virginia	554	.17
Wisconsin	300	.09
Wyoming	50	.01
Territories	300	.09
Puerto Rico	1,430	.43
Total	335,217	100

Source: Federal funds Information for States (obligations for fiscal 1982–84).

Mr. DURENBERGER. Under Superfund as it existed from 1980 to 1984, the issue of State shares did not even arise. There is no formula for the program. No maximums or minimums for any State. And that was quite appropriate, Mr. President. For under the program as it existed, those who produce and use hazardous substances were taxed to cleanup sites that were caused by the release of those substances according to a priority list that had the Nation cleaning up the most dangerous sites first. If that resulted in all the money being spent in one State, then so be it.

But that is not the program that is contemplated in the bill before the Senate. And the result of combining the Senate financing scheme—which imposes a general excise tax—and the House programmatic amendments—which turn the priority setting powers within the program over to the States through this advance credit mechanism—runs the risk of turning Superfund, which has been an important program to protect public health, into just another public works program to please the folks back home. That would be a tragedy, Mr. President.

There are ways, of course, to prevent that outcome. I have floated the idea of a cap on the amount of remedial funds that could be spent in any one State in any 1 fiscal year. We could set the cap at 15 percent for instance. That is the average percentage that New Jersey has received over the last 3 years.

Again, New Jersey has received the largest share, 15 percent would be about $225 million per year, if the program was spending out at about $1.5 billion. but Senators should realize that even 15 percent, even $225 million, would only provide New Jersey with about a 2-to-1 match against their planned expenditures. Not the 9 to 1 that the House is guaranteeing in advance.

Mr. President, I shall not offer a cap. The debate on a cap amendment would be acrimonious. It would slow down consideration of the program here on the floor of the Senate. So I shall not offer the amendment.

I shall rely instead upon the steady hand of the chairman in conference. The bill he brought to the floor of the Senate is a balanced bill. It is not so much the Senate bill I have spoken against, but the porkbarrel we expect from the House that worries me. I have raised the issue. I shall continue to watch the development of this legislation and raise the issue again, if needed. I do not envy any State its need for Superfund dollars. What to do with hazardous waste at inadequate facilities continues to be a national problem of crisis proportions. And a national response is appropriate.

All I ask is that the needs of each State be balanced with the needs of all other states in a truly national program designed to protect public health and the environment wherever it is threatened.

That, Mr. President, is the purpose of Superfund as it was enacted by the Congress in 1980 and it is the principle in Superfund that has made it such a special part of the national commitment to environmental protection. We must not sacrifice the fundamental design of this public health law to the politics of public works in the Congress.

It was in large part the vigilance and skill of the Chairman of the Environment and Public Works Committee that put Superfund into the law in 1980, that saved it from negligence and outright hostility at the Environmental Protection Agency in 1981 and 1982 and that has seen this reauthorization to the floor after two years of debate and consideration. And we trust that his abilities as a legislator and his commitment to the principles of Superfund will see us through the completion of this Senate action and a conference with the House. With that, Mr. President, I yield the floor, thanking the managers of the bill for allowing me this opportunity to share my views.

AMENDMENT NO. 650

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 650.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end thereof add the following new Sec.

"Not later than October 9, 1985, the Director of the Office of Management and Budget shall complete his review and make available for publication in the Federal Register all of the proposed recommended maximum contaminant levels for those organic and inorganic chemicals published by the Administrator of the Environmental Protection Agency in volume 48, Federal Register, page 45502 and submitted by the Administrator to the Director prior to April 30, 1985."

Mr. DURENBERGER. Mr. President, one of the most difficult issues that the committee has had to face in the Superfund debate is the so-called "How clean is clean" issue. Under current law the Administrator of the Environmental Protection Agency is granted broad discretion to determine how much effort will be made to clean up a Superfund site and how much contamination will be allowed to remain when the job is completed.

Many have advocated that Congress require that the Administrator use some more objective standard to answer the question, "How clean is clean." For instance, there is legislation in the House that would require that Superfund sites be cleaned up to the level of the health-based standards that have been established under other laws, like the Clean Air Act, the Clean Water Act or the Safe Drinking Water Act.

The problem with that proposal in that to date the Agency has been practically incapable of setting health-based standards under those other statutes. There are virtually no well-developed health-based standards that can be used in making cleanup decisions at Superfund sites.

Let me be specific as the point I am making relates to the Safe Drinking Water Act. In 1974 Congress passed the drinking water law. Under that act, EPA was charged with the responsibility to develop two types of drinking water standards that would set upper limits on each of the many contaminants that have been found in drinking water supplies.

The first type of standard, called "Recommended Maximum Contaminant Levels or RMCL's," are to be entirely health-based. The Agency is instructed to survey the drinking water supplies of the Nation to determine which specific contaminants are present. Then it is determined through health effects research whether any of those contaminants may present any adverse health consequences for consumers. And finally it

is to establish the recommended maximum contaminant levels at a point where no adverse health effects will occur.

After the RMCL or health goal is established, the Agency then develops a second, regulatory standard called the "Maximum Contaminant Level or MCL." These standards are intended to be as close to the health goal as possible taking into account the ability of available drinking water treatment technology to purify water that has been contaminated.

When Congress passed the drinking water law in 1974, there were 16 MCL's already on the books that had been established by the Public Health Service in the early 1960's. They were primarily for biological contaminants and for heavy metals which often occur in groundwater supplies naturally.

But the Nation discovered in the early 1970's that its drinking water supply was also threatened by hundreds of manmade synthetic organic chemicals. By shifting the program from the Public Health Service to the Environmental Protection Agency and mandating that health-based standards be set for all contaminants found in drinking water, the Congress intended to take a large step in protecting the health of the American public.

Unfortunately very little has happened in the 11 years that the Drinking Water Act has been down at EPA. MCL's for only seven more contaminants have been set and many of those are for pesticides that have already been banned for use in the United States.

Mr. President, despite this sorry record there is always cause for hope. There are several events that have occurred this year that suggest that the Drinking Water Program might finally be getting under way. Both the Senate and the House have passed bills to reauthorize the program and set deadlines for publishing standards. Conferees have been appointed to resolve the differences between those bills and I want to report to my colleagues that discussions at the staff level are going quite well and we look forward to moving the conference rapidly, as soon as Superfund is completed here on the floor.

And things are starting to move down at the Agency, as well. We can expect proposed MCL's to be published for eight volatile organics in the next few weeks. And the Agency has sent proposed RMCL's for 40 more synthetic organic chemicals to the Office of Management and Budget for review.

Mr. President, it is the fate of those 40 RMCL's that brings me to the floor of the Senate this afternoon. EPA sent their proposals to OMB for review on April 9 of this year. The review was to be conducted under provisions of the Executive Order 12291 which gives OMB a full 60 days, but only 60 days, to complete its review and return the proposal and its comments to the Agency. But it has been more than 5 months, Mr. President, and EPA has not yet heard from OMB on these health-based standards for 40 drinking water contaminants.

The delay in releasing the proposed RMCL's caused the leadership of the Committee on Environment and Public Works to send a letter to Joseph Wright, Acting Director of OBM, on August 1, asking that he release the EPA proposed RMCL's or state why he had not yet done so. That letter was, as I say, sent on August 1. This is September 19. So far, there has been no response to the members of the Environmental Committe on their request.

After 6 weeks of waiting, the distinguished chairman of the committee, Senator STAFFORD, joined with Senator BENTSEN, Senator BAUCUS, and myself to send a second letter to OMB asking again that the RMCL's be released. That letter is also addressed to Mr. Wright and is dated September 6. Since we had not had a reply to our previous communication, we also wrote the Administrator of the Environmental Protection Agency. We suggested to Mr. Thomas that he, acting on authority which the Justice Department has stated he possesses, that he simply publish the proposed RMCL's in the Federal Register without waiting any longer for OMB's review. Mr. President, I would ask that the letters to Mr. Wright and Mr. Thomas also be printed in the RECORD with my comments today.

Well, we've written three letters from the leadership of the Environment Committee and the subcommittee with jurisdiction and we have yet to hear anything at all on the fate of the proposed health standards which were sent to the President of of the United States by This Administrator of Environmental Protection.

Which brings me to the floor and this amendment. Mr. President, the amendment is very simple. It only requires that the Office of Management and Budget act as required by Executive order and release the proposed RMCL's for publication in the Federal Register. The amendment sets a deadline for this action of October 9, 1985. Mr. President, this is a necessary amendment. That is established by the facts I have laid before the Senate in the last few minutes. I hope that the manager of the bill can also agree that it is an appropriate amendment to Superfund, since the health-based standards under the Drinking Water Act play an important role in deciding "How clean is clean" under Superfund.

Mr. President, I ask unanimous consent to have printed in the RECORD letters directed by me and a number of my colleagues on this committee, including the chairman and the ranking minority member, to the Acting Director of the Office of Management and Budget.

There being no objection the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, August 1, 1985.

Hon. JOSEPH R. WRIGHT,
Acting Director, Office of Management and Budget, Old Executive Office Building, Washington, DC.

DEAR MR. WRIGHT: We are writing to express our concern about the lengthy delay in completion of the Office of Management and Budget's review of proposed Recommended Maximum Contaminant Levels (RMCLs) for 30 drinking water contaminants. EPA's Office of Drinking Water sent these proposals to OMB on April 9, 1985 for your review which has yet to be completed nearly four months later. This appears to be an excessive amount of time for evaluation of the Agency's scientific basis for setting RMCLs under the drinking water statute. The 30 Phase II contaminants submitted for review are those that the Agency believes may have adverse effects on human health in accordance with their standard-setting responsibility under the Safe Drinking Water Act.

In the eleven years since enactment of this statute, EPA's Office of Drinking Water has not fulfilled the public health protection objectives mandated by Congress. Drinking water standards constitute the regulatory foundation of the Act. However, only 22 such standards have been established by the Agency. This is totally inadequate in view of the hundreds of contaminants that have been detected in public and private water systems, many of which are synthetic organic chemicals of significant public concern.

Public health officials and constituents from each of our States have indicated their urgent need for these standards to make sound water supply decisions. In their absence, States have had to expend limited resources to develop standards without adequate scientific information. A Federal responsibility to issue standards was established under this Act to eliminate such duplicative and ill-informed State efforts.

The great concern over the lack of sufficient standards to adequately protect public health from drinking water contaminants is reflected in amendments passed by the Senate and House that would significantly strengthen the standard-setting provisions of the Safe Drinking Water Act. Widespread concern about the Agency's historical inability to issue standards and indications of OMB resistance to the establishment of standards served as the impetus for the passage of schedules and deadlines in the Senate bill. It should be apparent from these actions that Congress intends that standards are to be set for drinking water contaminants in a responsible and timely manner.

Now that the Drinking Water Office has finally selected priority contaminants of public concern and gathered sufficient evidence on which to base RMCLs, we believe that your Office has a responsibility to review this information in an expeditious manner. Therefore, we ask that you allow EPA to publish the proposed RMCLs as

soon as possible so they may begin to fulfill their regulatory responsibilities or provide an explanation for the excessive delay in completing your review.

Sincerely,

MAX BAUCUS,
U.S. Senator.
LLOYD BENTSEN,
Ranking Member.
DAVE DURENBERGER,
U.S. Senator.
ROBERT T. STAFFORD,
Chairman.

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC, September 6, 1985.

Hon. JOSEPH R. WRIGHT,
Acting Director, Office of Management and Budget, Old Executive Office Building, Washington, DC.

DEAR MR. WRIGHT: Having received no reply to our letter of August 1, 1985 regarding the proposed Recommended Maximum Contaminant Levels (RMCLs) submitted by the Administrator of the Environmental Protection Agency, we are writing again, for the following reasons:

First, to urge that you or your staff approve or disapprove the RMCLs without further delay;

Second, to express our belief that if you fail to act on the RMCLs, the Administrator should unilaterally propose them formally through publication in the Federal Register;

Third, to request an explanation for OMB failure to comply with the sixty-day time limitation on review imposed by Executive Order 12291; and,

Finally, if the reason for the delay is inconsistency of the RMCLs with Administration policy, to request a clear statement of that policy as it regards the contamination of drinking water supplies in the United States. Specifically, we would appreciate knowing whether and under what circumstances, if any, the Administration supports the promulgation of Recommended Maximum Contaminant Levels pursuant to the Safe Drinking Water Act.

We would appreciate your prompt attention to this request. For your possible use, a copy of our earlier letter is enclosed.

Sincerely,

MAX BAUCUS,
U.S. Senator.
LLOYD BENTSEN,
Ranking Member.
DAVE DURENBERGER,
U.S. Senator.
ROBERT T. STAFFORD,
Chairman.

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC, September 10, 1985.

Hon. LEE M. THOMAS,
Administrator, U.S. Environmental Protection Agency, Washington, DC.

DEAR MR. THOMAS: Please find enclosed letters which we have written to the Acting Director of the Office of Management and Budget regarding proposed Recommended Maximum Contaminant Levels (RMCLs) submitted for OMB review pursuant to Executive Order 12291.

The purpose of this letter is to urge that you unilaterally propose the RMCLs if no action has been taken at the Office of Management and Budget by close of business September 13, 1985.

As you may recall, there was discussion during your confirmation hearing of the degree of independence which you would exercise as Administrator, especially with respect to the Office of Management and Budget. You responded to several written questions on this subject, including the following:

Question. In any case in which a law or other authority assigns the responsibility for making a decision to the Administrator of the Environmental Protection Agency, will you ever allow another person—assuming you are confirmed—to make the decision in questions?

Answer. No, unless I delegate the responsibility for actions other than rulemaking to another person in EPA consistent with the appropriate statute. Historically, and for the foreseeable future, EPA has not delegated signature authority for regulations.

Question. In those cases where the law sets forth the facts or other circumstances which you must take into account, will you fail to take such factors or circumstances into account?

Answer. No.

Question. If the law requires you to make a decision and sets forth the critera and these compel you to choose an option to which objection is raised on the grounds that it is not consistent with the Administration's policy, what will you do?

Answer. I will make my decision consistent with the statute. E.O. 12291 clearly addresses this point by exempting agencies from complying with Administration policy when that policy is not consistent with the applicable statute.

During the Confirmation hearing, you also stated that the Agency's progress in establishing standards under the Safe Drinking Water Act was "disappointing" but "I believe we have broken the back of that problem." The hearing was held seven months ago, on February 6, 1985.

On April 9, proposed RMCLs were forwarded to the Office of Management and Budget for review pursuant to Executive Order 12291, which limits the time for OMB consideration to 60 days. Even if OMB had approved the proposals within the 60-day period, it would still have been several more years before the RMCLs had any direct regulatory impact on the safety of drinking water in the United States. But OMB has not acted.

The Safe Drinking Water Act was enacted in 1974 because of widespread public concern over contaminated water supplies. In the intervening 11 years, contamination has not decreased, but increased. Indeed, EPA's own estimates are that one of every three large drinking water systems which rely on ground-water are contaminated by synthetic organic chemicals. State and local public health departments throughout the United States, as well as private suppliers of drinking water, justifiably look to the Environmental Protection Agency for guidance as to the acceptable level, if any, of such contamination. But this guidance is not forthcoming because regulations which you are required by law to propose are under review at the Office of Management and Budget.

We would appreciate knowing what action you propose to take with regard to the current impasse and would appreciate a response at your earliest convenience.

Sincerely,

MAX BAUCUS,
U.S. Senator.
LLOYD BENTSEN,
Ranking Member.
DAVE DURENBERGER,
U.S. Senator.
ROBERT T. STAFFORD,
Chairman.

Mr. DURENBERGER. Mr. President, I wonder if this amendment is in a form and of a nature that is acceptable to the distinguished chairman and ranking minority member and if they would indicate to the Senate their view on the amendment at this time.

Mr. STAFFORD. Mr. President, we have examined the amendment offered by the Senator from Minnesota, a very valuable member of our committee, and, for the majority, we are prepared to accept it.

Mr. BENTSEN. Mr. President, I congratulate the Senator from Minnesota on what he is trying to do in expediting the regulatory process.

OMB has been holding this thing up since April 9 of this year with a review. I can understand some delay in regulatory decisions, but I think what we are seeing is excessive and unnecessary interference on the part of OMB.

I am delighted to see the amendment offered. On this side, I see no objection to it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 650) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT FOR RADON DEMONSTRATION PROGRAM AND INDOOR AIR QUALITY

Mr. HEINZ. Mr. President, yesterday we passed an amendment introduced by my colleagues Senator MITCHELL, Senator LAUTENBERG, and Senator BRADLEY to provide for a demonstration program within the Environmental Protection Agency to research the impact of toxic chemicals on indoor air quality. Among the most serious chemicals that have been released inside buildings and homes is radon. Radon is a radioactive gas that is colorless, odorless, and tasteless, and which studies have shown can cause an increased risk of lung cancer.

The problem of radon releases is particularly acute in an area of the country called the Reading prong, which occupies a major portion of southern Pennsylvania. Unacceptably high levels of radon have been discovered in approximately 40 percent of over 1,400 homes tested in Berks County, PA, along the Reading prong. The cost to homeowners for remedial work to permanently lower these levels of radon gas can be as high as $20,000. Yet there is no comprehensive Federal program to even research this

problem. Our amendment addresses this glaring gap in the EPA's research programs, and provides a modest amount of funding—$3 million in each of fiscal year 1986 and fiscal year 1987—for the Agency to at least begin to address this widespread and growing health problem. As a Senator from Pennsylvania, one of the most affected States, and as a cosponsor of this amendment, I urge my colleagues to support this effort.

AMENDMENT TO IMPROVE COMMUNITY EMERGENCY PREPAREDNESS AND RESPONSE

Mr. President, yesterday we passed an amendment, which I cosponsored, to improve the ability of all levels of government to respond to emergencies caused by the release of dangerous substances. This amendment puts in place a series of mechanisms that will help State and local governments work efficiently and effectively to minimize the health hazards that arise from the release of hazardous substances into the environment. In addition, the amendment requires the Environmental Protection Agency to compile a list of extremely hazardous substances that will allow us to define the universe of chemicals that could provoke emergencies. Facilities handling these substances would be required to assist in resolving any such incident. We need only remember the recent tragedy in Bhopal, India, and the accidents in Institute, WV, to realize how essential it is that we develop the means to respond quickly to the release of hazardous substances into open air.

Mr. President, I urge the adoption of this amendment. It will remove the information gap that has thus far hindered our ability to plan for and react to chemical emergencies, and it will establish systems for governments at all levels to cooperate and properly utilize this vital information. I urge my colleagues to support this measure. It will help us prevent immediate problems from becoming serious and far-reaching disasters.

Mr. STAFFORD. Mr. President, I am unaware of any more amendments we can handle this evening. Unless my able colleague from Texas knows of another amendment to be handled tonight, I am prepared to suggest the absence of a quorum.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the name of the Senator from New Jersey [Mr. LAUTENBERG] be added as a cosponsor of the hazardous substances inventory amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. STAFFORD. Mr. President, I inquire of the minority leader if he is in a position to pass the following joint resolutions that were reported out of the Judiciary Committee today: H.J. Res. 218 National Dental Hygiene Week; H.J. Res. 229, Adult Day Care Center Week; S.J. Res. 132, National Head Injury Awareness Month; S.J. Res. 194, National Buy American Week; S.J. Res. 175, National CPR Awareness Week; S.J. Res. 197, National Housing Week; S.J. Res. 191, Learning Disability Awareness Month; and H.J. Res. 305 commemorating the 25th anniversary of the Peace Corps.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. STAFFORD. In that event, Mr. President, I ask unanimous consent that the joint resolutions be considered en bloc and adopted en bloc and that all amendments, preambles, and title amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DENTAL HYGIENE WEEK

The joint resolution (H.J. Res. 218) to designate the week beginning September 15, 1985, as "National Dental Hygiene Week," was considered, order to a third reading, read the third time, and passed.

The preamble was agreed to.

ADULT DAY CARE CENTER WEEK

The joint resolution (H.J. Res. 229) to designate the week beginning September 22, 1985, as "National Adult Day Care Center Week," was considered, ordered to a third reading and read the third time, and passed.

The preamble was agreed to.

NATIONAL HEAD INJURY AWARENESS MONTH

The joint resolution (S.J. Res. 132) designating October 1985 as "National Head Injury Awareness Month" was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 132

Whereas an estimated four hundred and fifty thousand to seven hundred thousand people require hospitalization each year for head injuries;

Whereas an estimated one hundred thousand of these victims die as a result of head injuries;

Whereas approximately fifty thousand head injury victims, more than two-thirds of whom are under the age of thirty, suffer permanent brain damage that prevents them from returning to schools, jobs, or normal lifestyles.

Whereas the effects of head injuries are emotionally and financially devastating to families;

Whereas there is a serious lack of facilities designed to care for the special needs of the head injured; and

Whereas long-term medical research on brain-injured patients is incomplete: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1985 is designated "National Head Injury Awareness Month" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe that month with appropriate programs and activities.

NATIONAL BUY AMERICAN WEEK

The joint resolution (S.J. Res. 194) to designate the week beginning October 1, 1985, as "National Buy American Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 194

Whereas the Nation accumulated record merchandise trade deficits in 1982, 1983, and 1984, and a record deficit is predicted for 1985;

Whereas we have become a debtor nation for the first time since the onset of World War I;

Whereas in many cases the prices of imported goods are artificially low because of illegal subsidies by foreign governments; and

Whereas record merchandise trade deficits cause loss of jobs, loss of productivity, loss of tax revenues, and a decline in the American standard of living: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning October 1, 1985, hereby is designated "National Buy American Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL CPR AWARENESS WEEK

The joint resolution (S.J. Res. 175) to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

The joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 175

Whereas heart attacks are the leading cause of death in the United States;

Whereas as many as 1,500,000 Americans may be stricken by a heart attack during 1985;

Whereas cardio-pulmonary resuscitation, commonly referred to as CPR, is a first aid procedure which significantly reduces the incidence of sudden death due to a heart attack; and

Whereas the death rate due to heart attacks would be reduced if more Americans received training in CPR: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 20, 1985, through October 26, 1985, is designated as "National CPR Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

Amend the title to read: "To designate the week of October 20, 1985, through October 26, 1985, as 'National CPR Awareness Week'."

NATIONAL HOUSING WEEK

The joint resolution (S.J. Res. 197) to designate the week of October 6, 1985, through October 13, 1985, as "National Housing Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 197

Whereas the combined commitment of the Federal Government with the strength and ingenuity of private enterprise has brought decent housing to an overwhelming majority of all Americans;

Whereas the opportunity to own a home and live in decent housing strengthens the family, the community, and the Nation, giving individual Americans a stake in the local community and stimulating political involvement;

Whereas the housing industry has led the Nation to economic recovery following every recession since World War II by creating millions of productive jobs for the unemployed, generating billions of dollars worth of tax revenue, and creating demand for goods and services;

Whereas shelter is one of the basic needs for all individuals, and the production of affordable housing is an important concern at all levels of government; and

Whereas it is appropriate to reaffirm the national historical commitment to housing and homeownership and to recognize the economic opportunities created by the present housing recovery: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 6, 1985, through October 13, 1985, is designated as "National Housing Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

LEARNING DISABILITIES AWARENESS MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 191) to designate the month of October 1985 as "Learning Disabilities Awareness Month."

Mr. BUMPERS. Mr. President, I rise today to express my sincere thanks to those Senators on the Judiciary Committee who have acted expediently on Senate Joint Resolution 191. This resolution will help to shed light on the problems that confront the 10 million learning disabled of this country and help open the door to greater knowledge of the nature and causes of these learning difficulties.

Along with my distinguished colleagues who have cosponsored this resolution, I simply want to say that we care about these children, and that we also care about the many more who may be suffering from learning disabilities but have not yet been diagnosed as such.

This October will hopefully prove to be a significant turning point in the history of rolling back the superstition surrounding learning disabilities. Great strides have been made since the adoption of the Education for All Handicapped Children Act of 1975 (Public Law 94-142). The programs created by this law have served over 1.8 million people throughout the United States.

The term "learning disability" itself is only 20 years old. Learning disabilities are neurological problems that can impair a child's ability to perform certain tasks that require accurate perceptive skills. These are physiological problems that in no way reflect a child's intellectual capacity or potential. The learning disabled child encounters difficulty in linguistic skills such as reading, writing, spelling, and often in mathematics, concentration, memory and symbolism. Regulations that accompany Public Law 94-142 state that learning disabilities include "such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia."

The Presidential Initiative on Adult Literacy has documented the ongoing problem of adult literacy in this country. These studies establish that 60 million men and women in this country cannot read the front page of their local newspaper. The link between adult illiteracy and learning disabilities has also been firmly ascertained. We simply cannot allow today's learning disabled child to become tomorrow's illiterate adult.

Before concluding, I wish to once again acknowledge the dedication of my distinguished colleagues in the House of Representatives who sponsored this resolution in that body—Mr. GEORGE BROWN of California and JACK KEMP of New York. Also, Mr. President, I would also like to extend my praise for the tireless efforts of the many and varied organizations in this country who have embraced this cause and worked so hard to improve the lives of the learning disabled. This praise particularly extends to the Foundation for Children with Learning Disabilities, who gave much assistance in seeing this resolution enacted into law.

Mr. President, those with learning disabilities can overcome their difficulties. These problems do not have to be tragic. October 1985, is the time to interject hope and understanding into the lives of those who have such disabilities. With the designation of October as "Learning Disabilities Awareness Month" we can bring down the barriers that prevent the recognition and treatment of these problems. I once again urge the Senate to adopt this resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 191

Whereas millions of Americans suffer from one or more learning disabilities;

Whereas it is estimated that ten million American children have been diagnosed as suffering from learning disabilities;

Whereas most learning-disabled persons are of normal or above normal intelligence but cannot learn to read and write in the conventional manner;

Whereas it is important for parents, educators, physicians, and learning-disabled persons to be aware of the nature of learning disabilities and the resources available to help learning-disabled persons;

Whereas early diagnosis and treatment of learning-disabled children gives such children a better chance for a happy and productive adult life;

Whereas the courage necessary for learning-disabled persons to meet their special challenges should be recognized;

Whereas hundreds of national and local support groups for learning-disabled persons, parents of learning-disabled children, and professionals who work with learning-disabled persons have made important contributions to the treatment of learning disabilities;

Whereas research and study have contributed to public knowledge about learning disabilities, but much remains to be learned; and

Whereas public awareness of and concern about learning disabilities may encourage the establishment of the programs necessary to promote early diagnosis and treatment of learning disabilities and to help learning-disabled persons and their families cope with their learning disabilities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1985 hereby is designated "Learning Disabilities

Awareness Month", and the President of the United States is authorized and requested to issue a proclamation calling upon all public officials and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

TWENTY-FIFTH ANNIVERSARY OF THE PEACE CORPS

The joint resolution (H.J. Res. 305) to recognize both Peace Corps volunteers and the Peace Corps on the agency's 25th anniversary 1985–86, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the various resolutions and their titles and amendments were adopted en bloc.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INDEFINITE POSTPONEMENT OF SENATE JOINT RESOLUTION 149

Mr. STAFFORD. Mr. President, I wonder if the minority leader would be willing now to turn to Senate Joint Resolution 149?

Mr. BYRD. Yes.

Mr. STAFFORD. Mr. President, in that event, I ask unanimous consent that Senate Joint Resolution 149, "National Dental Hygiene Week," which was reported out of the Judiciary Committee today, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1671 PLACED ON CALENDAR

Mr. STAFFORD. Mr. President, I send a bill (S. 1671) to the desk on behalf of Senators MURKOWSKI and CRANSTON and ask unanimous consent that it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

HUMANITARIAN RESPONSE TO THE EARTHQUAKE IN MEXICO CITY

Mr. BYRD. Mr. President, I send to the desk a concurrent resolution on behalf of Mr. KENNEDY, for himself, Mr. LUGAR, Mr. SIMPSON, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. HATCH, Mr. WILSON, and Mr. BOREN, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 67) relating to humanitarian response to the earthquake in Mexico City.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 67) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 67

Whereas an earthquake of disastrous proportions has leveled parts of Mexcio City today;

Whereas significant and irreparable damage has been done to "the old city";

Whereas between a third and a half of all structures have reportedly been destroyed;

Whereas millions of citizens of Mexico City may now be homeless and thousands may be killed or injured; and

Whereas the people of the United States share long-standing bonds of history and culture with the people of Mexico and, as neighbors, have deep concern for the well-being of the people of Mexico; Therefore be it

Resolved, That it is the sense of the Senate that the Government of the United States should make available to the Government of Mexico and to the people of Mexico City—on an emergency basis—humanitarian assistance and relief required to help deal with this tragedy.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE HOUSE

At 3:17 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for the other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; and

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

The enrolled bills were subsequently signed by the President pro tempore [Mr. THURMOND].

At 4:21 p.m., a message from the House of Repesentatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, without amendment:

S. 1514. An act to approve the Interstate Cost Estimate and Interstate Substitute Cost Estimate;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year";

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week"; and

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 62. A concurrent resolution expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

The message further announced that the House has passed the following bill and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 7. An act to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966;

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week"; and

H.J. Res. 384. Joint resolution designating September 22, 1985, as "Farm Aid Day."

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 7. An act to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966; to the Committee on Agriculture, Nutrition, and Forestry.

H.J. Res. 384. Joint resolution designating September 22, 1985, as "Farm Aid Day"; to the Committee on the Judiciary.

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTIONS SIGNED

The Vice President announced that on today, September 19, 1985, he signed the following enrolled joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

H.J. Res. 128. Joint resolution designating the month of October 1985, as "National High-Tech Month"; and

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of the Nation's landmark preservation laws.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble.

H.J. Res. 229: A joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week."

H.J. Res. 305: A joint resolution to recognize both Peace Corps volunteers and Peace Corps on the agency's 25th anniversary, 1985–86.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment.

S. 44: A bill to grant the consent of the Congress of the Southeast Interstate Low-Level Radioactive Waste Management Compact.

S. 356: A bill granting the consent of Congress to the Northwest Interstate Compact on Low-Level Radioactive Waste Management.

S. 442: A bill to grant the consent of the Congress to the Rocky Mountain Low-Level Radioactive Waste Compact.

S. 655: A bill granting the consent of Congress to the Central Interstate Low-Level Radioactive Waste Compact.

S. 802: A bill to grant the consent of the Congress to the Central Midwest Interstate Low-Level Radioactive Waste Compact.

S. 899: A bill granting the consent of Congress to the Midwest Interstate Compact on Low-Level Radioactive Waste Management.

By Mr. DOMENICI, from the Committee on the Budget, without amendment.

S. 1200: A bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 132: A joint resolution designating October, 1985, as "National Head Injury Awareness Month."

S.J. Res. 149: A joint resolution to designate the week of September 15, 1985 through September 21, 1985, as "National Dental Hygiene Week."

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title and with a preamble:

S.J. Res. 175: A joint resolution to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 191: A joint resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month."

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amended preamble:

S.J. Res. 194: A joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 197: A joint resolution to designate the week of October 6, 1985 through October 13, 1985 as "National Housing Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Edmund V. Ludwig, of Pennsylvania, to be U.S. district judge from the eastern district of Pennsylvania;

Stephen V. Wilson, of California, to be U.S. district judge for the central district of California;

David Sam, of Utah, to be U.S. district judge for the district of Utah;

By Mr. THURMOND, from the Committee on the Judiciary:

J.C. Argetsinger, of Virginia, to be a Commissioner of the Copyright Royalty Tribunal for the term of 7 years from September 27, 1984.

(The above nomination was reported from the Committee on the Judiciary with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on Labor and Human Resources:

To be members of the National Council on the Humanities for a term expiring January 26, 1990:

George D. Hart, of California;
William Barclay Allen, of California
Mary Joseph Conrad Cresimore, of North Carolina;
Leon Richard Kass, of Illinois;
Kathleen S. Kilpatrick, of Connecticut;
Robert Laxalt, of Nevada; and
James V. Schall, of California.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of September 9 and September 11, 1985, at the end of the Senate proceedings.)

*1. Brigadier General Stuart E. Barstad, U.S. Air Force, to be major general; and

Colonel John P. McDonough, U.S. Air Force, to be brigadier general. (Ref. No. 538)

*2. Colonel Walter F. Johnson, III, U.S. Army, to be brigadier general. (Ref. No. 539)

*3. Vice Admiral Richard A. Miller, U.S. Navy, to be placed on the retired list. (Ref. No. 546)

*4. Vice Admiral Donald S. Jones, U.S. Navy, to be Senior Navy Member of the Military Staff Committee of the United Nations. (Ref. No. 547)

*5. Rear Admiral Joseph B. Wilkinson, Jr., U.S. Navy, to be vice admiral. (Ref. No. 548)

*6. In the Navy Reserve there are 8 promotions to the grade of commodore (list begins with John William Gates, Jr.). (Ref. No. 549)

**7. In the Air Force there are 4 promotions to the grade of colonel and below (list begins with Theodore N. Sahd). (Ref. No. 550)

**8. In the Air Force Reserve there are 824 promotions to the grade of lieutentant colonel (list begins with Charles D. Ables). (Ref. No. 551)

**9. In the Air National Guard there are 16 promotions in the Air Force Reserve to the grade of lieutenant colonel (list begins with Dennis M. Anderson). (Ref. No. 552)

**10. In the Air Force there is 1 appointment to a grade not higher than major (James M. Kinsella). (Ref. No. 553)

**11. In the Air Force there are 946 appointments to a grade not higher than captain (list begins with Raymond A. Abole). (Ref. No. 554)

**12. In the Army there are 14 permanent promotions to the grade of lieutenant colonel and below (list begins with William F. Norris). (Ref. No. 555)

** 13. In the Army there are 2,985 permanent promotions to the grade of major (list begins with Johnny R. Abbott). (Ref. No. 556)

** 14. In the Navy Reserve there are 24 permanent promotions to the grade of captain and below (list begins with Robert P. Burroughs). (Ref. No. 557)

** 15. In the Navy there are 2 promotions to the grade of lieutenant commander (list begins with Nicholas Sabalos). (Ref. No. 558)

** 16. In the Navy and Navy Reserve there are 41 appointments to the grade of commander and below (list begins with Orlando A. Alfred). (Ref. No. 559)

** 17. In the Marine Corps there is 1 reappointment to the grade of major (James M. Johnson). (Ref. No. 560)

** 18. In the Marine Corps there are 8 permanent appointments to the grade of second lieutenant (list begins with Harold D. Jones). (Ref. No. 561)

** 19. In the Air Force there is 1 promotion to the grade of colonel (Richard D. Covey). (Ref. No. 568)

** 20. In the Navy there are 715 permanent promotions to the grade of chief warrant officer W4 and below (list begins with Donald Jacob Beyer, Jr.) (Ref. No. 569)

* 21. Vice Admiral Thomas R. Kinnebrew, U.S. Navy, to be placed on the retired list. (Ref. No. 572)

Total: 5,597.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ:

S. 1661. A bill to amend the Internal Revenue Code of 1954 to exempt certain emergency medical transportation from the excise tax on transportation by air; to the Committee on Finance.

By Mr. PELL:

S. 1662. A bill to encourage the transfer of training technology developed by the Federal Government to commercial users and public interest users; to the Committee on Labor and Human Resources.

By Mr. BOSCHWITZ:

S. 1663. A bill for the relief of Arlene Mix; to the Committee on Armed Services.

S. 1664. A bill for the relief of Gloria O'Connell; to the Committee on Armed Services.

By Mr. WALLOP (for himself, Mr. SYMMS, Mr. DENTON, and Mr. HUMPHREY):

S. 1665. A bill to provide economic support fund assistance or military assistance for the non-Communist resistance forces in Mozambique; to the Committee on Foreign Relations.

By Mr. DODD (for himself, Mr. ANDREWS, Mr. HART, Mr. PELL, Mr. KENNEDY, Mr. MATSUNAGA, Mr. SIMON, Mr. KERRY, Mr. RIEGLE, Mr. SARBANES, and Mr. BURDICK):

S. 1666. A bill to provide assistance to States for educational excellence and for assuring access for underserved populations to the benefits of general State educational reforms; to the Committee on Labor and Human Resources.

By Mr. LEAHY (for himself and Mr. MATHIAS):

S. 1667. A bill to amend title 18, United States Code, with respect to the interception of certain communications, other forms of surveillance, and for other purposes; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 1668. A bill imposing certain limitations and restrictions on leasing ends on the Outer Continental Shelf off the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BRADLEY:

S. 1669. A bill to provide an efficient method of taking actions against unfair foreign trade practices and to promote industrial partnerships for adjustment to import competition; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. HATCH, Mr. GARN, Mr. HECHT, Mr. MELCHER, Mr. BINGAMAN, and Mr. BAUCUS):

S. 1670. A bill to establish a government-to-government International Copper Action Commission; to the Committee on Finance.

By Mr. STAFFORD (for Mr. MURKOWSKI (for himself and Mr. CRANSTON)):

S. 1671. A bill to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities, and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such Act; read twice and ordered to be placed on the calendar.

By Mr. DECONCINI:

S.J. Res. 204. A joint resolution prohibiting the sale to Jordan or to Saudi Arabia of certain defense articles and related defense services unless certain conditions are met; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for Mr. KENNEDY (for himself, Mr. LUGAR, Mr. SIMPSON, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. HATCH, Mr. WILSON, and Mr. BOREN)):

S. Con. Res. 67. A concurrent resolution relating humanitarian response to the earthquake in Mexico City; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ:

S. 1661. A bill to amend the Internal Revenue Code of 1954 to exempt certain emergency medical transportation from the excise tax on transportation by air; to the Committee on Finance.

EXEMPTION OF EMERGENCY MEDICAL TRANSPORTATION FROM EXCISE TAX ON TRANSPORTATION BY AIR

Mr. HEINZ. Mr. President, today I have introduced legislation to amend the Internal Revenue Code of 1954 to exempt certain emergency medical transportation from the excise tax on transportation by air.

Currently, there is an 8-percent excise tax on the cost of certain types of emergency medical air trnsportation. This cost is often not covered by insurance and must be paid out of the individual's personal or family income. Ironically, this burden is being imposed upon those who are the most critically ill or the most severely injured. Since the average emergency transport may cost between $2,000 and $3,000, an 8-percent tax on this amount can prove a substantial burden on individuals who are already facing a costly and difficult period.

Our proposed legislation is designed to cover only operations which derive no benefits from the federally assisted airports to which the excise tax is dedicated. Its breadth is further limited to include only not-for-profit medical institutions and only those services whose primary purpose is the provision of essential emergency medical air transportation.

Although expensive, such emergency helicopter transportation is cost effective when evaluated from a regional perspective. Patients transported are in acute need of definitive care at a tertiary medical center. The dispatch of a critical patient by a physician to a hospital, without sufficient advance life-support attendance, is synonymous with medical negligence in today's health care environment. Hospital-based helicopters, staffed with specially trained personnel, achieve continuity of medical care and rapid access for acute patients to definitive, therapeutic intervention.

When complemented with a helicopter, one tertiary medical center can serve the population of approximately 50,000 square miles within a 1-hour response time. Using ground transportation intensive care units, seven such facilities would be required. Provision of advance life support to the area covered by one helicopter would cost 50 percent more using ground transportation intensive care units, with the additional drawback that the patient may not even reach treatment at a tertiary care center within an hour's time.

The annual costs of operating hospital-based helicopter services range from $625,000 to $1.5 million. As much as $50,000 of this expense is due to the current Federal excise tax assessed against hospitals that use aircraft weighing in excess of 6,000 pounds. However, due to the relatively low number of transports being carried out, the amount of revenue to be gained by the Treasury from the imposition of this tax is minimal.

It is proposed that not-for-profit health care facilities be exempted from section 4261 of the Internal Revenue Code of 1954 if their helicopter: First, does not take off from or land at a facility eligible for assistance under the Airport and Airway Development Act of 1970; second, does not otherwise use services provided pursuant to the Airport and Airway System Improvement Act of 1982 during such transportation; and third, has as its primary purpose the provision of emergency medical services.

I ask unanimous consent that a copy of the bill be included for the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1661

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4261 of the Internal Revenue Code of 1954 (relating to imposition of tax on transportation by air) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) EXEMPTION FOR CERTAIN EMERGENCY MEDICAL TRANSPORTATION.—No tax shall be imposed under this section or section 4271 on any air transportation by helicopter if such helicopter—

"(1) does not take off, or land at, a facility eligible for assistance under the Airport and Airway Development Act of 1970,

"(2) does not otherwise use services provided pursuant to the Airport and Airway System Improvement Act of 1982 during such transportation,

"(3) is primarily used for purposes of providing emergency medical services, and

"(4) is owned or leased by a nonprofit health care facility and is operated exclusively under the control of such facility."

(b) The amendment made by subsection (a) shall apply to transportation beginning after January 1, 1985.

By Mr. PELL:

S. 1662. A bill to encourage the transfer of training technology developed by the Federal Government to commercial users and public interest

users; to the Committee on Labor and Human Resources.

TRAINING TECHNOLOGY TRANSFER ACT

Mr. PELL. Mr. President, I am introducing today the Training Technology Transfer Act of 1985, a bill to facilitate the transfer of computer software for training systems developed by Federal agencies from those agencies to the private sector and to other public agencies engaged in the training of the civilian work force.

The bill is designed to maximize the return on the public's investment in the costly process of computer programming for training systems for Government personnel, primarily in the military. These programs can be used—possibly without modification in some cases or with modification in varying degrees in others—to train the civilian workforce, so it stands to reason that the public interest would be well served by promoting their widest use. Particularly at this time of concern about massive trade deficits, declining industries and dislocated workers, it makes sense to get the most mileage possible out of existing Government-sponsored techniques for training and retraining workers.

Computer-based training systems are promising innovations in the field of manpower training and they are enjoying increasingly wide acceptance as technology becomes more sophisticated. One of the most familiar configurations combines video disc technology with microcomputers, providing visual representations of training problems while permitting a high degree of interactivity between the trainee and the system. The trainee can request more explanation and elaboration, and the system can test the trainee before proceeding from one stage to another of the program.

The Department of Defense has developed such programs to teach trainees how to read a map, fix a Jeep, trouble shoot a radar system, and, through more sophisticated simulation programs, fly a jet aircraft. There are also more broadly based instructional programs covering such areas as basic literacy and vocabulary development. Programming the software for such systems is a high-cost, labor intensive task that can cost between $100,000 and $1 million for a major system. They are only cost effective for very large organizations approaching the scale of the Department of Defense, with its training budget of $18 billion a year and an annual influx of some 300,000 trainees.

Once such a high initial investment has been made in the public sector, the taxpayer benefits when the high cost can be spread over other large groups of trainees. That is precisely what this bill would do. It would stretch tax dollars already spent for defense and other purposes into unexpected dividends for the private sector.

I hasten to add that while the Department of Defense is the dominant producer of computer based training systems, there are many other Government agencies with substantial involvement in the field. The informal Interagency Group on Computer Based Training brings together representatives from some 24 Federal departments or agencies, all of whom either have an interest in utilizing the technology or are already doing so on their own systems. A secondary feature of my bill extends to each of them equal standing to share in the transfer of training software between Government agencies.

The bill I am introducing today contains many provisions carried over from an earlier version of the legislation, S. 2561 which I introduced in the 98th Congress. Hearings were held on that bill before the Subcommittee on Education, Arts and Humanities on June 28, 1984, and as a result of those hearings several important revisions were made.

A central feature which remains unchanged is the creation of a small Office of Training Technology Transfer to act as the central broker between prospective users and all the arms of the Federal Government. One of its primary functions would be to compile, update and distribute a Government-wide inventory of all existing or scheduled applications of training technology, including a complete description of the purpose, content, intended competency level, computer hardware compatibility requirements and patent or copyright specifications of the program involved. The inventory would be distributed as widely as possible to job training agencies, educational institutions and related Government and professional organizations.

The administrative base of the Office of Training Technology Transfer has been changed by the new bill from the Department of Education to the Department of Commerce because Commerce has an existing mechanism in the National Technical Information Service, with its associated Federal Software Exchange Center, to handle the kind of transfer contemplated by the bill. I emphasize that this change is for administrative purposes only and that the basic thrust and purpose of the bill remains unchanged, namely to promote the education, training of the civilian work force. I might also note that the Department of Commerce has already begun extensive discussions with the Department of Defense regarding the transfer of training technology to the private sector.

The most substantial changes in the new bill occur in its provisions for financing the modification, or conversion, of training technology to meet the requirements of prospective non-Government users. In essence, the new bill shifts the burden of conversion costs from the public to the private sector, and in proposing this shift, I am indebted to the suggestions offered in testimony on S. 2561 by Dr. D. Bruce Merrifield, Assistant Secretary of Commerce for Productivity, Technology and Innovation. Dr. Merrifield reported that there is an immediate market for educational technology conservatively estimated at $2 billion, with an even greater future sales potential since the market is still in its infancy, and he suggested that the natural incentives of this substantial market could provide a mechanism for stimulating further development.

The new bill attempts to accommodate that idea by providing, in place of the program of Federal conversion grants originally provided in S. 2561, a plan to harness market place incentives to finance the public purposes of the bill. Central to this change is the creation of a statutory distinction between two categories of prospective users of Government training technology: For-profit commercial users, which would include all corporations and businesses, and nonprofit public interest users, which would include schools, colleges, vocational education facilities and all agencies of the Job Training Partnership Act.

Under the scheme of the bill, commercial users may acquire training technology through purchase or lease, including exclusive or nonexclusive rights in copyrights or patents, upon payment of a price or fee which reflects a reasonable return to the Government. Public interest users may obtain training technology at no cost upon application to the Office of Technology Transfer. If a public interest user requires modification or conversion of a program, it can enter into a cooperative agreement with a commercial user to provide the conversion, and if the Office of Technology Transfer approves the agreement, the price or fee to the commercial user may be waived or reduced, or other terms beneficial to the commercial user such as exclusive sale or lease, may be negotiated. Hopefully, through the use of these market incentives, the purposes of the act will be fully served.

As a result of these changes, the bill I am introducing today is much leaner than S. 2561. It is simpler in concept, with no provision for Government funding of conversion grants, and it provides for a more modest Office of Technology Transfer, with reduced staff and lower director's rank, that integrates more coherently into the existing Federal structure. It provides for first year authorization of $3 million as opposed to $15 million for S. 2561.

Mr. President, this bill started out as an effort to match a perceived need with a known resource. At the outset,

it had no certain constituency, although I will be frank to say that one now seems to be emerging. Such legislation is bound to be the product of evolution, and in this era of bipartisanship and concern for containment of Government expenditure, any such effort can only succeed if it represents the fruit of considerable negotiation and give and take. This bill is offered in that spirit and hopefully it is now an improved vehicle for further action.

By Mr. WALLOP (for himself, Mr. SYMMS, Mr. DENTON, and Mr. HUMPHREY);

S. 1665. A bill to provide economic support and fund assistance or military assistance for the noncommunist resistance forces in Mozambique; to the Committee on Foreign Relations.

ASSISTANCE FOR RESISTANCE FORCES IN MOZAMBIQUE

● Mr. WALLOP. Mr. President, today along with Senator SYMMS, Senator DENTON, and Senator HUMPHREY, I am introducing a bill in the U.S. Senate to authorize the President to make available to the nonCommunist resistance forces in Mozambique up to $5 million for fiscal year 1986 and up to $5 million for fiscal year 1987. This aid may be given to Renamo, the resistance movement fighting against the Communist Machel government of Mozambique.

Mozambique's President Samora Machel today is visiting the United States officially and at this very moment is at the White House eagerly trying to improve the image of his Marxist-Leninist state. His pro-Soviet Communist government was established in 1975 and has ruled Mozambique by repression and the application of communist economics. This has led to severe economic depression in Mozambique, including mass starvation in that country. The Machel government has participated in a massive resettlement campaign and operates so-called re-education centers which allow no outright opposition to the Machel government's policies.

Freedoms of speech and of the press are tightly controlled. Suppression of labor, arbitrary arrest and detention, restricted religious activity, controlled travel and restricted property rights are all commonplace in Marxist Mozambique. The Machel government is opposed by the pro-Western armed resistance movement, Renamo. The Marxist-Leninist Machel government has turned to the United States and other Western countries for substantial economic aid to fight against Renamo and the pro-Western freedom fighters of Mozambique. Our U.S. State Department and others at the highest levels of our foreign policy-making machinery, including the national security council, continue to insist that Marxist Mozambique is being led away from the Soviet camp through receipt of U.S. economic aid and aid from U.S.-supported institutions such as the IMF and the World Bank.

I view these policies and actions a highly questionable. Historically, no country in the world has ever succeeded in buying off a Soviet client state. The United States cannot buy off the Marxist governments of Africa or of any other part of the world. Their leaders are more than happy to take our money and to use it to their own, Soviet-backed ends. This saves the Soviet Union the foreign exchange it so badly needs and makes a mockery of U.S. foreign aid and assistance programs. I ask you, has there ever been a Communist-backed government that became democratic as a result of well-intentioned Western aid programs? Will Mozambique, by some magic formula, for which there is no historic precedent in sub-Saharan Africa, suddenly become an exception to the rule that no Western aid has ever succeeded in turning a Communist government in Africa into a democratic one? Will Michael provide freedom? No way. Will we ask him to? No way. Will we pursue a double standard in Southern Africa of supporting one repressive dictatorship while applying sanctions to other governments? You bet. The policy of the United States remains without moral principle. For all of these reasons, we must support the democratic freedom fighters of Mozambique, those who stand for Western values and governmental systems. The Mozambique resistance fighters are as close as any guerrilla movement in the world to defeating the government in power. Because of this strong possibility, and Renamo's brave dedication to pro-Western values, it richly deserves our backing and support. I urge my colleagues in the Congress to support the bill to authorize the President to give aid to the resistance fighters of Mozambique and I urge the President to use U.S. foreign assistance to come to their aid.●

By Mr. DODD (for himself, Mr. ANDREWS, Mr. HART, Mr. PELL, Mr. KENNEDY, Mr. MATSUNAGA, Mr. SIMON, Mr. KERRY, Mr. RIEGLE, Mr. SARBANES, and Mr. BURDICK):

S. 1666. A bill to provide assistance to States for educational excellence and for assuring access for underserved populations to the benefits of general State educational reforms; to the Committee on Labor and Human Resources.

SCHOOL EXCELLENCE AND REFORM ACT

● Mr. DODD. Mr. President, I rise today to introduce the School Excellence and Reform Act [SERA], legislation that I believe will enhance and expand the educational excellence movement currently taking place throughout our Nation. At this time, I would also like to express my deep appreciation to the cosponsors of SERA, Senators ANDREWS, PELL, HART, KENNEDY, MATSUNAGA, SIMON, KERRY, SARBANES, RIEGLE, and BURDICK, for their guidance and assistance in the development of this critical legislation.

I need not remind my colleagues of the alarming conclusion reached by the National Commission on Excellence in Education just 2 short years ago. In its final report, "A Nation at Risk: The Imperative for Educational Reform," the Commission stated:

> The educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people.

In response to this and other equally disturbing national assessments, virtually every State in the Union has taken steps to improve the quality of education at the elementary and secondary level. New competency tests, increased graduation requirements, tougher curricular standards, and an increase in instructional time together form the foundation for what we like to call "the excellence in education movement." Unfortunately, as these reforms take hold, two difficult problems are emerging.

First, it is becoming increasing apparent that State and local funding sources cannot alone meet the need for educational reform. For example, it has been estimated that to fully implement the recommendations of "A Nation at Risk," expenditures totaling $14 to $20 billion would be necessary. States and localities are doing what they can, but providing a quality education for all students demands the commitment and financial support of all levels of government, including the Federal Government. This holds especially true for those subject areas most important to our national security and economic prosperity, including mathematics, the sciences, communications, technology, and foreign languages. In these area, Federal funds to promote quality education represent not wasteful spending but sound investment in the future of our Nation.

While Members of Congress and administration officials like to praise the excellence in education movement, the fact remains that the Federal Government has become a worse partner in education, not a better one. In academic year 1980–81, the Federal share of national educational expenditures was 10.6 percent. By academic year 1984–85, the Federal share had dropped to 8.3 percent. The School Excellence and Reform Act provides us with the opportunity to reverse this trend and shoulder a fair share in the effort to promote excellence in education.

Second, the emphasis on tougher curricular standards and competency testing has revealed that many stu-

dents with special needs simply are not benefiting from the current educational reforms. These are the students with low expectations that date back to their preschool years, and those who lack the rudimentary skills necessary to pass even the most basic competency tests. They are the teenage parents who must stay home to care for their children, and the disadvantaged youth who must work part time in order to help support their families.

Recent statistics provide ample evidence that we are failing to reach these youngsters at risk. Approximately 28 percent of American 17- and 18-year-olds never graduate from high school. In some urban areas of the country, the dropout rate exceeds 50 percent. The dropout rate for black youth is 40 percent and for Hispanic youth, almost 50 percent.

According to Jonathan Kozol's recent book, "Illiterate America," 13 percent of all 17-year-olds and a full one-third of all adults in this Nation are functionally illiterate. Among minority youth, the functional illiteracy rate may be as high as 40 percent. All told, 1 million teenage Americans cannot read above the third-grade level.

No State, no matter how affluent or committed to educational reform, is exempt from these disturbing trends. My own State of Connecticut, with the highest median income in the Nation, has 600,000 adults without high school diplomas. The current high school completion rate in our State is less than 78 percent, and 12 percent of high school students in urban areas of Connecticut drop out each year.

I am most concerned about what I call the "five high costs" we bear for our failure to address the needs of these youngsters. We see the human cost in the lost hopes and aspirations of young people without the skills to think and prosper in a complex and changing society. Without an adequate education, these kids simply cannot reach their fullest potential. If we do not act quickly, we are in danger of creating a permanent underclass of citizens who lack meaningful opportunities in society.

The political cost is heavy because uneducated young people cannot be full participants in our democratic system. Without a firm commitment to educate all of our children equally, we may soon find large numbers of youth completely alienated from the American political process. Perhaps Thomas Jefferson assessed the risk best when he wrote, "If a nation expects to be ignorant and free * * * it expects what never was and never will be."

By the same token, when our educational system fails to meet a child's needs, he or she is more likely to become a burden to society later in life. What we fail to invest in education, we will eventually be forced to pay many times over in social costs. These costs include the heavy price of increased crime and overcrowded prisons, increased unemployment and public assistance, and a sharp loss in productivity and generated taxes.

We will also bear a tremendous economic cost if we fail to extend the benefits of education and all young Americans. Our economy is changing rapidly, becoming one of words, information, and technology. Without a pool of young citizens with the skills necessary to participate in this changing economy, our industrial competitiveness will be severely threatened. The $40 billion business and industry spent last year on remedial education for employees is just a drop in the bucket compared to the price we will be forced to pay later if we fail to change our educational course.

Perhaps most troublesome are the national security costs we face by excluding these disadvantaged youngsters from our educational system. Real national security means more than building missiles and bombers; a well-trained and educated citizenry is just as important to our country's defense as the development and procurement of advanced military hardware.

We need more and more Armed Forces personnel who can operate and maintain that sophisticated network of military equipment. For example, in order to maintain our standard Navy fighter plane during World War II, a technician only needed to master a 36-page manual; today, the manual for the Navy's most advanced aircraft is 36,000 pages. The cruel irony is that while the technological sophistication of defense hardware increases, the military has had to turn many training manuals into virtual comic books in order to have them understood by new recruits. It should come as no surprise then that the Department of Defense annually spends more for education and training than the entire budget of the Department of Education—some $18 billion.

Mr. President, equity for students with special needs has always been—and must continue to be—the philosophical hallmark of the Federal role in education. Through statutes like the Elementary and Secondary Education Act, the Civil Rights Act, the Higher Education Act, and the Education of the Handicapped Act, we have consistently sought to ensure that no child is denied a quality education based on race, creed, economic status, or physical disability. Now that many young people are threatened with exclusion from the excellence in education movement, it is more important than ever that we maintain and expand that historic Federal commitment. As the National Coalition of Advocates for Students concluded in its report, "Barriers to Excellence: Our Children at Risk":

> We reject the implication raised in current public debate that excellence in education for some children can be made available only at the expense of other children. Indeed, it is our deepest belief that excellence without equity is both impractical and incompatible with the goals of a democratic society.

Through a two-pronged system of grants, the School Excellence and Reform Act would reinforce the current educational excellence movement being undertaken by State and local governments, while ensuring that these reforms do not exclude children who are historically underserved. To address the problem of underfinancing of school reform, one-half of the funds appropriated under SERA would help local school districts pursue general educational reform and instructional improvement in mathematics, the sciences, communications, technology, foreign languages, and, where necessary, guidance and counseling. These funds would be apportioned to the districts through a formula based on school-age population, with a heavier weighting for poor children.

To improve access to excellence for children with special needs, the other half of the funds appropriated under SERA would flow to local school districts with the highest concentrations of poor children. These "reform and equity" funds would support special categorical projects like early childhood education, school day care, inservice teacher training, dropout prevention, the development of "effective school" programs, and the improvement of secondary school basic skills instruction.

To implement these two grant programs, SERA would authorize $2 billion for fiscal year 1987 and such sums as may be necessary for the 4 succeeding fiscal years. However, because the Federal deficit is, and must continue to be, our paramount concern, I would fully support efforts to base actual appropriations for SERA on what my colleagues believe we can afford at the time funding decisions are made. It may be that we will only be able to support specific components of this legislation. However, at the outset, I think it is important to approach the problems of excellence and equity comprehensively, rather than in a piecemeal fashion.

On a related note, I have included in this legislation a limitation on appropriations such that no funds would be provided for SERA in any fiscal year that appropriations substantially decline for chapter I, chapter II, the Education of the Handicapped Act, or other existing statutes. This language would help to prevent competition for funding between SERA and current education programs with similar goals and target populations.

While the cost of implementing SERA would be high, we would not simply be throwing money at a problem with this legislation; we would be asking for results. In order to receive funds for more than 3 years, a local educational agency would have to demonstrate progress in the areas for which funds have been spent and evidence of general educational improvements. Improvements such as reductions in absenteeism, discipline problems, and dropout rates as well as more instructional time and smaller class sizes are specifically listed in SERA. Local school districts would have to consult with parents and teachers in the design of SERA-funded programs and maintain existing levels of local education funding while receiving SERA assistance.

Mr. President, SERA would provide local school districts with the flexibility necessary to target funds where they are most needed, while advancing Federal priorities in the educational reform movement. SERA is our opportunity to institutionalize a Federal educational excellence policy with equity at its core. For our national security, productivity, and ability to compete in the international marketplace, the need to advance educational reform throughout the country is imperative. And that requires both a Federal commitment and an investment toward the future.

I would like to take this opportunity to list the various educational organizations and associations that have endorsed SERA. These groups include: The National Education Association, the American Federation of Teachers, the Council of Great City Schools, the American Association of School Administators, the Council of Chief State School Officers, the Children's Defense Fund, the American Association for Counseling and Development, the National Council of Teachers of Mathematics, the National Association of Elementary School Principals, the International Reading Association, the National School Boards Association, and the National Parent-Teacher Association.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "School Excellence and Reform Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that it is in the national interest—

(1) to reinforce the current educational excellence movement; and

(2) to ensure that reform and equity extend to children historically unserved by such local and State efforts.

(b) PURPOSE.—It is the purpose of this Act—

(1) to promote and enhance educational excellence and reform in the Nation's schools; and

(2) to improve access to that education for our Nation's poor and minority youth.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT AUTHORIZED.—There are authorized to be appropriated $2,000,000,000 for fiscal year 1987 and such sums as may be necessary for each of the 4 succeeding fiscal years for the purpose of making payments under sections 4 and 5.

(b) LIMITATION ON AUTHORIZATION.—No funds are authorized to be appropriated to carry out this Act for any fiscal year if the amount appropriated to carry out—

(1) chapter 1 of the Education Consolidation and Improvement Act of 1981;

(2) chapter 2 of the Education Consolidation and Improvement Act of 1981;

(3) title VII of the Elementary and Secondary Education Act of 1965, relating to bilingual education;

(4) the Carl D. Perkins Vocational Education Act; and

(5) the Education of the Handicapped Act,

for such fiscal year does not equal or exceed the amount appropriated to carry out each such provision of law specified in paragraphs (1) through (5) of this subsection for the fiscal year preceding the fiscal year for which the determination is made.

SEC. 4. PAYMENTS FOR GENERAL IMPROVEMENT AND EXCELLENCE.

(a) STATE ALLOCATION FORMULA.—From one-half of the amount appropriated pursuant to section 3 for a fiscal year, the Secretary shall reserve 1 percent thereof for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs. From the remainder of one-half of such amount, the Secretary shall allocate to each State that has an approved application under section 7(a) an amount which bears the same ratio to such remainder as the total number of children aged 5 to 17, inclusive, in the State bears to the total number of such children in all the States, except that no State shall receive less than an amount equal to 0.5 percent of such remainder.

(b) LOCAL ALLOCATION FORMULA.—(1) A State educational agency may reserve 1 percent of the amount allocated to that State under subsection (a) for the costs of administering general improvement and excellence programs and projects under this Act.

(2) From the remainder of the amount allocated to the State pursuant to subsection (a), the State educational agency shall allocate to each local educational agency applying for an allocation under this section and having an approved application (or renewal thereof) under section 7 an amount which bears the same ratio to such remainder as the sum of—

(A) 2.25 percent of the payment rate established under subsection (c) for such local educational agency multiplied by the number of children aged 5 to 17, inclusive, in the area served by such agency who are eligible to be counted under section 111(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711(c)); and

(B) 2 percent of such payment rate multiplied by the number of children aged 5 to 17, inclusive, in the State who are not eligible to be so counted;

bears to the sum of such products for all such local educational agencies.

(3) If the amount allocated under paragraph (2) to any local educational agency or consortium of such agencies is less than $1,000, the State educational agency shall reallocate such amount among the other local educational agencies in such State receiving allocations under such paragraph of $1,000 or more by ratably increasing such allocations.

(c) PAYMENT RATE.—(1) The payment rate for any local educational agency in any State for any fiscal year shall be equal to the average per pupil expenditure for that State, except that the payment rate for any agency shall not be less than the average per pupil expenditure in the United States.

(2) For the purposes of paragraph (1), the term "average per pupil expenditure" has the meaning provided by section 198(a)(2) of the Elementary and Secondary Education Act of 1965.

SEC. 5. PAYMENTS FOR REFORM AND EQUITY.

(a) STATE ALLOCATION FORMULA.—From one-half of the amount appropriated pursuant to section 3 for a fiscal year, the Secretary shall reserve 1 percent thereof for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allocated in accordance with their respective needs. The Secretary shall reserve an additional 1 percent thereof to carry out the purposes of section 9 of this Act. From the remainder of one-half of the amount appropriated pursuant to section 3 for a fiscal year, the Secretary shall allocate to each State that has an approved application under section 7(a) an amount which bears the same ratio to such remainder as the total number of children aged 5 to 17, inclusive, in the State who are eligible to be counted under section 111(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711(c)) bears to the total number of such children in all the States.

(b) LOCAL ALLOCATION FORMULA.—(1) A State educational agency may reserve 15 percent of the amount allocated to that State under subsection (a) for the cost of operating and administering categorical programs and projects under this Act.

(2) From the remainder of the amount allocated to the State pursuant to subsection (a), the State educational agency shall allocate to each local educational agency applying for an allocation under this section and having an approved application (or renewal thereof) under section 7 an amount determined under a formula—

(A) composed of only the following factors:

(i) the number of children aged 5 to 17, inclusive, who are eligible to be counted under section 111(c) of the Elementary and Secondary Education Act of 1965;

(ii) the graduation rate;

(iii) the absentee rate; and

(iv) the number of low-achieving students; and

(B) under which the relative weights of such factors are established by the State educational agency.

SEC. 6. AUTHORIZED ACTIVITIES.

(a) PERMISSIBLE USES OF GENERAL IMPROVEMENT AND EXCELLENCE FUNDS.—Funds allocated to any local educational agency pursuant to section 4 may be used—

(1) to pursue general educational excellence and to improve instruction in mathe-

matics, the sciences, communications skills, foreign languages, and technology; and

(2) where necessary, for guidance and counseling.

(b) PERMISSIBLE USES OF REFORM AND EQUITY FUNDS.—(1) Funds retained by a State pursuant to section 5(b)(1) may be used to administer and carry out categorical programs and projects.

(2) Funds allocated to any local educational agency pursuant to section 5(b)(2) may be used for the development, expansion, or improvement of any of the following categorical programs and projects:

(A) early childhood education;

(B) school day care;

(C) in-service teacher training;

(D) dropout prevention;

(E) effective schools; and

(F) improvement of secondary schools basic skills instruction.

SEC. 7. APPLICATION REQUIREMENTS.

(a) STATE APPLICATION.—In order to receive an allocation under section 4 or 5 for any fiscal year, each State shall submit an application to the Secretary that—

(1) meets the requirements of paragraphs (1), (2), (3), (5), (6), and (8) of section 435(b) of the General Education Provisions Act (20 U.S.C. 1232d(b)); and

(2) describes the intended use of funds to be retained by the State under section 5 to enhance State reform efforts.

(b) SUBMISSION OF LOCAL APPLICATIONS FOR GENERAL EXCELLENCE AND REFORM AND EQUITY FUNDS.—(1) For any fiscal year, a local educational agency may submit a single application for an allocation under section 4 or an allocation under section 5, or both. Two or more local educational agencies that propose to conduct joint programs and projects from funds provided under section 4 may file such application as a consortium or other combination.

(2) A local educational agency may not apply for an allocation under section 5 unless the total number of children aged 5 to 17, inclusive, in the schools of such agency who are eligible to be counted under section 111(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711(c)) exceeds the lesser of 5,000 or 20 percent of the total enrollment of such schools.

(c) CONTENTS OF LOCAL APPLICATIONS.—(1) In order to receive an allocation under section 4(b)(2) or under section 5(b)(2) for any fiscal year, a local educational agency shall have on file with the State educational agency an application which describes the programs and projects to be conducted with such allocation and which includes a plan for the improvement of the selected educational areas covered by such programs and projects.

(2) An application by a local educational agency or consortium thereof, or renewal of such an application, shall also contain assurances that—

(A) the programs and projects are designed and implemented in consultation with parents and classroom teachers of the children to be served;

(B) the funds received under this Act will be used only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of funds received under this Act, be available from non-Federal sources for the education of pupils participating in programs and projects assisted under this Act, and in no case used so as to supplant funds from such non-Federal sources; and

(C) the local educational agency will comply with the requirements of subsection (d), relating to maintenance of effort.

(d) MAINTENANCE OF EFFORT.—(1) Except as provided in paragraph (2), a local educational agency may receive funds under this Act for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(2) The State educational agency shall reduce the amount of the allocation of funds under this Act in any fiscal year in the exact proportion to which a local educational agency fails to meet the requirement of paragraph (1) by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to such local agency), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) The State educational agency may waive, for one fiscal year only, the requirements of this subsection if the State educational agency determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency.

SEC. 8. EDUCATIONAL ACCOUNTABILITY.

(a) ACCOUNTABILITY FOR USE OF FUNDS.—(1) Each local educational agency receiving an allocation under this Act for any fiscal year shall submit to the State educational agency—

(A) evidence of progress in particular areas for which funds were expended; or

(B) evidence of general improvement in the educational system, such as—

(i) reductions in, or the maintenance of acceptable levels of, absenteeism, discipline problems (such as suspension and expulsion), and dropouts at the secondary level;

(ii) more instructional time; and

(iii) smaller class size.

(2) At the State's discretion, the State educational agency may conduct audits on a sampling basis to verify the accuracy of the local educational agency submissions under this subsection.

(b) CONTINUED FUNDING CONTINGENT ON PROGRESS DEMONSTRATION.—No local educational agency shall be eligible to obtain an allocation under this Act for more than three fiscal years unless the evidence submitted under subsection (a) demonstrates progress as verified by the State.

SEC. 9. BUSINESS INVOLVEMENT MATCHING GRANTS.

From the amount reserved for purposes of this section pursuant to the second sentence of section 5(a), the Secretary is authorized to make grants to local educational agencies in an amount equal to not more than 50 percent of the fair market value of any donations made to such agency by local business concerns for the conduct of programs and projects under this Act. Such donations may be in cash or in kind, and may consist of equipment, the services of business personnel, or training provided to such agency.

SEC. 10. DEFINITIONS.

As used in this Act, the term—

(1) "Secretary" means the Secretary of Education;

(2) "State" means the several States, the District of Columbia, and Puerto Rico, and, except for purposes of sections 4(a) and 5(a), includes Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands;

(3) "State educational agency" has the meaning provided by section 595(a)(3) of the Education Consolidation and Improvement Act of 1981;

(4) "local educational agency" has the meaning provided by section 595(a)(4) of such Act;

(5) "parent" has the meaning provided by section 595(a)(5) of such Act; and

(6) "elementary school" and "secondary school" have the meaning provided by section 595(a)(7) of such Act.●

By Mr. LEAHY (for himself and Mr. MATHIAS):

S. 1667. A bill to amend title 18, United States Code, with respect to the interception of certain communications, other forms of surveillance, and for other purposes; to the Committee on the Judiciary.

ELECTRONIC COMMUNICATIONS PRIVACY ACT

Mr. LEAHY. Mr. President, for years this body has talked about the potential loss of personal privacy which could result from the electronic revolution. Today, I am introducing the Electronic Communications Privacy Act of 1985 which aims at ending the talk and beginning the process of ensuring the privacy of communications of individual Americans and American businesses. I am very pleased to be joined in this effort by my distinguished colleague from Maryland, Senator MATHIAS.

Let me describe a problem that grows as we sit here.

At this moment phones are ringing, and when they are answered, the message that comes out is a stream of sounds denoting one's and zero's. Nothing more. I am talking about the stream of information transmitted in digitized form, and my description covers everything from interbank orders to private electronic mail hookups.

By now this technology is nothing remarkable. What is remarkable is the fact that none of these transmissions are protected from illegal wiretaps, because our primary law, passed back in 1968, failed to cover data communications, of which computer-to-computer transmissions are a good example.

When Congress enacted that law, title III of the Omnibus Crime Control and Safe Streets Act of 1968, it had in mind a particular kind of communication—voice—and a particular way of transmitting that communication—via a common carrier analog telephone network. Congress chose to cover only the "aural acquisition" of the contents of a common carrier wire communication. The Supreme Court has interpreted that language to mean that to be covered by title III, a communica-

tion must be capable of being overheard. The statute simply fails to cover the unauthorized interception of data transmissions.

Similarly, there is no adequate Federal legal protection against the unauthorized access of electronic communications system computers to obtain or alter the communications contained in those computers.

Problems also exist with regard to the legal protection afforded to cellular radio telephones, electronic pagers, and the private transmissions of video signals such as that used in teleconferencing.

There may have been a day when good locks on the door and physical control of your own papers guaranteed a certain degree of privacy.

But the new information technologies have changed all that.

Hearings in the last Congress held by Senator MATHIAS and myself in the Senate Judiciary Committee and by Congressman ROBERT KASTENMEIER in the House Judiciary Committee clearly demonstrate the scope of these problems and the need to act.

Congressman KASTENMEIER, Senator MATHIAS, and I have been working for over a year with the Justice Department and many individuals, businesses, and industry groups who are concerned with updating the law to better protect communications privacy.

The product of that effort is the bill which Senator MATHIAS and I are introducing today. Congressman KASTENMEIER and Congressman MOORHEAD are introducing identical legislation in the House.

The Electronic Communications Privacy Act of 1985 contains a number of important changes:

The act amends title III of the Omnibus Crime Control and Safe Streets, Act of 1968—the Federal wiretap law.

Definitions contained in title III are amended to broaden protection from only voice transmissions to all electronic communications including data and video carried on nonpublic systems. The requirement that to fall within the coverage of title III an interception has to be by "aural acquisition," is dropped.

Protection of only common carrier telephone systems is broadened to include all electronic communications systems unless designed to be accessible by the public.

The bill contains criminal penalties for unauthorized access to the computers of an electronic communication system, if messages contained therein are obtained or altered. If done for commercial gain or for malicious reasons, the crime could be prosecuted as a felony offense.

To obtain communications contained in the computers of an electronic communication system, such as an electronic mail service, the Government would be required to obtain a warrant based on a probable cause standard.

An operator of an electronic communications system is restricted from disclosing the contents of an electronic message except in specified circumstances or unless authorized by the person sending the message.

An electronic communications system and the users of the system are granted a Federal cause of action to seek civil damages for violation of any of the rights contained in the act.

Finally, the bill provides that law enforcement agencies must obtain a court order based on a reasonable suspicion standard before installing a pen register or being permitted access to records of an electronic communications system which concern specific communications.

The bill does not affect the carefully balanced provisions governing foreign intelligence surveillance contained in the Foreign Intelligence Surveillance Act of 1978.

These changes will go a long way toward providing the legal protections of privacy and security which the new communications technologies need to flourish.

As I said earlier, we have worked hard over the past year to listen to all affected interests and to accommodate the legitimate needs of law enforcement while securing the privacy rights of users and operators of electronic communications systems.

A number of tough questions remain to be answered. Chief amongst these is whether electronic communications systems which are not designed to protect the privacy of the communications being carried should be afforded legal protection.

But raising this question should in no way suggest that communications privacy is just an industry problem.

It is no solution to say that anybody concerned about the privacy of these communications can pay for security by paying for encryption.

Encryption can be broken. But more importantly, the law must protect private communications from interception by an eavesdropper, whether the eavesdropper is a corporate spy, a police officer without probable cause, or just a plain snoop.

Unauthorized acquisition of information is not just a theoretical problem, or one confined to harmless teenage hackers. Communications companies have been faced with Government demands, unaccompanied by a warrant for access to the message contained in electronic mail systems. And the unwanted private intruder, whether a competitor or a malicious teenager, can do a great deal of damage before being, or without being, discovered.

From the beginning of our history, first-class mail has had the reputation for preserving privacy, while at the same time promoting commerce.

Both of these important interests must continue into our new information age. We cannot let any American feel less confident in putting information into an electronic mail network than he or she would in putting it into an envelope and dropping it off at the Post Office.

Thomas Jefferson once observed that—

> Laws and institutions must go hand-in-hand with the progress of the human mind. . . . As new discoveries are made . . . institutions must advance also, and keep pace with the times.

American businesses have produced a marvelous array of possibilities for better and faster communication worldwide. Now is the time for our legal institutions to also advance and keep pace with the times.

The protection of communications privacy can go hand-in-hand with progress. Our job is to make both a reality. Now is the time to act.

I ask unanimous consent that a summary of the bill and its text be printed in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 1667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electronic Communications Privacy Act of 1985".

TITLE I—TITLE 18 AND RELATED MATTERS

SEC. 101. FEDERAL PENALTIES FOR THE INTERCEPTION OF ELECTRONIC COMMUNICATIONS.

(a) DEFINITIONS.—(1) Section 2510 of title 18, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) 'electronic communication' means any transmission of signs, signals, writing, images, sounds, data, or intelligence of any nature in whole or in part by a wire, radio, electromagnetic, or photoelectric system that affects interstate or foreign commerce;".

(2) Section 2510(4) of title 18, United States Code, is amended by striking out "aural acquisition" and inserting "interception" in lieu thereof.

(3) Section 2510(8) of title 18, United States Code, is amended by striking out "existence,".

(b) EXCEPTIONS WITH RESPECT TO ELECTRONIC COMMUNICATIONS.—Section 2511(2) of title 18, United States Code, is amended by adding at the end the following:

"(g) It shall not be unlawful under this chapter for any person—

"(i) to intercept an electronic communication made through an electronic communication system designed so that such electronic communication is readily accessible to the public.

"(ii) to intercept any electronic communication which is transmitted—

"(I) by any station for the use of the general public, which relates to ships, aircraft, vehicles, or persons in distress;

"(II) by a walkie talkie, or a police or fire communication system readily accessible to the public; or

"(III) by an amateur radio station operator or by a citizens band radio operator; or

"(iii) to engage in any conduct which—

"(I) is prohibited by section 633 of the Communication Act of 1934; or

"(II) is excepted from the application of section 705(a) of the Communication Act of 1934 by section 705(b) of that Act.

"(h) It shall not be unlawful under this chapter—

"(i) to use a pen register (as that term is defined for the purposes of chapter 206 (relating to pen registers) of this title); or

"(ii) for a provider of electronic communication service to record the placement of a telephone call in order to protect such provider, or a user of that service, from abuse of service.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Chapter 119 of title 18, United States Code, is amended by striking out "wire" each place it appears (including in any section heading) and inserting "electronic" in lieu thereof.

(2) The heading of chapter 119 of title 18, United States Code, is amended by inserting "AND OTHER ELECTRONIC COMMUNICATION" after "WIRE".

(3) The item relating to chapter 119 in the table of chapters at the beginning of part I of title 18 of the United States Code is amended by inserting "and other electronic communication" after "wire".

(4) Section 2511(2)(a)(i) of title 18, United States Code, is amended—

(A) by striking out "communication common carrier" and inserting "a provider of electronic communication service" in lieu thereof;

(B) by striking out "of the carrier" and inserting "of the provider of that service" in lieu thereof; and

(C) by striking out ": *Provided*, That said communication common carriers" and inserting ", except that a provider of electronic communication service" in lieu thereof.

(5) Section 2511(2)(a)(ii) of title 18, United States Code, is amended—

(A) by striking out "communication common carriers" and inserting "providers of electronic communication services" in lieu thereof; and

(B) by striking out "communications common carrier" each place it appears and inserting "provider of electronic communication services" in lieu thereof.

(6) Section 2512(2)(a) of title 18, United States Code, is amended—

(A) by striking out "communications common carrier" the first place it appears and inserting "a provider of an electronic communication service" in lieu thereof; and

(B) by striking out "a communications common carrier" the second place it appears and inserting "such a provider" in lieu thereof; and

(C) by striking out "communications common carrier's business" and inserting "business of providing that electronic communication service" in lieu thereof.

SEC. 102. ADDITIONAL PROHIBITIONS RELATING TO ELECTRONIC COMMUNICATIONS AND REQUIREMENTS FOR CERTAIN DISCLOSURES.

(a) ADDITIONAL PROHIBITIONS.—Section 2511 of title 18, United States Code, is amended by adding at the end the following:

"(3) Unless authorized by the person or entity providing an electronic communication service or by a user of that service, and except as otherwise authorized in section 2516 of this title, whoever willfully accesses an electronic communication system through which such service is provided or willfully exceeds an authorization to access that electronic communication service and obtains or alters that electronic communication while it is stored in such system shall—

"(A) if the offense is committed for purposes of commercial advantage, malicious destruction or damage, or private commercial gain—

"(i) be fined not more than $250,000 or imprisoned not more than one year, or both, in the case of a first offense under this subparagraph; and

"(ii) be fined not more than $250,000 or imprisoned not more than two years, or both, for any subsequent offense under this subparagraph; and

"(B) be fined not more than $5,000 or imprisoned not more than six months, or both, in any other case.

"(4) A person or entity providing an electronic communication service shall not knowingly divulge the contents of any communication (other than one to such person or entity) carried on that service to any person or entity other than the addressee of such communication or that addressee's agent, except—

"(A) as otherwise authorized in section 2516 of this title;

"(B) with the consent of the user originating such communication;

"(C) to a person employed to forward such communication to its destination; or

"(D) for a business activity related to a service provided by the provider of the electronic communication service to a user of the electronic communication service.".

(b) REQUIREMENTS FOR CERTAIN DISCLOSURES.—(1) Section 2516 of title 18, United States Code, is amended by adding at the end the following:

"(3) a person authorized to make application under this section for an interception may also make an application for a disclosure which would otherwise be in violation of section 2511(3) or (4). Such application shall meet the requirements for an application for an interception under this section. The court shall not grant such disclosure unless the applicant demonstrates that the particular communications to be disclosed concern a particular offense enumerated in section 2516 of this title. If an order of disclosure is granted, disclosure of information under that order shall not be subject to the prohibitions contained in such section 2511(3) or (4). Such disclosure shall be treated for the purposes of this chapter as interceptions under this chapter, and shall be subject to the same requirements and procedures as apply under this chapter to interceptions under this chapter.

"(4) A provider of electronic communication service may not, upon the request of a governmental authority, disclose to that authority a record kept by that provider in the course of providing that communication service and relating to a particular communication made through that service, unless the governmental authority obtains a court order for such disclosure based on a finding that—

"(A) the governmental entity reasonably suspects the person or entity by whom or to whom such communication was made to have engaged or to be about to engage in criminal conduct; and

"(B) the record may contain information relevant to that conduct.

SEC. 103. RECOVERY OF CIVIL DAMAGES.

Section 2520 of title 18, United States Code, is amended to read as follows:

"§ 2520. Recovery of civil damages authorized

"(a) Any person whose electronic communication or oral communication is intercepted, accessed, disclosed, or used in violation of this chapter may in a civil action recover from the person or entity which engaged in that violation such relief as may be appropriate.

"(b) In an action under this section, appropriate relief includes—

"(1) such preliminary and other equitable or declaratory relief as may be appropriate;

"(2) damages under subsection (c); and

"(3) a reasonable attorney's fee and other litigation costs reasonably incurred.

"(c) The court may assess as damages in an action under this section either—

"(1) the sum of the actual damages suffered by the plaintiff and any profits made by the violator as a result of the violation; or

"(2) statutory damages in an amount not less than $500 or more than $10,000.

"(d) A good faith reliance on a court warrant or order is a complete defense against a civil action under this section.

"(e) A civil action under this section may not be commenced later than two years after whichever is later of—

"(1) the date of the occurrence of the violation; or

"(2) the date upon which the claimant first has had a reasonable opportunity to discover the violation.".

SEC. 104. CERTAIN APPROVALS BY ACTING ASSISTANT ATTORNEY GENERAL.

Section 2516(1) of title 18 of the United States Code is amended by inserting "(or acting Assistant Attorney General)" after "Assistant Attorney General".

SEC. 105. ADDITION OF OFFENSES TO CRIMES FOR WHICH INTERCEPTION IS AUTHORIZED.

Section 2516(1)(c) of title 18 of the United States Code is amended—

(1) by inserting "section 751 (relating to escape)," after "wagering information)";

(2) by striking out "2314" and inserting "2312, 2313, 2314," in lieu thereof;

(3) by inserting "the second section 2320 (relating to trafficking in certain motor vehicles or motor vehicle parts), section 1203 (relating to hostage taking), section 1029 (relating to fraud and related activity in connection with access devices), section 32 (relating to destruction of aircraft or aircraft facilities)," after "stolen property),"; and

(4) by inserting "section 1952A (relating to use of interstate commerce facilities in the commission of murder for hire), section 1952B (relating to violent crimes in aid of racketeering activity)," after "1952 (interstate and foreign travel or transportation in aid of racketeering enterprises),".

SEC. 106. ADDITIONAL REQUIREMENTS FOR APPLICATIONS, ORDERS, AND IMPLEMENTATION OF ORDERS.

(a) INVESTIGATION OBJECTIVES.—Section 2518(1)(b) of title 18 of the United States Code is amended by inserting immediately before the semicolon at the end the following: ", and (v) the specific investigative objectives and the specific targets, if known, of the interception to which the application pertains".

(b) ALTERNATE INVESTIGATIVE TECHNIQUES.—Section 2518(1)(c) of title 18 of the United States Code is amended by inserting "(including the use of consensual monitoring, pen registers, tracking devices, contempt proceedings, perjury prosecutions, use of accomplice testimony, grand jury sub-

poena of documents, search warrants, interviewing witnesses, and obtaining documents through other legal means)" after "procedures".

(c) PLACE OF AUTHORIZED INTERCEPTION.—Section 2518(3) of title 18 of the United States Code is amended by inserting "(and outside that jurisdiction but within the United States in the case of a mobile interception device installed within such jurisdiction)" after "within the territorial jurisdiction of the court in which the judge is sitting".

(d) REIMBURSEMENT FOR ASSISTANCE; PHYSICAL ENTRY.—Section 2518(4) of title 18 of the United States Code is amended—

(1) by striking out "at the prevailing rates" and inserting in lieu thereof "for reasonable expenses incurred in providing such facilities or assistance"; and

(2) by adding at the end "An order authorizing the interception of an electronic communication under this chapter may, upon a showing by the applicant that there are no other less intrusive means reasonably available of effecting the interception, authorize physical entry by law enforcement officers to install an electronic, mechanical, or other device. No such order may require the participation of any individuals operating or employed by an electronic communications system in such physical entry.".

(e) PERIODIC REPORTS.—Subsection (6) of section 2518 of title 18 of the United States Code is amended to read as follows:

"(6) An order authorizing interception pursuant to this chapter shall require that reports be made not less often than every ten days to the judge who issued such order, showing what progress has been made toward achievement of the authorized objective, the need, if any for continued interception, and whether any evidence has been discovered through such interception of offenses other than those with respect to which such order was issued. The judge may suspend or terminate interception if any such report is deficient or evinces serious procedural irregularities. The judge shall terminate interception if the legal basis of continued interception no longer exists.".

(f) TIME LIMIT FOR THE MAKING AVAILABLE TO JUDGE OF RECORDINGS.—Section 2518(8)(a) of title 18 of the United States Code is amended by striking out "Immediately upon" and inserting "Not later than 48 hours after" in lieu thereof.

SEC. 107. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 90 days after the date of the enactment of this Act and shall, in the case of conduct pursuant to a court order or extension, apply only with respect to court orders or extensions made after this title takes effect.

TITLE II—PEN REGISTERS AND TRACKING DEVICES

SEC. 201. TITLE 18 AMENDMENT.

(a) IN GENERAL.—Title 18 of the United States Code is amended by inserting after chapter 205 the following new chapter:

"CHAPTER 206—PEN REGISTERS AND TRACKING DEVICES

"Sec.

"3121. General prohibition on pen register and tracking device use; exception.
"3122. Application for an order for a pen register or tracking device.
"3123. Issuance of an order for a pen register or tracking device.
"3124. Emergency use of pen register or tracking device without prior authorization.
"3125. Assistance in installation and use of a pen register or tracking device.
"3126. Notice to affected persons.
"3127. Reports concerning pen registers and tracking devices.
"3128. Recovery of civil damages authorized.
"3129. Definitions for chapter.

"§ 3121. General prohibition on pen register and tracking device use; exception

"(a) IN GENERAL.—Except as provided in this section or section 3124 of this title, no person may install or use a pen register or a tracking device without first obtaining a court order under section 3123 of this title or under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.).

"(b) EXCEPTION.—The prohibition of subsection (a) does not apply with respect to the use of a pen register by a provider of electronic communication services relating to the operation, maintenance, and testing of an electronic communication service.

"(c) PENALTY.—Whoever knowingly violates subsection (a) shall be fined not more than $100,000 or imprisoned not more than one year, or both.

"§ 3122. Application for an order for a pen register or tracking device

"(a) LAW ENFORCEMENT OFFICERS MAY MAKE APPLICATION.—(1) A Federal law enforcement officer having responsibility for an ongoing criminal investigation may make application for an order or an extension of an order under section 3123 of this title authorizing or approving the installation and use of a pen register or a tracking device under this chapter, in writing under oath or equivalent affirmation, to a court of competent jurisdiction.

"(2) A State law enforcement officer having responsibility for an ongoing criminal investigation may make application for an order or an extension of an order under section 3123 of this title authorizing or approving the installation and use of a pen register or a tracking device under this chapter, in writing under oath or equivalent affirmation, to a court of competent jurisdiction of such State.

"(b) CONTENTS OF APPLICATION.—An application under subsection (a) of this section shall include—

"(1) the identity of the law enforcement officer making the application and of any other officer or employee authorizing or directing such application, and the identity of the agency in which each such law enforcement officer and other officer or employee is employed; and

"(2) a statement of the facts and circumstances relied upon by the applicant to justify the applicant's belief that an order should be issued.

"§ 3123. Issuance of an order for a pen register or tracking device.

"(a) IN GENERAL.—Upon an application made under section 3122 of this title, the court may enter an ex parte order, as requested or as found warranted by the court, authorizing or approving the installation and use of a pen register or a tracking device within the jurisdiction of the court (and outside that jurisdiction but within the United States in the case of a mobile tracking device installed within such jurisdiction) if the court finds on the basis of the information submitted by the applicant that—

"(1) in the case of a pen register, there is reasonable cause to believe; and

"(2) in the case of a tracking device, there is probable cause to believe;

that the information likely to be obtained by such installation and use is relevant to a legitimate criminal investigation.

"(b) CONTENTS OF ORDER.—An order issued under this section—

"(1) shall specify—

"(A) the identity, if known, of the person to whom is leased, in whose name is listed, or who commonly uses the telephone line to which the pen register is to be attached or of the person to be traced by means of the tracking device;

"(B) the identity, if known, of the person who is the subject of the criminal investigation;

"(C) the number of the telephone line to which the pen register is to be attached, or the identity of the object to which the tracking device is to be attached;

"(D) a statement of the nature of the criminal investigation to which the information likely to be obtained by the pen register or tracking device relates;

"(E) the identity of the law enforcement officer authorized to install and use the pen register or tracking device; and

"(F) the period of time during which the use of the pen register or tracking device is authorized; and

"(2) shall direct, upon the request of the applicant, the furnishing of information, facilities, and technical assistance necessary to accomplish the installation and use of the pen register or tracking device under section 3125 of this title.

"(c) TIME PERIOD AND EXTENSIONS.—(1) An order issued under this section may authorize or approve the installation and use of a pen register or tracking device for the period necessary to achieve the objective of the authorization, or for 30 days, whichever is less.

"(2) Extensions of such an order may be granted, but only upon an application for an order under section 3122 of this title and upon the judicial finding required by subsection (a) of this section. The extension shall include a full and complete statement of any changes in the information required by subsection (b) of this section to be set forth in the original order. The period of extension may be for the period necessary to achieve the objective for which it was granted, or for 30 days, whichever is less.

"(d) NONDISCLOSURE OF EXISTENCE OF PEN REGISTER OR TRACKING DEVICE.—An order authorizing or approving the installation and use of a pen register or tracking device shall direct that the person owning or leasing the line to which the pen register is attached, or who has been ordered by the court to provide assistance to the applicant, shall not disclose the existence of the pen register or tracking device until at least 60 days after its removal. Upon the request of the applicant, the court may order such person to postpone any disclosure of the existence of the pen register or tracking device for additional periods of not more than 60 days each, if the court finds, upon the showing of the applicant, that there is reason for the belief that disclosing the existence of the pen register or tracking device may—

"(1) endanger the life or physical safety of any person;

"(2) result in flight from prosecution;

"(3) result in destruction of, or tampering with, evidence;

"(4) result in intimidation of potential witnesses; or

"(5) otherwise seriously jeopardize an investigation or governmental proceeding.

"§ 3124. Emergency use of pen register or tracking device without prior authorization

"(a) IN GENERAL.—A law enforcement officer specially designated by the Attorney General may install and use a pen register or a tracking device without a court order, if a judge of competent jurisdiction is notified at the time the decision to make such installation and use is made, and if—

"(1) such law enforcement officer reasonably determines that—

"(A) an emergency situation exists that involves—

"(i) immediate danger of death or serious bodily injury to any person;

"(ii) conspiratorial activities threatening the national security interest; or

"(iii) conspiratorial activities characteristic of organized crime; that requires the installation and use of a pen register or a tracking device before an order authorizing the installation and use of the pen register or tracking device can, with due diligence, be obtained; and

"(B) there are grounds upon which an order could be entered under section 3123 of this title to authorize the installation and use of such pen register or tracking device; and

"(2) an application for an order approving the installation and use of the pen register or tracking device is made under section 3122 of this title as soon as practicable but not more than 48 hours after the pen register or tracking device is installed.

"(b) TERMINATION.—In the absence of an order approving the pen register or tracking device, the use of the pen register or tracking device shall terminate immediately when the information sought is obtained, or when the application for the order is denied, whichever is earlier.

"§3125. Assistance in installation and use of a pen register or tracking device

"(a) IN GENERAL.—Except as provided in subsection (b), upon the request of a law enforcement officer authorized by this chapter to install and use a pen register or tracking device, a communications common carrier, landlord, custodian, or other person shall furnish such law enforcement officer forthwith all information, facilities, and technical assistance necessary to accomplish the installation and use of the pen register or tracking device unobtrusively and with a minimum of interference with the services that the person so ordered by the court accords the party with respect to whom the installation and use is to take place, if—

"(1) such assistance is directed by a court order as provided in section 3123(b)(2) of this title; or

"(2) the emergency installation and use of the pen register or tracking device is authorized under section 3124 of this title.

"(b) EXCEPTION.—A law enforcement officer may not request the participation under this section of any individuals operating or employed by an electronic communications system in such physical entry.

"(c) COMPENSATION.—A communications common carrier, landlord, custodian, or other person who furnishes facilities or technical assistance pursuant to this section shall be compensated for such assistance for reasonable expenses incurred in providing such facilities or assistance.

"§ 3126. Notice to affected persons

"(a) SERVICE OF INVENTORY.—Except as provided in subsection (b), within a reasonable time but not later than ninety days after the filing of an application for an order of approval required under section 3124 of this title, if such application is denied, or the termination of an order, as extended, under section 3123 of this title, the issuing or denying judge shall cause to be served on the persons named in the order or application, and such other parties to activity monitored by means of a pen register or tracking device as the judge may determine in the judge's discretion that it is in the interest of justice, an inventory which shall include notice of—

"(1) the fact of the entry of the order or the application;

"(2) the date of such entry and the period of authorized, approved, or disapproved activity under such order, or the denial of the application; and

"(3) the fact that during the period activity took place under such order.

"(b) EXCEPTION.—On an ex parte showing of good cause to a judge of competent jurisdiction—

"(1) the serving of the inventory required by this subsection may be postponed; and

"(2) the serving of such inventory may be dispensed with if notice under this section would compromise an ongoing criminal investigation or result in the disclosure of classified information harmful to the national security.

"(c) MOTION FOR INSPECTION.—The judge, upon the filing of a motion, may in the judge's discretion make available to such person or such person's counsel for inspection such portions of the results of activity under such order or referred to in such application, and such orders and applications as the judge determines to be in the interest of justice.

"§ 3127. Reports concerning pen registers and tracking devices

"(a) REPORT BY ISSUING OR DENYING JUDGE.—Within thirty days after the expiration of an order (or each extension thereof) entered under section 3123 of this title, or the denial of an order approving the use of a pen register or a tracking device, the issuing or denying judge shall report to the Administrative Office of the United States Courts—

"(1) the fact that an order or extension applied for;

"(2) the kind of order or extension applied for;

"(3) the fact that the order or extension was granted as applied for, was modified, or was denied;

"(4) the period of operation of the pen register or tracking device authorized by the order, and the number and duration of any extensions of the order;

"(5) the offense specified in the order or application, or extension of an order;

"(6) the identity of the applying law enforcement officer and agency making the application and the person authorizing the application; and

"(7) the nature of the facilities from which or the place where activity under the order was to be carried out.

"(b) REPORT BY ATTORNEY GENERAL.—In January of each year the Attorney General, an Assistant Attorney General specially designated by the Attorney General, or the principal prosecuting attorney of a State, or the principal prosecuting attorney for any political subdivision of a State, shall report to the Administrative Officer of the United States Courts—

"(1) the information required by paragraphs (1) through (7) of subsection (a) of this section with respect to each application for an order or extension made during the preceding calendar year;

"(2) a general description of the pen registers and tracking devices conducted under such order or extension, including—

"(A) the approximate nature and frequency of incriminating evidence obtained;

"(B) the approximate number of persons whose activities were monitored; and

"(C) the approximate nature, amount, and cost of the manpower and other resources used in carrying out orders under this chapter;

"(3) the number of arrests resulting from activity conducted under such order or extension, and the offenses for which arrests were made;

"(4) the number of trials resulting from such activity;

"(5) the number of motions to suppress made with respect to such activity, and the number granted or denied;

"(6) the number of convictions resulting from such activity and the offenses for which the convictions were obtained and a general assessment of the importance of such activity; and

"(7) the information required by paragraphs (2) through (6) of this subsection with respect to orders or extensions obtained in a preceding calendar year.

"(c) REPORT BY DIRECTOR OF ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS.—In April of each year the Director of the Administrative Office of the United States Courts shall transmit to the Congress a full and complete report concerning the number of applications for orders under this chapter and the number of orders and extensions granted or denied under this chapter during the preceding calendar year. Such report shall include a summary and analysis of the data required to be filed with the Administrative Office by subsections (a) and (b) of this section. The Director of the Administrative Office of the United States Courts is authorized to issue binding regulations dealing with the content and form of the reports required to be filed by subsections (a) and (b) of this section.

"§ 3128. Recovery of civil damages authorized

"(a) Any person who is harmed by a violation of this chapter may in a civil action recover from the person or entity which engaged in that violation such relief as may be appropriate.

"(b) In an action under this section, appropriate relief includes—

"(1) such preliminary and other equitable or declaratory relief as may be appropriate;

"(2) damages; and

"(3) a reasonable attorney's fee and other litigation costs reasonably incurred.

"(c) A good faith reliance on a court warrant or order is a complete defense against a civil action under this section.

"(d) A civil action under this section may not be commenced later than two years after whichever is later of—

"(1) the date of the occurrence of the violation; or

"(2) the date upon which the claimant first has had a reasonable opportunity to discover the violation.".

"§ 3129. Definitions for chapter

"As used in this chapter—

"(1) the term 'communications common carrier' has the meaning set forth for the term 'common carrier' in section 3(h) of the Communications Act of 1934 (47 U.S.C. 153(h));

"(2) the term 'electronic communication' has the meaning set forth for such term in section 2510 of this title;

"(3) the term 'court of competent jurisdiction' means—

"(A) a district court of the United States or a United States Court of Appeals; or

"(B) a court of general criminal jurisdiction of a State authorized by a statute of that State to enter orders authorizing the use of pen registers and tracking devices in accordance with this chapter;

"(4) the term 'legitimate criminal investigation' means a lawful investigation or official proceeding inquiring into a violation of any Federal criminal law;

"(5) the term 'pen register' means a device which records and or decodes electronic or other impulses which identify the numbers dialed or otherwise transmitted on the telephone line to which such device is attached, but such term does not include any device used by a provider of electronic communication services for billing, or recording as an incident to billing, for communications services provided by such provider;

"(6) the term 'tracking device' means an electronic or mechanical device which permits the tracking of the movement of a person or object in circumstances in which there exists a reasonable expectation of privacy with respect to such tracking; and

"(7) the term 'State' means a State, the District of Columbia, Puerto Rico, and any other possession or territory of the United States.".

(b) CLERICAL AMENDMENT.—The table of chapters for part II of title 18 of the United States Code is amended by inserting after the item relating to chapter 205 the following new item:

206. Pen Registers and Tracking Devices 3121

SEC. 202. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

SUMMARY OF THE BILL

There are seven major features of the bill:

1. The bill extends the protection against interception from voice transmissions to virtually all electronic communications. Thus, legal protection will be extended to the digitized portion of telephone calls, the transmission of data over telephone lines, the transmission of video images by microwave, or any other conceivable mix of medium and message. The bill also provides several clear exceptions to the bar on interception so as to leave unaffected electronic communication made through an electronic communication system designed so that such communication is readily available to the public (e.g., walkie talkies, police or fire communications systems, ship-to-shore radio, ham radio operators or CB operators are not affected by the bill).

2. The bill eliminates the distinction between common carriers and private carriers, because they each perform so many of the same functions. The size of many of the private carriers makes them appropriate for inclusion within the protection of federal laws.

3. The bill creates criminal and civil penalties for persons who—without judicial authorization—obtain access to an electronic communication system and obtain or alter information. This provision parallels that dealing with interception (see #1, above). It would be inconsistent to prohibit the interception of digitized information while in transit and leave unprotected the accessing of such information while it is being stored. This part of the bill assures consistency in this regard.

4. The bill protects against the unauthorized disclosure of third party records being held by an electronic communication system. Without such protection the carriers of such messages would be free to disclose records of private communications to the government without a court order. Thus, the bill provides that a governmental entity must obtain a court order under appropriate standards before it is permitted to obtain access to these records. This requirement, while protecting the government's legitimate law enforcement needs, will serve to minimize intrusiveness for both system users and service providers. This provision also assures that users of a system will have the right to contest allegedly unlawful government actions. The approach taken in the bill is similar to the Congressional reaction to the Supreme Court decision in *United States* v. *Miller*, 425 U.S. 435 (1976), when we enacted the Right to Financial Privacy Act of 1978, 12 U.S.C. 3401 et seq.

5. The interests of law enforcement are enhanced by updating the provisions of Federal law relating to wiretapping and bugging. Under current law an Assistant Attorney General must personally approve each interception application. The bill permits an Acting Assistant Attorney General to approve such applications. The bill also expands the list of crimes for which a tap or bug order may be obtained to include the crimes of escape, chop shop operation, murder for hire, and violent crimes in aid of racketeering.

6. The basic provisions of the Federal wiretapping law are updated to: (1) require that the application for a court-ordered tap or bug disclose to the court the investigative objective to be achieved; (2) the application must indicate the viability of alternative investigative techniques; (3) authorizes the placement of certain mobile interception devices; (4) authorizes physical entry into the premises to install the bug or tap conistent with *Dalia* v. *United States*, 441 U.S. 238 (1979); and (5) rationalizes the government's reporting obligations after a tap or bug has been obtained.

7. The bill regulates the government use of pen registers and tracking devices. Pen registers are devices used for recording which phone numbers have been dialed from a particular phone. Tracking devices are devices which permit the tracking of the movement of a person or object in circumstances where there exists reasonable expectation of privacy. Tracking devices, therefore, include "beepers" and other nonphone surveillance devices.

The bill requires the government to obtain a court order based upon "reasonable cause" before it can use a "pen register." This standard resembles current administrative practice. *Compare United States* v. *New York Telephone Co.*, 434 U.S. 159 (1977) (a title III order is not required for pen registers); *Smith* v. *Maryland*, 442 U.S. 735 (1979) (pen registers not regulated by the Fourth Amendment). The bill requires that the government show probable cause to obtain a court order for a tracking device. This showing is consistent with the current law. *United States* v. *Karo*, 104 S. Ct. 3296 (1984).

Mr. MATHIAS. Mr. President, I am pleased to join today with the distinguished junior Senator from Vermont [Mr. LEAHY] to introduce the Electronic Communications Privacy Act of 1985. With the drafting of this legislation, we take an important step in the process of bringing our laws up to date with modern technology. This bill addresses itself to forms of electronic communication that are new and unusual to many Americans. But the goal of the legislation is a familiar and enduring one: To protect the privacy of Americans against unwanted and unwarranted intrusion.

The stimulus for this legislation was a hearing held in the Subcommittee on Patents, Copyrights and Trademarks last year, on the topic of communications privacy. But its genesis really goes back much further in our history. More than half a century ago, Justice Louis Brandeis sounded an eloquent warning about the challenge to privacy posed by technological advances. In his famous dissent in the wiretapping case of Olmstead versus United States, Brandeis emphasized that if the right to privacy is to be meaningful, it must be strong enough to meet this challenge. As he put it:

> The progress of science in furnishing the government with means of espionage is not likely to stop with wiretapping. Ways may someday be developed by which the government, without removing papers from secret drawers, can reproduce them in court, and by which it will be enabled to expose to a jury the most intimate occurrences of the home.

That prospect must have appeared fanciful to most of Brandeis' contemporaries. But we know better. Brandeis' "someday" has arrived, and the law must respond.

Technological wizardry offers a variety of new communications media: electronic mail, the cellular telephone, local area networks, computer-to-computer data transmissions, and many more. Individuals and businesses are taking advantage of these new ways to share information of every kind and description.

Some of the messages that these new media carry are highly sensitive. A translation of the digital bits that race across our country by wire, microwave, fiber optics and other paths could reveal proprietary corporate data, or personal medical or financial information. The users of these networks—and that means more and more of us—expect and deserve legal protection against unwarranted interceptions of this data stream, whether by overzealous law enforcement officers or private snoops.

The laws on the books today may not provide that protection. The major statutory bulwark against one form of data interception—wiretapping—forbids only the unauthorized "aural acquisition" of wire communications. This definition does not fully encompass the complex web of transmission media that have become the nervous system of our economy and our society. Nor does it explicitly protect the growing volume of messages that cannot be acquired "aurally" because, even though they may be in-

tended as confidential, they never take the form of the spoken word. Clearly, Brandeis' warning must be heeded; the law must be brought up to date with the progress of science.

The Electronic Communications Privacy Act responds to that challenge in several ways. It plugs the loopholes in the 1968 wiretap statute by forbidding the unauthorized interception of private electronic communications of any description. It provides legal protection for messages in electronic communication systems, not only while they are in the stream of transmission, but even after they have come to rest, by forbidding—with certain exceptions—unauthorized access to and alteration of such messages. It clarifies the ground rules for disclosure of information about an individual's use of an electronic communications system—such as electronic mail—by requiring a court order before permitting the Government to obtain that information. The bill also seeks to codify the standards for law enforcement use of certain surveillance devices, including pen registers—which record the numbers dialed from a particular telephone—and tracking devices. Finally, the Electronic Communications Privacy Act makes other needed improvements in existing wiretap legislation to enhance judicial oversight of this essential law enforcement tool.

This is an ambitious and comprehensive piece of legislation that calls for careful examination. It is clear from the drafting process that has taken place thus far that this legislative foray into uncharted territory requires us to confront difficult legal and technical issues. The distinctions between communications media that are relatively accessible to the general public, and those as to which an expectation of privacy is justified and deserves legal recognition, must be drawn with as much precision as possible, and yet with enough flexibility to anticipate further technological developments. The relative obligations of individuals, communications service providers, law enforcement agencies, and the courts in the legal and technical protection of privacy must be carefully weighed. The need for, and the desirability of, the provisions on pen registers and tracking devices, must be critically examined. As we examine these and other aspects of the legislation, I look forward to working closely with the Justice Department, with the communications and computer experts in the private sector who have already contributed so much to the drafting of this legislation, and with my colleagues, to craft a statute that is comprehensive, clear, and appropriately responsive to the concerns of business and law enforcement.

In the months ahead, the Subcommittee on Patents, Copyrights and Trademarks, which has jurisdiction in the privacy sphere, will be examining this bill with care. Our efforts will be advanced immeasurably by the interest and initiative demonstrated by the ranking minority member of our subcommittee, Senator LEAHY, in introducing this bill today. I am also pleased to note that identical legislation is being introduced today in the House of Representatives by the chairman and ranking member of our counterpart subcommittee, Representatives ROBERT KASTENMEIER and CARLOS MOORHEAD.

I am confident that, through our cooperative efforts, we will be able to refine and improve this legislation, and thereby meet this new challenge to what Justice Brandeis referred to as "the most comprehensive of rights and the right most valued by civilized men," the right to privacy.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 1668. A bill imposing certain limitations and restrictions on leasing lands on the Outer Continental Shelf off the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

CALIFORNIA OUTER CONTINENTAL SHELF PROTECTION AND DEVELOPMENT ACT

● Mr. CRANSTON. Mr. President, today along with my distinguished Republican colleague from California [PETE WILSON] I am introducing legislation that we believe will bring to an end in a sensible and balanced way the long-ranging debate over the Outer Continental Shelf off the coast of California. Similar legislation is also being introduced in the House, by a bipartisan group of 29 original cosponsors.

When the Reagan administration came to town, it claimed a mandate from what was called the Sagebrush Rebellion, the desire of sovereign States, especially Western States, to protect their rights free of the threat to those rights by bureaucracies of the central government, especially the Department of the Interior.

Unfortunately, the administration seems to have forgotten that mandate.

The administration seems perfectly willing to try to push around the California congressional delegation, using whatever leverage it can now muster.

That effort comes after the Secretary of the Interior has walked away from an agreement he negotiated with a bipartisan group of representatives of the California delegation in what he claimed and we understood to be good faith.

Those negotiations were a serious attempt to try to end the annual warfare over Federal OCS leasing that has plagued concerned citizens and the State, coastal county, and local governments of California since this administration took office and Secretary Watt attempted to lease the entire California coastline in a fire sale to the major oil companies.

A negotiated solution makes a great deal of sense, and is a course I have always tried to pursue since I became interested in this issue in 1969, 3 weeks after taking my Senate seat, when the very severe Santa Barbara oil blowout occurred, bringing the issue forcefully to my attention.

I have discussed California offshore leasing with eight different Secretaries of the Interior, seven of them Republicans. Only during the present administration have I become convinced that a legislative solution is needed to insure balanced protection to special portions of the California coastline.

As my colleagues know, for 4 consecutive years the full Congress has approved 1-year moratoriums, which included portions of the California coastline. In the past two Congresses I have introduced legislation, referred to the Committee on Energy and Natural Resources, to settle this issue. In the present Congress, that bill is S. 734. I am now introducing this bill which represents, with only very minor adjustments contemplated by the agreement itself, the preliminary agreement reached with Interior Secretary Don Hodel.

When the conference managers on the Interior appropriations bill agreed upon the moratorium language last year, they added language to the report which conditioned future moratoriums on failure of the negotiation process with the Department of the Interior to ensure adequate protection for all resource values and Department of Defense needs in specific areas, and urged the Department to pursue negotiations with the appropriate California congressional, State, and local officials.

Under such pressure, the Secretary did engage in negotiations with the interested members of the delegation—a careful, tough process which took place over a period of 6 weeks and through numerous sessions involving about 20 hours of close negotiations. Both California Senators participated in the process, and supported its outcome, an agreement in principle, struck and announced at a press conference just before the August recess in which the Secretary fully participated.

It was clear to all who participated that some minor further work needed to be done on a "national security clause" to the agreement, to craft an exception to cover the contingency of a new national energy emergency; that adjustment of the location of five tracts off Oceanside to locations nearer Camp Pendleton was desired—if the Department of Defense would concur, as I am informed that they now do—and that adjustment of the six tracts off Newport Beach (Orange

County) to another location, if one could be agreed upon, remained possible. Otherwise, the agreement was firmly struck as to the number of tracts from which legislative protection was to be removed (150) and the location of those tracts.

At that press conference, I said:

Today's agreement in principle represents an important milestone in the efforts to devise a sensible, environmentally-sensitive, OCS leasing policy for the California coastline.

The future of this tentative agreement relies on the continued good faith of all those who have worked on it, particularly the Secretary of the Interior.

As in all such cases, there is an element of risk.

But the tenor of the negotiations to date have convinced me that that risk is worth taking.

Unfortunately, the risk which I understood was present has now materialized.

There has been considerable misinformation about both the negotiating process that was undertaken and the substance of the agreement that was reached. I believe the following points should be kept in mind:

First, the negotiations were about what tracts to remove from areas previously protected repeatedly by Congress, and often, in previous administrations, by Federal Executive Order or Secretarial deletion, from OCS leasing. Huge portions of the OCS off California are not now and never were under this moratorium. These include most of the Santa Maria basin from Morro Bay southward, where huge new deposits of oil have been found; all of the area off of Ventura County (except for a 6-mile buffer zone around each of the Channel Islands); all of the area off Long Beach, except for a 3-mile zone along the State boundary; and all of the area off both Orange and San Diego Counties, starting about 20 miles from shore. These areas, especially those in the Santa Maria basin, already make available for leasing about 80 percent of the estimated resources off the California coast.

Second, most of the 150 tracts selected to be added to the areas available for leasing came from a list of 200 which the Secretary submitted as those of high oil company interest. Literally thousands of other tracts were removed from consideration because although they were of high environmental concern, they were of no particular interest to oil companies, because of location, water depth, lack of economically recoverable resources, or other reasons. The use of percentages, resource estimates, or other arguments premised on the oft-repeated notion that the Secretary acquired "only 150 tracts out of 6,460" is pure propaganda, and those using this argument know it. The Secretary got about three-fourths of what he bargained for.

Third, arguments have been made that this agreement will deny jobs to those in the oil industry currently unemployed, or to unemployed workers from minority groups, who want to be so employed.

The facts are that relatively few jobs are at stake in those areas that might be leased if no moratorium were at issue; that unemployment in the oil industry in California is a result of shut-in production wells onshore resulting from the glutted market which will get even worse as the Saudi Government carries out its plan to break with the rest of OPEC and increase production; that drilling platforms for those California tracts which have previously been leased are being built in Korea and Japan, under recently awarded contracts; that at least one of the major oil companies presently operating rigs off the California coast is reportedly bringing in foreign undocumented nationals from Spain and the Netherlands to work the rigs illegally; and that the oil industry does not have a good record on minority hiring. In addition, the Reagan administration, over my objection, rescinded the affirmative action requirements for minority-owned businesses contracting with the Government for work on the OCS. Moreover, both the fishing and tourism industries in California, which provide 20 times as many jobs and hire 2 to 4 times the percentage of minority workers, are likely, as they will testify, to be damaged by intensified OCS leasing activities in the restricted areas and the accompanying shoreside industrialization that will inevitable result.

Fourth, two things should be known about the "new resource estimates" upon which the Secretary purported to base his abandonment of the original agreement. They are not new and were known by the Secretary before the agreement was reached; and all estimates of undiscovered resources are as admittedly uncertain as the economic, geologic and "probabilistic" data on which they are based.

Fifth, the carefully negotiated understanding with the Secretary resulted in the California delegation in the House withdrawing its request for a legislative extension of the existing moratorium on these select areas of the California coast. After the legislative request had been withdrawn in reliance on the agreement, and only a few weeks after reaching and announcing that agreement, the Secretary announced his abandonment of the agreement and unwillingness to specify changes that would make the agreement acceptable. Such behavior has serious implications for the whole relationship between Congress and the executive branch, which depends on faith in mutual integrity. Today's legislation has become necessary because there is no evidence that Secretary Hodel will adhere to the agreement we negotiated with him, or any subsequent agreement which we may reach with him, without the assurance of legislative enforcement.

Finally, this is a California issue, on which the California delegation in the U.S. Senate, representing both political parties, and an overwhelming bipartisan majority of the 45-Member House delegation is in complete accord. The issue is not whether California should contribute to the national energy supply or help lessen dependence on foreign oil. California has not attempted to withhold its entire coastline from OCS leasing; in fact it has recently offered major new offshore areas for development, and it continues to be the fourth leading oil-producing State in the Nation and leads every other State in the Union by far in energy conservation, and production of energy from alternative and renewable resources. Moreover, the bill I'm introducing today will make 150 additional tracts available for leasing consideration.

But, Mr. President, the State has the right to decide how and where it will make its contribution to the national energy supply. Federal offshore activity is required to be consistent with the State's federally approved coastal zone management plan, under Federal law. This legislation will help us carry out that legislative mandate against an administration that is unwilling to carry it out on its own, or abide by its negotiated agreements with the State's congressional delegation.

This bill reflects the agreement struck with the Secretary, modified by the adjustments noted off of Orange County and Oceanside, and protecting the areas reserved from leasing for the balance of the century, subject to reconsideration in the event of a national energy emergency.

The delegation has not abandoned its hope of reaching final accord with the Secretary, and formal negotiating teams, representing each party and all points of view within the delegation, have been structured for that purpose. But given what has befallen the previously negotiated agreement, the delegation believes that we need legislative protection including an extension of the previous moratorium throughout any period covered by the negotiations as well as pursuing a legislative remedy until a final agreement is reached.

Mr. President, while the Secretary would have you believe that national issues are at stake, such as our energy independence, the facts are that Interior has consistently overestimated the importance of OCS leasing. Of the 1562 tracts Interior has offered for

sale off Southern California, only 13—1 percent—have production platforms on them.

Eighty percent of those Interior insisted on putting up for lease were never leased, and only about a third of those leased have had even exploratory drilling. These statistics do not yet include the new leases in the oil-rich Santa Maria basin.

To offer too many tracts for lease drives down the price that the public receives for its lands. GAO has estimated that we have lost $7 billion—$3.1 million per tract on every tract it leased—from the administration's fire sale policies, which have included two recent lease sales, one off the California coast, to which nobody came. If it is important to explore all areas of the coastline for oil, shouldn't we at least start in those areas that have already been leased or made available for lease to oil companies?

I ask that a letter I recently handed to the Secretary of the Interior after he had abandoned our agreement, a letter from the head of the Minerals Management Service to me spelling out the uncertainty of resource estimates, a letter to President Reagan re repeal of affirmative action rules on the OCS, a letter received from the District Council of Carpenters, Brotherhood of Carpenters and Joiners of America, Los Angeles County re hiring of undocumented foreign nationals on OCS rigs, and a letter to then U.S. Trade Representative William Brock re manufacture of offshore drilling rigs in Japan and Korea be included in the RECORD along with a copy of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 10, 1985.

HON. DONALD PAUL HODEL,
Secretary of the Interior, Washington, DC.

DEAR DON, thank you very much for your letter of September 4 soliciting my current thinking about the agreement you previously reached with me and other members of the California Congressional delegation about California offshore areas to be protected from future OCS oil and gas lease sales.

I continue to be very appreciative of the amount of time you've taken to become more familiar with the complex issues involved and to work with the delegation. But the good will you've generated will be lastingly destroyed if that agreement is now jettisoned.

I've been closely involved on the federal level with these issues since I took my Senate seat in 1969. The Santa Barbara oil blowout occurred three weeks later. You are the eighth Secretary of the Interior (seven Republicans) I've worked with on these issues. With the exception of Secretary Watt—who persisted in the view that just about everything should be exploited for energy potential—all eventually came to the understanding reflected by our July 16th agreement. Namely, that certain areas of the California coastline deserve special protection and provide other important values that outweight any need to search for energy in those areas. Our July 16 agreement reflects a joint definition of those areas.

Nothing I've heard since—and I've spent the entire period in California—would require any major modification of the agreement. Two minor adjustments—one already cleared wth you—are suggested by the public response to the July 16 agreement. But these are the kind of fine tuning contemplated by the original agreement, not a basis for opening up the whole agreement for renegotiation. Neither is a precondition for my continued support of the agreement, and pursuit of these adjustments can be productive only with a firm commitment by you to stand by the agreement which we thought had been negotiated in good faith.

While I'm quite willing to hear firsthand your impressions based on your California consultations, both the structure of the meeting and the views expressed in your ten-page letter to Senator McClure make the proposed meeting appear more aimed at public relations than a sincere attempt to finalize this agreement. Without a convincing indication from you that you remain wedded to the outcome of our previous negotiations, going on with this process would seem to be a waste of another precious resource—time.

I am very troubled by conclusions you seem to have drawn from purported new information you received while in California. While you no doubt increased your information, it's my impression that much of what was new to you was neither new nor information. Some of it was disinformation, and some of it was just plain noise. What is troublesome is that you are now repeating it as though it were fact.

It was never realistic to assume that a negotiated compromise would win the support of extremists on either side of this issue—those who would ban energy development everywhere or those who believe that reserving any portion of the public's undersea lands from oil company drills is a "giveaway" to the public, as one press release issued during your Ventura County visit indicated. The hope that your prior negotiations with the delegation engendered was that we might, at last, conclude an agreement to preserve some of the state's precious coastal areas from the annual battle this Administration has waged to lease it to oil companies. The discussion was, after all, limited to those areas which Congress had chosen for special protection four times previously, not the entire coastline of the state, whereas the areas not under moratorium probably contain 80% of the known resources off the California coast.

When this resource estimate was first cited to you during our early discussions, you indicated it was based on old resource estimates. My staff asked for, and received Interior's latest resource estimates on June 20, 1985, more than three weeks before you reached agreement with the California delegation. They are included in a 1985 publication by the Department, based on data collected through July of 1984. The Director of the Minerals Management Service, who transmitted this data to us, staffed you throughout the negotiations. Yet you now argue that you depended on old data, and that you received new resource estimates from the oil companies during your California rounds.

Even more telling than the estimates sent to me, however, is the transmittal letter from the Director of the Minerals Management Service, in which he states, "These estimates are of undiscovered resources and are by necessity highly uncertain." He goes on to explain that the uncertainty is "inherent", and that the resource estimates are based on "probabilistic techniques" based on combining geological knowledge with economic forecasts and technology considerations.

Such numbers, or any new ones that replace them, undoubtedly have their usefulness, but they are not a credible basis for abandoning a carefully negotiated agreement with the California Congressional delegation.

Your second area of recited new concern is for lost employment opportunities, especially for minority workers in California, which you have stated could result from the agreement. I'm very appreciative that you are concerned about high unemployment among Black and Hispanic workers. It is certainly a concern I share. Regrettably, you were not Secretary of the Interior when Secretary Watt abolished, over my objection, the affirmative action rules re minority owned businesses for federal OCS activities. Perhaps you would consider restoring those rules, as one way to alleviate this concern.

But, again, any potential job loss here is highly debatable. You reject potential losses of jobs in the existing tourism or fishing industries, although representatives of those industries have repeatedly testified about the job losses that could result from OCS leasing in certain areas. You mention in passing the complaints that drilling platforms for existing OCS leases are being constructed in Korea and Japan, but don't mention the complaints we have received from the labor union covering the skilled trades involved in existing OCS activities that at least one major oil company operating on the California OCS is bringing in undocumented foreign nationals from Spain and elsewhere to work illegally on their oil rigs; or the findings of the Civil Rights Commission a few years ago that the major oil industry has one of the worst records for hiring minorities. You mention concern for jobs in the oil industry in Ventura County, but don't mention the world oil glut that has caused the shutting-in of many onshore production wells in California, or that the moratorium area does not directly affect Ventura County.

We, as reasonable people, may draw differing conclusions from this data. We did before the negotiations, and we still do. But despite these differences, we negotiated an agreement. As elected Controller of the State of California, I was responsible for all State-owned oil production. It does not surprise me that people in Ventura County, in Long Beach, or near the southern end of the Santa Maria basin, and near the industrialized areas of Eureka (as well as oilmen in distinctly non-coastal Bakersfield) favor oil development. I also support oil development in these areas. But it is no coincidence that the state, in its coastal zone management plans, has chosen not to develop some of its potential resources in other areas that it has chosen to use for recreational beaches, for preservation of natural habitat, or otherwise, and it is no coincidence that Congress wrote the CZMA to require consistency between federal and state activities off a state's coastal zone. These are the areas we have sought to protect in our agreement with you.

Senator Wilson and I are the only Members of Congress who represent all the affected districts covered by this agreement, and we both believe that the negotiated agreement should stand. While no agreement on this subject can ever be crafted that will satisfy everyone, the agreement you reached has the full support of the vast bi-partisan majority of the delegation, and the overwhelminig support of nearly all who represent the affected coastal districts, as our telegram to you indicates.

It is most disappointing that you would use a numbers game you know is misleading to attempt to justify walking away from our agreement. You know as well as we do that of the 6460 tracts in the moratorium area, more than 6000 are not of any interest to the oil companies because they are in water too deep to drill in economically, or otherwise unsuitable. It was you who proposed settlement on a list of 200 high oil company interest tracts to the delegation, at least half of which are included in the final package of 150. Yet your resource estimates and job loss estimates are all premised on the full 6450 tracts, 85 percent of which would never be leased whether or not offered.

In another context, you provide a fascinating statistic. Of the 1562 tracts Interior has offered for lease off Southern California, only 13 (1 percent) have production platforms on them. 80 percent of those Interior insisted on offering were never leased, and only about a third of those leased have had even exploratory drilling. The oil-rich Santa Maria basin has recently been leased, and our agreement adds substantially to the tracts available for leasing there. Our agreement is a reasonable balance of the competing considerations.

Failure to honor it will certainly betray the terms under which it was negotiated, and will put your honor and credibility at stake with the California delegation, if not the entire Congress. That is my present thinking.

Cordially,

ALAN CRANSTON.

DEPARTMENT OF THE INTERIOR,
MINERALS MANAGEMENT SERVICE,
Washington, DC, June 20, 1985.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CRANSTON: As a follow up to our June 12, 1985, meeting with Mr. Harold Gross of your staff, I'd like to provide you with a copy of our report, "Estimates of Undiscovered Economically Recoverable Oil and Gas Resources for the Outer Continental Shelf as of July 1984", and to offer further comments concerning the use of resource estimates. These estimates are of undiscovered resources and are by necessity highly uncertain. They incorporate our current knowledge concerning the geology of the area in conjunction with economic forecasts and technology considerations. To reflect this inherent uncertainty, the estimates are developed using probabilistic techniques and presented as a probabilistic distribution or range of estimates.

Table 4 of the report contains our estimates of the hydrocarbon potential of the California planning areas. The conditional estimates are the amounts we estimate exist given that commercial quantities are present in the area. For instance, in Central California if commercial hydrocarbons are present we believe that there's a 95 percent chance that at least 180 million barrels of oil and 290 billion cubic feet of gas will be present, a 5 percent chance that more than 1.01 billion barrels of oil and 1.38 trillion cubic feet of gas will be found, and an average of the amount found will be 560 million barrels of oil and 790 billion cubic feet of gas. As you can see, there is a wide range of possibilities.

In the Central California planning area, however, we estimate that there is a 65 percent chance of commercial hydrocarbons being present or a 35 percent chance that the area will be dry. A statistical tool often used in economic analysis is the risked mean. This represents a statistical average of all possible outcomes including the 35 percent of the time the area is estimated to have no commercial hydrocarbons. However, this is not the amount we expect to find if hydrocarbons are present.

In closing, these estimates are just that—estimates. They incorporate in as objective a manner as possible our current imperfect knowledge about the state of nature. As additional information becomes available these estimates are by necessity revised to reflect that new knowledge.

I hope this information is useful. Please contact this office if you need additional information.

Sincerely,

JOHN B. RIGG,
Director.

U.S. SENATE,
Washington, DC, July 17, 1981.

Hon. RONALD REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: On June 4, in the Federal Register, Secretary Watt published his intention to eliminate the rule prohibiting discrimination against minority and women-owned businesses engaged in OCS leasing activities.

Coming at a time when your Administration is pressing for a substantial expansion of OCS drilling, which will mean more federal involvement and more offshore contracting and jobs, the repeal of a regulation barring sex and race discrimination in hiring or contracting seems particularly ill-advised and seems to reflect an insensitivity by Secretary Watt to the firmly established, long-standing federal policy of providing equal employment opportunities in activities operated by, or under the control of, the federal government.

The regulation was adopted in response to a concern expressed by the Congress during debate on the OCS Lands Act Amendments of 1978 that existing federal equal employment and procurement programs might not apply to OCS activities. Congress required DOI to take any action deemed necessary to prohibit unlawful employment practices and assure that no person is excluded from participating in federally-sponsored OCS activities on the basis of unlawful discrimination.

Secretary Watt argues that the oil "industry has a history of voluntary commitments and programs for the socially and economically disadvantaged." I do not dispute this contention. I'm not even sure what it includes. But it is completely beside the point. Even if the oil industry had an "socially and economically disadvantaged" and with respect to hiring practices—which it clearly doesn't—that would not mean that there should not be a federal law preventing individual companies from engaging in discrimination.

The Secretary informs us that information supplied by the industry verifying its record is held by other federal agencies and "would be available to the (Interior) Department if needed." It is obvious from this statement that the Secretary did not bother to check that record. By determining his action was not major, Secretary Watt has managed to avoid making any analysis of the regulatory impact of his decision; and by concluding his action "will not have a significant economic impact on a substantial number of small entities," he has avoided any analysis of the effect on small entities. Decisiveness may be a virtue, but recklessness is not. The wisdom of making a decision without input from anyone except the regulated industry is questionable.

The latest available data—supplied by the Equal Employment Opportunity Commission—indicates that while the oil industry is not necessarily the worst industry in America with respect to its record of hiring women and minorities, its record is below average for all U.S. private industry in 29 of 30 categories, and well below the average in many.

The record of the industry in correcting this situation is mixed. Some companies have affirmative action programs operating and have made a conscious attempt to recruit minorities. Others have not done as well. But between 1975 and 1979 there is a record reflecting only slight industry-wide improvement. However, the data collected under federal law also points up areas in which improvement has not occurred—sales and service positions. By collecting this data, the efforts of companies to understand the situation and improve their record is assisted. Even if there were no identifiable discrimination in hiring, we would still need a regulation barring racial or sexual discrimination in contracting. While many companies have made efforts to improve their hiring and contracting policies, repeal of this regulation rewards those companies that have done nothing.

I urge you to remove the doubt which Secretary Watt's action creates as to your Administration's commitment to equal employment opportunity by promptly reversing the Secretary's ill-advised proposal to repeal this regulation.

Sincerely,

ALAN CRANSTON.

DISTRICT COUNCIL OF CARPENTERS,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA,
A.F.L-C.I.O.,
Los Angeles, CA, July 22, 1985.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CRANSTON: I am writing to request your assistance in redressing a serious problem affecting the jobs of American workers on the Outer Continental Shelf. The specific problem which we are concerned with the is the hiring of a foreign firm, Heerema Marine Construction S.A., by Texaco to construct oil drilling platforms off Point Conception, California. The company is a Dutch firm employing workers from Spain and the Netherlands.

Beginning in 1953 with the passage of SB 1901 [83rd Cong., 1st sess.] Congress has consistently taken legislative action to protect the jobs of American workers in relation to the Outer Continental Shelf. Again in 1977/78 the Outer Continental Shelf Lands Act was amended to expand the scope of protections from "fixed structures" to include "all installation and other devices permanently or temporarily attached to the seabed." Rather than go into a detailed narration in this letter of how the intent of this

legislation has been subverted by the current Administration's interpretation of the administrative provisions I am enclosing a detailed outline.

The point is that qualified American workers are unemployed as a result of a refusal by the federal government to enforce the legislation passed by Congress for this very reason. I am sure that you share our commitment to the protection of American workers and I look forward to hearing from you in the near future.

Sincerely,

PAUL MILLER,
Secretary Treasurer.

U.S. SENATE,
Washington, DC, March 13, 1985.

Hon. WILLIAM E. BROCK,
U.S. Trade Representative,
Washington, DC.

DEAR BILL: I share the concerns raised by many of my colleagues in the House of Representatives in a recent letter to you that the current steel negotiations being conducted with Japan and the Republic of Korea may exempt offshore drilling platforms and component parts from the fabricated steel quotas.

I did not favor restrictions on steel imports because of the injury import restrictions would cause to the California economy. But since President Reagan has imposed voluntary export restraints on steel, I believe every effort should be made to insure the restraints are fairly applied. Some of my constitutents believe an exemption for offshore drilling rigs would disporportionately affect the West Coast, wiping out this market for California and Gulf Coast suppliers.

I urge your inclusion of restraints on the shipment of offshore oil platforms and their component parts in the finalized voluntary restraint agreements with Japan and the Republic of Korea. I would appreciate knowing your views on this matter before negotiations have concluded.

With best regards,

Sincerely,

ALAN CRANSTON.

S. 1668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "California Outer Continental Shelf Protection and Development Act".

SEC. 2. CALIFORNIA OUTER CONTINENTAL SHELF LEASING.

(a) APPLICATION.—The provisions of this Act shall apply to submerged lands of the California Outer Continental Shelf described in subsection (b).

(b) DESCRIPTION OF LANDS.—Lands to which this Act applies shall be tracts within the following areas:

(1) the lands within the Department of the Interior Central and Northern California Planning Area which lie north of the line between the row of blocks numbered N816 and the row of blocks numbered N817 of the Universal Transverse Mercator Grid System,

(2) An area of the Department of the Interior Southern California Planning Area bounded by the following line on the California (Lambert) Plane Coordinate System: From the point of intersection of the international boundary line between the United States and Mexico and the seaward boundary of the California State Tidelands west along said international boundary line to the point of intersection with the line between the row of blocks numbered 28 west and the row of blocks numbered 27 west; thence north to the northeast corner of block 20 north, 28 west; thence northwest to the southwest corner of block 29 north, 35 west; thence north along the line between the row of blocks numbered 36 west and the row of blocks numbered 35 west to its intersection with the seaward boundary of the California State Tidelands; thence easterly along the seaward boundary of the California State Tidelands to the point of beginning;

(3) a portion of the Department of the Interior Southern California Planning Area which lies both: (A) east of the line between the row of blocks numbered 53 west and the row of blocks numbered 52 west, and (B) north of the line between the row of blocks numbered 34 north and the row of blocks numbered 35 north, on the California (Lambert) Plane Coordinate System;

(4) the boundaries of the Channel Island National Marine Sanctuary, as defined by title 15, part 935.3 of the Code of Federal Regulations; and

(5) the boundaries of Santa Barbara Channel Ecological Preserve and Buffer Zone, as defined by the Department of the Interior, Bureau of Land Management Public Land Order numbered 4587 (vol. 34, page 5655 Federal Register March 26, 1969).

SEC. 3. AREAS AVAILABLE FOR LEASING.

(a) AUTHORITY.—Of the lands described in section 2(b), oil and gas leasing may be carried out under the Outer Continental Shelf Lands Act as provided in this section with respect to lands described in subsection (b).

(b) DESCRIPTION OF LANDS.—The lands referred to in subsection (a) are as follows:

(1) In the Eel River Basin area those tracts described, using the Universal Transverse Mercator Grid System, by the following coordinates:

Row N939, E71, E74, E75.
Row N940, E71-E72, E74-E76.
Row N941, E71-E76.
Row N942, E71-E76.
Row N943, E71-E76.
Row N944, E71-E76.
Row N945, E71-E76.
Row N946, E71-E74.
Row N947, E71-E74.
Row N948, E71-E74.
Row N949, E71-E74.
Row N950, E70-E74.
Row N951, E69-E74.
Row N952, E69-E74.
Row N953, E69-E74.
Row N954, E69-E74.
Row N955, E69-E74.
Row N956, E69-E74.
Row N957, E69-E74.

(2) In the Santa Maria Basin area, those tracts described, using the Universal Transverse Mercator Grid System, by the following coordinates:

Row N817, E125-E132.
Row N818, E126-E132.
Row N819, E129-E130.

(3)(A) In the Santa Monica Bay area, those tracts described, using the California (Lambert) Plane Coordinate System Zone 6, by the following coordinates:

Row N41, W½ of W52.
Row N40, W52.
Row N39, W52.
Row N38, W52.
Row N36, W41-W42.
Row N35, W36-W43, S½ of W44, S½ of W45.

(B) Those tracts, or portions of tracts, lying within the following described area, using the California (Lambert) Plane Coordinate System Zone 6: Beginning at the northwest corner of that tract described as Row N37, W52; thence south to the southwest corner of that tract described as Row N35, W52; thence east to the southeast corner of that tract described as Row N35, W46; thence northwest to the northeast corner of that tract described as Row N37, W52; thence west to the point of beginning.

(40 In the Camp Pendleton area, those tracts described, using the California (Lambert) Plane Coordinate System Zone 6, by the following coordinates:

Row N25, W27.
Row N26, W25-W27.
Row N27, W26.

(c) CONDITIONS.—

(1) LEASING SUBJECT TO APPLICABLE LAW.—Leasing and all post-lease activities permitted under this Act shall be carried out in accordance with the Outer Continental Shelf Lands Act and other applicable Federal, State, and local law.

(2) MINIMIZE IMPACT.—Leasing and all post-lease activities permitted under this Act shall be carried out in a manner so as to minimize the environmental, economic, and social impacts of activities related to such leasing.

SEC. 4. AREAS AVAILABLE FOR EXPLORATION.

(1) AUTHORIZATION.—Notwithstanding any other provision of this Act, one Continental Off-Structure Stratigraphic Test well may be authorized under applicable law in each of the following three areas:

(1) in the Point Arena area on those lands which lie between, but do not include, the row of blocks numbered N890 and the row of blocks numbered N922 of the Universal Transverse Mercator Grid System;

(2) in the Bodega Bay area on those lands which lie between, but do not include, the row of blocks numbered N869 and the row of blocks numbered N891 of the Universal Transverse Mercator Grid System; and

(3) in the Santa Cruz area on those lands which lie between, but do not include, the row of blocks numbered N851 and the row of blocks numbered N870 of the Universal Transverse Mercator Grid System.

(b) RESTRICTION.—No well may be authorized pursuant to subsection (a) which is closer than 18 miles from the shoreline.

SEC. 5. AREAS AVAILABLE FOR EMERGENCY LEASING ONLY.

(a) NECESSARY CONDITIONS.—Exploration, development or production activities, and drilling shall be allowed by lease or permit or otherwise under the Outer Continental Shelf Lands Act with respect to submerged lands described in section 2(b), but not described in section 3(b), only if the President—

(1) finds under section 161(d) of the Energy Policy and Conservation Act (42

bution from the Strategic Petroleum Reserve is required by a severe energy supply interruption;

(2) finds that such a drawdown and distribution would be insufficient to meet such severe energy supply interruption; and

(3) finds that issuing such specific leases or allowing such specific activities would contribute significantly to the alleviation of the energy emergency resulting from such severe supply interruption.

(b) FOREIGN ENERGY CRISIS.—Leasing shall not be permitted under this section if the severe energy supply interruption referred

to in subsection (a)(1) is attributable to treaty obligations of the United States to assist foreign countries in the event of their energy emergency.

(c) TERMINATION OF LEASING ACTIVITIES.—

(1) TERMINATION.—Leasing activities permitted under this section shall terminate unless—

(A) during the drawdown and distribution described in subsection (a)(1), the President renews his findings under subsection (a) at least once every 6 months; and

(B) when such drawdown and distribution terminates, and at least once every 6 months thereafter, the President renews his finding under subsection (a)(3).

(2) DISPOSITION.—When leasing activities are terminated under paragraph (1)—

(A) tracts which have been leased pursuant to this section, and with respect to which the Secretary of the Interior has determined that substantial development and production expenditures have been made after such lease was issued, may remain leased under the terms of the original lease, and such lease may be renewed under the Outer Continental Shelf Lands Act, but if the original lessee abandons leasing activities, such tracts may not be re-offered for lease until the necessary conditions described in subsection (a) exist again; and

(B) all other tracts shall be subject to the provisions of this Act, and any lease previously issued with respect to such tracts shall be cancelled under section 5(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)).

SEC. 6. EXPIRATION OF EFFECTIVENESS.

This Act shall cease to be effective as of January 1, 2000.●

By Mr. BRADLEY:

S. 1669. A bill to provide an efficient method of taking actions against unfair foreign trade practices and to promote industrial partnerships for adjustment to import competition; to the Committee on Finance.

TRADE PARTNERSHIP ACT

Mr. BRADLEY. Mr. President, Americans in every State and nearly every industry are afraid that international trade is turning this country into a producer of low-value, unprofitable goods in the world marketplace. The main reason for this fear is that they see country after country adopting unfair trade practices that stop our most competitive exports. Whether it is agricultural subsidies for European farmers, Japanese refusal to accept United States FDA approval for our pharmaceutical exports, Taiwan's unwillingness to protect United States intellectual property, or restrictions on United States participation in Korean industrial fairs, or Brazil's attempt to lock out United States computers, Americans see their best exports stopped at the docks by foreign governments' trade barriers. Those barriers keep their people from buying American products that represent the best value on world markets.

We seem to be entering a new period of international competition which increasingly pits our cumbersome, many-voiced government against the lean, mean, governments of rapidly industrializing countries. Our out-dated policy for dealing with unfair foreign trade practices is not nearly vigorous enough to meet the challenges of this new competitive environment. Between January 1975 and December 1984, our Government retaliated only once against unfair foreign trade practices in all of the 34 cases brought formally before the U.S. Trade Representative under our unfair foreign trade law. After years of frustration from U.S. Government inaction against unfair foreign trade practices, U.S. exporters have given up asking our Government to enforce our rights in international trade any more. And this only encourages foreign governments in their efforts to block American exports. To reverse this dangerous decline in our ability to compete for foreign markets, I am introducing a bill that would let U.S. industries team up to fight unfair foreign trade practices and bypass the bureaucratic process that has slowed our unfair foreign trade policy to a standstill.

This bill, called the Trade Partnership Act of 1985, would harness all the muscle of American industry to take action against unfair foreign trade practices. It authorizes the U.S. Trade Representative to implement packages of retaliatory tariffs or quotas proposed by certain industrial trade partnerships. Each partnership would include one U.S. company or industry seeking removal of unfair foreign barriers against its exports, and one U.S. industry seeking relief from imports causing injury or market disruption. The purpose of the partnership is to propose a package of tariffs or quotas to be imposed on imports from a country denying us fair access to its domestic market. The tariffs or quotas would be designed to restrict imports causing injury or market disruption to the relief-seeking industry in the partnership. The tariffs or quotas would be comparable in size to the barriers restricting exports of the market-seeking industry in the partnership, and would remain in place until the U.S. Trade Representative certified that the target country had removed its barriers. If 3 years elapse with no action on the part of the target country, the U.S. Trade Representative would remove the tariffs or quotas, allowing the market-seeking industry to design a more effective partnership to accomplish its goals.

In order to streamline action taken to obtain the elimination of unfair foreign trade practices, this act imposes only three requirements on the trade partnership proposals. First, the relief-seeking industry in the partnership must qualify for relief from injurious increased import competition under section 201 of the Trade Act of 1974. Second, the market-seeking industry in the partnership must undertake a commitment to provide adjustment assistance to the relief-seeking industry upon removal of the proposed tariffs or quotas. The commitment could take the form of job search, relocation and retraining support, or specific job opportunities, for workers in the relief-seeking industry. The size of the commitment depends on the size of the proposed tariffs or quotas set by the International Trade Commission. Specifically, the size of the commitment depends on the number of jobs that the proposed tariffs or quotas would protect. This assures that the market-seeking industry will not propose needlessly high quotas or tariffs. The commitment is also fair in the sense of assuring a flow of resources sufficient to meet adjustment needs in the relief-seeking industry once the tariffs or quotas are removed. Third, the allegations about unfair foreign trade practices must be determined to be true by the International Trade Commission. All determinations by the Commission must be made within 3 months of the filing of a petition under this act, and all petitions accepted by the Commission must be implemented by the U.S. Trade Representative within 6 months of filing. In short, the Trade Partnership Act replaces slow bureaucratic processing and intricate political handling of market opening petitions with an adjustment fee proportional to the size of measures proposed.

The Trade Partnership Act revolutionizes our policy toward unfair foreign trade practices by removing unnecessary obstacles to industries seeking fair access to foreign markets. It empowers exporters to exploit their specific knowledge of foreign business conditions and lets them move quickly to promote justifiable goals. As an important byproduct, this act creates industrial partnerships for easing economic adjustment. The need for economic adjustment increases with the expansion of export sectors that we would see in a fairer international trading system. This bill moves boldly to unleash the natural competitive potential of U.S. industries and to share the benefits of international trade throughout the economy.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1669

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Partnership Act".

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) The term "Commission" means the United States International Trade Commission.

(2) The term "market-access petitioner" means any person, or group of persons, who allege in the petition filed under section 3(a) that the foreign country denies the products or services of such person or group exported from the United States access to the markets of such foreign country.

(3) The term "import-relief petitioner" means any group of persons representative of a domestic industry who allege in the petition filed under section 3(a) that products of the foregin country imported into the United States are causing substantial injury to such domestic industry.

(4)(A) The term "adjustment costs" means, with respect to each worker for the calendar year in which the determination under section 9(a)(1) is made, an amount equal to the greater of—

(1) the aggregate value of benefits paid under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) during the calendar year preceding such calendar year to the average worker who is totally separated from adversely affected employment, or

(ii) the amount determined by multiplying—

(I) $6,000, by

(II) the inflation adjustment for such calendar year.

(B) The term "inflation adjustment" means, with respect to any calendar year, the percentage determined by dividing—

(i) the Consumer Price Index for such calendar year (as determined by the Secretary of Labor), by

(ii) the Consumer Price Index for all urban consumers for 1985.

SEC. 3. PETITIONS.

(a) Any market-access petitioner and any import-relief petitioner may jointly submit to the commission a petition for relief under this Act. The Commission shall transmit a copy of any petition filed under this subsection to the Secretary of Labor and to the United States Trade Representative.

(b) Any petition filed under subsection (a) shall—

(1) allege specific acts or policies of a foreign country that—

(A) unreasonably, unjustifiably, or discriminatorily, or

(B) in a manner inconsistent with existing trade agreements.

deny the products or services of the market-access petitioner that are produced in the United States access to the markets of such foreign country.

(2) estimate the increase in the aggregate value of such products or services that would have been exported from the United States to such foreign country during the previous year but for such acts or policies of such foreign country.

(3) allege that specific products of such foreign country imported into the United States are a substantial cause of serious injury (within the meaning of section 201 of the Trade Act of 1974 (19 U.S.C. 2251)), or threat thereof, to the industry of the import-relief petitioner,

(4) set forth a specific import relief proposal to—

(A) impose a quota on such products of such foreign country,

(B) increase or impose duties on such products of such foreign country, or

(C) impose any combination of subparagraph (A) or (B), and

(5) set forth the agreement described in subsection (c).

(c)(1) The agreement referred to in subsection (b)(5) is a written contract entered into by the market-access petitioner and the import-relief petitioner under which the market-access petitioner agrees to provide to workers in the domestic industry of the import-relief petitioner, if the import relief proposal described in subsection (b)(4) is implemented, specific import adjustment assistance in an aggregate amount equal to the amount that the Commission estimates under section 6(a)(1) to be the aggregate value of the adjustment costs for all workers in such domestic industry who will be totally separated from employment in such domestic industry by reason of the termination of such import relief. Such contract shall specifically provide that the United States, the import-relief petitioner, or any union or group representing workers in such domestic industry may enforce the terms of such contract.

(2) For purposes of this subsection, the term "import adjustment assistance" means the provision of—

(A) job opportunities,

(B) job training,

(C) funds for job search, or

(D) funds for relocation.

(3) The value of a job opportunity provided by the market-access petitioner to a worker which is taken into account in determining the obligations of the market-access petitioner under the agreement described in subsection (c) shall not exceed the adjustment costs for the worker.

(d) The Commission shall dismiss the petition filed under this section if—

(1) the market-access petitioner and the import-relief petitioner are representatives of the same industry,

(2) the market-access petitioner and the import-relief petitioner are the same person, or

(3) the employees of the market-access petitioner and the employees of the import-relief petitioner would be treated as employed by a single employer by section 52 of the Internal Revenue Code of 1954.

(e) Upon request, the Commission shall assist any person or group of persons that desires to file a petition under this section against a foreign country in contacting any other person, or group of persons, that desires to file such a petition.

SEC. 4. INVESTIGATION.

(a) Upon receipt of a petition filed under section 3(a), the Commission shall, in consultation with the United States Trade Representative, initiate an investigation to determine—

(1) whether any of the allegations of such petition described in section 3(b)(1) are true,

(2) whether the allegations of the petition described in section 3(b)(3) are true,

(3) whether the amount of the reduction in the aggregate value of the products of the foreign country imported into the United States during a 1-year period that the Commission estimates would result from implementation of the import relief proposal of the petition described in section 3(b)(4) is equal to, or less than, the amount of the increase in the aggregate value of the products or services of the market-access petitioner that the Commission estimates would be exported from the United States to such foreign country during such period if the acts or policies of such foreign country with respect to which the Commission has made an affirmative determination under paragraph (1) did not exist,

(4) whether the agreement set forth in the petition meets the requirements of section 3(c), and

(5) whether the market-access petitioner is financially capable of meeting the requirements of such agreement.

(b) The Commission shall make the determinations required under subsection (a), and shall publish such determinations in the Federal Register, by no later than the date that is 90 days after the date on which the petition is filed under section 3(a). A copy of such determinations shall be transmitted to the United States Trade Representative.

(c) If any of the determinations of the Commission under subsection (a) is negative, the petition shall be dismissed.

SEC. 5. ACTIONS TO PROVIDE RELIEF.

(a) If all of the determinations of the Commission under section 4(a) with respect to a petition are affirmative, the United States Trade Representative shall—

(1) notify the foreign country that is the subject of the petition that actions are required to be taken against such country under this section,

(2) take action to initiate negotiations for—

(A) the elimination of the acts or policies of such foreign country with respect to which the Commission has made an affirmative determination under section 4(a)(1), or

(B) if negotiations under subparagraph (A) are unsuccessful and the implementation of the import relief proposal described in section 3(b)(4) that is set forth in the petition is determined to violate the General Agreement on Tariffs and Trade, a compensation agreement under section 123 of the Trade Act of 1974 (19 U.S.C. 2133), and

(3) notwithstanding any other provision of law (other than subsection (b)(2)), issue an administrative order implementing the import relief proposal described in section 3(b)(4) that is set forth in the petition by no later than the date that is 90 days after the date of the publication of the determinations of the Commission made under section 4(a).

(b)(1) Any administrative order issued under subsection (a)(3) with respect to a petition shall apply to articles entered, or withdrawn from warehouse for consumption—

(A) after the date on which such order is issued, and

(B) on or before the earlier of—

(i) the date on which the United States Trade Representative makes the certification described in subsection (c) with respect to such petition, or

(ii) the date that is 3 years after the date on which such order is issued.

(2) No order shall be issued under subsection (a)(3) with respect to a petition if the certification described in subsection (c) has been made with respect to such petition.

(c) If at any time—

(1) after the date on which the determinations of the Commission made under section 4(a) with respect to a petition are published, and

(2) before the date described in subsection (b)(1)(B)(ii),

the United States Trade Representative determines that all the acts or policies which were alleged in such petition and with respect to which an affirmative determination was made under section 4(a)(1) have been eliminated, the United States Trade Representative shall submit to the Congress a written statement certifying such determination.

(d) Section 123 of the Trade Act of 1974 (19 U.S.C. 2133) is amended—

(1) by inserting ", or an order is issued under section 5(a)(3) of the Trade Partnership Act," after "section 203" in subsection (a), and

(2) by inserting "or to the order issued under section 5(a)(3) of the Trade Partnership Act" after "section 203(h)" in subsection (b)(4).

SEC. 6. IMPORT ADJUSTMENT ASSISTANCE AFTER TERMINATION OF IMPORT RELIEF.

(a)(1) By no later than the date that is 30 days after the date on which any order issued under section 5(a)(3) with respect to a petition terminates, the Commission shall estimate the aggregate value of the adjustment costs for all workers in the domestic industry of the import-relief petitioner who will be totally separated from employment in such domestic industry by reason of the termination of such order.

(2) The Commission shall transmit a copy of the determination made under paragraph (1) to the Secretary of Labor and shall publish such determination in the Federal Register.

(b) Upon termination of any order issued under section 5(a)(3) with respect to a petition, the Secretary of Labor shall begin monitoring the compliance of the market-access petitioner with the terms of the agreement described in section 3(c) that was set forth in such petition. If the market-access petitioner fails to comply with the terms of such agreement and no other party to the agreement takes action to enforce such agreement, the Secretary of Labor shall notify the Attorney General of the United States and the Attorney General of the United States shall take all necessary action to enforce such agreement.

Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. HATCH, Mr. GARN, Mr. HECHT, Mr. MELCHER, Mr. BINGAMAN, and Mr. BAUCUS):

S. 1670. A bill to establish a government-to-government International Copper Action Commission; to the Committee on Finance.

INTERNATIONAL COPPER ACTION COMMISSION

● Mr. DOMENICI. Mr. President, I am introducing a bill today that I hope will have some long-term significant impact for the U.S. copper industry. This legislation will require the President acting through the U.S. Trade Representative to create an International Copper Action Commission. This would be an international group made up of the major copper producing and consuming nations of the world. Each of these governments would be invited to participate. Each country would designate representatives to the Commission. For the United States I think it would be appropriate for representatives to come from the U.S. Trade Representative, the Secretary of State, the Secretary of Commerce, and the Secretary of the Interior. The major copper companies, their customers, consumer groups, and worker representatives would also participate on the Commission as advisers. In addition, the bill provides for congressional advisers.

The International Copper Action Commission would be a government-to-government forum. The purpose of the Commission would be to review on a regular basis the situation of the copper industry, to consider appropriate actions that individual copper-producing countries might take to support a healthier copper market and to encourage an expanded program of product research and marketing. I would hope that one benefit of the Commission would be to create a clearer understanding among governments, multilateral development agencies and financial institutions of the real circumstances and needs of the copper producers in all areas.

The Commission would meet regularly and would:

Collect, collate and endorse on a monthly basis reliable up-to-date statistics.

Develop quantitative information on end uses in each major consuming country.

Collate information on the effects of governmental policies on the world's copper industry and particularly on the international repercussions of domestic measures. These include tariffs and quotas, environmental regulations, health and safety requirements.

Enable frank and open discussion about the problems and opportunities of the copper industry between representatives of the industry and of governments from all main producing and consuming countries.

The Commission is necessary:

The copper production of many major producing areas have come increasingly under the influence of governments who are remote from the markets and the factors affecting them. For others in industry, an intergovernmental organization is the only practical and legally acceptable forum for meaningful discussion of the industry's circumstances and common problems.

This Commission is designed to promote a free market for world copper. At present, Brazil, Chile, Japan, and Korea directly support copper production through guarantee price-support systems. Other governments impose a network of import restrictions. The most flagrant example is Brazil. Still other countries direct financial aid through loan guarantees and assumptions of company debt. These are very critical issues that the Commission should seek to solve. Dealing effectively with these problems is vital for the health of the U.S. copper industry and all other producers as well.

To have an efficient world copper market, all participants need a better understanding of currency fluctuations and the impact devaulation has on production costs. The U.S. industry has suffered in part because of a currency squeeze. As the dollar gained strength, many foreign copper producers devalued, and devalued substantially. Currency devaluations, particularly among member countries of the Intergovernmental Council of Copper Exporting Countries [CIPEC], had, to varying degrees, the effect of reducing copper production costs in those countries, especially fixed costs such as labor. Since 1978, the Chilean peso, the Zambian kwacha, the Zairian zaire, the Peruvian sol, the Philippine peso have all be devalued from 100 percent to more than 600 percent. Conversely, the strength of the U.S. dollar increased the relative fixed costs for U.S. producers. While I realize that this situtation is beyond any one's control, it is important to recognize that these forces have a very dramatic impact on cost of production and competitiveness.

There is international support for this Commission.

I believe that there is significant international support for such a Commission. In Canada, this concept was readily supported by the Department of Finance, the Department of Industry and the Department of Energy, Mines and Resources.

In a recent letter I received from Hernan Felipe Errazuriz, the U.S. Ambassador from Chile, he states, "* * * the Government of Chile is interested in taking steps to strengthen the world copper market. As representatives of our Government indicated in Santiago, we would look favorably upon initiatives proposing international discussions to explore ways to improve the copper market by developing new applications for copper, discouraging the use of substitutes for copper and other means."

Chile has very serious debt problems. They are near the ceiling in terms of money they can borrow from even the very generous IMF, and World Bank. I am convinced that Chile wants to be able to meet its world financial obligations, but as long as there is chaos in the world copper market, it can't sell enough copper at any price to meet its debts.

The United States should have a viable copper industry, and this Commission could be instrumental in insuring that viability.

Copper is a strategic mineral. In view of that fact it is alarming to realize that in 1981 the United States only depended upon 7 percent imported refined copper. For the first 6 months of 1985 our import reliance is 35 percent.

During this same period of time, the U.S. industry has become more efficient. It now takes 44 percent fewer employees to produce a ton of copper. The new $280 million concentrator and conveyor system from the pit at Kennecott's Chino mine in New Mexico resulted in a reduction of operating costs by about 31 cents per pound. At Phelps Dodge's Tyrone facility they can mine copper at 33 cents

a pound because of their advanced technology.

Codelco the government-owned copper company of Chile is a very low cost producer too. It has the benefit of good ore and inexpensive labor. It is a commerical property that could borrow money in the market. Instead Chile chooses to borrow at the World Bank and the Inter-American Bank. I understand Codelco plans to finance a new $121 million expansion of a concentrator and continous cast rod mill at the Eximbank. This expenditure will primarily be used to expand production at the facility by an additional 100,000 tons of copper ore per year.

Keep in mind that 100,000 expansion for a moment.

As you all know, the U.S. copper industry has suffered greatly in the past 5 years. Increased imports of low-priced copper and the consequent increased domestic inventories and depressed prices resulted in the closure of several domestic mines. Since the middle 1970's, a total of 900,000 tons of U.S. capacity have been shut down permanently or idled. At one point, one U.S. company was losing $1 million a week.

There is an excess of world production capacity—900,000 tons per year in the United States alone. Chile wants to add to that capacity, and use the Eximbank to finance it. Since 1981 there have been five loans considered solely for copper mining by the multilateral development banks. Added capacity in the past has driven the price of copper down. Additional added capacity will only exacerbate the problem. When the price drops below 75 cents, Chile goes to the Compensatory Financing Facility at the IMF and borrows the difference between what it would have earned at 75 cents and whatever the price actually is. They just received $73 million in CFF funds 2 months ago. The way the system is right now they can't lose.

Why should U.S. Federal dollars be used to finance projects that the world already has too much of? Why should taxpayer's money be used to put Americans out of work? Those are issues that Congress should address in depth if we consider whether or not to recapitalize the World Bank and the International Finance Corporation.

Let me pose the issue another way. If Codelco intends to build a new concentrator and conveyor system, why don't they borrow the money from a commercial bank? Their competitors, Kennecott, Phelps Dodge, and Asarco have no other alternative when they seek financing. I think the rules should be the same for all the copper producers.

This Commission is a necessary step. Given the state of the U.S. copper industry much more should be done.

The impact of mine and plant closures, in addition to a reduction of the number of employees used per plant and mine in the past 10 years, has been severed. At the mine and mill level, a 60-percent drop in employment occurred in the 1974–83 period, with the most significant impact in 1981 and 1982.

I want to help the U.S. copper industry. It has been an important vertibrae in the backbone of New Mexico's economy. I think the International Copper Action Commission could address some of the issues I have outlined today, especially since other countries are interested in participating. It is my sincere hope that this legislation will be quicky enacted.●

By Mr. DECONCINI:

S.J. Res. 204. A joint resolution prohibiting the sale to Jordan or to Saudi Arabia of certain defense articles and related defense services unless certain conditions are met; to the Committee on Foreign Relations.

PROHIBITION OF DEFENSE ARTICLE SALES TO JORDAN OR TO SAUDI ARABIA

● Mr. DECONCINI. Mr. President, I am introducing today a joint resolution which, if passed, will put an end to the discussions of the possibility of United States arms sales to the nations of Jordan and Saudi Arabia. This joint resolution would prohibit such sales unless these nations recognize Israel's right to exist in peace and unless they become a part of the peace process in the Middle East. This effort is in no way meant to diminish or replace the other efforts of Senators attempting to prevent these sales. I particularly admire the efforts of the senior Senator from California, Senator CRANSTON, who has developed his own resolution which would prevent the sale of advanced arms to Saudi Arabia if the administration proposes such a sale. In fact, I have asked to become a cosponsor of that resolution. It would be my hope that if such a sale is proposed, my resolution could be combined with that of Senator CRANSTON and his cosponsors in order to prevent the sale to both Jordan and Saudi Arabia.

Mr. President, I made a lengthy statement on this issue in late July. Since that point in time, the possibility of a U.S. sale has remained strong. Only the very recent announcement of British interest in becoming the Arabs' arms merchant has reduced that possibility. Enactment of the measure that I am introducing today will eliminate that possibility once and for all.

Some have interpreted President Reagan's interest in arming Israel's enemies in the Middle East as an indication that the President has no cohesive Middle East policy. I reject that argument. The Reagan administration has pursued an extremely consistent policy in the Middle East. That policy is based on two principles: The deemphasis of the Camp David Accords and the attempt to curry the favor of the so-called more moderate of Israel's enemies through economic aid and arms sales packages.

I have several objections to this policy. First, why does the United States need to prove itself to Jordan and Saudi Arabia? The United States' interests and intentions in the Middle East have been clear for years. It is time—long past time—for the leaders of Saudi Arabia and Jordan to shore up their courage and join the pursuit of a just and lasting peace for all nations in the Middle East. The Camp David Accords continue to provide an ideal framework for the attainment of peace.

Second, how can the Reagan administration believe that somehow you can strengthen the United States position in the Middle East by weakening Israel's military position vis-a-vis its enemies in the region? Israel is the keystone to the security of American interests in the Middle East. A strengthening of Jordan and/or Saudi Arabia will force Israel to try to recover the ground that we would cause it to lose by selling arms to its enemies. Certainly, this policy is undesirable in the best of economic times, but considering the current crisis of the Israeli economy and considering the enormous cost of trying to keep up with Arab arms advances, such a policy could be devastating to Israel.

Third, how can the Reagan administration ignore the fact that Jordan's security, and ultimately, Saudi Arabia's security, as well, depend on a strong Israel? Whatever arms the Reagan administration might want to sell to Arab nations will not change this simple fact. A weakening of Israel strengthens Syria. A strengthening of Syria weakens Jordan, Saudi Arabia, and Israel. Given these facts, the logical position of the U.S. Government should be to encourage Arab governments to realize that their nations security is inextricably and unavoidably intertwined with the security of Israel. Instead, our Government through its arms sales policy is conveying the opposite message.

Mr. President, Congress has on occasion been in the position of having to alter significantly a foreign policy course that has been set by the President. This, to me, is one of those occasions. Sense-of-the-Senate resolutions and other expressions of concern have had no effect on this administration. Perhaps the issue of United States arms sales to Saudi Arabia and Jordan has died down for now due to the interest of the British Government in making those sales. However, it could come up again at any moment. It is time for the Congress to put a stop to this issue of arms sales proposals now. I urge my colleagues to give careful consideration to the joint resolution

that I propose today, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 204

Whereas the security of American interests in the Middle East depends on a fair and equitable peace agreement among all nations of the region;

Whereas any significant enhancement of the military capabilities of any Middle Eastern nation which is not a participant in the process of reaching a fair and equitable peace agreement makes the reaching of such an agreement much more difficult; and

Whereas the Reagan administration is currently considering the sale of advanced American weapons to the nations of Jordan and Saudi Arabia even though those two nations have repeatedly refused to enter into direct peace negotiations with Israel and have actively opposed peace proposals supported by the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall not make or finance any sale to Jordan or Saudi Arabia of advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems unless such country is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 89

At the request of Mr. INOUYE, the names of the Senator from Delaware [Mr. BIDEN], and the Senator from South Dakota [Mr. PRESSLER], were added as cosponsors of S. 89, a bill to recognize the organization known as the National Academies of Practice.

S. 925

At the request of Mr. HUMPHREY, the names of the Senator from Georgia [Mr. MATTINGLY], the Senator from Massachusetts [Mr. KERRY], the Senator from Nebraska [Mr. EXON], and the Senator from Kentucky [Mr. FORD], were added as cosponsors of S. 925, a bill to deny most-favored-nation trading status to Afghanistan.

S. 987

At the request of Mr. EXON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-65.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Rhode Island [Mr. PELL], were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1209

At the request of Mr. CHILES, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1451

At the request of Mr. CHAFEE, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Tennessee [Mr. GORE], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1451, a bill to allocate funds appropriated to carry out section 103 of the Foreign Assistance Act of 1961 for nutrition programs which reduce vitamin A deficiency.

S. 1543

At the request of Mr. MATHIAS, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 1543, a bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patented process.

S. 1595

At the request of Mr. WARNER, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 1595, a bill to prevent the implementation of Revenue Ruling 83-3 and other similar considerations affecting the housing allowances of the military and clergy.

S. 1629

At the request of Mr. GRASSLEY, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 1629, a bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations.

SENATE JOINT RESOLUTION 179

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Joint Resolution 179, a joint resolution requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty.

SENATE JOINT RESOLUTION 191

At the request of Mr. BUMPERS, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 191, a resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month".

SENATE JOINT RESOLUTION 194

At the request of Mr. METZENBAUM, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Nebraska [Mr. ZORINSKY], the Senator from South Dakota [Mr. PRESSLER], the Senator from Vermont [Mr. LEAHY], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 194, a joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week."

SENATE JOINT RESOLUTION 197

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 197, a joint resolution to designate the week of October 6, 1985 through October 13, 1985 as "National Housing Week."

SENATE JOINT RESOLUTION 201

At the request of Mr. COHEN, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Joint Resolution 201, a joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week."

SENATE RESOLUTION 29

At the request of Mr. BYRD, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Resolution 29, a resolution to improve Senate procedures.

SENATE RESOLUTION 209

At the request of Mr. HEINZ, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Resolution 209, a resolution expressing the sense of the Senate in opposition to the repeal of the Historic Rehabilitation Tax Credit.

AMENDMENT NO. 577

At the request of Mr. CRANSTON, the names of the Senator from Florida [Mrs. HAWKINS], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of amendment No. 577 intended to be proposed to S. 51, a bill to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and for other purposes.

SENATE CONCURRENT RESOLUTION 67—RELATING TO HUMANITARIAN ASSISTANCE TO EARTHQUAKE VICTIMS IN MEXICO CITY

Mr. BYRD (for Mr. KENNEDY, for himself, Mr. LUGAR, Mr. SIMPSON, Mr. DOLE, Mr. BYRD, Mr. PELL, Mr. HATCH, Mr. WILSON, and Mr. BOREN) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 67

Whereas an earthquake of disastrous proportions has leveled parts of Mexico City today;

Whereas significant and irreparable damage has been done to "the old city";

Whereas between a third and a half of all structures have reportedly been destroyed;

Whereas millions of citizens of Mexico City may now be homeless and thousands may be killed or injured; and

Whereas the people of the United States share longstanding bonds of history and culture with the people of Mexico and, as neighbors, have deep concern for the well-being of the people of Mexico: Therefore be it

Resolved, That it is the sense of the Senate that the Government of the United States should make available to the Government of Mexico and to the people of Mexico City—on an emergency basis—humanitarian assistance and relief required to help deal with this tragedy.

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT ACT

GRASSLEY AMENDMENT NOS. 642 AND 643

(Ordered to lie on the table.)

Mr. GRASSLEY submitted two amendments intended to be proposed by him to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

AMENDMENT NO. 642

On page 5 of amendment No. , line 14, strike the semicolon after "considered", substitute a period, and insert thereafter the following: "The analysis should identify anticipated benefits of each alternative, evaluate the underlying data and information to insure that it is reliable and accurate, and as provided for under the National Contingency Plan, consider the extent to which the benefits of a proposed plan can be achieved through alternative means, and evaluate, in accordance with the National Contingency Plan, the costs associated with the use of such alternative means including potential adverse effects on public health or the environment;"

AMENDMENT NO. 643

On page 5, line 24, strike "The administrative record" through "subsection". on page 6, line 1, and insert in lieu thereof the following: "If the President decides to make substantial changes in the proposed action, he shall provide a notice describing these changes and provide the necessary supporting information and analysis.

"The President shall maintain a file for each response action and shall maintain a current index. The file shall constitute the record for purposes of judicial review.

"Any remedial action file shall include, but is not limited to—

"(A) the notice of proposed action and any notice describing changes in the proposed action;

"(B) copies of all comments, criticisms, and new data submitted in written or oral form in connection with the proposed action;

"(C) copies of all verified data, which shall be included in the file once they are available;

"(D) a description of any remedial alternatives, which shall be included in the file as soon as practicable;

"(E) a description of all response action alternatives selected for evaluation in any feasibility study, which shall be included in the file once such alternatives have been selected;

"(F) the President's response to each of the significant comments, criticisms, and new data submitted in written or oral presentations;

"(G) the President's careful and full articulation of the basis and purpose of the selected action grounded upon the remedial action file as constituted on the date of final selection of the remedial action, including the reasons behind the selection, the factual and policy determinations which support it, identification of factors considered, an explanation of how information received by the President was developed and evaluated, and citation to the credible and reliable evidence in the record which support his determinations;

"During the interim period while such regulations are being promulgated, where major deficiencies are shown to exist in the administrative record that has been assembled, judicial review of the response in an enforcement or cost recovery action may be de novo."

IMMIGRATION CONTROL ACT

RIEGLE AMENDMENT NO. 644

Mr. RIEGLE proposed an amendment to the motion of Mr. CRANSTON to commit, with instructions, the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

Strike out all after "alterations" and insert in lieu thereof the following: will not be made in Social Security benefits for the purpose of reducing the federal deficit; and

(b) The placement and means of considering the Social Security program in relation to the Congressional budget will be such that be ineffective to seek to achieve reduction of the overall federal deficit by means of proposing reductions in Social Security benefits; and

S. 1200 shall be reported back to the Senate with all present amendments agreed to in status quo; and

It is the Sense of the Senate that the legislation so reported from the Budget Committee should be sequentially referred to the Committee on Finance and that it shall report the legislation on or before November 2, 1985.

CRANSTON AMENDMENT NO. 645

Mr. CRANSTON proposed an amendment to amendment No. 644 proposed by Mr. RIEGLE to the motion to commit with instructions the bill S.1200, supra; as follows:

In the pending amendment strike out all after "alterations" and insert the following: will not be made in Social Security benefits for the purpose of reducing the federal deficit; and

(b) The placement and means of considering the Social Security program in relation to the Congressional budget will be such that it will be ineffective to seek to achieve reduction of the overall federal deficit by means of proposing reductions in Social Security benefits; and

S. 1200 shall be reported back to the Senate forthwith with all present amendments agreed to in status quo; and

It is the Sense of the Senate that the legislation so reported from the Budget Committee should be sequentially referred to the Committee on Finance and that it shall report the legislation on or before November 3, 1985.

SIMPSON AMENDMENT NO. 646

Mr. SIMPSON proposed an amendment to the bill S. 1200, supra; as follows:

On page 80, line 10, insert before the period the following: "by an alien other than an alien who is eligible for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 for the month in which such alien is granted lawful temporary residence status under subsection (a)."

Page 85, lines 9 through 10, strike out "(other than a special Cuban and Haitian entrant, as defined in subsection (a)(2)(D))."

Page 85, line 24, strike out "and."

Page 85, after line 24, insert the following: except that the following disqualification shall not apply in the case of—

(D) any assistance described in subparagraph (A), (B), or (C) if the alien is a special Cuban or Haitian entrant, as defined in subsection (a)(2)(D), or

(E) the program of supplemental security income benefits authorized by title XVI of the Social Security Act or medical assistance under a State plan approved under title XIX of the Social Security Act, if the alien is determined by the Secretary of Health and Human Services, based on an application for benefits under title XVI of the Social Security Act or section 212 of Public Law 93-66 filed prior to the date designated by the Attorney General in accordance with subsection (a)(1)(A), to be permanently residing in the United States under color of law as provided in section 1614(a)(1)(B)(ii) of the Social Security Act and to be eligible to receive such benefits for the month prior to the month in which such date occurs, for such time as such alien continues without interruption to be eligible to receive such benefits in accordance with the provisions of title XVI of the Social Security Act or section 212 of Public Law 93-66, as appropriate; and

EXPLANATION OF AMENDMENT

The amendment is a "grandfather" provision intended to permit the continuation of supplemental security income (SSI) and medicaid benefits to those aliens who are eligible for SSI benefits under current law prior to being granted lawful temporary resident status under S. 1200. The possible loss of these benefits could act as a deterrent to affected aliens applying for legalization.

On page 2, in the table of contents of the bill, insert after the item relating to section 124 the following new item:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

On page 37, line 12, insert ", 101(a)(15)(O)," after "101(a)(15)(N)".

On page 60, line 1, insert "or 217" after "section 216".

On page 60, line 3, strike out "such section" and insert in lieu thereof "section 126 or subsection (b)(4) of section 217, as the case may be,".

On page 63, line 6, insert "and section 217" after "section 216".

On page 64, between lines 14 and 15, insert the following:

"(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

"(A) The standards described in subsections (b)(2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

"(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

"(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

"(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

"(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.".

On page 64, line 16, strike out "two years" and insert in lieu thereof "three years".

On page 64, line 19, insert "and seasonal" after "temporary".

On page 64, line 20, strike out "program under section 216" and insert in lieu thereof "programs under sections 216 and 217".

On page 64, line 24, strike out "subsection (b)(2)" and insert in lieu thereof "subsections (b)(2) and (3)".

On page 65, line 2, insert "and seasonal" after "temporary".

On page 65, between lines 12 and 13, insert the following:

"(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time under section 217.

"(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

On page 66, on lines 11 and 12, strike out "in consultation with the Vice Chairman" and inserting in lieu thereof "in accordance with rules agreed upon by the Commission".

On page 68, line 4, strike out "27 months" and insert in lieu thereof "39 months".

On page 104, lines 20 and 21, strike out "216 (added by section 122(c)" and insert in lieu thereof "217 (added by section 125(b)".

On page 104, line 24, strike out "SEC. 217." and insert in lieu thereof "Sec. 218".

On page 112, line 22, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 7, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 15, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 18, strike out "section 216 (added by section 122(f)" and insert in lieu thereof "section 217 (added by section 125(i)".

On page 113, between lines 19 and 20, strike out "Sec. 217." and insert in lieu thereof "Sec. 218".

On page 114, line 9, strike out "paragraph (15)(C)" and insert in lieu thereof "paragraph (15)(P)".

On page 114, lines 22 and 23, strike out "paragraph (15)(O)" and insert in lieu thereof "paragraph (15)(P)".

On page 116, line 6, strike out "section 122(a)" and insert in lieu thereof "sections 122(a) and 125(b)".

On page 116, line 7, strike out "subparagraph (M)" and insert in lieu thereof "subparagraph (N)".

On page 116, line 8, strike out "subparagraph (N)" and insert in lieu thereof "subparagraph (O)".

On page 116, line 11, strike out "subparagraph "(O)(i)" and insert in lieu thereof "(P)(i)".

On page 121, line 10, strike out "section 217" and insert in lieu thereof "section 218".

SUPERFUND IMPROVEMENT ACT

BRADLEY (AND LAUTENBERG) AMENDMENT NO. 647

Mr. BRADLEY (for himself and Mr. LAUTENBERG) proposed an amendment to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

At the end of Title I insert the following new section:

"SEC. . RADON PROTECTION AT CURRENT NPL SITES.—It is the sense of the Congress that the President, in selecting response action for facilities included on the National Priorities List published under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 because of the presence of radon, is not required by statute or regulations to use fully demonstrated methods, particularly those involving the offsite transport and disposition of contaminated material, but may use innovative or alternative methods which protect human health and the environment in a more cost-effective manner."

STAFFORD (AND OTHERS) AMENDMENT NO. 648

Mr. STAFFORD (for himself, Mr. BENTSEN, and Mr. LAUTENBERG) proposed an amendment to the bill S. 51, supra; as follows:

Delete the text from page 54, line 4, through page 58, line 20, and insert in lieu thereof a new section as follows:

"SEC. 106. (a) Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by this Act, is further amended by adding after "Notice, Penalties" in the title to section 103:", Inventory, and Emergency Response". Section 103 is further amended by adding at the end thereof the following new subsection:

"(h)(1) The requirements of this subsection shall apply to owners and operators of facilities that have ten or more full-time employees and that are in Standard Industrial Classification Codes 20 through 39 (as in effect on July 1, 1985) that manufacture or process more than 200,000 pounds per year of a chemical substance listed pursuant to paragraph (2) or that use more than 2,000 pounds per year of a substance listed pursuant to paragraph (2). For purposes of this subsection,

"(A) The term "manufacture" means to produce, prepare or compound a chemical substance.

"(B) The term "process" means the preparation of a chemical substance, after its manufacture, for distribution in commerce—

"(i) in the same form or physical state as, or in a different form or physical state from, that in which it was received by the person so preparing such substance,

"(ii) as part of an article containing the chemical substance.

"(C) The term "use" means to use for purposes other than processing.

"(2)(A) Not later than July 1, 1986 the President shall publish a list of toxic chemical substances which, on the basis of available information and in the judgment of the President, are manufactured in or imported into the United States in aggregate quantities that exceed 500,000 pounds per year and, (i) based on epidemiological or other population studies, generally accepted laboratory tests, or structural analysis are known to cause or are suspected of causing in humans adverse acute health effects, cancer, birth defects, heritable genetic mutations, or other health effects such as reproductive dysfunction, neurological disorder, or behavioral abnormalities, or (ii) because of toxicity, persistence, or tendency to bioaccumulate in the environment, may cause adverse environmental effects. Unless and until such list is published, those specific chemical substances identified in section 101(14) of this Act shall constitute such list.

"(B) The President shall, as necessary, but no less often than every two years, review and revise the list required by this paragraph. Any person may petition the President to add a chemical substance to the list or to remove a chemical substance from the list.

"(C) The President may establish a quantity different from that established in paragraphs (1), (2), or (3) for particular chemical substances, based on their toxicity, extent of usage and such other factors as the President deems appropriate. The President, on his own motion or at the request of a Governor of a State (with regard to facilities located in that State), may apply the requirements of this subsection to the owners and operators of any particular facility that manufactures, processes, or uses a chemical substance listed under subparagraph (A) if the President determines that such action is warranted on the basis of toxicity of the substance, proximity to other facilities that release the substance or to population centers, the history of releases of such substances at such facility, or such other factors as the President deems appropriate.

"(3) The owners or operator of a facility subject to this subsection shall complete a Toxic Chemical Release Inventory Form as published under paragraph (4) for each chemical substance listed under paragraph (2) that was manufactured, processed, or used in quantities exceeding those established under paragraph (1) or, where applicable, subparagraph (2)(C), during the preceding calendar year at such facility. Such form shall be submitted on or before June 30, 1987, June 30, 1990, and June 30, 1993, and shall contain data reflecting releases during the preceding calendar year. If the President has not published the form required by paragraph (4) on or before December 31, 1986, owners and operator required to submit information under this subsection shall do so by letter to the Administrator of the Environmental Protec-

tion Agency postmarked on or before June 30, 1987.

"(4)(A) Not later than June 1, 1986, the President shall publish a Toxic Chemicals Release Inventory Form. Such form shall provide for the name and location of and principal business activities at the facility and shall provide for submission of the following information for each listed substance known to be present at the facility—

"(i) the use or uses of the chemical substance at the facility;

"(ii) the annual quantity of the chemical substance transported to the facility, produced at the facility, consumed at the facility, and transported from the facility as waste or as a commercial product or byproduct or component or constituent of a commercial product or byproduct;

"(iii) the annual quantity of the chemical substance entering each environmental wastestream, including air, surface water, land, subsurface injection, and discharge to publicly owned treatment works; and

"(iv) for each wastestream, and waste treatment methods employed and the annual quantity of the chemical substance remaining in the wastestream after treatment.

"(B) For purposes of this paragraph, facility owners and operators may utilize readily available data collected pursuant to other State and Federal environmental laws, or, where such data are not readily available, reasonable estimates. Nothing in this subsection shall require the monitoring or actual measurement of quantities of substances or releases beyond that required under other authorities. In order to assure consistency, the President shall require that data be expressed in common units.

"(5) The Governor of each State shall designate an official or officials of the State to receive Toxic Chemical Release Inventory Forms. The facility owner or operator shall submit the Form to such official or officials and to the President.

"(6) Subject to the provisions of paragraph (8), the President and the Governor shall make the information submitted pursuant to this subsection available to the public. The President and the Governor may charge reasonable fees to recover the cost of reproduction and mailing of data.

"(7) The President shall establish and maintain in a computer database a National Toxic Chemical Release Inventory based on data submitted under this section. EPA shall make these data accessible by computer telecommunication to any person on a cost-reimbursable user fee basis.

"(8)(A) The President may verify the data contained in the Toxic Chemicals Release Inventory Form using the authority of section 104(e) of this Act.

"(B) Information submitted under this subsection shall be treated as information submitted under section 104(e) and (other than data on the quantity and nature of any release and the identity of the chemical substance released) shall be subject to the provisions of section 104(e).

"(9) Any person who knowingly omits material information or makes any false material statement or representation in the Toxic Chemicals Release Inventory Form, shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than one year, or both.

"(10) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission of information related to hazardous substances, toxic chemical substances, pollutants or contaminants or other materials.

"(11) Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by this Act, if further amended by inserting "and section 103" after "under this section" in the first sentence."

STAFFORD (AND BENTSEN) AMENDMENT NO. 649

Mr. STAFFORD (for himself and Mr. BENTSEN) proposed an amendment to the bill S. 51, supra; as follows:

On page 48, after line 3, insert the following new section and renumber subsequent sections accordingly:

METHANE RECOVERY

SEC. . (a) Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subparagraph:

"(D) in the case of a facility at which equipment for the recovery or processing (including recirculation of condensate) of methane has been installed (i) the term "owner or operator" shall not include the owner or operator of such equipment, unless such owner or operator is also the owner or operator of the facility at which such equipment has been installed, and (ii) the owner or operator or manufacturer of such equipment (other than the owner or operator of the facility at which such equipment has been installed) shall not be considered to have arranged for disposal or treatment of any hazardous substance at such facility pursuant to section 107 of this Act, except to the extent that there is a release of a hazardous substance from such facility which was primarily caused by activities of the owner or operator of such equipment other than the recirculation of condensate or other waste material which is not a waste meeting any of the characteristics identified under section 3001 of the Solid Waste Disposal Act."

(b) Unless the Administrator promulgates regulations under Subtitle C of the Solid Waste Disposal Act addressing the extraction of wastes from landfills as part of the process of recovering methane from such landfills, the owner and operator of equipment used to recover methane from a landfill shall not be deemed to be managing, generating, transporting, treating, storing, or disposing of hazardous or liquid wastes within the meaning of that subtitle; provided, however, that if the aqueous or hydrocarbon phase of the condensate or any other waste material removed from the gas recovered from the landfill meets any of the characteristics identified under section 3001 of that subtitle, then such condensate phase or other waste material shall be deemed a hazardous waste under that subtitle; and shall be regulated accordingly.

DURENBERGER AMENDMENT NO. 650

Mr. DURENBERGER proposed an amendment to the bill S. 51, supra; as follows:

At the end thereof add the following new Sec.

"Not later than October 9, 1985, the Director of the Office of Management and Budget shall complete his review and make available for publication in the Federal Register all of the proposed recommended maximum contaminant levels for those organic and inorganic chemicals published by the Administrator of the Environmental Protection Agency in volume 48, Federal Register, page 45502 and submitted by the Administrator to the Director prior to April 30, 1985."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, September 19, to hold an oversight hearing in review of the Federal Energy Regulatory Commission's notice of proposed rulemaking on regulation of natural gas pipelines after partial wellhead decontrol.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, September 19, 1985, in executive session to consider legislation to reduce the Federal deficit, for the fiscal years of 1986, 1987, and 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, September 19, in order to conduct a hearing on H.R. 664, amending the Panama Canal Act of 1979, regarding the payment of interest on the U.S. investment in the Panama Canal, and H.R. 1784, the Panama Canal Authorization Act for fiscal year 1986. Armed Services Committee, will also consider and vote on the nomination of Robert Dawson to be Assistant Secretary of the Army for Civil Works, and routine military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, September 19, to hold a meeting on record labeling.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Thursday,

September 19, between the hours of 12 a.m. and 12:30 p.m. and 3 p.m.-6 p.m., in order to mark up S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, September 19, 1985, in order to conduct a hearing on the reauthorization of the Higher Education Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, September 19, in open session to be followed by a closed session, to hold a hearing on wartime medical readiness.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, September 19, in closed session, to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, September 19, 1985, beginning at 3 p.m. and continuing until the hour of 6:40 p.m. for purposes of marking up the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE VISIT OF MOZAMBICAN PRESIDENT SAMORA MACHEL

● Mr. HUMPHREY. Mr. President, Mozambican ruler Samora Machel is scheduled to meet with President Reagan today at the White House. I believe that this meeting casts grave doubts about United States commitment to democratic freedom movements in Africa. Despite the administration's stated support for democratic freedom movements throughout the world, the State Department is lobbying to give military and economic assistance to the Soviet and Cuban backed government of Samora Machel. The human rights situation in Mozambique is deplorable as thousands have disappeared in Mozambican prisons and camps. Under the Machel regime, Mozambique is a committed Marxist state which houses over 20,000 Soviet bloc troops and advisers. Since the Soviets favor military assistance over economic assistance, Machel is looking to the United States for badly needed economic assistance to sustain his beleaguered economy. Totalitarian governments have always been willing to accept Western money, especially when it helps keep their regime in power. Mr. President, I suggest that we reflect upon the message that the U.S. Government is sending to democratic resistance movements throughout the world, when we welcomed an avowed opponent of freedom and fundamental human rights. Mr. President, a Backgrounder issued today by Heritage Foundation succinctly highlights the confusing signals that the administration is projecting. I ask that this paper be printed in the RECORD.

The material follows:

[From the Backgrounder, Sept. 19, 1985]

THE WHITE HOUSE'S CONFUSING SIGNALS ON MOZAMBIQUE

INTRODUCTION

This week's visit of Mozambique ruler Samora Machel, a pro-Soviet Marxist, to the White House symbolizes the Reagan Administration's pursuit of a highly questionable policy. The policy is a high-stakes gamble with thus far little evidence of success, and it is inconsistent with the Administration's self-proclaimed doctrine supporting anti-Marxist insurgencies.

The State Department and the White House seem to be hoping to "wean away" Machel from his close ties to the Soviet bloc and his disastrous Marxist economic policies. But there is as yet no sign of fundamental change, or indeed any change beyond that which a desperate leader might make to hang on to power. While Machel has observed the requirement of the so-called Nkomati Accord between South Africa and Mozambique by ending his aid to the radical African National Congress in South Africa, the Accord has not led to any fundamental shift in Mozambique's foreign or domestic policies.

As important, the State Department request for military aid to Machel is not only wrong on its merits, it raises questions about the overall coherence of U.S. foreign policy. Both the President and the Secretary of State have proclaimed the so-called "Reagan Doctrine" of U.S. sympathy and support for anti-Marxist insurgencies. Yet the Administration is seeking to prop up Marxist Mozambique with its dismal human rights record at a time when it is being threatened by a militarily effective insurgency.

The possibility of fundamental change in any nation can never be totally excluded. President Anwar Sadat, after all, expelled the Soviets from Egypt. But as yet there is no indication that Machel's actions are anything more than a pause and a holding action, while retaining close ties to Moscow. Despite State Department enthusiasm, there is nothing new about Marxist regimes taking Western economic assistance. But they use it to reinforce their own control, not to make fundamental changes. Given these realities, Samora Machel should be received with formal correctness, and his statements and actions carefully scrutinized, but no assistance should be offered.

THE NKOMATI PACT AND RECENT DEVELOPMENTS

The Nkomati pact, signed by Mozambican President Somora Machel and South African President P. W. Botha on March 15, 1984, pledged both sides to prevent "armed bands" from organizing within their respective territories. South Africa promised to cut off RENAMO, the Mozambique National Resistance rebels, who have made crippling strikes against a variety of economic targets in their country. Mozambique, which borders South Africa, pledged itself to remove the African National Congress (ANC) guerrillas from its territory and has done so.

South Africa remains very supportive of the Nkomati Pact and views it as a way to stabilize the teetering government of a strategic neighbor: 17 percent of all South African foreign trade passes through Mozambique's capital, Maputo, and 12 percent of its total electricity is provided by Mozambique's Cabora Bassa hydroelectric plant. For South Africa, the stability of Mozambique has been more important than its ideology. For Mozambique, Nkomati was a way to lessen RENAMO guerrilla activity against the Machel government's already shattered economy.

The U.S. State Department, which played a very modest role in brokering it, has gambled on Nkomati, seeing it as the cornerstone of a new twist to southern Africa policy designed to dismantle Soviet influence in the Marxist states ringing South Africa. Meanwhile, critics have disparaged Nkomati as incomprehensible assistance for a despotic, failing Marxist regime.

Now, more than a year after Nkomati, anti-government guerrilla activity has increased in Mozambique. The situation for the regime of Samora Machel is deteriorating. Foreign debt has ballooned to unmanageable levels, the local currency is worthless, a savage drought has claimed 100,000 lives and reduced agricultural production to a trickle, and the black market has surpassed its state-sanctioned counterpart. And Mozambique has turned to Zimbabwe's Marxist regime for military assistance to put down the rebels. The treaty has had little impact on Mozambique.

RENAMO: THE ANTI-MACHEL INSURGENCY

Mozambique became independent in 1975 after 500 years of Portuguese colonial rule. Portugal's 1974 leftist coup and a ten-year armed struggle by the Front for the Liberation of Mozambique (FRELIMO) against the colonial government brought in Samora Machel's Marxist reign of terror. Thousands of Portuguese settlers fled across the border into South Africa with most heading for Portugal. FRELIMO's leader Samora Machel, became President of Mozambique and methodically began turning his country into a Marxist dictatorship. He purged FRELIMO of anti-Marxist elements, imposed communist doctrine, herded thousands into reeducation camps and other prisons, and nationalized industry and agriculture. Machel renamed Maputo streets for Lenin, Marx, Fidel Castro, and Ho Chi Minh. He also fomented revolution in the region. Example: He allowed Robert Mugabe's ZANU party to establish bases inside Mozambique, from which armed units would raid what then was Rhodesia.

RENAMO, formerly MNR, the Mozambique National Resistance, was stitched together primarily by the Rhodesian Central Intelligence Organization in cooperation with some Portuguese and anti-Marxist former FRELIMO members. The CIO wanted a counterweight to Machel's support of Rhodesia's ZANU terrorist activities. Yet, some top RENAMO leaders, such as Alfonso Dhlakama, are ex-FRELIMO members. RENAMO's origin as a mere countermeasure to ZANU often prompts Western leaders, including those in the State Department, to dismiss it as a band of armed disrupters inherently incapable of governing Mozambique.[1] There is some truth to this assessment, but that fact argues for more and better training.

South Africa's military, known as the South African Defense Force (SADF), along with a substantial number of former Portuguese Mozambique settlers, helped RENAMO relocate its base of operations and provided funding after Mugabe gained power and Rhodesia became Zimbabwe. RENAMO's station, Radio Free Africa, was moved inside South Africa, and rebel training took place on "farms" a few miles outside Pretoria.[2] The SADF used RENAMO as a counterweight to Mozambique's support of ANC territories using Maputo as a safe haven. The SADF supplemented this thinly veiled covert activity with overt strikes against ANC strongholds inside Mozambique, often in immediate response to ANC terrorism in Pretoria. South African planes bombed suspected ANC hideouts near Maputo in May 1983.

RENAMO flourished under South African tutelage. The rebel force, the majority of which is located inside Mozambique, has grown to an estimated 20,000 members. Although Mozambique's economic problems are fundamentally caused by its Marxist collectivization and nationalization policies; RENAMO's campaign makes the problems worse.

By attacking carefully selected ecomomic targets, RENAMO has denied the Machel government leading foreign exchange sources and undermined foreign investor confidence. These targets include railroad links with Zimbabwe, Malawi and South Africa; the Beira-Maputo coastal highway; the Beira-Zimbabwe oil pipeline; and agricultural sites. RENAMO attacks reduced tea exports in Eastern Zambezia province by 50 percent in 1984. RENAMO has wreaked similar havoc in Mozambique's other main agricultural provinces, Cabo Delgado and Nampula. Total 1985 agricultural production is down 50 percent, due to the reluctance of commercial farmers to plant in the face of growing insurgency.[3]

The State Department, in its annual evaluation of the Mozambican economy, concludes: "The insurgents have had a severe negative impact on the country's economic development. . . . Insurgent activities have created a climate of insecurity which, in some cases, has blocked internationally-sponsored development projects."[4]

A bleak economic outlook confronts Mozambique. Of its 12.9 million inhabitants, 85 percent are subsistence farmers. Food production has plunged 80 percent since 1980. Last year the southern region's cereal crop was only 10 percent of the normal level. Per capita Gross National Product dropped 14.1 percent between 1980 and 1982 (the last year for which figures are available), reaching a level equivalent to $159 per person. Foreign Western debt exceeds $2 billion; debt owed the Eastern bloc states could be three times as much. According to the State Department, ". . . three years of drought, an armed insurgency . . . as well as a shortage of skilled workers and questionable policies have disrupted the economic development."[5] While the drought has ended, the *New York Times* reported Mozambique "is confronted with a paralysis caused by the spreading rebellion."[6]

The local currency, the *metical*, has collapsed. Many Maputo merchants will accept payment only in dollars or South African rands.[7] Official exchange rates are meaningless. In late 1984, a dollar officially was worth 44 *meticals* but could only buy 1,400 on the black market. In a futile attempt to curb the black market, the Machel government temporarily instituted public floggings, prison sentences, and executions for "economic crimes."[8] Mozambique rescheduled $300 million worth of its Western debt in 1984. Unable to muster adequate foreign exchange, the government cannot import machinery, spare parts, or raw materials necessary for the most basic production.

THE SOVIET BLOC AND MOZAMBIQUE

Mozambique has many characteristics of a Soviet client state. Despite State Department hopes and Machel's interest in a Western economic bailout, there has been no significant move away from the Soviet bloc. Mozambique relies, for example, on a large number of Soviet and Soviet bloc personnel. Earlier this year, some 20,000 Soviet bloc personnel provided defense, internal security, information management, and engineering services. This included several thousand Cubans, as well as East Germans, Soviets, Zimbabweans, and North Korean "military specialists."

The chief of Mozambique's air force, Major General Hama Thai, is North Vietnamese. Mozambican air force planes, some 35 MiG-17s and 50 MiG-21s, are flown by East Germans, although East Germans also established the state secret police, SNASP, which runs Mozambique's prisons and re-education camps, home to an estimated 300,000 captives. There is no free press; the East Germans run AIM, the state information service. East Germany provides technical assistance at the maatice coal mine, which has an estimated 400 million metric ton reserve. Approximately 12,000 Mozambican children work in forced labor factories in East Germany. President Machel has signed a 25-year friendship and cooperation treaty with East Germany that includes provisions for military defense.

Machel also has signed treaties with the USSR. A "friendship" agreement with Moscow pledges Mozambique to deny harbor to Western ships. A "fishing" treaty with the Soviets will provide facilities at Nacala, which could endanger free passage through the Mozambique channel on the Cape oil route. Unable to develop its own oil and natural gas reserves, Mozambique relies on Libya, Algeria, and the Soviet Union for petroleum. The USSR, Czechoslovakia and Yugoslavia have been granted oil and mineral exploration and development rights in southern Mozambican provinces. Mozambique is also a signatory of an omnibus trade, aid, technological, and economic agreement with the Soviets.

Regular Mozambican military forces, estimated at 25,000 troops, rely almost exclusively on Soviet hardware, which includes 85 tanks, 300 armored personnel carriers, 200 armored cars, 128 artillery pieces, 14 patrol boats, 6 transport planes, and 4 Mi-8 helicopters. Much of this Soviet weaponry, however, is inoperable due to age, poor maintenance, or destruction by RENAMO.

Facing east toward the Indian Ocean and west toward Zimbabwe and South Africa, Mozambique is crucial to Soviet power projection in the region. The Soviets, in 1981, installed a dry dock at Maputo that regularly services ships from the Indian Ocean Soviet fleet. Three weeks after a 1981 SADF raid on ANC hideouts inside Mozambique, three Soviet warships arrived in Maputo harbor for a visit. The Soviet ambassador threatened to unleash them to protect Mozambique. This may have been no bluff. Soviet warships off Ethiopia's coast bombared the cities of Massava and Assab.[9]

Despite these close ties, there are limits to Moscow's interest in Mozambique. Perhaps becuase of economic overextension elsewhere, the Kremlin refused Machel's bid to join the Soviet bloc economic organization, COMECON. Zimbabwean troops have guarded the Beira-Umtali oil pipeline and now have launched a major offensive against the rebels. Zimbabwe President Mugabe has pledged to deploy 30,000 troops, 75 percent of Zimbabwe's 41,000-man standing army, inside Mozambique by year's end.[10] This would be a radical departure from Zimbabwe's previous military role, which was limited to providing 3,000 troops to guard the strategic Mutare (Zimbabwe)-Beira (Mozambique) railroad and oil and gas pipeline. Machel requested the assistance at a June 12, 1985, security conference with Mugabe and Tanzanian President Julius Nyerere.[11] Last month, Zimbabwe moved helicopter troop transports and gunships into the region.

THE UNITED STATES AND MOZAMBIQUE

According to the *New York Times* reports of last December, the American Embassy in Maputo regards President Samora M. Machel, an avowed Marxist-Leninist whose country's voting record at the United Nations is, from the American point of view, one of the worst, as a pragmatic leader with great charisma. "Relations with the United States are termed excellent as a result of 'maturing' on both sides." What accounts for this improving diplomatic climate, explains the *Times*, is "Mozambique's readiness to accept American aid in its time of despair."[12]

Mozambican ambassador to the U.S., Valeriano Ferrao, characterizes current relations between his country and the U.S. as "the best ever."[13] Frank Wisner, State De-

[1] "Look, RENAMO doesn't have the same legitimacy" as other popular anti-Marxist liberation fronts in Africa, says a State Department spokesman. Interview, March 6, 1985.
[2] The Economist, July 16, 1983.
[3] *The New York Times*, July 9, 1985.
[4] *Foreign Economic Trends—Mozambique*, U.S. Department of State, July 1984.
[5] *Ibid.*
[6] *The New York Times*, July 9, 1985.
[7] *The New York Times*, December 3, 1984.
[8] *The Economist, op. cit.*
[9] *The Christian Science Monitor*, January 30, 1978.
[10] *The Christian Science Monitor*, August 26, 1985, p. 12.
[11] *The Washington Post*, June 13, 1985.
[12] *The New York Times*, December 3, 1984.
[13] Interview, March 6, 1985.

partment Senior Deputy Assistant Secretary for Africa Affairs, expresses optimism and accomplishment. "The President [Reagan] is very pleased with the progress we've made [in Mozambique]." [14]

The "progress" of which Wisner speaks is the perception inside the State Department that Mozambique is being weaned away from Moscow. Wisner and his boss, Assistant Secretary of State Chester Crocker, expended considerable energy persuading Mozambique and South Africa to sign the Nkomati accord. "The Administration views Nkomati as the cornerstone to diplomatic success in southern Africa," says Wisner. "The Soviets are very unhappy with Mozambique for signing Nkomati. They predicted Machel would fail and Mozambique would pay a high price."

U.S.-Mozambique relations were not always so cordial. U.S. economic aid was temporarily withdrawn in early 1981, after Mozambique expelled four U.S. embassy personnel on spying charges. President Jimmy Carter assailed the Machel regime's widespread human rights violations.

The human rights violations continue today. Since 1975, an estimated 75,000 persons have perished in Mozambican prisons and "reeducation camps." At the "Moz-D" prison in Cabo Delgado province, the skulls and bones of thousands "lie bleaching in the sun." [15] Travel within the country is restricted. Arbitrary arrests and detentions of up to 180 days without charges occur frequently. Prisoners can be given open-ended sentences. In 1983, thousands of Mozambicans were forcibly relocated from urban areas to the drought-ravaged countryside. Religious persecution is commonplace.[16]

Toward the end of 1983, Washington-Maputo relations improved. Discontented with the level of Soviet economic assistance and hard pressed by a lack of foreign exchange, three years of devastating drought, and stepped-up RENAMO attacks, Machel turned to the West. The State Department saw this as an opportunity to "break the back" of Soviet-sponsored hostilities throughout the area. To achieve this, the U.S. has sought to stop the violence that creates Soviet arms clients and establish a dialogue with the Marxist Machel regime. A small but symbolic carrot of economic and food aid amounting to $16.1 million was offered Maputo. The U.S. promised to sponsor Mozambique for membership in the International Monetary Fund, the World Bank, and the so-called Paris Club, a prerequisite for renegotiating Western debt.

Mozambique was approved for IMF membership in 1984 and subsequently received a $45 million World Bank loan. Mozambique was also the largest recipient of U.S. emergency food aid in 1984, some 350,000 metric tons. State Department officials have defended their backing of Machel's Marxist regime by insisting that: "Mozambique isn't Nicaragua." [17]

The U.S. plans to increase economic and food aid to Mozambique (see table). Some U.S. officials apparently view Machel as a black African version of Anwar Sadat. Says a State Department official of U.S. aid to Mozambique: "That's a hell of a lot cheaper than it cost us in Egypt." Says Wisner, "Look, Mozambique applied for COMECON membership in 1980 [18] . . . Now, they are about to join the IMF and the World Bank. That's quite a shift." [19] A State Department proposal planned to ship Machel nonlethal military equipment: communications gear, uniform accessories, and, perhaps, a few trucks. This was blocked in Congress as inappropriate through FY 1986.

UNITED STATES AID TO MOZAMBIQUE

[In millions of dollars]

Program	1984 (actual)	1985 (estimated)	1986 (proposed)
Development assistance	1	2	2
Economic support fund	7	11	15
Public Law 480, title I	0	17	10
Public Law 480, II	8.103	23.2	0
Military assistance	0	1	3
Military training	0	.15	.15
Total	16.103	54.35	30.15

Source: U.S. Department of State.

PRECARIOUS FUTURE FOR NKOMATI

Although deprived of official South African government support by the Nkomati treaty, RENAMO rebel activity has increased. Earlier this year, the Christian Science Monitor reported that "the rebels of the RENAMO Movement have achieved remarkable advances since the signing [of Nkomati]." [20] New RENAMO support is believed to come from Malawi, the Comoro Islands, private citizens in Portugal and South Africa. When Nkomati was signed, RENAMO operated in nine of Mozambique's ten provinces; now they are active in all ten. They have surrounded Maputo and frequently cut off electricity to the capital city. Planes approaching and departing the airport must make steep turns and run without lights for fear of attack.

Last July, a despondent Machel conceded, "We are living in a war situation." Regular Mozambican army troops seem unwilling to pursue the rebels.[21] As a result of the violence, thousands of Mozambicans have fled to neighboring Zimbabwe.

The economy slides further, and Machel, fond of his gold-braided marshal's uniform and purple Rolls-Royce, faces an uncertain future. His government remains unable to quell RENAMO assaults, and he has been forced to seek outside military interdiction, primarily from Zimbabwe, a move that could forfeit U.S. aid and invite South African invasion. A leading South African official has said: "Our neighbors know if they introduce surrogate forces into the region we will go in and get them out." However, a South African spokesman said his government does not regard the current presence of Zimbabwean troops inside Mozambique as a threat to South Africa's security.[22] Conversely, Machel could solicit South African military assistance, a move that would reignite the Nkomati controversy in Pretoria and put the South African SADF in an awkward mission of neutralizing a guerrilla force it helped nurture.

Machel must make a move soon. Rumors of a coup have circulated widely, and "within the (ruling) Frelimo Party itself, the pro-Soviet faction remains strong." [23]

CONCLUSION

Given the battlefield successes of the RENAMO insurgency against Samora Machel's Marxist regime and Mozambique's precarious political and economic condition, it is puzzling that the Reagan Administration feels that it serves U.S. interests for the White House to receive Machel with the pomp of a visiting dignitary at this time. Nor is it at all apparent that the U.S., which has very strong leverage considering Machel's serious problems, is insisting on anything in return for tossing Machel this symbolic lifeline.

For Machel's visit to serve any useful purpose, the U.S. must make clear that U.S. sympathies are with those struggling to move Mozambique away from its embrace of the Soviet bloc and its Marxist ideology. The U.S. should state that it has no intention of seeking to rescue Machel from the problems that his own policies have created unless there were to be an absolute clear-cut, irreversible break with the Soviet bloc as, for example, when Egypt's Sadat expelled Soviet bloc personnel. Internationally observed free elections would also be required. In sum, Machel must be told that he cannot have the best of both worlds—receiving U.S. aid that merely enables him to maintain his tight dictatorial grip and de facto alliance with Moscow. If such changes do not occur, Machel should be advised that the U.S. will reassess its own policies and review the question of moral, political, or other support for the RENAMO forces.

U.S. policy thus far has been based primarily upon unsupported optimism about changes in the views and policies of Samora Machel. If nothing else, Machel's forthcoming visit will serve to illustrate whether these hopes have any basis in reality. Should Machel prove unwilling to move away from the Soviet bloc, reassessment of U.S. policy would be urgently needed.

Prepared for The Heritage Foundation by Jaime Pinto, a Portuguese writer on international affairs, and Mark Huber, a Washington-based free-lance writer.●

[14] *Ibid.*
[15] *The Washington Times*, February 5, 1985.
[16] *Country Reports on Human Rights Practices*, U.S. Department of State, February 1985.
[17] Interview with State Department Official.
[18] Membership proposal denied, April 1981.
[19] Interview, March 6, 1985.
[20] The Christian Science Monitor, Feb. 5, 1985.
[21] The New York Times, July 1, 1985.
[22] Interview, September 12, 1985.
[23] *The Christian Science Monitor*, Aug. 6, 1985.

BACKDOOR SPENDING AT AID

● Mr. DENTON. Mr. President, at a time when we are facing a budget deficit of monstrous proportions, even the smallest expenditure by Government officials demands close scrutiny. There is no such thing as wasting just a little money.

Yet, we all know what goes on in some Federal departments and agencies when the end of the fiscal year approaches. There is a mad rush to spend, or commit to spend, every last dollar, so that the Congress will have no justification for cutting next year's departmental allotment. That practice is perhaps the most disgraceful part of governmental waste; taxpayers' dollars are frittered away just for the sake of ending the year with a zero balance.

At the Agency for International Development [AID], Administrator Peter McPherson has sternly warned his subordinates to guard against that kind of abuse; reiterating the Office of Management and Budget's strong stand against last-minute, clear-the-decks spending. Mr. McPherson has asked agency officials to "ensure that

to the maximum extent allowed by law or regulations, disciplinary action is taken against officers and employees who waste public funds."

Perhaps, then, we should look more closely at a recent decision by certain AID officials to approve the expenditure of $6.8 million for publications in the area of population control, without submitting the grants for review by AID's Communications Review Board. Taking advantage of a loophole in AID's review process, Steven Sinding, Director of AID's Office of Population, secured approval from Raisa Scriabine; chairman of the Communications Review Board, for the multimillion dollar expenditure. The justification for evading review by the Review Board was that the money would be given to subcontractors in host countries; that is, recipients of foreign aid. What good is a Review Board that does not review a $6.8 million expenditure directly related to the Board's responsibilities.

I seriously question whether that is the way money should be handled in the Reagan administration, or any other administration. If the $6.8 million was to be given to reputable grantees, with a clean track record, for purposes within the law and the intent of Congress, then there is no reason why the Communications Review Board should not have had a few hours to study the grant before Dr. Sinding committed the public funds.

For a fuller understanding of the matter, I ask that the following documents be printed in the RECORD at the conclusion of my remarks. Mr. McPherson's notice of July 22, cracking down on wasteful year-end spending, Steven Sinding's memo of May 10, proposing that the Communications Review Board's normal process be supplanted by a futile random retrospective review, and a memo of May 24 from Raisa Scriabine, agreeing to the Sinding proposal.

Needless to say, Mr. President, the documents take on added importance in light of recent controversy concerning possible spending abuses, for personal travel, by AID officials who are responsible for this same Communications Review Board. One top-level resignation within the last few weeks may have been related to that investigation, and I would hope that other AID officials have learned by now the necessity of avoiding not only the fact but also the appearance of impropriety in their stewardship of the public purse.

The documents follow:

AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, DC, July 15, 1985.

[AID/W Notice, AA/M, Issue Date: 7-22-85]

Subject: Prevention of Wasteful Year-End Spending, OMB Memorandum 85-18, dated June 13, 1985.

As we move into the final quarter of this fiscal year, I once again want to call your attention to the need to avoid wasteful year-end spending. Special attention should be paid to areas that are particularly vulnerable to wasteful spending, e.g., travel, consulting and related services, periodicals, pamphlets and audio visual products, and others which fall under OMB's guidelines for the Federal Manager's Financial Integrity Act and OMB Circular No. 123 on Internal Controls.

Contracting officers, program managers, and policy officials who are responsible for procurement and grant actions should carry out their responsibilities to assure compliance with this guidance.

As requested in Mr. Stockman's message of June 13th, I ask that you ensure that:

To the maximum extent allowed by law or regulations, disciplinary action is taken against officers and employees who waste public funds.

Employees are reminded of appropriate standards that apply to wasteful spending and the possible sanctions and penalties, and that they are apprised of how to report waste and fraud and the protections that are available for employees making such reports.

Obligations for the fourth quarter of the fiscal year are no higher than the average for the first three quarters, except where seasonal requirements, essential program objectives, or lead times justify a higher level.

Orders for services, supplies, materials, and equipment are not more than needed to meet approved essential program objectives and are made in accordance with the attached procurement guidance by the Administrator of the Office of Federal Procurement Policy.

Grants and other forms of Federal assistance are subjected to rigorous review, meet current priorities, are funded only in justified amounts, and are not made just to keep funds from lapsing or to keep them from being reported as unobligated.

Special attention is paid to controlling the use of funds in areas that are particularly vulnerable to wasteful spending, e.g., travel and transportation, consulting and related services, periodicals, publishing and audiovisual products, motor vehicles, public affairs, and other areas identified by assessments made pursuant to OMB's guidelines for implementing the Federal Managers' Financial Integrity Act and OMB Circular No. A-123 on Internal Controls.

With a view to reducing and controlling wasteful year-end spending, notices are being issued establishing cut-off dates for processing contract and other purchasing actions. You are requested to comply with those guidelines.

I am also asking the Inspector General to conduct an assessment of a sample of the procurements awarded in the fourth quarter. This has been a valuable deterrent in the past. To the extent allowed by law and regulations, disciplinary action should be taken against executives and employees who waste public funds.

M. PETER MCPHERSON.

MEMORANDUM

To: XA/P, Roger Mahan.
Thru: S&T, N.C. Brady.
From: S&T/POP, Steven W. Sinding.
Subject: RFP for a Population Dissemination Program.

Under the newly authorized Population Policy Initiatives Project (No. 936-3035), S&T/POP has drafted an RFP for a competitive procurement of a dissemination program. The purpose of the dissemination program is to improve use of existing population information and research findings by policymakers in developing countries and the donor community. A.I.D. contributes to the policy dialogue by assisting LDC leaders to obtain the information they need to examine the effects of demographic change on their development objectives.

Drawing heavily on research funded by A.I.D. over the past 15 years, the dissemination program is intended to increase the returns on our sizable research investments. While past research projects have involved some dissemination of results, no systematic effort has been made to ensure maximum use of research findings by LDC policymakers. Underutilization of research findings is a problem not only in the population area, but more generally of the social sciences. Preparing, promoting and distributing materials appropriate for use by policymakers who have severe time constraints is a special challenge.

One major activity of the proposed program will involve supporting LDC institutions in their efforts to improve dissemination of existing population information and research results. Materials will be produced through contracts with host country institutions.

A second important activity will involve preparing and distributing materials on up to eight general population themes over the life of the five-year program. A few examples of possible themes are: 1) the impact of birthspacing on infant and child morbidity and mortality, and 2) the development and health implications of urbanization on Africa. These materials will be based primarily on existing final reports produced under various population research projects. The format for these materials will depend on the topic and audience. Possible formats include policy briefs of 1-8 pages and factsheets of 1-2 pages. The contractor will be asked to prepare a mailing list of approximately 5,000 names of key LDC policymakers who need timely and accurate information to make informed decisions about population policy.

A third important activity will involve responding, with short turnaround, to ad hoc requests for materials. Requests will usually involve preparing concise, brief materials for use at international and regional meetings as well as host-country sponsored sessions. It is anticipated that preparation time will be limited to 3-4 weeks. It is estimated that up to 25 requests will be filled per year and approximately 75 copies each of these materials will be printed.

The budget for the five-year program is $6.8 million. The actual cost of publications produced by the prime contractor (as opposed to host-country subcontractors) is estimated at $214,000 per year including printing, mailing and postage.

We request that you approve the issuance of an RFP for the dissemination program and that you agree to a random retrospective review of the materials to be published under the program. The rationale for this

request is based on the fact that materials produced under host-country contracts are subject to this type of review (Policies and Procedures of the Communications Review Board, January 17, 1985). In addition, materials to be prepared on general population themes are few in number, are based on existing research findings by LDC policymakers and are intended to greatly increase use of these findings by LDC policymakers. Finally, materials for the ad hoc requests will be prepared in a very short time and will be targeted to a specific and relatively small audience.

I would be pleased to meet with you and other members of the CRB to answer questions regarding publications proposed under the dissemination program. In order to meet deadlines for new procurement, we hope to be able to issue the RFP within the next couple of weeks and therefore appreciate your early response.

MEMORANDUM

To: S&T/POP, Steven W. Sinding.
From: Raisa Scriabine, Chairman, Communications Review Board.
Re Population Research Dissemination Proposal, May 24, 1985.

Thank you for inquiring about the application of CRB guidelines to the dissemination program of the Population Policy Initiatives Project.

After reviewing the CRB guidelines, I have made the following determination:

1) Those publications produced in the project overseas under host-country contracts are exempt from CRB consideration at the concept stage. They will be examined by the CRB following publication under random retrospective review.

2) Those publications produced in the U.S. on an ad-hoc basis in response to time-sensitive inquiries will be exempt from CRB review at the concept stage if they are produced in quantities of less than 150 copies each.

3) The eight thematic reports produced in the U.S. at an approximate annual cost of $107,000 must be submitted to the CRB for consideration at the concept stage.

If you have further questions, please feel free to contact me.●

NATIONAL DEFENSE FOUNDATION

● Mr. GLENN. Mr. President, in January of this year the Non-Commissioned Officers Association of the USA [NCOA] established the National Defense Foundation [NDF]. Like its parent, the National Defense Foundation is a people organization. It advocates "peace through strength" but recognizes that the strength of our Armed Forces is not measured primarily in the warheads we stockpile or the main battle tanks we field, but rather in our men and women in uniform.

In the months ahead, the foundation will hold a series of Capitol Hill briefings designed to stress the importance of a strong commitment to the manpower aspects of our defense posture. These quality of life issues deserve increased attention, issues such as pay, housing, medical care, and travel allowances. All of these will be briefed in depth by the NDF, along with other issues which impact on the manpower readiness of the services.

A companion program being developed by the National Defense Foundation is an intern program for college students to educate them on the people aspects of military service. Additionally, the foundation has undertaken a program to recognize those who have served, and are serving, in our Nation's Armed Forces. This past 4th of July, the association made possible the distribution of more than 6,000 appreciation cards to hospitalized veterans. A similar program will be undertaken for this coming Veterans Day in November.

But the real centerpiece of National Defense Foundation coming activities, Mr. President, is in military voter registration. The foundation will build around the prior success of the NCOA in assisting members of our military community, stationed both across this country and overseas, to register and vote. With the active assistance of the Department of Defense, the foundation will conduct a new nonpartisan voter registration drive throughout the military establishment for the 1986 elections. Last year, the NCOA assisted in registering over 200,000 military personnel and their dependents. In that year, for the first time, the number of military personnel and their dependents who registered to vote surpassed the national average. Both this year and next the foundation will continue to focus attention and resources on military voter registration programs. Operating through NCOA chapters situated on and near most major defense installations worldwide, the foundation will strive to reach a goal of 1 million new registered voters from the 5 million member military family.

To this end, the foundation has put together and published the NCOA National Defense Foundation voter registration kit. A primary goal of the foundation is to provide this kit free of charge to every base and fleet commander, voting assistance officer, and NCOA-trained volunteer worldwide. This kit vastly simplifies the procedure used by the same 7.5 million service personnel, their dependents, and other U.S. citizens overseas when they register to vote by absentee ballot.

The foundation also will continue its efforts with individual State legislatures to end the effective disenfranchisement of many service personnel, especially those stationed at sea or overseas. In March of this year, the National Defense Foundation sent out over 4,000 letters to State representatives asking them to support legislation allowing greater transit time for absentee ballots. Far too many States still effectively disenfranchise their citizens who vote absentee by mailing out these ballots less than a month before the election. This allows inadequate time for the ballots to get to many of our service community members and back to the state before the deadline.

It is very important that we, elected representatives, communicate with our military community in the same fashion as with our other constituents. A major problem faced by this community is the lack of current information about candidates and their stands. To help remedy this problem, the foundation is developing a communications system linking candidates with potential voters so that both parties come away winners.

All of these Non-Commissioned Officer Association programs center around our military constituents, especially those constituents whose duty assignments take them out of the country for extended periods of time. I would like you to join with me in supporting these organizations in these and other programs which they are pursuing on behalf of our extensive military community throughout the world.●

DR. DAN BOOKOUT SETS 29 FLYING RECORDS

● Mr. PRYOR. Mr. President, earlier this year, Dr. Dan Bookout, of Texarkana, AR, set 29 flying records on an around the U.S. flight. The National Aeronautic Association is honoring Dr. Bookout with a plaque and certificate of record for these achievements. I would like to share with my colleagues the NAA news release outlining his record flight and the text of the plaque being presented to him.

The material follows:

PILOT TOTALS 29 RECORDS ON ROUND-THE-U.S. FLIGHT

Dr. Dan Bookout, a Texarkana, Ark., chiropractor who flies for business, collected 29 city-to-city records in a series of flights around the U.S. between May 30 and June 20. He flew a Piper Lance four-seat personal plane with standard navigation equipment in the International Aeronautics Federation's [FAI] Class C-1d, which is limited to piston-engined airplanes weighing between 3,858 and 6,614 lbs, at take off.

The outstanding achievement of the flight was the non-stop leg from Honolulu to El Paso of more than 22 hours. He had sufficient fuel remaining from original 387 gallons to fly to Miami, his original destination, but was forced to land because of thunderstorms in West Texas.

Dr. Bookout's Records are:

Texarkana, Ark. to El Paso Tex.—117.3 mph (6:14:00).

Dallas, Tex. to El Paso—141.7 mph (3:54:00).

Texarkana to Abilene, Tex.—132.9 mph (2:30:00).

Texarkana to Midland, Tex.—139.7 mph (3:37:00).

El Paso to Salt Lake City, Utah—108.8 mph (6:25:00).

El Paso to Ogden, Utah—108.7 mph (6:37:30).

Gallup, N. Mex. to Salt Lake City—163.7 mph (2:29:30).

Gallup to Ogden—159.8 mph (2:41:30).
Ogden to Reno, Nev.—145.0 mph (2:53:129).
Ogden to Sacramento, Calif.—145.8 mph (3:42:39).
Ogden to Oakland, Calif.—135.9 mph (4:22:57).
Honolulu, Hawaii to San Diego, Calif.—141.9 mph (18:25:00).
Honolulu to Imperial, Calif.—143.8 mph (18:58:00).
Honolulu to Yuma, Ariz.—143.5 mph (19:15:00).
Honolulu to Tucson, Ariz.—137.9 mph (21:37:00).
Honolulu to El Paso—145.6 mph (22:15:00).
San Diego to El Paso—162.6 mph (3:55:00).
San Diego to Tucson—117.7 mph (3:12:00).
El Paso to Alexandria, La.—132.9 mph (6:10:00).
El Paso to Baton Rouge, La.—134.7 mph (6:40:00).
El Paso to New Orleans, La.—157.2 mph (6:10:00).
El Paso to Miami, Fla.—148.8 mph (10:58:00).
Alexandria to Miami—173.4 mph (4:48:00).
Baton Rouge to Miami—174.0 mph (4:17:00).
Miami to Texarkana—150.9 mph (6:29:00).
Cross City, Fla. to Texarkana—146.4 mph (4:46:00).
Marianana, Fla. to Texarkana—161.3 mph (3:35:00).
Mobile, Ala. to Texarkana—211.1 mph (1:48:00).
Talahassee, Fla. to Texarkana—158.8 mph (3:46:00).

Dr. Bookout explained that the very high speed achieved on the Mobile-Texarkana leg was due to his need to get home in time for a parade being held in his honor.

All these records were supervised and authenticated by officials of the National Aeronautic Association, since 1922 the sole U.S. representative of the FAI. They are being sent to FAI Headquarters in Paris for acceptance as world records.

The plaque reads as follows:

"The National Aeronautic Association reprsenting in the United States of America the Federation Aeronautique awards this certificate of Record to Dr. Danford Artie Bookout for Class C-1d, pistoned powered aircraft speed over a recognized course—Talahassee, Florida to Texarkana, Arkansas, Piper Lance, N8352C—Elapsed Time 3 hours 46 minutes 00 seconds on June 20, 1985, 158.84 mph, 255.64 KPH."●

THE TIME FOR THE WAR CHEST HAS COME

● Mr. HEINZ. Mr. President, over 4½ years ago I put forward a proposal that was seen at the time, by some, as being somewhat heretical. It was the idea that we should combat foreign subsidized export credits, which were edging out our exports due to very generous terms and rates, by matching those foreign credits with the use of a special export credit war chest. Several of my colleagues and I introduced the Competitive Export Financing Act, creating a $1 billion war chest to be administered by the Export-Import Bank.

The proposal was not ultimately adopted, but I believe that its consideration, which included the reporting of the bill to the full Senate by the Banking Committee, helped to achieve the important progress that has been made to bring certain official export credits within tighter limits if not eliminate them altogether.

Here we are today, 4½ years later, still without a war chest, and still with severe trade losses due to foreign government-subsidized trade credits. While predatory credit competition has all but ended in the more traditional forms of such credits, the predatory practices have shifted into an expanding use of the so-called mixed credits. Those involve the mixing of export credits with foreign aid money, resulting in absurdly low interest rates and very generous repayment terms. The foreign purchasers find it hard not to choose a French product over an American where the French product is favored by interest rates well below 10 percent and a repayment term of more than 25 years?

So I am heartened, in view of this continuing need for a war chest, to see that the administration has now taken up consideration of a war chest and is in fact reported to be preparing a proposal of its own. I applaud this. The problem is serious and needs to be addressed by strong, effective action. By matching the concessionary financing of our competitors we take the advantage away from relying on such financing and thereby create the conditions for negotiating an agreement for abandoning the practice.

The Wall Street Journal published today, on page 1, an excellent article describing the current situation in the ongoing credit war. I commend the article to my colleagues and ask that it be included in the RECORD.

The article follows:

FOREIGN NATIONS OFFER CHEAP EXPORT LOANS, RILE AMERICAN FIRMS

(By Michael R. Sesit)

In an undeclared trade war, tactical surprise can be just as effective as in any other battle. Late last May, General Electric Co. and the U.S. government were caught unaware by the Japanese.

The U.S. multinational, Fuji Electric Co. of Japan and other companies were in the final stages of assembling bids to build generators for the proposed Mae Moh power plant in Thailand. GE considered itself the leading candidate: Thai officials had called its equipment technically the best.

But on May 21, only 10 hours before the deadline for bids, Japan's export-finance agency said it was offering the Thais subsidized loans and an $8 million grant to help them pay for the project. Although Bangkok hasn't announced a decision, John J. Merry, the head of GE's international steam turbine generator department, expects the so-called mixed credit to win the $36 million contract for Fuji Electric. Moreover, GE has lost other contracts to foreign competitors offering mixed credits—official export-promotion loans combined with grants or other bargain-rate credits.

DANGEROUS FRICTION

Such skirmishing is intensifying a kind of undeclared trade war, a sophisticated battle fought with complex financing packages. The friction is increasing at a time when the U.S. and its major trading partners already are in danger of falling into a traditional trade war, which is typically fought with tariffs, import quotas and other protectionist weaponry—the sort of trade war waged world-wide in the 1930s.

"The entire world is turning into the O.K. Corral," says Jack Pierce, the treasurer of Boeing Co. "You've got barter, countertrade, private and multicurrency deals, government export credits—everything but the kitchen sink."

American executives contend that the U.S. is losing the trade-finance war because the Reagan administration isn't doing enough to promote U.S. exports through the Export-Import Bank. They also charge that foreign governments are breaking the spirit, if not the letter, of agreements designed to restrict subsidized export financing.

"American firms are losing major orders and workers are losing jobs as a direct consequence of foreign mixed-credit competition," says an internal study prepared by the U.S. Trade Representative's office. The report adds that mixed credits are hurting U.S. exports even in fields such as power generation, transportation and communications, in which U.S. companies have traditionally been strong.

ANOTHER HANDICAP

The surge in subsidized financing is particularly damaging U.S. multinationals because they are already hobbled by the strong dollar. "We're sort of getting doublewhammied" says Cordell W. Hull III, an executive vice president at Bechtel Power Corp., a unit of Bechtel Group Inc., a construction and engineering-services company based in San Francisco.

Six months ago, Bechtel lost to an Italian consortium a contract for a $150 million coal-gasification project in China. The Italians' government-subsidized financing was evidently more important than Bechtel's experience in building the only other two such plants in the world. Bechtel officials say. Similarly, Transamerica Delaval Inc. blames foreign mixed credits for its loss of a $35 million power-equipment contract in Indonesia, and Kellogg Rust Inc. in Houston says French bargain financing killed its chances of building a $160 million fertilizer plant in Thailand.

But a French official contends that "the problem of U.S. multinationals is that the value of the dollar is very, very high—not mixed credits." He says that France has used mixed credits for 20 years but that U.S. companies didn't start complaining about them until recently.

Skeptics also note the loudest complainers include many large, profitable companies already receiving, in effect, big subsidies through various tax breaks. For example, Boeing, a major advocate of increased export financing, didn't pay any income taxes from 1981 through 1984 despite more than $2 billion in profits during the period.

Until recently, soaring budget deficits and a commitment to free trade prompted the Reagan administration to propose cutting rather than increasing export subsidies. But congressional criticism about the trade deficit seems to be changing the administration's approach. Earlier this month, officials said they are planning to ask Congress for a $300 million war chest to combat export subsidies by foreign governments.

"We're seriously considering picking out a country, say, France, and saying we'll match their mixed credits in an aggressive, consistent, targeted way," says William H. Draper III, the Ex-Im Bank's chairman. "We're just fed up with their attitude."

Mixed credits were introduced by the French in the 1960s, ostensibly as a type of foreign aid to help developing countries pay for imports. Increasingly, however, countries are using mixed credits just to beat out foreign competitors and establish overseas markets.

At the same time, Third World countries, where almost all mixed credits are targeted, are building and buying much less than they used to. With fewer contracts up for bid, more mixed-credit offers are being made to win them. Reported offers by foreign countries jumped from 37 valued at $2.1 billion in 1980 to 305 valued at $6.5 billion in 1984, according to the Ex-Im Bank. In the first half of this year, 12 foreign countries offered $3.5 billion in mixed credits for 162 transactions. And bank officials say the numbers are probably understated. So far this year, the U.S. has only made three mixed-credit offers totaling $118 million.

The major industrial countries have agreed, mostly at U.S. urging, to curb the use of mixed credits. With the aim of preventing rivals from spreading their foreign-aid budgets over a lot of deals, the countries pledged not to offer mixed credits where the bargain aspect of the proposal is less than 25% of the sale price. They also agreed to promptly notify other governments of intended grants. However, Japan's 11th-hour announcement of its mixed credit on the Thai power plant is just one example of how the agreements can be bent, U.S. officials say.

Last April, for instance, a Japanese-led consortium won a Turkish contract to build a bridge over the Bosporus with a financial package that included more than $200 million in Japanese-government loans with a 5% interest rate. By calling the loans foreign aid rather than an export subsidy, Tokyo technically didn't violate the agreements, but some of the losing bidders weren't impressed by the distinction.

Other ways of fudging the rules, executives say, include quiet understandings that an export credit will be rescheduled at maturity and the concealment of subsidized financing in inflated payments for items such as leases for military bases in the host country. "There are a lot of parallel transactions that are obviously linked but never reported," says John R. Cooper, Bechtel's manager of financing services.

The U.S. also offers export credits, but it share of the action is shrinking. According to the Organization for Economic Cooperation and Development, the U.S. share of world exports supported by all types of official credits fell to 10% last year from 19% in 1980, while Japan's share rose to 24% from 17% and France's to 22% from 16%. Promoting exports, of course, is a much stronger tradition in Japan and Europe than in the U.S. Foreign officials push exports harder because they are more important to their economies.

A few years ago, says William D. Trammell, the treasurer of Fluor Corp., a personal visit to the Ivory Coast by then French President Valery Giscard d'Estaing helped persuade local officials to include a French company in a contract awarded by Fluor. By contrast, when the Irvine, Calif., engineering and construction company sought help from the U.S. ambassador, "the only way we could get to [him] was when he was on the golf course, a hole ahead of us," Mr. Trammell says.

Buyers also try to put pressure on the Ex-Im Bank. Theodore A. Chapman, the chief of the agency's business and international review section, recalls a visit by a Brazilian airline official trying to decide whether to buy jet engines from Rolls-Royce Ltd. or United Technologies Corp.'s Pratt & Whitney unit. The Brazilian boasted of how the British company had provided him with a chauffeur-driven Rolls on a recent visit to England. "We told him the best we could do was to take him back down to Vermont Avenue in an antique Otis elevator," Mr. Chapman says, referring to another United Technologies subsidiary.

INFLEXIBILITY CHARGED

Although some U.S. companies praise the Ex-Im Bank's financing efforts, many contend that the bank is too inflexible. "We get outmaneuvered every damn time. Sometimes we're fighting with not only one hand tied behind our backs, but both," says Bernhard E. Deichmann, the vice president for marketing at Transamerica Delaval.

Before considering a U.S. company's request for aid, for example, the Ex-Im Bank requires proof—which is hard to get—that a foreign competitor is offering a mixed credit. Many foreign companies, in contrast, get up-front backing for their bids. Britain goes even further, with a preemptive bid program that U.S. officials say is budgeted at about $350 million a year. Foreign buyers are approached even before they put contracts up for bid and are offered cut-rate financing totaling 25% of the value of the project.

The Ex-Im Bank sometimes requires that a foreign government guarantee an Ex-Im loan to a local concern. Because the comparable East German and British agencies didn't require such guarantees, Westinghouse Electric Corp. lost contracts to Siemens AG in Colombia and to a British competitor in Iraq, says Warren H. Hollinshead, Westinghouse's international treasurer. In addition, the U.S. agency finances only U.S.-made exports, while its foreign counterparts generally allow at least partial manufacture in another country.

Dismissing the criticism, James C. Cruse, an Ex-Im vice president, argues that the bank isn't designed to be an entitlement program for U.S. corporations. Other federal officials say quality, price and service are just as important as export finance in winning contracts. "I've seen deals go down where no amount of financing would have won it for an American company," says Lauralee M. Peters, a State Department official.

Ex-Im officials add that they have recently been stepping up their efforts to match foreign governments' offers. Last September, the U.S. won a mixed-credit battle when it helped Cincinnati Milacron Inc. beat a French competitor for a machine-tool contract in Indonesia. The bank also recently offered bargain financing to help Babcock & Wilcox Co. with a boiler-equipment bid in Thailand and Johnson & Johnson in a hospital-equipment contest in Brazil. The Thai contract still hasn't been awarded, but Johnson & Johnson and other U.S. companies won the $44 million Brazilian contract, the Ex-Im Bank said Tuesday.

In some cases, U.S. multinationals are competing by making bids through foreign subsidiaries or licensees, which often have access to subsidized export financing offered by local governments. Another approach is to offer to build part of the contracted equipment in the buyer's own country. But neither maneuver helps the U.S. balance of trade.

MANY LOSERS

"When Westinghouse shifts part of its nuclear construction to Spain, Westinghouse as a company does all right, but Pittsburgh loses out, and so do subcontractors and suppliers around there," notes Paul Freedenberg, the staff director of the Senate banking subcommittee on international finance.

Ultimately, the Reagan administration would like industrialized nations to agree not to use cut-rate financing of exports unless such financing makes up at least 50% of the contract value. Such a rule would probably restrict mixed credits to a few big contracts with developing countries most in need of aid, officials believe. However, few observers expect an agreement any time soon, and meanwhile the trade-finance war between the U.S. and foreign governments seems likely to keep heating up.

"We've got to hit them between the eyes before they do something, let them know that their use of mixed credits is up for grabs," says Michael P. Liikala, a special adviser to the Commerce Department. "We've got to match them and then some, go into their markets and in where it hurts."●

WAYNE WIDENER—POSTMASTER OF THE YEAR FOR THE SOUTHERN REGION

● Mr. PRYOR. Mr. President, earlier this year the Direct Marketing Association at its annual convention chose five U.S. postmasters for its Postmaster of the Year Award.

I am proud to represent the Postmaster of the Year for the Southern Region this year, Mr. Clovis Wayne Widener, from Blytheville, AK.

The Direct Marketing Association has been sponsoring the Postmaster of the Year contests for 23 years. One winner is chosen from each of the five U.S. Postal Service regions based on entries sent in by direct mrketers across the country. A board of judges selected the winners based on the nominees' quality of service to direct mailers and the nominees' involvement in community affairs.

Wayne Widener has been with the Postal Service since 1965. He has been the Postmaster at Blytheville since 1976. He was nominated for the award by Thomas Logan at Publishers Clearing House.

He belongs to the National Association of Postmasters and has served as the Arkansas chapter-State service representative for 7 years. He is presently serving his fourth term as the national chairman for NAPUS Services and is national vice president-elect for the three-State area of Arkansas, Louisiana, and Oklahoma. Mr. Widener is a current board member and secretary/treasurer to the Mississippi County Special Workshop for the Handicapped.

In a letter of recommendation, Mayor Thomas Little, Jr., of Blytheville stated:

I consider Wayne Widener an outstanding citizen, the type that each community would like to have more of, and one who is dedicated to his job.●

GOVERNMENT PRINTING OFFICE

● Mr. HATFIELD. Mr. President, in a year when both the administration and Congress are seeking ways to reduce the Federal deficit by lowering the cost of Government, it is a pleasant surprise to learn of a Government agency making considerable strides toward that goal: the Government Printing Office. Under the leadership of Ralph Kennickell, the Acting Public Printer of the United States, the agency has managed to eliminate the losses that had become characteristic of the Document Sales Program and to amass an $8.2 million profit, representing the surplus over the cost of producing Government documents. This amount was recently refunded by the GPO to Treasury Secretary James Baker, III.

The Documents Sales Program offers over 16,000 Government titles to the American public, primarily through mail order efforts and 24 bookstores in various parts of the country nationwide. During fiscal year 1984, more than 31.4 million documents were sold for $59.4 million. Congratulations once again Mr. Kennickell and employees of the GPO.●

NATIONAL NEEDLEWORK WEEK

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of Senate Joint Resolution 201, legislation to proclaim the week of September 22, 1985, as National Needlework Week. I am proud to speak on behalf of this fine American tradition.

Needlework has been a part of our culture since the founding of our country. During its long association with the American family, it has developed many different forms: needle point, embroidery, crewel, crochet, knitting, and petit point. Through these various forms of needlework, practitioners have made clothes, dolls, pillows, art works, and families have passed treasured pieces of needlework as family heirlooms from generation to generation.

Usually taught in the home, particularly by neighbors and other family members, needlework provides a background for the exchange of ideas, the building of friendships, and brings together individuals from different ethnic and religious heritages. This week helps perpetuate the community-oriented goals that create a better society.

Presently, we are seeing a revitalization of many heirlooms belonging to this age-old art form. It is our hope that Naitonal Needlework Week will maintain the momentum needed to continue the growing interest in this cultural and artistic endeavor.●

NATIONAL HISPANIC HERITAGE WEEK, 1985

● Mr. DOMENICI. Mr. President, the Congress, by joint resolution approved September 17, 1968 (Public Law 90-498), has authorized the President of the United States to issue an annual proclamation designating the week which includes September 15 and 16 as "National Hispanic Heritage Week." Such a proclamation has been issued each year since 1968. This year I am proud to announce to my New Mexico constituents and to my colleagues my decision to join the Congressional Hispanic Caucus. I believe that National Hispanic Heritage Week is the most appropriate time for me to formally link my long known support for Hispanic causes with the congressional forum designed to further these causes.

New Mexico is proudly unique among the 11 States with large numbers of Hispanic Americans. While our actual numbers are lower, the proportion and influence of Hispanics is greater in New Mexico than in other States. The 1980 census shows an Hispanic population of 447,000 in New Mexico; 4,544,000 in California, 441,000 in Arizona, 2,986,000 in Texas, 858,000 in Florida, 1,659,000 in New York, and 492,000 in New Jersey. Thus, our 3.3 percent of the 1980 total of 14.6 million Hispanics in the United States represents 37 percent of New Mexico's total population. It is this proportion, Mr. President, that reflects the true Hispanic influence in New Mexico. Beyond the numbers, this influence in felt throughout New Mexico where Hispanics are active in all aspects of industry, tourism, business, art, science, national defense, religion, and politics. I dare say that the blending of the anglo, Hispanic, and Indian cultures is more advanced in New Mexico than in any other State in the Union.

New Mexico is the only State to have elected Hispanics to the U.S. Senate. Senator Dennis Chavez served in this body for 27 years—1935-62—and is the only New Mexican in the National Statuary Hall in the U.S. Capitol. Senator Chavez was fourth ranking Senator at the time of his death and he was chairman of the Public Works Committee, a ranking member of the Finance Committee, and chairman of the Subcommittee on Defense Appropriations.

Senator Chavez was born in Los Chavez, Valencia County, NM. The Chavez family moved to the Barelas area of Albuquerque when Dennis Chavez was 7 years old. He quit school before the eighth grade to help support the family by working in a grocery store. In 1907 he took a job as a laborer with the city of Albuquerque and advanced to the position of assistant city engineer. After serving as an interpretor for Senator A. A. Jones' campaign, Dennis Chavez came to Washington, DC, to accept a patronage position from Senator Jones. He earned his law degree from Georgetown University at night while working during the day. After an unsuccessful run for the Senate in 1934, Dennis Chavez was appointed to the Senate to fill the vacancy created when Senator Bronson Cutting was killed in an airplane crash in 1935. Senator Chavez was reelected five times.

The second Hispanic American to be elected to the U.S. Senate from New Mexico was Senator Joseph M. Montoya. "Little Joe," as he was known to his friends, was elected to the New Mexico Legislature before he was old enough to vote. He became majority whip in the New Mexico Senate and then was elected to four terms in the U.S. House of Representatives prior to his two successful bids to the Senate in 1964 and 1970. While in the Senate, Senator Montoya was a member of the Senate Appropriations Committee, third-ranking member of the Public Works Committee, and a ranking member of the Joint Committee on Atomic Energy. Senator Montoya was the senior Senator from New Mexico when I was first elected to the Senate in 1972. In 1976, prior to his dealth in 1978, Senator Joseph M. Montoya was defeated by astronaut Harrison "Jack" Schmitt, who served one term.

Other key Hispanos who helped to shape New Mexico's colorful political history are: Miguel A. Otero, Jr., territorial Governor; Ezequiel C de Baca, Governor; Octaviano Larrazolo, Governor and U.S. Senator, 1929-30; and Benigno "B. C." Hernandez, Congressman. The role of Hispanics is widespread in today's political world as well. Congressmen MANUEL LUJAN and BILL RICHARDSON and Gov. Toney Anaya of New Mexico as well as many other State and local officials, too numerous to mention by name here, serve to show the vast influence of the Hispanic population in New Mexico. Overall, a full one-third of elected officials in New Mexico are Hispanics compared to 15 percent in Arizona, and about 6 percent each for California, Texas, and Colorado. New Mexico has bridged the political gap to Hispanic American in a manner that I believe is exemplary for the States with growing Hispanic populations.

As we look beyond our own borders to the future of relations with Latin America, we must, as a nation, cultivate one of our richest natural re-

sources—Hispanic Americans. As President Reagan says in his proclamation:

> The strong family and cultural ties which bind Hispanics in the United States with our nearest neighbors are an important element of strength, unity, and understanding in the Western Hemisphere. * * * We count on Americans of Hispanic heritage for special insight and leadership as we work together toward these goals.

I believe the world will look to the Western Hemisphere for leadership in building the future. As proud Americans, we have many opportunities to forge the proper political, economic, and cultural ties to neighbors in Mexico, Central America, and South America. I hope to be able to contribute to this exciting future in my new role as a member of the Congressional Hispanic Caucus.●

ORDERS FOR FRIDAY

RECESS UNTIL 10 A.M.

Mr. STAFFORD, Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Friday, September 20, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATORS EVANS AND PROXMIRE

Mr. STAFFORD. Mr. President, following the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator EVANS and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. STAFFORD. Mr. President, I further ask unanimous consent that following the special orders just identified there be a period for the transaction of routine morning business, not to extend beyond the hour of 11 a.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STAFFORD. Mr. President, following the conclusion of routine morning business, the Senate will resume consideration of S. 51, the Superfund bill.

It will be the intention of the majority leader to complete action on S. 51. Rollcall votes are expected throughout Friday's session.

Also, the Senate could turn to the consideration of Senate Joint Resolution 77, Compact of Free Association.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. STAFFORD. Mr. President, I move that the Senate now recess until 10 a.m. on Friday, September 20, 1985.

The motion was agreed to, and the Senate, at 6:34 p.m., recessed until Friday, September 20, 1985, at 10 a.m.

EXTENSIONS OF REMARKS

AN ACTON TIME CAPSULE

HON. CHESTER G. ATKINS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. ATKINS. Mr. Speaker, this weekend the town of Acton, MA, is celebrating its 250th anniversary. It is with great pride that I bring to the attention of my colleagues the story of this historic town.

In 1635, Concord was the first settlement of the Massachusetts Bay Colony to be established inland, away from tidal waters. Where the Assabet and Sudbury Rivers joined to form the Concord River, there were broad, fertile meadows ideally suited for a small farming community intending to live gracefully in Concord.

The northwestern part of the town was a little more hilly and came to be called the village. It was in the village that the first industries developed—a fulling mill and an ironworks that was the direct forerunner of the Saugus Ironworks. The original buildings of these industries are still standing. One, the Faulkner House, is listed in the National Register of Historic Buildings. The other, the Ironworks Farm, is soon to be included in that list. With a good economic base of farming and industry evident here, the Massachusetts General Court decreed that "* * * said farms be and hereby are set off, constituted and erected into a separate township by the name of Acton" on July 3, 1735, thus separating Acton from Concord.

Acton is a town of firsts in the history of the United States. Crown Resistance Day commemorates one of the first decisions made by town meeting vote in 1774 to resist paying the Crown taxes during the political turmoil before the Revolutionary War. As noted in this meeting, "Life and Death—Freedom or Slavery is before us."

Captain Isaac Davis, commander of the Acton Minute Men, was the first man to fall in action at the Battle of the North Bridge, the beginning of the Revolutionary War. It was Davis who stated: "I haven't a man who is afraid to go." With him died that day Abner Hosmer and Joseph Hayward. As Ralph Waldo Emerson immortalized their deed decades later.

Here once the embattled farmers stood,
And fired the shot heard round the world.

All three heroes of the opening day of the Revolutionary War are buried opposite town hall in Acton Center at the foot of the obelisk resting on a pedestal whose sides rise in Romanesque arches made of "native granite," as decreed by the Massachusetts Legislature.

Another first credited to Acton is that the Davis Blues were the first Northern troops in the Civil War to march through Baltimore, heading South.

With the routing of the Fitchburg Railroad through Acton in 1844, there began a period of industrial growth. The first department store, the Jordan Marsh of its day, was located in Exchange Hall, right on the railroad. But for nearly 100 years, from the Civil War to World War II, Acton remained a small agricultural town of apple orchards and market gardens supplying Metropolitan Boston. The unchanging scene of Acton is illustrated by Acton Center being listed in the National Registry as an example of a typical 19th century village and common, with the original building intact.

After World War II, people began to move out to the country, from Boston on to towns like Acton. From the 1950's to the present, Acton has experienced a period of tremendous growth with many new businesses being established and many new schools built to serve the rapid population growth.

Today Action is a growing community of traditional values, a reflection of a picture book New England town, proud of its past and looking forward to the future.

CONGRESSMAN PAYS TRIBUTE TO POSTAL SERVICE

HON. FRANK HORTON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HORTON. Mr. Speaker, last week it was my privilege to attend the National Association of Postmasters of the United States convention in Las Vegas, NV. This organization represents more than 25,000 postmasters from across the country. NAPUS President, Thomas P. Costin, is an effective, capable and compassionate leader, a man whom I have worked with closely over the years on a number of issues affecting Federal and postal employees, as well as on the operation of the Postal Service in general. Tom's speech at this convention was aimed at postmasters, although its theme was universal to all public servants. I think it is something that we in this House can benefit from, and that is why I am asking that it be inserted in the CONGRESSIONAL RECORD.

As we consider legislation affecting postal and Federal employees, let us not forget the important role these few million Americans play in our daily lives. They bring us our mail; they defend our Nation; they enforce our laws; they conduct medical research; they administer programs for the sick and the elderly, and on and on.

And they perform these tasks exceedingly well. They should not be criticized: they should be congratulated. My hat goes off to postmasters, to all postal employees and to the Federal civil servant. Congratulations on a job well done.

Following is the text of Mr. Costin's speech:

This is an auspicious occasion for it is one of the few times that the Members of these two very important constituencies, Members of Congress and Members of the Board of Governors, both of whom directly affect our Postal Service, can sit facing those individuals who have the task of managing the Postal Service on a day to day basis. The people before you are the ones who interface directly with postal customers. There is no other layer of management between them and the American people. We are the ones who raise the American flag, who early in the morning accept the mail for delivery, who open the sacks, who sort the mail, answer the phone, write the letters, sell the stamps, collect the revenues and fill out the avalanche of reports. In other words we are the ones who, from hamlet to hamlet, from village to village, and city to city, run the Postal Service for the American people. We are called Postmasters. For 346 years, since 1639, when the General Court of Massachusetts by law authorized Richard Fairbanks to accept letters to be sent by way of sea captains to England and to receive letters in return, we have been performing our task and performing it well.

Perhaps the postal climate was best described for us by Charles Dickens in the first paragraph of his classic "A Tale of Two Cities" when he said "It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of disbelief, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us." End of quote.

I can truthfully say to all present that this may not be the best of times but it is certainly not the worst of times for the United States Postal Service. Let us examine some postal periods to see how Dickens would have described them.

Dickens would have said that the late 1960's were the worst of times for the United States Postal Service. It was then that the Service ground to a halt in Chicago, and the mail could not be moved through the city; it was then that Postal Unions threatened to strike, and in some cities did; when the Congress of the United States did not authorize enough funds for the Postal Service to operate the entire fiscal year, and we as postmasters had to sit and wait for a continuing resolution to be passed by the Congress of the United States to supply the funds to open our Post Office doors to give service. And even though postmasters were not responsible for any of the problems, we had the responsibility of seeing to it that the mail service was still provided to the American people. Looking at

the situation as it existed, our future was not bright. Dickens would have said "We had nothing before us."

It was for these reasons that I as the National President in 1969 recommended to this organization that we support postal reorganization, which we in turn did support. Dickens would have seen the first years of postal reorganization 1971 through 1975 as "the season of light" for the Postal Service, for it was then we started to revamp postal management. It was then we started to modernize our facilities. It was then we started to mechanize and automate. It was "the epoch of belief" because postmasters were truly consulted by postal management.

But the "winter of despair" set in in 1975, when the Postal Service found itself in another crisis. It was "the epoch of disbelief" according to Dickens, because there was an accumulative deficit of $1.6 billion; and because of the weight of this fiscal problem, the Postal Service tried to compensate by reducing service. 600 small post offices were slated to be closed; door and curbline delivery were abandoned for new residential addresses; in some regions there was a freeze on new hires. Local mail was mixed with area mail, slowing it down. Collections from corner mail deposit boxes were restricted.

The reasons given for the economic postal ills of 1975 and 1976 were four.

(1) The high rate of inflation of those years.

(2) Cost of living increase of postal workers.

(3) The increased cost of gasoline prices to the Service because of OPEC actions.

(4) In 1975 mail volume declined for the first time since the depression of 1930.

Again in each one of these instances the postmasters had no control. We had no control over inflation. We had no control over cost of living increases. We had no control over the increased cost of gasoline prices. We had no control over the declining volume of mail. Yet postmasters were still held responsible for delivering the mail on a day to day basis. In spite of these difficulties postmasters working in concert with our postal superiors and the Congress, overcame these problems.

Now once again we are passing through a "season of darkness" for the Postal Service. Postal deficits are high in a period just following a rate increase, a period when service has deteriorated from what it had been. Reasons for the conditions: An arbitrated pay agreement for the craft employees that totalled $4 billion over three years; a negotiated item granting penalty overtime to craft employees that has cost us $23 million in the first five accounting periods; CAB sunset on airlines carrying our mail that has or will cost us an additional $137 million over the last fiscal year; and returning second class mail from bulk centers to post offices for processing with an increased cost not yet announced. Once again the postmasters of this land had no control over these weighty and costly items, but yet we are the ones looked to to put the pieces together.

This time as before, methods put forth by some of our superiors to rectify the situation have brought forth what Dickens referred to as "the age of foolishness."

Hardly a day goes by that I don't receive a call or letters of anguish from postmasters who were told to reduce hours or they'll be fired or downgraded or replaced. Our superiors are not listening to explanations such as population growth, inexperience of new employees, volume increases and the like. Postmasters are working long hours, taking annual leave to reduce work hours, doing anything and everything to hold the operation together. Most postmasters who are meeting their plan for the year are in trouble for not meeting their "revised goals", which they all have been assigned. In a great many instances the goals are unattainable. The postmasters are being subjected to severe stress because of what is going on.

On Monday afternoon, August 19th, your National Secretary/Treasurer Bob Graves, your Executive Director Frank Miklozek and I, met with Postmaster General Paul Carlin and Senior Assistant Postmaster General Mike Coughlin about the present deficit and the attending postmaster problems brought on by this new crisis.

In our open dialogue with the Postmaster General we reiterated that we are management organization dedicated to working with the Board of Governors and the Postmaster General to solve our present postal problems as we have done so many times in the past.

In the course of the 2½ hour meeting, I shared with Paul Carlin the fact that postmasters are experiencing great difficulties during this fiscal crisis. I gave him examples of the threats being made to postmasters who are having problems trying to meet their revised budgets, and I strongly suggested that because of some of the methods used to get the short term fiscal gains, management efficiency and services could erode over the long course.

I reminded him that his desire to fully implement his quality of worklife program for all employees is going to be hard to implement because postmasters themselves are not being treated by some of their superiors the way their superiors themselves would want to be treated. He became concerned that this was taking place and asked for some specific examples. Specifics were provided. I hope that we will see a reversal of this trend on the part of our superiors in the very near future.

One of the main planks in Paul Carlin's program to build a superior Postal Service is the need for all of us to work and live by the golden rule that says: "Do unto others as you would have others do unto you."

What must be done to get people thinking and working toward this utopian goal?

We must get together. We must make headquarters, regional and district officials realize that management is not domination over people but rather organizing them for effective action in a calm, methodical and participative manner which alleviates crisis. Headquarters, the five regions and the forty-two districts must realize there are three fundamental elements that are essential to the successful management of this business.

First, one set of clear-cut statements of objectives and policies. Not five separate regional or forty-two separate district policies. Second, policies must be kept in force long enough to be tested and evaluated before being changed, and most important of all good communication, made up of constant and habitual listening as well as telling. You only learn when you listen.

If postal people keep their eyes and ears open the next four days they will hear some very constructive and positive recommendations to improve the Postal Service. For if our superiors had been listening over the years they would have heard the following recommendations made by their field managers:

(1) Revamp top postal management—at headquarters we need a lean corporate staff.

(2) Evaluate regional, district and sectional center levels of management to obtain maximum management efficiency.

(3) Put out our entire real estate operation to experts in the real estate field.

(4) Eliminate task forces and put everybody doing what they should be doing, that is, processing and delivering the mail. In other words "stick to our knitting". There are too many people counting the mail instead of working the mail.

(5) Find a better employee selection process. Area registers are not working—they are adding to our problems.

(6) Postmasters need additional flexibility in order to continue their management contributions toward a more efficient Postal Service. Work rules require changes. Therefore postmasters should recommend work rule changes and modifications so that we will be fully prepared for the next craft negotiations where this must be accomplished.

(7) The Board of Governors needs a very small technical staff of people to research postal problems and give objective and unbiased information to develop viable options for Board decisions. The small staff could also ensure that policy is carried out by postal management.

(8) Sell the corporate jet.

(9) The Postal Service for efficiency and economic reasons should advise NAPUS and the League of Postmasters that they must merge.

(10) Please listen more to what your postmasters are telling you. Develop a quality of worklife involvement process for postmasters. If you do so, there will be fewer mistakes and more efficiency.

Crisis can be a combination of danger and opportunity. At some future date this crisis epoch of postal history will be looked upon as Dickens wrote "It was the Spring of Hope." Working hand in hand with the Postmaster General, with the Members of Congress, with the Board of Governors, postal officials at all levels must work to a common postal goal. That goal was mandated by the Constitution to guarantee to the American people a universal postal service—a service that they can afford. In our past history, regardless of how deep the crisis, how black the clouds, the Congress of the United States has never let anything or anyone drastically alter the universal character of the American Postal Service, and we must continue to maintain this through retention of the private express statutes.

I know that I speak for postmasters when I say that we will continue to strive to that same goal by all the means we can, in all the ways we can, in all the places we can, at all the times we can, as long as ever we can, to maintain this universal postal service.

By working together the future will belong to us, and we will make it, in the words of Dickens "The best of times."

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. RAY. Mr. Speaker, I am pleased to have this opportunity to celebrate "National Historically Black Colleges Week", September 23–28. This is a week of reflection, recognition, and remembrance for the sin-

gularly distinct contribution made to mankind by historically black colleges. Stymied by racist attitudes and lack of funding, these institutions have overcome these obstacles and have produced Americans we can all be proud of.

It is only proper and fitting that such commemoration include Fort Valley State College, Georgia's only land-grant college with a predominantly black enrollment. I am proud that Fort Valley State College, an outstanding institution of higher learning, is in the Third Congressional District; and prouder still, that a graduate of this college is a member of my district staff.

With a traditionally black enrollment, Fort Valley State College is small in size and population, with a "down home" air, but always maintaining a heads up attitude. Fort Valley State College is a prime example of progressiveness in a rural, small-town environment: It has chosen to excell, not by ignoring or minimizing its surroundings, but by using them as the basis of a launching pad to success. Fort Valley State College has a history of outstanding achievement in agriculture and agricultural research; for many, many years, its ham and egg breakfast was the agricultural community's event of the year.

From its humble beginning 95 years ago, in a small two-story wooden building, Fort Valley State College has become, in the immortal words of Benjamin Disraeli, "a place of light, of liberty, and of learning." Throughout its history, Fort Valley State College has successfully developed and matured the intellectual powers of young men and women. Today, its graduates serve with distinction in every professional area all across this great Nation.

Fort Valley State College has been guided by an illustrious group of administrators, from its inception to the present: Henry Alexander Hunt, who served on Franklin Roosevelt's "Black Cabinet"; the reknown educator, Horace Mann Bond; Cornelius V. Troup, who led the college through a period of tremendous growth and development in enrollment, funding, faculty research, and campus facilities; Waldo W.E. Blanchet, who calmly steered the college through the rocky shoals of the strife-ridden sixties and the unsettled seventies successfully; Cleveland W. Pettigrew, who was a graduate of Fort Valley State College; and Luther Burse, who is presently at the helm. Dr. Burse has accepted the challenge of the future with great confidence and is already preparing Fort Valley State College to progress to higher levels of achievement.

As America boldly marches into the 21st century, Fort Valley State College endeavors to make an even greater contribution to a more enlightened society. The newly constructed Farm and Community Life Center will facilitate invitational conferences and college and community based cultural and educational programs.

Nevertheless, even greater deeds are expected of the college's division of agriculture and allied programs, to provide our food and protect our natural resources. Additional graduate programs in home economics and agriculture are projected for imminent implementation.

Looking ahead to the future, socially relevant degree programs are being developed in engineering, commercial art, allied health, and fashion merchandising. Fort Valley State College will expect its graduates to capably participate in the age of information and technology, especially those trained in computer science and mass communications.

Colleges "can only serve us, when they aim not to drill, but to create; when they gather from far every ray of various genius to their hospitable halls, and, by the concentrated fires, set the hearts of their youth on flame." Ralph Waldo Emerson could well have been speaking of Fort Valley State College. The flame burns brightly at Fort Valley State College, undimmed and unhidden. As more and more graduates of this institution move into other communities, into higher levels of management and administration, into their proper roles in the mainstream of American society, the torch will move with them, further enhancing Fort Valley State College's reputation.

Mr. Speaker, I am very proud of Fort Valley State College and during National Historically Black Colleges Week, I urge my colleagues to join me in saluting this institution, with its persistent dedication to excellence and its success in making an indelible imprint on the lives of those who are eager to learn and make a significant contribution to our country.

THE SANDINISTA REVOLUTION: ANTI-SEMITISM, TERRORISM, EXPANSIONISM

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. WEBER. Mr. Speaker, I would like to take this opportunity to share with you some vital information about the anti-Semitic, pro-PLO nature of the Sandinistan regime in Nicaragua that was brought to my attention by the National Jewish Coalition. The following is an outline of facts which reveal the truely brutal and violent nature of the Sandinistas toward their exiled Jewish community. At the same time, the unity between the Sandinistas and the PLO can not be overlooked in this time of anti-American terrorists tactics. I think you will find these facts insightful and informative.

ANTI-SEMITISM IN NICARAGUA

Prior to the Sandinista Revolution in 1979, the Nicaraguan Jewish community, numbering about 70 familes, had lived peacefully in Nicaragua for nearly a century. The left-wing Sandinista government forced this small Jewish community into exile with its systematic anti-Semitic activities.

One Friday evening in 1978, Managua's synagogue was fire-bombed and set aflame by Sandinista gunmen.

Managua's synagogue was confiscated by the Sandinista government and adorned with pro-PLO and anti-Zionist propaganda posters.

In July 1982, *Nuevo Diario*, a Managua newspaper which closely adheres to the government line, published an article speaking of "synagogues of satan."

The same article denounced Jews "who . . . used the myth of God's chosen people to massacre the Palestinian people without mercy."

Two days later, *Nuevo Diario* charged that "the world's money, banking, and finance are in the hands of descendants of Jew . . ."

SANDINISTA TIES TO THE PLO

"There is a longstanding blood unity between us [the Sandinistas] and the Palestinians. Many of the units belonging to the Sandinista movements were at Palestinian Revolutionary bases in Jordan. In the early 1970's, Nicaraguan and Palestinian blood was spilled together in Amman and in other places during the 'Black September' battles."—Sandinista Press Spokesman Jorge Mandi quoted in *al-Watan* (Kuwait), August 7, 1979.

The PLO is allowed to maintain an "embassy" in Managua with the ranking representative holding the title of "ambassador" and accorded full diplomatic privileges.

The only other country in the western hemisphere to allow the PLO to maintain a fully-accredited "embassy" is Cuba.

PLO terrorists travel with Nicaraguan passports by special arrangement with the Sandinista government.

In July 1980, Yasser Arafat made a four day "state visit" to Nicaragua. Arafat praised "the strategic and military ties between the Sandinista and Palestinian revolutions . . ."

In that same visit, Arafat promised: "Anyone who threatens Nicaragua will have to face Palestinian combatants."

Commandante Tomas Borge, Nicaraguan Minister of the Interior: "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas."

THE REGIONAL THREAT

Once in power the Sandinista junta quickly began developing a military establishment unmatched in Central America. This expansion has been made possible only with massive assistance from Cuba and the Soviet Union.

Sandinista Commandante Tomas Borge stated that Nicaragua plans a "revolution without borders" in which Costa Rica is considered the "dessert."

In six years the Sandinista armed forces have grown from less than 10,000 men to a force that now exceeds 119,000.

On May 31, 1985, two members of the Costa Rican Civil Guard were killed and nine were injured during an incursion by Nicaraguan armed forces into Costa Rica.

A Sandinista-trained terrorist organization was broken up by Costa Rican authorities in April 1985. Its plans included the kidnappings of various Costa Rican business leaders, including several Jews.

MEMORIAL HONORS FALLEN VETERANS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. GAYDOS. Mr. Speaker, on September 7, 1985, a war memorial was dedicated to honor the memory of veterans from Swissvale, PA, who died in defense of our Nation during World War II, Korea, and Vietnam.

The unveiling of the monument, inscribed with the names of those who fell in those conflicts, climaxed a 5-year effort on the part of many individuals and groups to erect a permanent reminder of the price this community of 11,500 people paid to preserve America, its ideals and principles.

It would require far too much space to list all who contributed to the memorial or who participated in the dedication ceremony. But, I would be remiss if I did not mention the individual who conceived the project, worked unstintingly to bring it to completion and who was singled out by the community for a special award—Mr. William Davies, himself a Korean veteran.

Mr. Speaker, I ask the names of the fallen heroes from Swissvale be published in the RECORD for they deserve to be remembered—by their community, their country, and the Congress of the United States.

HONORED ONCE AS FALLEN WARRIORS, DEEP IN OUR MEMORIES, NEVER TO BE FORGOTTEN

WORLD WAR II

Alesse, John E., Ayres., Gordon W., Balogh, Godfrey S., Bentz, Joseph J., Blednick, Leonard W., Boyer, Henry, Brown, Jack W., and Brown, Robert.

Callender, Jack, Catanzano, John F., Christie, Matthew J., Cobner, Robert J., Cohen, Charles G., Conley, Raymond H., Cooke, John F., Creevy, Edward J., Davis, Charles W., Davis, Evan, DeCesare, Thomas, Dolezal, Eugene, and Dumbar, Eugene F.

Evans, William H., Eyler, Clarence R., Feehrer, Maurice, Fetzer, Charles A.L., Finegan, John P., Fioretto, Thomas S., Floss, George W., M.D., Fugitt, Howard F., Garo, William H., Gaydos, Edmund J., Gerich, George E., Grana, Mario M., and Glunt, John R.

Huggins, James T., Hooper, John, Hosper, Stephen, Isenberg, Robert T., Isles, Harry T., Isles, Peter J., Jeremias, Albert M., Johnson, Charles W., Jones, Thomas L., and Joyce, Richard J.

Kann, William G., Kaplan, Donald E., Kapral, Andrew, Kitchen, Keith D., Klein, Maurice, Lane, Andrew L., Levens, Edward J., Levens, Kenneth, Lehman, Michael E., Liles, James S., Locke, Byron K., Loesel, William G., Logan, Charles L., Loughead, Thomas, Lowery, Ellis E., and Lyach, John A.

Marino, Joseph A., Marino, Leonard A., Masilon, John F., Mayer, Raymond D., Meese, Richard C., Morrow, Thomas J., Murphy, Edward R., Murray, George M., McBride, John P., McStea, Alexander, Netwon, Jack S., Nonemaker, John B., and Nord, John R.

Osaja, George S., Pershke, Kenneth H., Petty, Robert T., Pulsinelli, Joseph F., Ridley, Richard C., Russell, William, Seger, Eugene W., Seese, Robert L., Sharlock, Robert O., Shipman, Donovan T., Simone, Frank J., and Swaney, John F.

Tamilitis, Norman, Tilley, William H., Toomey, William, Vinciquerra, Silvio R., Wilson, John M., and Wissinger, Roy V.

KOREA

Connelly, Charles K., Early, Lawrence, McDonough, Jerry, and Rudge, Frederick A.

VIETNAM

Abraham, James, Greeley, Dennis A., and Horvatii, William F.

ELECTRONIC COMMUNICATION PRIVACY ACT OF 1985

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. KASTENMEIER. Mr. Speaker, when Congress passed the wiretap law[1] in 1968, there was a clear consensus that telephone calls should be private. Earlier Congresses had reached that same consensus regarding mail and telegrams.

But in the almost 20 years since Congress last addressed the issue of privacy of communications in a comprehensive fashion, the technologies of communication and interception have changed dramatically.

Today we have large-scale electronic mail operations, cellular and cordless telephones, paging devices, miniaturized transmitters for radio surveillance, light-weight compact television cameras for video surveillance, and a dazzling array of digitized information networks which were little more than concepts two decades ago.

These new modes of communication have outstripped the legal protection provided under statutory definitions bound by old technologies. The unfortunate result is that the same technologies that hold such promise for the future also enhance the risk that our communications will be intercepted by either private parties or the Government.[2] Virtually every day the press reports on the unauthorized interception of electronic communications ranging from electronic mail and cellular telephones to data transmissions between computers. The communications industry is sufficiently concerned about this issue to have begun the process of seeking protective legislation. This bill is, in large part, a response to these legitimate business concerns.

Congress needs to act to ensure that the new technological equivalents of telephone calls, telegrams and mail are afforded the same protection provided to conventional communications. The situation we face today was clearly foreseen by Justice Brandeis in 1928 when he said:

Time works changes, brings into existence new conditions and purposes. Therefore a principle to be vital must be capable of wider application than the mischief which gave it birth. . .

The progress of science in furnishing the government with means of espionage is not likely to stop with wiretapping. Ways may some day be developed by which the government, without removing papers from secret drawers, can reproduce them in court, and by which it will be enabled to expose to a jury the most intimate occurrences of the home.

The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of this intellect . . . They conferred as against the government the right to be let alone—the most comprehensive of rights and the right most valued by civilized men.[3]

WHAT IS AT STAKE

Without legislation addressing the problems of electronic communications privacy, emerging industries may be stifled. For example, recent court decisions concerning cellular and cordless telephones leave a serious question whether calls made over those systems are truly private. Similarly the current law with respect to the interception of digitized information over a common carrier telephone line is unclear. This type of uncertainty may unnecessarily discourage potential customers from using such systems. More importantly this ambiguity may encourage unauthorized users to obtain access to communications to which they are not party.

In addition to the commercial dislocations which may occur if we do not act to protect the privacy of our citizens, we may see the gradual erosion of a precious right. Already the very same communication between two persons is subject to widely disparate legal treatment depending on whether the message was carried by regular mail, electronic mail, an analog phone line, a cellular phone or some other form of electronic communication system. This technology-dependent legal approach does not adequately protect personal communications; rather, it imperfectly affords legal protection to communications carried by some industries. Nor does this crazy quilt of laws reflect the centrality of American's privacy concerns. As recent polls clearly show, Americans care about privacy interests.[4] As one commentator put it:

Privacy is not just one possible means among others to insure some other value, but . . . it is necessarily related to ends and relations of the most fundamental sort: respect, love, friendship and trust. Privacy is not merely a good technique for furthering

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[1] Title III of the Omnibus Crime Control and Safe Streets Act of 1968.

[2] According to a soon to be released study of this question by the Office of Technology Assessment, Federal agencies are planning to use or already use closed circuit TV surveillance (29 agencies), radio scanners (20 agencies), cellular telephone interception (6 agencies), tracking devices (15 agencies), pen registers (14 agencies), and electronic mail interceptions (6 agencies). This increased use of a variety of electronic surveillance devices alone is not cause for alarm. There are instances when a particular electronic surveillance technique is necessary to complete a criminal investigation, as my bill recognizes.

[3] *Olmstead* v. *United States*, 277 U.S. 438, 474 (1928) (Brandeis, J. dissenting).

[4] According to a 1984 poll, 77 percent of Americans are concerned about technology's threats to their personal privacy. Louis Harris & Associates, "The Road after 1984," Southern New England Telephone (1984).

these fundamental relations; rather without privacy they are simply inconceivable.[5]

WHAT CAN BE DONE

Today I am introducing, with the ranking minority member of my subcommittee, CARLOS J. MOORHEAD of California, the Electronic Communication Privacy Act of 1985. This bill is the byproduct of more than 2 years of effort by the Subcommittee on Courts, Civil Liberties and the Administration of Justice, which I Chair. The bill also has been developed after careful consultation with the affected industries, civil liberties groups, and the Development of Justice. At this point none of these groups has endorsed the bill, but each of these constituencies has confirmed the need for legislation in this area. It is my hope that in the weeks and months ahead the affected parties will work with the subcommittee in the spirit of cooperation and compromise to forge a bill which meets this urgent problem.

SUMMARY OF THE BILL

There are seven major features of the bill:

First, the bill extends the protection against interception from voice transmissions to virtually all electronic communications. Thus, legal protection will be extended to the digitized portion of telephone calls, the transmission of data over telephone lines, the transmission of video images by microwave, or any other conceivable mix of medium and message. The bill also provides several clear exceptions to the bar on interception so as to leave unaffected communication system designed so that such communication is readily available to the public; for example, walkie talkies, police or fire communications systems, ship-to-shore radio, ham radio operators or CB operators are not affected by the bill.

Second, the bill eliminates the distinction between common carriers and private carriers, because they each perform so many of the same functions. The size of many of the private carriers makes them appropriate for inclusion within the protection of Federal laws.

Third, the bill creates criminal and civil penalties for persons who—without judicial authorization—obtain access to an electronic communication system and obtain or alter information. This provision parallels that dealing with interception (see first paragraph above). It would be inconsistent to prohibit the interception of digitized information while in transit and leave unprotected the accessing of such information while it is being stored. This part of the bill assures consistency in this regard.

Fourth, the bill protects against the unauthorized disclosure of third-party records being held by an electronic communication system. Without such protection the carriers of such messages would be free to disclose records of private communications to the Government without a court order. Thus, the bill provides that a governmental entity must obtain a court order under appropriate standards before it is permitted to obtain access to these records. This requirement, while protecting the Government's legitimate law enforcement needs, will serve to minimize intrusiveness for both system users and service providers. This provision also assures that users of a system will have the right to contest allegedly unlawful Government actions. The approach taken in the bill is similar to the congressional reaction to the Supreme Court decision in *United States* v. *Miller*, 425 U.S. 435 (1976), when we enacted the Right to Financial Privacy Act of 1978, 12 U.S.C. 3401 et seq.

Fifth, the interests of law enforcement are enhanced by updating the provisions of Federal law relating to wiretapping and bugging. Under current law an Assistant Attorney General must personally approve each interception application. The bill permits an Acting Assistant Attorney General to approve such applications. The bill also expands the list of crimes for which a tap or bug order may be obtained to include the crimes of escape, chop shop operation, murder for hire, and violent crimes in aid of racketeering.

Sixth, the basic provisions of the Federal wiretapping law are updated to: First, require that the application for a court-ordered tap or bug disclose to the court the investigative objective to be achieved; second, the application must indicate the viability of alternative investigative techniques; third, authorizes the placement of certain mobile interception devices; fourth, authorizes physical entry into the premises to install the bug or tap consistent with *Dalia* v. *United States*, 441 U.S. 238 (1979); and Fifth, rationalizes the Government's reporting obligations after a tap or bug has been obtained.

Seventh, the bill regulates the Government use of pen registers and tracking devices. Pen registers are devices used for recording which phone numbers have been dialed from a particular phone. Tracking devices are devices which permit the tracking of the movement of a person or object in circumstances where there exists reasonable expectation of privacy. Tracking devices, therefore, include "beepers" and other nonphone surveillance devices.

The bill requires the Government to obtain a court order based upon "reasonable cause" before it can use a "pen register." This standard resembles current administrative practice. *Compare United States* v. *New York Telephone Co.*, 434 U.S. 159 (1977)—a title III order is not required for pen registers—*Smith* v. *Maryland*, 442 U.S. 735 (1979)—pen registers not regulated by the fourth amendment. The bill requires that the Government show probable cause to obtain a court order for a tracking device. This showing is consistent with the current law. *United States* v. *Karo*, 104 S. Ct. 3296 (1984).

[5] Fried, "Privacy," 77 Yale, L. J. 475, 477 (1968).

SS "CITY OF FLINT:" A HISTORY

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mrs. BYRON. Mr. Speaker, on October 9, 1939, not long after the war in Europe began, the SS *City of Flint*, an American merchant ship, was seized by the German warship, *Duetchland*, for carrying war contraband. Mr. Raymond F. Trumpe, a resident of Westminster, MD, was serving on the *City of Flint* at that time and spent 114 days as a captive. Recently, Mr. Trumpe donated a diary of the incident to the Smithsonian Institution for the benefit of us all.

The reason for recognizing and recording accounts such as these is self-evident. It is through gifts such as these that we are able to preserve our history and our heritage, to the lasting benefit of our children and future Americans.

I would like, therefore, to insert in the RECORD the information which Mr. Trumpe so generously sent to me about the life of the SS *City of Flint*. The words that follow are an account of the incident as recorded by the second officer of the ship. I would like, finally, to express my deep appreciation to Mr. Trumpe for bringing this event to our attention, and for his donation of these materials to the Smithsonian Institution—he is an example for us all.

Voyage 60-155, U.S. Lines II, Voyage II, Warren H. Rhoads, Chief Officer.

Sailed Norfolk, Va., Sept. 25, 1939.

Arrived New York, N.Y., Sept. 27, 1939.

Sailed New York, N.Y., Oct. 3, 1939.

Oct. 9, 1939 at 3:30 p.m. sighted German Pocket Battleship "Duetchland" in Lat. N. Long. W and was ordered to stop. 4:30 p.m. German officers boarded and examined cargo manifest and notified us we had war contraband aboard and will take us to Germany. 6:00 p.m. proceeded northward with German prize crew consisting of 3 officers, 1 Petty officer and 14 enlisted men as guards equipped with hand grenades and bayonetts. They also transferred 38 men to this ship from British ship "Stonegate" which they had sunk on Oct. 5-Oct. 15. We passed through numerous icebergs and glaciers, some were in the straits of Denmark. They now had painted out American Flags and names on ships sides. Also life-boats and then named the vessel "Alf". During all this time we were running without a single light at night. Oct. 20, 1939 at 6:30 p.m. we anchored at Tronso, Norway flying the German "Man of War" flag. After we had taken aboard fresh water we were ordered out by Norwegian Navy, after landing crew of "S.S. Stonegate" we heaved up anchor and sailed at 4:30 p.m. followed by naval vessel to see that we left Norwegian water. After putting out to sea we headed northward, destination unknown. Oct. 23 at 3:30 p.m. we anchored in Murmansk, Russia still flying the "Man of War" flag. Oct. 24 at 5:30 p.m. Russian officers came aboard and disarmed German crew and took them ashore telling us we were free and could sail as soon as our papers were returned. Oct. 25 hoisted signals asking permission for master to go ashore. Russian man anchored a stern of us answered our signals and refused to grant permission. Oct. 26—waiting for

orders we were now flying U.S. Ensignia. Oct. 27 4:00 a.m. Russians returned vessel back to German Prize Crew again, this time they hoisted German Merchant Flag. Oct. 28, 6:00 p.m. we heaved up anchor and left Murmansk. Oct. 29, 4:30 p.m. entered Norweigan Fjords somewhere near North Cape and took aboard 2 pilots. Oct. 30—noon. We anchored at Tromso, Norway. Oct. 30—4:00 p.m. heaved up anchor and proceeded southward through Fjords. Oct. 31, Nov. 1 and Nov. 2 proceeding southward through Fjords followed by Patrol Boat to make sure we did not violate their territorial water rights. Nov. 3—11:00 a.m. stopped ship. Doctor from Cruiser Alof Trygzvasion came aboard to examine and dress bruised ankle of Wixer Sellars. 11:30 a.m. doctor left and we proceeded southward again. Nov. 3 after receiving warning of some kind by an unknown German steamer the Prize Crew captain headed back north again. 5:30 p.m. we anchored at Haugesund, Norway reason unknown. We were near the end of Fjords at the time this German ship gave warning and it was believed that an English Warship was waiting for us to come out in the open sea. 11:00 p.m. Cruiser Alof Trygzvasion anchored along side of us and put an armed force of her men aboard and ordered German Prize Crew to disarm as they had lost all rights in Norway by stopping at this port. 11:45 Prize Crew taken off this vessel and put aboard Navy cruiser. We now hoisted the U.S. Ensigna again. Nov. 4, 1:00 a.m.—Received orders from cruiser to proceed to Bergen, Norway. 2:30 a.m. we heaved up anchor and set sail. Nov. 4, 10:00 a.m. we anchored at Bergen, Norway. American counsel came aboard, this was the first time that we had made contact with any U.S. official. We stood by for orders.

Sailed Bergen, Norway, Nov. 27, 1939.
Arrived Haugesund, Norway, Nov. 27, 1939.
Sailed Haugesund, Norway, Dec. 20, 1939.
Arrived Bergen, Norway, Dec. 20, 1939.
Sailed Bergen, Norway, Dec. 22, 1939.
Arrived Narvik, Norway, Dec. 29, 1939.
Sailed Narvik, Norway, Jan. 7, 1940.
Arrived Baltimore, Md., Jan. 27, 1940.

JAPANESE RESPONSIBILITY FOR THEIR OWN SECURITY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. BEREUTER. Mr. Speaker, at a moment when our relations with Japan are dominated by trade related topics, I would like to bring the attention of my colleagues to an old issue: Japanese defense spending. A recent editorial in the Omaha World-Herald (September 9, 1985) once again brings to light the compelling argument that, 40 years after World War II, the Japanese have not assumed adequate responsibility for their destiny. I think this thoughtful editorial should receive my colleagues' attention.

[From the Omaha World-Herald, Sept. 9, 1985]

JAPAN HAS A RESPONSIBILITY

In the 40 years since World War II, the United States has sometimes acted like an indulgent parent toward Japan—looking after the country's defenses and encouraging its economic development. The time has come to cut the apron strings and encourage Japan to take more responsibility as a member of the world community.

The assistance Japan received from the United States is one of the reasons Japan became one of the world's most prosperous, politically stable nations. American officials helped establish democracy in Japan and encouraged the Japanese to rebuild their war-shattered economy through the use of a vigorous export program. America has extended its defense umbrella over Japan, allowing the Japanese to devote more resources to economic pursuits.

Although Japan is an economic heavyweight, the country still shows signs of its traditional insularity and suspicion of the outside world. It has not sought a role in international affairs proportionate to its economic power.

While relying on the U.S. military for its security, Japan competes aggressively with the United States in the marketplace, exporting heavily to the United States while resisting American imports.

Some encouraging signs have appeared, suggesting a change in Japanese attitudes. Prime Minister Yasuhiro Nakasone has loosened some trading rules and has asked his people to moderate the traditional view that it is patriotic to prefer Japanese goods over foreign products. Banking regulations have been eased to tie Japan closer to the international economy.

Japan's heavy reliance on exports also might have to change. More consumption by the Japanese could increase the demand for imports, which could reduce criticism of Japan by some of its foreign competitors.

Japanese consumers might welcome the chance to spend more on themselves. Partly because of their export-oriented economy, the Japanese have a relatively low standard of living. For example, only 60 percent of Japanese homes have flush toilets and much of the country's housing stock consists of rickety apartment buildings where families are often crowded into two or three rooms. The country also has a health system that, by western standards, is poor and recreational facilities that are inadequate.

In addition to considering economic changes, the Japanese should assume more of the defense burden. Japan uses only about 1 percent of its gross national product for defense, compared with 3 percent to 5 percent in Western Europe and 8 percent in the United States. Japan should be strong enough militarily to protect its sea lanes and to resist threatening Soviet moves in the North Pacific Ocean.

Forty years ago, Japan lay in ruins. Today, it has recovered. It should be ready to take its place in the world community by accepting a greater role in protecting the free world and improving the world economy.

MR. HAWKINS SUPPORTS COALITION LETTER TO PRESERVE EXECUTIVE ORDER 11246

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HAWKINS. Mr. Speaker, yesterday 104 Members of the House and 22 Members of the Senate sent a letter to President Reagan regarding attempts by members of the administration to revise Executive Order 11246. Executive Order 11246 has now been in place for over 20 years and has been the cornerstone of our Government's efforts to preserve and protect every American's right to equal employment opportunity.

The draft Executive order which we have seen and another which was reported by the press, would effectively undercut a major tool against employment discrimination which has been in effect and indeed strengthened by Republican and Democratic administrations alike since 1961. It is this proposed action which we, 126 Democratic and Republican Members of Congress deplore.

Why is this administration attempting to "turn back the clock" on civil rights? Why are they opposed to a program which has been shown by Department of Labor and other studies, to work? Why are they attacking a program whose regulations clearly state that "goals may not be rigid and inflexible quotas which must be met, but must be targets reasonably attainable by means of applying every good faith effort to make all aspects of the entire affirmative action program work?" And why are they pursuing changes in the Executive order when even many of the business community oppose the changes? Why waste the taxpayers' money with this effort which has no major constituency and would create chaos within the Federal contractor community?

Mr. Speaker, I ask that the administration's critics of Executive Order 11246 cease these wasteful efforts. Affirmative action, including the use of goals and timetables, works. I ask that they not permit decades of progress for those who have for centuries been denied equal employment opportunity, to be reversed in 1985.

Executive Order 11246 must not be weakened but strengthened and vigorously enforced. I ask that the administration recommit itself to fairness and that it share my view that equal employment opportunity must remain the law of the land. To do less is to turn our backs on those who look to us to preserve these rights.

Mr. Speaker, I insert this very important letter to President Reagan into the CONGRESSIONAL RECORD:

CONGRESS OF THE UNITED STATES,
Washington, DC, September 17, 1985.

Hon. RONALD W. REAGAN,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We understand that White House staff has drafted an executive order repealing requirements that federal contractors set numerical goals to remedy discrimination in the workplace. The proposed amendment to Executive Order 11246 would effectively undercut a major tool against employment discrimination which has been in effect and indeed has been strengthened by Republican and Democratic Administrations since 1961.

As you know, Mr. President, civil rights victories have been won in our nation only because of bipartisan cooperation. We have fought against discrimination in education,

voting, public accommodations and employment. Today, minorities and women have finally begun to be included in the American mainstream.

Executive Order 11246 has now been in place for twenty years, during three Republican and two Democratic Administrations. It has been a mainstay of federal efforts to combat discrimination in the workplace. Complaints about the enforcement of the regulations issued pursuant to the Executive Order, where valid, should be addressed. However, we do not believe that we can successfully maintain our efforts against discrimination without the use of numbers.

We understand that there have been objections to numerical goals and timetables on the ground that such goals and timetables are tantamount to quotas, giving rise to complaints of reverse discrimination. However, the regulations implementing the Executive Order state that, "goals may not be rigid and inflexible quotas which must be met, but must be targets reasonably attainable by means of applying every good faith effort to make all aspects of the entire affirmative action program work" (41 C.F.R. sec. 60-2.12 (1984)). Thus, the regulations draw a distinction between the two terms. In the same way, the use of statistical comparisons in proving discrimination in employment, which has been sanctioned by the Supreme Court, creates a presumption, not a conclusive determination, that discrimination is the basis for any statistical disparity found.

The use of goals and timetables as well as statistics remains an essential tool in combatting discrimination. Indeed, the Supreme Court has sanctioned the use of statistics in proving discrimination in employment. Moreover, Congress and the Executive Branch often set numerical goals to measure the effectiveness of programs. We think much of the success of the Job Training Partnership Act, for example, can be laid to the fact that the law stipulates performance standards to provide a numerical measure of our training programs' success. Likewise, we think we must continue to use numbers to measure our affirmative action programs' success.

Business "goes by the numbers" in production, sales and finance. It is commonplace to do so in hiring and promotion as well. Indeed, some members of the business community have urged the continued use of numerical goals and timetables in the belief that setting numerical goals is a useful business practice, entirely apart from the affirmative action responsibilities incumbent upon a federal contractor.

Congress itself in the 1972 amendments to title VII of the Civil Rights Act of 1964 (section 717) not only required that federal departments, agencies, and instrumentalities be made free from any discrimination in employment based on race, color, religion, sex, or national origin, but also specifically required each to develop and maintain an affirmative program of equal employment opportunity and submit periodic progress reports on the operation of its equal employment opportunity plan. Similarly, Congress imposed affirmative action plan requirements for federal departments, agencies, and instrumentalities in connection with the employment of handicapped individuals (section 501(b) of the Rehabilitation Act of 1973) and the employment of service-connected disabled veterans (section 2014(c) of title 38, United States Code). In the case of handicapped individuals, service-connected disabled veterans, and Vietnam-era veterans, Congress also expressly imposed affirmative action plan requirements on federal contractors and subcontractors (section 503 of the Rehabilitation Act of 1973 and section 2012 of title 38, United States Code).

In enacting these laws, Congress was cognizant and supportive of the Executive Branch policy of implementing affirmative action requirements through goals and timetables and statistical evaluations.

We believe that continuation of affirmative action, including the use of numerical goals and timetables, is a necessary and proper response to the tragic legacy of historical discrimination which continues to plague our country today. It is a tribute to the success of efforts against discrimination that we are seldom today faced with the types of overt discrimination we faced twenty years ago. The discrimination which remains today is more subtle and more difficult to eradicate. Without the use of numbers as an inducator, our job of eliminating discrimination in the workplace will be vastly more difficult, if not impossible.

We also believe that the use of recruitment and training as the only affirmative action measures mandated by the government would be an insufficient response to the problems of discrimination. Nondiscrimination laws involving only voluntary efforts did not work. It was only after the use of goals and timetables were established that discrimination began to fall.

The fundamental principle underlying Executive Order 11246 is that federal monies must not be used to subsidize discrimination and that the privilege of doing business with the Federal Government entails certain special responsibilities. Indeed, many employers understand this imperative and have, by now, incorporated affirmative action principles throughout their personnel procedures. By eliminating the use of goals, timetables and statistics to remedy the effects of discrimination, the Federal Government will be dramatically retreating from this principle.

We strongly urge, Mr. President, that no action be taken on Executive Order 11246 until there has been a full public review of the proposal, and an opportunity to assess its potential impact upon those who look to the Federal Government to preserve their equal employment opportunity rights.

Sincerely,

Augustus F. Hawkins, Chairman, Committee on Education and Labor, U.S. House of Representatives; James M. Jeffords, Ranking Republican Member, Committee on Education and Labor, U.S. House of Representatives.

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RETIREMENT OF GEN. BENNIE L. DAVIS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SKELTON. Mr. Speaker, I take this time today to inform my colleagues about the distinguished military career of Gen. Bennie L. Davis. Just recently retired, General Davis, had been serving as the commander of the Strategic Air Command [SAC] and as director of the joint strategic target planning staff since April 1981.

After earning his pilot wings and serving as a twin-engine pilot in Texas, General Davis was a B-29 aircraft commander in Okinawa and a B-47 instructor pilot in Florida. He arrived at Headquarters, SAC, after graduating from the Armed Forces Staff College, serving as a requirements officer in the Plans and Requirements Division. A tour of the National War College in Force Base in the Philippines. As operations officer for the 8th Tactical Bombardment Squadron, General Davis flew 350 combat hours on 142 missions over Vietnam in the B-57.

In 1975 he became Director of Personnel Plans, Office of the Deputy Chief of Staff, Personnel, at Headquarters, USAF. He was later named Deputy Chief of Staff for Personnel, and in 1979 took command of the Air Training Command. He left that post to become commander in chief of SAC.

Mr. Speaker, I feel confident that the members join me in paying a well deserved tribute to this outstanding American and wishing the General and his wife Pat all the best in the many years to come.

FATHER OF RICHARD LEHMAN DIES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. COELHO. Mr. Speaker, upon his passing, I would like to pay tribute to the father of our colleague, the Honorable RICHARD LEHMAN. Henry Lehman will be remembered as a hard-working farmer from Sanger, CA, in the heart of the San Joaquin Valley. But more importantly, he will be remembered as a dedicated family man who devoted his life to his wife, Elaine, and their four children. Henry and Elaine sacrificed a lot so that their children had every opportunity to succeed and do better than they had done. In fact, Henry took on additional work off the farm so that the family did not do without.

Rick and his father were extremely close and I know that this is a very difficult time for him. However, I know he is comforted by the fact that Henry is now at peace. No father could have done more for his family than Henry Lehman did, and for that we will all miss him very much.

BARBER CONABLE ON TAX REFORM

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SMITH of Florida. Mr. Speaker, our esteemed former colleague Barber Conable recently published in the September 16, 1985, issue of U.S. News & World Report an excellent analysis of tax reform.

For the benefit of my colleagues, that analysis follows:

[From U.S. News & World Report, Sept. 16, 1985]

TAXES AND THE POOR

(By Barber Conable)

In any competitive free society there are bound to be both winners and losers, who over a period of time are going to become, respectively, rich and poor.

Taxing the rich is fun for the politicians, a game of wits in which nobody suffers very much and the government usually does quite well. But despite the fundamental belief that in a democracy citizens should contribute to government to the degree they are able, taxing the poor brings a sense of futility, occasional hardship and very little reward for the government. Treasury figures show that the richest 10 percent of the taxpayers furnish in the aggregate about 50 percent of the individual-income-tax money paid, while the poorest 50 percent pay about 10 percent in the aggregate. Obviously, our income-tax system is truly progressive, collecting money to maintain government on the basis of ability to pay.

Statisticians point out, though, that at the poverty level a family may pay as much as 10 percent of its income in federal taxes. This depends in part on the source of that income. Many benefits—Social Security, welfare, disability, food stamps, workers' compensation, public-housing subsidies—are not taxable at all for low-income people. It seems unfair that an identical poverty income made up entirely of wages instead of benefits is subject to taxation, particularly the Social Security payroll tax of 7 percent charged against the first dollar earned. Even the untaxed poor pay sales taxes on what they buy and real-estate taxes on property they may own from better days. It would be incorrect, however, to assume the poor contribute heavily to the income-tax coffers.

This all raises some knotty points in the administration's income-tax-reform proposals. Emphasis has been placed on figures showing many poor people will have their income taxes cut percentagewise more than the wealthy. If the poor were paying very little income tax to begin with, their cut would not have to be large to result in a big percentage reduction. On the other hand, someone in a 50 percent bracket could save many dollars with a modest percentage reduction. The truly poor are nontaxpayers. Even the moderately poor can be helped significantly only if we go to a negative income tax, a concept America may not yet be ready to accept.

Some conservative philosophers point out that raising the net tax burden on business may indirectly hurt the poor, also. While higher business taxes can come out of the pockets of stockholders in the short term, over a longer period higher business tax costs must be tacked on to the prices charged for goods and services. As a result, higher business taxes become taxes on consumption and are not based on ability to pay.

The administration proposes eliminating the deductibility of state and local taxes against the federal income tax, which means the net cost of the more regressive taxes at those levels will rise. Could this mean the added net burden will be spread through additional sales taxes, the bane of the poor?

Curiously enough, the increase to $2,000 of the personal exemption for each family member, the "little guy's" benefit in the tax-reform proposal—that populist thrill—is worth a $700 reduction per person for a family in the highest 35 percent bracket but worth only a $300 reduction per person for a family in the 15 percent bracket. To be truly populist, such an exemption should be converted to a tax credit so that a family member would have the same dollar tax benefit in either a poor family or a rich one.

There's no way to satisfy everyone in a tax-reform proposal because everyone expects so much personal benefit, assuming that it is others who do not pay enough under the current system. The bill now before Congress, though, abounds with dilemmas. Modest percentage cuts for the rich are a big benefit to them: big cuts for the poor can't help them much, and the group whose support is most coveted by both parties, middle-class homeowners, are the ones who fare the worst.

CONGRESSIONAL TRIBUTE TO BRIAN HARRISON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to one of the outstanding business and civic leaders in my district, Brian Harrison, the president and chief executive officer of the Metropolitan Stevedore Co. of Wilmington, CA. On October 30, he will be named by the Boy Scouts as the "1985 Good Scout of the Year."

Brian Harrison was born in Port Talbot, Great Britain, and graduated from Cardiff Nautical School in 1943. After graduation, he joined Royal Mail Lines, Ltd., of London, where he served for 11 years as a deck officer. After qualifying as a master mariner at the Cardiff Technical College in 1954, Mr. Harrison migrated to the United States.

After arriving in the United States, Brian worked for Furness Withy & Co., Ltd., as assistant to the marine superintendent. He subsequently served as port captain for the Wm. J. Rountree Co. at Terminal Island, CA. Liking what he saw in this country, he applied for U.S. citizenship, and on February 20, 1959, he became a naturalized citizen of the United States.

In 1964, Mr. Harrison joined Associated Banning Co. as superintendent of stevedore operations. This company was acquired by the Metropolitan Stevedore Co. in 1967, where Brian Harrison rose through the ranks to the position he holds today as president and chief executive officer.

Mr. Harrison, in addition to his success in business, has been active with a variety of business and community organizations. He is the current president of the Los Angeles Steamship Association and serves on the boards of directors of a large number of maritime business organizations. Although he is quite modest about his community service, Brian Harrison has been president of the Wilmington Boys' Club, the Wilmington Rotary Club, and the Episcopal Seamen's Center in San Pedro, CA; and has been honored with an outstanding service award by the Boys' Club.

My wife, Lee, joins me in congratulating Brian Harrison on being named "1985 Good Scout of the Year" and in wishing Brian Harrison, his wife Noreen, and their daughter Joyce and her husband, Christopher, continued success and all the best in the years ahead.

ATTACK ON CHILDREN

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. OWENS. Mr. Speaker, in 1981 there was a substantial effort made to gut programs which addressed the needs of our

people. This effort led to a great deal of hardship for the most defenseless people in our society. Although that did not cause much of a stir at the time, by 1982 the people reacted by throwing out many of those who had participated in that debacle.

Today, we are faced with enormous deficits and there is a great deal of concern about controlling expenditures. I share that concern and I have supported cuts in authorizations and appropriations which were bloated to compensate for the failure to control expenditures and the failure to control outright fraud and padding. Many of my colleagues joined me in this effort and they are to be commended. However, many who have the most to say about cutting Government expenditures took the position that the will of departments such as the Defense Department was sacred writ which should not be tampered with.

Now, we consider the School Lunch and Child Nutrition Act and suddenly, lo and behold, we find the rhetoric about excessive expenditures being stridently expressed. The beneficiaries of these programs, mere children, do not vote. They have no voice to raise in this discussion. They are universally dependent on others. They had no say in the matter of what family they would be born into. They could not make a reasoned economic decision in favor of affluent parents. They simply arrived with needs which must be met if they are to develop into healthy educated citizens who will eventually contribute to this country.

The School Lunch and Child Nutrition Act, H.R. 7, as it was developed by the Committee on Education and Labor, reflects consideration of the needs of children. Good nutrition is a necessity at every stage of development if children are to fulfill their potential and be able to learn. Developmental opportunities missed due to poor nutrition are simply gone. A child cannot wait until those upon whom he or she is dependent decide to meet their needs.

Now, we are faced with a series of amendments to H.R. 7 which are ostensibly offered in the name of controlling Government expenditures. These amendments would delay the cost-of-living adjustments for child nurtrition programs until July 1, 1986, require a means test for children in home day care and delete the Federal cash subsidy for paid school lunches. These amendments are nothing but a thinly veiled attach on children who cannot vote and "throw the rascals out." This is nothing but an attack on the most defenseless group in our society. This is not acceptable.

The children of Members of this body were fortunate to be born into families which could provide for their basic needs. They do not need the assistance that children born to less fortunate families must have if they are to grow and develop. Children born into low-income families are not so fortunate and they need our assistance and concern. It seems almost beyond belief that any Member of this body could deny these children based on the accident of birth. H.R. 7 would provide no luxuries. Children would not be provided with what one thinks of as "business" lunches. They would simply be provided with basic nutrition which would allow them to grow and develop. Surely, in this land, the breadbasket of the world, we can manage to feed our pregnant women, infants, and children. To do less, is a disgrace that cannot be tolerated by any person of good will.

As we consider each attack upon the children of this country, I ask that you consider who will be the victims of misdirected economies. They are children who cannot speak on their own behalf or rush off to register and vote. They are also our future.

PASSAGE OF ICE

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. GALLO. Mr. Speaker, today, the House is privileged to act on legislation which will release $5.5 billion nationwide for completion of our Interstate and Federal Highway System during the 1986 fiscal year.

Passage of Senate bill 1514 will mean $159,072,000 for New Jersey highway projects.

This year's action has been prompt and the result will be that States can adequately plan future projects, knowing that the Federal Government will come across with its share of the funding.

This is a great contrast with the last release of Federal highway funds.

My first vote as a member of the House Public Works and Transportation Committee was to approve legislation releasing these important highway funds for 1984 and 1985.

This action came after 18 months of delays between the two Houses of Congress.

States like New Jersey delayed a number of important highway projects because they were waiting for the Federal Government to act.

In simple terms, this bill which we are asked to consider today, will allow States to spend money collected through Federal gasoline taxes.

When we voted on the delayed bill last spring, I said that the people of this country who have paid gasoline taxes deserve to get their money's worth.

Travelers on our Interstate Highway System this summer saw the results of our action. Roads are being upgraded, bridges are being rebuilt, and missing links are being completed after long delays.

This bill will continue the commitment made last spring to the people who buy gasoline and pay taxes in order to have good roads.

This is particularly good news for New Jersey, where Gov. Thomas H. Kean has launched one of the most ambitious highway improvement programs in the Nation.

Through the creation of the State Transportation Trust Fund in 1984, New Jersey has committed $3.3 billion to a 4 year highway improvement program.

The $158 million in Federal funds contained in this bill is an integral part of that State commitment.

Among the highways that will benefit are routes 287, 78, and 24. All of these highways are greatly needed in an area of northern New Jersey that is experiencing record rates of growth.

Completion of these highway projects will create countless jobs and will enhance the quality of life for the people living in New Jersey.

New Jersey is on the move and State leaders have been responsible for this new sense of confidence.

I am hopeful that this vote today is a sign that Congress is responding to this sense of confidence.

Rightly or wrongly, Congress has the reputation for endless delays and inaction. This action should help to prove that Congress does work for the people, when the damage done by delay is clearly understood.

Passage of the interstate cost estimate for 1986 will give the motoring public its money's worth.

SECOND ANNUAL INTERNATIONAL CONFERENCE ON THE USE OF HUMAN TISSUES AND ORGANS FOR RESEARCH AND TRANSPLANTATION

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. WAXMAN. Mr. Speaker, on Wednesday, October 2, through Friday, October 4, 1985, the Second International Conference on "The Use of Human Tissues and Organs for Research and Transplantation" will be held at the Loews L'Enfant Plaza Hotel in Washington, DC. This important gathering is conducted by the National Diabetes Research Interchange [NDRI], a nonprofit organization dedicated to providing scientists access to human tissues and organs necessary for biomedical research. The conference is cosponsored by the National Institute of Arthritis, Diabetes and Digestive Diseases and the Juvenile Diabetes Foundation.

The science of human organ transplantation has revolutionized medical science and human existence. Reports of successful heart, liver or kidney transplants have excited public interest and imagination. In the eyes of some, organ transplants have almost become routine medical procedures, but in fact these operations represent nothing short of a miracle. The lifesaving success of organ transplants represents a triumph of medical science and tribute to the labors of thousands of biomedical researchers.

While the public is well aware of transplantation involving the cornea, kidney, liver and heart there is another area of transplantation that is exciting researchers. Though it is not well known outside the research community, transplantation of

human pancreatic islet cells holds promise in the treatment of diabetes. While still in the research stage, the prospect for curing diabetes through the transplantation of human pancreatic islet cells is stimulating a growing excitement among researchers and patients.

In recent years the NDRI has been instrumental in coordinating the procurement of pancreatic tissue for use by researchers. The success of these efforts has been encouraging the hope among diabetes patients that a cure for this disease can be found.

Mr. Speaker, the NDRI conference will bring together many of the world's leading researchers in diabetes and human organ transplantation. I want to welcome these distinguished individuals to Washington and wish them much success in their deliberations.

THE 11TH NEW JERSEY STATE A. PHILIP RANDOLPH INSTITUTE AWARDS BANQUET

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. RODINO. Mr. Speaker, on Saturday, September 21, 1985, the New Jersey State A. Philip Randolph Institute will hold its annual awards banquet in Newark to honor five New Jersey residents for their outstanding community work and their commitment to the goal of promoting social and racial justice.

Founded by the great civil rights and labor leader, A Philip Randolph, in 1965, the A. Philip Randolph Institute has made its mark as a pioneer in political action by building coalitions—particularly between the black community and the labor force—for progressive social change. It was A. Philip Randolph who said:

Freedom is never granted; it is won. Justice is never given; it is exacted. Freedom and justice must be struggled for by the oppressed of all lands and races and the struggle must be continuous, for freedom is never a final act, but an evolving process to higher and higher levels of human, social, economic, political, and religious relationships.

In this spirit of dedication and commitment, I want to extend my congratulations to the five honorees of New Jersey's A. Philip Randolph Institute, for they exemplify what is best in the American quest for freedom for all.

Receiving the community service award is Ken Peterson, the executive director of the North Jersey Community Union, an organization dedicated to the health needs of the inner city; the labor award goes to Thomas Giblin, president of Local 68 of the International Union of Operating Engineers, and Essex County Freeholder; Ishmael Harris, president of the A. Philip Randolph Institute's Burlington County Chapter and a retired member of the United Steel Workers, receives the Outstanding A. Philip Randolph Institute Member Award; Elizabeth "Betty" Hogan, a charter member of the Camden County A. Philip Randolph Institute and a retired community activist, is the recipient of the Retired A. Philip Randolph Institute Award; and the special achievement award goes to A. Roy Kirkley, Sr., the associate director of Rutgers Labor Education Center in New Brunswick and the State coordinator of the New Jersey A. Philip Randolph Institute.

It is through the efforts of men and women like these honorees—and the organization they represent—that the frontiers of social and racial justice in America will be expanded. Indeed, the A. Philip Randolph Institute and its dedicated members deserve the highest praise—because America's journey toward a fairer and more just society, though rewarding in so many ways, has not always been easy. As a nation, we have crossed many paths and overcome what some thought were invincible hurdles. And the more progress we make, the more we realize how far we still have to go. We must struggle against poverty, prejudice, hunger, and racism that has insinuated itself into the basic institutions of our society. But struggle we will.

It is fitting, therefore, that we look to A. Philip Randolph—and the organization he created—for inspiration. As he said when reflecting upon his life's work:

I don't ever remember a single day of hopelessness. I knew from the history of the labor movement, especially of the black people, that it was an undertaking of great trial. That, live or die, I had to stick with it and we had to win.

RETIREMENT OF HOWARD GAFFKE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SKELTON. Mr. Speaker, Howard Gaffke had dedicated 39 years of public service to the people of Cole County, MO. It is my distinct pleasure to inform my colleagues of that service and to pay tribute to this outstanding Missourian at the time of his retirement from county office.

For 28 years, beginning in 1946, Howard Gaffke occupied the office of county assessor. Subsequently, he served as county treasurer for 11 years. Because of these diligent efforts thoroughout his career, the Cole County of today is a better place in which to lie.

Mr. Gaffke has earned the respect of the people he has served throughout his political career. His professionalism, integrity, and just plain hard work are well recognized and appreciated not only by his associates in the courthouse in Jefferson City, but by citizens across the State.

Mr. Speaker, I feel confident that the Members join me in wishing this distinguished Missourian and his delightful wife Betty every happiness in the many years to come. Howard Gaffke has earned the praise he is receiving at home in Missouri. He set a standard of excellence to which succeeding officials can aspire. Finally, Mr. Speaker, on a personal note, I have always been proud to call him my friend.

SUPERFUND—THE CORPORATE TAX PROVISIONS

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. TAUKE. Mr. Speaker, the Superfund Program's ability to collect taxes for the cleanup of hazardous waste sites expires on September 30. The Energy and Commerce Committee, on which I serve, reported H.R. 2817, a measure reauthorizing the Superfund Program, on July 25. This legislation is currently under review by the Ways and Means Committee, the Public Works Committee, and the Judiciary Committee.

As reported out by the Energy and Commerce Committee, H.R. 2817 contains a broad-based corporate tax to raise much of the money to finance the Superfund Program, and this tax is of concern to me. This tax, in my opinion, cannot be justified by any theory of taxation, and I hope that the Ways and Means Committee will reject this approach.

On August 27, the Wall Street Journal published the following editorial on this issue, and I commend this essay to my colleagues' attention:

[From the Wall Street Journal, Aug. 27, 1985]

HOW TO GROW A TAX

Here is a trick many taxpaying Americans will be able to try when Congress returns: See if you can simultaneously keep one eye on Superfund and the other eye on the hand picking your wallet. That'll be tough, but with Congress unable to significantly reduce the level of federal spending, anyone who stops paying attention may find his tax pocket picked of more than a few dollars.

Superfund, like Social Security, is one of the holy tablets of American politics. No one—liberal, conservative, editorialist, reporter or columnist—dares speak against it. Last authorized in 1980 to spend $1.6 billion over five years, Superfund is supposed to clean up toxic-waste sites for which there is no clear responsibility.

Because toxic waste is generally regarded as bad and because cleaning it up is generally regarded as good, the Washington establishment has regarded Superfund as one of politics' few free rides. The only really tough question for Congress has been how much to spend on the free ride (and this is the point at which readers should start feeling for their wallets).

The Superfund bill on the table in the Democratic-controlled House would increase the funding level from the current $1.6 billion to $10.1 billion. The bill in the Republican-controlled Senate will settle for running Superfund up to $7.5 billion. These numbers are the good part of the process for the members of Congress, and hardly anyone votes against them. Such a vote enables each member to return to his district and give stump speeches describing what he has done for the universally desired goal of toxic-waste cleanup. Occasionally, though, some old codger in the back will pipe up to

say, "Sounds good, Jake, how you comin' up with the money to pay for it?"

Answer: 1. the Manufacturers Environmental Excise Tax; 2. a wasteend tax; 3. the existing feedstock tax; 4. a tax on imported feedstock derivatives; 5. general revenues. The current plan in Congress is to use some or all of these taxes to accumulate Superfund's revenue needs of up to $10 billion over five years.

At this point, the old codger pipes up again: "But Jake, what in blazes is this gonna do to the deficit you've been tellin' us so much about?" And the member replies that Superfund's authorization won't add a single cent to the current federal deficit. (And at this point the reader should start pouring mixed concrete over his wallet.)

To keep Superfund "off-budget," Congress is moving toward the creation of what is described as a "broad-based tax on all manufacturing industries." To be technically precise, in the Senate version this would take the form of a tax rate of 0.08% of a manufacturer's gross receipts minus the cost of goods sold. Proponents are quick to say this doesn't fit the generally accepted definition of a value-added tax. You could probably compose an amusing "you say tomahtoes" song around that point, but we'll just call it a VAT.

Though value-added taxes and consumption taxes have respectable supporters in some academic circles, allowing this Congress to enact a VAT for any purpose under our current budgetary conditions would be a large mistake. Last month Congress floated the idea of an oil-import fee. It has spoken of taxing Social Security benefits and Medicare benefits for wealthier recipients. Despite all that one reads and hears about the horrors of the deficit and federal spending, it is important that the public not miss the political dynamics of what is going on here. Nearly all the serious political and intellectual effort in Congress is now devoted to finding mechanisms to push revenues from their traditional level of 19% of GNP, where they settled back to after Mr. Reagan's 1981 tax cut, up toward the current, intractably high spending level of 23% of GNP.

President Reagan's relentless opposition to new taxes has so far impeded this effort. But the manufacturer's Superfund VAT is seen as standing a chance of breaching Mr. Reagan's defenses because its effect on individuals is small, is off-budget and is for a good cause. To all of which Sen. Bill Armstrong has made one effective and chilling rejoinder: Remember how Social Security got started.

Once enacted into law, the VAT used to finance the "politically untouchable" Superfund won't easily come off the books. Manufacturers in time will effortlessly pass along its costs to consumers. And, as with the programmatic expansion of Social Security, succeeding Congresses will spread Superfund's public-works responsibilities and incrementally increase its tax rate.

As to Superfund's intended purpose—reducing toxic waste—Congress long ago passed the point of seriously considering how to do that most effectively and efficiently. If this VAT passes, Superfund's job will most likely take forever.

PEOPLE WHO VOTE MONEY—THEIR IMPACT ON OUR FEDERAL BUDGET

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. KOLBE. Mr. Speaker, a gentleman from Tucson, AZ, Mr. Henry Hauschildt, sent me an article I'd like to share with my colleagues. Written by Gertrude Stein, it appeared in a 1936 edition of the Saturday Evening Post. The article, entitled "Money," recalled to Henry his days as a young man working long hours for $15 a week. He eventually saved enough money to buy his first car in 1926—a 1922 Model T coupe he bought for $35 "in cash."

Henry's point is that people who have to earn their money know the value of it. They know how much they earned, how they must spend it, and what the consequences will be if they spend more than they earn. The value of money means something different to government, which spends more than it earns and doesn't have to pay a tangible price for its excesses.

Every day, somebody pays a price for not understanding the value of money, whether it's a college student who partied with his rent money or a small business-owner who took a raise instead of putting the profits back in the company. The consequences are tangible and immediate. Government, on the other hand, can make these same mistakes for years and never pay a price. But others will. The young couple saving for a home, the single parent trying to make ends meet, and the student and business-owner who learned from their mistakes—these are the people who will pay the price for the Federal Government's failure to understand and appreciate the value of money.

Written in 1936, Stein's article is relevant today to our discussions of the Federal budget and the deficit. We can heed the warnings echoed 50 years ago and put our economic house in order. Or we can repeat the same mistakes, until 50 years from now, our grandchildren will not remember any significant actions of this Congress, except that we passed along to them a legacy of debt and irresponsibility.

[From the Saturday Evening Post, June 13, 1936]

MONEY

(By Gertrude Stein)

Everybody now just has to make up their mind. Is money money or isn't money money? Everybody who earns it and spends it every day in order to live knows that money is money, anybody who votes it to be gathered in as taxes knows money is not money. That is what makes everybody go crazy.

Once upon a time there was a king and he was called Louis the fifteenth. He spent money as they are spending it now. He just spent it and spent it and one day somebody dared say something to the king about it. Oh, he said, after me the deluge, it would last out his time, and so what was the difference. When this king had begun his reign he was known as Louis the Well-beloved, when he died, nobody even stayed around to close his eyes.

But all the trouble really comes from this question is money money. Everybody who lives on it every day knows that money is money but the people who vote money, presidents and congress, do not think about money that way when they vote it. I remember when my nephew was a little boy he was out walking somewhere and he saw a lot of horses; he came home and he said, oh papa, I have just seen a million horses. A million, said his father, well anyway, said my nephew, I saw three. That came to be what we all used to say when anybody used numbers that they could not count well anyway a million or three. That is the whole point. When you earn money and spend money every day anybody can know the difference between a million and three. But when you vote money away there really is not any difference between a million and three. And so everybody has to make up their mind is money money for everybody or is it not.

That is what everybody has to think about a lot or everybody is going to be awfully unhappy, because the time does come when the money voted comes suddenly to be money just like the money everybody earns every day and spends every day to live and when that time comes it makes everybody very unhappy. I do wish everybody would make up their mind about money being money.

It is awfully hard for anybody to think money is money when there is more of it than they can count. That is why there ought to be some kind of system that money should not be voted right away. When you spend money that you earn every day you naturally think several times before you spend more than you have, and you mostly do not. Now if there was some arrangement made that when one lot voted to spend money, that they would have to wait a long time, and another lot have to vote, before they vote again to have that money, in short, if there was any way to make a government handle money the way a father of a family has to handle money if there only was. The natural feeling of a father of a family is that when anybody asks him for money he says no. Any father of a family, any member of a family, knows all about that.

So until everybody who votes public money remembers how he feels as a father of a family, when he says no, when anybody in the family wants money, until that time comes, there is going to be a lot of trouble and some years later everybody is going to be very unhappy.

In Russia they tried to decide that money was not money, but now slowly and surely they are coming back to know that money is money.

Whether you like it or whether you do not money is money and that is all there is about it. Everybody knows it. When they earn it and spend what they earn they know it they really know that money is money and when they vote it they do not know it as money.

That is the trouble with everybody, it is awfully hard to really know what you know.

When you earn it and spend it you do know the difference between three dollars and a million dollars, but when you say it and vote it, it all sounds the same.

Of course it does, it would to anybody, and that is the reason they vote it and keep on voting it. So, now please, everybody, everybody everybody, please, is money money,

and if it is, it ought to be the same whether it is what a father of a family earns and spends or a government, if it isn't sooner or later there is disaster.

CONGRESSIONAL CONCERN WITH NATIONAL SECURITY SHOULD BEGIN IN CONGRESS

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. STUMP. Mr. Speaker, the President and the Congress share power and responsibility under the Constitution to ensure the security of the United States. In carrying out the national security appropriation, legislation, and oversight functions of the Congress, Members of Congress and congressional staffs have access to a great deal of sensitive classified information relating to the diplomatic, military and intelligence activities of the United States. Indeed, the Committees on Appropriations, Armed Services, Intelligence, and Foreign Affairs possess a broader range of extremely sensitive classified information than many executive branch agencies involved in classified work

Classified information held by the Congress must receive the same protection as that information receives when it is held by the executive branch. Although it is generally thought that the Congress has—on a committee-by-committee, office-by-office, ad hoc basis, in consultation with the executive branch—done a creditable job in ensuring the protection of our Nation's secrets, I believe the time has come for a comprehensive and effective survey of the personnel, physical, document, and communications security programs of the Congress. Title X of H.R. 1082, the Omnibus Intelligence and Security Improvements Act which I introduced on February 7, 1985, provides for a congressional security survey conducted by the Director of the Federal Bureau of Investigation under the direction of the congressional leadership of both Houses.

I. PERSONNEL, PHYSICAL, DOCUMENT, AND COMMUNICATIONS SECURITY

Several major espionage cases which have come to light since I introduced H.R. 1082 confirm the need for renewed emphasis on protection of U.S. national security secrets from the unflagging efforts of hostile foreign intelligence services to infiltrate agents into U.S. Government departments and agencies responsible for the national security, and to recruit as agents existing employees of those departments and agencies, are unceasing. The executive branch is aware of penetration and recruitment efforts by Soviet and other hostile intelligence services and has designed its personnel security programs to detect and counter these efforts.

Congress has not shown equal awareness and concern for congressional personnel security. Few in Congress are aware that hostile intelligence services have targeted congressional committee staffs for penetration and recruitment efforts. Thus, Congress should examine its personnel security practices for congressional staffs to ensure that those practices provide appropriate protection for national security secrets held by the Congress.

In addition to examining its personnel security practices, Congress should review its physical security. Although the Congress has recently paid greater attention to its physical security from the terrorist threat, it has not given equivalent attention to physical security from the hostile intelligence threat. Thus, for example, discussions involving sensitive classified information might take place on Capitol Hill in rooms to which the public—including Soviet bloc agents—at other times have routine access, notwithstanding that the room has not been subjected to an electronic sweep to ensure the absence of electronic devices which can record or transmit the classified discussions.

Along with the personnel and physical security programs of the Congress, the document security programs of the Congress deserve attention. The flow of classified documents into, around and out of the Congress presents the same security concerns as does the flow of documents within the executive branch.

Finally, the Congress should examine its communications security practices. Excellent personnel, physical, and document security programs will be of no avail if congressional staffs discuss or talk around classified information on regular telephones. The public record abounds with information on Soviet bloc efforts to intercept U.S. Government telephone communications.

The Congress should examine its security programs to ensure that the national security secrets held by the Congress receive adequate protection. A survey of the congressional personnel, physical, document and communications security programs would enable the Congress to identify any weaknesses in such programs and to correct them.

II. CONGRESSIONAL SECURITY SURVEY

Title X of H.R. 1082 provides for a survey of congressional security arrangements relating to classified information. The text of title X is as follows:

TITLE X

SEC. 1001. This title may be cited as the "Congressional Security Survey Act".

SEC. 1002. Subject to the guidance of the Speaker and minority leader of the House of Representatives with respect to the House of Representatives, and subject to the guidance of the majority and minority leaders with respect to the Senate, the Director of the Federal Bureau of Investigation, in cooperation with such Federal agencies as he deems appropriate, shall conduct a comprehensive survey of the personnel, physical, document and communication security arrangements relating to classified information available to Members of Congress and employees of the legislative branch and report to the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate, by January 3, 1986, with recommendations for improvement of such arrangements.

SEC. 1003. All Federal departments, agencies and instrumentalities are authorized and directed to provide such assistance to the Director of the Federal Bureau of Investigation as he may deem appropriate to carry out the provisions of section 1002.

SEC. 1004. there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

By designating the Director of the FBI to handle the congressional security survey with whatever assistance he needs from other agencies, title X ensures that all appropriate expertise can be brought to bear in conducting the survey. By providing that the survey shall go forward under the guidance of the congressional leadership, title X ensures that the institutional concerns of the two Houses will govern the survey.

Title X of H.R. 1082 does not mandate any changes in existing congressional security practices. Title X simply provides for a congressional security survey which will enable the Congress to identify any weaknesses in its security arrangements and to consider on an informed basis whether to make any changes in those arrangements. Enactment to title X of H.R. 1082 would represent a valuable congressional contribution to the security of the United States.

To facilitate consideration of title X of H.R. 1082, I have introduced it today as a separate bill.

IN SUPPORT OF COMPUTER CRIME LEGISLATION

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. MCCOLLUM. Mr. Speaker, today I am joined by Messrs. FISH, MOORHEAD, HYDE, DANNEMEYER, SENSENBRENNER, and DEWINE in introducing the administration's computer crime proposal. This proposal is one of eight portions of the administration's new anti-fraud package, and it is designed to provide protection and privacy for the operations of computers with a Federal nexus.

The Comprehensive Crime Control Act of 1984, Public Law 98-473, included a computer crime provision which would be replaced by the legislation I am introducing. The Subcommittee on Crime in the House Judiciary Committee has already held one hearing on several proposals to improve the existing law. The provision I am introducing will both enhance the substance of the law and the ability of the Federal law enforcement community to enforce it.

Computer crime results in untold financial losses in the United States and the problem is increasing. Victims often do not come forward and so we must only conclude that the problem is much worse than we believe it to be.

In addition to these financial burdens, there is the frightening losses of privacy that results from the unauthorized access to computer files at an alarming rate. In a

sick and dangerous way this society has been impressed by "hackers" who are smart enough to access computers without authorization. This is breaking and entering in a most dangerous way. Hospitals, military institutions, and consumer credit agencies have all been recent victims.

Unfortunately, educating this society on the ethics of computer use and developing appropriate criminal legislation are both difficult goals. I believe, however, the proposal I am introducing today, which has been carefully crafted by the Department of Justice, is an excellent piece of criminal legislation.

The proposal is closely drawn from an administration bill that was submitted late in the 98th Congress and introduced as S. 2940. The proposal completely revises current 18 U.S.C. 1030 to proscribe computer fraud and other crimes involving computers. The proposed new section 1030 contains seven subsections, (a)–(g).

Proposed subsection (a) makes it a felony to knowingly devise or intend to devise a scheme or artifice to defraud, or for obtaining money or property by false or fraudulent pretenses or representations, or to embezzle, steal, or convert the property of another, and to access or attempt to access certain computers for these purposes. The term "access" is defined in proposed subsection 1028(g)(11) and means to instruct, communicate with, store data in, retrieve data from, otherwise make use of any resources of a computer, a computer system, or computer network.

The proposed subsection is drafted in language that is taken from the mail fraud (18 U.S.C. 1341) and wire fraud (18 U.S.C. 1343) statutes to the maximum extent possible. It is intended that the extensive body of law that has been developed interpreting these statutes apply to the new subsection (a).

The penalty for a violation of subsection (a) can extend to 5 years' imprisonment and a fine of $250,000.

The subsection only applies if the crime, or the computer accessed or to which access is attempted as part of the crime, is in one of three categories. They are: First, computers owned by, under contract to, or operated for or on behalf of the U.S. Government; second, computers owned by, under contract to, or operated for or on behalf of a financial institution, a phrase which would also include a group or network of computers used by a group of financial institutions; and third, offenses of the kind proscribed, in the commission or concealment of which computers located in different States or in a State and a foreign country are used. This very limited commerce nexus is designed to involve the Federal Government in crimes involving non-Federal computers only when interstate or international aspects of the case create a need for Federal investigative resources.

Subsection (b) sets out another felony offense involving computers. It proscribes the knowing and unauthorized damaging or destroying of a computer, computer program, or data contained in a computer owned by or operated for the United States or a financial institution.

Subsection (c) would make it a misdemeanor punishable by up to 1 year's imprisonment and a $100,000 fine to intentionally and without authority access a computer owned by, under contract to or operated for or on behalf of the United States or a financial institution, or a computer system or computer network including such a computer.

Subsection (d) provides for the forfeiture to the United States of the interest acquired or maintained in any computer or computer software used in the offense by a person convicted of a violation of subsection (a), (b), or (c).

Subsection (e) provides that the Attorney General may delegate concurrent investigative authority, in whole or in part, to other departments and agencies, subject to agreement between the Attorney General and such department or agency.

Subsection (f) exempts lawfully authorized investigation, protection, or intelligence actively by law enforcement officials and subsections (g) includes definitions.

THE URGENCY OF OUR TRADE DEFICIT CRISIS

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. TALLON. Mr. Speaker, the U.S. trade deficit is continuing on an upward curve.

In March, the United States for the first time since 1914, became a net debtor nation, as measured by the flow of dividend and interest payments. As well, the merchandise trade deficit continues unabated. The merchandise trade deficit was $123 billion in 1984 and is projected to increase to $150 billion in 1985.

Behind these numbers lies the impact on American citizens of a sustained trade imbalance. The trade deficit has devastated industries, communities, and families across this Nation—and the future looks even more ominous. In my own district, I have seen its destructive impact on thousands of workers whose loss of employment can be attributed directly to surging imports.

The deterioration in the U.S. trade position is global. Our trade balance with developing countries has declined over $35 billion since 1981. With Europe, our trade balance has declined almost $30 billion since 1981. The trade balance with Japan has fallen almost $19 billion since 1981. And the United States trade balance with Canada has declined over $13 billion.

We certainly do not wish to protect domestic industries which are unable to compete with fairly traded imports. However, this is not a major reason for the trade deficit. The American is still the most productive worker in the world.

The critical reasons for the trade deficit are the high value of the dollar and unfair trade practices by other nations.

The United States is weighed down by a dollar which has grown over 40 percent in value in exchange markets since 1981. This aspect of the problem can only be remedied by moving toward a balanced Federal budget. Protections and subsidies provided by other nations to their industries are the other major cause for the trade deficit.

Mr. Speaker, the time to act on the trade deficit is now. The problem must be addressed before a further deterioration in our trade situation forces drastic, and perhaps unwise, action to stop the destruction of basic American industries. Current antidumping and countervailing duty laws simply are not being enforced. This cannot continue. Further, we must look toward new policies to address the trade crisis.

I am pleased that the President has agreed to announce a major statement on trade policy on September 23. I eagerly await the President's proposals. The American people realize that it is imperative for the administration and the Congress to begin working in a bipartisan fashion to craft a commonsense solution to our trade imbalance.

RESULTS OF TAX REFORM QUESTIONNAIRE

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SNYDER. Mr. Speaker, every year I have made it a practice to send out a questionnaire to seek the guidance and advice of the people of the Fourth District of Kentucky on the major issues facing Congress. Their response has always been healthy; their advice sound and their guidance sure.

This year, my questionnaire focused on tax reform and 13,000 of my constituents took the time to give me their opinions on the need for tax reform, on the flat rate tax concept and on their willingness to surrender existing tax exemptions and deductions. I would like to share the results of this poll with my colleagues.

For the most part, the results of the questionnaire are self-explanatory. They show considerable support for the flat tax rate concept. They show considerable opposition to a tax increase. And they show the relative importance people assign to the existing deductions and exclusions in our Tax Code.

One thing in the poll results that really catches my attention, however, is the number of respondents who believe our current tax system is unfair—nearly three-fourths of them.

Since President Reagan came to town, we have heard a great deal of rhetoric in this body about fairness—generally from those who have opposed the President's budget cutting proposals. We have been told over and over again that we can't cut the budget for domestic programs because it would be unfair to those people who depend on them.

Now, however, we are being told by these same people, who have been so interested in fairness, that fairness is not quite as important when it comes to taxpayers. They say there is not sufficient public support for tax reform to make it a high priority issue this year. It may be shoved off the agenda altogether.

It is interesting to me to see how quickly some of my colleagues can lose interest in fairness just because this time we are talking about fairness to the taxpaying people who foot the bills for all our Government programs. It is true that our offices are not being flooded with calls and letters urging us to reform the Tax Code. Our constituents are not lined up outside our doors carrying placards demanding immediate action on taxes, but when nearly three-fourths of the people in my district believe our tax system is unfair, that's enough for me. Perhaps the taxpayers of this country aren't beating down our doors or carrying placards because they are too busy making a living.

Certainly we ought to be as fair as possible to the people on the receiving end of the Federal Government, but we owe at least the same consideration to the hard-working people on the paying end. If this body believes in fairness at all, tax reform cannot be postponed.

Questionnaire results follow:

[In percent]

	Yes	No
1. In general, do you think the Federal income tax is fair to the average citizen?	27.3	72.7
2. Congress is considering a "flat-rate" income tax which eliminates many deductions and exemptions and provides only two or three lower tax rates for everybody. In principle, do you favor such a "flat-rate" income tax?	69.3	30.7
3. If yes, please indicate which of the following deductions and exemptions you would be willing for Congress to eliminate to achieve such a flat tax:		
(A) Homeowners' mortgage interest deduction	19.0	81.0
(B) Interest paid on 2d and 3d homes deduction	89.7	10.3
(C) Interest paid on car loans deduction	50.2	49.8
(D) State and local taxes deduction	37.4	62.6
(E) Gifts to churches and charities deduction	36.1	63.9
(F) Medical expense deduction	35.3	64.7
(G) Business deductions for travel expenses	62.5	37.5
(H) Business deductions for entertainment expenses	75.1	24.9
(I) Preferential treatment of capital gains	58.3	41.7
(J) Political contribution credit	91.1	8.9
(K) $100/$200 exclusion of dividend income	55.2	44.8
(L) Investment tax credit	64.7	35.3
(M) Exclusion of dependent care services or reimbursement	54.2	45.8
(N) Two-earner married couples deduction	59.3	40.7
(O) Income averaging	51.1	48.9
4. Would you favor a tax increase as part of an overall plan to reduce the Federal deficits?	28.4	71.6

SOVIET ACTIVE MEASURES AGAINST THE JAMAICAN INTERNATIONAL YOUTH CONFERENCE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. YOUNG of Florida. Mr. Speaker, the Jamaica International Youth Conference, held last April in Kingston, Jamaica, was the target of a yearlong Soviet active measures campaign aimed at discrediting the United States and the conference.

The Soviets, over the years, have held a monopoly on international youth activities and hosted the 12th Communist World Youth Festival last July and August in Moscow. In recognition of 1985 as International Youth Year by the United Nations, Jamaica planned the largest youth conference of its kind by non-Communist nations. More than 1,100 delegates from 85 nations attended the conference.

Soviet active measures against the conference began soon after Jamaican Prime Minister Edward Seaga announced in November 1983 his country's plans to host the event. I have obtained an unclassified version of a report prepared by elements of the U.S. intelligence community detailing this particular Soviet active measures operation. Following my remarks, I would like to include the report which discusses Soviet attacks against the conference's coordinators, the conference agenda, and a number of attendees.

Frequent themes the Soviets falsely used throughout the months preceding the conference included accusations of U.S. domination of the youth forum, the active role of U.S. intelligence services in recruiting and controlling young people, and the conservative and undemocratic nature of the conference because of the exclusion of Communist representation.

The Soviets used front organizations, Communist publications, and international media reports to spread rumors including those saying Jamaica is crime-ridden and unsafe for visitors, that the conference would be postponed or canceled, that the CIA was funding some attendees, and that epidemics posed a risk to the health of conference participants.

Despite these Soviet efforts, the Jamaica Youth Conference was a success and included a keynote speech by Vladimir Bukovsky, a leading voice of Soviet dissidents. Although the conference ended more than 3 months before the Soviet Youth Festival, Soviet disinformation regarding the Jamaica conference continued just prior to, and well after, the festival ended last August.

Public awareness of Soviet disinformation is critical in reducing the chance of success. It is my hope that by exposing these activities, we can alert our friends and allies that much of the information provided by the Soviets and their surrogates should be questioned, carefully studied, and not taken at face value. Caution such as this will reduce the effectiveness of the Soviet's multibillion-dollar-a-year active measures campaign against our Nation and our interests.

SOVIET CAMPAIGN AGAINST THE JAMAICA INTERNATIONAL YOUTH CONFERENCE

Background

The International Youth Conference, held in Kingston, Jamaica, 6-9 April 1985, was the largest youth conference of its kind organized by non-Communist countries—attracting 1,100 attendees from almost 100 countries. The Conference plan was initiated by Jamaica with support from the United States and other Western governments for the purpose of creating a non-Communist political issues forum to recognize the UN's International Youth Year. By contrast, the Soviet Union had gained control of two major international youth groups—World Federation of Democratic Youth and International Union of Students—shortly after their establishment at the end of World War II and uses their members as conduits for Soviet policy. The public announcement of the Conference by the host, Prime Minister Seaga of Jamaica, in November 1983, coincided with the Soviet announcement of their Twelfth World Youth Festival to be held in Moscow during July and August 1985. The appearance of Jamaica Conference organizers in world capitals in early 1984, and the establishment of an international Conference secretariat in July, signalled to the Soviets the seriousness of the Western challenge.

Worldwide campaign

In midsummer 1984, the Soviets began a worldwide campaign to disrupt and discredit the Jamaica Conference through media reporting and the use of international Communist front youth groups. Over the next nine months, the Soviets and their supporters used a variety of techniques to disrupt the Conference, including a three-month worldwide media barrage, rumors and allegations, and dirty tricks to interfere with organizer's efforts and to discourage would-be attendees. They also endorsed a major boycott by socialist and front youth groups.

Through repeated media reports, the Soviets attacked the Conference coordinators, the Conference agenda, and a number of potential attendees. The most persistent themes the Soviets used to encourage suspicion and discourage participation were allegations of:

U.S. domination of the forum;

The active role of U.S. intelligence services in recruiting and controlling young people; for example, Roy Godson, a professor at Georgetown University and an advisor to the U.S. delegation was singled out as an intelligence agent and manipulator of the U.S. youth program; and

The conservative and undemocratic nature of the Conference organization because of the exclusion of Communist representation.

Media campaign

The Soviet's intense media campaign reflects the priority they placed on this issue. The Soviets originated many radio or press reports that were later picked up by foreign media for local use; those local reports were subsequently used by media in other countries as "reliable" sources. For example:

Newspapers in Morocco and Ghana carried an inaccurate Moscow report that the Conference coordinator for Israel was also responsible for all regional Arab countries.

The New York Daily World carried an inflammatory article from Colombia that was based on some of Moscow's anti-Conference rhetoric about divisiveness.

Over a several-month period, news articles appearing in a number of countries progressively exaggerated the amount of US financial support to the Conference—from US$1 million to US$60 million—the figure growing as the Conference approached.

Soviet media treatment indicates concern almost a year in advance of the Conference; their efforts, however, became particularly intense in the last three months before the Conference in order to produce the maximum disruptive effort. The earliest anti-Conference radio attacks began in the summer of 1984, but the global campaign started in mid-January 1985 with two or three reports broadcast weekly through the

end of February. From the beginning of March through the end of the Conference on 9 April, Moscow transmitted attacks daily. In the course of the radio campaign, the Soviet message was carried in 28 languages worldwide. Havana elaborated on major themes regionally in Spanish and English, and Luanda made several broadcasts, based on Moscow reports, in Portuguese.

Concurrent with the accelerated radio campaign, the Soviet youth organization, Komsomol, took the lead in the press campaign, on 6 March, with a long, highly critical feature article in Komsomolskaya Pravda. Inflammatory remarks, tailored for local readers, later appeared in the Accra, Ghana, Echo, and subsequently in Moroccan and Finnish newspapers. Reuters News Service transmitted the article to the Caribbean News Agency for regional publication. The article was also broadcast by Moscow radio to audiences in Europe and China.

The Soviet media campaign has continued as a counterpoint to the Moscow Youth Festival that began 27 July. Articles describing the Conference as a "complete flop" appeared in Pravda and in most East European newspapers immediately after the Conference, and subsequently in Latin American, Indian, and Moroccan periodicals. In late May, President Forbes Burnham described the Conference as a "fiasco" during a speech to a youth festival group in Georgetown, Guyana. This message of failure, predicted months before the Conference, continues in the rhetoric of the Moscow Youth Festival.

Rumors and allegations

Numerous anti-Conference rumors and allegations preceded the Jamaica forum. Because of their frequency, widespread appearance, and common themes, Moscow may have been involved. One rumor that circulated widely was that Jamaica was not a safe place for visitors (i.e., crime-ridden). Other rumors circulated that the Conference would be cancelled or postponed, that Reverend Moon's church was financing the Conference, and that the CIA was funding some attendees. The most imaginative rumor was circulated by means of a flyer of unknown origin handed out in France to French delegates en route to the Conference. The flyer, from a non-existent "Moral Majority, German Section," warned of an AIDS (Acquired Immune Deficiency Syndrome) epidemic in Jamaica, Haiti, and the United States.

"Dirty Tricks"

The Soviets were probably also behind a variety of "dirty tricks" that interfered with the Conference coordination and organization. For example:

Soviet representatives to the Moscow Youth Festival informed a number of African officials that the Jamaicans did not intend to invite their governments or youth groups to the Conference.

Protest cables purportedly from youth groups jammed the Conference telex in Kingston for two days in February.

Capitalizing on local opposition

During their campaign the Soviets publicized local non-Communist opposition to the Jamaica Conference: the opposition Jamaican People's National Party Youth Organization (PNPYO) had announced a boycott of the Conference and called for support from other youth organizations. Despite vocal backing by Jamaican leftist parties, the PNPYO was, however, unable to muster enough support locally to disrupt the Conference: it did little more than make media protests, circulate anti-Conference and anti-government flyers, and cause a small disturbance on opening day. The Soviets did use the PNPYO's small clash with security forces during their protest to bolster claims that the Conference was undemocratic and unpopular.

Conclusion

In order to maintain control of the international youth movement, the Soviets almost certainly hoped to discourage participation of all youth groups except the most conservative and pro-US. They intended to demonstrate the "reactionary" nature and US domination of the forum, restrict or denigrate the attendance of dissidents from Communist-dominated countries, and encourage a show of solidarity with the Soviet Union through a worldwide boycott. Conference organizers orginally anticipated 700-800 delegates from 80 countries, an expectation that was surpassed by the final tally of 1,100 attendees from Communist-dominated countries. In view of the greater than anticipated attendance of delegates representing the spectrum of non-Communist political interests, the Soviets did not achieve their goals.

The Soviets, however, conducted an extensive worldwide operation that:

Created a number of annoying distractions for the Conference organizers;

Fostered suspicion among a number of governments and youth groups;

Coalesced socialist, pro-Communist, and anti-US groups in opposition to the Conference; and

Provided a positive background for Moscow's own youth conference.

THE 12TH ANNUAL FESTIVAL OF YOUTH AND STUDENTS

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. KOLBE. Mr. Speaker, we have been exposed in recent months to a Soviet public campaign intended to soften their harsh, intransigent image. Soviet President Gorbachev has been compared favorably by the American press to John F. Kennedy, and the new Foreign Minister is praised by our political leaders as a likeable, charming fellow. While this may be welcomed as a sign of cooperation and a pledge of good faith, we must not ignore the facts in our fascination with an image that doesn't exist in reality.

We are presented with a rosy picture of a generous, well-intentioned nation seeking world peace. If the goal intended by its actions is world peace, then the Soviet Union envisions a world subdued by fear and oppression. What generosity exists is overshadowed by the atrocities engineered by the Soviet Government against the people of Afghanistan. In supporting Marxist-Ethiopia, the Soviet Union has shattered any good intentions by standing idle while thousands of Ethiopians are driven to starvation by their own government.

The Soviet Union hides behind its propaganda, blaming the rest of the world for the havoc it creates. No better proof of this exists than the 12th Annual Festival of Youth and Students held in Moscow this past July. This year the theme of the festival was "For Anti-Imperialist Solidarity, Peace, and Friendship." Young people from 144 countries, including the United States, participated in lectures, concerts, and a "Youth accuses imperialism" tribunal. On the surface, an international conference organized to bring young leaders from around the world together to discuss world problems and peace issues seems like a good thing to do. However, the real intent of this year's conference was to reinforce anti-American sentiment, using American citizens in the process.

Two high school students from my congressional district, Laurel Lamb and Erica Ferguson, had planned to be among those representing the United States at the 12th Annual Festival of Youth and Students. They looked forward for months to their first trip to the Soviet Union, and were excited about the prospect of meeting other young people from around the world to discuss world peace. Just before she was to leave for Moscow, Laurel Lamb received a phone call from one of the organizers of the event, the U.S. National Preparatory Committee, asking her to bring posters to decorate a disco at the festival. Laurel assumed she was being asked to bring posters of American rock groups or some other sample of American culture. Instead, she was told to bring posters of "the struggle of youth under the Reagan administration for the past 5 years," including depictions of "striking copper workers, the sanctuary movement, ground water problems, and the plight of the Indians." Laurel was informed also that she might have to "take some pictures and dig for information about other things."

Laurel researched past festivals at the University of Arizona library, and after discovering some disturbing facts about the event, called her friend Erica to let her know what she had learned. Together they placed phone calls to different organizations, and Laurel called the CIA and the FBI to verify the information she had gathered. Both Laurel and Erica decided to cancel their trips. Laurel believes that the problems mentioned by the festival organizers are important. But, the festival was intended to twist these legitimate concerns into a propagandistic attack against the United States.

Laurel and Erica would not have questioned the motives of the conference organizers if they had dealt with such issues as the environment, labor, immigration, and discrimination—problems faced by many countries. Indeed, these and other issues would probably arise in their conversations with other young people, regardless of the main topic of the conference. But, the organizers intentionally misled those attending the conference by turning attention away from a true quest for peace, focusing instead on U.S. domestic policies and blaming this country for tensions which continue to exist in an imperfect world.

What disturbs me most about this incident is that American teenagers were used to gather information to supplement Soviet propaganda. The U.S. Preparatory Committee could have obtained the information on their own, and certainly the Soviet Government has its own sources. This was not an act of good faith from a country desiring the trust and cooperation of other nations.

I have met Laurel Lamb and Erica Ferguson, and know them to be intelligent and thoughtful in their judgments. They did not cancel their trips to Moscow to avoid criticism of their government. They, too, have questions about government policies and actions. But, Laurel and Erica had the maturity and foresight to recognize that they were being used for propaganda, and purposes by a government bent on our destruction. I am very proud of them, and wonder if many of us would have exercised the same sound judgement.

THE TRIAD

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 18, 1985, into the CONGRESSIONAL RECORD:

THE TRIAD

By the mid-1990s, both the U.S. and the Soviet Union will replace their current strategic nuclear forces with new and improved systems. The U.S. now has 10,770 strategic nuclear warheads and the Soviets have 9,594. Each side uses bombers, submarines, and land-based missiles to deliver these warheads. The Soviets keep about ⅔ of their warheads on land-based missiles, while the U.S. relies on a more balanced attack. Each leg of the U.S. nuclear triad has its own advantages in deterring the Soviets.

HEAVY BOMBERS

The U.S. manned bomber fleet is the most versatile part of the triad. Dispatched at the first warning of an attack, bombers can maneuver in enemy territory and can be recalled if a crisis is averted. The American fleet of 297 bombers (241 B-52s and 56 FB-111s) carries about 3,300 nuclear weapons. 303 Soviet bombers carry 1,052 nuclear weapons. Almost half of the Soviet bombers are based on a design 30 years old. By the mid-1990s most of the older bombers will be replaced with modern versions.

The American FB-111 travels at twice the speed of sound, but it must be refueled after 1,560 miles. The B-52 can travel twice as far, but the last of them was built in 1962. To improve performance, the Air Force has equipped B-52s with 1,080 cruise missiles. Another 1,800 cruise missiles will be deployed by the 1990s. Launched from the aircraft, each cruise missile is a small pilotless plane that can carry a warhead up to 1,500 miles. They are accurate and very difficult to detect; their radar image is about the same size as a seagull's. The Soviets also have cruise missiles on their bombers, but technical advances give the American missile greater range, accuracy, and performance.

The Air Force is developing two new long-range bombers—the B-1B and the Advance Technology (Stealth) Bomber—to replace the aging B-52s. To counter improved Soviet air defenses, the B-1B should penetrate Soviet territory at low altitudes at about 650 mph. It will be 100 times harder for radar to detect than the B-52. The cost for 100 approved B-1Bs is about $30 billion. Two have been delivered to the Air Force and the full fleet should be in operation by 1988. The Soviet Blackjack, a new long-range bomber comparable to the B-1B, should be first deployed in 1987.

Special design technology, such as radar-absorbing materials, will make the Stealth even more difficult to detect than the B-1B. This technology, which will also be applied to future cruise missiles, will not be ready until the early 1990s. Some 132 planes are planned, at an estimated cost of $45 billion. The Soviets are behind us in stealth technology.

SUBMARINES

Submarine-based missiles are an effective deterrent to surprise attack. Because subs can remain immersed for months and are difficult to track, they are the most survivable leg of the U.S. triad. Almost 50% of U.S. strategic warheads are sub-based, compared to 22% of Soviets warheads. In the 1990s, the Soviets will replace their entire submarine force, improving accuracy, survivability, and range.

The U.S. has 31 Poseidon and 6 Trident submarines, with a total of 5,728 nuclear warheads. Five more Tridents should be delivered to the Navy by early 1990. Each Trident carries the C-4 missile, which has a range of nearly 4,900 miles, but lacks the accuracy and explosive yield needed to destroy hardened Soviet military targets like missile silos and command centers. By late 1989, however, the Navy should begin equipping the Trident with the 8-warhead Trident II missile (the D-5), which will have this capability. A fleet of 20 Trident subs, carrying 480 D-5 missiles, is planned, but these numbers could grow.

While the D-5 is being developed, the Navy will use Tomahawk cruise missiles on ships and attack subs. Though much slower than the C-4, the Tomahawk has the most accurate guidance system in the U.S. arsenal. It can destroy a Soviet landbased missile in a hardened silo from a distance of 1,500 miles. During a conflict, these missiles would be used to saturate enemy air defenses.

LAND-BASED MISSILES

For nearly a decade, the President and Congress have debated how best to improve our long-range land-based nuclear force. 1,000 Minuteman missiles, with 2,100 warheads, are now deployed in underground silos. All 24 Titan missiles will be retired by 1987. The development of more accurate and powerful Soviet land-based missiles, and Soviet advances in superhardened missile silos, have reduced the effectiveness of the Minuteman force. A 1983 Presidential commission recommended placing 100 MX missiles in existing Minuteman silos, and endorsed the development of the Midgetman, a mobile, single-warhead missile to be carried on armored vehicles.

An MX carries 10 warheads, and each warhead can be programmed to hit a separate target. It can destroy hardened Soviet military targets. Now being flight tested, the first 10 MX missiles should be ready in 1986. Because they will be placed in vulnerable, easily-targeted silos, and because the cost for deployment of 100 missiles is $21.7 billion. Congress limited to 50 the number of MXs that can be deployed in these silos.

Smaller and more survivable than the MX, the Midgetman will be accurate enough to hit Soviet military targets. A mobile Midgetman also confounds Soviets military planning. While the Soviets can use one missile to destroy one 10-warhead MX, they would have to use many to barrage a single Midgetman. The total number of Midgetmen has not yet been determined, but the first one should be available in 1992. The entire Soviet land-based missile force will be new by 1995, and many will be mobile.

Although the U.S. nuclear triad will be improved by modernization, the nuclear balance will not change much. The Soviets continue to lead in land-based missiles, and we retain superior submarine and bomber fleets. As both superpowers strive at high cost to improve their arsenals, the threat of retaliation remains the way they try to prevent nuclear war.

CLOSING THE DOOR ON SOVIET ESPIONAGE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. BROOMFIELD. Mr. Speaker, finally, we have done something to limit espionage by the Soviets and others at the United Nations. Our Government recently told the Soviet Union and mission personnel from five other countries that their movements have been restricted to a 25-mile radius from New York City. This is a welcome move which will help to slow up the hemorrhage of sensitive intelligence and defense information from this country.

Over the years, many Soviets, masquerading as legitimate U.N. Secretariat employees, have engaged in extensive espionage and have traveled throughout the United States in pursuit of valuable intelligence information. It is interesting to note that many familiar with the Soviet espionage effort believe that about 350 of the Soviets assigned to the United Nation are engaged in espionage activities.

There is a standing joke at the United Nation among legitimate employees there suggesting that Soviet employees in the Secretariat rarely do legitimate United Nation work because of their heavy spying requirements.

Other nations affected by the new restrictions are Afghanistan, Cuba, Iran, Libya, and Vietnam.

Let us hope that the United Nation will understand the serious intent and the spirit of this new travel ban and fully cooperate with U.S. Government officials responsible for enforcing the new travel requirements.

With these concerns in mind, I recommend the following Washington Post article to my colleagues in the House.

The article follows:

[From the Washington Post, Sept. 14, 1985]

U.S. TIGHTENS TRAVEL AT U.N.—STAFF FROM SOVIET, FIVE COUNTRIES RESTRICTED TO 25-MILE LIMIT

(By Michael J. Berlin)

UNITED NATIONS, Sept. 13—About 450 staff members of the United Nations Secretariat from the Soviet Union and five other countries, many of them accused by Washington of being spies, will be restricted in their travels outside the New York City area starting Sunday, the United States announced today.

Secretary General Javier Perez de Cuellar denounced the restrictions as improper, "unduly onerous" and incompatible with American treaty obligations under the U.N. Charter and other agreements. In a note to the U.S. Mission to the United Nations, released today, he refused an American request that he help ensure compliance with the new rule.

The travel code, which now will require the Secretariat workers involved to seek U.S. approval of any trips beyond a 25-mile radius from Columbus Circle in midtown Manhattan, has long applied to diplomats, journalists and other government officials from the six countries.

In addition to the Soviet Union, which has about 300 U.N. staff members in New York, the countries involved are Afghanistan, with 20 U.N. employes, Cuba (with 30), Iran (50), Libya (40) and Vietnam (15).

The action taken by the State Department was mandated under an amendment to the department's budget authorization bill, adopted in July and sponsored by Sen. William V. Roth Jr. (R-Del.). But the administration, in its note informing the United Nations of the restrictions, accepted the mandate as necessary to curb espionage activities.

"It is a response to a serious concern over clandestine activities by employes of the Secretariat from the U.S.S.R. and certain other countries," said Irene Payne, a spokeswoman for the U.S. Mission. "Such activities are inconsistent with the status of these persons as international civil servants, and they pose a threat to the security of the United States."

Since the United Nations took up residence in New York 40 years ago, more than a dozen Soviet staff members have been arrested and deported on spying charges. But Perez de Cuellar noted that during his four years as secretary general, the United States had never brought to his attention any such charges against any Secretariat member. Were it to do so, he said, he would "take quick and effective action" against any staff member "shown to have engaged in any improper activities against the security of the host state."

But he rejected "any blanket, unsubstantiated accusation." In a recent book, Soviet defector Arkady Shevchenko, who was once the top-ranking Soviet on the U.N. staff, confirmed that nine of 12 Soviet nationals working under him "were intelligence professionals" and added that "it is probably no exaggeration to count more than half of the more than 700 Soviets in New York City as . . . full-time spies."

Unlike Soviet diplomats, the U.N. staff members have been able until now to travel freely across the United States.

But, starting on Sunday, they and the other U.N. employes under the interdiction must submit requests for travel outside the 25-mile zone to the State Department's Foreign Missions Service Bureau in mid-Manhattan.

If their travel is on official U.N. business, the U.S. office would book their flights and hotel arrangements outside the zone. The office also considers personal requests for recreational travel on a case-by-case basis, U.S. officials said.

The secretary general challenged the right of the United States to determine whether travel by U.N. employes is official. Other U.N. officials noted that any cooperation with the processing of travel requests would constitute acceptance of the American rules.

Perez de Cuellar appealed to the United States to reconsider the imposition of the restrictions, but was told last night by U.S. officials that they would go into effect as scheduled.

Privately, U.N. officials conceded that the travel code does not violate any specific provisions of the U.N. Charter or the 1946 headquarters agreement regulating the U.N. presence in New York. Instead, they said, it runs counter to the essential character of the international civil service, which should be free from influence by one government.

Ironically, the way the rules are framed, they would apply to many nationals of Cuba, Libya, Iran and Afghanistan who are on the U.N. staff because they are alienated from the present governments of those countries and cannot safely return home.

One high-ranking U.N. executive from Iran, who did not wish to be identified by name, noted that at his home in New Jersey, "My bedroom is inside the 25-mile limit, so I can sleep, but unfortunately my bathroom is outside the zone." Others, who live in New York's Westchester County, are also beyond the limit. American officials indicated that these staffers could obtain exemptions upon application and suggested that those perceived as being no threat to the United States could obtain permanent exemptions for personal travel.

But another Iranian in exile, Zohreh Tabatabai, bristled at the requirement of applying to the State Department for permission to keep her U.N. speaking engagements in Seattle and Boulder, Colo., or asking leave to spend a weekend in the Hamptions on Long Island.

"I refuse to take another nationality, and I refuse to go to them—it is outrageous," she said. "The U.N. will have to post me somewhere else. Many of us can't go home. We've already cut links with a country that was dear to us, and now the U.S. wants to intern us it did to the Japanese" during World War II.

TRADE ADJUSTMENT ASSISTANCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. FRENZEL. Mr. Speaker, for myself and the gentleman from Florida, Mr. GIBBONS, I have introduced today H.R. 3367, a bill to extend the existing Trade Adjustment Assistance Program for 60 days.

I do not sponsor this bill out of affection for the program. Rather, the reason is that some additional time is required for the administration to review trade adjustment assistnce and submit a new, improved program to the Congress for approval.

Another TAA bill is proceeding as a part of the Ways and Mean Budget reconciliation package. H.R. 3367 may be needed because the reconciliation is moving rather slowly.

NATIONAL NEWSPAPER WEEK AND THE IMPORTANCE OF THE COMMUNITY NEWSPAPER

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HERTEL of Michigan. Mr. Speaker, I think it is only proper and fitting that during National Newspaper Week (September 15–21, 1985) we take a moment to recognize the tremendous service of our Nation's newspaper network. Newspapers serve an important function in our society: Transmitting information about the economy, politics, human interest, and community events, just to name a few.

The Grosse Pointe News, a community paper located in the 14th Congressional District which I represent, published an article especially for National Newspaper Week entitled, "Newspapers: They're Everybody's Business," by Nancy Parmenter, which describes the role of this particular paper during its 45-year history in the Grosse Pointe community. I want to share excerpts from this article with my colleagues to demonstrate the importance of the many services provided by such newspapers.

EXCERPTS FROM THE GROSSE POINTE NEWS

The Grosse Pointe News never neglected the role it prides itself on today—that of community booster. Pages were devoted to high school sports and community events. Economic development, fire and police protection and school news filled the pages, crowding even news of the war in Europe.

* * * * * *

If there were no Grosse Pointe News, you wouldn't know who got married, had a baby, or died. Local merchants would have no outlet for their ads and business would drop. You would have had to depend on word-of-mouth to find out when school opened.

* * * * * *

You depend on the Grosse Pointe News for information on community meetings. School sports. The level of Lake St. Clair. Those fantastic classified ads. And we've been cranking that information out for 45 years.

* * * * * *

Today the Grosse Pointe News has seven writers. We cover the police and fire beats in all five Pointes twice a week and attend every municipal meeting, but the biggest part of our coverage is still the community. Detailing the efforts and successes of its individuals is the paper's way of taking an accurate community pulse. It's a record of the rhythms of life from birth to death.

EDUCATION SAVINGS ACCOUNT PROPOSED

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. KOLBE. Mr. Speaker, today I am introducing a bill which would amend the Internal Revenue Code and allow a deduction for contributions to an education savings account set up to help fund a child's postsecondary education.

The cost of higher education continues to increase and as a result some of our most deserving young people are denied this valuable opportunity. The high cost of continuing education places a tremendous burden on families, especially those with more than one child in college. At a time when Congress is trying to reduce the deficit by cutting back on student loans, I believe we have an obligation to provide an alternative for families who are trying to meet the high cost of a college education.

The bill I'm introducing would allow parents or guardians of children under the age of 19 to contribute up to $1,000 a year per child to education savings accounts, which would act as trusts until the child begins attending college or a postsecondary vocational school. The annual contributions, in the form of cash, stocks, or securities, would be excluded from the contributor's gross income and would never be taxed so long as they eventually are used for college expenses.

I urge my colleagues to join me in supporting what I believe is some necessary help to the American family that pursues the dream of a college education for their children.

CALL TO CONSCIENCE STATEMENT FOR SOVIET JEWRY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. ADDABBO. Mr. Speaker, for the past several months many of my colleagues have been responding to a congressional "Call to Conscience" and speaking out on the plight of Soviet Jewry. In doing so, this Congress has persistently reminded the world and the Soviet Government that systematic violation of human rights will not be ignored by this country.

The Soviets, as signators to the Helsinki accords, are pledged to uphold human rights and permit free emigration. They have never fully lived up to this commitment, but in recent months and years they have become brazen in their disregard.

Increasingly, we hear reports of official Government action taken against Jews who practice their religion. People have been arrested for such "anti-Soviet" activities as teaching Hebrew. Jewish emigration has been slowed to a trickle—it is likely that fewer than 1,000 Jews will be granted exit visas this year.

Those who apply and are denied visas are also denied the right to earn a living in their chosen professions. Many are separated from family members who are already in the West. Some are even imprisoned for expressing their desire to settle in Israel a little too forcefully or for practicing Judaism a little too overtly.

The cases of Kim Fridman and Vladimir Kislik are not unique in the Soviet treatment of refuseniks. Both men have been denied exit visas for 14 years. Both have lost their jobs. Both have been separated for years from family members who have emigrated to Israel. And both have been arrested on trumped up charges, been convicted of fabricated offenses and have served time in Soviet prisons.

The Soviet Government's official reason for refusing to allow these men to depart, is that they represent a threat to state security. These charges are patently absurd. The "secrets" that Fridman and Kislik allegedly possess have long since been compromised. Many of Mr. Fridman's colleagues at the Kiev radio plant have been granted exit visas and the "sensitive" information that Mr. Kislik researched has since been published.

They are not threats to Soviet security, but what they represent is. In a totalitarian society, expressing one's individualism and standing up for one's rights cannot be tolerated, and those who do, must be made examples of. We in the West, however, have no such fears. Kim Fridman, Vladimir Kislik and the other refuseniks, must know that their plight is not being ignored in the West, and that this Congress will continue to speak out on their behalf.

1985 CALL TO CONSCIENCE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. CONTE. Mr. Speaker, let me take this opportunity to express my concern for the distressful situation which has prompted the necessity for the 1985 Congressional Call to Conscience for Soviet Jews.

The appalling treatment of Jewish citizens in the Soviet Union, which is typified by blatant discrimination and outright harassment, must be brought to light on the floor of the U.S. Congress. This Nation cannot tolerate the Soviet practice of denying members of a religious minority their basic human rights.

This matter is of special interest to me as I have worked personally to seek the release of many Soviet Jews who have been denied permission to emigrate by the Soviet Government. The number of Jews allowed to emigrate from the Soviet Union has decreased from a high of 51,320 in 1979 to only 896 in 1984. When Jews apply for exit visas from the Soviet Union and are denied, they are ostracized, publicly beaten, and oftentimes their very lives are threatened by the Soviet Government. These refuseniks often receive especially brutal treatment during Jewish holidays—a brutal rejoinder to this year's celebration of Rosh Hashanah elsewhere in the world. We simply cannot stand idly by while citizens of other nations are being persecuted for their religious beliefs.

The abhorrent living conditions which refuseniks and their families are forced to endure in the Soviet Union was made evident to me on my recent trip to the country. Many are without jobs and have no money to pay for life's necessities. Sick children grow weak and hungry because the food and medical care which they so desperately require are unavailable or unaffordable to their refusenik parents. This deplorable treatment of Soviet children is just one more in a long and continuously growing list of heinous crimes committed by the Soviet Government against humanity.

As the November summit meeting between President Reagan and General Secretary Gorbachev draws near, a unique opportunity presents itself to improve the lot of Soviet Jews and all those oppressed in the Soviet Union

It would be an encouraging sign to people of every nation if the Soviet Government were to admit the error of its ways and work to ease the plight of Soviet Jews—to permit Jews to worship peacefully or to permit them to emigrate to a country that will allow them to do so. In an age where the easing of superpower tension is a vital prerequisite, anything less would be an abysmal abdication of responsibility.

FEDERAL EMPLOYEES BENEFITS IMPROVEMENT ACT OF 1985

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Ms. OAKAR. Mr. Speaker, today I am introducing the Federal Employees Benefits Improvement Act of 1985. This legislation will amend and improve the Federal Employees Health Benefits Program [FEHBP] and the civil service retirement system. Joining me as cosponsors of this bill are members of the Subcommittee on Compensation and Employee Benefits, Congressmen LELAND, SOLARZ, and YOUNG, as well as other strong advocates for Federal workers, Congressmen BARNES, FAZIO, HORTON, HOYER, MOAKLEY, and WOLF.

Over the past few years, the Subcommittee on Compensation and Employees Benefits, which I chair, has conducted extensive hearings on the FEHBP. Numerous provisions of the bill I am introducing today, which make necessary improvements in the program, were the subject of much discussion and favorable testimony during those hearings. The remainder of the legislation sets forth a series of technical amendments to Public Law 98–615, which was enacted last year to provide retirement equity for former spouses of civl service retirees.

Eight provisions in the bill relate to the Federal Employees Health Benefits Pro-

gram. The first provision will enable retired enrollees in the FEHBP to receive rebates which will be offered next year by 11 plans in the program. This change will benefit hundreds of thousands of Federal retirees, who, like active employees, are entitled to refunds on their health insurance premiums due to the excess reserves that have accumulated in the program.

The second provision permanently repeals the 75-percent limitation on the Government's contribution toward the FEHBP premium. Earlier this week, the Post Office and Civil Service Committee included a 2-year suspension of the 75-percent cap in its reconciliation bill. By allowing for the full Government contribution, this provision will lower the cost of health insurance for more than 1 million FEHBP subscribers. This reform has a history of strong support by the administration, the health insurance carriers and Federal employee organizations.

The third provision in the bill reinstates the authority for FEHBP payments to nonmedical health providers in medically underserved areas. This authority expired on January 1 of this year, and is now badly needed in areas where there are insufficient physicians to meet Federal workers' health needs.

Fourth, my legislation eliminates the requirement that prepaid FEHBP plans, or health maintenance organizations [HMO's], employ physicians representing three medical specialties. Originally, this requirement was designed to assure the availability of a range of health services in each HMO. Today, however, it effectively precludes the development of family practice HMO's and other group providers who seek to serve their community's general health needs, instead of going into a narrower, more specialized practice. My bill would replace this provision with a more realistic requirement that comprehensive plans include at least three physicians who represent one or more medical specialties appropriate and necessary for their enrollees.

The fifth provision of this bill requires the Office of Personnel Management to undertake a study of two aspects of the FEHBP. First, OPM will assess the adequacy of information services provided to FEHBP subscribers. With the numerous choices in FEHBP plans available to subscribers, it is essential that they have adequate information to make intelligent decisions. The flood of inquiries into congressional offices alone suggests that Federal workers and retirees would benefit greatly from improved information about their health plans, both before open season and during the contract year.

The legislation directs the OPM to examine specifically the coordination of coverage for individuals enrolled both in FEHBP and Medicare or other Federal health programs. In this area especially, adequate information is essential if enrollees are to take full advantage of the health coverage they buy. Second, OPM will study and make recommendations to the Congress on requiring direct reimbursement of nonphysician health practitioners, including clinical social workers, nurse midwives, nurse practitioners, chiropractors, and others, for health services covered under FEHBP plans. OPM must report its findings on both studies to Congress by March 1, 1986.

The sixth provision requires the OPM to conduct an open season before the start of any contract year in which a new health benefits plan is offered or an existing plan changes its rates or coverage or terminates participation in the program. Such a requirement will protect FEHBP enrollees by ensuring that when there are changes in the program, they will have an opportunity to review their insurance needs and to make informed choices about their coverage.

The seventh section of this bill provides that FEHBP plans may require referral by a psychiatrist as a condition for reimbursement of clinical social workers for covered services provided to enrollees. Plans may not, however, require physician supervision as a condition for reimbursement.

The final provision relating to the FEHBP expresses the sense of the Congress that sufficient coverage for mental health and substance abuse treatment be available to FEHBP subscribers. Our Federal workers deserve adequate insurance coverage for the treatment of these health conditions and should not have to suffer with less, simply because mental illness is perceived to be stigmatized.

In the area of civil service retirement, this legislation makes six technical changes in the Civil Service Retirement Spouse Equity Act of 1984, Public Law 98–615, which provided for survivor retirement benefits to former spouses of Federal workers. Technical corrections in this bill will clarify congressional intent in that law.

A number of provisions apply to Federal employees, retirees, and surviving spouses who were unintentionally excluded from the provisions of Public Law 98–615. Another provision will clarify conditions for participation of former spouses in the Federal Employees Health Benefits Program. The bill also clarifies congressional intent with regard to electing an insurable interest for former spouses and others.

Mr. Speaker, I want to thank the original cosponsors of this bill for their endorsement and their continuing, tireless efforts to assist Federal workers and retirees. Their bipartisan support is indicative of the strong need for the provisions in this legislation. Once again, this bill incorporates positive changes to improve the Federal health insurance and retirement programs for the benefit of all Federal workers and retirees. I am proud to bring this legislation before the House of Representatives and urge its swift and affirmative consideration by my colleagues.

GORDON PRANGE—WORLD WAR II HISTORIAN

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SMITH of Iowa. Mr. Speaker, the Pomeroy, IA, High School recently paid tribute to Dr. Gordon W. Prange by observing the 57th anniversary of his graduation from that school in 1928. Many of his friends and acquaintances were present and spoke at the occasion including Anne Root Prange, his wife, and his son Winfred.

Destined to become one of the great historians of our time, the late Dr. Prange left with us the most intricate analysis of Japan's preparations for the attack on Pearl Harbor. Before that he analyzed Hitler's speeches from 1922 to 1943. Had this material been carefully scrutinized the Western nations would have been better prepared for Hitler's assault on civilization.

Dr. Prange who obtained his B.A., M.A., and Ph.D degrees at the University of Iowa in Iowa City in the 1930's based the latter degree in part on his studies in Munich, Germany before the war.

Following his years of schooling Dr. Prange taught history at the University of Maryland from 1937 to 1943 when he became a member of a U.S. Navy research team responsible for writing political and administrative sections of handbooks on Formosa. During the war, he graduated from the Navy's Military Government Program at Princeton University and went to Japan with the American Occupation Forces, staying on as a civilian.

From 1946 to 1951, he served on Gen. Douglas MacArthur's general staff in Tokyo. During these years, he directed an Army historical staff of more than 80 persons including former Japanese military officers, as well as U.S. Army officers and enlisted men to produce a history on MacArthur's operations. This work resulted in the "Reports of General MacArthur." It was not published until after MacArthur's death in 1964 in accordance with his wishes. Prange's vast research enabled him to write "Tora! Tora! Tora!" which was made into a motion picture. His most detailed effort, "At Dawn We Slept," is an amazing factual description of Japan's preparation for the Pearl Harbor attack. No literary effort on the subject of Pearl Harbor has matched it.

When Prange returned to the University of Maryland in 1951 he brought 450 crates of books, newspapers, and periodicals with him concerning the military occupation of Japan. The materials were accepted by the University of Maryland's McKeldin Library and designated the Gordon W. Prange Collection. These materials formed the basis of much of his work.

The evening of tribute and reunion were made possible by the work of Luella Lundeen of Pomeroy and Virgil Shinker, Port Charlotte, FL, with the help of many others. A number of Iowa newspapers described the event, among them the Po-

meroy Herald and the Fort Dodge Messenger.

If there are no objections I would like to include exerpts from the two newspapers, from speeches given, and from other recordings of the affair.

Virgil Shinker described his associations with Gordon Prange in athletics and he told of a letter Prange wrote some years ago describing Shinker's father's religious influence on Prange as a boy. The elder Shinker told young Prange "if you do your part God will do his" and Prange remembered this throughout his life.

Marjorie Lewis Albrecht described Prange, the boy, as one who was musical and also talented in sports, a prankster now and then with a keen sense of humor, but a person who was also a dedicated student and one who accomplished what he set out to do. "He liked to be best at whatever he did," she said. She remembered that one of Prange's teachers told him in high school that he had a great potential because of his love of history.

Dr. Norman Runge, a dentist, younger than Prange and 2 years behind him in class, described his self-professed case of hero worship for Prange that followed him through school in Pomeroy and at the University of Iowa. Dr. Runge, speaking of his start at the University 2 years behind Prange said, "I had the $48 for my tuition but I couldn't afford a place to stay and it looked like college was over for me. Gordon let me move in with him for $30 a semester to be paid at the rate of $5 every two weeks." Dr. Runge said had it not been for Prange he might well have had to give up going to college.

Federal Judge William C. Hansen of Jefferson, IA, a long-time friend both in college and throughout Prange's career, told the audience:

The presence of all of you does honor to Gordon and bears witness to his great spirit which continues to pervade and influence all of us.

Gordon came from the Pomeroy community where the roots grow deep in humility and simplicity. His parentage and family background produced an environment of love and understanding which constitute the true foundation of greatness. He was a true son of Iowa.

Gordon and I and my wife—all three—were students at the University of Iowa during our college careers, and we kept in contact with each other until his untimely death in May, 1980. From the day he entered the University it was obvious that he was there to observe the rules and obtain an education in his chosen field. Moreover, in the pursuit of athletics he keenly observed every rule of training and was good at the shot put. He was perhaps the finest first baseman in baseball that I have ever observed at the University of Iowa.

Gordon was the most zealous researcher of historical events I ever knew. Being students together, I thought he was too strict in his interpretations. He, I am sure, thought I was too dove-eyed. In those early days—the late twenties and early thirties—new approaches to governmental action were being initiated, and in our bull sessions he accused me of being what was then called a "bolshevik" and I accused him of being a Hitler. As you know, he later wrote "Hitler's Words." This teasing was all in fun and we never doubted our love and loyalty for one another and our patriotism. As proctors and student governors of the then largest single men's dormitory in the world, I never doubted the sincerity and sound judgment of his advice on important matters. Time will not permit me to relate numerous personal events from which both Ruth and I make these ultimate conclusions.

Prange constantly, diligently and tenaciously wanted to be right and his research into historical events is evidence of his painstaking efforts. A study of his 37 years of work on the book "At Dawn We Slept" concerning Pearl Harbor, proves the premise. He said himself, which is Gordon over and over, "No axe to grind, no preconceived thesis to prove, no one to attack, no one to defend." He strove always to be objective and not subjective. His other works "Master Spy", "The Miracle of Midway", "Tora! Tora! Tora!", "Hitler's Words" and thousands of pages of history prove the case.

Both prior and subsequent to Gordon's death, I had many occasions to visit with some of his close friends. I particularly recall visiting with a senior U.S. circuit court of appeals judge with whom I sat in San Francisco. By utter chance I found that he was a close friend and acquaintance of Gordon Prange and I believe he said that he was the Best Man at Gordon and Anne's wedding. At any rate, Judge Richard Chambers was formerly chief judge of the Circuit Court of Appeals for the 9th Circuit which includes the State of California and he was ever generous in his eloquent remarks relating to the historical writings of his good friend Gordon. If he were here tonight I am certain that he would affirm the pronouncements here made in regard to Gordon W. Prange.

I found Gordon to be as free from affectation or artificiality as anyone I knew. I always knew Gordon to be a man with the virtues I esteem. He practiced the principles of truth, honor, integrity and fairness in his profession as a historian and all through his life. In conclusion let me say that I believe Gordon W. Prange will be adjudged one of the great historians of our time.

Harry L. Tennant of Mendocino, CA, a close friend of Prange's at the University of Iowa and a journalist in Washington, DC, for many years, spoke of Prange's capabilities and determination.

My first meeting with Gordon occurred in late September of 1928 at the University of Iowa Field House. We had both signed up for fall track after registering for classes. We were seated on one end of a bench but had not yet been assigned lockers. Both of us felt a bit bewildered. I asked Gordon, then a complete stranger, if he would keep an eye on my clothes while I went to the showers. I would then watch his while he took a shower. This we did opening up a friendship that lasted 52 years. I might add that this was the first and only time throughout the years that I found him bewildered.

Gordon continued with track and became spectacular in the shot put. In his early months at the University of Iowa he set a national record of sorts. In that athletic event he had the capability of a champion. But, at the height of his efforts he quit the shot put and turned to baseball. His coach, Thomas E. Martin, a member of the University of Iowa law faculty and later a U.S. Senator in Washington, D.C. told me 25 years ago that Gordon could easily have made the 1932 Olympic Team had he continued in the weight events. But we both agreed that he chose the route he liked best.

Not much later Gordon shifted his attention and his enthusiasm to the academic field. Here another person became linked with Gordon's future. Dr. Winfred Root, head of the University of Iowa history department, was a giant at the university. When one thought of history he thought of Dr. Root. He was a compassionate person who expected his students to do their best. As it turned out he also usually knew where the jobs were for graduating historians or those doing historical research. In addition, he had an attractive daughter who had attended Stanford University. One thing led to another and the first time I met up with Gordon in Washington after the war he had married Anne Root and was a full-fledged historian at home and at his University of Maryland office.

Gordon's career at Maryland and elsewhere identified him as a man who regretted having so few hours in the day. One has only to read the extensive dissertation he sent McGraw Hill after nearing the end of *At Dawn We Slept.* I have never known of such an intricate and detailed research effort covering the 37 years he devoted to the subject of Pearl Harbor. He interviewed hundreds. I am convinced that Gordon's letter to McGraw Hill on the pattern of his historical research should be must reading for all persons in the academic world who are faced with that all-inclusive word "research."

Gordon had many friends in the lofty academic field and in politics and government. Among his closest was Francis O. Wilcox, once of the Iowa University track team and later Under Secretary of State for the United Nations. There were many exchanges of letters, comments on Gordon's writings for the Readers' Digest and others. Francis retired and became Director of Johns Hopkins School of Advanced International Studies. When I had lunch with Francis last fall our conversation centered around Gordon's almost unmatched devotion to seeing his writings through. Unquestionably Dr. Wilcox would be here today for this remarkable tribute but he passed on three months ago.

Dr. Prange's wife, Anne, who lives in University Park, Maryland closed the anniversary program. Jalene Jameson of the Fort Dodge Messenger said, "She characterized her late husband as a perfectionist who was never quite ready to publish his work."

Students flocked to his classes at the University of Maryland and he thrived on teaching but his roots were always in Iowa, according to Anne Prange.

Gordon loved Pomeroy and loved Iowa. He was a true son of Iowa. To the day he died, I am sure his heart was in Iowa.

John Heilman, editor of the Pomeroy Herald, described "At Dawn We Slept" as a monumental work written in the best scholarly tradition.

The work adds greatly to knowledge of the events leading up to one of the most significant occurrences of this century, the bombing of Pearl Harbor. However, the book reads like a novel, which may well be the mark of an outstanding historian. It's a fascinating account, good for the serious student of history or for someone who simply enjoys a gripping tale of intrigue and drama. If Prange taught his classes the way

he wrote his books, it is small wonder they were filled during the early phases of registration.

A TRIBUTE TO MR. MARLIN LOOKER

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. GEKAS. Mr. Speaker, I have great respect for those individuals who sacrifice their personal time and overlook their own concerns to help serve others. Today I would like to call to the attention of my colleagues in the U.S. Congress the achievements of Mr. Marlin Looker, a constituent of mine from Harrisburg, PA, who is being honored by his family and friends on September 21 for his many years of distinguished service to his community.

Mr. Looker's long list of activities and accomplishments over the years for the benefit of his community would seem to be enough to satisfy most of us in a lifetime, but his involvement in the American Legion, his local fire company and Lions Club as well as the Steelton-Swatara Masonic Temple, to name just a few, has not diminished. In fact, Mr. Looker's participation in many different projects and community services have won him special merits of honor, most notably the highest honor in Lionism, the Distinguished Service Award in 1982 and in 1983, the Citizen of the Year Award.

Mr. Speaker, it is my hope that more Americans will follow the example of Marlin Looker and devote some of their time to public service. I truly believe that our quality of life would only improve further. Allow me to express my gratitude to Marlin Looker for many jobs well done. I am honored to have an individual like him living in my district.

TO ESTABLISH A U.S. DISTRICT COURT IN JERSEY CITY, NJ

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. GUARINI. Mr. Speaker, I would like to call my colleagues' attention to a serious judicial problem within my district. Jersey City is one of New Jersey's principal urban centers. After years of decay and neglect, the past decade has witnessed civic revitalization unprecedented in the State of New Jersey. With the onset of a renewed local economy, Jersy City has once again drawn a diverse group of residents and visitors to its boundaries. In order to maintain the quality of living it has always provided citizens, I am introducing a bill to provide the U.S. District Court for the District of New Jersey be held at Jersey City in addition to those places currently provided by law.

During the past 10 years our area's Federal criminal and civil cases have sharply increased, doubling the workload in New Jersey's already crowded district courts. Most civil cases wait almost 2 years to come to trial in this severely backlogged judicial network.

The surge in litigation over Social Security disability benefits is a major source of the district court's increased workload. As the Government pursues tougher policies in handling claims for such benefits, the number of cases from Jersey City will continue to increase dramatically.

Statistics show that even after Congress authorized some additional judgships, judicial appointments have not kept up with the voluminous amount of recent cases, especially those involving civil litigation. In addition to the problem of an inadequate number of judges to handle this critical situation, the New Jersey district court facilities are severely overcrowded, and could not provide adequate working space for the judicial personnel.

The closest district court facility to Jersey City is located in Newark, NJ. The court's three buildings are uncomfortably overcrowded. While there are plans to build an additional judicial facility nearby, the project is not likely to be completed for several years to come. Even though the availability of space in the existing facility is at a bare minimum, he overload in casework dictates that the Newark bench increase its judicial staff before the annex is ready for occupancy.

The most severe result of the court's swelling volume of dockets is the inability of judicial personnel to give their full attention to the most difficult cases. Similarly, there has been increased pressure on the appeals courts to divert civil claims from the district courts. There is a need for a district court in Jersey City to alleviate backlogged claims, and to once again concentrate upon the quality of a case's review rather than the speed of its consideration.

It is our duty to provide the citizens of this country with adequate legal facilities so that all legal cases will receive proper judicial review. As recent litigation surges in our district courts, the denial of more centrally located, efficient and properly staffed district courts will only result in hindering the legal process further. Statistics have given proof to the great volume of cases filed in Jersey City, and indicate that it should be included in a growing legal network as a prime location for a U.S. district court. Mr. Speaker, given the reasons I have stated above, I respectfully urge my colleagues to favorably consider this bill.

SUPPLEMENTAL STUDENT LOANS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. FRENZEL. Mr. Speaker, today I am introducing, for myself and Mr. PENNY of Minnesota, H.R. 3366, legislation that would allow States to continue to administer supplemental student loan programs. I understand Senators DURENBERGER and BOREN are introducing identical legislation in the other body.

In response to student needs for financial assistance, States have set up supplemental student loan programs. These loan programs are not federally guaranteed and do not depend on direct Federal or State subsidies. They do rely on tax-exempt financing.

In 1984, the Deficit Reduction Act placed a moratorium on the issuance of tax-exempt bonds for supplemental student loan programs; 15 States were allowed a one-time exception under which they were able to issue a limited amount of tax-exempt debt to continue their programs. Once the established limits are met, States will be unable to continue the supplemental student loan program.

The legislation I am introducing today would allow those States currently operating supplemental student loan programs to continue them. The remaining 34 States would be allowed to set up similar programs.

Under this bill, States would be required to adhere to existing State volume cap on tax-exempt debt. The supplemental student loan therefor will not cause any softening on total tax-exempt issue restrictions. Neither will the SSL Program affect the Guaranteed Student Loan Program.

THE OLDEST TRUCKING FIRM IN AMERICA

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. DWYER of New Jersey. Mr. Speaker, the Sixth Congressional District of the State of New Jersey has many reasons to be proud. It is an outstanding area, leading the Nation in many fields. It is the home of Rutgers University, corporate headquarters to many pharmaceutical and high tech businesses, and home to 526,000 hardworking and dedicated persons.

But what my colleagues might not know is that the sixth district also is home to the oldest active trucking firm in the United States.

Van Brunt & Son, Inc., of Old Bridge, NJ, has been operating in the central New Jersey area since 1837. Now, after 148 years, it is still going strong. The company has an interesting history, which I would like to share with my colleagues today.

Originally called the Matawan Stage Line, it was a stagecoach line which met steamboats that operated between New York City and Keyport, NJ. In 1887, it was bought by William Van Brunt and assumed its current name. Around the turn of the century, the line was operated to haul cargo and provide taxi service.

Then, in 1912, Van Brunt bought his first truck, a 1912 Federal, which was followed by a series of Pierce Arrows and Packards. The business grew rapidly, and was princi-

pally involved in hauling farm products from central New Jersey to New York and westward to Pennsylvania.

Following William Van Brunt's death in 1937, the business was run by his son, Harvey. In 1963, Harvey Van Brunt retired and sold the business to Fred Hermann, who continues to operate it today. Hermann conducted a modernization program, replacing the firm's old facility in Matawan with the current terminal in Old Bridge and has continuously updated his trucking equipment.

Today, Van Brunt and Son continues to operate as a successful trucking firm, running a modern and efficient business. But, it is careful never to forget the long and proud history it enjoys as the oldest trucking firm in the Nation.

On October 20, 1985, New Jersey Teamsters and Transportation Day will be observed. Van Brunt & Son will participate in the observance by running its Brewster Omnibus and freight wagons for the benefit of the East Brunswick Museum, in the historic village of Old Bridge.

Mr. Speaker, I am pleased to bring the long history of Van Brunt & Son, Inc., to the attention of my colleagues and hope that for them, the next century and a half will be as productive and successful as the first 150 years have been.

WARREN BROOKES ON TAX REFORM AND ECONOMIC GROWTH

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. COURTER. Mr. Speaker, Warren Brookes of the Detroit News made a unique and insightful observation on the potential for economic growth under the Reagan tax plan. The new-old growth model, Brookes points out, is demonstrated through a shift in the tax burden to relieve those with the greatest growth potential—small enterprises and individuals. As David Burch of MIT has pointed out, over 90 percent of all new jobs are created by companies with 100 employees or less.

This understanding of the origins of higher output and job creation in the real economy should be kept in mind as we consider prospects for tax reform.

Warren Brookes' important column follows:

A NEW MODEL FOR GROWTH?

(By Warren T. Brookes)

When President Reagan presented his tax-reform plan on May 31 a great many conservatives, including this columnist, criticized it as not being sufficiently generous to economic growth.

With its 24 percent, $118-billion, five-year tax increase on corporations (paid for by a $132-billion cut in individual taxes), and its substantial 6-percent increase in the tax cost of capital over the present system, it seemed to us a "sacrifice" of the 1981 Reagan "growth-agenda."

We now think that criticism was vastly overdrawn. In fact, Mr. Reagan's tax proposal may be exactly the new-old "growth model" this country is looking for precisely because it deliberately shifts the tax burden from small business and individual entrepreneurs toward the large corporations.

The effect is to lower both marginal and effective tax rates on those most likely to make the economy grow, by taking away tax subsidies from those with the least growth potential.

We came to this conclusion after spending several days analyzing state-by-state trends in new business formation, compared with job and economic growth rates.

We found two things: The states with the fastest job and economic growth were not only those states with the most rapid growth in new business (i.e. small business) formations, but the states with the least dependence on large corporate enterprise and the least bureaucratized state-sponsored social services.

Conversely, the states with the poorest growth records were those which had most catered to big business with hefty tax breaks, even as they levied excessively high individual tax burdens.

This analysis reconformed Joseph Schumpeter's classic *Capitalism, Socialism, and Democracy* thesis that "creative destruction" and the formation of new businesses (not the tax-subsidized support of the old) is the key to capitalism's success.

As Schumpeter put it, "The fundamental impulse that sets and keeps the capitalist engine in motion comes from the *new* consumer goods, the *new* methods of production or transportation, the *new* markets, the *new* forms of industrial organization that capitalist enterprise creates." (Emphasis on *new* is ours.)

Schumpeter's thesis was actually confirmed by the brilliant work of MIT economist David Birch, first published in 1982, showing that between 1969 and 1976 and 1978–80 as much as 70–80 percent of all new jobs were generated by companies employing less than 100 people. And almost 40 percent of all new jobs come from *new* business formation.

In that same period the Fortune 500 corporations produced almost *no* net new jobs. Birch's work demonstrated why it was that in the period from 1970 to 1984 the United States created nearly 27-million new jobs—while the corporate-state economies of all of Europe actually *lost* nearly 2-million jobs.

The difference can be found not only in the more than 16-million separate business enterprises of the U.S. economy, but our highest-in-the-world rate of new business formation, which shot up more than 125 percent from 266,000 a year in 1970 to 600,000 in 1983.

When you look at the state-by-state breakdown of that new business explosion, you find that of the 21 states that experienced above-the-national-average new business formation, 20 had way above average rates of job growth, and 12 had job growth rates nearly double or more than the national average. Among the top 10, there were no exceptions.

By contrast, *all* of the 25 below-average new-business states failed to get their natural population share of new business formation. Among the "worst" 10 *all* had sub-par job growth rates.

For example: Florida enjoyed a 246-percent increase in business formations, more than double the nation. And its employment grew a whopping 81 percent, nearly triple the national rate of 27 percent. Texas enjoyed 242-percent growth in business formation, twice the nation, and a correspondingly stunning 70-percent rise in total employment, 2.6 times the nation.

By contrast, Ohio's dismal 26-percent rise in total business formation was only one-fifth the national rate and coincided with its dreadful 5-percent, thirteen-year rise in jobs, while Pennsylvania's sub-par 73-percent new business growth helps explain its sad (4 percent) 13-year rise in employment.

Most significantly, all but one of the 21 "best" new business and economic growth states had *below* average *individual* tax burdens, while a clear majority of the "worst" new business states had *above* average or rising tax burdens.

Thus, Mr. Reagan's tax-reform proposal (which puts most of its emphasis on lowering *individual* tax rates, and indirectly pressures high-tax states to get their own houses in order, while removing the tax system's bias toward corporate bigness) is a far better "growth model" than our present system.

NEW BUSINESS AND JOB CREATION 1970–83 RATIOS* TO U.S. GROWTH RATES

Best growth States	New bus. ratio-US	New jobs ratio-US
Alaska	2.00	4.74
Florida	1.96	2.97
Texas	1.93	2.58
Oklahoma	1.84	1.97
Nevada	1.68	3.66
Colorado	1.55	2.81
Arizona	1.52	3.47
Virginia	1.48	1.64
California	1.36	1.58
Louisiana	1.32	1.89
Ohio	.21	.19
Missouri	.36	.55
Wisconsin	.43	.76
New York	.44	.07
Massachusetts	.50	.67
Iowa	.52	.58
Pennsylvania	.58	.14
Maryland	.64	.96
Nebraska	.65	.95
New Jersey	.70	.76

*For example: Alaska's total new business formation rose 252.1 percent compared with 125.6 percent for the nation. Ergo its "ratio" is 2.00. Its job formation was 129 percent, 4.74 times the nation (27.2 percent). Ohio's new business growth rate (26.4 percent) was only 21 percent of the nation, and its new job formation (5.2 percent) only 19 percent.

Source: Bureau of Labor Statistics (Jobs)—Small Business Administration.

THE FEDERAL EQUITABLE PAY PRACTICES ACT OF 1985

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. BONER of Tennessee. Mr. Speaker, I would like to indicate my support for H.R. 3008, the Federal Equitable Pay Practices Act of 1985. I was a cosponsor of the initial legislation, H.R. 27, but not as a cosponsor of H.R. 3008.

It is a fact that the average earnings gap between men and women working for the Federal Government is $9,000 per year; 80 percent of the women employed by the Federal Government are rated at a GS–7 and below, whereas 85 percent of the men employed by the Federal Government are concentrated in grades 10 through 15. These facts do not necessarily indicate that the Government is biased against females and minorities in general. Possibly the pay and

grade differences could have more to do with certain jobs being traditionally filled by women than by the nature of the work. However, the existence of the facts does warrant the Federal paysetting practices study which would be mandated by H.R. 3008.

All but 16 States have initiated pay equity activity studies. It is now time for the most publicized Equal Employment Opportunity employer, the Federal Government, to be at the forefront in determining if pay inequities exist within the Federal sector.

TAX REFORM PROPOSALS UNFAIR TO PUREBRED CATTLE AND HORSE INDUSTRIES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HUBBARD. Mr. Speaker, during the recent congressional recess and for the past several months, I have been hearing from hundreds of my constituents in western Kentucky and others throughout the entire Commonwealth of Kentucky by letter, telephone calls, and personal visits. These individuals are contacting me about their views concerning the President's tax simplification proposal.

I would like to share with my colleagues the excellent letter I received from my constituent, Jenks S. Britt of Russellville, KY, who is a doctor of veterinary medicine. Dr. Britt has contacted me about the tax proposal's impact upon the purebred cattle and horse industries. Indeed, he believes enactment of the tax reform would be a "severe blow to American animal agriculture."

I urge my colleagues to consider Dr. Jenks Britt's comments, and his letter follows:

RUSSELLVILLE, KY, *July 15, 1985.*

Representative CARROLL HUBBARD,
Congressional Office Building, Washington DC.

DEAR CONGRESSMAN HUBBARD. President Reagan's tax proposal concerning livestock expensing, investment credit, depreciation, and capital gains would be devastating to the purebred cattle and horse industry.

Thousands of Kentucky farmers derive a portion of their income from the sale of breeding stock. Reagan's tax laws would:

(1) Stop new investors from purchasing livestock (this new investment money is needed to keep the breeding stock business healthy).

(2) Disallow the writing off of the expense of feeding replacement animals until they are two years of age. It would be impossible to keep this type of records on the typical farm.

(3) Stop investment credit on cattle and restructure the depreciation and capital gains on cattle and horses.

President Reagan is supposed to be probusiness but these are a few of the tax changes that would kill the U.S. as the world leader in animal genetics. With no investment incentive, farmers would have no economic reason to continue breeding stock operation.

I urge you to consider this part of the tax package as a severe blow to American animal agriculture.

Sincerely,

JENKS S. BRITT, DVM.

CITRUS FREEZE RECOVERY ACT

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. IRELAND. Mr. Speaker, today I am introducing legislation intended to assist the U.S. citrus industry in its recovery from the devastating effects of the January 1985 freeze.

Many of us were in Washington in mid-January 1985 when sub-zero temperatures forced the cancellation of the President's Inaugural Parade. That same weather system blanketed the Southern United States bringing 2 days of record-breaking cold temperatures to Florida and Texas. This was the second consecutive freeze of the century the citrus industry had endured. Both freezes caused serious economic losses.

The January 1985 freeze cost Florida's citrus industry a quarter of a billion dollars in direct losses. The loss of 18 million boxes of fruit cost growers $127.77 million in on-tree revenue. Forgone revenues from picking and hauling were pegged at $28.96 million, and the loss of value that would have added at packing houses and processing plants has been placed at $96.47 million. The total of direct losses is $253.2 million. In addition, the trickle down loss to the rest of the States economy resulting from the citrus loss is about $220 million. These losses may seem minimal compared to the December 1983 freeze which damaged or destroyed 250,000 acres of citrus in north central Florida and cut the State's orange-juice production by 40 percent. But, the second freeze finished off many of the trees that had survived the 1983 freeze; doubling the long-term impact on the industry and the economy of the State of Florida.

While many growers did not survive the dual freeze situation, despite some disaster assistance from the Federal Government, others have managed to, literally, hang on. However, the characteristics of the citrus industry dictate that once replanting has occurred, it takes 5 to 7 years before any income is realized. In the interim, the grower must make provision for maintenance and operation of groves which are not producing any income. Citrus is unique among agricultural industries because of the high level of up-front capital investment required and the subsequent long payback period.

Despite the problems which have beset the industry in recent years, many growers have expressed an interest and willingness to stay in the business. The problem, of course, is the length of time before a new grove begins to produce any income and the expense of bringing a grove to production. The legislation I am introducing today is intended to meet the unique problems faced by citrus growers.

The Citrus Freeze Recovery Act establishes in the U.S. Department of Agriculture a federally guaranteed loan program specifically for citrus growers who currently own property they wish to replant. The program is not intended as an opportunity for investors to become involved in citrus production, but is for the benefit of those currently in the business who wish to stay in business and continue to contribute to the industry.

Second, the maximum loan amount is $700,000, an amount which reflects the long-term needs of the growers. In addition, the loan terms can be proportioned in up to seven annual payments. In addition, each year's allotment includes the interest owed for that year so that the grower does not have the out-of-pocket expense. Regular payments by the grower commence following the 7-year period for a term negotiated with the commercial lender.

One final point I would like to make to my colleagues is that growers would have a limited period of time to apply for assistance under this program. At the end of that time the program ceases to exist. It is not intended to be an ongoing effort, but of shorter duration to set the domestic industry back on the road to recovery.

Mr. Speaker, I ask that my colleagues give this proposal serious consideration. Our domestic citrus industry has made an important contribution to the quality of life in America today and I believe we must take steps to ensure the viability of this most important industry.

FORFEITURE OF FEDERAL PENSIONS UPON CONVICTION FOR COVERT AGENT IDENTITIES DISCLOSURES

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. STUMP. Mr. Speaker, today I am introducing the Covert Agent Disclosure Federal Pension Forfeiture Act to ensure that disloyal employees of the United States who break faith with their country and reveal the identities of U.S. covert intelligence agents do not receive retirement benefits from the American taxpayers. The legislation will disqualify persons convicted under the Intelligence Identities Protection Act of 1982, which prohibits unauthorized disclosure of the identity of a covert agent, from receiving retirement pay and annuities under Federal employee retirement systems. On February 7, 1985, I introduced this legislation as part of title VIII of the Omnibus Intelligence and Security Improvements Act, H.R. 1082.

The ability of the United States to collect intelligence on the activities and intentions of hostile foreign powers depends to a substantial degree upon the ability of our intelligence agencies to secure the cooperation of well-placed individuals abroad. An

individual will cooperate with U.S. intelligence only if the United States can guarantee the secrecy of the relationship. If that vital secrecy is breached, the individual may lose his freedom—indeed, in many parts of the world, his life—and the United States loses valuable intelligence information, upon which the safety of the Nation may depend. When it passed the Intelligence Identities Protection Act, the Congress recognized the grave danger to national security posed by damaging exposures of U.S. covert agents. Recent events reflected in the prosecution of former CIA employee Sharon Scranage demonstrate all too clearly the damage that disclosure of the identities of covert agents can do.

When a Federal employee has voluntarily assumed the highest obligations of trust, such as by joining a U.S. intelligence agency, he should not be rewarded with retirement benefits based on that Federal service if he breaches his obligations, breaks faith with his country, and discloses the identities of covert agents in violation of the Intelligence Identities Protection Act. The law should be adjusted to provide that a present or former Federal employee convicted for violation of the Intelligence Identities Protection Act forfeits his retirement pay. The American taxpayers have a right to expect that a Federal employee who endangers the security of the United States will not receive a Government pension.

Section 8312 of title 5 of the United States Code already provides for forfeiture of Federal retirement benefits upon conviction for most national security crimes. Thus, for example, persons convicted of treason, sabotage, espionage, or atomic energy secrecy violations forfeit their pensions under Federal employee retirement systems. The violations defined by the Intelligence Identities Protection Act should have been added to the list of annuity-disqualifying national security crimes in section 8312 when that act was passed in 1982.

The bill I have introduced today amends section 8312 of title 5 to provide that individuals convicted for unauthorized disclosure of the identities of covert agents forfeit their pensions under Federal employee retirement systems. American taxpayers no longer will be potentially liable to pay a pension to a felonious Federal employee for a lifetime when he has damaged the security of the Nation by revealing the identities of U.S. covert intelligence agents.

MISSION AIR

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. HEFNER. Mr. Speaker, I would like to recognize a non-profit organization in Monroe, NC, called "Mission Air."

Mission Air is an organization operated by volunteer pilots, citizens, businessmen and medical personnel who are dedicated to serving people through their commitment to Jesus Christ.

Mission Air flies medical and compassionate missions within a 600-mile (and frequently larger) radius of Monroe. Medical missions involve flights of the sick or injured to major medical centers, children's hospitals, or special treatment centers. They also transport donated organs, blood, special serums, critical equipment, and supplies. Compassionate missions involve transporting family members of seriously ill or injured patients involving prolonged stays in facilities away from home. These missions are particularly important when the patients are children.

Every year hundreds of families in the Carolinas are confronted with the need to send loved ones to treatment centers far away from home or to bring home family members who have been injured or became ill while traveling.

In many cases, an air ambulance is the only alternative, at costs of thousands of dollars, not usually covered by insurance. To remedy this problem, Mission Air began flying in January 1983 as a group of trained volunteers dedicated to providing essential air transportation services free of charge to those in need. In 1984 alone, 93 missions were accomplished, over 125,000 miles flown, and approximately 100 volunteers donated time.

The only requirement for the free service is medically certified need. The patients ability to pay is of no consequence. yet surprisingly, Mission Air is funded exclusively without Federal grants or funds. All of their operating expenses are covered through private contributions and grants from State agencies.

Mission Air has been so successful and become so well known that they are now receiving requests nationwide.

I would like to salute Mission Air and its volunteers for their unselfish missionary work and for their contribution to those in need. Their commitment to others is truly heart-warming.

CONGRATULATIONS TO THE EAGLE SCOUTS OF BOY SCOUT TROOP 524

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. FROST. Mr. Speaker, I have a short but very happy message to share with my colleagues today. On Saturday, November 2, six young men from my district who are members of Boy Scout Troop 524 in Duncanville, TX, will be awarded the rank of Eagle Scout.

A great many of us serving in Congress have participated in Scouting and know well the hard work, dedication, and commitment it takes to achieve the Eagle rank. Less than 3 percent of those who participate in Scouting advance to this highest rank. Those who do have demonstrated excellence in leadership, outdoor skills, and community service.

At a time when public attention is too often focused on the problems of young men and women in our country, it is indeed a pleasure to congratulate Brian Williams, Stephen Duck, Gary Bolter, Raymond Doyle, Allan Smith, and Richard Smith for their achievement. The Eagle rank not only distinguishes them as the best in Scouting, but will also signify for the rest of their lives a commitment to community service and the ability to set and then reach positive goals.

In addition, I want to congratulate the parents of these fine young men. I'm sure that the guidance and encouragment they provided played a major role in their sons' accomplishments. I share in the pride they must feel and look forward to congratulating them in person on November 2.

NETTIE AULETTA: A WOMAN OF DIGNITY, DEDICATION, AND DETERMINATION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. SOLARZ. Mr. Speaker, I rise to pay tribute to the memory of Nettie Tenenbaum Auletta, a lifelong resident of Coney Island and a dedicated community leader. The untimely passing of this beneficent woman has left a large hole in the fabric of our community.

Nettie Auletta was raised in Coney Island, where she met and married her devoted husband, Pat. Together, they lived happily in this community, where they brought up their three children—Bonita, Ken, and Richard—all of whom have gone on to distinguished careers.

Together with her husband, Mrs. Auletta was a concessionaire for the Parks Department for over 40 years, managing facilities in Coney Island and a number of other New York City locations.

In 1946, Nettie and Pat Auletta founded the Coney Island Sports League and helped to obtain money for a community center and sports scholarships. The league led to other recreational institutions in Coney Island and advanced the careers of such athletes as baseball great, Sandy Koufax. In addition to helping Brooklyn's greatest pitcher and many other less famous children, Nettie Auletta was also active as a volunteer for the Heart Fund and Fight for Sight.

Nettie Auletta gave all that she could give to the Coney Island community which was her home. Her commitment to improving the quality of life in Brooklyn serves as an exemplary model for concerned citizens throughout urban America.

It is therefore an honor to pay tribute to Nettie Tenenbaum Auletta, in whose memory the Parks Department recently dedicated a lovely sitting area at the Boardwalk and West 25th Street in Coney Island.

This large semi-circle of benches and recently planted trees serves as a well-deserved public memorial to Nettie Tenenbaum Auletta—a woman of determination and quiet dignity who dedicated her life to making Coney Island a better place to live.

SENATE—*Friday, September 20, 1985*

(Legislative day of Monday, September 16, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray. And as we begin our prayer, let us silently remember the tragedy in Mexico and the heavy responsibility of the leadership there under these circumstances.

Father in Heaven, with boundless gratitude we praise Thee for the release of Rev. Benjamin Weir. We identify with the inexpressable joy of his family after so many months of painful separation and anxiety. Earnestly we beseech Thee for the six hostages who remain in captivity and pray for their early release. Grant special guidance to those who continue to work for this release. Fill their efforts with wisdom and inspire them with relentless purpose.

Gracious God, most of the work of the Senate is invisible. Apart from tireless invisible labors, there would be little visible work. Thank Thee for hard working men and women without whose commitments very little could be done in the Senate. We praise Thee for the Sergeant at Arms and his staff, for the secretaries to the Senate, the majority, the minority and their staffs, the efficiency of the editor in chief and the CONGRESSIONAL RECORD staff, and ready response of the pages. We thank Thee, Lord, for administrative assistants, legislative aides, secretaries, clerks, and receptionists. Thank Thee for those committed to security at the doors, on the floor, in the corridors, and on the grounds. Thank Thee for subway and elevator operators, for faithful friends in food service and maintenance. Thank Thee, Lord, for this multitude of faithful men and women who make it possible for the Senators to do their work. In His name who was servant of all. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. I ask unanimous consent that the distinguished minority leader's time be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. COCHRAN assumed the chair.)

Mr. DOLE. That will be followed by special orders in favor of Senators EVANS and PROXMIRE, not to exceed 15 minutes each; to be followed by routine morning business not to extend beyond the hour of 11 a.m., with statements limited to 5 minutes each.

Following routine morning business, the Senate will do one of two things, either resume Superfund, S. 51, or turn to the compact of free association. Senator MCCLURE, the chairman of the Energy Committee, would very much like to dispose of this legislation today. In my view, it would not take any length of time if we did not load it up with amendments. If we could keep it to the one amendment, which Senator HATCH would offer, which we would move to table, and no other amendments, perhaps we could get some agreement on that. I think we can table that amendment.

But there will be rollcall votes today. I do not know how long we will be in session. It will depend on how much progress is made.

If we should hit a snag in either one of those bills, we will be looking for other legislative items that we could take up today.

On Monday, we will be in session. We will, hopefully, have a lot of business on the Senate floor. There will however be no rollcall votes on Monday. It is likely there will be rollcall votes on Tuesday, but no votes after sundown Tuesday until Thursday of next week.

The point I would make in all of this is that we still have a lot of work to do. I have been advised by many Members that they would like to complete the work of the Senate and adjourn; some would say by the middle of October, some, the first of November, some, prior to Thanksgiving. So we have a number of options and much, of course, depends on the tax bill. Again, as I have indicated, it is not quite fair to have the House of Representatives keep it for 11 months and expect us to pass it in 1 month. In the real world, that is probably not going to happen. We urge our House colleagues to speed up action on the tax bill, if at all possible, so that we can take action this year.

But, even under the best of circumstances, I do not really believe anyone can realistically assume that the bill will pass the House, pass the Senate, complete a conference, and be on the President's desk by the end of the year. If that is the case, then I have missed something along the way. That would be ideal from the President's standpoint—and we want to cooperate with the President—but it would seem to me that that is not really possible.

We hope to take up the farm bill sometime next week. The Senate Agriculture Committee reported out a farm bill last night at about 8 o'clock. It is way over budget. Obviously, it will not be signed by the President if passed. I voted to report out the bill, as did the Presiding Officer and a number of Republicans in the hopes that we could use the next few days in a bipartisan effort to see if we can come within the budget and still have good farm legislation. So that is something we need to start work on. If we could reach some agreement on a number of these items, we could pass that bill in 2 or 3 days. Otherwise, it would take a week.

Then, before we have that little recess on October 10, we need to dispose of the continuing resolution and the debt limit. We are checking with the Treasury to see the last possible date that we need to take action on the debt limit extension before the Government defaults on its debts, because that may be some inducement to our colleagues, to approve that measure.

In any event, that is sort of the rundown for the next couple of weeks.

MEXICAN EARTHQUAKE CRISIS

Mr. DOLE. Mr. President, this morning, I have cabled the President of Mexico a copy of the resolution we passed immediately upon hearing of the earthquake to let him and the people of Mexico know that our prayers and full support are with them in this time of crisis. I am happy to report that President Reagan and Secretary Shultz have also sent messages promising full U.S. assistance. Communication is still impaired, but the most recent reports estimate the number of dead at 230 and the number injured at over 5,000. Let us hope that relief and aid is swift to the stricken areas and that the numbers of reported dead and injured do not grow.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

51-059 O-86-7 (Pt. 18)

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE], is recognized for not to exceed 15 minutes.

IS PRESIDENT REAGAN A FRIEND OR FOE OF ARMS CONTROL?

Mr. PROXMIRE. Mr. President, what evidence is there that the Reagan administration is or is not truly interested in achieving an arms control agreement? President Reagan has publicly and emphatically announced that he wants to negotiate an arms control agreement with the Soviet Union. On the other hand, he has made it clear in word and action that such an agreement will not include a ban on testing nuclear weapons. He opposes negotiating such an agreement although the United States agreed to continue to negotiate a complete ban on any nuclear weapons testing in two treaties signed by previous Presidents. How could an arms control agreement effectively stop the arms race if the agreement permitted both superpowers to continue underground nuclear weapons tests? Is not the whole object of the tests to bring on new, more devastating nuclear weapons? Will not those new weapons simply replace the weapons banned by any arms control agreement? So how do we stop the arms race? Obviously, the way to stop the nuclear arms race is to stop it.

How do we stop it? We get to the heart of the arms race. What is the heart of the nuclear arms race? Is it the piling up of even greater arsenals of nuclear weapons on both sides? No. The United States has not increased—in fact, it has reduced—the number of nuclear warheads over the past 20 years. We have reduced the megatonnage that measures the power of our nuclear arsenal. And yet we have at the same time rushed ahead pouring some $45 billion a year into building our nuclear weapons strength each year.

What is going on here? How can we be going in both directions at once? How can we pour such immense resources into building a nuclear arsenal while the number of our nuclear warheads and the megatonnage of our nuclear arsenal has been declining? The answer: We cannot measure the arms race by numbers of warheads. We cannot measure it by its power expressed in megatonnage. We can measure it by how much nuclear destruction we can actually deliver on Soviet targets. And of course that requires a constant improvement in the delivery capability of our nuclear arsenal. It requires an improvement in its accuracy. It demands a capacity to penetrate any Soviet defenses. It calls for a combination of lighter weight for our warheads and greater invulnerability and velocity for our delivery systems. All this is precisely what testing nuclear arms permits. How can Defense Department officials contend that the United States is not in an arms race? Answer: Because we have reduced the number of warheads and the raw power or megatonnage of those warheads. But clearly we are in an arms race when we spend $45 billion a year to make our nuclear weapons constantly more devastating and more surely capable of destroying our adversary.

So it is obvious that any agreement of the kind President Reagan and his administration are pursuing to simply reduce nuclear weapons is futile. It is futile because the administration refuses to stop the arms race which has its genesis in the testing that develops new and more effective nuclear weapons.

Another way of evaluating President Reagan's commitment to arms control is to consider the persons he has appointed as leading his arms control crusade. Who has the President appointed as head of the Arms Control and Disarmament Agency? A person with a record in negotiating arms control agreements? No. A person with a body of scholarly and thoughtful writing on arms control? No. A person respected for his understanding of arms control? No. The President appointed a man whose career has been devoted to opposition of arms control. It is an incredible appointment. It is as if a President appointed a Defense Secretary who had devoted his life to unilateral disarmament.

And who did the President appoint as two of his three principal negotiators at Geneva? First, as chief negotiator, Max Kampelman—a wise and able man—who, when asked by the New York Times right after the appointment had been announced, what were his qualifications, said he had none, that he had no experience in arms control or arms control negotiations. As one of the other two negotiators, the President appointed former Senator John Tower, an able champion of U.S. military strength but again a man with no arms control experience at all. No elected public official in this country can ever gain political advantage by challenging the sincerity of a popular President. But in this case, it is obvious that with friends like President Reagan, arms control sure does not need any enemies.

CONGRESSMAN OBEY: ORNERY, SMART AND IMMENSELY COURAGEOUS

Mr. PROXMIRE. Mr. President, yesterday's Washington Post carried a remarkable tribute to Congressman DAVID OBEY by Columnist Mark Shields. Who is Congressman OBEY? He is a Congressman from a district in Wisconsin that covers most of northern Wisconsin. And he is an extraordinary Congressman in many ways. As Mark Shields writes in his column, Congressman OBEY is one of those very rare politicians who will address a powerful special interest group and "not tell them what they want to hear but tell them the truth." As the Shields column says, "Obey is difficult, ornery, skillful and immensely courageous." Last year a leading Washington publication called DAVID OBEY the smartest man in the House of Representatives. But he is much more than that. Like all of us Congressman OBEY is sometimes wrong. But he is never in doubt. And when you listen to OBEY, you will never find yourself in doubt about where he stands.

Mr. President, I ask unanimous consent that the Mark Shields article on Congressman OBEY, entitled "Off the Fence on Israel" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OFF THE FENCE ON ISRAEL

Historically, no group has been tougher on the duplicity and the sham of politicians than other politicians. Of Sir John Simon, who defected from his Liberal Party to sit among the Tories in the House of Commons, an angry David Lloyd George said: "The right honorable gentleman has for so long sat on the fence that iron has entered his soul."

It's too bad that Lloyd George couldn't have been around to hear either the speech Rep. David Obey (D-Wis.) gave to the Washington convention of the Arab-American Anti Discrimination Committee this month or his speech in February to a San Francisco meeting of the National Jewish Community Relations Council. More important than the considerable content of the two speeches was their conscientious consistency. Obey, the chairman of the House Foreign Operations subcommittee with responsibility for foreign aid appropriations, delivered the same message to both groups while neither demonizing nor lionizing one side or the other.

To American Jewish audiences accustomed to a seemingly endless diet of Democratic and Republican officeholders who offer uncritical support for all Israeli leadership policies, Obey can be a real jolt. Examples: "It's in America's interests and in the interest of everyone who lives in the Middle East for the United States to have constructive relationships with other nations in the Middle East besides Israel, including Syria," The large percentage of aid funds going to Israel and Egypt is not going to change so long as there is not peace in the area, because both parties have strong support in this country." "If further agreements are not reached to move beyond Camp David to address the legitimate interests of Jordan, Syria and the Palestinian people, that would be a tragedy. But I also think that Talmudic debates about who needs to move first are futile."

For anyone whose luck it has been to hang around the corners of American politics for a few hundred primaries and general elections, it is singularly refreshing to hear an American politician give a speech on the Middle East that does not endow the State of Israel with the capacity for infallibility or the curse of infidelity, most frequently the former.

To his Jewish-American audience, Obey criticized the inflexibility of the Syrians as well as the policies of Menachem Begin. To an Arab-American audience, Obey praised the enlightened leadership of Prime Minister Shimon Peres and criticized the inflexibility of the Syrians. A self-identified "friend of Israel," Obey argues that a friend and "an honest public servant must tell people not what they want to hear, but the truth."

In the judgment of former Common Cause president David Cohen, Obey's erstwhile collaborator on campaign spending reform and House ethics issues, Obey has been doing exactly that since his 1969 election to succeed Melvin Laird in the House. Cohen recalls Obey's calling him, full of anger, at what the congressman judged to be inexcusable Congress-bashing by Common Cause in its publications and statements.

Obey is no plaster saint. A fierce partisan, he is happy to remind his listeners—at least those who are sympathetic to foreign aid—that over the past 10 years, a majority of House Republicans, many of whom wax poetic about their love of Israel, have voted against the foreign aid bill. Obey is hot-tempered and has been known to sulk occasionally after a legislative setback. He can be quite prickly in close quarters, and his light touch has been compared to that of the relentlessly serious Ralph Nader. All in all, you'd probably choose to have him in your Congress rather than in your car pool. As one of the Capitol's most effective lobbyists put it: "Obey is difficult, ornery, skillful and immensely courageous." But he's nobody's darling.

In an era when men run quite successfully for the presidency, the nation's highest political office, all the time protesting that they are not politicians, David Obey, not yet 47, is a political leader who will have no iron enter his soul from sitting on any fences. With an absence of self-righteousness, he manages to say what he means and to mean what he says. "When the crunch does come," as Obey sees it, "Israel will need advocates who are credible." Whether you agree with him or not, David Obey is clearly credible.

MYTH OF THE DAY: RAISING THE DEBT CEILING IS A BOOKKEEPING MEASURE

Mr. PROXMIRE. Mr. President, soon we will be debating another increase in the debt ceiling. Many so-called knowledgeable observers argue that such increases are little more than bookkeeping measures, that they merely reflect past decisions about policy.

Such arguments are a myth. They are based on the notion that failing to increase the debt limit would be too effective. The Federal Government would be thrown into turmoil and Congress would have to relent. The political pressures to step back would be overwhelming. The debate would be all sound and fury but would signify nothing.

In a sense, this argument has an element of truth, like most myths. Eventually, Congress will have to increase the debt ceiling. The deficit we face is so large that it is unrealistic suddenly to force the Federal Government to operate on a strict pay-as-you-go basis.

But is it unrealistic to use the debt ceiling to force changes in the policies which have brought us to this sorry situation in the first place? My answer to that question is a resounding "No!"

We spent 7 months wrestling with the budget and ended pinned to the mat. We lost. The budget resolution, if sincerely implemented, will do little more than keep the deficits from increasing much above $200 billion for a year or so. Most people now accept this as a fact.

Where do we go from here? More than two centuries ago, Samuel Johnson stated a simple truth when he wrote, "Depend upon it, Sir, when a man knows he is to be hanged in a fortnight, it concentrates his mind wonderfully."

Turning down an increase in the debt ceiling would be a wonderful aid to concentration. We could do more in 7 days, facing a fiscal crisis, than we have in the past 7 months. We have more than enough information about what needs to be done. We tried and failed with the budget resolution. Let us act now on the debt ceiling.

Mr. President, if we really mean it when we make speeches about reducing the deficit, then the debt ceiling bill is a wonderful tool to use to write those speeches into policy. That is a fact, not a myth.

BERGEN-BELSEN REMEMBERS ANNE FRANK

Mr. PROXMIRE. Mr. President, a significant controversy is brewing in the West German town of Bergen-Belsen.

Social Democrats in the town want one of their main streets to be renamed as "Anne Frank Street."

Most Christian Democrats, however, are strongly opposed to the idea.

Anne Frank, whose diary accounts of the Nazi terror during the Holocaust will never let us forget that horrible event, died at the Bergen-Belsen concentration camp at age 15.

Those who oppose renaming the street say the people of the town are tired of having the guilt for what happened at the camp 40 years ago constantly thrust upon them.

The local newspaper has been filled with letters urging that the proposal be dropped.

But those who initiated the measure do not wish to make anyone feel guilty—they only wish to remind us that it could happen again.

According to Wilhelm Hohls, Bergen Belsen's Social Democratic leader, "The name of Anne Frank should stand as a warning and a memorial to all those who were killed at Bergen-Belsen."

The proposal is a noble one.

Anne Frank is a worldwide symbol of the monstrosity of genocide.

A symbol who can, and should, represent a crime that is part of our past and our present, but must not be a part of our future.

Mr. President, those who favor renaming the street are willing to take a brave stand in the battle against genocide.

It is time that the Senate also took a brave and active role against genocide.

The opportunity to assume that role—to ratify the Genocide Treaty—rests before us today.

Mr. President, we can look to those people in Bergen-Belsen who want a street named after Anne Frank for inspiration.

There, the people can never forget genocide as long as the concentration camp remains standing—but some are willing to look at it right in the face and fight it.

A street in West Germany named after Anne Frank would be a reminder that genocide occurred there—ratification of the Genocide Convention would help ensure that it never occurs again, anywhere.

Mr. President, we must put behind us the controversy that has stymied us in the past, and ratify the Genocide Treaty.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a brief period for the transaction of routine morning business.

THE FARM BILL

Mr. KASTEN. Mr. President, I could not help noticing that before the recess there were a lot of speeches made here on the floor about the commodity titles of the farm bill.

Senators from the big wheat States were talking about the wheat title, as one would expect, because in Nebraska, the Dakota's and some other Western States, much of the farm economy depends on wheat.

Senators from the Corn Belt were talking about how important corn is to their States, which I understand. Corn is pretty important in Wisconsin, too. Wisconsin is the eighth largest corn State, and we grow more corn for silage than any other State.

So I can appreciate how vital corn is to Iowa and Illinois, how important rice is to Arkansas, and so forth, and I think my colleagues who are not from farm States can too.

Which is why I think they will understand if I spend a few minutes talking about dairy and the dairy title of the farm bill.

Mr. President, Wisconsin is not called America's dairyland for nothing; $3 out of every $5 in farm cash receipts in Wisconsin come from the sale of milk. The plants that process all that milk into cheese, butter, ice cream and so forth employ thousands of people from one end of the State to the other. And you can figure out pretty easily who eats all that corn silage I just mentioned.

We have over 43,000 dairy farms in Wisconsin, over twice as many as any other State except Minnesota. Few of them are huge operations owned by investors looking for a tax shelter, in areas that could just as easily support some other kind of agriculture.

An awful lot of them are located in the hilly areas of western Wisconsin and on the thin soils of northern Wisconsin. Many of these farmers have to contend with a short growing season along with everything else.

There are tens of thousands of Wisconsin dairy farmers who have no options in agriculture besides dairy. And in some parts of the State, dairy is the only option both in and outside of agriculture.

So the dairy program is priority No. 1 in Wisconsin. It is just as important to my State as the Wheat Program is to Kansas or the Corn Program to Iowa. Farmland values in Wisconsin depend on dairy. Almost all of the farm economy and much of the general economy in Wisconsin depends on dairy.

Every State has dairy producers, and most of them are touched in some way by changes in Federal dairy policy. But the brunt of any change we make in the Dairy Program is going to be felt in Wisconsin more than anyplace else—that is where the most farmers are, and the most people for whom dairy is both their livelihood and their way of life.

My point is this: When we consider the Dairy Program here on the Senate floor, and we talk about the impact of various proposed changes on farmers, it is simple common sense for all Senators to remember where the most farmers are. And if some Senators from time to time lose sight of this, I will be sure to remind them.

As many of my colleagues know, the Dairy Program attempts to help farmers by supporting the price of milk. It does this by requiring the Government to offer to purchase storable dairy products—cheese, butter, and nonfat dry milk—at a price sufficient to allow dairy processors to pay farmers the support price.

I believe that dairy farmers, like all other farmers and all businesses of any kind, must look to the market for their income, not to the Government.

But I also believe that the Dairy Price Support Program has stabilized prices over the years for producers and consumers alike, at a modest cost to the Government, and in a way that has left the Government with enough surplus commodities to help meet the nutritional needs of poor and destitute people both here and abroad.

Clearly, Dairy Program costs over the last 4 years have been too high. The surplus is too large, and we must take effective action to reduce it, and bring supply and demand into balance on a long-term basis. But the fundamental concept of putting a floor under the price farmers receive for their milk is sound.

We have reached the point, though, where we need to take a closer look at what we want the purpose of the Dairy Program to be. Clearly, we want to help farmers. But not all farmers are alike, and some need help more than others.

The problem with seeking to support farmers' incomes by supporting the price of the commodity they produce is that the amount of benefits each farmer receives depends on how much that farmer produces. The larger the farm, the greater the benefits.

It is time we took a hard look at this problem, because the farms that most need the help Federal farm programs can provide are not the largest farms. Most of these will make out well enough no matter what policies we adopt. But the full-time family-operated farm is a different story.

Mr. President, all of us here talk a lot about the need to help the family farmer. Senators have been talking about that as the fundamental goal of farm policy in this country for years. It is about time we did something about it.

If having a dairy policy that puts family farmers first involves introducing new ideas to the Dairy Program, I am prepared to accept that. If it means spending more money, at least in the first couple of years, I am prepared to accept that, too.

We must find a way to target the benefits of the Dairy Program to family-operated dairy farms. We need to acknowledge that the Dairy Program, like other commodity programs, is a social program, with a social objective—to keep family farmers on the land, and to keep the rural communities that depend on them going.

As the time to debate the farm bill draws nearer, I will have a lot more to say about this subject, which is of such critical importance to the farmers in my State. For now, I would leave my colleagues with the thought that the crisis in dairying is no less real, no less pressing than the crisis in other areas of agriculture. The attention of the media may be focused on the issues of loan rates and target prices for wheat and corn right now, but when this farm bill hits the floor, let us not forget dairy.

FIRST REGIONAL CONFERENCE ON PUBLIC EMPLOYEE HEALTH AND FITNESS PROGRAMS

Mr. BINGAMAN. Mr. President, I would like to take a few minutes to make my colleagues aware of the First Regional Conference on Public Employee Health and Fitness Programs, which will take place September 20, 1985 in Los Alamos, NM. The subject being addressed at this conference is critically important to public employees, their families, and all Americans. Spending on health care has increased nearly 600 percent in the past two decades and now accounts for almost 11 cents of every dollar spent by the Federal Government. The burden of health costs is becoming intolerable, and a broad consensus for a solution continues to elude us. There is, however, a growing recognition that the promotion of good health is less costly and vastly less painful than the treatment of bad health.

I recently introduced legislation, S. 1388, to require Federal Government agencies to furnish health protection, health promotion, disease prevention, and secondary prevention services to Federal Government employees. This legislation, the Federal Employee Worksite Health Promotion Act, is now pending further action in the Governmental Affairs Committee. I hope it will be considered this Congress.

The conference on September 20 will be the first of its kind for public employees, and I believe it deserves the attention of all my colleagues. I ask unanimous consent that a copy of my letter welcoming the participants to the conference, which will be chaired by Coach George Allen, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
September 20, 1985.

THE FIRST REGIONAL CONFERENCE ON PUBLIC EMPLOYEE HEALTH AND FITNESS PROGRAMS,
THE PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS,
Washington, DC.

DEAR PARTICIPANTS: I greatly regret my inability to join you today for the opening ceremonies of the First Regional Conference on Public Employee Health and Fitness Programs.

The occasion is important because the subject you are addressing at this conference is critical. Spending on health care has increased nearly 600% in the past two decades and now accounts for almost eleven cents of every dollar spent by the Federal government. Everyone agrees that the burden of health costs is becoming intolerable, but a broad consensus for a solution continues to elude us. There is, however a growing recognition that the promotion of good health is a lot less costly and vastly less painful than the treatment of bad health.

To the extent that this conference is successful in encouraging our fellow citizens of all ages to pursue good health practices, it reduces the magnitude of our national health care problem, and encourages holding other conferences such as this throughout the United States. I have long been convinced that good health is a major element in making us a more competitive nation in the world and I am gratified to learn that the President's Council on Physical Fitness and Sports is committed to this endeavor.

I welcome you to our beautiful state of New Mexico and send my warmest wishes for a successful conference.

Sincerely,

JEFF BINGAMAN,
U.S. Senator.

THE PRESIDENT'S COUNCIL ON
PHYSICAL FITNESS AND SPORTS,
Washington, DC, August 22, 1985.

DEAR SENATOR BINGAMAN: One of the areas we have concentrated on in fulfilling the President's Executive Order for the Council has been the public sector. Just like their private sector business and industry counterparts, public employees need to be fit.

I would like to invite you to join us at the opening ceremonies of The First Regional Conference on Public Employee Health and Fitness Programs, on Friday morning, September 20, 1985 at the Oppenheimer Study Center, Los Alamos National Laboratory in Los Alamos, New Mexico.

Because this pioneer project is being launched in your state and because of your own personal commitment to the field of health and fitness in the Federal sector, I know this meeting will benefit from your words of enthusiasm and support.

I look forward to greeting you in your state.

Sincerely,

GEORGE ALLEN, *Chairman.*

THE BENEFITS OF TAX REFORM FOR THE NATION

Mr. DECONCINI. Mr. President, I want to share with my colleagues, the lead editorial that appeared in the September 12, Wall Street Journal. The article begins "What's good for America . . . is good for General Motors." More generally, it is saying that what is good for America is good for American business. The article takes issue with some leaders of the business community whom the Journal feels have not properly understood the net benefits of tax simplification and reform. The article goes on to praise other leaders of the business community such as Finn M. Casperson, chairman of Beneficial Corp. The article points out that Casperson supports tax reform not out of a namby-pamby sense of sacrifice, but because he feels that reform will benefit his customers thereby benefit his company.

Mr. Casperson is quoted as saying:

Beneficial supports tax reform even though its corporate income-tax payments will increase in the aggregate by $100 million over the next five years. . . . Our reason for supporting tax reform in the form submitted by the president is very simple. We believe it will benefit our customers. Most of our customers will pay less taxes and, therefore, have more disposal income to save and invest.

I am pleased to see this enlightened view of corporate self-interest being expressed by Mr. Casperson and other business leaders such as Jack Albertine of the American Business Council and companies such as GM, IBM, and General Mills.

I might add that I am not surprised by the position taken by Mr. Casperson. I have come to know him and his energetic, forward-looking style well in the past few years as we have served together on the Board of the National Water Alliance. He is a most impressive corporate leader and I can only hope that the vision and altruism he brings to corporate America can become more pervasive.

I also want to reiterate my support for some form of meaningful tax reform that will have the result of liberating the entrepenurial energy that the present Tax Code is so successful in diverting and suffocating. A number of tax reform proposals have been introduced in recent months and I believe they probably all are better than our present system. Included in those bills, is S. 529, which I authored and which is based on the indepth and creative work of Drs. Rabushka and Hall of the Hoover Institute. I continue to think that the approach of that bill—a straight 19-percent tax on all business and individual income above a generous exclusion level—is the simplest, fairest, and most liberating path we can take to assuring increased productivity and acceptance of the tax burdens.

As discussions of tax reform progress, it is my hope that further attention and support for S. 529 will evolve as the problems associated with the half fixes of the other reform proposals are understood. If individuals and corporate America became aware of the simplicity and merits of S. 529, I believe they would overwhelmingly endorse it and urge its support.

I ask unanimous consent that the editorial referred to appear in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT'S GOOD FOR AMERICA . . . IS GOOD FOR GENERAL MOTORS

General Motors builds cars; a growing U.S. economy will buy more of them. Yet from much lobbying on the Treasury II tax proposal, this general truth has been forgotten by too many people, from major corporations to the National Education Association.

This is an old problem. As Machiavelli wrote, the general interest in a given reform, like a tax cut to expand the economy generally, always runs into the concerted interests of losers. These losers are organized, vehement, and better able to recognize their stake than are the dispersed "winners" from a given change. Then, too, many winners fail to perceive that they stand to gain—or, out of a general, healthy mistrust of government, worry that what seems a gain could be twisted into a loss by, say, the House Ways and Means Committee.

All of which makes the following development impressive: Large numbers of U.S. businesses favor the Reagan tax plan—even though they are losers if its provisions are considered in a superficial sense. Consider, for example, the following House testimony by Finn M. Casperson, chairman of Beneficial Corp.:

"Beneficial supports tax reform even though its corporate income tax payments will increase in the aggregate by $100 million over the next five years. . . . Our reason for supporting tax reform in the form submitted by the president is very simple. We believe it will benefit our customers. Most of our customers will pay less taxes and, therefore, have more disposable income to save and invest."

In other words, Mr. Casperson supports tax reform not out of a namby-pamby sense of sacrifice but because he sees that reform will benefit Beneficial. Such thinking may be spreading. A broad group of companies, organized by Jack Albertine of the American Business Council, now takes the same stand as Mr. Casperson. The companies include such giants as GM, IBM and General Mills. With some American companies pleading for trade barriers and other special treatment, it is a pleasure to see so many taking a broad view of corporate self-interest.

One of the main concerns business leaders had about the Reagan plan was that its curbs on depreciation allowances and other forms of business saving would damage capital formation. But often those concerns took insufficient note of the offsetting benefit to capital formation of lower personal rates, which could be expected to expand personal savings. Moreover, savings in the hands of individuals often are applied more efficiently than business savings, since each individual is seeking the best possible return. This instinct liberates the entrepreneurial energy that serves so well to develop new production methods, new products, new markets, and hence greater economic efficiency.

Of course, not everyone has balanced, broad interests against narrow considerations. The teacher lobby led by Mary Hatwood Futrell of the NEA and the state spending lobby mobilized by New York Gov. Mario Cuomo fear that with more income,

and more discretion over how it's spent, Americans will help the poor less and cut funding for schools. Yet Mr. Cuomo is the beneficiary of a state budget surplus that can be traced to cuts in both state and federal tax rates that were made before he took office. These low estimates of American generosity are not borne out by figures on charitable giving or the longstanding support for public education and other programs with clearly defined social benefits.

The main special-interest threat to tax reform is from those politicans who have made a career out of pretending that favors for the poor and the middle class can somehow be paid for by "The Rich." Ways and Means Chairman Dan Rostenkowski now hints he will retain Mario Cuomo's favored loophole, the state and local tax deduction, and pay for it by increasing tax rates on the wealthy. Yet experience clearly shows that if the rich don't want to be soaked, they can usually find ways to avoid it. Higher rates produce less. Lower top rates since 1981 have brought in a gush of revenue from the rich. Cutting top rates to 35% would expand that effect; leaving them at 40% or more, as Mr. Rostenkowski now hints, would bring in relatively less.

Like too many corporations in the past, these Democrats may misunderstand their own interests. Perhaps they need to lose several more presidential landslides, and control of the House, to scuttle class warfare and achieve the same understanding folks like Finn Casperson have: What's good for America is good for General Motors—and for the poor, the middle class and the Democratic Party.

THE SUMMIT AND SALT

Mr. BUMPERS. Mr. President, yesterday marked an important occasion for America's national security. Yesterday the seventh Trident submarine, the USS *Alaska*, went out to sea for the first time. It will still be awhile before she is fully operational, but she's well on the way. I have long supported the Trident program and am pleased that it is progressing well.

But also worthy of note is that yesterday marked the beginning of the dismantling of an older Poseidon submarine, the USS *Sam Rayburn*. The *Sam Rayburn* is in port, its missile doors have been opened and removed, and the Poseidon missiles it carries have been removed. This is the first time that the United States has dismantled an operational strategic weapon to comply with an arms control agreement. And we are stronger because of it.

We are stronger because our commitment to stay within the limits of existing SALT agreements is very much in our national interest. The Soviets have already dismantled several hundred nuclear missiles to comply with SALT, a fact that might shock some of my colleagues. Had we decided to ignore that limit, the Soviets would have had no reason to stay within the numerical limits either, and then the arms race would have really taken off.

President Reagan decided in June that we would take this step, and I highly commend him for his decision. This was one of the best decisions he has made since he took office, and I know it wasn't easy to do this, given how hard he attacked SALT II during the 1980 Presidential campaign. It is a tribute to him that he was able to look beyond the rhetoric and choose the path that best serves U.S. security interests.

The whole framework which limits the superpowers' offensive weaponry is very shaky indeed. SALT II was never ratified and the offensive limits of SALT I expired nearly 8 years ago. The basis for even the modest limits of these agreements staying in place rests upon unilateral policy statements made by each side. Not only do neither of these have the force of law, but the wording used in each is not the same. This fragile framework is a dangerous way to keep the lid on the arms race.

This is why I believe that despite the pessimism of the President and his people about the prospects for progress in arms control at the summit, the area of preserving existing restraints on offensive arms while negotiations for a new agreement are underway is one where real progress can be made. This is why three of my colleagues, Senators LEAHY, CHAFEE, and HEINZ, and I have sent a letter to the President encouraging him to explore this issue with Mr. Gorbachev in November in Geneva. I ask unanimous consent that a copy of this letter be printed at the conclusion of my remarks here today.

Mr. President, the President and his advisers have stated publicly many times that it will probably be several years before a new agreement is reached. Thus for the next few years, the name of the game in arms control is holding on to what we have, and that means SALT I and SALT II. Despite our concerns about Soviet compliance with SALT, it still provides a good basis for an interim restraint regime, as the President recognized in June.

Unfortunately, the way the situation is now, we will face a new period of uncertainty on the U.S. side as we approach the next watershed mark late next spring, when the eighth Trident sub, the USS *Nevada*, goes out to sea trials, and when we exceed the 120 limit for cruise-missile-equipped heavy bombers. Let's put our policy on a firmer footing and ensure that the Soviets do the same. This is why I encourage the President to raise the issue of interim restraint policy with Mr. Gorbachev in Geneva, and work out a way to preserve at least some limits while negotiations for a new agreement are underway.

I would also personally suggest to the President that he consider proposing modest cuts in the SALT limits to the Soviets, so that at least some reductions can proceed in the next few years. The United States would have nothing to lose but a few vulnerable Minuteman missiles, while the Soviets would have to cut hundreds, across the board, including some of their giant SS-18's. But if this would be too much, then at least let's nail down what we have and put our interim restraint policy on a surer foundation. America's security interests demand no less.

I ask unanimous consent that a table describing United States and Soviet dismantling requirements be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, September 18, 1985.

President RONALD W. REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to express our strong support for your decision to meet with Secretary Gorbachev in Geneva in November and to urge that arms control have a high priority in your agenda for the talks. This meeting provides an important opportunity for both sides to overcome the stalemate in the Geneva negotiations, discuss fundamental U.S. concerns about Soviet compliance with arms control obligations, and consider ways to halt the erosion in existing restraints.

You and your advisers have counseled caution about expectations for the outcome of this meeting. We believe, however, that there is the potential for agreement on at least one important aspect of arms control: interim restraint policy.

We firmly agree with your declaration on June 10 that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva". Your June decision to dismantle a Poseidon submarine when the USS Alaska goes to sea trials was an important initiative that enhances U.S. security interests and forms the basis to strengthen the interim restraint regime at the summit. It is clearly in our interest to keep the Soviets from exceeding the SALT II MIRV ceilings and SALT I submarine limits, which they currently are observing.

While we all remain hopeful for a new arms agreement soon, we agree with your assessment that it could well be several years before a new agreement is reached. Accordingly, it is important that the existing interim framework be strengthened to last until such an agreement can be reached. A breakdown of these limits would only accelerate the arms competition and damage U.S. security interests.

While both the U.S. and the Soviet Union have made unilateral statements at different times regarding their interim restraint policy, there has been no joint agreement on this vitally important issue. Given the similarity in the public statements made by both sides, agreement on a common position should be possible. This could also be joined by language dealing with avenues for resolving concerns about compliance with specific aspects of existing agreements.

We encourage you to pursue and seek agreement on the issue of interim restraint policy with Secretary Gorbachev in your up-

coming meeting in Geneva. We wish you all the best for a successful summit.

Sincerely,

JOHN H. CHAFEE.
PATRICK LEAHY.
DALE BUMPERS.
JOHN HEINZ.

FACT SHEET ON SALT DISMANTLING

Operational weapons dismantled to comply with SALT, 1973-85

United States: None until September 18

U.S.S.R.:

SS-11	20
SS-N-6	208
SS-N-5	21
SS-7	190
SS-8	19
Total	458

Sources: "Soviet Military Power," 1985; Congressional Research Service.

	United States	U.S.S.R.	As percent of current U.S. missile force
Missiles	0	458	28
Warheads	0	458	6
Throw-weight (pounds)	0	1,245,000	32
Megatonnage (MT)	0	1,118	79

Note: The United States has removed older B-52's and Polaris and Titan II missiles from our active forces for cost and performance reasons unrelated to arms control. No active strategic forces have been retired because of SALT.

While the Soviets have dismantled 458 missiles to comply with SALT, this September will be the first time the United States will have to dismantle operational missiles because of SALT.

The 458 missiles which the Soviets have dismantled had throw-weight equivalent to 32 percent of the entire current U.S. strategic missile force. The 458 missiles had megatonnage equal to 79 percent of the current U.S. force.

What Will Happen If the SALT Limits are Preserved Through 1987?

The following dismantling is representative of what would be required:

United States:

Poseidon	64
Minuteman III	10

U.S.S.R.:

SS-17	60
SS-11	130
SS-N-6	112
SS-N-5	6

	United States	U.S.S.R.	Ratio
Missiles dismantled	74	308	4.2:1
Warheads dismantled	[1] 670	488	0.73:1
Throw-weight dismantled (pounds)	212,000	832,000	3.9:1
Megatonnage dismanted (MT)	31	337	11:1

[1] This could be as low as about 240 if only Minuteman III missiles were dismantled.

The Soviets will have to dismantle far more missiles, throw-weight, and megatonnage than the U.S. Warhead reductions would be roughly comparable, depending on how many of the 10-warhead Poseidon SLBM's and 3-warhead Minuteman III ICBM's we choose to reduce.

Poseidon submarines to be dismantled for SALT reasons will reach their 30 year life limits and have to be dismantled anyway in 1993 and 1994.

Both U.S. and Soviet Union will be modernizing their forces between now and 1987. Question is whether it should be accompanied by dismantling, or whether both sides should pile up more and more.

Over next 30 months U.S. will deploy 78 B-1 bombers, 48 Trident I missiles, 31 MX missiles, and 624 cruise missiles on B-52s, for a total of almost 2800 additional warheads in our arsenal. SALT will not prevent us from modernizing our forces.

What will happen if the SALT limits are ended?

The Soviets will not have to make any of the above reductions.

U.S. submarines are older than their Soviet counterparts and would be retired soon anyway.

Soviets could add up to 20 extra warheads on its SS-18 ICBMs alone (SALT prevents them from doing this). This would add over 6100 additional accurate warheads to the Soviet arsenal, virtually doubling their current ICBM warhead level.

Soviets could easily exceed the SALT II limit of 820 MIRVed ICBM launchers (they now have 818). They are getting ready to deploy their new MIRVed SS-24 next year.

Soviet warheads would greatly increase, posing a greater threat to survivability of the mobile small ICBM through barrage attack. Warhead proliferation would also magnify the already difficult task confronting Star Wars, as Administration has already conceded.

Every Soviet compliance problem we have would be worse without SALT. Ending SALT will not stop the SS-25, will not stop Soviet missile encoding, will not stop the Krasnoyarsk radar.

A GOOD BEGINNING ON DEFICIT REDUCTION

Mr. DOMENICI. Mr. President, I rise today to praise two of the committees of the Senate who this week have finished their reconciliation work and who have both either met or exceeded their savings requirements.

First, I must congratulate the Small Business Committee, under the able leadership of Senator WEICKER, the chairman of the committee. That committee has reported legislation to the Budget Committee that will save $2.572 billion over the next 3 fiscal years, and which exceeds the instructions given that committee by the Congress by $93 million over the 3-year period. This work is the result of long discussions between Chairman WEICKER and many other interested parties during the past 6 months and shows a real commitment to reform. I should add that the Small Business Committee was the first committee to get its legislative language to the Budget Committee.

In addition, I congratulate the Finance Committee, which under the leadership of Chairman PACKWOOD has also this day completed its work on both the spending and taxing reconciliation given it by the full Congress. Although we have not yet gotten final spending and taxing numbers, it looks as though the Finance Committee will meet or exceed its instructions and produce legislation that will reduce the deficit by $39 billion or more during the next 3 years.

This is an excellent beginning to the reconciliation process and I hope that all other committees, which are due to formally report their legislative actions by next Friday, September 27, will follow in as enthusiastic and effective a fashion as the Small Business and Finance Committees have done.

I believe we have made a good beginning on deficit reduction and I look forward to a full package that the Senate can review at the leadership's earliest convenience. I believe that that package will meet reconciliation and deficit-reduction targets.

TRIBUTE TO NORTHERN VIRGINIA COMMUNITY COLLEGE

Mr. WARNER. Mr. President, I rise to bring to the attention of my colleagues an exceptional educational institution, Northern Virginia Community College.

Today, September 20, 1985, the college is celebrating its 20th anniversary, and I am joining with many others in paying tribute to its achievements.

Through this institution, northern Virginia residents have had increasing access to quality education and skilled training programs for two decades.

From an original student body of 761, annual enrollment now approaches 60,000, with five regional campuses.

This phenomenal growth signifies the broad educational opportunities presented by Northern Virginia Community College in concert with a growing population, a partner in community development.

In a related and coincidentally very timely action, my colleague from Alaska [Mr. MURKOWSKI] has introduced Senate Joint Resolution 158, proposed legislation pending before the Senate Judiciary Committee, to establish October 1985 as "National Community College Month."

The Virginia community college system was founded by my good friend, the distinguished former Governor of Virginia, Mills Godwin.

Creation of the community college system was a highlight of his 8 outstanding years as chief executive of our Commonwealth.

Since its inception, the Virginia community college system has provided quality educational opportunities to many Virginians.

That is why I am cosponsoring Senate Joint Resolution 158 and hope that it will be approved, so that tribute can be paid to our Nation's community colleges.

To further commemorate the 20th anniversary of Northern Virginia Community College, I ask unanimous consent that an excerpt from the May/June 1985 issue of the Journal of the American Association of Community and Junior Colleges be printed in the RECORD.

The author, Melanie L. Jackson, serves as a board member of Northern Virginia Community College and is closely acquainted with the history of the institution and the important role played by all community colleges.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NORTHERN VIRGINIA COMMUNITY COLLEGE

Twenty years ago Northern Virginia Community College existed in concept only. In 100 days, however, this educational concept was transformed into an institutional reality. On September 20, 1965, from leased space in a renovated warehouse, Northern Virginia Technical College opened its doors to 761 students enrolled in eight curricular areas. In 1966 the Virginia General Assembly mandated a name change—to Northern Virginia Community College—and a mission: to provide northern Virginia residents with quality higher education and occupational skills training opportunities at a low cost, and to provide a full range of community service programs to meet the diverse needs of business, industry, government, and citizens residing in the college's 1,300-square-mile service area.

In the next two decades NVCC expanded to five campus locations and an extended learning institute, and increased its curricular offering to 77 majors. With an annual credit enrollment exceeding 59,000 students, NVCC has become the second largest community college in the nation. And in tune with its mandate, the college also delivers noncredit courses and community/public service programs to an additional 117,700 for a community impact ratio of 1:5 (1983-84 statistics). More simply stated, this means that annually one out of every five northern Virginians receives some form of service from NVCC.

In a recent doctoral dissertation, Northern Virginia Community College was recognized as a national model for excellence in developing innovative community partnerships. Some of the college's exemplary relationships include a cooperative arrangement to train automotive service technicians for General Motors dealerships on state-of-the-art equipment donated to the college by General Motors; a joint effort by NVCC, George Mason University, and Fairfax County schools to meet the school system's critical math teacher shortage by retraining classroom teachers to become certified math instructors; articulation agreements, executed on an individualized basis, with all area high schools to award advance college credit to students completing specific vocational skill competencies during their high school years; "extension of the campus" concept in the delivery of educational programs at area military institutions (providing the same support services that on-campus students receive, such as counseling and audiovisual materials); creation of campus-based business institutes to package concentrated employee training programs in seminar format, designed to be employer or jurisdictional or industry specific; creation of minicourses (offered on campus during fallow time periods) for inquisitive or academically talented elementary school students; and creation of a federated alumni association (a symbiosis that provides professional development services for members and generates support funding for the college).

In addition to these special relationships NVCC also offers a myriad of services to the general community: a speakers bureau, themed exhibitions at the Tyler Art Gallery, free dental clinic services through the dental technology department, health fairs, a mobile Civil War museum, and choral, symphony, drama, and dinner theater productions, to list a few. But the single most important thing that NVCC does for the 1.15 million residents in its service area—Arlington, Fairfax, Loudoun, and Prince William counties, and the cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park—is to provide convenient access to quality higher education and skills training/retraining opportunities.

Quality, proximity, and mission integrity: these are three key elements in NVCC's Cinderella story of success—from warehouse to showcase in 20 years. There are also universal elements in the success story of community colleges across the nation.

NATIONAL CHILD CARE WEEK

Mr. DOLE. Mr. President, the week of September 15-21 is National Child Care Week. This is a time set aside to give recognition and appreciation to those who provide quality child care services in their homes and in day care centers throughout the country. Some of these individuals are mothers themselves, who take these children into their homes and take care of them during the day along with their own children.

DEDICATION OF CHILD CARE PROVIDERS

More often than not, those who provide child care services so that parents may work, are themselves underpaid for the value of the services they provide. The dedication and commitment that those who provide child care services manifest goes way beyond the call of duty—they usually enrich the children's development through various educational experiences, while providing a positive support structure in place of a regular family environment.

During these times when divorce rates are increasing and single-parent families are becoming more and more prevalent, quality child care services are essential. Despite the horror stories that have occurred and been publicized, the norm for individuals who take care of children during the day is a strong commitment to the welfare of the children entrusted to them. The services they provide enable working parents to hold down a job or career, and come home at the end of the day to be reunited with a child that has been well taken care of.

QUALITY DAY CARE SERVICE NEEDED IN THIS COUNTRY

As one of the most progressive industralized nations in the world, this country lags behind others in providing quality child care services. The private sector has dragged its heels in implementing services that will enable working parents to carry out their professional responsibilities while leaving their children in the care of those who can be trusted. Industry has a long way to go before it has assumed its share of responsibility for providing child care services.

GOVERNMENT INVOLVEMENT IN CHILD CARE

In the meantime, some States have initiated programs in an attempt to stay in tune with changing sociological trends that translate to two-parent working families or single parent families. The Federal Government also supports some child care activities. Most of these take place through title 20, the community services block grant, and the Child Care Food Program.

The child care food program has accomplished a lot by teaching day care providers and the children who participate in this program about good nutrition. This program is valuable in ensuring that the children who attend these day care centers or residential day care homes receive healthy nutritional input during their developing years.

However, the child care food program is at best a back-door mechanism for providing child care services. Day care centers and residential day care homes must meet certain standards specified by the U.S. Department of Agriculture before they are able to participate in the Federal Food Program. Therefore, the Child Care Food Program plays a valuable role in quality control. States are also beginning to get more involved in imposing standards on those who provide child care services.

FAMILY DAY CARE

Family day care is a very large part of our day care system, because it means flexibility, which is important to parents when they work odd hours, when there is no school, when parents go out of town or work late or when children are ill. Family day care offers the warmth of a home environment instead of the more formal day care center setting. Family day care is often conveniently located near parents' homes or work, and it is often less expensive than the services of day care centers.

CONCLUDING REMARKS

Mr. President, this week, throughout the country, local communities have been observing various activities to show their appreciation for the dedicated individuals who provide child care services to working parents. This is one way to recognize those who take care of our Nation's children when their own parents are unable to do so during the day—the responsibility is great, and often the rewards do not correspond. This is a week to thank those dedicated mothers and individuals who constantly give of themselves in the interest of raising our country's future generations in providing quality care for them as substitute parents during the day time.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ABDNOR). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is now closed.

SUPERFUND IMPROVEMENT ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, S. 51, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 651

Mr. STAFFORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This is a series of purely technical amendments, I might say, Mr. President.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself and Mr. Bentsen, proposes an amendment numbered 651.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 74, line 15, after "question." insert the following: "The Administrator of the Agency for Toxic Substances and Disease Registry shall use appropriate data, risk assessments, risk evaluations and studies available from the Administrator of the Environmental Protection Agency.".

On page 77, line 16, after "1985," insert ", jointly with the Administrator of the Environmental Protection Agency,".

On page 77, line 23, after the word, "Administrator" insert: ", in consultation with the Administrator of the Environmental Protection Agency,".

On page 77, line 25, after the word, "Administrator" insert: ", in consultation with the Administrator of the Environmental Protection Agency,".

On page 78, line 6, after the word "with" insert "the Administrator of the Environmental Protection Agency and".

On page 81, line 17, after "trator" insert the following: "of the Agency for Toxic Substances and Disease Registry or the Administrator of the Environmental Protection Agency, as appropriate,".

On page 81, line 21, strike the period and insert in lieu thereof: ", or by the Environmental Protection Agency, as appropriate.".

Mr. STAFFORD. Mr. President, as I said in offering the amendment for Senator BENTSEN and myself, this is purely a series of technical amendments to a part of the bill. I know of no opposition to it.

I invite my colleague on the other side of the aisle to comment on these technical amendments.

Mr. LAUTENBERG. Mr. President, these amendments have been cleared on this side. We recommend adoption of the amendment.

Mr. STAFFORD. Mr. President, I know of no further speakers on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 651) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 652

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. Lautenberg] proposes an amendment numbered 652.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114, line 13, after the period insert the following: "The annual report required by this paragraph shall also contain a detailed description on a state-by-state basis of the status of each facility subject to this section, including a description of the hazard presented by each facility, plans and schedules for initiating and completing response action, enforcement status (where appropriate), and an explanation of any postponements or failure to complete response action. Such reports shall also be submitted to the affected States."

Mr. LAUTENBERG. Mr. President, this amendment expands the Federal facility reporting requirements in S. 51. It requires that annual reports be submitted to Congress on the status of cleanup efforts at all identified Federal facilities. These reports would be done on a State-by-State basis, and would provide a description of the hazard at the Federal facility site, the actions taken at the site, and plans, including a timetable, for future action. This amendment also requires the department, agency or other instrumentality submitting the reports to provide an explanation where there are no plans for future action.

This amendment builds upon the reporting requirements already in S. 51. The reporting requirements in the bill address Federal facility sites which are fairly far along in their evaluation. The reports required in S. 51 are required only for sites at which cleanup studies—called remedial investigation/feasibility studies—have already been done, and the various agencies involved in the cleanup are negotiating interagency agreements.

There are, however, a vast number of Federal facility sites at which no action has been taken beyond preliminary identification and assessment. In the last comprehensive report DOD prepared on its hazardous waste sites across the country, in December 1983, DOD had undertaken phase one studies at 257 installations. Phase one is equivalent to EPA's preliminary assessment. These studies precede consideration for listing on the national priority list.

At the same time, DOD had completed phase two studies at only 46 and initiated another 65. Phase two is equivalent to EPA's remedial investigation/feasibility studies. Further, phase three and four—the actual cleanup at sites—had been conducted or initiated at only 17 sites.

Mr. President, this amendment is not meant to criticize the pace of the DOD program. There are important amendments in S. 51 that address the issue of pace. But I do mean to point out that the majority of DOD sites, and I would suspect this is true for other federal facility sites, are in the initial identification and assessment stage, and would not be covered by the reporting requirements of S. 51 for the near future.

Yet residents of my State and other States are concerned about the full universe of sites. In many ways, the sites where little action has been taken are of greatest concern. The magnitude of the Federal facility site problem is astounding. DOD alone estimates that it will spend $5 to $10 billion to cleanup an estimated 800 sites.

Mr. President, both the public and the Congress have a right to know of the existence of hazardous waste sites at Federal facilities, and plans for cleanup. This amendment will accomplish these goals, Mr. President, and belongs with the other reporting requirements in S. 51.

Mr. President, I urge the adoption of the amendment.

Mr. STAFFORD. Mr. President, we have examined the amendment offered by the able Senator from New Jersey [Mr. LAUTENBERG], a very valuable member of our committee. We believe it is a good amendment and urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 652) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 653

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 653.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 101, after line 12, insert the following new section and renumber succeeding sections accordingly:

LEAD CONTAMINATION

SEC. . Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by this Act) is amended by adding at the end thereof the following new paragraph:

"(8) payment of the cost, not to exceed $15,000,000, of a pilot program for the removal of lead-contaminated soil in one to three different metropolitan areas.".

Mr. KENNEDY. Mr. President, one of our most serious toxic waste problems concerns the presence of lead in paint, dust and soil, particularly in our older urban areas. More is known about the health problems associated with lead exposure than almost any other toxic substance, yet little has been done to target lead contamination for aggressive cleanup action.

The most tragic aspect of lead contamination is that it affects the most innocent members of our society—our children. Young children frequently ingest lead from paint chips or lead-laden soil in their yards, and this leads to irreversible neurological damage, including seizures, coma, and death. Lead poisoning in children is extremely hard to diagnose in its early stages, since long-term exposure is cumulative over time. Therefore, toxicity is often not recognized until permanent damage has been done, and the child begins to exhibit cognitive and behavioral changes or learning disabilities.

In 1980, the Centers for Disease Control estimated that 675,000 children nationwide were suffering from lead poisoning. Recently, experts at Children's Hospital in Boston estimated that the number of affected children had grown to 2 million. In the city of Boston alone, over 1,500 children have been stricken with the tragic effects of lead poisoning—and most of these children are from low-income families who are ill-equipped to deal with the long term medical costs associated with treating lead-induced neurological disorders. The prevalence of childhood lead poisoning in Boston is higher than nearly any other childhood disorder.

And adjacent to the city of Boston lies the economically depressed city of Chelsea where there are similar accounts of childhood lead poisoning. The problem in Chelsea is further contributed to by soil contamination caused by automobile exhaust fumes and peeling paint from an interstate highway bridge which spans the city.

I am proud to say that the city of Boston has been on the cutting edge of conducting research into the lead poisoning problem. Between June 1984 and May 1985, over 25,000 children were screened for lead poisoning. Results of these tests were tabulated to pinpoint areas in the city where there was a high incidence of lead poisoning. The study concluded that nearly 30 percent of Boston's childhood lead poisoning occurs in 28 small areas of the city—averaging only 2 to 3 city blocks. Soil samples taken in the yards of these children's homes indicated lead levels of 2,000 parts per million—three times the citywide average.

In view of this startling information, I believe that the cities of Boston and Chelsea are ideal locations to begin a pilot lead abatement program under Superfund.

Mr. President, I understand that the Environmental Protection Agency is reluctant at this time to support a comprehensive national program of lead abatement under Superfund. However, I propose that a demonstration program of this kind, for one to three appropriate urban areas in the United States, would provide us with invaluable information which the EPA could utilize in its deliberation on an adoption of a lead policy under Superfund.

If medical experts' predictions are correct, we should see a dramatic and almost immediate reduction in the incidence of lead poisoning in areas where contaminated soil removal or containment has taken place.

My amendment would provide the EPA with $15 million to undertake such a pilot program. Boston and Chelsea would be eligible as would two other appropriate locations. I urge my colleagues to consider the importance of this amendment, not only for the environment, but more importantly, for the health of our children.

Mr. President, I ask unanimous consent that a brief description of the Boston Child Lead Poisoning Report by the city of Boston Department of Health and Hospitals be included in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CITY OF BOSTON,
DEPARTMENT OF HEALTH AND HOSPITALS,
Boston, MA, September 5, 1985.

Hon. EDWARD M. KENNEDY,
U.S. Senator,
Boston, MA

DEAR SENATOR KENNEDY: Enclosed please find a copy of a report entitled "Boston Child Lead Poisoning: Request for Immediate Cleanup of Lead-Contaminated Soil in Emergency Areas". This report describes the results of several months of analysis and mapping of Boston child lead poisoning data in order to identify the highest risk areas in the city. We found that childhood lead poisoning in Boston, while occurring throughout much of the city, is to a surprising and alarming degree concentrated within very limited geographic areas.

The discovery that nearly 30% of Boston's childhood lead poisoning occurs among less than 5% of the city's 9 month to 6 year old children is the source of concern. These children live in 28 discrete areas, each averaging only 2-3 city blocks. In each of these small areas, an average of thirty children were found to have been poisoned over the last five years—approximately one out of every four children at risk. These data have been calculated using the 1978 recommendations of the U.S. Centers for Disease Control (CDC). By the standards in the current CDC guidelines issued in 1985, at least twice as many of the children in these areas experienced lead toxicity over the five year period.

In these areas, a number of factors converge to produce an unacceptable exposure to lead. The lead-painted housing stock is aging, and weathering of exterior lead paint has severely contaminated the soil. Soil samples taken around lead poisoned children's homes in these areas average 2000 parts per million (ppm) lead—three times the city average of 600-700 ppm. These toxic environments need to be addressed as an urgent matter. They represent an emergency public health condition requiring prompt action to reduce or eliminate the sources of these children's lead toxicity.

In this report the City of Boston Office of Environmental Affairs (OEA) requests the assistance of the U.S. Environmental Protection Agency in dealing with this major problem of child lead poisoning. The U.S. Environmental Protection Agency has statutory authority to undertake immediate removal of hazardous substances at sites that present an imminent threat to health on the environment. Materials in this document decribe the need, and the grounds for EPA assistance to the City of Boston under this authority. A specific, limited, and manageable focus for an EPA response is described. The necessity for both state and local involvement is noted.

Any response taken by a public agency must meet the primary criterion that child lead poisoning in these areas be permanently reduced. We hope that upon reviewing this document you will actively support us in this effort to obtain appropriate responses for government agencies, particularly the U.S. Environmental Protection Agency.

Thank you for your time and attention. Please call me at 424-5965 with any questions you may have.

Sincerely,

RONALD R. JONES,
Director.

Mr. KENNEDY. Mr. President, this is not an increase in authorization. All it does is to explicitly provide the authority for the EPA to use the fund to conduct pilot programs in three different areas of the country so that we may gain more information based upon those pilot programs and be able to respond to the health hazard of lead, which primarily harms children but also other members of the community.

I have had the opportunity to discuss this amendment with the floor manager and the ranking minority member. I would hope that this amendment would be accepted.

If I could, I would like to inquire of the floor manager of the bill if he would be willing to engage in a colloquy, responding to some questions.

Is my understanding correct that the EPA already has authority under the Superfund to remove lead-contaminated soil from residential yards?

Mr. STAFFORD. I would say to my able friend from Massachusetts that it is our judgment that the EPA has that authority and they are considering using it in some cases.

Mr. KENNEDY. Does it have such authority regardless of the source of lead, whether the source is industrial or not?

Mr. STAFFORD. Yes, just as long as the lead is a release under existing law.

Mr. KENNEDY. So this pilot program would in no way limit that authority; is that correct?

Mr. STAFFORD. That is correct, in the opinion of this Senator.

Mr. KENNEDY. If the floor manager and ranking member are willing to accept this amendment, would it be unreasonable for EPA to report back to the committee on the implementation of the pilot program, say within 6 months from enactment?

Mr. STAFFORD. I believe that is a reasonable request. I would say to my friend from Massachusetts that we would ask EPA to make that report.

Mr. President, we have examined the amendment offered by the Senator from Massachusetts. I might point out that the Senate has already, in this legislation, proposed to deal with lead in pipes by eliminating lead solder as it is used in construction in this country.

Mr. President, we know that lead is a serious matter as a source of poisoning for children and others in metropolitan areas.

We think this is a good amendment, and we are prepared to accept it on this side.

Mr. LAUTENBERG. Mr. President, we believe this is a good amendment also on this side. I commend my distinguished colleague from Massachusetts for crafting this amendment. We urge its adoption.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 653) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 654

(Purpose: To provide for continuation of remedial action while recontracting takes place.

Mr. KENNEDY. I have another amendment. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 654.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 60, line 7, insert "(a)" after "SEC. 108.".

On page 60, between lines 12 and 13, insert the following:

(b) Section 134(c) of such Act (as amended by sections 112 and 113 of this Act) is amended by adding at the end thereof the following new paragraph:

"(8) Nothing in this Act shall limit the President in taking such action as may be necessary to assure continuous remedial action or to institute interim remedial action when it becomes necessary to reopen bidding or otherwise recontract for the performance of remedial action.".

Mr. KENNEDY. Mr. President, this particular amendment relates to avoiding disruption of cleanup action when EPA recontracts for remedial services. There is nothing more frustrating or emotionally upsetting to those people who have had to live near a hazardous waste site than to be faced with interruptions in the cleanup process.

Such a situation has developed at the Re-solve toxic waste site in North Dartmouth, MA, where large quantities of industrial wastes and PCB's have contaminated the soil and poisoned the ground water.

For years, the people of North Dartmouth waited patiently for EPA to clean up this site—and, under the guidance of the U.S. Army Corps of Engineers, cleanup finally commenced earlier this year. However, in the middle of the cleanup process the EPA suddenly discovered vast new quantities of PCB contamination. This fact alone was devastating to the people who lived near this site, but their fear and frustration was further compounded by the fact that Federal regulations were construed to require significant modification of cleanup contracts under Superfund. Therefore, work has been halted at the site and the contract for removal of the toxics has been terminated. Cleanup work is not expected to commence until 1987.

As more and more sites are addressed under Superfund, EPA predicts that the North Dartmouth problem will be repeated with a fair amount of frequency.

My amendment would explicitly allow and encourage the EPA to be more flexible in choosing alternative cleanup procedures when additional contamination is discovered at Superfund sites. Rather than halting or slowing cleanup when restrictive bidding regulations warrant rebidding or recontracting for remedial action, the EPA could choose to utilize immediate removal moneys or undertake other forms of interim remedial action to avoid disruption during the lengthy process of rebidding a cleanup contract.

The people of North Dartmouth have exercised an extreme amount of patience in waiting for this cleanup and they deserve to have this site addressed as quickly as possible. It is not in the best interest of the public health or the environment to allow chemicals to continue to harm people, and to continue to migrate for another 2 years while this contract is rebid. I hope the Senate will support this important modification to the Superfund Program and I hope that this amendment might also be acceptable to the managers of the bill. It is basically to overcome some of the redtape that has been established through the process of regulations. I think it makes a good deal of common sense.

Mr. STAFFORD. Mr. President, we have had an opportunity to examine this amendment offered by the able and distinguished Senator from Massachusetts. We think it is appropriate and that its language is necessary to ensure, where there may be an interruption in the treatment of a hazardous waste site, that it be clearly possible and authorized to renew operations to make sure the job is completed. We on the majority side are prepared to accept the amendment.

Mr. LAUTENBERG. Mr. President, we on the minority side not only have no objection but, once again, commend the distinguished Senator from Massachusetts for taking this action. In New Jersey we had a similar experience where work was begun and was interrupted when a far larger source of contamination was discovered, and it ought not happen. These are extreme-

ly hazardous conditions for communities which exist around these sites. We urge adoption of this amendment.

The PRESIDING OFFICER. Are there further remarks? If not, the question is on agreeing to the amendment.

The amendment (No. 654) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 655

(Purpose: To increase funding for health studies.)

Mr. KENNEDY. Mr. President, I have one other amendment at this time. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY, proposes an amendment numbered 655.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 83, line 12, strike out "$50,000,000, whichever is less" and insert in lieu thereof "$100,000,000, whichever is greater".

Mr. KENNEDY. Mr. President, during the past 5 years, since CERCLA was first enacted, we have become aware of many limitations in the law. But none of these limitations has affected Americans so deeply and so permanently than our inability to adequately identify, diagnose, and document incidences of chemically induced disease.

I have traveled to a number of communities in Massachusetts and across this Nation and I have met with residents who have had to live in the shadows of toxic waste dumps, not knowing from day to day if their health was being irreversibly harmed by chemicals which cause cancer, nervous system damage, miscarriages, stillbirths, birth defects, and many other illnesses.

Millions of Americans are being exposed to these dangers and yet we are still unable to provide the resources necessary to help these innocent victims protect their health and make informed decisions about their communities.

A stronger effort must be made by our health agencies to develop better screening tools to detect illness caused by toxic chemicals and to develop treatments. We must improve our epidemiologic capability to identify populations at risk and take corrective action.

These issues are important, not just because they involve the public health, but because they involve public trust and confidence in Government. The inability of Government at all levels to respond to frustrations, anxieties, and fears of communities whose people are exposed to dangerous waste further erodes public trust.

Without adequate epidemiological data, it will be impossible for victims to make claims against polluters in the courts. A case in point is the situation in Woburn, MA, where a high incidence of childhood leukemia has plagued the community for the past decade. In 1978, cancer-causing chemicals were found in a portion of the city's water supply. The citizens pleaded with health agencies to conduct a comprehensive epidemiological study of their community; however, the study, which was finally performed by the Centers for Disease Control, was entirely inadequate to provide conclusive results. The residents of Woburn were then forced to turn to the services of the Harvard School of Public Health which fortunately agreed to undertake a study free of charge. The results of that 2-year study were conclusive and indicated a direct association between the high incidence of leukemia in Woburn and the contamination of the city's drinking water.

Eight of the families whose children were stricken with leukemia will go to court on February 18 to sue the industries allegedly responsible for poisoning their drinking water. However, without the epidemiological data available through the Harvard School of Public Health Study, their case could never have reached the courts—innocent victims would have been left uncompensated and polluters would have been left unpunished. The Woburn suit is the first suit of its kind in the country and this is largely due to the fact that other Superfund communities have been unable to obtain the necessary health data to enable them to sue polluters.

In 1980, Congress required the establishment of the Agency for Toxic Substances and Disease Registry [ATSDR]. It was that Agency's responsibility to undertake and coordinate health-related activities under Superfund. However, during the past 5 years, only 15 comprehensive health studies have been undertaken by the ATSDR. The Agency is clearly underfunded and understaffed.

I am pleased to see that this bill will provide the ATSDR with additional resources, but more can and must be done. Health studies are extremely expensive and staff intensive. An ATSDR study which recently commenced to study the effects of PCB's on residents in New Bedford, MA, will cost nearly $1 million.

There are now 850 sites proposed for priority action under Superfund and if even a small portion of these sites require health studies, we will need to vastly increase funding for the ATSDR. Residents at many of the 21 Superfund sites in my home State are demanding that more be done to provide them with adequate information on their health and their exposure to hazardous substances.

My amendment proposes to double the size of the appropriation to the ATSDR for the next 5 years making available a minimum of $100 million for conducting health studies and hiring additional personnel.

Mr. President, this amendment raises the limits in the legislation from $50 million to $100 million but does not increase the total authorization.

We know that health studies are an essential aspect in the review of the hazards designated by EPA. It is my understanding now the Center for Disease Control would require about $30 million to conduct these health studies with the required and necessary personnel, which would only permit $20 million to be used for new studies. Therefore, this amendment would raise that figure of $50 million to $100 million to be available for health studies.

Health studies are one of the most essential and important components of the Superfund Program, and they are essential to achieve its legislative purpose. I hope that given the expected continued increase in terms of new sites over the period of this next year and given the essential nature of health studies by the Center for Disease Control, the authorization for these new studies will be increased. As I said, it does not increase the total authorization in any way, but it will make available as an appropriate use of the fund, if necessary, the resources needed to conduct an essential aspect of the EPA function.

I have had an opportunity to talk with the managers of the bill, and I hope this amendment might be favorably considered.

Mr. STAFFORD. Mr. President, I can support the Senator's suggestion that the $50 million figure be deleted, but for this side of the aisle I am very reluctant to accept the $100 million figure as a ceiling. I say to my friend from Massachusetts that we have planned to strike the $50 million, but we are hesitant to have a ceiling imposed of $100 million since it is quite possible that might not be enough either. It is our hope that the Senator would amend his proposed amendment simply to strike the $50 million ceiling that now exists.

Mr. KENNEDY. The Senator from Vermont has made an excellent suggestion which certainly achieves the purposes of this amendment. I think

his recommendation is a wise substitute for the approach I have suggested. So, Mr. President, I will modify the amendment to strike the $50 million figure.

The PRESIDING OFFICER. Will the Senator send the modification to the desk.

Mr. STAFFORD. Parliamentary inquiry, Mr. President. We understand the Senator from Massachusetts has modified his amendment by striking the $100 million?

Mr. KENNEDY. Mr. President, I send to the desk a modification.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 83, line 12, strike out "$50,000,000".

Mr. STAFFORD. Mr. President, with the modification of the amendment as we understand it, we are prepared on this side to support and accept it for the majority.

Mr. LAUTENBERG. A question, if I might, Mr. President, to be sure we all understand the language of the amendment. Can the clerk read the amendment?

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

"On page 83, line 12, strike out $50 million.

Mr. LAUTENBERG. I thank the Chair.

Mr. KENNEDY. As I understand the effect of the amendment then, Mr. President, as the floor manager has described, actually the amounts that could be expended in terms of the health studies may very well exceed the $100 million.

Therefore, I think the amendment is necessary. I welcome the support of the floor managers and hope it will be accepted by the Senate.

Mr. LAUTENBERG. Mr. President, I wish to add a point of clarification from my standpoint in terms of what is intended in this amendment. I fully support the concept of striking the $50 million cap because I share the view of the chairman of the Committee on Environment and Public Works as well as that of my distinguished colleague from Massachusetts that we want to get this job done and we want to be sure, as we review the health risks, that we are not limiting expenditures because of shortsighted funding ceiling.

I fully support this amendment. As I understand it, it is the funding that is directed to the Agency of Toxic Substance and Disease Registry.

Mr. KENNEDY. The Senator is quite correct. They have the responsibility and are the source of information and personnel. I am very hopeful that with this kind of action by the Senate, they will be encouraged to conduct the kind of studies which are absolutely essential in both the existing designated sites and the future sites. This fund will be very, very important. I think the record that has been made by the Senate and the floor managers will encourage more health studies. That is an absolutely essential element in terms of this whole legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment (No. 655), as modified, was agreed to.

Mr. KENNEDY. I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I express my appreciation again to my good friend, the chairman of the committee, Mr. STAFFORD, and the floor manager for the minority, Mr. LAUTENBERG, for their willingness to accept these amendments. I thank them for the very excellent work they have done in bringing this legislation to the floor. It is a matter of enormous importance to the people of my State and very important to people all over this country. I commend them both for the work they have done and I look forward to working with them in the future on matters in this area.

AMENDMENT NO. 655 (MODIFIED FURTHER)

Mr. STAFFORD. Mr. President, it has become necessary for the Senator from Vermont to ask unanimous consent of the Senate to make a technical modification on page 83, line 12. The necessity for doing this is an amendment we recently adopted, offered by Senator KENNEDY, No. 655, which has been modified. We find that in the process, we inadvertently did something we did not intend to do.

So I ask unanimous consent that a technical amendment may be agreed to on line 12, page 83, of the pending bill, by striking out the words "or $50,000,000, whichever is less," which appear after the word "Fund".

The PRESIDING OFFICER. Is there objection?

Mr. LAUTENBERG. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the further modification follows:

On page 83, line 12, strike out "or $50,000,000, whichever is less".

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I express my appreciation to the staff who caught that error.

AMENDMENT NO. 656

Mr. STAFFORD. Mr. President, on behalf of Senator HATCH, I send an amendment to the desk and ask that it be stated and for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for Mr. HATCH, proposes an amendment numbered 656.

On page 118, after line 8, insert the following new section and renumber succeeding sections accordingly:

HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

SEC. . (a) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section:

"HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

"SEC. . (a) AUTHORITIES.—The Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency may each, consistent with their respective missions, support the following health-related activities through grants, cooperative agreements, and contracts—

"(1) Research (including epidemiologic and ecologic studies) in

"(A) Advanced techniques for the detection, assessment, and evaluation of the effects on human health of hazardous substances;

"(B) Methods to assess the risks to human health presented by hazardous substances, including workplace hazard assessment;

"(C) Methods and technologies to detect hazardous substances in the environment and methods and technologies to reduce the amount and toxicity of hazardous substances, including recycling, incineration, biodegradation, chemical inactivation, and encapsulation; and

"(D) Improved health and safety practices in, and equipment for the handling and disposal of hazardous substances.

"(2) Training, including—

"(A) Short courses and continuing education for State and local health and environment agency personnel and other personnel engaged in the handling of hazardous substances, in the management of facilities at which hazardous substances are located, and in the evaluation of the hazards to human health presented by such facilities; and

"(B) Graduate training in environmental and occupational health and in the public health aspects of hazardous waste control.

"(b) AWARDS.—A grant, cooperative agreement, or contract may be made or entered into under this section by the Administrator of the Environmental Protection Agency or the Secretary of Health and Human Services (through the National Institute of Environmental Health Sciences or other appropriate agency or, in the case of training, through the National Institute for Occupational Safety and Health or other appropriate agency), with an accredited institution of higher education, a research institution, a State or local health agency, or other entity as the Secretary or the Administrator deems appropriate. Awards under this subsection shall be subject to peer review in a

manner substantially similar to that of section 475 of the Public Health Service Act.

"(c) ADVISORY COUNCIL.—To assist in the implementation of this section, the Secretary and the Administrator may each, or they may jointly, appoint an advisory council. Such council(s) shall be representative of the relevant Federal government agencies, the chemical industry, the toxic waste management industry, institutions of higher education, State and local health and environmental agencies, and the general public.

"(d) PLANNING.—Within one year after the enactment of the Superfund Improvement Act of 1985, the Secretary and the Administrator shall complete a joint plan for the implementation of this section and shall report to the Congress on the plan and the implementation. The head of the Agency for Toxic Substances and Disease Registry shall coordinate the plan, which shall be drawn up with the participation of the Directors of the National Institute of Environmental Health Sciences and the National Institute for Occupational Safety and Health, and other officials as the Secretary and the Administrator deem appropriate.".

"(b) Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"( ) the costs of carrying out the research and training program under section , to the extent that such costs do not exceed $5,000,000 for fiscal year 1986; $10,000,000 for fiscal year 1987; $20,000,000 for fiscal year 1988; $35,000,000 for fiscal year 1989; and $40,000,000 for fiscal year 1990;".

Mr. STAFFORD. Mr. President, this amendment authorizes the awarding of grants, contracts, and cooperative agreements by the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, for health research and training related to hazardous waste cleanup.

Superfund strategy, the report recently issued by the Office of Technology Assessment, clearly identified the need to expand our current research and training activities related to health problems associated with the cleanup of hazardous waste sites and to the development and improvement of methods of evaluating health hazards and risk.

This amendment is designed to meet that need through providing research and training authority to both EPA and HHS. Together, these two organizations have the broad range of expertise necessary to plan and implement the variety of activities that are needed to strengthen current research efforts and to increase, through graduate training and through continuing education, the cadre of appropriately trained personnel. The Secretary and the Administrator are authorized to make awards to accredited institutions of higher education, research institutions, State and local government health departments, and other appropriate recipients. In particular, this authority will allow universities and other institutions with recognized expertise, at centers for environmental and occupational health, to develop and expand much needed training and research activities.

The amendment authorizes the Secretary of HHS and the Administrator of the EPA to appoint advisers, if necessary, to assist them in developing an implementation plan. It does not require the appointment of such advisory bodies. EPA and HHS would be required to submit a plan to Congress, and to report to us on how they are implementing these provisions. Working together to develop this plan and report will increase and enhance the growing cooperation between HHS and EPA in Superfund-related activities.

The language of the amendment acknowledges the important health-related research and training expertise that reside within the National Institute of Environmental Health Sciences and the National Institute for Occupational Safety and Health, but in no way does the amendment imply that these two institutes are or should be the only sources of awards.

A modest amount of money from the Superfund trust fund is authorized for this health related research and training: not to exceed $5 million for fiscal year 1986 and $10 million; $20 million; $35 million; and $40 million for fiscal year 1987-90.

Mr. President, we on this side of the aisle, having offered the amendment for Senator HATCH, are prepared to accept it.

Mr. LAUTENBERG. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 656) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 657

Mr. STAFFORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD] for himself and Mr. BENTSEN, proposes an amendment numbered 657.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 112, line 18, strike "agreement is entered into" and insert in lieu thereof "completion of remedial design".

On page 112, line 22, strike "construction design" and insert in lieu thereof "a remedial action plan".

On page 113, beginning on line 8, strike "a request for funding adequate to complete remedial action, and" on line 12, strike "request" and insert in lieu thereof "budget submission".

On page 114, after line 13, insert the following:

"(d) ACTION BY OTHER PARTIES.—If the Administrator in consultation with the head of the relevant department, agency, or instrumentality of the United States, determines that a remedial investigation and feasibility study or remedial action will be done properly at the federal facility by another potentially responsible party within the deadlines provided in paragraphs (1), (2), and (3) of subsection (c), the Administrator may enter into an agreement with such party providing for assumption of the responsibilities set forth in those paragraphs. Following approval of the agreement by the Attorney General, the agreement shall be entered in the appropriate United States district court as a consent decree under section 106 of this Act.".

On page 114, line 14, strike "(d)" and insert in lieu thereof "(e)" and on line 21, strike "(e)" and insert in lieu thereof "(f)".

On page 114, line 22, and page 115, line 11, strike "procedures".

On page 115, after line 13, insert the following:

"(h) FEDERAL AGENCY SETTLEMENTS.—The head of each department, agency, or instrumentality or his designee may consider, compromise, and settle any claim or demand under this Act arising out of activities of his agency, in accordance with regulations prescribed by the Attorney General. Any award, compromise, or settlement in excess of $25,000 shall be made only with the prior written approval of the Attorney General or his designee. Any such award, compromise, or settlement shall be paid by the agency concerned out of appropriations available to that agency.".

On page 115, line 13, after the first period, insert "The President may exempt any site or facility of any department, agency, or instrumentality in the executive branch from compliance with any such guidelines, rules, regulations or criteria if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with the reason for granting each such exemption.".

Mr. STAFFORD. Mr. President, let me say at once that this amendment I am offering for Senator BENTSEN and myself is purely technical in nature and makes no substantive changes in the legislation. The technical changes that are being recommended and contained in this amendment have been asked for by the Departments of Defense, Energy, and Justice, and the Environmental Protection Agency. These changes, I believe, are accepta-

ble to all. For the majority, I am prepared to accept them.

Mr. LAUTENBERG. Mr. President, the minority has no objection and supports the amendment.

The PRESIDING OFFICER (Mr. CHAFEE). The question is on agreeing to the amendment.

The amendment (No. 657) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 658

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes amendment No. 658.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 101, after line 12, insert the following new section and renumber succeeding sections accordingly:

TECHNICAL ASSISTANCE GRANTS

SEC. . Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) subject to such amounts as are provided in appropriation Acts, the costs of a program of technical assistance grants, in accordance with rules promulgated by the President, to community organizations or groups of individuals potentially affected by a release or threatened release at any facility listed on the National Priorities List, not to exceed $75,000 per facility. Such grants may be used to obtain technical assistance in interpreting information with regard to the nature of the hazard, remedial investigation and feasibility study, record of decision, remedial design, selection and construction of remedial action, operation and maintenance, or removal action at such facility.".

Mr. METZENBAUM. Mr. President, the amendment that I offer would provide grants to communities so that the residents of those communities could hire independent experts to help them deal with the complexities of hazardous waste cleanups.

This amendment makes sense. People who live near hazardous waste sites are frightened and concerned. Potentially dangerous chemicals and wastes are buried near their homes, schools, and parks.

Is it any wonder that people want to know about these toxic "soups" which practically sit in their own backyards? Is it any wonder that they want information on the health threats the sites may pose or details about the best ways to clean them up?

No. Local residents should be informed. They must be informed.

But, Mr. President, these same people often lack the expertise and experience needed to analyze the complex environmental, public health and technological issues associated with these Superfund sites. And, making matters worse, they often lack the financial resources to hire the right "experts" who could help them.

As a result, the people who have the most to lose if cleanups are done improperly, are the very ones being shut out of the cleanup process. This can only breed more suspicion and more fear, and jeopardize the chance for a safe and effective cleanup.

My amendment would help communities get over this "lack of information" hurdle and help instill more confidence in the Superfund Program.

It would give EPA discretionary authority to provide grants to communities so that residents could secure the toxicologists, engineers, epidemiologists, geohydrologists or other "experts" who could help them interpret complex scientific data and make realistic decisions during the entire cleanup process.

My amendment is very reasonable. EPA would only provide a single grant to a particular community and that grant would be capped at $75,000.

Mr. President, this would provide a means for them to obtain experts in order to hlep them in connection with these issues.

I urge the adoption of the amendment.

Mr. President, it is my understanding the amendment has been cleared with the managers of the bill on both sides.

Mr. STAFFORD. Mr. President, we have examined the amendment of the Senator from Ohio [Mr. METZENBAUM] and we think it is a good amendment. We are prepared to accept it on this side.

Mr. LAUTENBERG. Mr. President, on this side of the aisle as well we think it is a good amendment. We fully support the proposal by the Senator from Ohio and ask for its consideration.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 658) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I ask the manager of the bill if he would have any objection to my addressing myself for a few minutes on the subject of the bill, or does he want to proceed forward in connection with some other matter at this moment? I could await his preference.

Mr. STAFFORD. Does the able Senator wish to make a speech for 2 or 3 minutes? If so, we certainly will not object to that.

Mr. METZENBAUM. I intend to make a speech, a rather brief one, as a matter of fact.

Mr. STAFFORD. We have no objection if the Senator wishes to proceed.

Mr. METZENBAUM. I thank Senators on both sides.

Mr. President, I wholeheartedly support the reauthorization of the Superfund Program.

I think it is critical for Congress to move swiftly to enact legislation that will permit us to continue to clean up the thousands of hazardous waste sites that are located throughout the Nation. The health and well-being of thousands of Americans depends upon it.

Having said that I intend to vote for the bill, I want to indicate my concern about one aspect of the bill that is very disturbing to me, and that is the value-added tax. The value-added tax is a new concept. I am afraid that once you open the door to this means of raising money there will be no end to the effort to use the so-called VAT, value-added tax, in a host of other areas as well.

The value-added tax is a very unfair tax. It is a very regressive tax. It hits those least able to pay.

I do not find fault with the fact that those who are handling this bill saw fit to include it in this legislation because they were looking for some way, some means in order to find the necessary funds to do the job that has to be done as far as cleaning up waste in this country and the waste sites.

But I believe it is a dangerous precedent. I am certain that once having broken down the barriers to a value-added tax we are going to hear more and more on this subject in the future. What the value-added tax does is it, provides for an addition onto the price at every step in the sales process

whether it is an imported product, a produced product, a product sold at the wholesale level or the retail level. At each step you add on this value-added tax. Who winds up paying the value-added tax? The American consumer obviously.

I think it is the wrong way to go. I do not think it is a procedure that should be used. I think it is a very high price that we are being called upon to pay in order to pass this legislation. I wish that there were an alternative and if there were an alternative I would very seriously consider it.

I will not vote against the bill because it is included in it because I feel so strongly that we need the basic legislation. But, having said that, I wish that there were another alternative. I hope that others will not use the fact that the value-added tax is included in the Superfund bill to return time and time again to the floor of this Senate in order to propose raising funds in that manner. I think it is a bad procedure, a bad precedent, and one that I find myself having difficulty in swallowing and accepting, but I see no alternative at this moment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 637

(Purpose: To terminate taxes allocated to the Superfund at such time as $5,700 million has been credited to the Superfund and to limit the amount which may be expended from the Superfund during any fiscal year)

Mr. SYMMS. Mr. President, I have an amendment that I am going to call up in a moment which will be offered on behalf of the distinguished senior Senator from North Carolina and myself. But I want to make a couple of general comments about the situation we are in before I get to the amendment. This will only take a moment or two.

As a general philosophical position, Mr. President, I support cleaning up hazardous waste sites, but I believe we have gone way too far with the excessive amount of money we are putting into S. 51. It is simply making too much money available under the current circumstances. This is the time, and we talk about it constantly, that we ought to hold the line on spending. It does not seem to me that it makes a lot of sense to make more money available for EPA than they think they can actually use. EPA experts testified before the Public Works Committee that they could not use more than $1 billion a year. That is all they should have.

I am going to propose an amendment in a few moments which would fix a more modest spending level, which would provide less money overall, but would allow for the funding level to get up to the point that the distinguished chairman of the committee, Senator STAFFORD, has put into the bill. It would get up to that by the end of the program.

I think before we really talk about the funding and the amendment, it would be wise to review the record. The American people should be acutely aware of the fact that implementing the Superfund legislation, which I grant is a very noble cause—to clean up poisonous, hazardous, toxic wastes—it has cost $1.6 billion so far to clean up six sites. No one in America is against cleaning up hazardous sites—no one likes having toxic waste dumps running a risk to human life. By attempting to bury our waste problems under a blizzard of deficit dollars it seems to me as if we are guaranteeing waste, we are guaranteeing inefficiency. We are causing all kinds of problems.

We have seen people sent to jail as a result of this so there have obviously been some problems with respect to it.

It is a Superfund. It is a classic opportunity for pork barreling and overfunding, overfunding providing more opportunity for pork barreling.

I do not think we really know yet what the scope of the Superfund problem is going to be. EPA estimates 22,000 sites. GAO estimates 300,000 sites.

If you fund this for $1.5 billion a year there will probably be 600,000 sites and if we can get it up to 3 billion there will probably be 6 million.

For all I know, toxic waste sites will start coming out of the woodwork if somebody thinks there is a way they can get their hands on the money. They are going to want to spend it in their country, their State, or their local municipality or whatever, even though most of it will be going to pay lawyers. Unfortunately, most of it will be going to pay lawyers in this town. If it went to the law firms out in the States, that would not be so bad, but that is not what is happening, unfortunately.

I am not convinced that we have a funding mechanism more fair than the current one. I do not know if we have really answered that question yet. But here we are, ready to legislate on it.

The current feedstock tax would eventually drive a significant share of our chemical refining and manufacturing capacity offshore, so I do not want to raise that much. We do not want to drive anybody offshore by having an excessive tax that would hurt an industry that has to compete internationally.

The new financing scheme also leaves a little to be desired. They provide the off-budget schemes for taxes that, if the experience of other countries is any indication, became wealth-consuming monsters. I think we all know in this Chamber that much of the reason that Europe has become so socialized is the value-added tax which has provided a mechanism, a hidden tax, so politicians could go out and buy votes with taxes people do not realize they are paying.

Even having said that, I do not think we have a good choice here before Congress. I think there is a possibility that this tax we have in here may be better than the older one because of the threat of driving jobs offshore. We need a broad-based viewpoint on this. So I am being critical in what I am saying about the methodology of the taxation here necessarily. However, I think we have to recognize that it is putting the nose of the camel under the door of the tent and it is hard to tell where it might end up.

Another major problem with Superfund is the liability problem. Strict joint and several liability simply is not working. What is happening is, as I have already mentioned, that transaction costs actually exceed the cost of the cleanup work. For some of my colleagues who might wonder what transaction costs are, that is when you have to pay people to litigate to decide who is liable for the actual cleanup. We had example after example before our committee and I shall give one of the worst examples, but there were several that were similar.

In the Conservation Chemical case, pretrial attorneys' fees have been estimated at $5 million to $11 million and the actual cleanup costs at $6 million. Just think about that, Mr. President. They spend $5 million, at least by some estimates, and up to $11 million by others to pay lawyers to litigate to try to decide who is liable and the actual cleanup cost is $6 million. That really bothers me, the idea that our Government collects for the cost of hazardous waste cleanups solely on the basis of availability without regard to who actually contributed.

On the other side of the coin, if you want to try to make it fair and put all the burden of cost just on the companies who might be producing most of it, I think we would find we would run all of them offshore because the profits do not even equal what some people are proposing we spend on it. In my own State of Idaho today, the specter of liability for environmental problems caused a long time ago is hampering negotiations to reopen at least one mine that would produce an important strategic mineral. If we could somehow get this bill worked

out so the new owners of the mine could be responsible for any liability or any environmental damage they cause from here into the future, they are willing to go in and invest several million dollars, in the neighborhood of $100 million or maybe slightly less than that, to reopen a mine to produce a critical mineral that is essential to the security of the United States of America.

Unfortunately, they feel they cannot make the investments if they have to take the liability of what has happened in the past on that same property. I think those are the kinds of questions we ought to answer.

Whether the Senate will go along with amendments that may be entertained by myself and other Senators later through the debate, I do not know, but I do think it makes the case for the amendment that I am about to propose. I have been urged by some to introduce an amendment to Superfund that would release a new purchaser from the liability for hazardous wastes created by the predecessor. That seems to me to be only fair, a simple straightforward amendment, but I have been told by all the attorneys on the staff that that is unthinkable, it will not pass because it would create too many sheltered corporations and so forth. I can see some problem with it.

But I just throw that out as an example of questions that have not been answered and here we go again, Mr. President, we are ready to go in and throw a billion-and-a-half dollars at a problem every year so we can go back home and say we are cleaning up toxic wastes when, in fact, we could be spending that money to support a lot more paperwork, a lot more court costs, before we actually settle something to pay the men and women who actually go out and do the physical work to clean it up.

The insurance industry testified that they see the cost of liability for cleanup as greater than industry assets. What kind of situation is that? Are we actually setting up a situation here where the liabilities that the insurance companies see with respect to toxic waste cleanups and Superfund problems will be more than the total assets of an insurance company? If so, they simply will not insure the responsible contractors. They are simply not going to do it. So a responsible contractor is going to say, "I am not going to put my company at risk, even though we have a capability to do Superfund cleanup, without adequate insurance."

It seems to me that the Superfund cleanup is going to be stalled until the insurance issue is resolved. I am saying, Mr. President, why, then, should we have $1½ billion thrown at a problem when the Agency itself says they cannot properly spend more than $1 billion a year?

The provision for victims' compensation is another open-ended invitation for litigation. While the present law provides wonderful opportunities for litigation and waste, it really does not provide much incentive for effective cleanup of our hazardous waste sites.

Mr. President, I simply think what we ought to call this, instead of Superfund a lawyers' slush fund. That is what it really is. The lawyers are waiting at the doors for Congress to shovel the money out so they can start suing everybody.

We have one site in Idaho, at Kellogg, where they are proposing to spend $50 million and one person said they are going to sue them all the way back to whoever mined or wasted material up there, clear back to 1880. There are not many people in Silver Valley living now who remember what went on in 1880, but that is not going to stop the attorneys from going back and suing.

Mr. President, I see my distinguished colleague, the Senator from North Carolina [Mr. HELMS] on the floor and I call up the amendment by myself and Mr. HELMS which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] for himself and Mr. HELMS proposes an amendment numbered 637.

Mr. SYMMS. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 124, line 16, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 125, line 20, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 10, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 13, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 18, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 135, line 21, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 155, between lines 14 and 15, insert the following:

"(3) LIMITATION ON AMOUNTS EXPENDED DURING ANY FISCAL YEAR.—The amounts expended from the Superfund shall not exceed—

"(A) $600,000,000 during fiscal year 1986,

"(B) $900,000,000 during fiscal year 1987,

"(C) $1,200,000,000 during fiscal year 1988,

"(D) $1,500,000,000 during fiscal year 1989, and

"(E) $1,500,000,000 during fiscal year 1990.

Mr. SYMMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SYMMS. Mr. President, the amendment I am introducing is not really the amendment I would like to introduce. What I would like to do is extend Superfund in its current form for another 3 or 4 years and continue the work that the chairman of our committee has started and try to answer some of the questions that I just brought up in the remarks that I just made. This amendment I offer, I think, is practical. It is a compromise, from my point of view. I am very pleased that my distinguished colleague [Mr. HELMS] is cosponsoring it.

I am sure most Members of the Senate would want to see hazardous waste sites cleaned up as practically and as rapidly as possible. As I mentioned, we have Superfund sites in Idaho and we are as concerned as anyone else and would like to see that they are cleaned up. At the same time, I think we want the cleanup done properly.

In fact, in my view, Mr. President, it is imperative that the best possible cleanup job be done, but I do not think we should be risking remedial actions that even by the remotest chance might result in more serious hazards at some time in the future. In my view, it would be a very serious mistake if the problem were increased because some cleanup measures were poorly thought out or improperly executed. I am making the case for proceeding on Superfund at a more moderate pace.

It will produce, in my view, the best results in the long run. This does not simply mean covering our hazardous waste sites with Federal funds. What we need to do, instead of authorizing $7½ billion, which is what this bill calls for over the next 5 years, is treat it like a small child. You teach a child how to crawl, then you teach a child how to walk, then the child can start running and, who knows, maybe someday the child can run for the U.S. Senate or some other office, but they cannot do it while they are still in the crib. That is all I am saying. We have the horse ahead of the cart.

Now, given the magnitude of the task, I think it would be a very reasonable approach. The Environmental Protection Agency—and I repeat this again from my colleagues who may not have heard me say it—testified that they cannot utilize efficiently more than $1 billion per year. It seems to me that we have had enough bitter experience to be extremely wary about funding a program at a level higher than at which the managing agency

feels comfortable. We all know the available money will be spent. We are not sure how well it will be spent. They will spend the money all right, but will they spend it the way it has been spent? We've spent $1.6 billion to clean up six Superfund sites? Fifty percent of the money, I say again, has been going for transaction costs.

What this amendment does is very simple. This is what you call the crawl-walk-run amendment, Mr. President. The first thing you do, instead of spending $1.5 billion next year, looking at fiscal year 1985 we are going to spend approximately $300 million in Superfund. For fiscal year 1986 my amendment proposes we spend $600 million; for fiscal year 1987 we propose that we will spend $900 million; for fiscal year 1988 we will spend $1.2 billion, and for fiscal year 1989 we will be at the point where the chairman wants to put us next year, $1.5 billion, and then they will spend another $1.5 billion in 1990.

This is a very modest reduction in the amount. It will give those people who administer the Superfund the opportunity to address some of these excessive litigation and transaction costs and we can work our way into this. If we solve some of these problems, by the time we get to the end of the 5-year period, in my view we will be much further down the road toward actual cleanup of Superfund sites than we will if we spend $1½ billion next year and end up in massive lawsuits and litigation. We hope we do not have any problems again where there will be accusations of corruption, and so forth, but when you start throwing that kind of money at a problem, Lord only knows where it can end.

Now, the total then ends up at $5.7 billion. I think any Senators who are concerned about the dedication they have for cleanup of toxic waste dumps can very comfortably go back home, Mr. President, and tell their constituents that they have voted for a new program of Superfund that calls for spending $5.7 billion over the next 5-year period. $5.7 billion would run the State of Idaho for a long, long time. We spend about $570 million a year to run the whole State government. And so I think $5.7 billion is a very generous amount of money for the taxpayers of this country to be expected to pay, considering all the bugs in this program.

After all, the Federal Government does not have any money. We have a $200 billion deficit. So any money that they spend on this they have to take away from somebody else. This is the problem that I see with the $200 billion deficit we are operating under today. The budget resolution which passed the Senate this year calls for spending $175 billion, Mr. President. $175 billion is being spent just for interest on the debt. That amounts to about $750 per person, or meaning that 50 percent of all of the tax receipts that go to the Federal Treasury are now spent on interest.

I realize this is a self-funding program; it carries a tax with it, but a tax is a tax. One way or another it has to be paid. We should recognize that we do not have the kind of money this bill calls for, and I am proposing that we trim out about $2.8 billion.

Remember also that the Superfund legislation authorization for the last 6 years was $1.6 billion, or $320 million a year. And I am not yet persuaded that is not enough until we work out the bugs. I am offering a modest proposal. I think it is a responsible proposal. It would double the amount of money we spend next year over what we spent this year, it would triple it the next year, it would go to $1.2 billion in the fourth year and $1.5 billion the fifth year. It goes $600 million, $900 million, $1.2 billion, $1.5 billion, and $1.5 billion.

Mr. President, it is very easy to understand. I urge my colleagues to support the amendment. We will still have plenty of problems to solve with this legislation, but this will at least get it back down to some kind of responsible size.

I thank the indulgence of my colleagues. I urge support of the amendment, and I yield the floor.

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment offered by the Senator from Idaho.

Mr. HELMS. To what piece of legislation?

The PRESIDING OFFICER. To S. 51.

Mr. HELMS. The title of which is what?

The PRESIDING OFFICER. The title of which the clerk will report.

The legislative clerk read as follows:

A bill to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

Mr. HELMS. I thank the Chair and I thank the clerk. After studying the bill, I concluded that it must be the Lawyers' Relief Act of 1985, but apparently it bears another title.

The Senator from Idaho is exactly right, Mr. President. People who are going to benefit most from this legislation will be thousands of lawyers who will be on the opposing sides in a plethora of lawsuits. But in any case, with all due respect to the distinguished manager of the bill, who is a dear friend, I must oppose the bill. And I certainly support the amendment of the able Senator from Idaho [Mr. SYMMS]. As a matter of fact, I say to the Senator from Idaho, I had prepared an amendment to reduce the funding even more than he proposes, down to $5,300,000,000.

Mr. SYMMS. I say to the Senator that I welcome the amendment. If he would like to offer it as an amendment to my amendment, I would support it. I would like to have it $300 million a year, as we talked about earlier.

Mr. HELMS. I thank the distinguished Senator. Well, the Administrator of the EPA says his agency simply cannot possibly spend wisely the billions of dollars that is going to be thrown to EPA through this legislation. That is the point. It is not a matter of who is in favor of cleaning up toxic waste. All of us are. All of us are in favor of motherhood, and, presumably, against sin.

But in any case, Mr. President, more and more people who have taken the time to examine this legislation, and the so-called Superfund, are wondering if it would not be more aptly described as "Superbust." Let us look at the record. It speaks eloquently.

Superfund was given an appropriation 5 years ago of $1.6 billion. I raised a lot of questions then, I say to the able Senator from Idaho. As a matter of fact, we negotiated a smaller amount than was previously proposed in 1981. I hope, fervently, that we can do so again. That is the goal of the distinguished Senator from Idaho, and it is certainly my goal as well.

Back to 1981 and events since that time. Five years later and $1.6 billion later, what has been accomplished? Precisely six hazardous waste sites out of thousands across the country have been cleaned up. Just six, Mr. President. That averages out to be in the neighborhood of $266 million per site, which is a pretty expensive neighborhood. Where has all that money gone?

Mr. SYMMS. Mr. President, will the Senator say that again? How much per site?

Mr. HELMS. $266 million per site, I would say to my friend.

Mr. SYMMS. $266 million?

Mr. HELMS. That is correct. That is what the spending per project averages out to be.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. HELMS. I yield, of course, to my able colleague.

Mr. SYMMS. I have already had local county commissioners, chamber of commerce people, and other people in my State come to me and say, "Let's try to get some of this Superfund money spent in our county."

I said: "Have you got a Superfund site?"

They said: "No, but we're going to find one, because we're pretty sure that out at the county dump, back in the late 1940's, people were dumping stuff that we have reason to believe was toxic, and we're going to try to get it qualified."

From reading the regulations, we are going to have Superfund sites all over

America. They are going to grow in North Carolina, Idaho, in the Dakotas. It is going to attract all kinds of people.

We talk about producing things. This will produce toxic waste dumps, if we get enough money in the program so that somebody thinks they can get it. If nothing else, the local bar association will find a toxic waste site so that they can have a lawsuit.

The Senator mentioned $266 million. In Sunny Slope, that is a lot of money. We might even have a site there.

Mr. HELMS. And what the Senator is experiencing is the predictable consequence of trying to solve problems by throwing excessive amounts of the taxpayers' money at the problems.

The point is—and the Senator is aware of this—most of the money expended for Superfund has not been spent on cleaning up hazardous waste sites. Far from it. More than $117 million, for example, has been spent on litigation costs alone. Paying the lawyers, who just love legislation like this.

So the Superfund, as I said earlier, might well be regarded as a lawyers' relief fund, not really as a mechanism to do very much to protect the public health.

Thats why I am cosponsoring the pending amendment offered by Senator SYMMS to save the taxpayers $1.8 billion by reducing the Superfund reauthorization fund $7.5 billion to $5.7 billion. I predicate my cosponsorship of this amendment on the fact that officials of the Environmental Protection Agency, themselves, have repeatedly stated that the Agency simply cannot spend $7.5 billion in an effective and prudent manner.

So what is afoot, here? If an agency assigned to administering the expenditures of funds says to Congress, "We cannot spend this much money wisely," what is the sense in forcing upon them more money than they can spend wisely?

In a March 15, 1984, hearing on Superfund, Mr. Lee M. Thomas, who was then the Assistant Administrator—he is now the EPA Administrator—warned, "Additional infusions"—of funding beyond EPA's capabilities—"could have a paradoxical effect on retarding our activities, not speeding them up." He added that "too great a rate has the potential for promoting fiscal waste."

If ever a soul in the bureaucracy stated a fact clearly, Mr. Thomas did on that occasion.

Then we move up to July 18 of this year. EPA Director Thomas—he had by then taken over as Administrator—reiterated his position, and he pointed to a number of important considerations: First, he said, the technical/legal restraints at EPA hinder EPA's ability effectively to manage a program greater than $5.3 billion. That is the reason why my original amendment specified reducing the funding for Superfund to $5.3 billion. According to Mr. Thomas, there is currently inadequate capacity to properly treat, store, or dispose of hazardous wastes. There are presently few facilities which meet the technical standards established under the Resources Conservation and Recovery Act [RCRA]. In addition, he says that land disposal restrictions established under the 1984 RCRA amendments limit options available for disposing of hazardous wastes.

Second, Mr. Thomas stated that although there are a number of developing technologies for the permanent treatment and/or destruction of hazardous wastes, the commercial availability of these technologies is quite limited. This lack of sufficient commercially available technologies could limit the extent to which the pace of the program could be increased.

Third, Mr. Thomas stated that EPA just does not have the staff, space, equipment, or administrative support to handle a $7.5 billion Superfund Program.

Mr. President, despite this warning from EPA and Superfund's failure to clean up hazardous waste sites, there are those who would turn a deaf ear to reality. Instead, they have embraced the theory that throwing more money at the project, almost $6 billion more than currently authorized, will make everything better, that somehow more money will make more cleanup.

I find myself wondering if we are not on a slippery slope of throwing money at a problem when the money would simply be wasted.

Mr. President, the folks back home hear a lot of rhetoric about reducing the deficit and reducing Government spending. If Senators are really serious about getting Government spending under control, we should not reauthorize Superfund at more than $5.7 billion. We should save the $1.8.

The line is drawn. The choice is clear. We can either be fiscally responsible and have the courage to say no to Government overspending and do what is right for the American people, or we can bow to pressure interest groups.

I commend Senator SYMMS for offering this amendment to reduce the reauthorization level of Superfund from $7.5 billion to $5.7 billion and I urge my colleagues to support him by cosponsoring this measure.

Mr. President, I ask unanimous consent that the July 18, 1985, letter from Lee Thomas, Administrator of the EPA, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, July 18, 1985.

Hon. JESSE A HELMS,
U.S. Senate,
Washington, DC.

DEAR SENATOR HELMS: As you know, in February 1985, the Reagan Administration announced a proposal for amending and reauthorizing the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or Superfund). Contained in that proposal is an amendment which would increase the size of the Hazardous Substance Response Trust Fund (Fund), which finances the Superfund program, from the current $1.6 billion to $5.3 billion over the next five years.

The Administration believes that a $5.3 billion Fund is the maximum amount the Environmental Protection Agency (EPA) could effectively manage during the next five year reauthorization period. The Administration believes a $5.3 billion Fund, combined with a strong enforcement program which is expected to yield over $2 billion worth of private party cleanup through 1990, would enable EPA to effectively address the hazardous substance release problem over the next five years.

As you know, Congress is currently considering two major bills to amend CERCLA. These bills, S. 51 and H.R. 2817, would increase the size of the Fund to $7.5 billion and $10 billion, respectively. The Administration believes there would be serious problems in managing a program of that magnitude and would support any effort to reduce those levels of authorization to $5.3 billion.

The Administration believes there are significant constraints which could hinder EPA's ability to effectively manage a program greater than $5.3 billion. The following highlights those constraints.

TECHNICAL LEGAL CONSTRAINTS

There is currently inadequate capacity to properly treat, store, or dispose of hazardous wastes. Two factors related to landfill capacity will continue to exacerbate this problem. First, there are presently few double-lined facilities which meet the technical standards established under the Resource Conservation and Recovery Act (RCRA). Second, the land disposal restrictions established under the 1984 RCRA amendments limit options available for disposing of hazardous wastes. These factors could slow the pace of cleanup in the short-term until additional capacity or alternative disposal methods become available.

TREATMENT/PERMANENT TECHNOLOGY CONSTRAINTS

There are a number of developing technologies for the permanent treatment and/or destruction of hazardous wastes. These technologies include incineration as well as biological and chemical degradation of wastes. Although some of these technologies have been proven to be technically feasible, commercial availability is quite limited. As the demand for permanent treatment and/or destruction of wastes increases in the next few years, the availability of permanent technologies should improve. However, in the short-term, the lack of sufficient commercially available technologies could limit the extent to which the pace of the program could be increased.

MANAGERIAL CONSTRAINTS

The Superfund program has grown rapidly over the past five years. Rapid growth makes effective management difficult. Ex-

pansion of the program over the next five years will continue to be hampered by the ability to recruit, train, and retain professional staff; provide adequate space, equipment, and administrative and logistical support; as well as establish contract capacity to handle the additional workload.

The ability to recruit, train, and retain staff is particularly significant. Time is required to locate, hire, train, and integrate personnel into the program. In addition, competition from the private sector has hindered the EPA's ability to recruit and retain personnel, especially senior managers.

I appreciate the opportunity to share these concerns with you. I am fully committed to the goals of the Superfund program and look forward to continuing our work on reauthorizing Superfund.

Sincerely,

LEE M. THOMAS,
Administrator.

Mr. HELMS. Mr. President, I am obliged to oppose S. 51 as reported by the Committee on Finance and the Committee on Environment and Public Works.

I object to a number of S. 51's provisions including the reauthorization levels, the manufacturer's environment excise tax (the MEET tax), the citizen suits, the Victim's Assistance Program, the statutory denial of preenforcement review, and the denial of joinder of parties and claims.

Let me summarize by reiterating some points I have already made.

First, Mr. President, I object to S. 51's reauthorization level of $7.5 billion.

Mr. President, EPA officials have said on more than one occasion that recognizing the manpower and technical capabilities of EPA, the Agency cannot effectively administer more than $5.3 billion.

At a March 15, 1984, hearing on Superfund, Lee Thomas, then Assistant Administrator, now EPA Administrator, warned:

> Additional infusions of funding beyond EPA's capabilities "could have a paradoxical effect of retarding our activities, not speeding them up, and too great a rate has the potential for promoting fiscal waste.

Furthermore, Mr. President, S. 51 would expand Superfund beyond its initial scope of cleaning up dangerous hazardous waste sites. S. 51 would divert Superfund moneys from cleaning up sites to funding victim assistance programs, health assessment and health studies programs, alternative water supplies in certain cases of ground water contamination. Additionally, under S. 51, Superfund would pay the costs of litigation including attorney and expert witness fees to the prevailing or substantially prevailing party. This dilution of cleanup funds flies in the face of Superfund's goals and threatens rapid cleanup.

For these reasons, I am convinced that authorizing Superfund beyond $5.3 billion is not a wise or a responsible step for this Congress to take.

Second, Mr. President, I object to the imposition of the MEET to fund Superfund. S. 51 would impose a 0.08 percent value added tax on the sale, lease, or import of manufactured tangible personal property. Small manufacturers, those with less than $5 million of taxable receipts, and small import shipments, those under $10,000, would be exempt from the tax.

This concerns me for two reasons. First, the theory behind Superfund is to tax those companies which create hazardous waste. By imposing a VAT tax we are losing this vital link. The absence of direct correlation between who pays and who receives departs from the general practice of other Federal trust funds.

Mr. President, proponents will argue, of course, that the tax is so small that it is negligible. This is true, but one only needs to look at the history of Federal taxation to see the danger of creating another Federal revenue source.

In 1937 the U.S. Government imposed on the American taxpayer an average tax of $79. In 1983, the American taxpayer paid an average tax of $3,536.00, an increase of more than 4,475 percent.

The Social Security tax has ballooned as well. In 1937, the American wage earner paid about 1 percent on the first $3,000 of their wages to Social Security, a maximum of $30 paid. In 1983, the wage earner paid about 6.70 percent on the first $35,700 of his income to Social Security, a maximum tax of $2,391.90.

In light of these statistics and our Government's unquenchable desire for revenue, I oppose creating the MEET tax.

Third, I oppose section 129, which creates a Victim Assistance Demonstration Program to provide medical assistance to victims of exposure to hazardous substances released into the environment.

Mr. President, under section 129, the EPA will choose 5 to 10 geographical areas which it believes are increased risk areas due to hazardous substance releases. These areas will then participate in a 5-year medical program providing medical screening and treatment. Superfund will pick up the tab if the responsible parties have not obligated themselves to pay.

Under the bill, two forms of medical assistance are available. For persons without any symptoms, a secondary group medical benefits policy will provide for periodic medical screening. For those persons who have symptoms of such a disease or injury, under section 129, the State will provide a secondary group medical policy to cover costs of treatment. Individuals in this category will also receive from the State program reimbursement for past medical costs associated with that illness if not paid by another source.

Mr. President, I oppose section 129 for several reasons. First, medical research just does not legitimize establishing this program. There is no evidence showing a widespread pattern of significant chronic illness caused by exposure to hazardous waste disposal sites. Even if causation does exist, there is no evidence that the illnesses cannot be compensated approximately through traditional liability. Mr. President, if this Victim Assistance Program does become law, the end result will be an open-ended medical entitlement program based on need and not based on liability.

In addition, this program should, if it does not already, attract criticism from the environmentalists. This program would only divert substantial funds from cleanup efforts, impeding Superfund's goal of cleaning up hazardous waste sites.

Mr. President, the U.S. taxpayer just cannot afford this program. The Victim Assistance Program will follow the same course as the Black Lung Program.

The Black Lung Program was established in 1969 to:

> Provide benefits, in cooperation with the States, to coal miners who are totally disabled due to pneumoconiosis and to surviving dependents of miners whose death was due to such disease; and to ensure that in the future adequate benefits are provided to coal miners and their dependents in the event of their death or total disability due to pneumoconiosis. 30 U.S.C. 901 (1969).

The Black Lung Program was supposed to be a temporary program, terminating in 1976 with an estimated cost of $350 million. Contrary to this intent and these projections, the Black Lung Program has ballooned to a program that in 1981 compensated some 460,000 individuals, more than twice the number of coal miners employed at that time, with a cost to the American taxpayer of $11.5 billion, a cost more than 30 times the initial cost projection.

Mr. President, the American public cannot bear the financial burden of the cost of additional programs such as the Victim Assistance Program in S. 51.

Mr. President, establishing a program of ths nature brings us even closer to national health insurance. I pose the question of Senator Simpson in his remarks found in the committee Report on 51.

> Should we as a society allocate resources to compensate individuals above and beyond what is generally available solely because they are singled out on the basis of political muscle or immediate public concern?

Mr. President, my answer is resounding "No."

Mr. President, I realize that the Senate Committee on Finance refused to provide the $30 million requested.

Nonetheless, this Congress must eliminate the language from the bill so that neither this Congress nor any other Congress can fund this program.

Fourth, Mr. President, I object to S. 51's creation of citizen suits.

Section 118 creates a right for citizens "to sue in Federal court to enforce standards, regulations, conditions, requirements, and order under the act and to seek the performance of nondiscretionary duties under the act by the President or delegees of the President." Additionally, section 118 would provide any person with a statutory right to intervene as a party to suits filed by the administrator or the State under Superfund or the Solid Waste Disposal Act. In addition, the section authorizes the court to award costs of litigation to the prevailing or substantially prevailing party.

Mr. President, I oppose section 118 for a number of reasons.

Suits of this nature would shift the focus of toxic tort litigation from the States to the Federal Government. By ancillary jurisdiction, the Federal courts will be forced to hear claims involving neither Federal questions nor diversity of citizenship.

Mr. President, not only does this shift take power away from the States, but it also places undue hardship on an already overloaded Federal court system. In the western district of North Carolina alone, there are almost 1,000 cases still pending, 90 percent of which are civil cases. Broadening the Federal judiciary involvement in toxic tort litigation is both unnecessary and unwise.

Furthermore, Mr. President, citizen suits divert millions of dollars from hazardous waste sites cleanup to litigation costs. If anyone doubts this probability, I suggest that they study the amount of Superfund moneys which has already been spent on litigation. Presently, Superfund has spent $117,181,400 on litigation alone. Surely, the public, since they are truly interested in hazardous waste cleanup, would prefer their money to be spent on waste cleanup and management, rather than on expert witness and attorneys' fees.

Fifth, Mr. President, I oppose section 118 which denies preenforcement review of an administrative order.

Mr. President, many Federal statutes provide authority to compel action for emergency purposes, but with the exception of few draft statutes, there are no Federal statutes on the books which limit judicial review. Due process before a denial of property is guaranteed in our Constitution.

Mr. President, in rebuttal to the argument that preenforcement review might jeopardize the public safety, I argue that courts must meet a number of criteria before it can stay an administrative order, and that the courts have in the past and will in the future act expeditiously to uphold or stay an administrative order.

Mr. President, I warn my colleagues, that jeopardizing constitutional guarantees for the sake of hazardous waste cleanup is a dangerous if not fatal course for this Congress to follow.

Finally, I oppose sections 106 and 107 of S. 51 which denies joinder of parties and joinder of claims as guaranteed by rules 18, 19, and 20 of the Federal Rules of Civil Procedure. Never, and I repeat never, in the history of this Nation has the U.S. Congress enacted Federal legislation denying a party the benefit of rules 18, 19, and 20 of the Federal Rules of Civil Procedure. Withholding from litigating parties the right to join claims and parties in one suit clogs the court with duplicative cases, as well as, burdens parties with twice the cost of litigation they would otherwise have to bear. Mr. President, I just cannot support legislation which puts such an overwhelming hardship on our courts and litigating parties.

Mr. President, I urge my colleagues to look behind S. 51's facade as a proenvironment bill. If Senators in this Chamber are truly interested in the rapid cleanup of hazardous waste sites, they will oppose the diversion of Superfund moneys from cleanup to the numerous other programs and litigation costs as provided in S. 51. Additionally, they will heed the words of EPA Administrator, Lee Thomas, that infusion of funds above and beyond what the EPA can handle could adversely affect cleanup.

I oppose S. 51 as introduced, and I urge my colleagues to do the same.

I yield the floor.

Mr. STAFFORD. Mr. President, I must as chairman of the Committee on Environment and Public Works rise in opposition to the amendment of my good friend and very valuable committee member, Senator SYMMS.

Much has been made here of the alleged cost of two or three sites. Let me point out that each year EPA is facing 200 emergency situations they must respond to and they are beginning work on 115 hazardous waste sites across the country. So that at the present time I believe EPA is working to clean up some 200 hazardous waste sites here in this country.

The size of the problem facing us as a Nation has been touched on, but I will remind my colleagues that the estimate of EPA, which is the smallest of any of the estimates in this area, is that there will be some 22,000 hazardous waste sites across the country which will have to be checked for hazardous substances present and probably about 2,000 of those sites will result in EPA having to take on a remedial response to clean them up.

So it is a major problem and, as the Senator from Vermont said in his opening statement some days ago, the American people are very deeply concerned about the presence of hazardous waste dumps, toxic chemicals in the country.

We believe the American people want those sites to be taken care of and they want us to get about the job on an expeditious manner.

That is what we propose to do in the bill which the Committee on Environment and Public Works reported out by a vote of 15 to 1 and the Committee on Finance I believe also reported it out on a vote with only one dissent.

Let me remind my colleagues, also——

Mr. SYMMS. Mr. President, if my distinguished chairman and good friend will yield, they were Senator DOLE and myself in that committee.

Mr. STAFFORD. I beg your pardon?

Mr. SYMMS. There were two in the Finance Committee and the distinguished majority leader was one of those two.

Mr. STAFFORD. The Senator is correct. I accept that correction.

Let me also remind my colleagues that this program is a self-financing program, that it will have no impact upon the budget deficit in any of the next 5 years in which it may be in operation, that it raises sufficient revenues through the existing tax that has supported it for the most part over the last 5 years and the additional tax system which has been devised by the Finance Committee.

So, it is a self-liquidating program. There is no impact on the deficit. It pays for itself as it goes.

The Committee on Environment and Public Works, as my good friend, Senator SYMMS, has pointed out voted for a 5-year program at $7.5 billion in total or $1.5 billion a year with one dissent, that of Senator SYMMS.

And the reasons that we felt in the committee that $5.3 billion was inadequate to finance the program over the next 5 years are these: First of all, the cost of cleaning up a hazardous waste dump has increased from 1981 when cost cleanup per site averaged $2.5 million, to 1983 when it had risen to $4.5 million. In 1984, the cost per site had reached $6.5 million per site and currently the cost per site is running at $8.1 million. So the costs are rapidly escalating in cleanup per site. That was one of the reasons we felt $5.3 billion would be inadequate.

Another was that in our judgment the Environmental Protection Agency in ts budget submission did not take into consideration the impact of inflation on the cost of operating this program over the next 5 years, and surely much as we would like to prevent it there will be inflation over these next 5 years and even if we are lucky it will certainly be in the realm of 3 to 4 percent.

So, escalating cost per site, not taken into consideration by the Agency in its budget submission, the inflation at a rate of 3 to 4 percent minimum, inflation was not taken into consideration by the Agency at all, nor were the costs of damages to natural resources belonging to the people of this country which may occur and are likely will occur and for which no provision was taken into consideration in the view of this Senator on the part of the budget submission at $5.3 billion.

Finally, various amendments contained in S. 51 as we reported to the Senate on a vote of 15 to 1 provide for a number of programs which over the next 5 years will cost, according to administration or staff calculations, the following sums:

Relocation provisions, $187 million; the lab testing, $200 million; health studies, $220 million; clinical training, $45 million; citizen suits, $176 million; State credit, $40 million; operation and maintenance costs, $200 million; and if the victim assistance program stays in the legislation, $150 million. All of these are aggregate costs over a period of 5 years and they total $1.218 billion.

It is for recognition of those costs plus the cost increasing at sites for cleanup overlooking damages to natural resources and inflation that the committee determined in its wisdom that the cost of this program over the next 5 years should be $7.5 billion.

So I think we are at the point I would say to my colleagues where we have to make a decision. It is time for us to decide whether we want to go with the decision of the three committees that have had access to this legislation and have reported it out and expedite the cleanup of hazardous wastes dumps and toxic spills about this country as the American public wants us to, or whether we determine to slow down at a lesser pace than the committee believes the American public wants.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SYMMS). The Senator from Texas.

Mr. BENTSEN. Mr. President, I want to join with the chairman of the committee in opposing this amendment.

I understand where the Senator from Idaho is coming from. I have some of the same concerns that he has expressed as to whether or not the funds could be effectively spent. We went into that issue at some length.

But the $7.5 billion that we are talking about now is one that is based on the testimony of experts including the Environmental Protection Agency. Of course, he cites the fact that EPA said $5.3 billion would be enough, that it was what they could utilize but they did not take into consideration some of these other things that are going to happen. We are talking about their cleaning up this first year 115 Superfund sites and it is estimated they are going to be called on for about 200 emergencies during the year. That takes a lot of money.

In addition to that, as the chairman has stated, they did not provide for inflation and what is going to happen in that regard.

When you get through with these things and add them together, the Environmental Protection Agency estimated that the additional things imposed by this bill would add another $1 to $1.5 billion.

Consequently, when we got through with the deliberations, we came up with a figure of $7.5 billion. What you have to remember is: Two committees of Congress reviewed and agreed on this particular number, one, the Environment and Public Works Committee, and the other one, the Finance Committee.

But then some of us had a concern: Suppose these conditions changed? Suppose all of a sudden there is no inflation? Then there ought to be some way to cut out the tax and not collect the rest of the money. So we did that in title II of S. 51, as reported from the Finance Committee. It provides a mechanism where the tax would terminate if the fund failed to use this money at the rate that we have anticipated. And we put that trigger in to say that, on September 30, 1988, or 1989, if you had $1.5 billion in the fund and you projected over the next 12 months that you were going to have at least that much without the imposition of the tax, then you would stop the tax, cut it out.

The tax would be suspended for 1989 for the determination made for 1988 and for 1990 for determination made in 1989. So, overall, what you are seeing here is the work of two committees that had their hearings, devoted a great deal of time to it—and it is a tough and complicated subject—and they have come up with a program level which they think the agency can meet based on the current expectations of cost. If they do not meet it, then the tax goes off and we do not spend the taxpayers' money, and the Government does not get the money. The bill provides that kind of an additional protection.

With that in mind, I think that we have a balanced bill and a sound one and that the amendment would not be helpful. I hope that the Senate will oppose it.

Mr. BAUCUS. Mr. President, the Committee on Environment and Public Works carefully considered the scope of Superfund. The $7.5 billion called for in S. 51 is a prudent, well thought-out program level. This proposal to reduce the scope of Superfund to $5.3 billion was considered and rejected.

There clearly is a need for a greatly expanded Superfund Program.

EPA estimates that in the near future about 2,000 sites will reach the national priorities list. Many people feel this estimate is low. The Congressional Office of Technology Assessment estimates that more than 10,000 sites may require cleanup.

In March, only 30 percent of the 538 sites now on the national priority list were receiving remedial cleanup attention, even though about $1 billion had been committed.

In short, cleanup is proceeding at a slower pace than any of us desire. It is apparent that more money is needed.

The less money Congress devotes to this program, the longer it will take to address the problem of hazardous waste cleanups.

By failing to adequately fund Superfund now, Congress may be courting an environmental crisis in the future.

Each day a hazardous waste dump—one requiring remedial cleanup—remains unaddressed only exacerbates future problems. The size of the problem grows larger, the health threat increases and the cost of ultimate cleanup is greater.

There is a need to significantly increase the pace of cleanups.

The $7.5 billion program approved by the Environment Committee is a minimum program.

But, it is a realistic level in view of our ability to raise revenue.

The Finance Committee carefully considered the fiscal impacts of raising revenues to pay for Superfund.

Based on this evaluation, we made several decisions.

The chemical feedstock tax is retained. This tax currently provides the bulk of Superfund financing—approximately $200 million per year.

The theory behind this tax is to tax the first hazardous substance in the production line. This reasoning still makes sense.

However, the Committee on Finance concluded that an increase in this tax could have serious adverse consequences for the international competitiveness of our mining, petroleum and chemical industries.

It was for that reason the feedstock excise tax was retained at its current level.

The committee then looked at a series of alternative taxing schemes, including a waste end tax, and general revenues.

A waste end tax may make sense as environmental policy, but it will be an extremely difficult and costly tax to administer. If not carefully thought out, it could lead to an increase in "midnight dumping" of hazardous wastes.

But the most serious flaw in a waste end tax is that it will change the way people handle hazardous wastes. The more people change the way they

handle hazardous wastes, the less revenue raised.

Unfortunately, the Superfund problem doesn't decrease. The need for cleanup at hazardous waste dumps stays the same or increases since the longer it takes to get a site cleaned up the larger the problem becomes.

Thus, the waste end tax poses a dilemma. If it is small enough so as not to alter people's hazardous waste disposal activities, it doesn't meet its environmental objective or provide needed funding.

If the tax is high enough to be a potentially significant revenue raiser, it will likely change people's waste disposal habits and cause a shortfall in revenues for Superfund.

The existing Superfund law relies upon general revenues for approximately 13 percent of its funding.

The proposal as reported by Finance no longer relies upon general revenues to meet the needs of the Superfund trust fund, which is the correct approach.

The public should not be forced to pay for the environmental problems caused by private corporations.

For both of these reasons, any general revenue proposal should be rejected.

The responsible approach to Superfund is to raise the funds needed through fair, equitable taxes. It is for this reason that the Finance Committee came up with a new excise tax.

Superfund sites ipvolve all segments of our society. To date, EPA has identified over 4,000 industry, government, and consumer businesses as potential responsible parties. Potentially responsible parties include the aircraft, automobile, computer, textile, food and beverage, furniture, semiconductors, building supply, and utilities industries.

Everyone contributed to the problem, and therefore, everyone should contribute to cleaning up the problem.

The Superfund problem is largely the result of the inadequacy of past hazardous waste management technologies and practices, not of current waste generation.

These past waste management practices allowed us to manufacture goods for less than the true cost of production. All manufacturing companies have benefited from these low-cost waste management practices.

The Superfund excise tax says wake up, manufacturing community. You are part of the problem. The problem is pervasive. It is the responsibility of all industry to finance the cleanups where responsible parties cannot be located or are defunct.

A broadly based, low rate, industry and product-neutral manufacturers' excise tax can finance the Superfund Program to the extent of its needs without disadvantaging any manufacturer against its domestic or foreign competitors.

The amendment before us to reduce the size of Superfund to $5.3 billion is a smoke and mirrors proposal. It does not provide the funding needed to address the problem. It does not fairly spread the burden of the costs of the program to those responsible for causing the problem and it will lead to larger Federal deficits in the future.

It should be rejected.

Mr. PACKWOOD. Mr. President, I wish to address the Senator from Texas and the Senator from Vermont. I have some technical amendments that are cleared on both sides. If there is no objection, what I am up against is I was supposed to chair a committee hearing this morning and I will chair it this afternoon and, instead of going back and forth, I would like to offer them now.

I ask unanimous consent that we may temporarily set aside the amendment we are considering now and proceed to my amendment.

Mr. BENTSEN. I certainly have no objection, as long as it is cleared by the distinguished Senator from Idaho.

Mr. STAFFORD. I would have no objection, if the present occupant of the chair has no objection.

The PRESIDING OFFICER. Without objection, the amendment is temporarily set aside.

AMENDMENT NO. 659

Mr. PACKWOOD. Mr. President, I send a series of technical amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislation clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD], for himself and Mr. LONG proposes an amendment 659.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as following:

On page 121, strike out line 10.

On page 124, line 1, insert "TITLE II—" before "AMENDMENTS".

On page 134, line 11, strike out "(3)" and insert in lieu thereof "(4)".

On page 134, lines 18 and 23, strike out "(b)(5)" and insert in lieu thereof "(b)(8)".

On page 137, beginning with line 22, strike out all through page 138, line 2, and insert in lieu thereof the following:

"(1) in the case of a taxable transaction described in paragraph (1) of section 4003(a)—

"(A) the manufacturer of the tangible personal property, or

"(B) any person who included the costs of the tangible personal property in such person's qualified inventory costs, and

On page 141, lines 10 and 11, strike out "exempt from tax under chapter 1" and insert in lieu thereof "exempt from taxation under chapter 1 by reason of section 501(a)".

On page 142, beginning with line 20, strike out all through page 144, line 5, and insert in lieu thereof the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'qualified inventory costs' means, with respect to any taxable period, the costs of tangible personal property which—

"(A) are allocable to the inventory of a manufacturer under the full absorption method of accounting under section 471, and

"(B) are paid or incurred by the taxable person during such taxable period.

"(2) SPECIAL RULES.—For purposes of this subsection—

"(A) EXPENSING RATHER THAN DEPRECIATION OR AMORTIZATION. —The qualified inventory costs of any taxpayer for any taxable period shall, in lieu of any allowance for depreciation or amortization, include any amount paid or incurred during such taxable period for tangible personal property acquired or leased incident to, and necessary for, production or manufacturing operations or processes.

"(B) Taxpayers using methods of accounting other than the full absorption method.—In the case of a taxable person using a method of accounting other than the full absorption method used in determining the inventory of a manufacturer under section 471, the qualified inventory costs of such person shall, except as provided in regulations, include only those costs included in the inventory of a manufacturer under such full absorption method.

"(C) PROPERTY MANUFACTURED FOR LEASE BY MANUFACTURER.—For purposes of computing qualified inventory costs, any tangible personal property which is manufactured for lease by the manufacturer shall be treated in the same manner as property which is manufactured for sale by the manufacturer.

On page 145, lines 24 and 25, strike out "(determined on an annual basis)".

On page 148, lines 4, 21, and 24, strike out "The" and insert in lieu thereof "For purposes of this chapter, the".

On page 149, line 15, strike out the end quotation marks and the end period.

On page 149, between lines 15 and 16, insert the following:

"(j) SPECIAL RULE FOR SHORT TAXABLE PERIODS.—In the case of a taxable period which is less than 1 calendar year, there shall be substituted for the $4,000 amounts in subsections (a) and (d) of section 4013 and the $5,000,000 amount in section 4022(a)(2) the amount which bears the same ratio to such amounts as the number of days in the taxable period bears to 365.

"(k) SALE TO INCLUDE CERTAIN EXCHANGES AND TRANSFERS.— For purposes of this chapter, except as provided in regulations, the term 'sale' includes any exchange or transfer other than a gift (within the meaning of section 102 or section 170).".

On page 155, line 6, strike out "Response Trust Fund" and insert in lieu thereof "Superfund".

On page 161, between lines 4 and 5, insert the following:

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

On page 135, strike out lines 3 and 4, and insert in lieu thereof the following:

(e) CERTAIN EXCHANGES BY TAXPAYERS NOT TREATED AS SALES.—Subsection (c) of section 4662 (relating to use by manufacturers) is amended to read as follows:

"(C) USE AND CERTAIN EXCHANGES BY MANUFACTURER, ETC.—

"(1) USE TREATED AS SALE.—Except as provided in Subsection (b), if any person manufactures, produces, or imports any taxable chemical and uses such chemical, then such person shall be liable for tax under section 4661 in the same manner as if such chemical were sold by such person.

"(2) SPECIAL RULES FOR INVENTROY EXCHANGES.—

"(A) IN GENERAL.—Except as provided in this paragraph, in any case in which a manufacturer, producer, or importer of a taxable chemical exchanges such chemical as part of an inventory exchange with another person—

"(i) such exchange shall not be treated as a sale, and

"(ii) such other person shall, for purposes of section 4661, be treated as the manufacturer, producer, or importer of such chemical.

"(B) EXCEPTION FOR EXCHANGES WHERE RECIPIENT NOT TAXABLE.—Subparagraph (A) shall not apply to any inventory exchange if the person receiving the taxable chemical would not be subject to tax on the sale of such chemical (other than by reason of subsection (b)).

"(C) REGISTRATION REQUIREMENT.—Subparagraph (A) shall not apply to any inventory exchange unless—

"(i) both parties are registered with the Secretary as manufacturers, producers, or importers of taxable chemicals, and

"(ii) the person receiving the taxable chemical has, at such time as the Secretary may prescribe, notified the manufacturer, producer, or importer of such person's registration number and the internal revenue district in which such person is registered.

"(D) INVENTORY EXCHANGE.—For purposes of this paragraph, the term 'inventory exchange' means an exchange in which a person exchanges property which, in the hands of such person, is property described in section 1221(1) for property of another person which, in such other person's hands, is so described.".

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 1985.

(2) INVENTORY EXCHANGES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the amendment made by subsection (e) shall apply as if included in the amendments made by section 211 of the Hazardous Substance Response Revenue Act of 1980.

(B) EXCEPTION WHERE MANUFACTURER PAID TAX.—In the case of any inventory exchange before January 1, 1986, the amendment made by subsection (e) shall not apply if the manufacturer, producer, or importer treated such exchange as a sale for purposes of section 4661 of the Internal Revenue Code of 1954 and paid the tax imposed by such section.

(C) REGISTRATION REQUIREMENTS.—Section 4662(c)(2)(C) of such Code (as added by subsection (e)) shall apply to exchanges made after December 31, 1985.

Mr. PACKWOOD. Mr. President, I have assured the Senate that I have cleared these with both sides. They are indeed technical.

I ask unanimous consent that the amendments be considered en bloc and that they be adopted together.

Mr. BENTSEN. Mr. President, I say to the distinguished chairman of the Finance Committee that we have no objection on this side to these amendments.

Mr. STAFFORD. Mr. President, for the majority, while this matter is really under the jurisdiction of the Finance Committee rather than the Committee on Environment and Public Works, on this side, for the Committee on Environment and Public Works, we have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 659) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 637

Mr. PACKWOOD. Mr. President, might I direct myself to the merits of the funding level of the Superfund.

There is honest disagreement among the Senator from Idaho and the Senator from North Carolina and myself and the Senators from Texas and Vermont and others as to what the proper funding level should be. If the issue were to be made, should we put off—and that is what we are talking about—put off cleaning up these sites and spend only $5 billion to $5.2 billion or $5.3 billion over the next 5 years because we have other more urgent priorities, and if this was weighed against the other priorities, you might be able to say, "We know we are going to have to do it eventually, but let us not do it now."

The problem is we are going to have to do it eventually and it is only going to get more and more and more expensive the longer we put it off.

From the EPA's own studies, the cost of a clean-up per site has gone from $2.5 million in 1980 to $6.5 million in 1984 to $8.3 million, estimated, in 1985. And if what we want to do is rob Peter to pay Paul and put off the inevitable day of clean-up with the concomitant danger that goes with postponing the clean-up, then let us understand that is what we are doing. Let us not pretend we are saving any money. We are postponing the spending of more money which we will spend later on.

As to whether or not the agency can spend $7.5 billion, roughly, instead of $5.5 billion roughly over 2 years, the Congressional Reference Service did a study as to whether there was a sufficient number of laboratory technicians, scientists, and others concerned with the clean-up, and they concluded clearly the money could be intelligently spent. The Office of Technology Assessment estimates that we will have to spend about $100 billion over the next 50 years on clean-up. That is $2 billion a year. That would be $10 billion over the next 5 years on the average.

Most importantly, perhaps, the Sierra Club went right to the root of who administers this program. They went to the regional offices, 10 regional offices, and they asked the people in those offices: "Could you intelligently spend more money than the administration asks?" And the response was, universally, "yes."

So while I realize the disagreement is honest and while I realize the administration wants to postpone the spending of this, all I am saying to my fellow Senators is that by postponing it we will spend more money later on than we will spend now. And the sooner we get at this job, the less it is going to cost us. So I would encourage all of my colleagues to vote against the adoption of the amendment of my good friend from Idaho. I thank the Chair.

Mr. STAFFORD. Mr. President, I anticipate that we will probably reach a rollcall vote with respect to the pending Symms amendment.

Mr. MITCHELL. Mr. President, I will speak briefly in opposition to the pending amendment. As a member of both the Environment and Public Works Committee and the Finance Committee, which considered this, and as one who participated in the drafting of the original Superfund legislation, I believe that the amount contained in the bill itself is the minimal amount appropriate to the task immediately before us.

I understand that the distinguished Senator from Idaho, who also serves on both of those committees, has argued, as the administration did before committees, that an amount greater than that proposed in his amendment could not be effectively utilized. But Members of the Senate should know that when the administration testified before both committees, they acknowledged that their estimate of the amount necessary to fund this program, the amount above which any funds could not be effectively spent, was based on an estimation that there would be no inflation in the United States over the next 5 years.

And I would ask whether there is any Member of the Senate, or whether there is anybody in the United States who believes that there will be zero inflation over the next 5 years. The answer is obviously no, and it is clear that the administration itself does not believe that, because with respect to virtually every other program the President's budget contemplates a certain level of inflation over the next 5

years. The only question is how much that will be.

So when the administration says this is the amount which we need and we cannot spend any more than that, everybody should answer that was based upon an estimate of zero inflation, a view shared by no one else in this country, not even by the administration with respect to any other program, and certainly not those programs which the administration supports.

In addition, that estimate was based on a calculation by the administration that the average cost of cleaning up a site would not increase over the next 5 years, even though the history of the program to date provides overwhelming evidence to the contrary. Each year since this program has been in existence the EPA has revised its estimate of the cost of cleaning up the site on an average around the country, and each year the estimate has increased until it is now three times as much as it was in 1981.

The most reliable predictor of future human behavior is past human behavior. While no one can be certain of precisely what will occur, it is simply not credible to believe that a cost of cleanup which has risen every single year since the program started by a significant sum will suddenly for the next 5 years not increase by a cent. The likelihood is entirely to the contrary; that is, that the average cost of cleanup will increase at least as rapid rate as in the past, if not a more rapid rate, because the fact is we are learning that the problem of cleanup at these sites is often a complex, and difficult engineering task. It is no easy task even to identify the scope of the problem when you are dealing with for example contamination of underground water systems, let alone to actually clean it up. That is, of course, what we are discovering with distressing frequency.

So I urge the Members of the Senate to consider just those two facts in determining that the amount contained in the committee bill is the minimal amount necessary—indeed, the same EPA to which I have already referred has acknowledged in independent reports that the scope of the problem is even greater than the amount contained in this bill, and that the number of sites that require cleanup—the estimate which itself is increasing each year—means this total cost of cleanup could, according to the EPA, reach as high as $22.7 billion. That is the upper level of the range of estimates that they have made based on the current number of sites they have identified, and they recognize in each of the number of sites that may have to be cleaned up that has increased each year.

So I urge the Members of the Senate to adhere to the amount contained in the legislation as really the minimal amount that ought to be made available to continue this critical task of cleaning up the many thousands of hazardous waste sites which currently scar our Nation's countryside, and threaten the public health and the environment of many millions of American citizens.

I thank the Chair.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER (Mr. GARN). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to oppose the amendment offered by the Senator from Idaho to reduce the funding level provided for in S. 51 for the Superfund Program. This amendment would provide for funding as we have heard it, $5.7 billion, only slightly higher than the level requested by the administration earlier this year, and the level of funding was the subject of hearings in both the Environment and Public Works Committee and the Finance Committee during their consideration of S. 51.

It was rejected decisively because both committees felt, and experts from whom they heard, that this level is unacceptable to make any serious progress or enough serious progress in cleaning up toxic waste sites around the country at an acceptable pace.

Progress in cleaning up Superfund sites has been painfully slow to this point. Only six sites have been cleaned up and removed from the NPL, the national priority list. And this is not acceptable to those people who live in these communities. There is no State exempt from this problem—not one in all 50. The Superfund national priority list currently lists 850 sites as eligible for Federal cleanup assistance. That means that there are at least that many seriously threatening toxic waste sites. EPA has identified over 20,000 other sites that are prospects for listing, and, of these, 4,000 will likely end up on this priority list. In addition, removal actions in response to spills and other releases also number in the hundreds each year.

The Governors in this country who have responsibility for dealing with toxic waste crises on a daily basis agree that they deal firsthand with the frustration and fear that is building up in communities all across the country—communities with water supplies shut off because wells have been contaminated; communities unable to protect the health of their citizens, young and old alike; communities unable to attract new jobs and industry because of the toxic dumps in their neighborhoods. We need to approve a program that is going to make meaningful progress in addressing this glaring public health and environmental problem. And for this reason the National Governors' Association supports a $9 billion Superfund Program. The NGA arrived at this figure building from the ground up. They think it is the minimum level acceptable to face the cleanup program needed in their States. EPA estimates that it will cost $11.7 billion to $22.7 billion to clean up the 1,800 to 2,200 sites they expect to put on the NPL list in the near future. The General Accounting Office which completed an overview of the Superfund Program just this March estimated that cleanup of these sites could range between $17 billion and $40 billion.

The administration sent up a proposal earlier this year to fund the program at $5.3 billion. This funding level was rejected by nearly unanimous votes in both the Environment and Public Works and Finance Committees. Many members on these committees felt that the administration's cost estimates for cleanup needs were unrealistic. They did not take account of inflation—or the dollar or of cleanup costs. They assume an extremely high rate of cost recovery from responsible parties—far higher than EPA has been able to realize to date. And they do not adjust for deteriorating conditions at sites even though experience has shown that delay in cleaning up sites increases the ultimate cost.

In sum, the Symms amendment assumes a limited and painfully slow pace to the program. A more realistic figure—just to maintain the pace of the current program—is the $7.5 billion included in S. 51.

Mr. President, I believe we should provide even a higher level of funding so that EPA is able to expand the pace of the program and fund the provisions that have been added in the bill before us.

I would like to close my statement with a personal note. Last year, Ray Adams, a citizen of Pomona Oaks, NJ, testified before the Environment and Public Works Committee.

His community's household water supplies were contaminated with benzene, a potent carcinogen. Ray was advised by the New Jersey Department of Health to take short showers, under light sprays; to open windows when taking a shower to air the room; and to close his bathroom door after a shower to prevent chemicals from contaminating his house. The Center for Disease Control advised him to stop using his water completely the center indicated that benzene was such a potent carcinogen that zero exposure was recommended.

Using the authorities of Superfund and its own State spill fund, New Jersey was able to respond and replace the drinking water for Ray and the citizens of Pomona Oaks. The aquifer underlying Pomona Oaks has been designated a Superfund site. These are positive developments for Pomona Oaks.

But, unfortunately our country is dotted with hundreds of Pomona Oaks. The citizens of Lowell and Woburn, MA, who came with their children to testify before our committee, told stories of other children lost to leukemia. There are few States where these kind of horror stories have not been told.

It is imperative that we clean up these sites, and protect the American public from the hazards of toxic wastes.

I urge my colleagues to oppose this amendment.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, just to summarize in case anyone has not heard what this amendment does, this, as I said, is the crawl, walk, run amendment. I have heard all the discussion and debate. I believe the distinguished Senator from North Carolina and I both agreed there is no one who is against cleaning up toxic waste sites. But I say, here we go again, to the U.S. Congress. We are going to go whole hog. We are going to throw $1.5 billion at this problem.

I just heard my friend from New Jersey referring to sites. I will say where one of the sites is, it is in Kellogg, ID, in Shoshone County. It is where the Bunker Hill Smelter used to be. The building is there but that is all. They smelted 25 percent of the lead and silver in the United States. Do you know what one of the worst hazards in Kellogg is today? It is that they do not have any jobs. That is a much bigger risk to their health and security than a pile of slag that has been sitting there since 1880. It has been building up each and every year.

It is stable. There is a problem, there is some metal in it. I do not say there are not some problems. But the worst part of the problem has already been corrected. They now say they want to spend $50 million on it. I guess they want to move it to the other side of the mountain, getting it away from there. Then you will stir up the dust and what have you. Now it is all stable in a huge pile.

I say that is one of those very hazardous sites. People are living there. Some people are over 100 years old. At the last centennial, one person was 95 and another was 90. One asked, "What is this about spending $50 million over at the old site? What you ought to do is spend $50 million to reopen the mine, reopen the mill, so the young people can have jobs."

We closed it down. The EPA was part of it. They spent millions of dollars there to meet EPA standards but each time EPA would change the rules again. If it were not EPA, it was the State of Idaho. It is a constant thing that has gone on. It does not happen just in Idaho but it happens everywhere.

We have virtually run the nonferrous mills out of business in the United States. They operate offshore.

When they closed the mill in Kellogg, some of the mines in the area found out that by shipping their product offshore, having it processed offshore and brought back to the United States, they actually got a higher price back to the mine because they were doing it more efficiently offshore. I guess partially they had less of these concerns.

I want to say again to my colleagues this amendment is facing reality. The liability question is not answered, the tax problem is not answered. I would say to my colleagues, we are starting off on a whole new form of taxation. I have to say that the current set of taxes, if we are going to raise and spend $1.5 billion a year, will run what is left of the chemical refinery industry out of the United States and we will have more places where they will have old mills and people will say, "I wonder what they used to do there."

When the mills were all running, we were strong and industrially independent and did not have to rely on foreign sources for almost everything we use.

The tax problem is not answered. The liability problem is not answered. We are spending 50 percent of the money that is being spent on transaction costs. Transaction costs, and so many people in this Chamber are in that very respectable profession, means that you pay attorneys to sue each other. That is what it amounts to.

The distinguished Senator from New Jersey and I do not happen to be in that group. We come from the business world.

Mr. President, I just think it is a very reasonable approach that this amendment calls for. It calls for doubling the amount of money we spend next year, tripling the amount the next year, quadrupling the amount the next year, and go the whole hog the fourth year. So you will get to your $1.5 billion.

I will say one more thing. I do not think there is a single person who thinks that the other body will spend anywhere near as reasonable on amount of money as I am proposing. They will probably have a program that calls for $10 billion. They had a program last year that called for $13 billion for the 5-year period which was more money than the people they proposed to tax had in profits for the entire industry.

I say this is an opportunity to show a little moderation, a little restraint, and to do a job that needs to be done. By moving moderately we will work the bugs out of the process and get more toxic waste sites actually cleaned up than we are going to get cleaned up if we throw all of this money at it.

We are still going to be throwing a lot of money at it. I say to my colleagues, if you think you have a lot of toxic waste sites now, do you want to know how to grow toxic waste sites? They will grow like trees in the forests. Once the public discovers how to have a toxic waste site so they can get the money from the Government to spend in their county, everybody will have a toxic waste site. They will grow like the trees in Maine, I say to my friend. They will find these places where people have put stuff in the past and they will qualify. Then we will put money out there. For what? Something that has been in the ground for all those years?

There are sites that we do need to clean up. All of us agree to that. Let us do that.

As I say, let us crawl, then let us walk, and then we will be able to run with this program and clean it up. It will be much more successful. It will be a much better job for the taxpayers of the United States. It will be much responsible. That is all I am asking for, a very moderate approach to this.

Mr. President, I yield the floor.

Mr. LAUTENBERG. Mr. President, in a quick response to my friend from Idaho, crawling before walking is an interesting theory, except if one has to go to the hospital, one usually runs. Many in our country feel these sites are health threatening and impose a grave and imminent danger. I think it is fair to say that, if a site is on the list, it is threatening the water supply or the health or safety of the citizens nearby, and it ought to be paid attention to.

However, if the good Senator from Idaho would surrender the site in Kellogg, ID, maybe we could reduce the cost to the Superfund by the $50 million that that one might cost.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from North Caroline [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Oregon [Mr. HATFIELD], are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD], would vote "nay."

Mr. CRANSTON. I announce that the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Montana [Mr. MELCHER], are necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER], would vote "nay."

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 15, nays 79, as follows:

[Rollcall Vote No. 192 Leg.]

YEAS—15

Denton	Heflin	Nickles
Garn	Helms	Stennis
Gramm	Kassebaum	Symms
Hatch	Laxalt	Wallop
Hecht	McClure	Zorinsky

NAYS—79

Abdnor	Exon	Moynihan
Andrews	Ford	Murkowski
Baucus	Glenn	Nunn
Bentsen	Gore	Packwood
Biden	Gorton	Pell
Bingaman	Grassley	Pressler
Boren	Harkin	Proxmire
Boschwitz	Hart	Pryor
Bradley	Hawkins	Quayle
Bumpers	Heinz	Riegle
Burdick	Hollings	Rockefeller
Byrd	Humphrey	Roth
Chafee	Inouye	Rudman
Chiles	Johnston	Sarbanes
Cochran	Kasten	Sasser
Cohen	Kerry	Simon
Cranston	Lautenberg	Simpson
D'Amato	Leahy	Specter
Danforth	Levin	Stafford
DeConcini	Long	Stevens
Dixon	Lugar	Thurmond
Dodd	Mathias	Trible
Dole	Matsunaga	Warner
Domenici	Mattingly	Weicker
Durenberger	McConnell	Wilson
Eagleton	Metzenbaum	
Evans	Mitchell	

NOT VOTING—6

Armstrong	Goldwater	Kennedy
East	Hatfield	Melcher

So the amendment (No. 637) was rejected.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. PROXMIRE. Mr. President, will the Senator from Vermont yield?

Mr. STAFFORD. I yield to the Senator from Wisconsin.

SUPERFUND TAXES

Mr. PROXMIRE. Mr. President, I am disappointed that the Finance Committee selected value-added taxes to raise revenues for the Superfund Program.

While the committee's new formula improves on existing law by decreasing Superfund's dependence on Federal funds, in every other respect it is unfair, uneconomic and inefficient.

Groups as diverse as the Citizens for Tax Justice, the National Taxpayers Union and the U.S. Chamber of Commerce all agree that value-added taxes are regressive, poorly targeted and add to inflation. Even worse they are sneaky taxes, since no one sees them imposed.

Unlike the existing Superfund feedstock taxes and my own waste-end tax proposals, value-added taxes make no connection whatsoever between polluters and the costs they impose on society. In fact, value-added taxes, imposed broadly on all manufacturers, totally violate the principle of polluter-pays which should be at the heart of all our environmental laws.

On April 4, I introduced a waste-end tax proposal, S. 886, aimed at polluters. The bill was introduced in the House by Representatives SCHNEIDER and WYDEN, who also joined with me in 1983 in offering an earlier version of this tax.

S. 886 would impose a simple two-rate tax system keyed to the regulatory requirements of the Resource Conservation and Recovery Act, taxing deep well injection of wastes at $5 a wet ton and all other forms of land or ocean disposal at $20 a wet ton.

Treatment which renders waste nonhazardous such as recycling, incineration and neutralization would receive a full credit against the tax.

This relatively modest tax would not impose a heavy burden on small business, but, according to EPA studies, would provide a very real economic incentive for big waste producers to cut down on their wastes and dispose of them safely.

Such a tax would probably raise about $300 million a year as designed, or with slight modifications, about $600 million. Obviously this would not raise all the revenue needed for an adequate fund, but could form a substantial part of any tax program.

The Office of Technology Assessment, Congressional Research Service, National Association of Solvent Recyclers, National Academy of Sciences, National Federation of Independent Businessmen, Chemical Manufacturers Association and the administration support a waste-end tax approach.

Mr. President, it seems likely that the House will include waste-end taxes as at least part of their funding package. I hope my colleagues on the conference will give this proposal their careful consideration.

AMENDMENT NO. 660

Mr. HEINZ. Mr. President, I have an amendment that has been cleared. This amendment need not take very long. I have discussed it on both sides of the aisle, and I will be pleased to discuss it briefly.

The amendment, which I will send to the desk in a moment, would authorize the establishment of regional research centers within universities and medical institutions to perform biological and genetic research on the long-term effects of exposure to hazardous substances in the environment.

By examining the future effects of exposure and by carrying out basic and applied research on these effects, the research centers will complement the EPA's existing health programs authorized by Superfund.

The research centers would be located at universities where the necessary expertise for examining fundamental but unanswered questions about the long-term health effects of toxic waste already exist.

The expansion of Superfund by S. 51 reflects a heightened understanding of the size and scope of the toxic waste problems we face. Accordingly, I believe that we must expand our research capability to explore the impact of toxic substances on health and genetic development and to find a way of minimizing that impact. Such research will help us anticipate where future needs lie and will help us plan for them. My amendment would provide the basis for this capacity.

Mr. President, I ask unanimous consent to have printed in the RECORD a detailed explanation of the amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REGIONAL RESEARCH CENTERS TO STUDY THE BIOLOGICAL AND GENETIC EFFECTS OF EXPOSURE TO TOXIC SUBSTANCES IN THE ENVIRONMENT

It is in the national interest for Congress, acting through the Environmental Protectional Agency and its Agency for Toxic Substances and Diseases Registry, to establish regional centers at universities, research and medical institutions that will study the biological and genetic effects of exposure to hazardous substances found in our environment.

Under the Comprehensive Environmental Response and Liability Act of 1980 (CERCLA), the Agency for Toxic Substances and Disease Registry was charged with carrying out the health related authorities of the Superfund program, including the establishment of a national registry of serious diseases and persons exposed to toxic substances and the conduct of periodic surveys and screening programs to determine relationships between exposure to toxic substances and illness. The research programs of the proposed regional centers will be a logical and important addition to these health programs.

When the Superfund law was enacted in 1980, it was designed to address what was believed at the time to be a relatively limited problem. The EPA was instructed by the Congress to clean up only 400 known toxic waste sites. It was believed that cleaning up these sites would be relatively easy and inexpensive, involving the moving of containers and scraping a few inches of contaminated ground. Today, five years after the enactment of that law, our understanding of the toxic waste problem in our country is vastly different. There are an estimated 10,000 toxic waste sites in the United States, many of them serious threats to the environment and the health and safety of Americans.

As a result, Congress must move forward to come to grips with this serious and massive problem. This involves not only the expansion of the Superfund clean-up effort, but also an expansion of our efforts to determine the health effects, both immediate and long-term, of exposure to toxic substances.

Faced with an ever-growing agenda of critical environmental priorities to deal with

and a limited budget with which to work, the EPA will be hard pressed to carry out necessary basic and applied biotechnical research on toxic substance exposure. The results of such research will, for example, provide the nation with significant information about (1) the long-term health effects of human, animal and plant exposure to toxic substances; (2) the biological and genetic effects of such exposure; and (3) possible solutions to present and future health problems caused by exposure to toxic contamination.

A number of educational, research, and medical institutions in our country have the expertise to carry out such research which would compliment and supplement that which is now being carried out by the EPA. Congress should tap these vast resources through the establishment of regional centers for the study of the biological and genetic effects on the environment of exposure to toxic substances.

Mr. HEINZ. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 660.

Mr. HEINZ. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

HEALTH RELATED AUTHORITIES—SECTION 110

Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "develop and construct regional centers at appropriately qualified universities, research and medical institutions for the study of the biological and genetic effects of wastes and materials found in the environment."

Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "subject to such amounts as are provided in appropriations Acts, all costs necessary to develop and construct regional centers for study of the biological and genetic effects on humans, animals and plants of wastes and materials found in the environment."

Mr. STAFFORD. Mr. President, for the majority, I say that we have examined the amendment offered by the able and distinguished Senator from Pennsylvania, and we are prepared to accept it.

Mr. BENTSEN. Mr. President, we have examined the amendment, and I see no objection.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 660) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 661

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 611.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 118, after line 19, insert the following new section:

"SEC. . (a) The Administrator of the Environmental Protection Agency is directed to initiate, not later than thirty days after enactment of this Act, a comprehensive review of emergency systems for monitoring, detecting, and preventing releases of extremely hazardous substances at representative domestic facilities that produce, use, or store extremely hazardous substances. The Administrator may select representative extremely hazardous substances for the purposes of this review. Such extremely hazardous substances shall be the same substances and quantities listed by the Council of the European Communities in its "Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III", published in the official Journal of the European Communities, August 5, 1982. The Administrator shall report interim findings to the Congress not later than 210 days after such date of enactment, and issue a final report of findings and recommendations to the Congress not later than 365 days after such date of enactment. Such report shall be prepared in consultation with the States and appropriate Federal agencies.

"(b) The report required by this section shall include the Administrator's findings regarding:

"(1) the status of current technological capabilities to: (A) monitor, detect, and prevent, in a timely manner, significant releases of extremely hazardous substances, (B) determine the magnitude and direction of the hazard posed by each release, (C) identify specific chemicals, (D) provide data on the specific chemical composition of such releases, and (E) the relative concentrations of the constituent chemicals;

"(2) the status of public emergency alert devices or systems for providing timely and effective public warning of an accidental release of extremely hazardous substances to the environment, including: releases into the atmosphere, surface water, or groundwater, from facilities that produce, store, or use significant quantities of such extremely hazardous substances; and

"(3) the technical and economic feasibility of establishing, maintaining, and operating perimeter alert systems for detecting releases of such extremely hazardous substances to the atmosphere, surface water, or groundwater, at facilities that manufacture, use, or store significant quantities of such substances.

"(c) The report required by this section shall also include the Administrator's recommendations for:

"(1) initiatives to support the development of new or improved technologies or systems that would facilitate the timely monitoring, detection, and prevention of releases of extremely hazardous substances, and

"(2) improving devices or systems for effectively alerting the public in a timely manner, in the event of an accidental release of such extremely hazardous substances."

Mr. BYRD. Mr. President, I ask the distinguished manager of the bill whether he anticipates that there will be more rollcall votes today on this bill, and will the Senate complete its action on the bill today?

Mr. STAFFORD. I say to the distinguished minority leader that he knows how uncertain things can be in this body; but as of right now, unless there are some amendments that I am not aware of, it would appear to me that it would be safe to say that it is unlikely that there will be more rollcall votes.

Mr. BYRD. Mr. President, I cannot hear the distinguished Senator, and he is only 4 feet away from where I am standing.

The PRESIDING OFFICER. The Senator from West Virginia is correct. The Senate is not in order. The Senate will be in order. Senators conversing on the floor will cease their conversations.

Mr. STAFFORD. Mr. President, if the Senator will yield, I will repeat: So far as I know, as the majority manager of this bill, it appears to be unlikely that there will be any more rollcall votes this afternoon, although there are some additional matters that may be discussed. It would be helpful for any Members who have amendments on which they require a rollcall vote to let us know.

Mr. BYRD. I thank the distinguished Senator. I hope the distinguished majority leader will let us know soon what might be expected for the rest of the day with respect to rollcall votes.

Mr. President, the amendment I offer to S. 51, known as the "Superfund Reauthorization" bill, addresses the issue of emergency monitoring at facilities which manufacture, store, or use extremely hazardous substances. My amendment directs the Environmental Protection Agency to conduct a review of emergency monitoring systems in use at such facilities and report the results to Congress.

We are all aware that the domestic chemical industry plays a vital role in the American economy. Indeed, the production and use of chemical substances are fundamental aspects of economic activity in the United States. In States such as West Virginia, the industry is an important source of employment. For example, in the area of my State which is known as the Kanawha Valley, the chemical industry accounts for two out of every three manufacturing jobs.

However, Mr. President, our economy relies on a prodigious variety of chemical substances, including a

number which are extremely hazardous. As a society we do not have the luxury of simply declaring that we will no longer use such substances. We can, however, undertake efforts to protect public health by ensuring that we have the capability to detect, monitor, and prevent large-scale, accidental releases of extremely hazardous substances. We can also work to ensure that we have the capability to alert the public in a timely manner in the event of an accidental release.

There is a need for developing adequate information regarding the status of technological capabilities for monitoring, detecting, and preventing such releases. We also need to develop information regarding the status of public emergency alert devices of systems. The amendment I am offering would be a first step in that effort.

My amendment directs the EPA to conduct a survey and report its findings regarding the status of current technological capabilities to monitor, detect, and prevent significant releases of extremely hazardous substances; to identify specific chemicals; and to provide data on the specific chemical composition of such releases, including the relative concentrations of the constituent chemicals.

My amendment does not envision a survey of all facilities and all extremely hazardous substances. Rather, it calls on the Administrator to look at "representative domestic facilities," and allows him to select "representative extremely hazardous substances" for the purpose of this amendment.

The definition of "extremely hazardous substances" in my amendment is based on the so-called "Seveso list," which was developed by the European Economic Community in 1982 in response to a major release of dioxin in Seveso, Italy.

My amendment also requires EPA to include in its report the Agency's findings regarding the status of public emergency alert devices or systems for providing timely warning to the public of an accidental release.

Finally, the Agency's report will include its findings regarding the technical and economic feasibility of establishing, maintaining, and operating perimeter alert systems for detecting accidental releases of extremely hazardous substances.

My amendment provides ample time for the Environmental Protection Agency to conduct its review, and to report its findings. It requires the Agency to issue an interim report of findings to the Congress within 6 months of enactment of the Superfund reauthorization bill, and requires the Agency to issue its final report within 1 year of enactment.

The Agency's final report will include recommendations regarding initiatives to support the development of new or improved technologies or systems which would facilitate the timely detection of releases of extremely hazardous substances. The report would also include recommendations for improving devices or systems for alerting the public in the event of an accidental release.

My amendment will provide information on the status of monitoring capabilities at facilities which produce or use extremely hazardous substances. I am hopeful that this information will prove useful to efforts to improve these capabilities. Such improvements could not only save employees and the surrounding public much anxiety, they also could save lives.

Mr. President, my amendment is noncontroversial, and I understand that the committee is willing to accept it.

Mr. President, I ask unanimous consent that Mr. LAUTENBERG be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I am pleased to cosponsor the amendment of the Senator from West Virginia. This amendment directs EPA to undertake a comprehensive review of emergency systems for monitoring, detecting and preventing releases from facilities which manufacture, store or use extremely hazardous substances. Under the amendment, EPA is required to report interim findings within 7 months, and make a final report to Congress, including findings and recommendations, within 1 year on emergency monitoring systems at chemical facilities.

Mr. President, this amendment is a helpful complement to an amendment I offered earlier in this debate to facilitate community emergency preparedness and response in the instance of a chemical release. Under my amendment, emergency planning committees would be estalished in communities with facilities that house extremely hazardous substances just about the time that EPA would make an interim report under the Byrd amendment. They would be working on their emergency response plans at the time that EPA would issue its final report.

Mr. President, I share a strong and common interest with the Senator from West Virginia over the dangers posed by chemical releases. The economics of both of our States benefit significantly from jobs and commerce associated with the chemical industry. In New Jersey, we are the third largest producer of chemicals in the country, and the most densely populated State of the Nation. Thus, we have a strong interest in improving our ability to prevent chemical releases and our capability to respond to such incidents, should they occur.

Mr. President, the Senator from West Virginia's amendment is a helpful addition to the work the Environment and Public Works Committee has done on emergency prevention, preparedness and response and I am honored to join with him in offering this amendment. It is a significant contribution to our work.

Mr. President, I urge my colleagues to support the Byrd amendment.

Mr. BYRD. Mr. President, it is my understanding that the managers may be willing to accept my amendment. I would hope so.

Mr. STAFFORD. Mr. President, for the majority, we are indeed willing to accept the amendment offered by the most able and distinguished minority leader.

Mr. BENTSEN. Mr. President, let me say that the logic of the distinguished minority leader is overwhelming. I am delighted and see no objection on this side.

Mr. BYRD. Mr. President, I thank both managers.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment (No. 661) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 557

Mr. CRANSTON. Mr. President, I have introduced an amendment No. 577 which would increase the authorization for the Nation's hazardous waste cleanup program to $10 billion.

Rather than calling up the amendment at this moment, I want to explore the Superfunds financial situation and meet with the managers of the bill.

Senators KERRY, PELL, LAUTENBERG, and HAWKINS have joined as cosponsors of the amendment.

As my colleagues know, S. 51, as reported from committee, is intended to raise $7.5 billion, including almost $500 million in interest. About $1.5 billion would come from the existing tax on crude oil and feedstock chemicals. And $5.4 billion would come from a new value-added tax on manufacturers and raw material producers who have sales and lease income of more than $5 million a year. The tax rate under the committee bill is 0.08 percent.

My amendment raises an additional $2.5 billion—bringing the Superfund to $10 billion—by increasing the rate of the Finance Committee's value-added tax to 0.115 percent.

This means manufacturers grossing at least $5 million in sales or lease income would pay 11½ cents for every $100 they receive as sales or lease receipts. This is only a few pennies more

than the committee proposed—a minute increase when you consider the tremendous importance of cleaning up the threat that toxics pose to our country.

Clearly, we need this additional money.

Earlier this year, the Reagan administration indicated that $12 billion will be needed to clean up the 786 worst sites listed on the Superfund National Priority List. That list has now grown to 850 sites—final and proposed. And the Environmental Protection Agency estimates that it will ultimately add some 1,500 to 2,500 more sites to the national cleanup list.

A study done for an association of State hazardous waste officials predicts as many as 7,000 sites may require Superfund cleanup.

The General Accounting Office estimates the final cleanup tab at $40 billion.

The Congressional Office of Technology Assessment estimates even more money will be needed. According to OTA, eventually there may be 10,000 Superfund sites that could cost $100 billion to clean up.

I know that EPA Administrator Lee Thomas has testified that the hazardous waste program is constrained by a shortage of trained personnel available, such as project managers and hydrologists, a shortage of qualified laboratory facilities, and a shortage of proper disposal facilities for waste from Superfund sites.

However, a June 1985 survey of EPA regional offices found that the technicians, hydrologists, and regional EPA officials responsible for managing Superfund believe all these problems can be resolved as soon as adequate funding becomes available to buy better lab service, pay better salaries, and build more waste disposal facilities. In sum, the most serious shortage in the Superfund program is money.

The survey found that lab shortages will be cured if the EPA pays competitive prices for its lab work. The report shows that 8 out of 10 regional offices have no trouble finding qualified people to work in the Superfund Program. The other two regions say they could attract more and better qualified people if they could offer better salaries. The waste disposal problems also can be helped by increasing spending.

Congressional studies by the House Appropriations Committee and the Congressional Research Service agree that lab, personnel, and waste disposal problems shouldn't prevent EPA from expanding the Superfund Program.

As an official in EPA region 5 (the Chicago office) put it, EPA "can get as much work done as we get the money and people to do."

Congress must provide the funds for EPA to do the job right, because the health of American citizens is at stake. And the funding must be at a level to do the vital cleanup job. Otherwise, our hazardous waste cleanup program is certain to drag on into the 21st century, carrying with it a legacy of toxic waste.

Control and cleanup of toxic wastes has the support of the overwhelming majority of the American public. In a national survey, over 74 percent of those asked about disposal of hazardous waste called it a very serious problem, the most serious environmental problem we face.

I am convinced Superfund needs at least $10 billion over the next 5 years to make an effective start in the cleanup program—to address the shortages identified and take into account inflation, the rising costs of individual cleanup and new responsibilities given under this bill.

The Natural Resources Defense Council, the League of Women Voters, the AFL-CIO, the United Steelworkers of America, the Sierra Club, the U.S. PIRG, Environmental Action, Public Citizen's Congress Watch, National Audubon Society, and Citizen Action all support increasing Superfund to $10 billion.

Mr. LAUTENBERG. Mr. President, the Senator from California will be withdrawing his amendment to increase the level of funding provided for in S. 51 to $10 billion. I understand why he is doing this. However, I am a cosponsor of this amendment and want to express my support for it.

We have already engaged in debate on appropriate funding levels today, in the context of Senator SYMMS' amendment to reduce the $7.5 billion provided in the bill to $5.7 billion. That amendment was defeated decisively. At that time, I outlined my strong opposition to it, and expressed my support for a funding level even higher than that provided for in S. 51.

In February, before markup on S. 51, I introduced my own Superfund legislation, S. 493, the Superfund Expansion and Improvement Act of 1985. This bill provided for a $10 billion funding level over the next 5 years, in addition to suggesting programmatic changes to Superfund, many of which have been incorporated into S. 51.

Mr. President, based on EPA's own studies, the cleanup of existing and future Superfund sites will require even more than $10 billion. The National Governors Association recommended that the Congress approve at least $9 billion in Superfund monies. The House of Representatives will likely approve a $10 billion funding level. Mr. President, I have worked with the Senator from California on this amendment and support this level of funding. I commend him for his concern and initiative on this issue.

Mr. CRANSTON. Let me say at this point, Mr. President, that I have discussed this amendment and the Superfund needs and the toxic waste threat to our country with a great many Senators. I now have no doubt but that a majority of Senators, taking people on both sides of the aisle, know that we need more than $7.5 billion, more than $10 billion, to clean up Superfund sites and will be spending more than those sums in the course of the not too distant future.

However, it was not clear that a majority felt that it would be wise to have an amendment calling for $10 billion voted upon at this time and therefore not clear that a majority, even though they know we are going to need the money and need it rather soon, would be prepared to vote for the amendment.

For that reason I would like now to discuss the funding situation with the two managers of the bill and I will start with my friend from Texas, since he is at my elbow.

Mr. BENTSEN. I would say to my distinguished friend from California, who has long shown his interest in trying to clean up these toxic waste sites and has been a great deal of help to us on the committee, that I share his concerns. I make my personal commitment that, as we develop this bill and this funding issue continues to unfold and we see what the costs are, if additional funds are necessary to meet this challenge, then certainly I would support more funding. But, we cannot project at this point exactly how much that would be, obviously. I am sympathetic to what the Senator is trying to do here and I understand the reasons for it.

Mr. CRANSTON. I appreciate that very much. I am sure the Senator is aware that the Reagan administration has stated it will take more than $10 billion to clean up the hazardous waste problems we face.

Mr. BENTSEN. I say to my friend there is no question about that. We all know it is going to take more than that amount of money to accomplish it. The question will be how fast we can get on with the job and do it effectively. And I am very hopeful we can do it much faster than we have projected.

Mr. CRANSTON. I appreciate that very much. I would now like to, ask the distinguished manager of the bill if he would respond to this question. We have had private conversations and I would just like to get on the RECORD what I believe the Senator feels—that we are going to need more than $7.5 billion and more than $10 billion to clean up the hazardous waste sites that are a threat to our country in so many ways. The only question in the Senator's mind I gather is how soon we will have to spend the funds and how soon we can make further sums available.

Mr. STAFFORD. If the distinguished Senator will yield, I would

reply that I agree that the problem is enormous, that the expenditure of sums is going to be large before we have completed the work of cleaning up of hazardous waste dumps and toxic spills in this country. Were the economic situation of the Nation such and our deficit and debt structure such that we could do it, the chairman of the Environment and Public Works Committee would be the first to ask for more than $10 billion in each of the next 5 years. But I am constrained, by the size of our debt and the size of our deficits and the realities of what can be done this year and passed and signed into law, to the $7.5 billion over the next 5 years.

It is with great reluctance that I am unable at this time to join in a larger sum of money. I just hope circumstances will occur that will allow me to join the Senator from California in seeking larger sums to more expeditiously dispose of the hazardous waste problems in this country that most of our citizens want taken care of and want it done as quickly as possible.

Mr. CRANSTON. I appreciate the comments of the two managers of the bill very much. I anticipate that the needs will become more apparent and the opportunity will be at hand before 5 years are up and that therefore I will be back and I hope then with the Senators' full support in seeking more funds sooner for the Superfund cleanup.

Mr. STAFFORD. I think we can look forward to that.

Mr. CRANSTON. I thank the Senator very much. With that understanding, I will not press the amendment.

Mrs. HAWKINS. Mr. President, I rise in strong support of the amendment by the Senator from California. In the 5 years since Superfund was authorized, the Environmental Protection Agency has completed action on only six sites listed on the national priority list. Of the 850 hazardous waste sites on that list, EPA has not even begun cleanup on over 80 percent. Superfund was enacted in order to respond to emergencies. Is it not about time that we give EPA the tools it needs to carry out its task?

Nothing infuriates me more than EPA's statements, as wrongheaded as they are consistent, that the Agency does not need more than $1 billion a year, indeed that it could not spend more than that amount if it wanted to. The Sierra Club, after interviewing the people who actually administer the Superfund Program in the field, found that despite the statements of OMB's hatchetmen, EPA could move quickly and efficiently to clean up hazardous waste sites if it had the money.

My own State illustrates the urgency of this matter. Florida relies almost entirely on aquifers to supply its drinking water. Most of its aquifers lie close to the surface and could easily be contaminated by a leaking waste site. Many of them already have; $10 billion dollars is not a small sum of money. I assure you, though, that it will seem like pennies if we are faced with the problem of purifying our suplies of drinking water, an enormously expensive undertaking.

I do not take lightly a vote to institute a broad-based tax. I think it is safe to say that no one has stood the line against tax increases more steadfastly than I. The danger to our environment is so great that I must reluctantly agree to the broad-based tax. No one, including the administration, has been able to devise a better or fairer method of supplying the levels of funding we need for Superfund.

It would be the worst kind of fiscal irresponsibility to take the money out of general revenues or borrowing authority. Who would pay the tax for that? That is the real "hidden tax." The same could be said for the waste-end tax. The waste-end proposals floating around are so ambiguous that no one really knows what the effect would be. By my book, that is a "hidden tax."

The Environmental Protection Agency has admitted that it will take at least $10 billion, and probably far more, to clean up the sites on the national priority list. The Office of Technology Assessment has put the figure at closer to $100 billion. I urge my colleagues to provide EPA with the funding it clearly needs.

Mr. LAUTENBERG. Mr. President, it is urgent that the Senate pass the Superfund authorization before the end of this fiscal year and I am glad to see that we are finally making some progress.

But passing this bill is only half of the job. Once we have an authorization in place, we have to make sure that the necessary funds are appropriated without delay. As you know, both the House and Senate Appropriations Committees deferred action on the Superfund appropriation in the HUD-independent agencies appropriation bill (H.R. 3038) pending passage of authorizing legislation.

Once this authorizing bill is passed it is important that we move as quickly as possible to include funds for the Superfund Program in the HUD appropriations bill. The bill has been reported and is on the calendar awaiting Senate action. I would hope that it could be brought to the floor without delay.

It is imperative that we add the appropriation needed to assure that the resources of the Superfund are made available as promptly as possible.

I see the distinguished ranking minority member of the HUD-Independent Agencies Subcommittee is on the floor. Would the Senator from Vermont tell us what the likely schedule is for the HUD appropriation bill and whether or not it is likely that the funding for the Superfund Program will be included in the 1986 bill.

Mr. LEAHY. In our committee report we noted that although the committee deferred funding, "* * * it continues to strongly support the program." The budget resolution already assumes that the Superfund will be reauthorized and funded in this bill. If the Superfund authorization passes the Senate, I intend to offer an amendment to fund Superfund in the 1986 appropriation bill. I will be working with the chairman to see if this can be a bipartisan effort. I very much appreciate the Senator from New Jersey bringing this matter to the Senate's attention. He has been a leader on this issue in both the Environment and Public Work and in the Appropriations Committees. I would look forward to making this a joint effort with the Senator from New Jersey.

Mr. LAUTENBERG. I am glad to know that the distinguished banking member, Mr. LEAHY, concurs on the urgency of action on this matter. I will be pleased to join with him in working to get an amendment adding Superfund to the bill adopted. I would welcome the opportunity to cosponsor his amendment and I share his aim of making this an entirely bipartisan effort—the health and safety of our people is not a partisan issue.

AMENDMENT NO. 662

(Purpose: To amend the Solid Waste Disposal Act to clarify the jurisdiction of the Environmental Protection Agency over the regulation of hazardous waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities)

Mr. GLENN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 662.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of title I add the following new section:

REGULATION OF MIXED HAZARDOUS WASTE

SEC. . (a) FINDINGS.—The Congress finds that—

(1) the generation, transportation, treatment, and storage of hazardous waste mixed with radioactive material poses potential hazards to public health and safety unless carefully planned and managed;

(2) the Department of Energy's Atomic Energy Act facilities are real or potential producers of such hazardous waste mixed with radioactive material; and

(3) the authority of the Environmental Protection Agency to regulate the disposal

of hazardous waste mixed with radioactive material at the Department of Energy's Atomic Energy Act facilities should be clarified.

(b) PURPOSE.—The purpose of this section is to clarify the intent of Congress that the generation, transportation, treatment, and storage of hazardous waste mixed with radioactive material is subject to the Solid Waste Disposal Act, and that the disposal of hazardous waste mixed with radioactive material at Department of Energy Atomic Energy Act facilities, and at other facilities not licensed for the disposal of radioactive materials, is also subject to such Act.

(c) CLARIFYING AMENDMENT TO DEFINITIONS OF SOLID WASTE AND HAZARDOUS WASTE.—Section 1004(27) of the Solid Waste Disposal Act is amended—

(1) by inserting "(A)" after "(27)";

(2) by striking out ", or source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954, as amended (68 Stat. 923)"; and

(3) by adding at the end thereof the following new subparagraphs:

"(B) Except as otherwise provided in subparagraph (C), the term 'solid waste' does not include source, special nuclear, or byproduct materials as defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014).

"(C) The terms 'solid waste' and 'hazardous waste' shall each include materials described in subparagraph (B) when—

"(i) such materials are part of any mixture or combination, if the other constituent part of such mixture or combination is a 'hazardous waste' within the meaning of paragraph (5), and

"(ii) such materials (I) are in the stage of generation, transportation, storage, or treatment, or (II) are disposed of at an Atomic Energy Act facility of the Department of Energy or other unlicensed location;

except that, this subparagraph shall not apply to wastes disposed of at a 'repository' as defined in section 2(18) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(18).)".

(d) APPLICABILITY OF AMENDMENTS.—(1) This section and the amendments made thereby are clarifying in nature with respect to the purpose stated in subsection (b), and shall not be construed as altering the intent of Congress as to whether the Solid Waste Disposal Act, as in effect prior to the amendments made by this section, applies to mixtures and combinations of hazardous wastes which contain radioactive material which are disposed of at facilities licensed by a State or by the Nuclear Regulatory Commission, or as altering the applicability of any standards or requirements issued pursuant to the Solid Waste Disposal Act.

(2) Nothing in this section shall be construed to affect, modify, or amend the Uranium Mill Tailings Radiation Control Act of 1978.

Mr. GLENN. Mr. President, I rise to offer an amendment to S. 51, the Superfund Improvement Act of 1985. This amendment is based on a bill I introduced in April 1985, S. 892, "The Mixed Hazardous Waste Amendment Act of 1985."

The primary purpose of this legislation is to clarify the intent of Congress that the generation, transportation, treatment, and storage of hazardous waste mixed with radioactive materials is subject to the Solid Waste Disposal Act. In particular, the amendment clarifies the intent of Congress that the disposal of hazardous waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities, and at other facilities not licensed for the disposal of radioactive materials is subject to the Solid Waste Disposal Act.

Mr. President, I am aware that the Environment and Public Works Committee has attempted to deal with the general issue of mixed waste regulaton, and that there have been difficulties in resolving the question of Agency jurisdiction, particularly with respect to NRC licensed facilities. This amendment avoids this problem by specifically dealing only with DOE Atomic Energy Act facilities and by being specifically neutral on the regulation of the disposal of hazardous waste at State-licensed or NRC-licensed facilities.

The amendment is needed because some officials in the Department of Energy have indicated that there is, in their view, some ambiguity in the legislative history of RCRA as far as the regulation of mixed hazardous waste at DOE defense sites. I do not believe Congress intended any ambiguities in this area, and so I am introducing this amendment.

The need to clarify this regulatory authority has been graphically illustrated by the recent series of events at the Feed Materials Production Center in Fernald, OH. The Fernald plant which manufactures uranium billets—metal ingots, for our nuclear production reactors, was constructed in 1951 and became fully operational in 1954. Owned by DOE, the Fernald facility is one of a number of plants throughout the United States owned by the Government and operated under contract.

Documents released by the contractor, National Lead of Ohio [NLO] and DOE show that an estimated 5 million kilograms of uranium and mixed wastes have been buried on the Fernald plant property in rubber or clay lined pits on the 1,050 acre site. Although the lining of the pits is designed to prevent leakage, unusually high concentrations of uranium have been found in wells south of the plant. In addition to the storage pits, there are drums of hazardous waste on site. Some of the drums have leaked hazardous waste into a nearby storm sewer. While this situation has been corrected, no action was taken by DOE until EPA discovered the situation during a routine inspection under RCRA. More appalling still is the fact that DOE has been monitoring well water off-site only since 1981.

Unfortunately, the situation at Fernald is not unique for these facilities. DOE's preferred method for disposing of this waste has been to dump solid hazardous and mixed waste into open trenches or burial grounds. In 1983, seepage ponds at DOE's Oak Ridge, TN, facility were found to be leaking metal plating wastes, acids and organic solvents into groundwater at a rate of 4.7 million gallons per year. Evidence of similar contamination has surfaced at other major DOE facilities such as the Savannah River plant in Aiken, SC.

For this reason I have requested GAO to investigate eight separate plants around the country. That investigation is underway now and we are expecting a report on this by very early next year.

The bill before us, SSI, addresses the cleanup industrial sites. However, there are also a significant number of Government-operated sites that face environmental threats and should be addressed.

I believe that the Secretary of Energy and other applicable Federal agencies should request an adequate funding level in their appropriations to clean up sites that threaten human health and the environment. The Government has the responsibility to clean up sites it owns just as industry is called up to pay for its contribution.

Mr. President, I urge DOE as they read the RECORD of our debate to make certain next year's budget request contains an adequate funding for this cleanup. Examples of DOE sites in this category are, for instance, Savannah River, SC, Oak Ridge, TN; Rocky Flats in Colorado; and Hanford in Washington. I am pleased to see new awareness of this problem and to see that the Secretary of Energy, Mr. Harrington recently announced that he is appointing a new Assistant Secretary for Environment Safety and Health to investigate into this situation. I urge the Secretary of Energy to ensure that this new position carries the necessary authority to aggressively cleanup sites and to present the creation of new sites.

Mr. President, I further believe that this amendment will be a significant step forward in correcting a number of problems which currently exist in America as nuclear facilities—problems that have developed both because we were not as sensitive as we should have been on the issue of health and safety and because DOE in the past with 20-20 hindsight being what it is was over-zealous in encouraging nuclear production and under-zealous—not zealous enough—in demanding environmental protection.

As a society we know better. Therefore, although plants like Fernald are essential to the security of our country we must see to it that the cost of that security does not include the health of our people.

So I urge support for this amendment.

Mr. President, I would appreciate any comment that the distinguished floor managers of the bill might have.

Mr. STAFFORD. I would like to commend my colleague from Ohio for this initiative, which is carefully crafted to try to avoid some very contentious issues that have plagued the committee and the Senate in the past. Unfortunately, the issue of mixed hazardous wastes at Department of Energy sites cannot be separated entirely from the more general issue of mixed waste regulation. I believe the chairman of the Environmental Pollution Subcommittee, which has jurisdiction over the Solid Waste Disposal Act, would agree.

Mr. CHAFEE. I agree with the distinguished floor manager, and I wish to commend the senior Senator from Ohio for his amendment. We are closely monitoring the activities of the agencies involved in this complex issue, as I know my distinguished colleage from Wyoming, who chairs the Nuclear Regulation Subcommittee, is also doing.

Mr. SIMPSON. As my distinguished colleague from Rhode Island is aware, the issue of mixed wastes at NRC-licensed facilities is a difficult issue we have grappled with repeatedly in the past. I have reviewed the amendment of the senior Senator from Ohio and appreciate that he has attempted to address only the DOE aspects of this issue. As our esteemed floor manager has suggested, however, it is difficult to divorce the DOE facilities from the rest of the mixed waste issue.

Mr. GLENN. I would like to ask the chairman of the Environmental Pollution Subcommittee if he plans on reviewing this issue in the future, and whether this legislation would be considered in a hearing.

Mr. CHAFEE. Unless the agencies resolve this issue, we will address it in a hearing during the next session. I would be pleased to have the senior Senator from Ohio testify on this proposal at such a hearing. I would also be pleased to have the participation of the Senator from Wyoming.

Mr. SIMPSON. I would be happy to continue working with my colleagues to try to develop an amicable resolution to this issue.

Mr. GLENN. I appreciate the interest expressed by my colleagues from Rhode Island and Wyoming and look forward to the opportunity to appear before the Environmental Pollution Subcommittee.

We agree that we will have hearings on this next year, and trying to work out what has been impossible for the committee to resolve in its previous efforts.

With that being the understanding, Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 662) was withdrawn.

Mr. BENTSEN. I say to the Senator from Ohio that managing for the minority I am pleased to anticipate any colloquy, and with the agreement of the distinguished chairman, of course, the hearings.

Mr. GLENN. Mr. President, I yield the floor.

Mr. STAFFORD. Mr. President, I am advised that the able Senator from South Carolina, the chairman of the Judiciary Committee and the President pro tempore of this body, will shortly be available to us. I will proceed to describe an amendment which I will propose for him, myself, and others to S. 51.

AMENDMENT NO. 663

(Purpose: To amend the contribution and review provisons, to make technical corrections, and for other purposes)

Mr. STAFFORD. Mr. President, I send a series of technical amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER (Mr. NICKLES). The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself, Mr. THURMOND, Mr. HATCH, Mr. EAST, Mr. MCCONNELL, Mr. LAXALT, Mr. DECONCINI, Mr. SIMPSON, Mr. DENTON, Mr. SPECTER, Mr. HEFLIN, Mr. MATHIAS, and Mr. GRASSLEY, propose an amendment numbered 663.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 91, strike out lines 5 through 19 and insert in lieu thereof the following:

"(l)(1) Any person may seek contribution from any other person who is liable or potentially liable under subsection (a), during or following any civil action under section 106 or under such subsection (a). Such claims shall be brought in accordance with section 113 and the Federal Rules of Civil Procedure, and shall be governed by Federal law. Nothing in this subsection shall diminish the right of any person to bring an action for contribution or indemnification in the absence of a civil action under section 106 or this section.".

On page 91, line 20, strike out "(3)" and insert in lieu thereof "(2)".

On page 91, line 23, strike out "under paragraph (2) of this subsection".

On page 92, line 4, strike out "(4)" and insert in lieu thereof "(3)".

On page 92, line 8, strike out "for the remainder of the relief sought".

On page 92, line 14, strike out "a State or".

On page 92, line 16, after "United States" insert "or the State".

On page 92, line 18, after "113" insert ", and shall be governed by Federal law".

On page 105, lines 7 and 8, strike out "Administrative Office of the United States courts" and insert in lieu thereof "judicial panel on multidistrict litigation authorized by section 1407 of title 28, United States Code".

On page 105, line 15, strike out "Administrative Office" and insert in lieu thereof "judicial panel on multidistrict litigation".

On page 106, lines 7 and 8, strike out "Administrative Office" and insert in lieu thereof "judicial panel on multidistrict litigation".

On page 106, line 24, insert "(b)" after "104".

On page 107, line 2, insert "(b)" after "104".

On page 107, line 8, strike out "only objection" and insert in lieu thereof "objections".

On page 107, line 10, strike out "107" strike out through "comment" on line 12 and insert in lieu thereof the following: "must be based upon the comments received and the evidence contained in the record".

On page 107, line 14, after "unless" insert "the objecting party can demonstrate, on the administrative record, that".

On page 107, lines 14 and 15, strike out "arbitrary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was,".

On page 107, line 17, strike out "arbitary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was".

On page 107, line 18, after the word "award" insert "only".

On page 107, line 25, strike out the closing quotation mark and the final period.

On page 107, after line 25, insert the following:

"(h) The President shall promulgate regulations in accordance with chapter 5 of title 5, United States Code, commonly known as the Administrative Procedure Act, establishing procedures for the appropriate participation of interested persons in the development of the administrative record on which judicial review of the response actions will be based. For remedial actions, such regulations shall include procedures for providing, before adoption of any plan for remedial action to be undertaken by the United States or a State or any other person under section 104 or section 106 of this Act—

"(1) notice to potentially affected persons and the public, which shall be accompanied by a brief analysis of the plan and alternative plans that were considered;

"(2) a reasonable opportunity to comment and provide information regarding the plan;

"(3) an opportunity for a public meeting in the affected area;

"(4) a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under such procedures; and

"(5) agency support for the basis and purpose of the selected action.

The administrative record shall include the items developed and received pursuant to the procedures established under this subsection.".

On page 108, strike out lines 1 through 3, and insert in lieu thereof the following:

(c) Section 106(b) of such Act is amended by—

(1) inserting "(1)" after "(b)";

(2) striking out "who willfully" and inserting in lieu thereof "who, without sufficient cause, willfully"; and

(3) adding at the end thereof the following new paragraph:

On page 108, line 25, beginning with "issuing" strike out through "capricious or" on

line 1, page 109, and insert in lieu thereof "selecting the response action ordered was not reasonably justified under the criteria set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was".

On page 109, line 2, strike out "may" and insert in lieu thereof "shall".

On page 109, line 4, strike out "arbitrary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was".

Mr. STAFFORD. Mr. President, on behalf of myself and the chairman of the Committee on Judiciary, Senator THURMOND, I am offering a series of amendments designed to clarify and improve upon provisions contained in S. 51 as reported from the Committee on Environment and Public Works.

In my opening statement, I alluded to the fact that S. 51 was considered by three committees of the Senate. One of those three was the Committee on Juduciary, to which the bill was referred on a time-limited basis. Although the committee itself did not have sufficient time to develop any formal amendments to S. 51 prior to the expiration of the 18-day referral, Senator THURMOND, myself, and other interested Members continued to work together and with the administration to improve S. 51 in a number of areas. The result is a number of amendments cosponsored by several members of the Judiciary Committee which I believe deserve the support of the full Senate. These amendments are as follows:

CONTRIBUTION AND PARTIES TO LITIGATION

This amendment removes any doubt as to the right of contribution on the part of any person involved in an action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980: those potentially liable under CERCLA; those held liable in a suit by EPA, a State or a private party under CERCLA; or, those who settle with EPA, the State or a private party. The amendment is necessary because the Supreme Court, in recent decisions, has refused to imply a right of contribution under other statutes unless expressly stated. These decisions could create doubt regarding the existence of a right of contribution under the Comprehensive Environmental Response, Compensation, and Liability Act, despite several recent district court cases correctly confirming that we intended the law to confer such a right.

S. 51, as reported by the Environment and Public Works Committee, could have been read to preclude joinder of third-party defendants to the enforcement case in chief. While trial of contribution issues may be delayed to assure prompt and effective response, any defendant in a Government enforcement action under CERCLA nevertheless should be entitled to file a claim for contribution against others, including defendants and third-party defendants, as soon as the enforcement action has been brought. Such private party actions should encourage additional parties to come forward and join in settlement discussions with the Government.

The amendment permits the timing and procedure for such contribution claims to be governed by the Federal Rules of Civil Procedure. As a general rule, private party cleanup will occur more quickly if the courts first resolve issues of liability and remedies concerning the original defendants, leaving questions of apportionment until after the Government's action has been completed. Nonetheless, consistent with the Federal Rules of Civil Procedure, these decisions are left to the discretion of the court.

In terms of encouraging prompt and effective action, an important provision of S. 51 is the proposal to add a new paragraph 107(1)(3) to provide contribution protection to parties who settle with the United States or a State in good faith. The proposed new paragraph provides that, where a party has entered into a judicially approved good faith settlement with the United States or a State, no other responsible or potentially responsible party may seek contribution from the settling party. This protection attaches only to matters that the settling party has resolved with the United States or a State.

Thus, in cases of partial settlements where, for example, a party has settled with the United States or a State for a surface cleanup, the settling party shall not be subject to any contribution claim for the surface cleanup by any party. The settlor may, however, remain liable in such instances for other cleanup action or costs not addressed by the settlement such as, in this example, a subsurface cleanup.

Also, where the United States or a State has secured a partial settlement, it may seek relief for any of the remaining response action or costs for which the nonsettlors are liable. Similarly, a settlor may also maintain a contribution action against nonsettlors regarding the portion of the response action or costs to which the settlor has agreed.

There is also one technical change to avoid confusion. S. 51 expressly provides in section 126(1)(3) that the nonsettlor's liability to the United States or a State will be reduced by the amount of settlement. Therefore it is unnecessary to repeat the phrase "for the remainder of the relief sought," in section 126(4). To do so would be redundant and, therefore, surplusage.

The United States rights under this section are not superior to the rights of the States. Accordingly, section 126(4) is revised to provide that neither the rights of the United States nor the rights of a State under this section are superior to the other.

PREENFORCEMENT REVIEW

As reported by the Committee on Environment and Public Works, section 133 of S. 51 provides that the United States or a State is entitled to recover Government response costs under section 107 of CERCLA unless a court determines that the response action was arbitrary, capricious, or otherwise not in accordance with law. Similarly, the reported bill provides that a party who has undertaken a response action pursuant to an order issued by the Administrator of the Environmental Protection Agency under section 106 of CERCLA may obtain reimbursement from the fund for that portion of the required response action that a court later determines was arbitrary and capricious.

The cosponsors believe that courts should engage in a searching and careful review of Government response actions and administrative orders. Such review should occur both where the Government is seeking to secure a response through an injunction or to recover its costs of response, and where a party who has complied with an administrative order under section 106 is suing for reimbursement from the fund.

To ensure a searching and careful review of Government response actions and orders, the following standard of review should be substituted for the arbitrary and capricious standard set forth in S. 51.

This standard confirms that response actions will be explicitly tested under the criteria set forth in the national contingency plan [NCP], including but not limited to a requirement that the selected action be cost effective. The cosponsors understand that, in accordance with section 105(7) of CERCLA, the NCP must include a means of "assuring that remedial action measures are cost effective," and that the NCP so provides.

However, it is intended that a court review not only the means of assuring cost effectiveness but, in fact, whether the action selected was reasonably justified as cost effective.

Cost effectiveness also must be considered when the Government undertakes an action as contemplated in section 108 of S. 51 which provides that the President may continue a response action where such response action "is appropriate and consistent with permanent remedy."

Government response action, including actions contained in an administrative order issued under section 106, will not be upheld to the extent that an objecting party can demonstrate, on the administrative record, that the response action or a portion thereof was not reasonably justified under the criteria set forth in the national con-

tingency plan, specifically including the requirement that the selected cost be cost effective.

In cases where a response action or a portion thereof is found not to be reasonably justified under national contingency plan criteria, the Government will be able under section 106 to compel a party to undertake only those portions of a response action that are reasonably justified under the national contingency plan. Where the Government is seeking to recover response costs, it may recover only those costs which are similarly reasonably justified. Where a party is seeking reimbursement from the fund, the party may recover those costs that exceed the costs of response which are reasonably justified under the criteria in the national contingency plan. It is expected that courts will carefully scrutinize response actions under these criteria even if the response has been completed.

The proposed subsection 113(h) sets forth five procedural requirements that apply to remedial actions. The procedures are intended to assure that a sound basis is established for the choice of a remedial action and that interested parties have an opportunity to participate in and contribute to the process of selecting a remedy. The procedures, thus, are consistent with the principles which were reflected in the Regulatory Reform Act, S. 1080, which passed the Senate in the 97th Congress, 94 to 0.

The procedures specified are to be undertaken prior to commencement of the remedial response. The procedural requirements set forth in paragraphs 1 through 5 apply to remedial action only. The amendment will not hamper emergency removal actions. The President is, however, also directed to establish procedures that are appropriate for removal actions.

Paragraph (1) specifies the minimum amount of information which is to be provided to the public regarding a proposed remedial response action. The provision is intended to require the President to give the public a clearer idea of the problem the proposed action addresses, of the contemplated provisions of the proposed remedial response, and of how the remedial response will remedy the identified problem.

The brief analysis of the plan selected and alternative plans considered should identify anticipated benefits of each alternative. The analysis should consider, as provided for under the NCP, the extent to which the benefits of a proposed plan can be achieved through alternative means and should evaluate, in accordance with the NCP, the costs associated with the use of such alternative means including potential adverse effects on public health or welfare.

Paragraph (2) requires the President to provide a reasonable opportunity to comment and provide information regarding the plan. In addition to the issues raised in the initial notice, additional issues and alternative proposals may be identified in comments on the proposed action.

If the President decides to make substantial changes in the proposed action, however, such as by adopting a significantly different approach recommended in comments or subsequently developed by the President, or by changing the focus of the remedial response action, a notice describing these changes and providing the necessary supporting information and analysis would be required.

For public comment and judicial review to be meaningful, it is important that the President include in the file all verified data and remedial alternatives as soon as practicable. Once the response action alternatives have been selected for evaluation in a feasibility study, a description of these alternatives should be included in the file.

Because of the complexity involved with selecting a remedy, the public and potentially liable parties must be able to obtain this verified data once it is available so that they can analyze its validity and suffiency and, if necessary, perform their own modelling and analysis.

Paragraph (3) requires that the President provide an opportunity for a public meeting in the affected area. The public meeting is for the purpose of providing information and comment in oral and/or written form.

Paragraph (4) requires the President to respond to each of the significant comments, criticisms and new data submitted in written or oral presentations under such procedure.

Paragraph (5) together with paragraph (4) require the President to articulate carefully and fully the basis and purpose of the selected action grounded upon the remedial action file as constituted on the date of the final selection of the remedial action. The President is required to articulate the reasons behind the selection as well as the factual and policy bases for it.

The words "agency support" are intended to require that the data or materials in the record on which the President based his factual determinations must be reliable and credible even though they do not necessarily satisfy the rules of evidence applied in judicial proceedings.

Public procedure will be provided prior to the remedial response being taken. The procedural requirements set forth in paragraphs 1 through 5 apply to remedial actions only. We do not intend to hamper removal actions, however, the President, under this section is also directed to establish procedures that are appropriate for removal action.

Although there will be a period while these regulations are being developed, CERCLA cleanup must nevertheless continue without delay. Accordingly, during the interim period while such regulations are being promulgated, judicial review would be on the administrative record that has been assembled. Where major deficiencies are demonstrated and found by a court to exist in the administrative record that has been assembled, existing administrative law principles will govern whether supplementary materials explaining or clarifying the record may be introduced at trial.

The amendment to section 1096(b) states in part:

> Any person who without sufficient cause willfully violates, or fails or refuses to comply with, any order of the PRESIDENT under subsection (a) may . . .

There is concern that by limiting the timing of review of section 106 orders, that a potential due process question may arise under the holding in *Ex parte Young*, 209 U.S. 123 (1908). Accordingly, in an attempt to avoid any due process problem, section 106(b) should be further amended to include a good faith defense to liability for penalties under that section. Therefore, our amendment would insert the phrase "without sufficient cause" between "who" and "willfully" in section 106(b). Because the phrase "without sufficient cause" is currently in section 107(c)(3) it has been reviewed and construed by the courts, which have held it to mean that a party will not be liable for treble damages for failing to comply with an EPA order where the party has a reasonable good faith belief that it had a valid defense to that order. See *U.S.* v. *Reilly Tar and Chemical Corp.*, 606 F. Supp. 412, et al. (D. Minn. 1985); *Wagner Electric Corp., et al.* v. *Lee Thomas* (D. Kan.) (June 20, 1985). These courts have correctly relied on the statements of this Senator in 1980 during floor consideration of Superfund.

It is the intent of the sponsors to confirm that a good faith defense exists under section 107(c)(3) and to extend that defense to the penalty provision in section 106(b). Consistent with the Reilly Tar and Wagner Electric decisions, we believe that the phrase "sufficient cause" will continue to encompass a "good faith defense" to liability where a person can establish that it has a reasonable belief that it was not a responsible person under the Act or that the required response action was inconsistent with the NCP. The court is expected to base its assessment of the defendant's good faith belief on the objective evidence as to the reasonableness of that belief.

In addition, the courts are to continue to construe the phrase "without sufficient cause" to encompass other situations where the equities require that no penalty or treble damages be assessed.

The sponsors do not believe nor do we intend for parties to place unreasonable reliance on this confirmation and extension of the "good faith" defense. We recognize the importance of EPA orders to the success of the CERCLA program. Therefore, it is expected that courts will carefully scrutinize assertions of "sufficient cause" and will accept such a defense only where a party can establish by objective evidence the reasonableness of a good faith challenge to an EPA order.

JUDICIAL REVIEW

The purpose of this technical amendment to S. 51 is to place the random selection procedure for selection of an appropriate court of appeals in multicourt failing situations with the multidistrict litigation panel authorized by section 28 U.S.C. 1407, rather than the Administrative Office of the United States Courts. This conforms with the position of the judicial conference. This is also the approach adopted in H.R. 439 as recently passed by the House and presently pending in the Senate Committee on Judiciary.

In addition to Senator THURMOND and myself, these amendments are sponsored by several other Senators, many of whom are Members of one or the other of the two committees. They are Senators HATCH, EAST, MCCONNELL, LAXALT, DECONCINI, SIMPSON, DENTON, SPECTER, HEFLIN, MATHIAS, and GRASSLEY.

At this point, Mr. President, I yield to my distinguished colleague from South Carolina.

Mr. THURMOND. Mr. President, I thank the able Senator, the chairman of the Committee on Environment and Public Works for accepting these amendments. These amendments are not technical. They go to the merits.

Mr. President, I support the package of amendments offered by the distinguished chairman of the Environment and Public Works Committee. The able chairman of the Public Works Committee [Mr. STAFFORD]) is to be commended for his excellent work on the Superfund bill and his fine cooperation with the Committee on the Judiciary by arranging for the acceptance of a package of amendments and accompanying explanatory text which originated in the Judiciary Committee. I wish to also commend the able ranking member [Mr. BENTSEN], for his splendid work on this legislation.

The Committee on the Judiciary received unanimous consent for a sequential referral of S. 51 in order to review certain provisions of the bill that were within the jurisdiction of the committee. As we stated in our referral request, our review of the bill was intended to ensure its workability and compatibility within our Federal court system.

In order to avoid delay, and based upon the assurance that the "Federal Cause of Action" language would not be part of this bill, the committee agreed to narrow the scope of its review and the length of the referral.

In the 18 days that the Committee on the Judiciary had the bill, we held 2 days of hearings. The hearings explored many aspects of the Superfund Program, such as contractor liability, citizen suits, and others, that had not previously been examined by the committee. Expert witnesses from the administration, as well as from the business and the environmental communities, appeared before the committee to discuss S. 51 and the Superfund Program.

As a result of these hearing, I met with officials from the Environmental Protection Agency and the Department of Justice to formulate an amendment package to address several of the key issues which had surfaced during the Judiciary Committee review of this bill. Once we were able to agree on the language for the amendments and the language to be used in the explanatory statement—and Mr. President, I can assure my colleagues that each word was painstakingly selected—I sought cosponsorship from the other members of the Judiciary Committee. Ten members of the committee—a majority of the committee—joined together to support what came to be known as the Thurmond-EPA-DOJ package. Next, I took this package to Senator STAFFORD, and he graciously agreed to offer this package on the Senate floor and have these provisions included in the bill that is sent to the President. The explanatory statement which Senator STAFFORD has incorporated as part of his statement fully explains our proposal. However, I would like to add a brief summary of what we accomplish with these amendments.

One issue addressed by these amendments is the right to contribution; that is, the right of one defendant to pursue reimbursement from codefendants. All of the expert witnesses appearing before the committee agreed that the right to contribution should be codified in order to encourage responsible parties to engage in cleanup and settlement. The committee proposal would codify that right and, retaining current law, would allow a judge the discretion and flexibility to best manage the contribution issues in a law suit.

The amendment package also addresses the preenforcement review provisions of S. 51. Here, our language represents a delicate balance between the desire to begin cleanups immediately and the need to provide a fair and meaningful review of agency actions.

Under S. 51, as reported by the Public Works Committee, review of agency decisions would only be allowed after cleanup is completed or a financial liability has been incurred. Then the standard of review of the agency action would be whether such action was "arbitrary and capricious." When these requirements are considered in the context of a lenghty and expensive site cleanup, a potentially responsible party may be denied a meaningful opportunity to challenge a possible unreasonable agency action.

The Environmental Protection Agency was concerned that allowing judicial challenges to agency decisions before the remedial action had begun could substantially delay needed cleanups. We recognize this concern and, therefore, this amendment does not alter the timing for such judicial challenges. We have, however, changed the judicial review standard in order to ensure a full and fair opportunity to challenge the reasonableness of agency actions.

The amendment would require that the agency create a complete administrative record to be used as the basis for its selection of a remedy and upon which a court can base its review. The amendment also changes the standard of review from "arbitrary and capricious" to whether the remedy is "reasonably justified" under the criteria of the EPA's national contingency plan.

In rejecting the old standard, as is appropriate in the context of delayed judicial review, we believe courts should be encouraged to engage in a searching and careful review of government response actions and administrative orders. This approach encourages everyone to proceed with a cleanup, while protecting parties from unreasonable governmental actions.

In an attempt to avoid a possible constitutional problem, section 106 is amended to include a good-faith defense to penalties under that section. Our proposal would provide a defense to these damages by allowing a defendant to make a good-faith showing that he reasonably believed that he would not be liable under the act or that the required response action was inconsistent with the national contingency plan. This addition codifies the leading court decisions in this area.

It is the belief of a majority of the Judiciary Committee that the package of amendments provides for significant improvement of S. 51 by striking a fair and equitable balance between the need to quickly cleanup toxic waste sites and the need to preserve due process and the integrity of our judicial system. These amendments are intended to make our cleanup program more effective.

It is my hope that this body will unanimously adopt these amendments in the form they are now being offered by the distinguished manager of the bill.

● Mr. DECONCINI. Mr. President, I am happy to cosponsor the amendments to sections 126, 132, and 133 offered by the distinguished chairman of the Judiciary Committee. In my view, these amendments strike the right balance between the need for rapid cleanup of hazardous waste sites across the Nation, and the need for potentially liable parties and the general public to receive a full and fair review of their concerns.

As it is worded in S. 51, section 126 would codify the right of private parties who are held liable under the Superfund law to seek contribution from other potentially liable parties, but it would postpone this contribution action until after a judgment had been entered or a good-faith settlement has been reached in the initial case. This postponement seems extraordinarily unfair to these other parties, who will be expected to pay their share of the cleanup cost, but were not involved in the case at the time when liability was established or the costs of cleanup determined.

Our amendment would overcome this problem by stating simply that any person may seek contribution from any other liable or potentially liable person, and that such claims will be brought in accordance with the Federal Rules of Civil Procedure. This approach gives the court the discretion to structure the case in whatever manner will result in a fair and equitable resolution of the issues involved.

Our amendment to section 133 would continue the language in S. 51 that states that cleanup actions or orders are subject to judicial review only at the time that the Government seeks to recover its costs or attempts to enforce an order and collect penalties for failure to comply. I believe that this language is essential if we are to avoid unnecessary delays in carrying out Superfund cleanup. At the same time, it is important to assure that the rights of the potentially responsible parties are protected.

Our amendment would spell out the contents of the administrative record which the Government must compile before undertaking any response action over and above an emergency or short-term cleanup. This will assure that the decision about the appropriate type of response will be open to public scrutiny. In addition, our amendment would specify that the Government's selection of a response will be upheld unless it can be demonstrated, on the basis of the administrative record, that the decision was not reasonably justified under the criteria in EPA's national contingency plan, including the cost-effectiveness of the response action. In my view, this is a more reasonable standard of judicial review than the "arbitrary and capricious" requirement in the original language.

Mr. President, these amendments are supported by a bipartisan majority of the Judiciary Committee. We believe that they are necessary to resolve several outstanding judicial issues and to permit EPA, the States, and the potentially responsible parties to get on with the cleanup of the Nation's hazardous waste sites. I urge my colleagues to support these amendments.●

Mr. GRASSLEY. Mr. President, I am pleased to speak in support of the package of amendments offered by Senators THURMOND and STAFFORD on the contribution and review provisions of S. 51. This package represents the tireless efforts of those Senators and their staffs in reaching a consensus on matters before the Judiciary Committee.

I had intended to offer amendments 642 and 643, as printed at page S. 11810 of the September 19 CONGRESSIONAL RECORD, to the Thurmond-Stafford amendments. But now that Senator STAFFORD has very graciously agreed to certain legislative history language that I offered on subsection 113(h) of the package, there is no need for those amendments.

I especially want to express my deepest personal appreciation to both Senator THURMOND and Senator STAFFORD for their leadership in reaching an agreement on this explanatory language.

The Thurmond-Stafford amendment regarding preenforcement review elaborates the administrative requirements which are needed to ensure a uniform process for the participation of potentially responsible parties and the public in the President's selection of cleanup actions under the Superfund law.

These amendments will not hamper the EPA's ability to conduct emergency cleanup actions, so-called removal actions, but EPA must establish regular procedures which are appropriate to its decisionmaking regarding such actions which it must then follow.

In the nonemergency situation, where the President contemplates the need for longer term and more expensive cleanup action, so-called remedial actions, or where the decision is made to go beyond the 1 year or $2 million limitation on removal actions established by S. 51, this amendment specifies minimal procedural protections.

The President must provide for timely and meaningful public and potentially responsible party participation in the remedial action administrative process. The amendment is intended, moreover, to assure that the requirements of constitutional due process, including the opportunity for a meaningful administrative hearing, are met under the Superfund law. See, *Wagner Electric Corp.* v. *Thomas*, 22 ERC 2079 (D. Kans. June 20, 1985); *Industrial Park Development Corp.* v. *EPA*, 22 ERC 1593 (E.D. Pa. 1985).

The standard of judicial review in the Thurmond-Stafford amendment requires that the President, which means EPA so long as the President uses that agency to administer the Superfund Program, reasonably justify in the administrative record the proposed cleanup action, including the cost-effectiveness of such action. The description of the amendments which Senator STAFFORD has included at my suggestion, makes explicit the kind of analysis which would be required, including identification of anticipated benefits and costs.

The Thurmond-Stafford amendment is needed to affirm the continuing vitality of the Administrative Procedure Act, as clarified by that act's elaboration in S. 1080, in the context of Superfund actions. See Senate Report 97-284, 97th Congress, 1st session (1981). When EPA learns that it, like other agencies, must live under a government of laws, not men, we can expect to see the more effective and efficient administrative decisionmaking which our citizens have a right to expect. "Due process of law" must never become "trust the bureaucrats."

Closer judicial scrutiny of statutory authority under Superfund and response actions under the "reasonably justified" scope of review, will be healthy. "Congress defaulted when it left it up to an agency to do what the 'public interest' indicated should be done." W. Douglas, "Go East Young Man" 217 (1974). See J. Skelly Wright, Book Review, 81 Yale L.J. 575 (1972). Indeed, as one critic of agency behavior put it, likening agencies unconstrained by statutes to Plato's philosopher-king:

> [O]ur whole constitutional structure has been erected upon the assumption that the king not only is capable of doing wrong, but also is more likely to do wrong than other men if he is left unrestrained. We must not today judge those in possession of governmental power more favorably than did our ancestors, with the presumption that they can do no wrong. On the contrary, if there is any presumption, it should be against the holders of power, and increasing as the power increases. In the field of administrative law, historic responsibility can never make up for the want of legal responsibility. S. Rep. No. 97-284, 97th Cong., 1st Sess. (1981), quoting Schwartz, "Of Administrators and Philosopher-Kings: the Republic, the Laws, and Delegations of Power," 72 Nw.U.L.Rev. 443, 450 (1977).

Mr. BENTSEN. Mr. President, if the distinguished chairman will yield, I will say we have examined these amendments in detail and see no problem. We congratulate the chairman and his committee for their contribution.

Mr. THURMOND. I thank the Senator. I extend my thanks to the chairman's splendid staff for their cooperation in this matter.

Mr. STAFFORD. Mr. President, there may be a minor correction to be made.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 664 TO AMENDMENT NO. 663

Mr. STAFFORD. Mr. President, I send an unprinted amendment to the desk as a second-degree amendment to the Thurmond amendment. I ask unanimous consent that I may do so. I am offering this amendment on behalf of Mr. SPECTER. I ask unanimous consent that it may be considered as a second-degree amendment at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. THURMOND. Mr. President, as I understand, this is amending my amendment. I have no objection.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for Mr. SPECTER, proposes an amendment numbered 664 to amendment No. 663.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 8, after "Federal laws" insert the following: "In resolving contribution claims, the court shall allocate response costs among liable parties, using such equitable factors as the court determines are appropriate.".

Mr. BENTSEN. Mr. President, we have no objection to that amendment.

Mr. STAFFORD. Mr. President, I know of no further speakers. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 664) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I know of no further speakers on this side. I move adoption of the amendment, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment (No. 663), as amended, was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I yield the floor to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I again want to thank the able chairman of the committee and the able ranking member for their cooperation.

Mr. President, I want to say that some of the staff members worked unusually hard on these amendments. On my staff, Diana Waterman, Mike Wooten, and Dennis Shedd worked for weeks and weeks to try to get the Environmental Protection Agency and the Justice Department together. They finally did that and as a result, we are here today to cooperate on these amendments and see them adopted. I am very pleased that the Senate has adopted them.

Mr. President, I would like to take this opportunity to commend those who have worked so diligently in preparing the amendments. Much credit is due to Mr. Lee Thomas, Administrator of the Environmental Protection Agency; Hank Habicht, Assistant Attorney General for the Lands and Natural Resources Division at the Department of Justice, and their able staffs: Nancy Firestone and Anne Shields of the Department of Justice and Linda Fisher and Gene Lucero of the Environmental Protection Agency. It was their technical expertise and generous assistance that enabled us to fashion this amendment package.

I also thank the members of the staff of Senator STAFFORD, Mr. Moore and Miss Cudlipp, for their fine cooperation.

Mr. STAFFORD. Mr. President, I want the Senator from South Carolina to know how much I have enjoyed the opportunity to work with him and members of his staff in putting together the series of amendments we have just adopted. It has been a great pleasure and I know we shall be able to cooperate in that way in the future.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 665

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] for himself and Mr. STAFFORD, proposes an amendment numbered 665.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 88, beginning on line 16, strike all through page 89, line 3.

On page 118, after line 8, insert the following new section and renumber succeeding sections accordingly:

CONTRACTOR INDEMNIFICATION

SEC. . Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding following new section:

"INDEMNIFICATION OF CONTRACTORS

"Sec. . (a)(1) The President shall, in contracting, or arranging for response action to be undertaken pursuant to contracts or cooperative agreements in accordance with section 104(d)(1) of this Act, and funded in accordance with section 111 of this Act, agree to hold harmless and indemnify a contracting or subcontracting party against claims, including the expenses of litigation or settlement, by third persons for death, bodily injury or loss of or damage to property arising out of performance of a cleanup agreement to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the negligence, recklessness, or intentional misconduct of the contracting or subcontracting party.

"(2) The President may, in the President's discretion, agree to hold harmless and indemnify a contracting or subcontracting party against such claims to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the gross negligence, recklessness, or intentional misconduct of the contracting or subcontracting party, so long as such indemnification is in the public interest.

"(b)(1) Amounts expended pursuant to this section shall be considered costs of response to the release with respect to which resulted in liability. Costs incurred in the defense of suits against indemnified parties under subsection (a)(1) may be paid to such contractor in a timely manner, in quarterly or other increments, unless and until such contracting or subcontracting party is proven negligent in a court or such contractor accepts liability for negligent action. The United States shall not otherwise participate, directly or indirectly, in the defense of contracting parties unless the United States is named as a first party defendant. No other amounts shall be expended pursuant to this section until after entry of a judgment or a final order.

"(2) Indemnification contracts entered into pursuant to this section shall not be subject to section 1301 or 1340 of title 31 or section 11 of title 41 of the United States Code.".

On page 48, after line 3, insert the following new section and renumber succeeding sections accordingly:

"RESPONSE ACTION CONTRACTORS

"SEC. . Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subparagraph:

"( ) In the case of any person carrying out a written contract or agreement with any Federal agency, or any State (or any political subdivision thereof), or any responsible party to provide any response action or any services or equipment ancillary to such response action,

"(i) the term 'owner or operator' does not include any such person, and

"(ii) any such person shall not be considered to have caused or contributed to any release or to have arranged for disposal, treatment, or transport of hazardous substances, except to the extent that there is a release of a hazardous substance that was primarily caused by activities of such person. This subparagraph shall not apply to any person potentially responsible under section 106 or 107 other than those persons associated solely with the provision of response action or ancillary services or equipment;".

Mr. BENTSEN. Mr. President, what I am offering on behalf of myself and the distinguished chairman of this committee is an amendment that would alleviate some of the problems faced by contractors who are cleaning up our Superfund sites. As we all know, environmental insurance for any activity involving hazardous substances, such as those found on Superfund sites, is becoming increasingly difficult to obtain. This is especially true for those whose business it is to tackle the difficult job of cleaning up areas where there have been uncontrolled releases of hazardous substances.

The result is that a lot of these businesses just will not tackle that job and it cuts way down on the number of contractors we can find that will engage in taking care of this problem.

In an Environment and Public Works Committee hearing held last March on this issue, we heard testimony from "response action contractors" who are finding that the evaporation of insurance may make it impossible for them to remain in this line of work. I think all of us can agree that the Superfund program is, in part, dependent upon the willingness of contractors to remain in the cleanup business.

In response to these concerns, I, along with Senator STAFFORD, introduced an amendment to S. 51 2 months ago that addressed several needs of the response action contractors by requiring the Administrator of the Environmental Protection Agency to indemnify these contractors involved in cleanups at federally funded sites for their nonnegligent action.

More recently, the contractors indicate that the situation has deteriorated so rapidly that more protection is needed. In some cases, they have sought virtual immunity from third party liability for their actions plus a limitation on any residual liability that Congress had not addressed. I am sympathetic to their situation, but believe less dramatic measures can be used to effectively address this recent development. Let us be clear on one point: all of us want to see cleanup of Superfund sites continue unimpeded by the absence of insurance for response action contractors.

Today, the amendment we are offering responds to the contractor's environmental insurance problem in several ways. First, in addition to mandatory indemnification for non-negligent acts, the Administrator is given the discretion to indemnify contractors for their negligent actions if, in the judgment of the Administrator, such a level of indemnification is in the public interest. These discretionary indemnifications would be negotiated at the time of the activity such that a contractor would have certain knowledge that he would be protected. Second, I have clarified that the Administrator should make indemnification payments to such contractors in a timely manner unless and until a court finds the contractor to have been negligent, so that contractors will not face the problem of affording legal counsel while the dispute is pending. This modification also addresses concerns that the EPA might choose on its own to declare a contractor has been negligent and refuse to indemnify that contractor.

Last of all, I have clarified the definition of what constitutes a "response action contractor" and excluded them from the parties that would otherwise be liable under this law. This exclusion from liability under Superfund does not apply where the release of a hazardous substance is primarily caused by the activities of the contractor. These situations could be covered by indemnification or coverage provided by risk retention pools, however. Similarly, a person who is already a potentially responsible party would not be relieved of its liability by becoming a response action contractor.

These provisions will protect contractors from unusual financial exposure due to the unavailability of environmental insurance. At the same time, it prohibits potentially responsible parties from evading liability by developing response action capability of the corporation.

I also observe that the Risk Retention amendment adopted earlier—yesterday—by the Senate could serve to address some of the insurance problems faced by these contractors.

Mr. DECONCINI. Mr. President, I wish to express my appreciation to the distinguished floor managers for their patience and fortitude in the formulation of this amendment. Response action contractors need and deserve protection from the extraordinary risks associated with the cleanup of hazardous waste sites under Superfund. These engineers and construction firms did not contribute in any way to the generation or dumping of these hazardous wastes. Yet, they are being asked to perform inherently dangerous work without the necessary insurance to protect them against the liability of future cleanup costs under Superfund and against third-party liability under various State laws.

Over the past few months, I have been hearing from some of the largest and most respected engineering and contracting firms and organizations in the Nation. They are concerned about their inability to obtain pollution liability insurance. In addition, they are concerned about being subject to the strict, joint and several liability requirements of Superfund, despite exercising due care and performing satisfactorily on their contract obligations. I've also heard from the Environmental Protection Agency and members of the American Bar Association who are specialists in public contract law. All of these people are concerned that the lack of insurance coverage will prevent the most competent, responsible professionals from participating in Superfund cleanup activities.

It is important to understand that the principal risk covered by liability insurance is that of defending against claims alleging negligence and satisfying such claims if negligence is proven. The amendment under consideration would authorize the President to indemnify response action contractors and subcontractors against any liability arising out of the contractor's performance which was not the result of gross negligence, recklessness or intentional misconduct on the part of the contractor, and to the extent that insurance was not available.

As the floor managers are aware, it had been my intention to offer a somewhat more far-reaching amendment than the one now under consideration. However, I am pursuaded by those most affected, including both the contracting organizations and EPA, that the amendment offered by the distinguished floor managers represents a major step forward and provides a solid basis for further consideration of this important issue. I appreciate the willingness of the staff of the Environment and Public Works Committee to work with my staff in arriving at the indemnification proposal now before us, and I support the results that have been achieved.

Mr. STAFFORD. Mr. President, I compliment my friend and collaborator and comanager [Mr. BENTSEN] on the statement he just made with respect to the amendment which he and I are jointly offering. I think he stated the problem and stated the only re-

sponse to it that is open to us at this time. I join him in urging the Senate to act. For the majority, I am prepared to do just that.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

Mr. THURMOND. Mr. President, we think it is a good amendment and we are very pleased to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 665) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I am informed that Senator PACKWOOD is en route to the Chamber to have a colloquy with Senator MCCONNELL. I think as far as the Environment and Public Works Committee is concerned, we have finished what we wanted to accomplish today.

That being the case, I suggest the absence of a quorum until Senator PACKWOOD arrives.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 666

Mr. BENTSEN. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 666.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 109, after line 14, insert the following:

"(i) Any litigation relating to permits of the Administrator issued pursuant to the Clean Air Act, the Clean Water Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, and this Act, and for which such permitted facilities would guarantee the availability of treatment, incineration, or disposal capacity of at least 25 per centum for Superfund wastes shall be afforded priority consideration over other civil litigation by the respective United States Court of Appeals having jurisdiction over the litigation. It shall be the duty of the Court of Appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the extent possible the disposition of any matter covered by this subsection."

Mr. BENTSEN. Mr. President, the amendment I am offering is a simple one that encourages the courts to expedite appeals on permits relating to facilities seeking to treat hazardous waste, such as that found at Superfund sites. This amendment addresses a growing problem in the area of hazardous waste. The 1985 Superfund amendments seek to eliminate any preference given to land disposal of hazardous wastes. As a result, more Superfund sites will be cleaned up by reliance on treatment technologies designed to affect the hazardous nature of the waste. This is a field of endeavor we hope more reputable firms will consider participating in, so we can try to reduce the amount of hazardous waste we have.

Unfortunately, those interested in entering this market will spend years getting a permit and potentially several more years of litigation over that permit. It is the permit appeals process that my amendment addresses. This proposal simply asks the Federal courts with jurisdiction over these cases to do what they can to expedite these cases over other civil litigation. Such expedited procedures provisions are not uncommon. This provision reflects the needs of the Nation to effectively attack its hazardous waste problems and to remove disincentives to entering the waste disposal field.

Mr. STAFFORD. Mr. President, on this side we have examined the amendment of Senator BENTSEN. We find it to be agreeable, and we are prepared to accept it.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, we are willing to go along with the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 666) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I thank the distinguished chairman of the Judiciary Committee for his thoughtful consideration of this amendment and his cooperation.

Mr. THURMOND. Mr. President, it is a pleasure to cooperate with the able Senator.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 667

(Purpose: To provide that certain expenses of a private foundation in removing hazardous substances shall be treated as qualifying distributions for purposes of section 4942 of the Internal Revenue Code of 1954)

Mr. PACKWOOD. Mr. President, I believe the Senator from Kentucky has an amendment to offer. I will have just a few words to say about it. I believe it is acceptable.

Mr. MCCONNELL. Mr. President, I send an amendment to the desk for myself and Senator FORD and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for himself and Mr. FORD, proposes an amendment numbered 667.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title II, insert the following new section:

SEC. —. CERTAIN COSTS OF PRIVATE FOUNDATION IN REMOVING HAZARDOUS SUBSTANCES TREATED AS QUALIFYING DISTRIBUTIONS.

(a) IN GENERAL.—In the case of any taxable year beginning after December 31, 1982, the distributable amount of a private foundation for such taxable year for purposes of section 4942 of the Internal Revenue Code of 1954 shall be reduced by any amount paid or incurred (or set aside) by such private foundation for the investigatory costs and direct costs of removal or taking remedial action with respect to a hazardous substance released at a facility which was owned or operated by such private foundation.

(b) LIMITATIONS.—Subsection (a) shall apply only to costs—

(1) incurred with respect to hazardous substances disposed of at a facility owned or operated by the private foundation but only if—

(A) such facility was transferred to such foundation by request before December 11, 1980, and

(B) the active operation of such facility by such foundation was terminated before December 12, 1980, and

(2) which were not incurred pursuant to a pending order issued to the private foundation unilaterally by the President or the President's assignee under section 106 of the Comprehensive Environmental Response, Compensation and Liability Act, or pursuant to a judgment against the private foundation issued in a governmental cost recovery action under section 107 of such Act.

(c) HAZARDOUS SUBSTANCE.—For purposes of this section, the term "hazardous substance" has the meaning given such term by

section 9601(14) of the Comprehensive Environmental Response, Compensation and Liability Act.

Mr. McCONNELL. Mr. President, the amendment I am offering today with my colleague from Kentucky will encourage the voluntary cleanup of a hazardous waste site by the Louisville-based Brown Foundation, while also ensuring that the Foundation can continue its generous charitable contributions over the long term.

The James Graham Brown Foundation is a tax-exempt, non-profit corporation which has donated in excess of $68 million to charitable causes since 1954. In 1969, the founder bequeathed the foundation a wood preserving company which included three operating plants in Live Oak FL; Brownsville, AL; and Louisville, KY. All of the assets of the plants were liquidated between 1969-80.

In 1983, the foundation was advised by EPA that prior operations at the Live Oak, FL plant may have resulted in the discharge of hazardous substances, specifically the creosote used in preserving the wood. Following notification, the foundation entered into a voluntary consent order with EPA and the State of Florida to investigate the extent of the pollution and possible cleanup actions at the Live Oak plant. In addition, the foundation voluntarily began investigations of potential pollution at the two other sites located in Alabama and Kentucky. The studies are still under way and the foundation anticipates that it will pay its fair share of any necessary cleanup activities.

At this time actual cleanup cost at the three plants are not known; but, based on EPA's prior experience, I understand the costs could be in the range of $20 to $100 million. By comparison, the assets of the foundation are in the range of $135 to $150 million. While it is the intention of the foundation to fulfill its responsbilities for cleanup, its assets must be preserved so that it can continue its many other charitable activities.

The problem, Mr. President, arises from the fact that section 4942 of the Internal Revenue Code requires the foundation to annually disburse charitable payments which are qualifying distributions equivalent to at least 5 percent of the fair market value of its assets. For the past few years, this has resulted in a requirement of $6 to $8 million in disbursements each year. The combination of this requirement and the potentially substantial cleanup costs could result in the foundation seriously depleting its corpus. This would not only threaten the foundation's ability to support worthy charitable activities in Kentucky and seven other States, but would also threaten the very existence of the foundation.

In order to prevent this dire possibility, our amendment provides that the cleanup expenditures sustained by the foundation will constitute "charitable payments" for the purposes of the qualifying distribution requirement of section 4942 of the IRC. Several points are relevant to this amendment:

It cannot be used by an entity to avoid Superfund obligations—it is narrowly drafted to apply to the factual situation and unique problem confronted by this particular foundation which will not recur.

It results in no loss of tax revenues to the U.S. Government. In fact, it encourages the voluntary cleanup being taken by the foundation and thereby saves the Government substantial Superfund expenditures and related administrative and legal costs. Furthermore, the foundation's voluntary actions will result in cleanup activity being accomplished more quickly and effectively than could be done by the Government.

Without this amendment, Mr. President, the foundation could be forced to sell assets in order to cover its cleanup costs and, in addition, still meet the IRS charitable disbursement requirements. This untimely forced sale will result in failure to recover the true value of these assets and will substantially reduce the income which would be available for future charitable gifts. The foundation has been an exemplary citizen in its voluntary approach to fulfilling its responsibilities. Neither it nor the charities which benefit from its generous giving should be punished by an inconsistent application of our Federal laws, and I urge adoption of the amendment.

Mr. FORD. Mr. President, I am pleased to be a cosponsor of the amendment by my colleague from Kentucky, Senator McCONNELL. The James Graham Brown Foundation, based in Louisville, KY, is a tax-exempt, nonprofit corporation which has generously donated more than $68 million to schools, hospitals, universities, and other charitable groups since its founding in 1954. This is a vital organization to Kentucky which has been the beneficiary of over 85 percent of these funds.

In 1969 the foundation was bequeathed the stock of a company which operated several wood treating plants, including one plant in Live Oak, FL. However, by 1980, the foundation had dissolved the wood treating company and liquidated its assets. Since that time the foundation has neither owned nor operated these businesses. In 1983, the Environmental Protection Agency notified the foundation that prior operations at the Live Oak plant may have resulted in the release of hazardous substances at the site, and consequently, the foundation, and another entity which also operated the site, could possibly have some liability under the Superfund Program.

While the foundation does not accept any of the findings of liability, being a responsible corporate entity, it does intend to pay its fair share of any necessary cleanup costs at the site and has entered into a voluntary consent order with EPA and the State of Florida to investigate the extent of any pollution and possible cleanup actions at the Live Oak site. Additionally, since learning of the potential problem at the Florida plant, the foundation had also voluntarily initiated investigations of the potential pollution problem at two other wood treating plants formerly operated by the company which bequeathed the stock to the foundation. This is a responsible foundation, Mr. President, and I stress that their action to date has been completely voluntary. The trustees of the foundation are men and women of impeccable integrity who fully intend to do their part to ensure that these sites are made safe.

However, at this time there is no clear estimate of the extent of the cleanup necessary at this site, nor of its potential cost. Based on past EPA experience, cleanup costs will no doubt be substantial. Unfortunately, if the cleanup costs are as great as expected, the foundation may be forced to sell its assets and liquidate the organization in order to voluntarily meet its responsibilities at these sites. Such a result would have a devastating impact on the many charitable organizations which the foundation supports, including the Boy Scouts, the YMCA, and many colleges and universities throughout Kentucky.

Under section 4942 of the Internal Revenue Code, a foundation is required to make charitable distributions annually equal to 5 percent of the average fair market value of its assets. In the case of the Brown Foundation, such qualifying distributions total between $6 and $8 million per year. The foundation simply will not be able to meet its fair share of the anticipated voluntary cleanup costs, and the 5-percent qualifying distribution requirement, without seriously depleting its corpus or forcing it to liquidate its assets. Obviously, it the corpus is sufficiently depleted, the foundation will cease to be able to fund the important charitable activities in my State, and throughout the Nation. At a time when this administration is calling on the private sector to pick up more and more of the cost of services to those in need, it seem to be most appropriate that the Congress provide some relief to this organization so that it can continue to meet the requirements of section 4942, and fund the many deserving organizations and groups it serves.

The foundation's voluntary cleanup activities are no different from the other charitable activities it supports in my State. Both activities provide

for the general welfare and thereby lessen the need for government action and funding, while providing for the maintenance of public works. The voluntary cleanup activities by the foundation are no different than those required by section 4942 and should be recognized as such.

Our amendment is designed to allow the foundation to continue funding its charitable activities and meet its responsibilities to cleanup these sites. The amendment will allow the foundation to include in its 5 percent qualifying distribution funds, as required under section 4942, those amounts paid or incurred by the foundation for the investigatory costs and direct costs of removal or remedial action at the sites. This is a narrowly drafted amendment which applies only to the Brown Foundation and will not create a loophole by which other entities can avoid Superfund liability. More importantly, it encourages, and allows, voluntary cleanup actions to continue at the site, thereby saving the Federal Government substantial Superfund expenditures.

The Brown Foundation is an exemplary corporate citizen of Kentucky and should be allowed to voluntarily meet its cleanup responsibilities while at the same time continue its charitable activities. Congress did not intend to discourage such action through section 4942, and this amendment is appropriate and consistent with both the purposes of the Superfund program and the intent of the qualifying distribution rule of section 4942.

I am most appreciative of the support of the Finance Committee for this amendment and I urge its adoption.

Mr. PACKWOOD. Mr. President, this amendment has been cleared on both sides of the aisle. It is a relatively simple amendment. There is a foundation called the Brown Foundation which used to own some wood treatment plants. They have liquidated those plants. They may or may not have some Superfund liability. They are willing to do it. They are willing to pay for it. They are willing to undertake actions, whatever necessary, and do it voluntarily. They simply would like costs to be allocable against the 5 percent that foundations are required to pay each year out of their principal amount. I think it is a perfectly legitimate request, and I fully approve of the amendment.

Mr. BENTSEN. Mr. President, for the minority, we have examined what is being done and we find no objections to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 667) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, it is my understanding that we cannot stir up any more amendments that require rollcall votes this afternoon. I ask the manager of the bill if that is correct.

Mr. STAFFORD. I say to the majority leader that we know of no more amendments that might require rollcall votes.

We have been able to dispose of a large number of amendments today, and we think we are nearly at the end of the tunnel so far as the bill is concerned.

Mr. DOLE. I thank the distinguished chairman of the committee as well as Senator BENTSEN, Senator ROCKEFELLER, and others who have been working on this measure.

It is my hope that we can conclude action on this bill on Monday. I know that there are a couple of controversial amendments that we cannot deal with today because the principals are not here. I understand there is one more to be accepted without a rollcall vote.

I have been trying to stir up some more action this afternoon, but I cannot seem to find any. Everybody is waiting for a grain bill or a textile bill.

I think it is safe to announce to my colleagues that there will be no more votes today.

Mr. STAFFORD. Mr. President, I believe the most distinguished Senator from New York, a valued member of our committee, has an amendment.

AMENDMENT NO. 669

(Purpose: Alternative or Innovative Treatment Technology Research and Demonstration Program)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] for himself and Mr. LAUTENBERG proposes an amendment numbered 669.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 118, after line 8, insert the following new sections:

SEC. (a) Title I of the Comprehensive Environmental Response Compensation and Liability Act of 1980 is amended by adding the following new section:

ALTERNATIVE OR INNOVATIVE TREATMENT TECHNOLOGY RESEARCH

"SEC. 119. (a)(1) The President is authorized and directed to carry out a program of research, evaluation, testing, development, and demonstration of alternative or innovative treatment technologies that may be utilized in response actions under section 104 or section 106 of this Act to achieve more permanent protection of the public health and welfare and the environment.

"(2) In carrying out the program established by this section, the President shall conduct a technology transfer program, including the development, collection, evaluation, coordination and dissemination of information relating to the utilization of alternative or innovative treatment technologies for response actions. The President shall establish and maintain a central reference library for such information. The information maintained by the President shall be made available to the public.

"(3) In carrying out activities under subsection (1), the President is authorized to enter into contracts and cooperative agreements with, and make grants to, any persons including public entities, accredited institutions of higher learning, and nonprofit private entities (as defined by 26 U.S.C. 501(c)(3)). The President shall, to the maximum extent possible, enter into appropriate cost-sharing arrangements under this section.

"(b)(1) The President may, consistent with the provisions of this section, provide assistance or information to any persons, including public entities, accredited institutions of higher learning, and nonprofit private entities who wish to have alternative and innovative treatment technologies tested or evaluated for utilization in response activities.

"(2) The President may arrange for the use of sites, either wholly or in part, listed as national priority sites under section 105(a)(8)(B), or at which a response is taken pursuant to section 104 or 106, for the purposes of research, testing, evaluation, development, and demonstration under such terms and conditions as the President shall require to assure the protection of human health and the environment.

"(3) Nothing in this section shall be construed to affect the provisions of the Solid Waste Disposal Act.

"(c) To carry out the program authorized by this section, the President shall, within 2 years after the date of enactment of this section, and after notice and an opportunity for public comment, designate at least 10 sites listed under section 105(a)(8)(B) as appropriate for field demonstrations of alternative or innovative treatment technologies, after analyzing sites for potential response actions. If the President determines that 10 sites cannot be designated consistent with the criteria of this subsection, the President shall within the 2-year period report to the Environment and Public Works Committee of the Senate, and the Science and Technology Committee, the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives explaining the reasons for the failure to designate such sites. Other funding priorities shall not be deemed sufficient explanation under this subsection for failure to designate such sites. Not later than 12 months after designation of a site under this section, the President shall begin or cause to begin a demonstration of alternatives or innovative treatment technologies at such site. In designating such sites under this section, the President shall, consistent with the protection of human health and the environment, consider each of the following criteria:

"(1) The potential for contributing to solutions to those waste problems that pose the greatest threat to human health, which cannot be adequately controlled with present technologies, or which otherwise pose significant management difficulties.

"(2) The availability of technologies that have been sufficiently developed for field demonstration and which are likely to be cost-effective and reliable.

"(3) The suitability of the sites for demonstrating such technologies, taking into account the physical, biological, chemical, and geological characteristics of the sites, the extent and type of contamination found at the sites, the capability to conduct demonstrations in such a manner as to assure the protection of human health and the environment, and the comments of the public.

"(4) The likeihood that the data to be generated from the demonstration at the site will be applicable to other sites.

"(d) In selecting alternative or innovative treatment technologies for use in response actions under this title, the President shall determine that response actions incorporating such technologies provide for cost-effective response if their life cycle cost does not exceed the life cycle of the most effective alternative by more than three hundred per centum.

"(e) For the purposes of this section, the term 'alternative or innovative treatment technologies' means those technologies that permanently alter the composition of hazardous waste through chemical, biological or physical means so as to significantly reduce the toxicity, mobility, or volume (or any combination thereof) of the hazardous waste or contaminated materials being treated. This term also includes technologies that characterize or assess the extent of contamination or the chemical or physical character of the contaminents at such sites.

"(f) REPORTS TO CONGRESS.—(1) At the time of the submission of the annual budget request to Congress, the President shall submit a report to the Environment and Public Works Committee of the Senate and the Science and Technology Committee, the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives on the progress of the research development, and demonstration program authorized by this Act, including an evaluation of the demonstraton projects undertaken, findings with respect to the efficacy of such demonstrated technologies in achieving permanent and significant reductions in risk from hazardous substances, the costs of such demonstrations, and the potential applicability of, and projected costs for, such technologies at other hazardous substance sites.

"(2) If the total estimated Federal contribution to the cost of any field demonstration project under section (a) exceeds $5,000,000, the President shall provide a full and comprehensive report on the proposed demonstration project to the Environment and Public Works Committee of the Senate, and the Science and Technology Committee, the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives, and no funds may be expended for such project under the authority granted by this section prior to the expiration of 30 calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain) from the date on which the President's report on the proposed project is received by the Congress.

"(g) The President shall, to the maximum extent practicable, provide adequate opportunity for small business participation in the activities authorized under this Act".

(b) Section 105(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Strike out "and" at the end of paragraph (8)(B).

(2) Strike out the period at the end of paragraph (9) and substitute "; and".

(3) Add the following new paragraph at the end thereof:

"(10) standards and testing procedure by which alternative or innovative treatment technologies can be determined to be appropriate for utilization in response actions authorized by this Act."

(c) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"( ) There is authorized to be appropriated for each of the fiscal years 1986, 1987, 1988, 1989, and 1990, from sums appropriated or transferred to the Hazardous Substance Response Trust Fund under section 9505(b)(1)(c) of the Internal Revenue Code of 1954, not more than $25,000,000 to be used for purposes of carrying out the research, development and demonstration program for alternative or innovative technologies authorized under section 116. Amounts made available under this subsection shall remain available until expended".

(d) Within four years from the date of the enactment of this section, the President shall transmit to Congress a study of the effects of the standards of liability and financial responsibility requirements imposed by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 on the cost of, and incentives for, developing and demonstrating alternative and innovative treatment technologies.

Mr. MOYNIHAN. Mr. President, I rise to offer an amendment to S. 51, the important and well crafted legislation that we have now before us to extend the Superfund Program. The purpose of this amendment, which our distinguished chairman has agreed to, is simply to enable the Environmental Protection Agency to conduct research on new technologies for the work of the Superfund—which is, after all, to clean up abandoned hazardous waste sites.

I and the other Senators on the Environment and Public Works Committee have become concerned that we may have got into a pattern of simply digging up toxic waste in one place and planting it in another without finding effective ways to detoxify it or destroy it. I see the Senator from West Virginia here as well, and I know he shares our concerns.

EPA's only authority to do research on hazardous waste technologies is that conveyed under RCRA, the Resource Conservation and Recovery Act, but such does not allow the actual testing of new and hopefully more effective technologies at Superfund sites.

This amendment would give EPA that authority, on a limited basis, lest we find ourselves simply shuffling our toxic waste from one site to another.

There can be no one in the U.S. Senate who is more aware of the need for better techniques for the Superfund Program than a Senator from New York. This Senator from New York well remembers that one day in August 1978, the whole world learned of a place called Love Canal. The emergency declared there by the President made it suddenly clear to everyone that there was indeed a serious problem with the way we had disposed of our hazardous wastes; this we all now recognize as a national problem.

We have made progress in the 7 years since that emergency declaration and the 5 years since Superfund was created. But after all this time, we still do not have an acceptable answer for Love Canal. We have asked the EPA for thorough cleanups—and told them to do so as inexpensively as possible. We have told them to use proven technologies, and wound up with either containment onsite or the shell game.

My amendment, Mr. President, directs the EPA to conduct a limited research and demonstration program to test new technologies for Superfund cleanups. The means to clean up these sites thoroughly, permanently, and cost-effectively may already exist; if not, surely better methods will be discovered. This program allows the agency to find them, and to try them.

I believe our revered and very accessible chairman is agreeable to this.

Mr. LAUTENBERG. Mr. President, I commend the Senator from New York for his leadership in offering this important amendment on Superfund research and development.

I strongly support this amendment. It is imperative that we develop effective means of disposing of this Nation's hazardous waste. We must not continue to solve one problem by creating another because of ineffective disposal or treatment technologies.

There are currently 850 Superfund sites proposed or listed on the national priority list. I believe that we must remove the hazardous substances and wastes from these sites rather than attempt to simply contain them. Containment is a risky solution that may end up being the most costly of remedies.

The alternative is removing the toxic material and either treating it on or off site, or disposing of it in a secured facility. Unfortunately, over 60 percent of our permitted disposal facilities under the Resource Conservation and Recovery Act are leaking, and many are still in interim status and are not required to meet the more stringent standards of fully permitted facilities.

Mr. President, this amendment calls for the expenditure of $25 million per year from the fund for research and development of more effective and innovative treatment methods. While this $25 million is $25 million less that is available for site cleanup, I feel that these funds may indeed repay the fund many times over in reduced costs due to more permanent cleanups. With the prospect of many of our currently operating RCRA waste disposal facilities becoming Superfund sites, we must consider the long-term costs, both in dollars and in public health and environmental damage.

The research and development program under this amendment allows the President to make grants or enter into cost sharing agreements with public and private entities, to the extent that the private entities are nonprofit. It allows for demonstration of alternative or innovative technology at sites listed on the national priority list as long as these technologies assure the same level of protection to human health and the environment provided for under the statute. The President would be required, after 2 years, to designate at least 10 sites for research and development demonstration. The President must submit an annual report to the relevant congressional committees on the progress of these projects.

Mr. President, this program is intended to aid in developing effective treatment methods. It must not be used as a means of circumventing more stringent remedial action and clean up requirements. Congress must maintain an active role in monitoring the selection of sites and new technologies applied under this provision.

Last year, New Jersey was confronted with a very difficult dilemma. The plan at one of these State's most dangerous sites, Burnt Fly Bog in Marlboro Township, was to send the PCB contaminated soil from the site to the CECO's landfill site in Williamsburg, OH. Just before the trucks were to be loaded with the soil and sent to New Jersey, the Environmental Protection Agency ordered the Viceroy landfill to be closed. Massive groundwater contamination from the site was discovered, and an aerial photograph printed in the New York Times showed pipes that were routinely carrying overflow from the site into the nearby woods. This was a shocking revelation, and one that confirmed in my mind that we must take every step to stop the toxic waste merry-go-round that is plaguing our cleanup efforts. A recent report by the Office of Technology Assessment [OTA] highlighted this situation as one of the most serious problems facing our toxic waste cleanup efforts.

Mr. President, I ask unanimous consent that the article from the New York Times on the Williamsburg, OH site be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. Mr. President, I am pleased to be a cosponsor of this amendment. We are joined in the House of Representatives by my able colleague from New Jersey, Congressman TORRICELLI, in offering this legislation to the Superfund reauthorization. I urge my colleagues in the Senate to adopt the amendment before us.

EXHIBIT 1

OFFICIALS IN OHIO SHUT KEY DUMP FOR TOXIC WASTE

(By Philip Shabecoff)

WASHINGTON, November 13.—The Ohio Environmental Protection Agency has shut down one of the country's biggest toxic waste dumps after receiving reports that its operators knowingly pumped contaminated water into the drinking water supply of a nearby town.

A spokesman said today that the agency had asked the state to investigate whether the operators of the dump near Williamsburg, Ohio, had committed a crime. The state spokesman, Allan D. Franks, said the site was ordered closed over the weekend.

A spokesman for the owner of the site, Cecos International, said that there had been no wrongful intent and that the company was cooperating fully with the authorities.

The Cecos dump is a depository for hazardous substances removed from toxic waste sites, some as far away as Massachusetts, that have been found to threaten the environment and public health.

PROBLEM AT OTHER SITES

Officials at the Federal Environmental Protection Agency have acknowledged that many of the sites to which toxic wastes are sent, under the Government's program to clean up potentially dangerous abandoned dumps, may themselves be leaking or otherwise deficient.

The Federal agency is currently investigating evidence that another Cecos dump site in Niagara Falls, N.Y., where wastes from Love Canal and other abandoned sites were transferred, may be leaking into the community.

Basil G. Constantelos, director of waste management for the Federal agency's Middle Western regional office, said the agency was planning to do a "detailed evaluation" of the underground water at the Cecos dump site in Ohio within the next few weeks. He said, however, that the inspection had been planned before the site was shut down and that his agency did not have evidence of any leakage or other threats to health and the environment.

According to Mr. Franks, a state inspector discovered last week that excess water on top of one of the dump's waste collection cells had been pumped into a tributary of nearby Pleasant Run Creek. The creek is a source of drinking water for the community of Williamsburg.

The inspector, who is permanently stationed at the site, sampled the water being pumped into the tributary and found that it was contaminated with phenol, which is regulated under the Federal toxic substances law as a poisonous chemical, Mr. Franks said. While the extent of the contamination is still being analyzed, he said, water that is contaminated by a hazardous substance becomes a hazardous substance itself, under the law.

He said that the "good news" is that Williamsburg's water treatment plant is nine miles away from the dump and that there was general agreement that the treatment plant "would take care of" the contamination.

"But this shouldn't have happened," he said. "We consider this to be a very, very serious offense."

The Ohio environmental agency has begun a "comprehensive investigation" of the site, Mr. Franks said. Meanwhile, the agency has asked the Ohio Bureau of Criminal Investigation to see whether Cecos employees violated toxic waste laws, he added. The Federal E.P.A. has delegated responsibility for enforcing the toxic waste law to state governments.

EARLIER PROBLEMS AT SITE

"It appears that a lot of people were aware of what was done and, effect, signed off on it," Mr. Franks said.

Mr. Franks said that, in the past "there have been problems on and off with the site." He said that earlier in the year the agency had found that water from a pond on the Cecos grounds was being pumped into the air to spread it over the ground. The spray was seen to have been drifting over the site boundaries and on to the roofs of nearby homes, and the agency ordered the practice stopped.

The Cecos site in Ohio has taken hazardous wastes from a number of major dumps cleaned up by the Federal Government, including the Valley of the Drums in Kentucky, where leaking containers of toxic substances were simply buried in the ground.

When the landfill was ordered closed this weekend, some 15 trucks carrying hazardous wastes from a site in Massachusetts were on the way to Williamsburg. When they arrived, the state agency allowed them to dump their wastes at the site on the theory that it would be environmentally safer than turning the trucks away. But Mr. Franks said that the site was now closed for an indefinite period until the investigations are concluded.

EXCELLENT RECORD CITED

Mary P. Bauer, corporate communications manager for Cecos, said: "At this point we are just cooperating fully with them in their investigation. The company's position is that there was no wrongful intent and certainly any activities were not criminal in nature."

She said the company had been told by the Williamsburg Water District that their analyses had shown no contaminants in the local water system.

Thomas Moran, vice president of Cecos, said that the water pumped into the creek was "standing rainwater" and that the company was investigating to determine if the water was contaminated.

"The site has an excellent compliance record," Miss Bauer said. "This is the first time our activites were suspended by Ohio E.P.A. and we have never been suspended by the Federal E.P.A."

She added, "We expect the investigation to be completed quickly."

Mr. STAFFORD, Mr. President, we have been well aware of the amendment which the distinguished Senator from New York [Mr. MOYNIHAN] has

proposed to offer. We have examined it. We believe that it is meritorious and will accomplish a good purpose that is needed.

For the majority of the committee, I am prepared to accept it, and I have consulted with Senator BENTSEN, and I believe he is prepared to accept it also.

Mr. MOYNIHAN. I believe that is the case. If I could say to my chairman, I believe I am also momentarily the floor manager on this side, and I accept it.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment (No. 669) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. I thank the distinguished chairman.

Mr. LEAHY. Mr. President, I rise today to urge my colleagues to support S. 51, legislation reauthorizing the Hazardous Substance Response Trust Fund or Superfund.

Senator STAFFORD and the other members of the Committee on Environment and Public Works are to be commended for their efforts to reauthorize and improve our Nation's system of responding to the problem of hazardous waste.

The Environmental Protection Agency estimates that there are now some 20,000 or more hazardous waste sites in the United States. And that number is growing every day. The problem is enormous.

Critics charge that we in Congress often respond to problems of such magnitude with a pitchfork and a truck load of million dollar bills. Such is not the case with Superfund.

Properly disposing of hazardous waste and cleaning up potentially dangerous Superfund sites require carefully and scientifically planned action. Eliminating the threat to our environment by hazardous wastes is not a mission which money alone can accomplish.

Over the last 4 years Congress has judiciously raised and spent $1.6 billion to begin our national effort to identify and clean up hazardous wastes. That money has been spent not only on cleaning up specific sites, but on developing methodologies and practices for fighting hazardous wastes in the future.

On September 30, 1986, the authority of Congress to raise revenues and appropriate moneys to support Superfund will expire. The Environment and Public Works Committee and the Senate Finance Committee have reported the legislation which is before us today to expand and improve the Superfund.

Some $7.5 billion would be raised mainly through excise taxes to broaden our attack on hazardous waste. The lessons of the last 4 years now enable us to expand this campaign. New scientific advances have been made. Superfund is more efficient and the two most recent Administrators of the EPA have told Congress that Superfund workers are ready to take on this problem on a larger scale.

I doubt that there is one Member of this body or of the House of Representatives who does not support Superfund, and who does not support increasing its efforts, in light of the new proficiency we have in dealing with hazardous wastes. There is some consternation, however, concerning the funding mechanism which the Senate Finance Committee approved on May 23, 1985.

For the past 4 years, Superfund has been financed, in large part, by an excise tax on petrochemicals. Indeed, the so-called feedstock tax on 42 designated chemicals has provided seven-eighths of Superfund moneys since 1981.

In May, the Environment and Public Works Committee sent legislation to the Finance Committee requiring that $7.5 billion in revenues be raised over the next 5 years to finance Superfund. After careful consideration and debate, the Finance Committee recommended that the feedstocks tax be continued, and that a new tax on manufacturers be imposed.

The manufacturers excise tax, which would raise $5.4 billion, would be imposed at a rate of $8 for every $10,000 earned from the sale or lease of property. This tax would only apply to firms with taxable receipts of more than $5 million. There would be no tax on exports and manufacturers would be allowed to take a tax credit for the amount by which the excise tax increases the cost of their purchases.

In its report accompanying the Superfund legislation, the Senate Finance Committee argued that the new manufacturers excise tax would broaden the tax base which supports Superfund. Under current law only approximately 600 firms are footing the bill for Superfund. Albeit, these firms are some of the producers of hazardous waste. Under the legislation before us, some 32,000 firms would share the cost of the expanded Superfund effort.

The business community has been very critical of the Finance Committee's manufacturers excise tax, claiming that it is a hidden value added tax. The cost of Superfund, they say, will ultimately be passed on to consumers in the form of higher prices. In addition, they argue that the current feedstock tax only taxes those who directly produce potentially hazardous wastes, while the new manufacturers tax would unfairly tax all larger firms.

Yet, the Finance Committee has included provisions which allow American manufacturers to remain competitive in the world economy, by exempting exports from the tax. Additionally, no one industry in the chain of production of a product would be forced to bear the full burden of the excise tax, because a tax credit will be made available equal to the increased purchase price which a manufacturer must pay as a result of excise taxes imposed at earlier points in production.

I too have serious reservations about value added taxes of any kind. But, I have no doubts, whatsoever, about the need to increase our efforts to clean up hazardous wastes. I, for one, want to make it clear that today I am casting my vote for Superfund, not for value added taxes.

Any effort at this point to strike the funding mechanism for Superfund approved by the Senate Finance Committee only serves to distract us from our central purpose, which is to renew and improve Superfund.

The battle over the funding mechanism for Superfund was won or lost, depending on your perspective, in the Finance Committee. Any attempt now to rewrite the tax aspects of the Superfund legislation would cause an unnecessarily protracted debate to occur. If Superfund were not about to expire, if the problem were not so immediate, perhaps we could afford to hold such a debate.

But, there is no time. The threat of hazardous waste increases every day, and we are doing all we can right now to keep up with it. President John F. Kennedy understood this situation well. In 1963 he wrote to Congress:

> Actions deferred are all too often opportunities lost, particularly in safeguarding our natural resources.

I urge my colleagues to support and approve with dispatch the Superfund Improvement Act of 1985.

Mr. COHEN. Mr. President, I want to express my strong support for passage of S. 51, the Superfund Improvement Act of 1985. This is a bill of extreme importance to the health and welfare of millions of Americans whose homes are near the site of dangerous toxic waste dumps. I am pleased that the leadership has recognized the need to complete work on this bill as soon as possible so that we can move toward final action on this critical reauthorization bill.

For those of us who have not experienced the fear and apprehension which comes with living near or on top of a hazardous waste site, the emotional depth of such feelings is difficult to comprehend. It is, however, very real and cannot be dismissed lightly. Across the State of Maine, from Saco to Washburn, we have experienced the

contamination of land and water from a municipal waste dump, groundwater contamination from a toxic gravel pit, PCB contamination from abandoned electrical transformers and chromium contamination from 20-year-old tannery waste pits. Other sites are known to exist and remain a hazard to surrounding communities until they are removed. The need to maintain a strong Superfund is quite clear in my mind. It is our responsibility to ensure that the removal of toxic wastes from our neighborhoods proceeds without unnecessary delay and that the costs are borne by those responsible for causing the damages.

In the first 5 years of Superfund's operation, a number of problems with the original law have surfaced, and S. 51 aims to strengthen the act so that cleanups can proceed more smoothly and changes are made where necessary to ensure that both the Environmental Protection Agency and responsible private parties understand that the cleanup of abandoned hazardous waste sites remains a national priority. It is only with continued diligence that the program can be viewed as a success, and that success is based on the expansion and extension of the Superfund which S. 51 contemplates.

We have learned a great deal since 1980, including the sobering realization that the number of hazardous waste sites across the Nation is far greater than originally assumed. In addition, we have learned that the potential threats to human health and environmental degradation from the presence of hazardous substances may occur in many areas that do not fit under the heading of "abandoned hazardous waste dump." Our commitment to the removal of all such hazards must remain firm. In addition to additional funding, a successful cleanup effort will require the cooperation of the Federal Government, private parties and the public.

The passage of a strengthened Superfund, as embodied in S. 51, is a major step in the restatement of our commitment to a meaningful cleanup program. We can only hope that, when carried out, it will represent a sensible approach to the problem of hazardous waste removal that will ensure the protection of the public from uncontrolled hazards. The public certainly has the right to know what dangers might be present in their neighborhoods and what is being done to remove them, and it serves no one to prevent that knowledge.

I again express my support for the passage of S. 51 and applaud the work of the members of the Environment Committee who have worked diligently to bring a meaningful bill to the Senate floor. I trust that final passage of this legislation by the Senate will prove to be the impetus needed to secure support by the whole Congress and the administration for an improved Superfund.

Mr. BINGAMAN. Mr. President, I rise to commend the distinguished chairman and ranking minority member of the Environment and Public Works Committee for their efforts to bring this Superfund reauthorization bill to the Senate. The task of providing protection for our citizens from toxic contamination is so important that we must ensure continuous support while also making every effort to make the program more effective than it has been to date.

The committee has worked hard to report out this bill, and I do not wish to delay its approval further by introducing another amendment. However, there is an issue which deserves to be considered. There is a problem in my State of New Mexico and in many other States as well. This is the problem of leaking underground storage tanks. Public officials in New Mexico have determined that this leaking underground storage tank problem is one of the leading causes of ground water and soil contamination by toxic substances. Yet, because of the petroleum exclusion in the Superfund law, the law and the fund cannot be used in these instances to protect affected residents by using fund moneys to clean up an emergency situation while also seeking to hold identified responsible parties accountable.

Our counterparts in the House have made an effort to address this problem in H.R. 2817, a bill which has been reported out by the House Energy and Commerce Committee and which may be the basis for action by the full House. While I do not agree with every aspect of the program which is proposed in that legislation, it would provide some means for attacking this problem. Specifically I do believe that any cap placed on liability should be designed primarily to protect against bankrupting small business, while generally holding the party which caused the pollution fully responsible.

Mr. President, I would ask that once the Senate has passed this bill before us, and a conference committee is named, that Senate conferees be encouraged to consider a way to address soil and ground water contamination from leaking underground petroleum storage tanks.

Mr. BENTSEN. I thank my colleague from New Mexico for his comments on this issue. He has raised an issue that the committee recognizes as a significant problem. The solution, however, seems fairly elusive. I certainly am willing to work in conference to identify a potential solution to this problem.

Mr. STAFFORD. I appreciate the Senator from New Mexico's interest in this issue and I share his concern for the problem presented by the presence of leaking underground storage tanks. I assure him of my willingness to consider appropriate action in conference to deal with this problem.

SUPERFUND EXCISE TAX

Mr. NICKLES. I would like to clarify the application of this tax to the natural gas industry and explain industry custom and practice and how it relates to tax principles. Am I correct that the Superfund excise tax would be applicable to the sale of natural gas by a producer, since it is the intent of the act that he would be considered a manufacturer of tangible personal property?

Mr. PACKWOOD. The Senator is correct.

Mr. NICKLES. Am I further correct that the subsequent resale of that natural gas by a pipeline is not a taxable transaction, based on the definitions in section 403 of S. 51; and, that manufacturing does not include storage, transportation, or sale by retailers or wholesalers so long as there is only incidental preparation of the property?

Mr. PACKWOOD. The Senator is correct that a natural gas pipeline that purchases natural gas at point X, transports it to point Y, and resells it is not a manufacturer for purposes of the Superfund excise tax and therefore there is not a taxable person.

Mr. NICKLES. As the Senator knows, a natural gas pipeline may purchase gas for resale from an affiliated or from an unaffiliated producer. In these cases, it is readily ascertainable that there is a sale and therefore a taxable transaction which creates tax liability for the producer-manufacturer. However, as the Senator also is aware, there is a common industry practice whereby a pipeline produces a small portion of its own supply, what is generically known as pipeline-owned production, as contrasted with purchasing from an affiliated or unaffiliated producer.

Under applicable Federal Energy Regulatory Commission regulations, 18 CFR 154.42, pipeline-owned and produced gas is treated the same as gas produced by an affiliated company. Although no title or transfer actually takes place, the producing arm of the pipeline is deemed to have made a sale of gas under 18 CFR 270.203(b). The price at which this sale takes place is governed by the Natural Gas Act and Natural Gas Policy Act [NGPA]. This price is analogous, for excise purposes, to a constructive or assumed sale price and is a principle that is already well established within the Internal Revenue Code. The most notable example is the Crude Oil Windfall Profits Tax Act of 1980. When oil or gas is removed from the premises prior to its actual sale, the gross income utilized for depletion (Code section 613(a)) and windfall profits tax purposes (Code section 4988(c)) are assumed to be the equiva-

lent of the representative market or field price of the oil or gas under regulation section 1.613 3(a). This constructive price, that is, the representative market or field price, is analogous to the first sale concept in the Natural Gas Policy Act.

A major advantage of applying the excise tax at this point is the reduced administrative burden associated with the calculation of a transportation cost. Because gas supplies are commingled by a pipeline, it would be impossible to determine who are the specific purchasers of this pipeline-owned gas. Furthermore, transportation is calculated on a systemwide basis, not on the actual cost of transporting any particular molecule of gas. Hence it would not be possible to calculate the transportation cost of pipeline-owned supplies.

Is it the intent of the Superfund excise tax to specify that the taxable sale occurs for pipeline-owned production at this point of constructive or first sale, rather than when this pipeline subsequently sells the natural gas to a customer?

Mr. PACKWOOD. The Senator raises a good point which deserves clarification. The Superfund excise tax is not intended to apply to the transportation of this gas, therefore, Superfund excise tax provisions should treat pipeline-owned production as if the taxable transaction had taken place at the wellhead, that is, when the gas is delivered to the pipeline. This would be the equivalent of a producer selling to the pipeline for purposes of the Superfund excise tax.

Mr. NICKLES. I thank the distinguished chairman for this clarification.

● Mr. BRADLEY. Mr. President, for the past several days we have debated the most important environmental issue that we will face this year. The reauthorization of Superfund is crucially important to New Jersey and the Nation. Time is of the essence—the program is now on hold due to lack of funds. I urge my colleagues to support this vitally important legislation.

In March 1983 I offered the first Superfund reauthorization bill to be introduced in the Senate. I was concerned that the mismanagement and abuse of the Superfund Program by the previous leadership of the Environmental Protection Agency had tarnished the perception of our commitment to continuing and completing the cleanup of hazardous wastesites that threaten the health of citizens around the Nation. I wanted to send a signal to the people that their Government had not reneged on its commitment, made to them with the passage of Superfund in 1980. My concern remains. Today we have the chance to make good on that commitment.

The bill we are considering today is a good bill. So far we have debated title I which contains programmatic changes to the existing Superfund law that strengthen and improve the operation of the program. Several of the provisions are based on provisions included in bills I have introduced in the past. Specifically, the State credit provision, which allows a State to take action even in advance of receiving Superfund moneys from the Federal Government, first appeared in my S. 2012, introduced in the last Congress and cosponsored by my colleagues from New Jersey [Senator LAUTENBERG]. Similarly, the State share provision, which would limit the State share of Superfund liability to 10 percent if the State owned but did not operate the disposal site, was included in S. 2012. The preemption language in S. 51, which makes it clear that States are free to impose their own taxes to fund their own hazardous waste cleanup efforts, came from my S. 2012. One of my continuing concerns has been the delay in actually accomplishing the cleanup actions at Superfund sites. My bill in the last Congress offered some solutions to this problem and these have formed the basis of several of the provisions in the bill before us now. Finally, the provisions in my bill concerning claims for damage to natural resources formed the basis for the provisions in S. 51.

The Senate has accepted three amendments that I have offered that have significantly strengthened this portion of the bill. The first dealt with a related threat to public health, lead in drinking water. The second, offered with Senators MITCHELL and LAUTENBERG, dealt with the threat imposed by indoor air pollution and, in particular, radon gas. The third dealt with improving the speed and reducing the cost of cleaning up specific radon-contaminated Superfund sites. All three amendments were required to provide the needed protection of public health.

The second portion of S. 51 which we take up now is the revenue title. In the history of Superfund's journey through the Senate this year, the funding issues have proven to be more difficult. Once the Environment and Public Works Committee had completed action on S. 51, the focus shifted to the Finance Committee which had the task of finding the revenues to fund Superfund at the higher levels necessary to clean up the Superfund sites, the number of which had grown dramatically since 1980 when we first passed the Superfund law.

The Finance Committee faced a real challenge. The original bill was funded at $1.6 billion. The reauthorization requires at least $7.5 billion. The original law obtained most of its revenues from a tax on petroleum and chemical feedstocks and the remainder of the revenues from the Federal taxpayer. Neither the feedstock tax nor the Federal budget provided any room for increasing Superfund revenues. The administration was proposing a new tax—a tax on wastes as they are generated. Indeed, such a waste-end tax appeared to have merit—I included one version of the waste-end tax in the bill I introduced. The principal problem was that the waste-end tax was not capable of producing anywhere near the required revenues.

At this point the progress of Superfund through the legislative hurdles appeared stopped. In March of this year, I offered the first broad-based tax to be introduced in the Congress. I proposed to tax all corporations making over $50 million per year at a rate of 0.08 percent—0.0008—of their corporate net receipts. Conventional wisdom had it that it was politically risky to propose a new tax on businesses, but it seemed to me that no other alternative existed if Superfund were to be reauthorized at a level of funding sufficient to do the job over the next 5 years. As it turned out, the Finance Committee agreed with me and not the conventional wisdom. Senators BENTSEN and WALLOP subsequently introduced their version of the broad-based tax, as did Senators MITCHELL and CHAFEE. We collaborated on the final version which was adopted by the committee with but one dissenting vote.

Here I should point out the remarkable job accomplished by the chairman of the Finance Committee, Senator PACKWOOD, the ranking member of the minority, Senator LONG, and the able Senator from Texas with responsibilities on both committees, Senator BENTSEN. Without their leadership and commendable cooperation we would not be here today.

Mr. President, it is no secret that some members of the Senate and the administration are unenthusiastic about the revenue title contained in this bill. The bulk of the grumbling about the broad-based tax goes like this: "I agree we need more revenues for Superfund," they say, "but I don't like the way the Finance Committee did it." To them I offer a simple challenge: come up with an alternative. The alternatives being suggested by Senator HELMS are to require the States to pay more or to freeze the fund at its current level, a level even the administration admits is totally inadequate.

Is there an alternative, Mr. President? Who will propose we fund Superfund by increasing the budget deficit? Who will propose quadrupling the feedstock tax on chemical companies, companies now struggling to compete in interntional markets? Who has an alternative? Come forward. The Finance Committee carefully examined

as many alternatives as we could collectively think of and we concluded that this was the only way to raise the revenues necessary to fund Superfund adequately for the next 5 years.

Do you know what the principal argument against the broad-based tax is, Mr. President? The principal argument is that the broad-based tax is too good. It is too good in that it doesn't hurt anyone enough to make them protest. These critics perhaps would have wanted the Finance Committee to impose a tax on some segment of the economy which would find the tax so unfair or burdensome that it would scream loudly if the tax were ever proposed for an increase. Do any of the critics have such an unfair or burdensome tax that they would like to propose to the Senate here today? I would like to consider it.

No, Mr. President, I submit that if we had attempted to impose such an unfair or burdensome tax, we would not be on the floor here today. These critics are worried about any tax that is as painless as this tax because it might be increased at sometime in the future. And I contend that this criticism is actually praise for the work of the Finance Committee.

Mr. President, we must act on Superfund here today. We have already waited too long. The fund is at such a low level that the EPA Administrator, faced with the expiration of the taxing authority on September 30 of this year, halted all but emergency work on Superfund sites. This program, so vital to public health and confidence in Government, cannot be allowed to lapse. There is no more pressing issue before Congress today than this Superfund reauthorization. We must act today.

We made a promise 5 years ago to clean up the thousands of hazardous wastesites that blight our land. The creation of the Superfund in 1980 told the American people that the Government recognized a mammoth problem, a continuing threat to public health, and that it could take the necessary steps to address that problem. Today the American people are wondering what happened to that promise. They see only slow progress cleaning up the sites in their communities. They saw the first several years of the Superfund's existence wasted by an EPA willing to use the Superfund for political favors instead of for cleaning up hazardous waste. Can we blame them for their skepticism?

We must reaffirm that promise we made back in 1980. We have the chance to make good on it now. We cannot wait any longer.●

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DURENBERGER). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. STAFFORD. Mr. President, I ask the distinguished minority leader if he is prepared to deal with Calendar items 277, Senate Joint Resolution 43, and Calendar No. 303, S. 1671.

Mr. BYRD. Mr. President, there is no objection on this side to proceeding with the two items named by the distinguished acting leader.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMERICAN ARMORED FORCE MEMORIAL

The joint resolution (S.J. Res. 43) to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time and passed; as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations are authorized jointly to erect a memorial on United States Government property in Arlington, Virginia. The memorial shall be erected for the purpose of honoring and commemorating the "American Armored Force," including the members of such organizations and others who have served in armored units of the Armed Forces of the United States during World War I or World War II or in and near Korea or Vietnam, and the members of the Armed Forces who continue to serve with exceptional professionalism to maintain peace worldwide.

SEC. 2. (a)(1) The Secretary of the Interior shall select, with the approval of the national Commission of Fine Arts and the National Capital Planning Commission, a suitable site on United States Government property in Arlington, Virginia, upon which may be erected the memorial authorized in the first section. The Secretary of the Interior shall, if practicable and appropriate, select a site between the Arlington Memorial Bridge and the entrance to the Arlington National Cemetery and beside Memorial Drive.

(2) If the site selected is within the boundaries of the Arlington National Cemetery, the approval of the Secretary of the Army shall be obtained.

(b) The design and plans for the memorial shall be subject to the approval of the Secretary of the Interior, the national Commission of Fine Arts, and the National Capital Planning Commission.

(c) The United States Government shall not incur any expense in connection with designing, planning, or erecting the memorial except expenses required to carry out the responsibilities set out in this section and sections 3 and 4.

SEC. 3. The authority conferred pursuant to this joint resolution shall lapse unless (1) the erection of the memorial is commenced within five years after the date of enactment of this joint resolution, and (2) prior to its commencement, the Secretary of the Interior has received an appropriate certification that funds are available in an amount sufficient, in the judgment of the Secretary, to insure completion of the memorial.

SEC. 4. The maintenance and care of any memorial erected under the provisions of this joint resolution shall be the responsibility of the Secretary of the Interior.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was ageed to.

INTERIM EXTENSION OF VETERANS' ADMINISTRATORS' AUTHORITY

The Senate proceeded to consider the bill (S. 1671) to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office on the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities, and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such act.

Mr. MURKOWSKI. Mr. President, I rise in support of S. 1671, which was introduced on September 19, 1985, on behalf of myself and Senator CRANSTON. The provisions of the bill would extend certain authorities of the Veterans' Administration which are due to expire on September 30, 1985. S. 1671 would provide for a temporary 30-day extension of the VA's authorities to operate a VA Regional Office in the Republic of the Philippines, to

provide on a contract basis, medical care services for veterans in Puerto Rico and the Virgin Islands, and to furnish halfway house treatment for veterans with alcohol and drug abuse disabilities. S. 1671 would also extend until July 1, 1986, the period for which veterans eligible for training under the Emergency Veterans' Job Training Act of 1983 [EVJTA] could enter training under this act.

Mr. President, provisions to extend these programs are contained in legislation currently in informal House/Senate negotiations before the Congress. In light of the fact that time is now of the essence, I urge my colleagues to support this measure today which would provide for the EVJTA extension as well as these temporary extensions until such time as H.R. 505, this year's veterans' health care legislation, is enacted into law.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 230(b) of title 38, United States Code, is amended by striking out "September 30, 1985" and inserting in lieu thereof "October 31, 1985".

SEC. 2. Section 601(4)(C)(v) of title 38, United States Code, is amended by striking out "September 30, 1985" and inserting in lieu thereof "October 31, 1985".

SEC. 3. Section 620A(e) of title 38, United States Code, is amended by striking out "the last day" and all that follows through "initiated" and inserting in lieu thereof "October 31, 1985".

SEC. 4. Section 17(2) of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77; 29 U.S.C. 1721 note) is amended by striking out "September 1, 1985" and inserting in lieu thereof "July 1, 1986".

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EARTHQUAKE IN MEXICO

Mr. STAFFORD. I now ask the minority leader, Mr. President, if he is prepared to deal with House Joint Resolution 394.

Mr. BYRD. Mr. President, we on this side are ready to proceed to the consideration of House Joint Resolution 394.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of House Joint Resolution 394 relating to the recent earthquake in Mexico City.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (H.J. Res. 394) reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. STAFFORD. Mr. President, I move adoption of the resolution.

The PRESIDING OFFICER. The question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 394) was ordered to a third reading, was read the third time, and passed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INDEFINITE POSTPONEMENT OF HOUSE CONCURRENT RESOLUTION 187

Mr. STAFFORD. Mr. President, I now ask the minority leader if he is prepared to deal with Calendar 296, House Concurrent Resolution 187.

Mr. BYRD. Mr. President, there is no objection.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Calendar 296, House Concurrent Resolution 187, a House companion resolution, be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AUTHORIZATION OF TESTIMONY AND PRODUCTION OF DOCUMENTS

Mr. STAFFORD. Mr. President, I now ask the minority leader if he is prepared to deal with a resolution involving legal counsel.

Mr. BYRD. Mr. President, there is no objection to proceeding.

Mr. STAFFORD. Mr. President, I send to the desk a resolution on behalf of Senator DOLE and Senator BYRD and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 224) to authorize the testimony and production of documents by a past employee of the former Subcommittee on Investigations and General Oversight of the Committee on Labor and Human Resources.

The Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, a year ago June the Senate agreed to a resolution (S. Res. 407) authorizing Jay Howell, a past employee of the former Subcommittee on Investigations and General Oversight of the Committee on Labor and Human Resources, to testify before a Federal grand jury looking into possible violations of child pornography statutes in Florida. Mr. Howell was regarded as a key witness then because he had supplied the Department of Justice with information developed during a subcommittee investigation on related issues which actually prompted the inquiry.

The matter subsequently evolved into a criminal prosecution captioned *United States* v. *Eric Cross, et al.,* Case No. 84-192-Cr-T-17 in the U.S. District Court for the Middle District of Florida. Mr. Howell, who is now executive director of the National Center for Missing and Exploited Children, has been subpoenaed by the U.S. attorney to testify and produce documents at the trial of that action scheduled to begin September 30 in Tampa.

This resolution would authorize Mr. Howell to provide the requested items to the court and testify before it on all relevant information—acquired in the course of his official duties as a Senate employee—which is not privileged.

Mr. STAFFORD. Mr. President, I ask adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 224) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 224

Whereas, in the case of *United States* v. *Eric Cross, et al.,* Criminal Action No. 84-192-Cr-T-17, pending in the United States District Court for the Middle District of Florida, the Office of the United States Attorney has obtained a subpoena for the testimony of and production of documents by Jay C. Howell, a past employee of the former Subcommittee on Investigations and General Overshift for the Committee on Labor and Human Resources;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of former employees of the Senate concerning information acquired in the course of their official duties and that documents, papers and records under the control or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Jay C. Howell is authorized, in response to the subpoena obtained by the Office of the United States Attorney, to testify and produce documents before the United States District Court for the Middle District of Florida, except concerning matters for which a privilege as to either should be asserted.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPRESENTATION BY SENATE LEGAL COUNSEL AND TESTIMONY BY SENATE EMPLOYEE

Mr. STAFFORD. Mr. President, I ask the minority leader if he is now ready to consider a resolution on behalf of himself and Senator DOLE with respect to legal counsel.

Mr. BYRD. Mr. President, this side is ready to proceed.

Mr. STAFFORD. Mr. President, I send the resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 225) to authorize representation by the Senate legal counsel and testimony of a Senate employee.

Mr. DOLE. Mr. President, the defendants in the case of *United States* v. *Amy Walls, et al.*, Petty Offense Violation No. J0027221/WE40, pending in the U.S. District Court for the Eastern District of Wisconsin, have obtained a subpoena for the appearance of Senator KASTEN at their consolidated trial before a Federal magistrate on September 27. In addition, the U.S. attorney has requested the testimony of Wanda Roever, an employee in the Senator's Milwaukee office.

The case arose out of a sit-in demonstration at that office—which is located in a Federal building under the jurisdiction of the General Services Administration—on June 12 of this year. The group of defendants was arrested and charged with violating a GSA regulation prohibiting conduct in Federal buildings that is "disruptive of the performance of official government duties." Senator KASTEN was neither present at nor a witness to the demonstration.

This resolution would direct the Senate Legal Counsel to represent Senator KASTEN in connection with the subpoena issued to him in this proceeding. It would also authorize Ms. Roever to testify regarding her account of the incident which precipitated the arrests. Both would be in keeping with our practice of facilitating justice consistent with the privileges and rights of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 225

Whereas, in the case of *United States* v. *Amy Walls, et al.*, Petty Offense Violation No. J0027221/WE40, pending in the United States District Court for the Eastern District of Wisconsin, the defendants have obtained a subpoena for the appearance of Senator Bob Kasten and the United States has requested the testimony of Wanda Roever, an employee in his Milwaukee office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2)(1982), the Senator may direct the Senate Legal Counsel to defend Senators in any proceeding with respect to any subpoena or order directed to them in their official capacity;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as well promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Kasten with respect to the subpoena to him and Wanda Roever is authorized to appear and testify in the case of *United States* v. *Army Walls, et al.*, except concerning matters which may be privileged.

BUDGET RESOLUTION CONFERENCE REPORT

Mr. STAFFORD. Mr. President, I ask the minority leader if we may consider by unanimous consent a budget resolution conference report.

Mr. BYRD. Mr. President, this side is ready to proceed.

Mr. STAFFORD. Mr. President, I ask unanimous consent to have printed in the RECORD a table showing fiscal year 1986 budget authority and outlay allocations to Senate committee, pursuant to section 302(1) of the Congressional Budget Act, under the budget resolution adopted by the Congress on August 1.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1986

[In millions of dollars]

Committees	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	567,100	554,087		
Agriculture, Nutrition, and Forestry	18,198	17,275	213	218
Armed Services	40,622	28,068	165	165
Banking, Housing, and Urban Affairs	7,173	3,365		
Commerce, Science, and Transportation	161	−1,551	352	358
Energy and Natural Resources	−2,468	−2,839		
Environment and Public Works	16,266	573	6	6
Finance	540,805	510,642	46,622	46,723
Foreign Relations	15,208	13,000		
Governmental Affairs	54,043	34,687	(1)	(1)
Judiciary	512	439	82	82
Labor and Human Resources	4,273	2,608	5,568	5,572
Rules and Administration	45	8		
Small Business	309	153		
Veterans' Affairs	1,502	1,316	15,557	15,525
Select Indian Affairs	458	457		
Not allocated to committees	−194,509	−194,688		
Total, budget	1,069,700	967,600	68,564	68,647

[1] Less than $500,000.

Mr. STAFFORD. Mr. President, this table replaces a table printed on pages 40 and 41 of the statement of managers accompanying the conference report on the budget resolution, which contained some technical errors. The affected committees have been informed of these corrections.

I ask unanimous consent that these allocations be considered to be allocations made pursuant to section 302(a) of the Budget Act with respect to fiscal year 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC SERVICES ACT

Mr. STAFFORD. Mr. President, I ask the distinguished minority leader if we may proceed to a Public Services Act which I propose to send to the desk on behalf of Senator HATCH.

Mr. BYRD. Mr. President, this side is ready to proceed.

Mr. STAFFORD. Mr. President, I send to the desk, on behalf of Senator HATCH, a bill, and I ask that it be placed on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection to placing this bill directly on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION—DEPARTMENT OF COMMERCE

Mr. STAFFORD. Mr. President, I ask the distinguished minority leader if we may proceed to the nomination of Paul Freedenberg.

Mr. BYRD. Yes, Mr. President. We are ready on this side of the aisle.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the nomination of Paul Freedenberg, of Maryland, to be an Assistant Secretary of Commerce for Trade Administration, be jointly referred to the Committee

on Finance and the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMISSION—MESSAGE FROM THE PRESIDENT—PM 81

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with Section 5347(e) of Title 5 of the United States Code, I hereby transmit the 1984 Annual Report of the Federal Prevailing Rate Advisory Committee.

RONALD REAGAN.

THE WHITE HOUSE, *September 20, 1985.*

MESSAGES FROM THE HOUSE

At 1:17 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985.

ENROLLED BILLS PRESENTED

The Secretary of the Senate announced that on yesterday, September 19, 1985, she had presented to the President of the United States the following enrolled bills:

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; and

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 207. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1567, the Water Resources Development Act of 1985.

S. Res. 216. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 801.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

Susan Meredith Phillips of Iowa, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1990;

Susan Meredith Phillips, of Iowa, to be Chairman of the Commodity Futures Trading Commission;

Larry L. DeVuyst, of Michigan, to be a Member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1991; and

Vance L. Clark, of California, to be Administrator of the Farmers Home Administration.

(The above nominations were reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. EAGLETON, and Mr. RIEGLE):

S. 1672. A bill to establish an Export Promotion and Information Center; to the Committee on Government Affairs.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1673. A bill to amend the False Claims Act to strengthen the Government's enforcement; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1674. A bill to improve the resolution of contracts disputes in the Federal courts; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. Laxalt, and Mr. MCCONNELL) (by request):

S. 1675. A bill to amend title 31 of the United States Code to strengthen the remedies available when bribery is involved in contracts, grants, or other payments; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1676. A bill to amend the Federal Rules of Criminal Procedure to clarify the conditions for grand jury disclosure; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1677. A bill to increase the effectiveness of Federal antifraud criminal enforcement; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1678. A bill to amend title 18, United States Code, to protect the use of Federal computer systems against fraud and abuse; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself and Mr. HEINZ):

S. 1679. A bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security; to the Committee on Finance.

By Mr. QUAYLE:

S. 1680. A bill to phase out the honey price support program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DECONCINI:

S. 1681. A bill to authorize appropriations to provide international disaster assistance to the victims of the Mexican earthquake of September 1985; to the Committee on Foreign Relations.

By Mr. BENTSEN:

S. 1682. A bill to provide emergency assistance to Mexican earthquake victims; to the Committee on Foreign Relations.

By Mr. BUMPERS:

S. 1683. A bill to allow payment to be made under part B of medicare to freestanding radiation therapy centers for services provided to hospital inpatients; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 1684. A bill to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma; to the Select Committee on Indian Affairs.

By Mr. MATSUNAGA (for himself and Mr. EVANS):

S. 1685. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself, Mr. WEICKER, Mr. HOLLINGS, and Mr. MURKOWSKI):

S. 1686. A bill entitled the "Renewable Energy/Fuel Cell Systems Integration Act of 1985"; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself, Mr. WEICKER, Mr. HOLLINGS, and Mr. MURKOWSKI):

S. 1687. A bill to develop a national policy for the utilization of fuel cell technology; to the Committee on Environment and Public Works.

By Mr. DURENBERGER (for himself and Mr. BOREN):

S. 1688. A bill to amend the Internal Revenue Code of 1954 to include obligations issued with respect to certain State student

loan programs within the definition of qualified student loan bonds; to the Committee on Finance.

By Mr. STAFFORD (for Mr. HATCH (for himself and Mr. KENNEDY)):

S. 1689. A bill to amend various provisions of the Public Health Service Act;l placed on the calendar.

By Mr. DOMENICI:

S. 1690. A bill for the transfer of certain interests in lands in Dona Ana County, NM, to Dona Ana County, NM, for the use as a fairgrounds; to the Committee on Energy and Natural Resources.

By Mr. McCLURE (for himself, Mr. FORD, Mr. PELL, Mr. NICKLES, Mr. MATSUNAGA, Mr. GLENN, Mr. BENTSEN, Mr. DOLE, Mr. WARNER, Mr. ANDREWS, Mr. SASSER, Mr. HEINZ, Mr. CHAFEE, Mr. MURKOWKI, and Mr. ROTH):

S.J. Res. 205. A joint resolution to designate March 21, 1986, as "National Energy Education Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. STAFFORD (for Mr. DOLE (for himself and Mr. BYRD)):

S. Res. 224. Resolution to authorize the testimony and production of documents by a past employee of the former subcommittee on Investigations and General Oversight of the Committee on Labor and Human Resources; considered and agreed to.

By Mr. STAFFORD (for Mr. DOLE (for himself and Mr. BYRD)):

S. Res. 225. Resolution to authorize representation by the Senate Legal Counsel and testimony of a Senate employee; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. EAGLETON, and Mr. RIEGLE):

S. 1672. A bill to establish an Export Promotion and Information Center; to the Committee on Governmental Affairs.

EXPORT PROMOTION AND INFORMATION CENTER ACT

Mr. BINGAMAN. Mr. President, today I am introducing legislation cosponsored by Senators EAGLETON and RIEGLE to improve the ability of American businesses to export goods and services. My bill will provide export-capable businesses with relevant, up-to-date information on export markets and the export process, a service that can enhance our ability to make foreign sales.

A great deal of attention has been focused on the recent U.S. trade difficulties. We are all familiar with the large and growing trade deficit our country has experienced in the past few years, a deficit so large that we have now become a net debtor nation. Last year our trade deficit was $123.3 billion and already stands at $80.5 billion for the first 7 months of 1985. If present trends continue, it could reach $150 billion by the end of the year.

These numbers spell real hardship for many Americans, Mr. President. The flood of imports and our declining ability to compete in the international economy has resulted in the loss of American jobs and significant cutbacks in many basic industries. Even the computer and semiconductor industries, the flagships of our once dominant high-tech trade, have had to scale back in the face of determined, coordinated competition from abroad.

BACKGROUND

There are many causes of our present trade difficulties: The budget deficit, the overvalued dollar, the lack of a coherent trade policy, targeting and dumping practices of some foreign governments, and nontariff barriers to American products, to name a few. Adding to this, is the fact that Americans have one of the lowest savings rates among the industrialized nations, brought about partly by a tax system that encourages consumption over savings. Since 1960, our productivity growth has been dismal—outstripped by all our major trading partners. Taken together, Mr. President, these facts translate to a declining competitiveness of American industry in the international economy. Our lack of competitiveness has, of course, itself contributed to our rising trade deficit.

The Congress and the American people are faced with several choices to reduce this deficit. We can limit imports, increase exports, or a combination of both. I do not believe that restricting imports will, in the long run, solve our trade problems or benefit the economy. We live in a global economy, and the United States is a major player in that economy. Over 12 percent of our gross national product is derived from international trade.

For a lasting solution, we must have an expansion of our exports, rather than a contraction of imports.

Mr. President, the debate about our trade difficulties has concentrated too much to date on the problem of our increasing imports and too little on the problem of our declining exports. This bill will try to focus attention where it should be. That is on what can be done by American businesses and American Government to help promote the exports of U.S. products and services to customers abroad.

I am introducing a bill today which is designed to help achieve such an expansion by American firms and will assist them to compete more effectively in world markets.

According to the General Accounting Office and the President's Commission on Industrial Competitiveness, only 12 percent of the Nation's approximately 252,000 manufacturers are exporters. Moreover, only 250 firms account for nearly 85 percent of all U.S. exports. At the same time, an estimated 45,000 other firms are capable of exporting, but only 25,000 do so.

Further, it is estimated that 11,000 small, export-capable firms could be induced to try to export if properly approached and assisted, and that the value of exports by such firms could amount to more than $4 billion a year. The major impediment to exporting identified by the GAO was a lack of information about export markets or the export process.

The President's Commission, the GAO, congressional testimony, and the President's Export Council seem to agree that Government data are not organized and systematically brought to the attention of decisionmakers, public and private.

There are presently 15 Government agencies that collect information related to trade. Within the Department of Commerce, for example, there are at least 13 offices that gather trade and export information. The vast reservoirs of information within the Federal Government are not adequately disseminated to those who really need it. One reason for this is that few Government agencies have an identifiable budget for data access activities or personnel to support it. In addition, many potential vendors and users lack knowledge about its availability. Even some experts at the Congressional Research Service, who have been dealing with trade matters for years, many times have difficulty getting specific information.

DETAILS OF BILL

The Export Promotion and Information Center Act will enhance the ability of American businesses to export goods and services by providing to the private sector relevant, up-to-date information on export markets and the export process. The bill provides for direct private sector involvement in determining the type of information collected and disseminated. This bill would charge fees for use of the Center's services includes the requirement that the Center be self-supporting after 6 years. These provisions ensure that the services rendered are wanted in the marketplace.

Specifically, the bill establishes an Export Promotion and Information Center within the Office of the Secretary of Commerce. The Center would be administered by a Director, appointed by the President with the advice and consent of the Senate. The Director will be advised by a Policy Board composed of 16 members, appointed by the President; 10 of whom will be from the private business sector, 2 from the academic community, and 4 from the Federal Government.

The duties of the Center will be to:

Develop and maintain an effective system to monitor, gather, and organize export-related information existing within the Federal Government.

Disseminate the information to business firms in the private sector and State and local development agencies.

Stimulate the private sector to develop information-gathering and disseminating services for use by businesses involved in export related activities.

TYPE OF INFORMATION

The specific type of information collected and disseminated should reflect a consensus among industry trade associations, State and local government agencies dealing with trade matters and the private information industry about what is really needed and by whom.

Broadly speaking, information would include data organized by industry sectors and country markets. It would be developed following extensive private sector consultation and should include things such as:

Country data, economic/demographic, business practices, tariffs, trade barriers.

Such information as: Business contract—customers, consultants, commercial and government contacts, and trade associations.

It should include such information about the industry sector as market size, current opportunities, specifications and standards, competitors, and distribution network for different products.

ROLE OF STATE AND LOCAL GOVERNMENT AGENCIES

Many State and local governments are actively promoting export-related activities and encouraging foreign investment in their States. Depending on the State, these efforts have begun to bear fruit. Results, however, vary widely from State to State. California attributes 9.7 percent of its employment to export-related businesses, and Texas 7.3 percent. My own State of New Mexico, on the other hand, ranks 48th as an exporter with only 0.9 percent of the labor force related to exports.

One of the main users of the Export Promotion and Information Center would be the State and local development agencies, which in turn would provide service to the firms involved in export activities. The States are part of the National Association of State Development Agencies [NASDA], which maintains close contact with State and local agencies and provides them with available information.

FUNDING

The bill authorizes a decreasing level of funding beginning with $5 million for the first year, dropping to $1.9 million by the sixth-year. The difference between the operating costs and the authorization must be made up from fees charged for the services provided by the Center. All Government funding will cease by the end of the sixth year.

I would like to point out Mr. President, that one of the recommendations of the President's Commission on Industrial Competitiveness was the establishment of a system to more effectively disseminate relevant information to enhance the competitiveness of American firms in foreign markets. The establishment of the Export Promotion and Information Center would accomplish this.

In conclusion, let me emphasize that much more needs to be done to correct our trade problems than this bill alone. Can we accomplish a coherent trade policy, we need enforcement of our trade laws and, we need greater exports by our businesses. Additionally, we need to deal directly with the cause of the overvalued dollar, which is, I believe, by most account by consensus among economists, the Federal budget deficit.

I have already introduced legislation, S. 450, which seeks to establish a trade policy through the creation of a Presidential Trade Commission. I have also introduced, S. 1476, along with Senator MITCHELL, which seeks to improve our trade remedy laws. I am introducing today legislation to assist U.S. businesses to expand their exports.

I encourage my colleagues to support the legislation, as well as these other bills I have introduced. Only with a comprehensive approach can we begin to solve our trade problems.

Mr. President, I ask unamimous consent that a copy of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Export Promotion and Information Center Act".

FINDINGS AND PURPOSE

SEC. 2. The Congress finds that—

(1) the expansion of United States participation in international trade through promotion of American exports of goods and services is a principal national goal;

(2) the expansion of United States participation in international trade will improve the general welfare of the people of the United States by increasing demand for American products and services, creating jobs, and maintaining the competitive position of American business firms in the world economy;

(3) The Federal Government can enhance the ability of United States businesses to compete in foreign markets by developing an effective system of monitoring, organizing, and disseminating export related information to those business firms that could most benefit from such information;

(4) export related information within the Federal Government is widely dispersed among many agencies and departments making it difficult for business firms in the private sector and for State and local development agencies to obtain up-to-date, relevant export related information;

(5) only a small fraction of the Nation's manufacturers are exporters and a major impediment to expanding export activity for many firms is the lack of information about export markets and the export process; and

(6) the consolidation of Government functions relating to the—

(A) gathering,

(B) processing, and

(C) dissemination to the private sector, of export related information will encourage and assist United States firms in competing more effectively in the international economy.

(b) The purpose of this Act is to—

(1) develop an effective system of monitoring, gathering, organizing, and disseminating export related information to United States business firms, industry associations, State and local government economic development agencies, and other interested parties who could most benefit from such information;

(2) establish an Export Promotion and Information Center which will—

(A) develop and maintain an effective system to monitor, gather, and organize export related information existing within the Federal Government;

(B) disseminate such information to those groups and individuals described in paragraph (1); and

(C) stimulate the private sector to develop information gathering and disseminating services for use by businesses involved in export related activities.

ESTABLISHMENT OF CENTER

SEC. 3. (a)(1) There is hereby established within the Office of the Secretary of Commerce the Export Promotion and Information Center which shall be administered by the Director of the Export Promotion and Information Center (hereinafter in this section referred to as the "Director").

(2) The Director shall be appointed by the President, by and with the advice and consent of the Senate. Such appointment may be made only after the President has received and considered the recommendations of the Export Promotion and Information Policy Board regarding such appointment.

(b)(1) The Director shall—

(A) develop and maintain an effective system which—

(i) monitors and organizes information relating to international trade gathered by the departments, agencies, and officials described in subparagraph (B) which could be of assistance to business firms in the private sector that are engaged in export related activities, and

(ii) organizes such information into the form which is most useful to business firms in the private sector that are engaged in export related activities, and

(iii) disseminates such information in a timely manner to business firms in the private sector that are engaged in export related activities; and

(B) notwithstanding any other provision of law, coordinate the gathering and dissemination of international trade information conducted by the departments and agencies of the Federal Government and by state and local governments, including (but

not limited to) such activities conducted by—

(i) the Director General of the United States and Foreign Commercial Service of the Department of Commerce,

(ii) the Assistant Secretary of Commerce for International Economic Policy,

(iii) the Assistant Secretary of Commerce for Trade Administration,

(iv) the Assistant Secretary of Commerce for Trade Development,

(v) the Director of the Minority Business Development Agency of the Department of Commerce,

(vi) the Director of the Bureau of the Census of the Department of Commerce,

(vii) the Director of the Bureau of Economic Analysis of the Department of Commerce,

(viii) the Administrator of the National Oceanic and Atmospheric Administration of the Department of Commerce,

(ix) the Administrator of the Energy Information Administration of the Department of Energy,

(x) the Deputy Under Secretary of Labor for International Affairs,

(xi) the Under Secretary of State for Economic Affairs,

(xii) the Assistant Secretary of State for Public Affairs,

(xiii) the Administrator of the Agency for International Development of the United States International Development Cooperation Agency,

(xiv) the Director of the Trade and Development Progam of the United States International Development Cooperation Agency,

(xv) the Commissioner of the Internal Revenue Service of the Department of the Treasury,

(xvi) the Administrator of the Small Business Administration,

(xvii) the United States Trade Representative,

(xviii) the Export-Import Bank of the United States,

(xix) the Overseas Private Investment Corporation, and

(xx) the United States International Trade Commission.

(2) The information system required under paragraph (1)(A) shall be designed to utilize state-of-the-art data processing and retrieval equipment and to monitor, organize, analyse, and disseminate—

(A) information on each foreign country such as—

(i) the general economic conditions and demographics,

(ii) common business practices,

(iii) tariffs and trade barriers, and

(iv) other laws and regulations regarding imports and licensing,

(B) information on specific industrial sectors within each foreign country such as—

(i) size of the market,

(ii) distribution of products,

(iii) competition,

(iv) applicable laws, regulations, specificiations, and standards,

(v) consultants,

(vi) appropriate government officials, and

(vii) trade associations, and

(C) information on specific business opportunities in each foreign country.

(c) The Director shall employ such personnel as may be necessary to assist the Director in carrying out his duties.

(d)(1) There is hereby established the Export Promotion and Information Policy Board which shall provide advice to the Director on—

(A) the establishment and maintenance of the information system required under subsection (b)(1)(A),

(B) the policy and operation of the Export Promotion and Information Center, and

(C) any other matter relating to the duties of the Director.

(2) The Export Promotion and Information Policy Board shall consist of—

(A) the Secretary of Commerce, or a delegate of the Secretary of Commerce,

(B) the Under Secretary of Commerce for International Trade,

(C) the Chairman of the Board of the Overseas Private Investment Corporation,

(D) the United States Trade Representative, and

(E) 12 individuals appointed by the President of which—

(i) 10 shall be representatives of the private business sector, and

(ii) 2 shall be representatives of the academic community who have demonstrated a broad understanding of—

(I) the United States economy, and

(II) the position of the United States in the world economy.

(3)(A) Except as provided in subparagraph (B), the term of office for each individual appointed under paragraph (2)(E) shall be 3 years.

(B) Of the initial members of the Export Promotion and Information Policy Board appointed under paragraph (2)(E)—

(i) 4 shall have a term of office of 1 year,

(ii) 4 shall have a term of office of 2 years, and

(iii) 4 shall have a term of office of 3 years. The President shall specify the length of the term of each of such members at the time of appointment.

(4) The Chairman of the Export Promotion and Information Policy Board shall be elected by the members of such Board from among the members of such Board.

(5) Members of the Export Promotion and Information Policy Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other expenses incurred by such members in the performance of their duties.

(6) The following provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix 2) shall not apply to the Export Promotion and Information Policy Board:

(A) section 7(d)(1),

(B) section 8(b)(1),

(C) section 9(c),

(D) subsections (e) and (f) of section 10, and

(E) section 14.

(e) The head of each department and agency of the Federal Government, including (but not limited to) each individual or entity listed in subsection (b)(1)(B), shall cooperate with the Director and shall provide such information and such assistance to the Director as the Director may determine to be useful in carrying out his duties.

(f)(1) Beginning on October 1, 1986, the Director shall charge each person who uses the services of the Export Promotion and Information Center a fee for the use of such services.

(2)(A) By no later than September 1 of 1986, and of each calendar year thereafter, the Director shall prescribe and publish in the Federal Register the schedule of fees which will be charged for use of the services of the Export Promotion and Information Center during the fiscal year beginning on October 1 of such calendar year.

(B) The fees prescribed under subparagraph (A) shall be in an amount sufficient to ensure that the aggregate revenue from such fees during the fiscal year will exceed the following percentage of the estimated operating expenses of the Export Promotion and Information Center for the fiscal year succeeding the fiscal year in which such fees are charged:

Fees charged in fiscal year:	Percentage of expenses in next fiscal year:
1986	12
1987	24
1988	36
1989	49
1990	62
1991	75

(g)(1) There is established in the Treasury of the United States a trust fund to be known as the Export Promotion and Information Trust Fund (hereinafter in this section referred to as the "Trust Fund"), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this subsection.

(2)(A) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to amounts received into such general fund that are attributable to fees charged under subsection (f).

(B) The amounts which are required to be transferred under subparagraph (A) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis on estimates made by the Secretary of the Treasury of the amounts referred to in subparagraph (A) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(3)(A) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall submit to the Congress during fiscal year 1986, and each fiscal year thereafter, a report on the financial condition of the Trust Fund during the preceding fiscal year and on its expected condition and operations during such fiscal year and the succeeding fiscal year. Such report shall be printed as a House document of the sesson of the Congress to which the report is made.

(B)(i) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

(I) on original issue at the issue price, or

(II) by purchase of outstanding obligations at the market price.

(ii) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(iii) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(4) Amounts in the Trust Fund shall only be available for making expenditures, as provided by appropriations Acts, to carry out the purposes of this section.

(h)(1) For purposes of carrying out the provisions of this section, there are authorized to be appropriated out of the general fund of the Treasury of the United States—

(A) $5,000,000 for fiscal year 1986.
(B) $5,000,000 for fiscal year 1987.
(C) $4,400,000 for fiscal year 1988.
(D) $3,800,000 for fiscal year 1989.
(E) $3,200,000 for fiscal year 1990.
(F) $2,550,000 for fiscal year 1991 and
(G) $1,900,000 for fiscal year 1992.

(2) There are authorized to be appropriated out of the Trust Fund for each of the fiscal years 1987, 1988, 1989, 1990, and 1991, such sums as may be necessary to carry out the provisions of this section for such fiscal year.

(i) The Export Promotion and Information Center shall terminate on September 30, 1992.

(j) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director of the Export Promotion and Information Center, Department of Commerce.".

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. EAST, Mr. HATCH, Mr. LAXALT, and Mr. MCCONNELL) (by request):

S. 1673. A bill to amend the False Claims Act to strengthen the Government's enforcement; to the Committee on the Judiciary.

S. 1674. A bill to improve the resolution of contracts disputes in the Federal courts; to the Committee on the Judiciary.

S. 1675. A bill to amend title 31 of the United States Code to strengthen the remedies available when bribery is involved in contracts, grants, or other payments; to the Committee on the Judiciary.

S. 1676. A bill to amend the Federal Rules of Criminal Procedure to clarify the conditions for grand jury disclosure; to the Committee on the Judiciary.

S. 1677. A bill to increase the effectiveness of Federal antifraud criminal enforcement; to the Committee on the Judiciary.

S. 1678. A bill to amend title 18, United States Code, to protect the use of Federal computer systems against fraud and abuse; to the Committee on the Judiciary.

ANTIFRAUD LEGISLATION

Mr. THURMOND. Mr. President, on behalf of the administration, I am introducing several bills aimed at controlling waste, fraud, and abuse in Government procurement contracts and in other Federal programs. I share the administration's belief this may be the most important legislative initiative Congress could enact in this area.

In our attempts to reduce Government spending and to bring the Federal deficit under control, the Government must ensure that it receives the full value for its procurement dollars. It is essential that we eliminate the excessive and wasteful costs that result from inflated profit margins, unnecessary cost overruns, and outright fraud in Government contracts.

Mr. President, the six bills I am introducing are part of the administration's antifraud enforcement initiative announced by the Attorney General on Monday. The Department of Justice and the Attorney General are to be commended for initiating this legislative effort. These bills, along with other legislation to be introduced by Senator ROTH on behalf of the administration, are designed to strengthen the ability of the Government to detect and prosecute fraud in Government programs. The legislation will update old laws, close loopholes and stiffen penalties so that those who defraud the Government will be put on notice that these fraudulent and illegal practices will be met with swift and aggressive prosecution.

The first bill, entitled the "False Claims Act Amendments of 1985," will stiffen the penalties of the False Claims Act and make needed changes in the act that have developed since the act was first enacted over 120 years ago.

The second bill, entitled the "Federal Courts Improvements Act Amendments of 1985," would eliminate any potential conflict or confusion in Federal court jurisdiction by providing that suits brought to challenge the award of a Government contract be heard exclusively in the U.S. Claims Court.

Another bill, the "Bribes and Gratuities Act of 1985," codifies existing Federal caselaw which permits the Government to void any contract or grant obtained through bribery. Under the administration proposal, the Government could keep any benefits it had received under the tainted contract without obligation and assess the party guilty of bribery with a fine of up to 10 times the amount of the bribe.

The fourth bill, the "Grand Jury Disclosure Act Amendments of 1985," would greatly aid investigative efforts by allowing Government attorneys who are investigating civil cases for the Government, like those investigating cases filed under the False Claims Act, to have access to materials presented to a grand jury in a related criminal prosecution. This legislation will be especially helpful to Government attorneys involved with the civil prosecution of those persons involved in complicated and extensive white collar fraud cases.

The fifth bill, the "Anti-Fraud Criminal Enforcement Act of 1985," would enhance the ability of the Government to detect and punish fraud and abuse in Department of Defense contracts. It would clarify the Department of Defense auditors' right of access to certain books and records of Government contractors. The bill also creates a new offense for obstructing a Federal audit.

Last, the Federal Computers Systems Protection Act of 1985 perfects the provisions relating to computer crime that were enacted by this body as part of the Comprehensive Crime Control Act of 1985. The legislation would further enhance computer system protection by inserting more effective computer crime laws to facilitate prosecution for specific Federal computer offenses.

Mr. President, I am pleased to say that the distinguished ranking member of the committee, Senator BIDEN, as well as other members of the committee, have joined with me in introducing these bills by request. I ask unanimous consent that the text of the bills and brief accompanying materials be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "False Claims Act Amendments of 1985".

SEC. 2. Section 3729 of title 31, United States Code, is amended by—

(1) inserting "(a)" immediately before "A person";

(2) striking out "$2,000" and inserting in lieu thereof "$5,000";

(3) striking out "not a member of the armed forces of the United States" the first place it appears;

(4) inserting "including consequential damages as defined in subsection (b)" after "an amount equal to 2 times the amount of damages";

(5) strike out "or" at the end of clause (5);

(6) strike out the period in clause (6) and insert in lieu thereof "; or"; and

(7) inserting at the end thereof the following:

"(7) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government.

"(b)(1) Consequential damages as used in subsection (a) shall include damages which the United States would not have sustained but for—

"(A) the doing or commission of any of the acts prohibited by subsection (a); or

"(B) having entered into or made any contract or grant as a result of any material part of any false statement.

"(2) Any credits to which the defendant establishes entitlement may be deducted from the amount payable under subsection (a) only after the damages sustained by the United States have been doubled as set forth in such subsection.

"(3) If any portion of the damages sustained by the United States under paragraph (1) is considered reasonably unforeseeable by the court, the court may reduce by not more than 25 percent the total amount of damages payable under such paragraph.

"(c) For purposes of this section, the terms 'knowing' and 'knowingly' mean the defendant—

"(1) had actual knowledge; or

"(2) had constructive knowledge in that the defendant had reason to know that the claim or statement was false or fictitious;

and no proof of intent to defraud or proof of any other element of a claim for fraud at common law is required.

"(d) For purposes of this section, 'claim' includes any request or demand whether under a contract or otherwise for money or property which is made to a contractor, grantee, or other recipient if the Government provides any portion of the money or property which is requested or demanded or if the Government will reimburse such contractor, grantee, or other recipient for any portion of the money or property which is requested or demanded.

"(e)(1) The Attorney General or his designee may apply for provisional relief to any district court having jurisdiction pursuant to section 3732 whenever he has reasonable cause to believe this section or section 3730, or 3731 may have been violated. If the court finds there is a reasonable likelihood that the United States will prevail after trial on the merits of its claims, the court shall enjoin the defendant from taking any action which the court, in the exercise of its discretion, finds reasonably likely to hinder or delay the United States in the collection of any judgment which may be obtained in such action.

"(2) In addition, the court may from time to time make such other orders as it deems appropriate, including requiring the defendant to post security for judgment, to seek the prior approval of the court before making any transfer without an adequate and full consideration, paying an antecedent debt which has matured more than thirty days prior to the date of payment, or otherwise engaging in any transaction not in the usual and regular course of the defendant's business. Except as provided in this section, such application and proceedings by the Attorney General shall be governed by Rule 65 of the Federal Rules of Civil Procedure.".

SEC. 3. Section 3730 of title 31, United States Code, is amended by—

(1) striking out "$2,000" in subsection (a) and inserting in lieu thereof "$5,000"; and

(2) striking out "The district courts of the United States have jurisdiction of the action. Trial is in the judicial district within whose jurisdictional limits the person charged with a violation is found or the violation occurs." in subsection (b)(1).

SEC. 4. Section 3731 of title 31, United States Code, is amended by—

(1) inserting before the period at the end of subsection (b) the following: "or within three years from the date when facts material to the right of action are known or reasonable should have been known by the official within the Department of Justice charged with responsibility to act in the circumstances, whichever occurs last"; and

(2) inserting after subsection (b), the following new subsections:

"(c) In any action brought under this section or section 3729, 3730, 3732, or 3733, the United States shall be required to prove all essential elements of the cause of action, including damages, by a preponderance of the evidence.

"(d) Notwithstanding any contrary provision of law, the Federal Rules of Criminal Procedure, or the Federal Rules of Evidence, a final judgment rendered in favor of the United States in any criminal proceeding charging fraud or false statements, whether upon a verdict after trial or upon a plea of guilty or nolo contendere, shall estop the defendant from denying the essential elements of the offense in any action brought by the United States pursuant to this section or section 3729, 3730, 3732, or 3733.".

SEC. 5. (a) Subchapter III of chapter 37 of title 31, United States Code, is amended by adding at the end thereof the following:

"§ 3732. False claims jurisdiction

"(a) The district courts of the United States and for Puerto Rico, the Virgin Islands, Guam, and any territory or possession of the United States shall have jurisdiction over any action commenced by the United States under this section, or under section 3729, 3730, 3731, or 3733 and venue of any such action shall be proper in any district in which any defendant, or in the case of multiple defendants, any one defendant can be found, resides, transacts business, or in which any act prescribed by such sections is alleged by the United States to have occurred. A summons as required by the Federal Rules of Civil Procedure shall be issued by the district court and served at any place within the United States, Puerto Rico, the Virgin Islands, Guam, any territory or possession of the United States, or in any foreign country.

"(b) The United States Court of Claims shall also have jurisdiction of any such action if the action is asserted by way of counterclaim by the United States. The United States may join as additional parties in such counterclaim all persons who may be jointly and severally liable with such party against whom a counterclaim is asserted by reason of having violated this section, or section 3729, 3730, 3731, or 3733, except that no cross-claims or third-party claims shall be asserted among such additional parties unless such claims are otherwise within the jurisdiction of the United States Court of Claims.

"§ 3733. Civil investigative demands

"(a) For purposes of this section, the term—

"(1) 'False Claims Act law' means—

"(A) this section and sections 3729 through 3731 of this title, 96 Stat. 978-979, commonly known as the False Claims Act; and

"(B) any Act of Congress enacted after this section which prohibits, or makes available to the United States in any court of the United States any civil remedy with respect to any false claim, bribery, or corruption of any officer or employee of the United States;

"(2) 'False Claims Act investigation' means any inquiry conducted by any False Claims Act investigator for the purpose of ascertaining whether any person is or has been engaged in any violation of a False Claims Act law;

"(3) 'False Claims Act investigator' means any attorney or investigator employed by the Department of Justice who is charged with the duty of enforcing or carrying into effect any False Claims Act law or any officer or employee of the United States acting under direction and supervision of such attorney or investigator in connection with a False Claims Act investigation;

"(4) 'person' means any natural person, partnership, corporation, association, or other legal entity, including any State or political subdivision;

"(5) 'documentary material' includes the original or any copy of any book, record, report, memorandum, paper, communication, tabulation, chart, or other document, or data compilations stored in or accessible through computer or other information retrieval systems, together with instructions and all other materials necessary to use or interpret such data compilations, and any product or discovery;

"(6) 'custodian' means the custodian, or any deputy custodian, designated by the Attorney General; and

"(7) 'product of discovery' includes without limitation the original or duplicate of any deposition, interrogatory, document, thing, result of the inspection of land or other property, examination, or admission obtained by any method of discovery in any judicial litigation or administrative litigation of an adversarial nature; any digest, analysis, selection, compilation, or any derivation thereof; and any index or manner of access thereto.

"(b)(1) Whenever the Attorney General, the Deputy Attorney General, or an Assistant Attorney General has reason to believe that any person may be in possession, custody, or control of any documentary material, or may have any information relevant to a False Claims Act investigation, he may, prior to the institution of a civil proceeding, issue in writing and cause to be served upon such person, a civil investigative demand requiring such person to produce such documentary material for inspection and copying, to answer in writing written interrogatories, to give oral testimony concerning documentary material or information, or to furnish any combination of such material, answers, or testimony. Whenever a civil investigative demand is an express demand for any product of discovery, the Attorney General, the Deputy Attorney General, or an Assistant Attorney General shall cause to be served, in any manner authorized by this section, a copy of such demand upon the person from whom the discovery was obtained and notify the person to whom such demand is issued of the date on which such copy was served.

"(2)(A) Each such demand shall state the nature of the conduct constituting the alleged violation of a False Claims Act law which is under investigation, and the applicable provision of law.

"(B) If such demand is for production of documentary material, the demand shall—

"(i) describe each class of documentary material to be produced with such definiteness cnd certainty as to permit such material to be fairly identified;

"(ii) prescribe a return date for each such class which will provide a reasonable period of time within which the material so demanded may be assembled and made available for inspection, and copying; and

"(iii) identify the False Claims Act investigator to whom such material shall be made available.

"(C) If such demand is for answers to written interrogatories, the demand shall—

"(i) set forth with definiteness and certainty the written interrogatories to be answered;

"(ii) prescribe dates at which time answers to written interrogatories shall be submitted; and

"(iii) identify the False Claims Act investigator to whom such answers shall be submitted.

"(D) If such demand is for the giving of oral testimony, the demand shall—

"(i) prescribe a date, time, and place at which oral testimony shall be commenced; and

"(ii) identify a False Claims Act investigator who shall conduct the examination and the custodian to whom the transcript of such examination shall be submitted.

Any such demand which is an express demand for any product of discovery shall not be returned or returnable until twenty

days after a copy of such demand has been served upon the person from whom the discovery was obtained.

"(C)(1) No such demand shall require the production of any documentary material, the submission of any answers to written interrogatories, or the giving of any oral testimony if such material, answers, or testimony would be protected from disclosure under—

"(A) the standards applicable to subpoenas or subpoenas duces tecum issued by a court of the United States to aid in a grand jury investigation; or

"(B) the standards applicable to discovery requests under the Federal Rules of Civil Procedure, to the extent that the application of such standards to any such demand is appropriate and consistent with the provisions and purposes of this section and sections 3729 through 3731.

"(2) Any such demand which is an express demand for any product of discovery supersedes any inconsistent order, rule, or provision of law (other than this section) preventing or restraining disclosure of such product of discovery to any person. Disclosure of any product of discovery pursuant to any such express demand does not constitute a waiver of any right or privilege which may be invoked to resist discovery of trial preparation materials to which the person making such disclosure may be entitled.

"(d)(1) Any such demand may be served by any False Claims Act investigator, or by any United States Marshal or Deputy Marshal, at any place within the United States.

"(2) Any such demand or any petition filed under subsection (k) may be served upon any person who is not found within the United States, in such manner as the Federal Rules of Civil Procedures prescribe for service in a foreign country. To the extent that the courts of the United States can assert jurisdiction over such person consistent with due process, the United States District Court for the District of Columbia shall have the same jurisdiction to take any action respecting compliance with this section by such person that such court would have if such person were personally within the jurisdiction of such court.

"(e)(1) Service of any such demand or of any petition filed under subsection (k) may be made upon a partnership, corporation, association, or other legal entity by—

"(A) delivering an executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity;

"(B) delivering an executed copy thereof to the principal office or place of business of the partnership, corporation, or entity to be served; or

"(C) depositing such copy in the United States mails, by registered or certified mail, return receipt requested, addressed to such partnership, corporation, association, or entity at its principal office or place of business.

"(2) Service of any such demand or of any petition filed under subsection (k) may be made upon any natural person by—

"(A) delivering an executed copy thereof to the person to be served; or

"(B) depositing such copy in the United States mails by registered or certified mail, return receipt requested, addressed to such person at his residence or principal office or place of business.

"(f) A verified return by the individual serving any such demand or petition setting forth the manner of such service shall be proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand.

"(g) The production of documentary material in response to a demand served pursuant to this section shall be made under a sworn certificate, in such form as the demand designates, by the person, of a natural person, to whom the demand is directed or, if not a natural person, by a person having knowledge of the facts and circumstances relating to such production and authorized to act on behalf of such person. The certificate shall state that all of the documentary material required by the demand and in the possession, custody, or control of the person to whom the demand is directed has been produced and made available to the custodian.

"(h) Each interrogatory in a demand served pursuant to this section shall be answered separately and fully in writing under oath unless it is objected to, in which event the reasons for the objection shall be stated in lieu of any answer, and it shall be submitted under a sworn certificate, in such form as the demand designates, by the person, if a natural person, to whom the demand is directed or, if not a natural person, by a person or persons responsible for answering each interrogatory. The certificate shall state that all information required by the demand and in the possession, custody, control, or knowledge of the person to whom the demand is directed has been submitted. To the extent that any materials are not furnished, they shall be identified and reasons set forth with particularity for each.

"(i)(1) The examination of any person pursuant to a demand for oral testimony served under this section shall be taken before an officer authorized to administer oaths and affirmations by the laws of the United States or of the place where the examination is held. The officer before whom the testimony is to be taken shall put the witness on oath or affirmation and shall personally, or by someone acting under his direction and in his presence, record the testimony of the witness. The testimony shall be taken stenographically and transcribed. When the testimony is fully transcribed, the officer before whom the testimony is taken shall promptly transmit a copy of the transcript of the testimony to the custodian. This subsection shall not preclude the taking of testimony by any means authorized by, and in a manner consistent with, the Federal Rules of Civil Procedure.

"(2) The False Claims Act investigator conducting the examination shall exclude from the place where the examination is held all other persons except the person being examined, his counsel, the officer before whom the testimony is to be taken, and any other stenographer taking such testimony.

"(3) The oral testimony of any person taken pursuant to a demand served under this section shall be taken in the judicial district of the United States within which such person resides, is found, or transacts business, or in such other place as may be agreed upon by the False Claims Act investigator conducting the examination and such person.

"(4) When the testimony is fully transcribed, the False Claims Act investigator or the officer shall afford the witness, who may be accompanied by counsel, a reasonable opportunity to examine the transcript and the transcript shall be read to or by the witness, unless such examination and reading are waived by the witness. Any changes in form or substance which the witness desires to make shall be entered and identified upon the transcript by the officer or the False Claims Act investigator with a statement of the reasons given by the witness for making such changes. The transcript shall then be signed by the witness, unless the witness in writing waives the signing, is ill, cannot be found, or refuses to sign. If the transcript is not signed by the witness within thirty days after his being afforded a reasonable opportunity to examine it, the officer or the False Claims Act investigator shall sign it and state on the record the fact of the waiver, illness, absence of the witness, or the refusal to sign, together with the reason, if any, given therefor. A refusal to sign or an unreasonable absence shall be deemed to be an acknowledgment of its accuracy and an affirmation of its contents.

"(5) The officer shall certify on the transcript that the witness was sworn by him and that the transcript is a true record of the testimony given by the witness, and the officer or False Claims Act investigator shall promptly deliver it or send it by registered or certified mail to the custodian.

"(6) Upon payment of reasonable charges therefor, the False Claims Act investigator shall furnish a copy of the transcript to the witness only, except that the Attorney General, the Deputy Attorney General, or an Assistant Attorney General may, for good cause, limit such witness to inspection of the official transcript of his testimony.

"(7)(A) Any person compelled to appear under a demand for oral testimony pursuant to this section may be accompanied, represented, and advised by counsel. Counsel may advise such person, in confidence, with respect to any question asked of such person. Such person or counsel may object on the record to any question, in whole or in part, and shall briefly state for the record the reason for the objection. An objection may be properly made, received, and entered upon the record when it is claimed that such person is entitled to refuse to answer the question on grounds of any constitutional or other legal right or privilege, including the privilege against self-incrimination. Such person shall not otherwise object to or refuse to answer any question, and shall not by himself or through counsel otherwise interrupt the oral examination. If such person refuses to answer any question, the False Claims Act investigator conducting the examination may petition the district court of the United States pursuant to subsection (k)(1) for an order compelling such person to answer such question.

"(B) If such person refuses to answer any question on the grounds of the privilege against self-incrimination, the testimony of such person may be compelled in accordance with the provisions of part V of title 18, United States Code.

"(8) Any person appearing for oral examination pursuant to a demand served under this section shall be entitled to the same fees and mileage which are paid to witnesses in the district courts of the United States.

"(j)(1) The Attorney General, or his authorized designee shall designate a False Claims Act investigator to serve as custodian of documentary material, answers to interrogatories, and transcripts of oral testimony received under this section, and such additional False Claims Act investigators as he shall determine from time to time to be necessary to serve as deputies to such officer.

"(2) Any person upon whom any demand under subsection (b)(1) for the production of documentary material has been served shall make such material available for inspection and copying to the False Claims Act investigator designated therein at the principal place of business of such person, or at such other place as such False Claims Act investigator and such person thereafter may agree and prescribe in writing, or as the court may direct pursuant to subsection (k)(1) on the return date specified in such demand, or on such later date as such custodian may prescribe in writing. Such person may, upon written agreement between such person and the custodian, substitute copies for originals of all or any part of such material.

"(3)(A) The False Claims Act investigator to whom any documentary material, answers to interrogatories, or transcripts of oral testimony are delivered shall take physical possession thereof, and shall transmit them to the custodian who shall be responsible for the use made thereof and for the return of documentary material pursuant to this section.

"(B) The custodian may cause the preparation of such copies of such documentary material, answers to interrogatories, or transcripts of oral testimony as may be required for official use by any authorized official or employee of the Department of Justice or any authorized officer or employee of the United States acting under the direction and supervision of an attorney or investigator of the Department of Justice in connection with any False Claims Act investigation, under regulations promulgated by the Attorney General. Notwithstanding subparagraph (C) of this subsection, such material, answers, and transcripts may be used by any such person in connection with the taking of oral testimony pursuant to this section.

"(C) Except as otherwise provided in this section, while in the possession of the custodian, no documentary material, answers to interrogatories, or transcripts of oral testimony, or copies thereof, so produced shall be available for examination, without the consent of the person who produced such material, answers, or transcripts, and, in the case of any product of discovery produced pursuant to an express demand for such material, of the person from whom the discovery was obtained, by any individual other than an authorized official or employee of the Department of Justice, or an authorized officer or employee of the United States acting under the direction and supervision of an attorney or investigator of the Department of Justice in connection with any False Claims Act investigation. Nothing in this section is intended to prevent disclosure to either body of the Congress or to any authorized committee or subcommittee thereof, or to any other agency of the United States for use by such agency in furtherance of its statutory responsibilities.

"(D) While in the possession of the custodian and under such reasonable terms and conditions as the Attorney General shall prescribe—

"(i) documentary material and answers to interrogatories shall be available for examination by the person who produced such material or answers, or by an authorized representative of such person; and

"(ii) transcripts of oral testimony shall be available for examination by the person who produced such testimony, or his counsel.

"(4) Whenever any attorney of the Department of Justice has been designated to appear before any court, grand jury, or Federal administrative or regulatory agency in any case or proceeding, the custodian of any documentary material, answers to interrogatories, or transcripts of oral testimony may deliver to such attorney such material, answers, or transcripts for official use in connection with any such case, grand jury, or proceeding as such attorney determines to be required. Upon the completion of any such case, grand jury, or proceeding, such attorney shall return to the custodian any such material, answers, or transcripts so delivered which have not passed into the control of such court, grand jury, or agency through the introduction thereof into the record of such case or proceeding.

"(5) If any documentary material has been produced in the course of any False Claims Act investigation by any person pursuant to a demand under this section, and—

"(A) any case or proceeding before any court or grand jury arising out of such investigation, or any proceeding before any Federal administrative or regulatory agency involving such material, has been completed, or

"(B) no case or proceeding in which such material may be used has been commenced within a reasonable time after completion of the examination and analysis of all documentary material and other information assembled in the course of such investigation, the custodian shall, upon written request of the person who produced such material, return to such person any such material (other than copies thereof furnished to the custodian pursuant to paragraph (2) of this subsection or made by the Department of Justice pursuant to paragraph (3)(B) of this subsection) which has not passed into the control of any court, grand jury, or agency through the introduction thereof into the record of such case or proceedings.

"(6) In the event of the death, disability, or separation from service in the Department of Justice of the custodian of any documentary material, answers to interrogatories, or transcripts of oral testimony produced under any demand issued pursuant to this section, or of the official relief of such custodian from responsibility for the custody and control of such material, answers or transcripts, the Attorney General or his authorized designee shall promptly (A) designate another False Claims Act investigator to serve as custodian of such material, answers, or transcripts, and (B) transmit in writing to the person who produced such material, answers, or testimony notice as to the identity and address of the successor so designated. Any successor designated under this subsection shall have, with regard to such material, answers or transcripts, all duties and responsibilities imposed by this Act upon his predecessor in office with regard thereto, except that he shall not be held responsible for any default or dereliction which occurred prior to his designation.

"(k)(1) Whenever any person fails to comply with any civil investigative demand served upon him under subsection (b) or whenever satisfactory copying or reproduction of any such material cannot be done and such person refuses to surrender such material, the Attorney General, through such officers or attorneys as he may designate, may file in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of this section.

"(2)(A) Within twenty days after the service of any such demand upon any person, or at any time before the return date specified in the demand, whichever period is shorter, or within such period exceeding twenty days after service or in excess of such return date as may be prescribed in writing, subsequent to service, by any False Claims Act investigator named in the demand, such person may file, in the district court of the United States for the judicial district within which such person resides, is found, or transacts business, and serve upon such False Claims Act investigator a petition for an order of such court, modifying or setting aside such demand. In the case of a petition addressed to an express demand for any product of discovery, a petition to modify or set aside such demand may be brought only in the district court of the United States for the judicial district in which the proceeding in which such discovery was obtained is or was last pending.

"(B) The time allowed for compliance with the demand, in whole or in part, as deemed proper and ordered by the court shall not run during the pendency of such petition in the court, except that such person shall comply with any portions of the demand not sought to be modified or set aside. Such petition shall specify each ground upon which the petitioner relies in seeking such relief, and may be based upon any failure of such demand to comply with the provisions of this section or upon any constitutional or other legal right or privilege of such person.

"(3) Within twenty days after the service of any express demand for any product of discovery upon, or at any time before, the return date specified in the demand, whichever period is shorter, or within such period exceeding twenty days after service or in excess of such return date as may be prescribed in writing, subsequent to service, by any False Claims Act investigator named in the demand, the person from whom such discovery was obtained may file, in the district court of the United States for the judicial district in which the proceeding in which such discovery was obtained is or was last pending, and serve upon any False Claims Act investigator named in the demand and upon the recipient of the demand, a petition for an order of such court modifying or setting aside those portions of the demand requiring production of any such product of discovery. Such petition shall specify each ground upon which the petitioner relies in seeking such relief and may be based upon any failure of such portions of the demand to comply with the provisions of this section, or upon any constitutional or other legal right or privilege of the petitioner. During the pendency of such petition, the court may stay, as it deems proper, compliance with the demand and the running of the time allowed for compliance with the demand.

"(4) At any time during which any custodian is in custody or control of any documentary material, answers to interrogatories delivered, or transcripts of oral testimony given by any person in compliance with any such demand, such person, and in the case of an express demand for any product of discovery, the person from whom such discovery was obtained, may file, in the district court of the United States for the judicial district within which the office of such custodian is situated, and serve upon such custodian, a petition for an order of such court requiring the performance by such custodian of any duty imposed upon him by this section.

"(5) Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this section. Any final order so entered shall be subject to appeal pursuant to section 1291 of title 28, United States Code. Any disobedience of any final order entered under this section by any court shall be punished as a contempt thereof.

"(6) To the extent that such rules may have application and are not inconsistent with the provisions of this section, the Federal Rules of Civil Procedure shall apply to any petition under this subsection.

"(7) Any documentary material, answers to written interrogatories, or oral testimony provided pursuant to any demand issued under this section and sections 3729 through 3731 shall be exempt from disclosure under section 552 of title 5, United States Code.".

(b) The table of sections for chapter 37 of title 31, United States Code, is amended by adding at the end thereof the following new items:

"3732. False claims jurisdiction.

"3733. Civil investigative demands.".

FALSE CLAIMS ACT AMENDMENTS—SECTION-BY-SECTION ANALYSIS

This bill amends the False Claims Act, 31 U.S.C. 3729 *et seq.*, to clarify certain anomalies and misinterpretations of that statute and make other improvements to strengthen the government's civil fraud enforcement efforts. In addition, these amendments would allow the government to issue Civil Investigative Demands (CIDs) for documents and oral statements when it suspects a contractor or grantee of having violated the False Claims Act.

Section 2 raises the fixed statutory penalty for submitting a false claim from $2,000 to $5,000. The $2,000 figure has remained unchanged since the initial enactment of the False Claims Act in 1863. (§ 2(2) of the bill.)

Second, this section amends the Act to permit the United States to bring an action against a member of the armed forces as well as against civilian employees. When the Act was first enacted in 1863, the military was excluded because the government had available more severe military remedies. However, currently, while we might institute court martial proceedings against a serviceman guilty of fraud, we have no legal ground on which to seek monetary recovery. (§ 2(3).)

Third, the amendment contained in this section permits the government to recover any consequential damages it suffers from the submission of a false claim. For instance, where a contractor has sold the government defective ball bearings for use in military aircraft, the government could recover not only the cost of new ball bearings, but the much greater cost of replacing the defective ball bearings. See, *United States* v. *Aerodex, Inc.*, 469 F.2d 1003 (5th Cir. 1972). There may be a few cases where the demands of justice warrant a limitation on the total damages recoverable by the government, particularly where damages incurred by the government were not reasonably forseeable at the time of the misconduct. To address those situations, the amendment would permit the court, by its own motion, to reduce the amount of any award of consequential damages by not more than 25%. (§ 2(4) and new subsection 3729(b) of title 31.)

Fourth, section 2 clarifies the standard of intent for a finding of a liability under the Act. Under the amendment, a contractor who knew that a claim was false, or who should have known but who acted in reckless disregard of the truth in submitting the false claim, would be equally liable. The amendment specifically repudiates a requirement that the government prove specific intent to defraud, as is required at common law. We believe that this is the better view of the intent of the drafters of the original act and is the majority view in the courts today. Compare *United States* v. *Mead*, 326 F.2d 118 (9th Cir. 1970) (showing of intent required) with *United States* v. *Cooperative Grain and Supply Co.*, 476 F.2d 47 (8th Cir. 1973) (rejects requirement that government prove intent, knowledge sufficient).

The government is extremely dependent on the truthfulness of the representatives of those with whom it does business. This amendment clarifies the confused caselaw to extend liability to those who seek payment from the government without regard to eligibility or who certify information to the government in support of a claim with neither personal knowledge of its accuracy nor reasonable investigative efforts. Persons doing business with the United States should not be permitted to hide behind a shield of self-imposed ignorance. (New subsection 3729(c).)

Fifth, the section provides that an individual who makes a material misrepresentation to avoid paying money owed the government would be equally liable under the Act as if he had submitted a false claim. For instance, the manager of HUD-owned property may falsely understate income and overstate expenses in order to reduce the rental receipts which must be paid to HUD at the end of each month. This amendment would clarify the current split in the caselaw to extend liability to such misrepresentations. (New subparagraph 3729(a)(7).)

Sixth, the amendmet would allow the federal government to sue under the False Claims Act to prosecute frauds perpetrated on certain grantees, states and other recipients of financial assistance. A recent decision, *United States* v. *Azzarelli Construction Co.*, 647 F.2d 757 (7th Cir. 1981), has created some confusion with respect to whether the federal government may recover in grant cases where the federal contribution is a fixed, rather than an open-ended, sum. (New subsection 3729(d).)

Seventh, section 2 creates a new, uniform remedy to permit the government to seek preliminary injunctive relief to bar a defendant from transferring or dissipating assets pending the completion of False Claims Act litigation. Currently, the government's prejudgements attachment remedies are governed by state law. A uniform federal standard would significantly enhance the government's remedies and avoid inconsistent results. (New subsection 3729(e).)

Section 3, in conjunction with section 5, modernizes the jurisdiction and venue provisions of the False Claims Act to permit the government to bring suit not only in the district where the defendant is "found" (the current standard), but also where a violation "occurred". Currently, when multiple defendants live in different districts, the government may be required to bring multiple suits, a time-consuming process that is wasteful of judicial resources.

Section 4, modifies the statute of limitations to permit the government to bring an action within six years of when the false claim is submitted (the current standard) or within three years of when the government learned of a violation, whichever date is later. Because fraud is, by nature, deceptive, such tolling of the statute of limitations is necessary to ensure that the government's rights are not lost through a wrongdoer's successful deception. Currently, the government is limited to pursuing common-law contract remedies in cases where it did not learn of the false claim until longer than six years after its submission. Such common-law legal theories do not permit for double damages. (§ 4(1).)

Second, section 4 clarifies existing caselaw by providing that the government need only prove a violation by a preponderance of the evidence, the ordinary standard in civil litigation. Currently, some courts have required that the United States prove its case by clear and convincing, or even by clear, unequivocal and convincing, evidence, *United States* v. *Ueber*, 299 F.2d 310 (6th Cir. 1962), which we have found to be the functional equivalent of a criminal standard. The False Claims Act is basically a remedial, and not a punitive, statute, *United States ex rel. Marcus* v. *Hess*, 317 U.S. 537 (1943), hence, the traditional preponderance of evidence standard is appropriate. [New subsection 3731(c) of title 31.]

Third, section 4 provides that a nolo contendere plea in a criminal prosecution, like a guilty plea, would estop a defendant from denying liability in a civil suit involving the same transaction. Defendants who cheat the government by making false claims and then enter a *nolo* plea should not be able to relitigate the question for civil purposes. (New subsection 3731(d).)

As noted above, section 5, in conjunction with section 3, amends the jurisdiction and venue provisions of the False Claims Act.

Finally, section 5 grants the government the authority to issue Civil Investigative Demands (CID) when investigating potential violations of the False Claims Act. Under current law, the government cannot gain access to information necessary to determine whether a fraud has been committed unless it files suit and then makes discovery requests. This CID authority is virtually identical to that available to the Antitrust Division under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. 1311-1314.

Where the Assistant Attorney General believes that an individual or corporation has access to information relating to a False Claims Act investigation, he may, prior to the institution of legal proceedings, issue a CID. The demand may require the production of documents, written answers to interrogatories and/or oral testimony. The standards governing subpoenas and ordinary civil discovery shall apply to protect against disclosure of privileged information.

The Antitrust Division is only authorized to share information obtained from CIDs with the Federal Trade Commission, which shares the mission of enforcing the antitrust laws. The authority granted by section 5 is somewhat broader in that it would permit the Justice Department to share information with any other agency of the United States for use in furtherance of that agency's statutory responsibilities.

The Attorney General may enforce compliance with the CID in district court by seeking an order, punishable by contempt. Any such district court order shall be final and, hence, subject to appeal under 28 U.S.C. 1291.

The use of CID authority in the antitrust context has long been upheld against constitutional challenges. *Hyster Company* v. *United States*, 338 F.2d 183 (9th Cir. 1964); Petition of Gold Bond Stamp Company, 221 F. Supp. 391 (D. Minn. 1963), aff'd, 325 F.2d 1018 (8th Cir. 1964). (New section 3733.)

S. 1674

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Courts Improvement Act Amendments of 1985".

FEDERAL COURTS IMPROVEMENT

SEC. 2. (a) Paragraph (3) of subsection (a) of section 1491 of title 28, United States Code, is amended to read as follows:

"(3) To afford complete relief on any claim relating to the award of a Government contract, whether suit is brought before or after the contract is awarded, the court shall have exclusive jurisdiction to grant declaratory judgments and such equitable and extraordinary relief as it deems proper, including, but not limited to, injunctive relief. The district courts shall have no jurisdiction to hear any such claims. In exercising this jurisdiction, the court shall give due regard to the interests of national defense and national security.".

DISTRICT COURT JURISDICTION

SEC. 3. Section 1331 of title 28, United States Code, is amended by—

(1) inserting before "The district courts" the following: "(a)"; and

(2) inserting at the end thereof the following:

"(b) No district court shall have any jurisdiction over—

"(1) any civil action, legal or equitable, against the United States, its officers, or agents, arising out of, or subject to, the Contract Disputes Act of 1978; and

"(2) any claim relating to the award, or proposed award, of a Government contract, whether suit is brought before or after the contract is awarded.".

S. 1675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bribes and Gratuities Act of 1985".

SEC. 2. (a) Title 31, United States Code, is hereby amended by inserting between chapter 37 and chapter 39 the following new chapter:

"CHAPTER 38—BRIBES AND GRATUITIES

"Sec.
"3801. Bribes and gratuities.

"§ 3801. Bribes and gratuities

"(a) Any person—

"(1) who holds, receives, or is awarded a contract, grant, loan, subsidy, license, guaranty, service, or other benefit which is granted, awarded, provided, or paid by any agency of the United States; and

"(2) who, directly or through an agent, representative, or person acting in his behalf, pays, gives, or furnishes, directly or indirectly, a bribe, gratuity, or thing of value to an employee or official of an agency of the United States to obtain or influence the award, grant, providing or payment of any contract, grant or any such service or benefit described in this subsection, or to obtain or influence favorable treatment with respect to amendments to, administration of, or other determinations regarding such contract, grant, service or benefit, shall, in addition to any other remedies or damages, be subject to the sanctions set forth in subsection (b).

"(b)(1) The United States may terminate for cause any contract, grant or other benefit if the authority head, as defined in paragraph (3), finds after notice and hearing, a violation of subsection (a). In addition, the authority head may assess as exemplary damages, an amount not less than three, but not more than ten times the cost of the gratuity, bribe, or thing of value paid, given, or furnished by the contractor, grantee, or other recipient.

"(2) In lieu of the sanctions provided for in paragraph (1), the authority head, after written notice and hearing may—

"(A) declare void and rescind any contract, grant or other benefit affected by a violation of subsection (a);

"(B) retain all benefits or consideration received by the United States; and

"(C) shall be entitled to recover in addition all benefits, consideration or the reasonable value thereof conferred or paid by the United States pursuant to the contract, grant or any such service or benefit described in this subsection.

"(3) For purposes of this chapter—

"(A) 'authority' means—

"(i) an Executive department;

"(ii) a military department;

"(iii) an establishment (as such term is defined in section 11(2) of the Inspector General Act of 1978) which is not an Executive department; and

"(iv) the United States Postal Service;

"(B) 'authority head' means—

"(i) the head of an authority; or

"(ii) an official or employee of the authority designated, in regulations promulgated by the head of the authority, to act on behalf of the head of the authority.

"(c) The authority head shall prescribe by regulations the standards which shall govern the determinations and proceedings provided by this section, provided that the burden of proof shall be by a preponderance of the evidence and provided further that no liability shall arise unless the provisions of subsection (a) are set forth or summarized in the application or written agreement which applies to the contract, grant, service or benefit.".

(b) The table of chapters for title 31, United States Code is amended in subtitle III by inserting between the items relating to chapter 37 and chapter 39, the following:

"38. Bribes and gratuities..... 3801.".

SEC. 3. Section 2207 of title 10, United States Code, is hereby repealed.

SEC. 4. Section 218 of title 18, United States Code, is amended by adding at the end thereof, the following: "Provided, however, that this section shall not apply to any contract, grant, or other government benefit obtained by the payment of a bribe or gratuity as defined in § 3801 of title 31, United States Code."

SEC. 5. Notwithstanding the repeals set forth in this title, any cause of action which arose or existed prior to the effective date of this Act shall not be extinguished and shall be governed by the provisions of those statutes.

S. 1676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Grand Jury Disclosure Amendments Act of 1985".

SEC. 2. (a) Paragraphs (A), (B), and (C) of Rule 6(e)(3) of the Federal Rules of Criminal Procedure are amended to read as follows:

"(A) Disclosure otherwise prohibited by this rule of matters occurring before the grand jury, other than its deliberations and the vote of any grand juror, may be made to—

"(i) any attorney for the government for use in the performance of an attorney for the government's duty to enforce federal criminal or civil law; and

"(ii) such government personnel (including personnel of a State or subdivision of a State) as are deemed necessary by an attorney for the government to assist an attorney for the government in the performance of such attorney's duty to enforce federal criminal law.

"(B) Any person to whom matters are disclosed under subparagraph (A)(ii) of this paragraph shall not utilize that grand jury material for any purpose other than assisting an attorney for the government in the performance of such attorney's duty to enforce federal criminal or civil law. An attorney for the government shall promptly provide the district court, before which was impaneled the grand jury whose material has been so disclosed, with the names of the persons to whom such disclosure has been made, and shall certify that the attorney has advised such persons of their obligation of secrecy under this rule.

"(C) Disclosure otherwise prohibited by this rule of matters occurring before the grand jury may also be made—

"(i) when so directed by a court, upon a showing of particularized need, preliminarily to or in connection with a judicial proceeding;

"(ii) when permitted by a court at the request of the defendant, upon a showing that grounds may exist for a motion to dismiss the indictment because of matters occurring before the grand jury;

"(iii) when the disclosure is made by an attorney for the government to another federal grand jury;

"(iv) when permitted by a court at the request of an attorney for the government, upon a showing that such matters may disclose a violation of State criminal law, to an appropriate official of a State of subdivision of a State for the purpose of enforcing such law; or

"(v) at the request of an attorney for the government, and when so permitted by a court upon a showing of substantial need, to personnel of any department or agency of the United States—

"(I) when such personnel are deemed necessary to provide assistance to an attorney for the Government in the performance of such attorney's duty to enforce Federal civil law, or

"(II) for use in relation to any matter within the jurisdiction of such department or agency.".

(b) The first sentence of subparagraph (D) of rule 6(e)(3) of the Federal Rules of Criminal Procedure is amended to read as follows: "A petition for disclosure pursuant to subdivision (e)(3)(C) (i) or (v) shall be filed in the district where the grand jury convened.".

GRAND JURY DISCLOSURE AMENDMENTS ACT OF 1985

SECTION-BY-SECTION ANALYSIS

On June 30, 1983, the Supreme Court ruled in *United States* v. *Sells Engineering, Inc.* that Department of Justice attorneys handling civil cases are not "attorneys for the government" for the purposes of Rule 6(e) of the Federal Rules of Criminal Procedure. Therefore they may not obtain grand jury materials that pertain to their cases without a court order; and such an order may be granted only upon a showing of "particularized need." The Court further held that the "particularized need" standard was not satisifed by a showing that nondisclosure would cause lengthy delays in litigation or would require substantial duplication of effort.

In a companion case, *United States* v. *Baggot*, the Court further limited federal law enforcement abilities by narrowly defining the purpose for which disclosures may be made. It held that agency proceedings such as civil tax audits are not "preliminary to a judicial proceeding", and thus, no court order may be secured in such cases, no matter how compelling the need.

Law enforcement efforts have been frustrated by the inability to share grand jury materials with Department of Justice (DOJ) civil attorneys or with agencies that contemplate using those materials in administrative or regulatory proceedings such as debarments, suspensions, and civil penalty assessments.

The impact of *Sells* and *Baggot* has been profound. First, the prosecutor is precluded from even advising civil DOJ attorneys or agency authorities of significant criminal activities which they should investigate, sometimes preventing meritorious civil cases from being pursued. Then, if the civil attorneys or agencies do learn of the allegations from non-grand jury sources, they must duplicate virtually the entire criminal investigation—and effort which may not be feasible or, at best, will cause substantial delays and require needless expenditure of effort, time and money. While a precise "damage assessment" is impossible, it is believed that the United States has lost millions of dollars as a result of current restrictions on the ability to share grand jury information for civil enforcement purposes.

Accordingly, this proposal contains amendments to Rule 6(e) designed to overcome the impediments caused by *Sells* and *Baggot* to the government's ability to pursue important non-criminal remedies.

Summary of proposed amendments to Rule 6(e)

The amendments will (1) permit automatic disclosure of grand jury materials to DOJ attorneys for civil purposes without a court order; (2) expand the types of proceedings for which other executive departments and agencies may gain court-authorized disclosure to include not only "judicial proceedings" but also other matters within their jurisdiction, such as adjudicative and administrative proceedings; and (3) reduce the "particularized need" standard for court-authorized disclosure to a lesser standard of "substantial need' in certain circumstances. The amendments also resolve another issue left unanswered by *Sells:* whether the same criminal prosecutor who conducted the grand jury investigation is authorized to present the companion civil case.[1]

Below is a section-by-section analysis of the proposed changes:

6(e)(3)(A)(i): Disclosure to civil DOJ attorneys:

In summary, the changes to section (A)(i) provide for automatic disclosure of matters occurring before the grand jury to all DOJ attorneys for use in either civil or criminal cases without court authorization.

Subparagraph (A)(i) would be amended to substitute "any" attorney for "an" attorney and "an attorney for the government's" for "such attorney's". The amendment to (A)(i) would also add "to enforce federal criminal or civil law."

These changes specifically overrule *Sells* and provide that grand jury materials may be used in civil cases. The amendment also answers the "same attorney" question left undecided in *Sells* by allowing the criminal prosecutor to use grand jury materials in a companion civil case. The change will also remove any doubt that prosecutors can disclose grand jury materials in sentencing memoranda and plea proceedings without first seeking court authorization.

The term "to enforce federal civil law" is to be read broadly; it includes enforcement by DOJ attorneys in all non-criminal actions in which the United States is a party, such as admiralty, immigration, customs and damage suits. Disclosure is not limited by the term "judicial proceeding," but can be made, inter alia, for the sole purpose of an initial review of potential civil liability or to facilitate global dispositions of cases, thus eliminating the barrier to settlements caused by the inability to provide sufficient information for the DOJ civil attorney to evaluate the merits of proposed settlements.

This amendment covers disclosure to attorneys only.[2] If further disclosures to non-attorney personnel such as economists, auditors or agents are necessary to assist in the civil case, a court order must be sought (under new section (C)(v)) as was done before *Sells.*

The proposal recognizes that the primary purpose of a grand jury is, and must remain, to enforce federal criminal laws and in no way alters that well-founded policy. It would therefore be the intent of Congress that the Department issue policy guidelines that restate existing practices and the current case law that a grand jury may not be improperly used to gather evidence for civil purposes. To make the criminal priority explicit, the guidelines will state that the criminal prosecutor has the discretion to decide whether and when to disclose materials to civil attorneys; and further, to decide what materials should be disclosed. The prosecutor can, and often will, delay disclosure until an indictment is returned or a grand jury investigation is completed to protect both the integrity of the grand jury process and the identity of witnesses. Disclosures will be limited to only those materials relevant to the civil case as has always been the practice.

6(e)(3)(B): Disclosure by government personnel who assisted the grand jury to civil DOJ attorneys:

The addition of the words "civil law" will permit personnel to whom disclosure has been made for criminal purposes pursuant to subparagraph (A)(ii) to utilize that material to assist any attorney for the government in enforcing civil law. It will allow civil DOJ attorneys to discuss the evidence not only with the criminal prosecutor, but also with the agents and auditors who worked on the grand jury investigation. Yet the purposes and limitations of (A)(ii) are not changed: disclosure to government personnel without court order will continue to be made only for the purpose of assisting the prosecutor in enforcing federal criminal law; disclosure for civil purposes still cannot be made without court authorization.

The provision simply serves to insure that the civil DOJ attorney's access to grand jury material is meaningful, while not increasing the number of persons to whom disclosure is made without court authorization. The amendment is particularly important in fraud and other complicated cases where agents and accountants have analyzed or audited voluminous documentary evidence and financial records. These persons are obviously more familiar with the intricate details than is the criminal prosecutor. Were they not permitted to explain their work product to the civil DOJ attorney, the purpose of granting access to civil attorneys would be defeated. Such communication may be necessary for the civil attorney to understand the case, to make an informed judgment as to the merits of initiating a civil suit or to enter into negotiations for a concurrent criminal and civil disposition of a matter. Without the amendment, grand jury materials would have to be further disseminated to additional agents and auditors for their analysis and would result in needless delays and duplication of effort.

Again, it is contemplated that the permission and specific authorization of the criminal prosecutor will be required before any person to whom disclosure has been made for criminal purposes may discuss a case with another attorney for civil purposes. The prosecutor will control whether and when disclosure will be made to civil DOJ attorneys under subparagraph (A)(i) and whether and when agents may discuss the case with the civil attorney under this paragraph.

6(e)(3)(C)(i): Court-authorized disclosure for use in judicial proceedings: Particularized need:

This section is amended by the addition of the words "particularized need" to reflect the existing standard for court-authorized disclosures made preliminary to or in connection with a judicial proceeding. While not changing current law, the addition of the term "particularized need" is intended to demonstrate the contrast between this higher standard and the lesser standard of "substantial need" that is required in new section (C)(v), applicable when government agencies seek disclosure with the concurrence of the Department.

This provision will provide the only available method of disclosure for private parties. It can also be used by government agencies when the Justice Department exercises its discretion and declines to request disclosure under new section (C)(v). Those government agencies with independent litigating authority would thus be able, over

[1] We have included in our proposed statute the amendments to Rule 6(d) that were recently transmitted by the Supreme Court to Congress pursuant to the Rules Enabling Acts, and that are due to become effective on August 1, 1985.

[2] The Government has long taken the position, for which there is no contrary case authority, that disclosure to an attorney for the government impliedly permits the attorney to disclose the material to support personnel such as secretaries and paralegals.

our objection, to gain access to grand jury material under this section if they could meet the higher "particularized need" standard.

6(e)(3)(C)(v): Disclosure to government agencies upon request of DOJ and a showing of "substantial need" for matters within the jurisdiction of agencies:

This is an entirely new section intended to cure the *Baggot* problem by eliminating the requirement that court-authorized disclosure must be for use in a "judicial proceeding", and also to overrule *Sells* by reducing the "particularized need" standard to a "substantial need" standard. It applies to government agencies seeking disclosure and governs disclosures by civil DOJ attorneys to persons assisting them in their civil cases.

At the request of an attorney for the government:

This language is intended to insure that this section is applicable only when the Department of Justice requests a disclosure order. The discretion and responsibility will remain with DOJ to screen all requests and balance the agency's need for disclosure against a high duty to preserve the secrecy of the grand jury. If an agency disagrees with a denial, it can seek court approval pursuant to subparagraph (C)(i), where it must demonstrate particularized need.

Upon a showing of substantial need:

This is intended to lessen the "particularized need" standard articulated by the majority in *Sells*. The term is designed to make clear that to whatever extent *Sells* precludes or minimizes a court's consideration of the government's saving time or increasing efficiency in its disclosure determinations, *Sells* no longer applies. Rather, in applying the "substantial need" test, a court would be required to balance the reasons justifying continued grand jury secrecy against the countervailing need for disclosure.

Under this standard, a court could consider a number of factors, including but not limited to, any of the following: (1) the public interest—particularly the protection of the public health or safety—served by disclosure to a governmental body; (2) the burden or cost of duplicating the grand jury investigation; (3) the potential unavailability of witnesses; (4) the fact that the department or agency already has a legitimate independent right to the materials; (5) the avoidance of unnecessary inefficiency or waste of resources; (6) the need to prevent ongoing violations of law; and (7) the expiration of an applicable statute of limitiations. In weighing these considerations, a court would not be able to deny disclosure merely because the agency for whom disclosure is sought may have alternative discovery tools available to it.

On the other hand, the "substantial need" test does not contemplate that a court would become simply a "rubber stamp" for the government's request for disclosure. Review under this standard should require an attorney for the government to make more than a showing of mere convenience or simple relevance to matters within the jurisdiction of the agency.

To personnel of a department or agency:

This applies to personnel of all executive branch departments and agencies as defined in 18 U.S.C. § 6.

When such personnel are deemed necessary . . . [to assist DOJ attorney] . . . to enforce federal civil law.

Disclosures by civil DOJ attorneys to non-attorney assistants, such as agents, auditors, economists and non-DOJ personnel, for aid in the civil case are governed by this new subparagraph. Requiring court authorization for such assistance reflects an intent to return to the pre-*Sells* situation: that civil attorneys have automatic access to materials, but need court authorization for further disclosures to non-lawyers assisting in their civil litigation. Court authorization would not be necessary for ancillary staff assistance such as secretaries and paralegals.

"For use in a matter within the jurisdiction of an agency":

This eliminates *Baggot's* narrow interpretation of "preliminary to a judicial proceeding" and makes clear that an agency's administrative, enforcement and other non-judicial proceedings are included. Since the phrase "matters within the jurisdiction of an agency" has already been broadly interpreted in cases involving 18 U.S.C. § 1001, it was selected to avoid listing every conceivable agency proceeding.

This amendment would overrule *Baggot* by permitting agencies to use grand jury material for such non-judicial actions as suspensions, debarments and other penalty proceedings. It is proposed in recognition of the greater emphasis and responsibilities Congress has placed on agencies to prevent fraud and punish abusers of their programs. Offices of Inspectors General have been established; agencies also possess new powers to assess monetary penalties and are encouraged to use their suspension and debarment powers more frequently. Recent experiences in the banking industry demonstrate that swift action should be taken in non-judicial agency proceedings to avoid bank failures. To expect agencies to be more effective while denying them the evidence to initiate or sustain their actions is contrary to sound public policy.

Agency personnel who receive court-authorized disclosures of grand jury materials under this subparagraph will be authorized to use the material only for the purposes for which the court order was granted; they may make no further disclosures. This is the current practice and no alteration is intended by these proposed amendments.

"Matters" includes, but is not limited to, administrative, enforcement, regulatory, and penalty proceedings. Listed below are representative examples of the federal agencies and the types of agency proceedings for which disclosure would be authorized under this subparagraph:

(1) Banking authorities for use in licensing, bank examinations and approvals for change in control or ownership;

(2) Internal Revenue Service for tax deficiency audits;

(3) Securities and Exchange Commission for both investigative and judicial proceedings;

(4) Agencies, such as the Nuclear Regulatory Commission, for licensing and inspection purposes;

(5) Agencies, such as the Department of Defense and the Department of Health and Human Services, for suspension and debarment proceedings and audit resolutions.

Not every agency action or type of proceeding will present an appropriate reason to disclose grand jury matters. Therefore the criminal and, where appropriate, also the civil attorney, will have discretion to determine when court-authorized disclosure to agencies should be sought. Disclosures will not be sought by Departmental attorneys without careful consideration of all factors and a determinaton that there is a strong public interest for each disclosure.

6(e)(3)(D): Procedures for obtaining court-authorized disclosures:

A technical amendment is necessary in this paragraph to reflect the proposed subparagraph (C)(v) which provides additional circumstances for court authorized disclosure.

S. 1677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Anti-fraud Criminal Enforcement Act of 1985".

SUBPOENA AUTHORITY FOR FEDERAL AUDITORS

SEC. 2. (a) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2317. Subpoena authority for audit

"The Defense Contract Audit Agency of the Department of Defense in the performance of its official duties and responsibilities is authorized to administer oaths and request by subpoena the production of all documents, reports, records, and other materials made or maintained by any contractor receiving in excess of $100,000, directly or indirectly from the United States in any one year period pursuant to a contract or subcontract, which subpoena, in the case of contumacy or refusal to obey, is enforceable by order of any appropriate United States District Court.".

(b) The section analysis for chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new item:

"2317. Subpoena authority for audit.".

OBSTRUCTION ON FEDERAL AUDIT

SEC. 3. (a) Chapter 73 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1516. Obstruction of Federal audit

"(a) Whoever, in relation to a person receiving in excess of $100,000, directly or indirectly from the United States in any one year period pursuant to a contract or subcontract, endeavors to influence, obstruct, or impair with intent to deceive or defraud a Federal auditor in the performance of official duties shall be fined not more than $250,000, or imprisoned not more than five years, or both.

"(b) The term 'Federal auditor' means any person employed on a full or part-time or contract basis to perform an audit or a quality assurance inspection for or on behalf of the United States.".

(b) The section analysis for chapter 73 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"1516. Obstruction of Federal audit.".

INSPECTION AND AUDIT OF PLAN AND BOOKS OF CONTRACTOR

SEC. 4. (a) Chapter 63 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1346. Inspection and audit of plant and books of contractor

"(a) The plant, employees, and books of a contractor or subcontractor furnishing goods, equipment, or services to an agency of the United States, or that part of the plant which is used for that purpose, are subject at all times to inspection, interview,

and audit by the head of such agency or his designee.

"(b) Any committee of Congress may inspect audits and reports of inspection and interview made under subsection (a).".

(b) The section analysis for chapter 63 of title 18, United States Code, is amended by adding at the end the following new item:

"1346. Inspection and audit of plant and books of contractor.".

INJUNCTIONS OF FRAUD AGAINST THE GOVERNMENT

SEC. 5. The first sentence of section 1345 of title 18, United States Code, is amended by adding "or of section 287, 371 (insofar as it involves a conspiracy to defraud the United States or any agency thereof), or 1001 of this title" after "violation of this chapter,".

COSTS OF PROSECUTION AND INVESTIGATION

SEC. 6. Section 1918 of title 28, United States Code, is amended by adding at the end thereof the following new subsections:

"(c) Upon conviction in a court of the United States for an offense in chapter 63 of title 18 or under sections 287, 371 (insofar as it involves a conspiracy to defraud the United States or any agency thereof), or 1001 of such title of a person receiving in excess of $100,000 directly or indirectly from the United States in any one year period pursuant to a contract or subcontract, the court may order that the defendant pay the costs of investigation and prosecution. Amounts thus collected shall be covered into miscellaneous receipts of the Treasury.

"(b) As used in this section, the term 'costs of investigation' includes attorney, investigator, and auditor salaries and expenses; special contract costs; special purchases; travel costs; witness fees and travel costs; grant jury fees and other related costs of investigation.".

LIMITATION ON GOVERNMENT CONTRACT COSTS IN FRAUD CASES

SEC. 7. (a) Chapter 15 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 293. Limitation on Government contract costs in fraud cases

"(a) Costs incurred in connection with defense of any criminal or civil investigation, grand jury proceeding or prosecution, civil litigation, or suspension, debarment or other administrative proceeding, or any combination of the foregoing, brought by the Government against a contractor, its agent or employee, are not an allowable cost in a Government contract when the subject of the investigation, proceedings, or prosecution involves fraud on the part of the contractor, its agent or employee, as defined in subsection (b).

"(b) As used in this section—

"(1) The term 'fraud' includes acts of fraud or corruption or attempts to defraud the Government or to corrupt its agents under this title, acts which constitute a cause for debarment or suspension under the Federal Acquisition Regulations, and acts which violate the civil fraud provisions of title 31 or 41, United States Code.

"(2) The term 'costs' includes—

"(A) administrative and clerical expenses;

"(B) the costs of legal services, whether performed by in-house or private counsel;

"(C) the costs of the services of accountants, consultants, or others retained by the contractor to assist it;

"(D) the salaries and wages of employees, officers, and directors; and

"(E) any costs described in clauses (A), (B), (C), and (D) incurred prior to the commencement of the formal judicial or administrative proceedings which bear a direct relationship to the proceedings including contractor costs associated with the representation of employees and agents of the contractor.

Costs shall only be allowable if the contractor can establish to the satisfaction of the contracting officer acting in his sole discretion pursuant to guidelines issued by the head of the agency in which such officer is employed that the investigation or administrative proceedings were not the result of any misconduct or contract violation on the part of the contractor.".

(b) The section analysis for chapter 15 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"293. Limitation on Government contract costs in fraud cases.".

STATUTE OF LIMITATIONS EXTENSION FOR FRAUD PROSECUTIONS

SEC. 8. Section 3282 of title 18, United States Code, is amended by—

(1) designating the existing paragraph as subsection (a); and

(2) adding a new subsection (b) as follows:

"(b) Except as otherwise provided by statute, if the period prescribed in subsection (a) has expired, and if not more than three years have passed since the date of such expiration, and indictment or information may nevertheless be instituted for an offense in which a material element is fraud or a breach of fiduciary obligation, within one year after the facts relating to the offense became known to, or reasonably should have become known by, a Federal public servant who is charged with responsibility for acting with respect to such circumstances and who is not himself an accomplice in the offense.".

S. 1678

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Computer Systems Protection Act of 1985".

SEC. 2. (a) Section 1030 of title 18, United States Code, is amended to read as follows:

"§ 1030. Computer fraud and abuse

"(a) Whoever having devised or intending to devise any scheme or artifice to defraud or for obtaining money or property by false or fraudulent pretenses, representations, or promises, or to embezzle, steal, or convert to his use or the use of another, property not his own, for the purpose of executing such scheme or artifice or embezzlement, theft or conversion or attempting to do so, knowingly obtains access to or attempts to obtain access to a computer shall—

"(1) if the computer is owned by, under contract to, or operated for on behalf of—

"(A) the United States Government; or

"(B) a financial institution; or

"(2) if in committing or concealing the offense of two or more computers are used which are located in different States or in a State and a foreign country,

be fined not more than $250,000, or imprisoned not more than five years, or both.

"(b) Whoever knowingly and willfully without authorization damages, destroys, or attempts to damage or destroy a computer described in subsection (a)(1) or any computer program or data contained in such computer shall be fined not more than $250,000 or imprisoned not more than five years, or both.

"(c) Whoever intentionally without any authorization obtains access to a computer described in subsection (a)(1) or a computer system or computer network including such computer, shall be guilty of a misdemeanor and shall be fined not more than $100,000 or imprisoned not more than one year, or both.

"(d) Whoever violates any provision of subsection (a), (b), or (c) shall forfeit to the United States any interest acquired or maintained in any computer and computer program, which has been used to commit the violation. Upon conviction under this section the court shall authorize the Attorney General to seize all property or other interest declared forfeited under this section upon such terms and conditions as the court shall deem proper. If a property right or other interest is not exercisable or transferable for value by the United States, it shall expire, and shall not revert to the convicted violator. The United States shall dispose of all such property as soon as commercially feasible, making due provision for the rights of innocent persons.

"(e) The Attorney General is authorized to delegate, in whole or in part, to other departments and agencies concurrent investigative authority under this section subject to agreement between the Attorney General and the department or agency affected.

"(f) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.

"(g) For the purposes of this section—

"(1) the term 'computer' means an electronic, magnetic, optical, electrochemical, or other high speed data processing device performing logical, arithmetic, or storage functions and includes any data storage facility or communications facility directly related to or operating in conjunction with such device;

"(2) the term 'computer system' means a set of related connected or unconnected computers, computer equipment, devises, and software;

"(3) the term 'computer network' means two or more interconnected computers, computer terminals, or computer systems;

"(4) the term 'computer program' means an instruction or statement or a series of instructions or statements, in a form that is designed to permit the functioning of a computer system;

"(5) the term 'computer services' includes computer operating time, data processing, and data storage;

"(6) the term 'financial institution' means—

"(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(B) the Federal Reserve or a member of the Federal Reserve Bank;

"(C) an institution with accounts insured by the Federal Savings and Loan Corporation;

"(D) a credit union with accounts insured by the National Credit Union Administration;

"(E) a member of the Federal Home Loan Bank system any home loan bank;

"(F) a member or business insured by the Securities Investor Protection Corporation; and

"(G) a broker-dealer registered with the Securities and Exchange Commission pursuant to section 15 of the Securities and Exchange Act of 1934;

"(7) the term 'financial instrument' means any check, draft money order, certificate of deposit, letter or credit, bill of exchange, credit card, debit card, or marketable security;

"(8) the term 'obtains access' means to communicate with, in order to instruct, store data in, retrieve data from, or otherwise make use of any resources of a computer, computer system, or computer network;

"(9) the term 'property' includes financial instruments, information, including electronically processed or produced data and computer programs in either machine or human readable form; computer services; and any other tangible or intangible item of value; and

"(10) the term 'United States Government' includes a branch or agency thereof.".

"(b) The item relating to section 1030 in the table of sections of chapter 47 of title 18, United States Code, is amended to read as follows:

"1030. Computer fraud and abuse.".

FEDERAL COMPUTER SYSTEMS PROTECTION ACT OF 1985

SECTION-BY-SECTION ANALYSIS

This proposal would repeal the provisions contained in chapter XXI of the Comprehensive Crime Control Act of 1984, (P.L. 98-473), relating to computer offenses, and replace them with a more appropriate set of computer laws.

Chapter XXI was added to the Comprehensive Crime Control Act of 1984 in conference and embodies parts of a broader House bill, H.R. 5616, on which no Senate hearings were ever held. Existing section 1030 which would be repealed essentially punishes three offenses.

The first is the use of a computer to obtain classified information or restrict data, with intent or reason to believe that such information is to be used to the injury of the United States or to the advantage of a foreign power. This offense is redundant and unnecessary inasmuch as other statutes proscribe the unauthorized possession or retention of the same information, by the same or harsher penalties. These statutes apply irrespective of the means by which the information came to be possessed and thus would include instances where a computer was accessed.[1]

The second offense punished by current section 1030 is using a computer to obtain information contained in a financial record covered by the Right to Financial Privacy Act of 1978 or in a file of a consumer reporting agency on a consumer as defined in the Fair Credit Reporting Act. This offense is misconceived. There is no sufficient federal interest warranting the creation of such an offense, and both the existing federal statutes referred to, as well as State laws, afford ample protection against such conduct. Moreover, to single out only financial and credit information for protection is unjustifiable. If the concept is to safeguard from unauthorized computer access information that is otherwise made confidential and protected by a federal statute, then a whole panoply of additional—equally if not more important—kinds of information should be covered, such as tax return information, census data, grand jury information, etc. The offense, in short, appears to be without a defensible rationable.

[1] See 18 U.S.C. 793, 794; 42 U.S.C. 2275; 50 U.S.C. 783.

Finally, current section 1030 punishes the unauthorized accessing of a computer so as to knowingly use, destroy, modify, or disclose the information therein, if the computer is operated for or on behalf of the United States government and the defendant's conduct "affects such operation". This offense would be a misdemeanor punishable by a maximum of one year's imprisonment.

While this offense is appropriately directd to an area of clear federal interest—e.g. protecting information stored in federal computers from unauthorized access or damage—it is poorly drafted. The requirement that the conduct "affect the operation" of the computer would exculpate many blameworthy acts involving misappropriation of sensitive government information. For example, a person who without authority accesses a federal agency computer and there learns about plans the government has to investigate his or a friend's illegal activities clearly has committed a heinous act that may gravely damage the government's ability to carry out its proper enforcement functions, yet the conduct would not "affect the operation" by the government of the computer itself.

This proposed bill, like existing section 1030, is premised on the view that the phenomenon of computer crimes has reached a stage warranting federal legislation to specifically proscribe certain computer offenses in which there is a substantial federal interest, and to remedy problems in current federal criminal statutes that make prosecution of such computer offenses unduly difficult.

In this regard, the prosecution of persons engaged in computer related crime is often difficult under present federal statutes, since any enforcement action in response to criminal conduct related to computers must rely upon a statutory restriction dealing with some other more general offense. The proposed offenses in this bill will furnish the law enforcement community, those who own and operate computers, as well as those who may be tempted to commit crimes using them, with a clear statement of definition and proscribed action.

The proposal completely revises current 18 U.S.C. 1030 to proscribe computer fraud and other crimes involving computers. The proposed new section 1030 contains seven subsections, (a)-(g).

Proposed subsection (a) makes it a felony to knowingly devise or intend to devise a scheme or artifice to defraud, or for obtaining money or property by false or fraudulent pretenses or representations, or to embezzle, steal or convert the property of another, and to access or attempt to access certain computers for these purposes. The term "access" is defined in proposed subsection 1028(g)(11) and means to instruct, communicate with, store data in, retrieve data from, or otherwise make use of any resources of a computer, a computer system, or computer network. Subsection (a) is designed to plug a potentially serious gap in exsiting federal law. When computers are used in federal crimes such as an interstate fraud scheme, any federal response must be based on a theory of prosecution that can be made to fit the facts of the case. Since computers open up entire new areas for crimes the facts of a particular case may not always fit. For example; computers are repositories of tremendous amounts of valuable information and data but placing a value on this material should it be stolen is often difficult or impossible.

The proposed subsection is drafted in language that is taken from the mail fraud (18 U.S.C. 1341) and wire fraud (18 U.S.C. 1343) statutes to the maximum extent possible. It is intended that the extensive body of law that has been developed interpreting these statutes apply to the new subsection (a).

The penalty for a violation of subsection (a) can extend to five years' imprisonment and a fine of $250,000.

The subsection only applies if the crime, or the computer accessed or to which access is attempted as part of the crime, is in one of three categories. They are (1) computers owned by, under contract to, or operated for or on behalf of the United States government; (2) computers owned by, under contract to, or operated for or on behalf of a "financial institution," a phrase which would also include a group or network of computers used by a group of financial institutions and (3) offenses of the kind proscribed, in the commission or concealment of which computers located in different States or in a State and a foreign country are used. This very limited commerce nexus is designed to involve the Federal Government in crimes involving non-federal computers only when interstate or international aspects of the case create a need for federal investigative resources. The term "financial institution" is defined in subsection (g)(6) and includes all banks insured by the Federal Deposit Insurance Corporation, Federal Reserve member banks, federally insured savings and loan associations and credit unions, and certain federally insured or registered brokerage firms.

Subsection (b) sets out another felony offense involving computer. It proscribes the knowing and unauthorized damaging or destroying of a computer, computer program, or data contained in a computer. The computers covered are only those described in subsection (a)(1), i.e. computers owned by or operated for the United States or a financial institution. The conduct aimed at here would include the physical destruction of or damage to a computer itself (the hardware), and damaging a computer program or data in the computer. "Computer program" is a defined term in subsection (g) and means an instruction or statement or a series of instructions or statements, in a form that is designed to permit the functioning of a computer system. The penalty for a violation of the subsection extends to five years' imprisonment and a $250,000 fine. Attempts to violate the subsection are also covered.

Subsection (c) would make it a misdemeanor punishable by up to one year's imprisonment and a $100,000 fine to intentionally and without authority access a computer owned by, under contract to or operated for or on behalf of the United States or a financial institution, or a computer system or computer network including such a computer. The term "computer system" is defined in subsection (g). It means a set of related connected or unconnected computers, computer equipment, devices and software. The term "computer network" is also defined in subsection (g) and means two or more interconnected computers, computer terminals, or computer systems.

The conduct proscribed in subsection (c) is akin to a trespass onto someone else's property. A person who rummages through the information contained in a computer, computer system, or computer network—for example by accessing the computer system or network through his home computer—causes the same sort of harm as an intruder who clandestinely enters a person's home to look through the contents of the owner's personal records and documents. Subsection

(c) applies whether or not anything of value, such as information, is taken.

Subsection (d) provides for the forfeiture to the United States of the interest acquired or maintained in any computer or computer software used in the offense by a person convicted of a violation of subsection (a), (b), or (c). A forfeiture provision provides significant deterrence to potential violators above the threat of a prison sentence and fine. Some courts can be expected to be reluctant to give prison sentences or meaningful fines in some cases involving computers, particularly those in which the defendant has merely made an unauthorized access to a computer system or network by means of his home computer. The possibility that such a person might have to forfeit his expensive home computer should dissuade him from such unauthorized rummaging.

The subsection sets out a criminal forfeiture and the intention of the government to seek a forfeiture, which is left to the discretion of the prosecutor, must be alleged in the indictment or information. See Rule 7(c), F.R. Crim. P. If the defendant is found guilty of the offense, a special verdict must be returned concerning the forfeiture allegations. See Rule 31(e), F.R. Crim. P. At that point the government could seize the computer or the defendant's interest in the computer software. Prior to this time the court may enter a restraining order or require the defendant to post a bond to guard against unauthorized disposition of the forfeitable property. Although usually the computer itself would be forfeited, the subsection also refers to "computer software" to cover the situation where a person has an interest in a computer program that has been developed and sold to facilitate a fraud scheme or unauthorized access to a computer system or network. Of course subsection (d) only applies to the defendant's interest in the computer or software. If, for example, a employer's computer in violation of subsection (a), (b), or (c) he would have no forfeitable interest in it.

Subsection (c) provides that the Attorney General may delegate concurrent investigative authority, in whole or in part, to other departments and agencies, subject to agreement between the Attorney General and such department or agency. Current section 1030(d) contains a similar provision though limited to the United States Secret Service. The proposed substitute provision has the advantage of greater flexibility and would permit the Attorney General, for example, to delegate to the Inspector General of a department concurrent investigative responsibility for computer offenses involving computers in that department.

Mr. BIDEN. Mr. President, I join with the distinguished chairman of the Judiciary Committee, Senator THURMOND, in introducing, on request, the administration's package of antifraud legislation.

Not because I think it ought to be enacted as it is drafted, but because I think it represents a good beginning.

Fraud against the Government is not a matter that ought to be used for political advantage.

It is a problem that has plagued, not only this administration but also those who preceded it. It is not a matter that divides Democrats from Republicans.

It is a matter of concern to me, and I look forward to working with the distinguished chairman—and the administration—in the forthcoming hearings on this legislation, and in other phases of the legislative process in perfecting these important legislative initiatives.

Mr. President, fraud against the Government, particularly in the defense area, is no stranger to the United States.

In September 1776, John Adams complained in a letter that a certain gun powder supply had been granted on "exorbitant" contract by the continental Congress. The supplier, "without any risk at all, will make a clear profit of 12,000 pounds, at least," Adams declared. (G. Amick, "The American Way of Graft:" A report by the Center for Analysis of Public Issues, Princeton, NJ 4 (1976).)

What bothered this founding father was the identity of the favored firm, the trading house of Willing, Morris & Co., for both Mr. Willing and Mr. Morris were members of the Secret Committee of the Congress, which had arranged for the contract.

No one knows how much fraud is practiced today against the Federal Government in the defense contract and procurement area, which represents roughly 30 percent of a more than $90 billion budget.

I note here that I use the figures from the U.S. budget for fiscal year 1986, not because they are necessarily accurate—the numbers seem to change every day or so—but because they give at least a reliable ballpark figure.

A generally accepted estimate of fraud against the Government, however, does not even exist.

That the figure must be enormous is indicated by a variety of factors, not the least of which was the recent guilty plea by the General Electric Co. to defrauding the Pentagon on its minutemen missile contract.

If old and legitimate businesses like GE are engaged in such fraud, few institutions can be above suspicion.

Similarly, the General Dynamics Corp., another of the Nation's largest and most respected defense contractors, has acknowledged giving Adm. Hyman Rickover more than $67,000 in "gratuities" between 1961 and 1977.

In addition, the GTE Government Systems Corp., a leading manufacturer of electronic warfare devices, has agreed to plead guilty to conspiring to obtain internal Pentagon planning documents, including the 5-year military plan used by the Pentagon in preparing its annual budget request to Congress, so that it could make its own plans for marketing electronic warfare equipment to the services.

It seems that our military establishment must guard our secrets, not only from our Communist adversaries but also from our capitalist friends.

A general estimate of fraud in other Government benefit programs was put at 1 to 10 percent by the U.S. Department of Justice.

No one knows how good this estimate is, but it does not seem unreasonable. If anything, it may be on the low side.

But if that estimate were to be applied to the defense budget, it would mean that between $2.85 to $28.5 billion of fraud is worked on our national Government each year.

Applied to the domestic direct payments to individual sides of the ledger—a $259 billion figure—it would mean that the range is between $2.99 and $29.9 billion.

Together, these figures would be between $5.84 and $58.4 billion a year, a staggering sum.

Sadly, it seems that the higher estimates of the Department of Justice may be closer to the mark.

In addition, the inspector general of the Pentagon recently informed the Congress that 45 defense contracting firms were under investigation.

The allegations against 9 of the 10 largest contractors included cost mischarging, labor mischarging, subcontractor kickbacks, product substitutions, security compromise, defective pricing, cost duplication, false claims supply accountability, gratuities, bid rigging, and bribery.

In addition, careful studies by the Internal Revenue Service of unreported taxable income from selected illegal activities puts Medicaid beneficiary fraud each year at $1.2 billion. This record of theft is only the tip of the iceberg.

A general accounting office study in 1980 concluded that "most fraud (against the Government) is undetected. For those * * * committing fraud, the chances of being prosecuted and eventually going to jail are slim * * * the sad truth is that crime against the Government often does pay." (General Accounting Office: "Fraud in Government Programs—How Extensive Is It? How Can It Be Controlled?" May 7, 1981, at cover summary.)

Mr. President, the administration has proposed eight separate items of legislation:

FALSE CLAIMS ACT AMENDMENT OF 1985

The False Claims Act is the primary statute on which the Government bases its prosecution of civil fraud cases. The act permits the Government to recover double the amount of any false or fraudulent claim submitted, plus $2,000.

The proposed amendment would lower the burden of proof required in civil forfeiture cases, expand the venue in which actions could be brought, increase the amount of damages which the Government could recover, and allow for prejudgment attachment of assets.

PROGRAM FRAUD CIVIL PENALTIES ACT OF 1985

This bill established an administrative mechanism for the prosecution of fraud claims under $100,000. Such claims would be decided by hearing examiners, operating with full due process protections.

The various Federal agencies would initiate these claims upon a determination by the Department of Justice to decline criminal and civil judicial prosecution of the conduct.

CONTRACT DISPUTES ACT AND FEDERAL COURTS IMPROVEMENT ACT AMENDMENTS OF 1985

This bill would eliminate a potential conflict in Federal court jurisdiction by providing that suits brought to challenge the award of Government contracts be heard exclusively in the U.S. court of claims. Currently, District courts can hear suits brought after awards are announced, while the claims court hears pre-award suits.

THE BRIBES AND GRATUITIES ACT OF 1985

This bill would rationalize and recodify existing Federal laws which permit the Government to void contracts and grants obtained through bribery.

The Government could recover up to 10 times the amount of any bribe or could rescind the contract and retain the benefits.

GRAND JURY DISCLOSURE AMENDMENTS OF 1985

This bill would partially overturn a recent Supreme Court decision, *United States* v. *Sells Engineering, Inc.*, 193 S. Ct. 3133 (1983), which restricted the ability of civil attorneys to gain access to evidence of criminal contract fraud presented to a grand jury. In complex white-collar crime cases, access to grand jury material could be critical to a successful civil prosecution.

ANTIFRAUD CRIMINAL ENFORCEMENT ACT OF 1985

This bill would enhance the ability of the Government to detect and punish fraud and abuse in Defense Department contracts. It would clarify the right of DOD auditors to have access to and subpoena the books and records of a contractor. It also creates an offense of obstructing a Federal audit of a contractor or subcontractor receiving in excess of $100,000 from the United States.

This bill makes the legal fees of a DOD contractor an inappropriate subject for reimbursement and, upon conviction, empowers the court to assess the costs of the investigation and prosecution as part of the sentence.

FEDERAL COMPUTER SYSTEMS PROTECTION ACT

This bill would repeal the provisions relating to computer crime that were enacted as part of last year's Comprehensive Crime Control Act and replace them with legislation proposed by the administration.

DEBT COLLECTION ACT AMENDMENTS OF 1985

This bill would permit the Attorney General to retain private counsel to collect debts owed the United States.

Mr. President, this legislation points us in the right direction, but it needs to be perfected.

I will, at this time, raise only one point that needs to be explored in comprehensive hearings that I expect the committee to devote to this legislation and the problems it addresses.

Congress enacted the False Claims Act in 1863 in response to investigations that explored the fraudulent use of governmental funds during the Civil War.

An important feature of the 1863 act was its provisions authorizing private suits to vindicate the Government's interest in its antifraud program.

In 1943, Congress enacted the jurisdictional bar provisions of the act in reaction to *United States Ex Rel Marcus* v. *Hess*, 317 U.S. 537 (1943).

In Hess, the Supreme Court held that certain actions under the False Claims Act brought by private plaintiffs were not barred merely because the private plaintiff received his information from an indictment rather than from his own investigations.

Congress adopted the jurisdictional bar as a result of a compromise between a House and Senate bill. The House had sought to bar all qui tam actions—suits in which the plaintiff sues for himself and on behalf of the Government to recover a portion of the damages allowed under the statute.

The Senate bill would have allowed qui tam suits if first, they were based on information that was not in possession of the United States, or second, if they were based upon information in the possession of the United States, provided that the plaintiff was the source of the information.

The compromise expressly permitted such an action only if the information was not in possession of the United States at the time the plaintiff brought the suit.

Although the compromise did not expressly retain the second part of the Senate proposal, the House conference report shows, without doubt, that the compromise was intended to protect qui tam suits where the plaintiff was in fact the source of the information.

The intent of the 1943 amendment was only to eliminate parasitical suits.

The report's language was unequivocal:

> It will not be possible to abate a pending suit if before such suit was filed such person had in his possession and voluntarily disclosed to the Attorney General substantial evidence or information which was not theretofore in the possession of the Department of Justice. (H.R. Rept. No. 933, 78th Congress, 1st session 4 (1943).)

Unfortunately, the courts have not given due regard to this and other similar expressions of congressional intent.

Beginning in *United States* v. *Pittman*, 151 F.2d 851 (5th Cir. 1945) and subsequently in *United States* v. *Asten*, 275 F.2d 281 (Cir. 1960), and most recently in *United States ex rel State of Wisconsin* v. *Dean*, 729 F.2d 1100 (7th Cir. 1984), the courts have, unfortunately, dismissed qui tam actions that should have been upheld.

In Dean, for example, the seventh circuit refused to allow the State of Wisconsin to recover under the False Claims Act for fraudulent Medicare claims that a pyschiatrist had submitted to Wisconsin and the Federal Government.

The State of Wisconsin had not filed a parasite suit; it was its own laudable investigation that had uncovered the fraud. The Department of Justice, too, interposed no objection to the suit. The suit was dismissed, not because the doctor was not a swindler, but because the court felt bound by precedent to bar the suit.

Mr. President, the National Association of Attorneys General has passed a resolution asking Congress to clarify its 1943 intent. I ask that a copy of that resolution appear in the CONGRESSIONAL RECORD at the conclusion of my remarks.

One of the first items we should consider in our examination of the Administration's antifraud package is the position of the States in their efforts to forge a partnership with the Federal Government in protecting the many Government programs that are jointly funded and jointly administered. A place to begin is the resolution of the Attorneys General.

Mr. President, I would be less than candid if I did not also express another concern.

The submission of legislation to Congress to address a problem as pressing as fraud against the Government always carries with it an implied criticism of the Congress itself that the reason why more is not being done to rectify that problem is that the defect lies in the law and that Congress has been in some way, remiss in not acting to change that law.

But we must all recognize that law is only one of the necessary components of the administration of justice.

Substantive and procedural laws adequate to the task are, of course, necessary, but attention must be paid to administration of the law, personnel, their organization, and how they are led.

In other words, what concrete strategies are being followed to achieve what objective over what period of time with what expected degree of success? It is not enough to say, "there ought to be a law."

The 1981 GAO study in fact concluded that the department of justice itself had "not emphasized the civil aspects of fraud cases and needed to better coordinate criminal and civil actions." (1981 study at III.)

The study observed that:

The Department's "tradition of giving preeminence to criminal sanctions (has been) implemented in such a manner that the decision to proceed against fraud was made without early considerations of available civil remedies (even though) civil remedies may be a greater deterrent than criminal prosecution because civil remedies may be more commensurate with the damage covered by fraud." (Ibid.)

I note, too, that in 1977 the section on criminal justice of the American Bar Association, under a Federal grant, conducted a study of the resources devoted to white-collar crime by the Securities and Exchange Commission; the Federal Bureau of Investigation; the U.S. Postal Service; the Department of Health, Education, and Welfare; the Internal Revenue Service; the Anti-Trust Division of the Department of Justice; various banking agencies; and selected State and local efforts.

Its findings were deeply disturbing then, not only for the effort to combat white-collar, crime, but also for the special effort to control fraud against the Government, which is, of course, but one part of the white-collar crime problem.

The section found that:

The total effort against economic crime (was) underfunded, undirected and uncoordinated, and (was) in need of the development of priorities. "White Collar Crime 1978;" hearing before the Subcommittee on Crime, House Committee on the Judiciary, 95th Cong. 2nd Sess. 264 (1978).)

The section said the,—

Available resources (were) unequal to the task of combatting crime, and that the lack of resources at the Federal and local levels (was) a function of insufficient manpower and inadequately trained personnel. (Ibid.)

Our hearings on the antifraud package ought also, therefore, to explore the degree to which these 1982 and 1971 studies remain true.

Mr. President, I conclude on a philosophical note.

Recent days have seen a virtual cascade of criminal actions against major economic institutions in our society—GE, General Dynamics, E.F. Hutton, and GTE, to name only the most prominent.

Usually the corporations have been found guilty of criminal misconduct and, in some instances, low-level participants have been indicted and tried, too.

But those at the top—those who must ultimately be accountable for the enormous power that our society has bestowed on them—have not been brought to the bar of justice.

Is something wrong with the administration of justice?

Have we properly formulated our standards of criminal and civil responsibility?

Are the available sanctions adequate to deter white-collar crime, especially when the profits to be made are so great in comparison to the kinds of fines that are usually imposed?

Economic, social, and political power in our society must always be held accountable to those over whom it is exercised, and in whose behalf it is exercised. Each of us who holds high office—economic, social, or political—owes a fiduciary obligation to those we serve.

I am concerned that our system of accountability is not working well enough.

I am hopeful that this legislation will provide us with the opportunity to explore some of these critical issues.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

[National Association of Attorneys General, San Francisco, CA, June 13-17, 1984]

RESOLUTION III—THE CIVIL ACTIONS FOR FALSE CLAIMS STATUTE

Whereas, Congress enacted the Civil Actions for False Claims statute (31 U.S.C. § 3730) for the purpose of protecting the United States against false claims and encouraging the exchange of information concerning fraudulent activities; and

Whereas, 31 U.S.C. § 3730 authorizes persons, including sovereign states, to bring *qui tam* civil actions on behalf of that person and the United States government for recovery of damages and civil penalties for violations of 31 U.S.C. § 3729 (false claims); and

Whereas, sovereign states are authorized to bring civil actions pursuant to 31 U.S.C. § 3730(B)(1) before the United States District Court, and upon recovery of damages and civil penalties receive a protion of same as a reward for bringing information to the attention of the United States government and/or pursuing said lawsuit on behalf of the United States government; and

Whereas, recent federal court decisions (*United States ex rel. State of Wisconsin v. Dean*, 729 F.2d 1100 (1984), have interpreted 31 U.S.C. § 3730(B)(4) as precluding a sovereign state from bringing an action on behalf of the United States government if the action was based upon evidence or information the United States government had been initially provided to the United States by the sovereign state initiating the action; and

Whereas, this interpretation, which fails to recognize a distinction between actions brought by private persons and actions brought by a sovereign state, inhibits the reasonable exercise of state enforcement capabilities and frustrates the purpose of the statute; and

Whereas, when a sovereign stats pursues actions under 31 U.S.C. § 3730 that result from the investigative efforts of the state and that are based upon evidence of false claims theretoforce unknown to the federal government, state personnel develop a special expertise in the detection and investigation of said frauds; and

Whereas, the state possesses the ability, manpower, and resources with which to pursue the action; and

Whereas, to prohibit sovereign states from becoming *qui tam* plaintifs because the United States government was in possession of information provided to it by the state and declined to intercede in the state's lawsuit, unnecessarily inhibits the detection and prosecution of fraud on the government; and

Whereas, fraud against the United States government has a multi-million dollar annual import; and

Whereas, actions by sovereign states pursuant to 31 U.S.C. § 3730 are an effective and essential means of redressing wrongs; and

Whereas, a logical distinction exists between actions brought by private individuals and actions brought by state governmental entities; and

Whereas, 31 U.S.C. § 3730 provides important avenues of prosecution and sanctions in the area of fraud against the United States government; and

Whereas, a sovereign state should be free to pursue said actions unrestrained by artificial and technical jurisdictional barriers;

Now, therefore, be it resolved, that the National Association of Attorneys General supports and urges the United States Congress to enact legislation encouraging the individual states to pursue actions consistent with 31 U.S.C. § 3730 upon the exercise of said states' discretion by amending 31 U.S.c. § 3730 by adding the following section:

31 U.S.C. § 3730(B)(5): "Notwithstanding any provisions to the contrary, actions brought by a sovereign state pursuant to provisions of this act shall not be dismissed even if the evidence or information upon which the action is based was in the possession of the United States Government when said action was brought."

Be it further resolved, that the Executive Director and General Counsel of the National Association of Attorneys General is authorized to transmit this Resolution to appropriate committees of Congress, the Administration, and other appropriate individuals and associations.

By Mr. GRASSLEY (for himself and Mr. HENIZ):

S. 1679. A bill to strengthen the provisions of the law that provide safeguards when imports threaten to impair the national security; to the Committee on Finance.

NATIONAL SECURITY AND TRADE ACT

Mr. GRASSLEY. I am today introducing legislation which reforms section 232 of the trade laws by imposing a 90-day deadline on decisions by the President as to whether to restrain imports if the national security is threatened. Under current law, 232 petitions are filed with the Secretary of Commerce, and he has up to a year within which to make an independent investigation and determine whether imports of a particular item so threaten the national security that they should be restrained.

However, current law gives the President an unlimited amount of time to determine whether he agrees with the Secretary's findings. This unlimited time period—on top of a 1-year investigation by the Commerce Department—has had and could have in the future disastrous consequences on our ability to mobilize quickly in the event of a national emergency.

Section 232 was intended by Congress to be used sparingly—only in situations in which the national security is truly threatened. It was not intended to be a guise for protectionism. Only 15 industries have availed themselves of this section of the trade laws,

and only once has import relief been granted.

However, the most recent 232 case has been pending in the White House since February 28, 1984—this after a year long study by the Secretary of Commerce, who found that imports of certain categories of machine tools do indeed threaten the national security of the United States.

The machine tool industry filed its petition on March 10, 1983, when imports of machine tools were 27½ percent of total value of U.S. consumption. In the 30 months that have followed the industry's filing of this petition, imports have risen to a total value of over 40 percent of U.S. consumption, and they are continuing to increase.

Over 40 percent of machine tool employees have lost their jobs, imports continue to surge, and many machine tool manufacturers are closing domestic facilities or are sourcing their products offshore.

Machine tools are the bedrock of our industrial base. They are so essential in meeting the needs for mobilization that our Government places severe national security controls on the export of sophisticated machine tools to potential adversaries. If it is important enough to the national security to prevent the export of machine tools to the Soviet Union, then it must be important enough to maintain a viable domestic production capacity of machine tools.

My colleagues may recall that in December 1982 I introduced a Senate resolution urging the President to approve a petition filed by Houdaille Industries, Inc., which would have denied the investment tax credit to certain machine tools manufactured in Japan because of the unfair targeting practices of the Japanese Government. This Senate resolution was unanimously approved, but the President subsequently denied Houdaille's unfair trade practices petition in April 1983.

After a thorough investigation of the machine tool industry's national security petition, the Secretary of Commerce reportedly made a positive finding and transmitted it to the White House a year ago February. It has been over 18 months since Secretary Baldrige transmitted his findings to the White House, and still no action is forthcoming.

The failure of the President to act on the findings of the Secretary of Commerce for more than 18 months, despite the national security issues raised, and the severity of the import influx, particularly from Japan, demonstrates the need for a change in the statute that will require prompt Presidential action in future cases and that will address the serious national security concerns raised by the machine tool case.

I am hopeful that the President will act immediately to approve the Secretary of Commerce findings that machine tool imports should be constrained because of their threat to the national security. In any case, the statute should be amended to prevent future unreasonable delays in processing national security import cases; and Congress should require an immediate decision in the machine tool case.

Mr. President, I request unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "National Security and Trade Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) in order for the United States to maintain an effective national defense it must be able to mobilize rapidly and efficiently in times of armed conflict or national emergency;

(2) the ability to mobilize depends, in turn, on the availability of human resources, products, raw materials, and other supplies and services essential to the national defense;

(3) without the assured availability of such vital resources, the national defense is jeopardized;

(4) recognizing the need for maintaining such vital resources, Congress enacted section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) to provide a means to prevent imports of any article in such quantities or under such circumstances that threaten the national security of the United States.

(5) Congress intended, and continues to intend, that section 232 be used only under exceptional circumstances after a thorough investigation by the Secretary of Commerce, in consultation with the Secretary of Defense and other appropriate officers of the United States, and only if the Secretary of Commerce makes a positive finding that an article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security;

(6) when a finding is made that imports of an article does threaten to impair the national security, it is imperative that the President give such findings and recommendations of the Secretary of Commerce prompt review and the highest priority for action;

(7) delay in responding to such findings and recommendations could itself further impair the national security; and

(8) machine tools are so essential in meeting the needs for mobilization in times of national emergency or war that it is the policy of the United States to place severe national security controls on the export of sophisticated machine tools to Soviet-bloc nations, yet imports of machine tools threaten the ability of the United States to produce these identical machine tools domestically.

TIME LIMITATION FOR PRESIDENTIAL DECISIONS

SEC. 3. (a) Subsection (b) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) is amended—

(1) by striking out "Upon request" and by inserting in lieu thereof "(1) Upon request", and

(2) by adding at the end thereof the following new paragraph:

"(2) If—

"(A) the President has not made the determination described in the last sentence of paragraph (1) with respect to a report submitted by the Secretary to the President under paragraph (1) that sets forth recommendations of the Secretary for action against imports which the Secretary finds are being imported in such quantities, or under such circumstances, as to threaten to impair the national security, and

"(B) the President has not taken any action under paragraph (1) with respect to such report,

before the date that is 90 days after the day on which such report was so submitted to the President, the President shall issue a proclamation on such date which fully implements such recommendations of the Secretary.".

(b) The amendments made by this section shall apply with respect to any report described in section 232(b)(2)(A) of the Trade Expansion Act of 1962 (as added by this section) that is submitted to the President on or after the date that is 90 days before the date of enactment of this Act.

REPORT OUTSTANDING FOR MORE THAN 90 DAYS

SEC. 4. If—

(1) the President did not, before September 20, 1985, make the determination described in the last sentence of subsection (b)(1) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862)), as amended by this Act, with respect to a report which—

(A) is described in subsection (b)(2) of such section, and

(B) was submitted by the Secretary of Commerce to the President under subsection (b)(1) of such section before March 15, 1984.

(2) the President did not take any action under such section with respect to such report before September 20, 1985, and

(3) the President has not, before the date of enactment of this Act, negotiated an agreement restraining imports of the articles that are the subject of such report with any country whose exports of such articles to the United States during the 1-year period preceding the date of enactment of this Act exceeded 30 percent of the aggregate value of all of such articles imported by all countries into the United States during such period,

the President shall issue a proclamation on the date of enactment of this Act which fully implements the recommendations of the Secretary of Commerce set forth in such report.

By Mr. QUAYLE:

S. 1680. A bill to phaseout the honey price support program; to the Committee on Agriculture, Nutrition, and Forestry.

PHASEOUT OF HONEY PRICE SUPPORT PROGRAM

● Mr. QUAYLE. Mr. President, today, I am introducing a measure to phaseout the honey price support program, which I plan to offer as an amend-

ment during Senate debate on the 1985 farm bill.

The honey program in its present form hurts the beekeeper, by pricing his honey out of traditional markets; the taxpayer, by funneling huge payments to a handful of individuals; the consumer, by increasing the cost of honey; and the American farmer, by siphoning off limited farm program dollars. We should begin phasing out the honey price support program now.

Mr. President, I believe that the vote I will ask the Senate to cast on the honey price support program during consideration of the 1985 farm bill will be a litmus test of congressional resolve to reduce spending, as we must, by eliminating unnecessary and wasteful Federal programs. After members consider the cost of this honey of a deal for the minuscule number of beekeepers who now turn to Uncle Sam for their sustenance, there will be no escaping the conclusion that the honey price support deserves to be terminated. To be sure, a number of people will swarm to the defense of the honey program, stung into action by constituents who would be affected by efforts to phase it out. But I insist that the Federal Government has no business subsidizing the beehives of America.

The current honey price support program was born in 1949, shortly after WW II, and was designed to ensure a sufficient supply of honeybees for pollination purposes. Under the program, which has remained virtually unchanged for 36 years, beekeepers receive loans from the Federal Government using honey as collateral. The amount a producer may borrow against his honey is determined through the use of a rigid parity formula. This parity formula measures the purchasing power of a commodity, based upon the many factors affecting the cost of production, and price structure compared with that of a base period between 1910 and 1914.

This approach worked without problems until the 1970's. The Federal Government did not acquire any honey as a result of forfeitures for a 9-year period ending in 1979, because the loan level under the program was on average below the market price for honey. Since that time, the loan level under the rigid parity formula has increased dramatically, reflecting inflation and other economic factors, doubling from 32.7 cents per pound of honey in 1977 to over 65 cents in 1985.

Because the support price of 65.8 cents is now much greater than the market price, now 30 to 40 cents, beekeepers participating in the program are encouraged to keep their Federal loans and forfeit their honey to Uncle Sam. As a result, forfeitures have increased from 5.3 million pounds in 1980 to over 119 million pounds in 1984, or 72 percent of the total U.S. honey production of 165 million pounds that year. Forfeitures for the 1985 honey crop may be much higher.

From 1980 through 1984, the Federal Government spent over $250 million dollars buying overpriced honey. Expenditures for the 1985 crop of honey are expected to exceed last year's $100 million mark. But the most shocking and significant figure is the number of participants served by this program. Of the Nation's estimated 211,000 beekeepers, all of whom are eligible to take part in the honey program, only the largest 1 or 2 percent participate. In other words, if one were to divide the total value of loans forfeited ($100 million), by the estimated number of program participants last year (2,500), the average subsidy to each participating beekeeper would have been around $40,000—and payments well in excess of this amount have been documented.

If this situation isn't bad enough already, this misguided program has now created a huge U.S. market for imports of honey. The program is driving the price of honey to a level well above world market prices, and this has encouraged imports. Total honey imports increased from about 56 million pounds in 1978 to over 128 million pounds in 1984.

Some fear that a reform of the honey program would jeopardize its goal of providing adequate pollination services to the growers of fruits, nuts, and seed. But the relationship between the support level and the availability of pollination services is not well represented by the data. In fact, the nature of the current program provides incentives to produce honey, not to provide pollination services. Because large honey producers often migrate to areas where honey is more easily produced, and few other crops can be grown, the effect of the program has done little to ensure pollination, and may well have removed the incentive for beekeepers to locate where pollination is needed and where it could serve as a significant source of income. A decrease in support for honey production will not jeopardize pollination, and may well provide a more competitive atmosphere from which growers of produce requiring pollination can draw services.

The General Accounting Office, in its recent report on the Honey Program, found that from 1950 to 1983, the U.S. honeybee population dropped from 5.5 million to 4.2 million colonies—a 24-percent decrease in the total number of colonies. The GAO report recommended reform of the honey program, and suggested that Congress act to repeal the harmful mandatory pricing formula currently being used to determine the honey loan rate.

Mr. President, Congress recently completed action on the fiscal year 1986 Budget Resolution. During debate on the measure, virtually every Member of this body agreed that a significant reduction in our Federal budget deficit is essential to continued economic growth. Although the President asked us to eliminate 22 Federal programs in his 1986 budget request, Congress responded by eliminating none. The best we could do was to provide that Federal revenue sharing may be eliminated in 1987.

Mr. President, my amendment would give the Secretary of Agriculture authority to set the loan level for honey during a 3-year transition period, based upon market conditions, effective in fiscal year 1986. This would allow those who have grown dependent on the program to adjust and plan for a return to the marketplace at the end of the 3-year period, when the Secretary would be required to end the honey price support program.

I ask unanimous consent that a copy of my bill, along with a copy of the latest statistics on the honey program, be included in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—HONEY: COLONY NUMBERS, YIELD, SUPPLY, DISPOSITION AND PROGRAM ACTIVITY

[Supply, disposition, and program activity in millions of pounds]

Calendar (crop) year	Production factor		Supply				Disposition				Program activity	
	Colony numbers	Yield per colony (pounds)	Production	Carry in	Imports	Total supply	Domestic use	Exports	Total use	Carry over	Loans made	CCC takeover
1955	5,252,000	48.6	255.2	41.1	9.9	306.2	229.1	20.5	249.6	56.6	1.8	0
1956	5,195,000	41.2	214.0	56.6	4.8	275.4	207.7	18.2	227.9	49.5	1.6	0
1957	5,199,000	46.4	241.2	49.5	4.8	295.5	211.7	19.8	231.5	64.0	2.9	0.1
1958	5,152,000	50.6	260.5	64.0	3.9	328.4	234.9	22.4	257.3	71.1	5.6	2.0
1959	5,109,000	46.3	236.6	71.1	4.5	312.2	259.7	12.5	255.2	60.0	1.3	0
1960	5,009,000	48.5	242.8	60.0	12.4	315.2	253.6	9.4	263.0	52.2	1.1	0
1961	4,992,000	51.3	255.9	52.2	9.0	317.1	241.8	7.2	249.0	68.1	4.2	1.1
1962	4,900,000	50.9	249.6	68.1	7.1	324.8	255.3	13.6	268.9	55.9	3.4	0

TABLE 1.—HONEY: COLONY NUMBERS, YIELD, SUPPLY, DISPOSITION AND PROGRAM ACTIVITY—Continued

[Supply, disposition, and program activity in millions of pounds]

Calendar (crop) year	Production factor		Supply				Disposition				Program activity	
	Colony numbers	Yield per colony (pounds)	Production	Carry in	Imports	Total supply	Domestic use	Exports	Total use	Carry over	Loans made	CCC takeover
1963	4,849,000	55.0	266.8	55.9	2.6	325.3	245.1	25.1	270.2	55.1	3.2	0
1964	4,840,000	51.9	251.2	55.1	4.9	311.2	236.5	8.9	245.4	65.8	9.5	2.2
1965	4,718,000	51.2	241.8	65.8	13.3	320.9	249.4	13.8	263.2	57.7	17.3	3.3
1966	4,646,000	52.0	241.6	57.7	9.5	308.8	239.1	14.4	253.5	55.3	33.9	4.1
1967	4,635,000	46.6	215.8	55.3	16.8	287.9	219.5	11.7	231.2	56.7	31.0	5.4
1968	4,539,000	42.2	191.4	56.7	16.9	265.0	215.9	8.1	224.0	41.9	24.9	0.1
1969	4,433,000	60.3	267.5	41.0	14.7	323.2	250.6	9.9	260.5	62.7	45.7	3.5
1970	4,285,000	51.7	221.7	62.7	8.9	293.3	234.6	8.1	242.8	50.6	40.6	[1]
1971	4,107,000	48.2	197.8	50.6	11.4	259.8	219.9	7.6	227.5	32.3	22.9	0
1972	4,085,000	52.8	215.6	32.3	39.0	286.9	252.7	4.1	256.8	30.1	19.8	0
1973	4,124,000	58.0	239.1	30.1	10.7	279.9	224.9	17.6	242.5	37.4	12.1	0
1974	4,210,000	44.6	187.9	37.4	26.0	251.3	212.3	4.6	216.9	34.4	13.9	0
1975	4,206,000	47.4	199.2	34.4	46.4	280.0	242.8	4.0	246.8	33.2	[2]	0
1976	4,269,000	46.4	198.0	33.2	66.5	297.7	258.7	4.7	263.4	34.3	[2]	0
1977	4,323,000	41.2	178.1	34.3	63.9	276.3	240.8	5.5	246.3	30.0	14.1	0
1978	4,090,000	56.6	231.5	30.0	56.0	317.5	277.3	8.0	285.3	32.2	40.5	0
1979	4,163,000	57.3	238.7	32.2	58.6	329.5	282.7	8.8	291.5	38.0	49.1	0
1980	4,141,000	48.2	199.8	38.0	49.0	286.8	226.2	8.5	234.7	52.1	41.1	6.0
1981	4,213,000	44.1	185.9	52.1	77.3	315.3	232.0	9.2	241.2	[3] 74.1	55.2	38.7
1982 [4]	4,250,000	54.1	230.0	74.1	92.0	396.1	250.8	8.5	259.3	[3] 136.8	88.4	74.5
1983 [4]	4,275,000	48.0	205.0	136.8	109.8	451.6	277.9	7.5	285.4	[3] 165.2	113.5	114.9
1984 [4]	4,350,000	38.0	165.0	165.2	128.7	458.9	266.9	7.5	274.4	[3] 184.5	[5] 107.5	[5] 119.0

[1] 5,900 lb.
[2] Loan program discontinued.
[3] Includes Government loan and inventory stocks and estimate of free stocks.
[4] Data other than imports, exports and price support program activity are estimated by ASCS.
[5] Preliminary.

S. 1680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Honey Price Support Reform Act".

SEC. (2). Section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended—

(1) by striking out "honey," in the matter preceding subsection (b); and

(2) by amending subsection (b) to read as follows:

"(b)(1) For each of the 1986 through 1988 crops of honey, the price of honey shall be supported through loans, purchases, or other operations at such level as the Secretary determines will maintain the competitive relationship of honey in domestic and export markets after taking into consideration the cost of producing honey, supply and demand conditions, and world prices for honey.

"(2) Beginning with the 1989 crop of honey, the price of honey shall not be supported through loans, purchases, or other operations.●

By Mr. DECONCINI:

S. 1681. A bill to authorize appropriations to provide international disaster assistance to the victims of the Mexican earthquake of September 1985; to the Committee on Foreign Relations.

ASSISTANCE TO MEXICAN EARTHQUAKE VICTIMS

Mr. DECONCINI. Mr. President, I am introducing today a bill which would authorize to be appropriated such sums as may be necessary to assist the Government and people of Mexico to recover from the devastating earthquake that struck that country yesterday. As a member of the Senate Appropriations Subcommittee on Foreign Operations, I intend to seek whatever appropriations may be necessary to provide relief for the victims of this monumental disaster.

While the dimensions of the earthquake are still unclear, we do know that perhaps thousands have lost their lives, and additional thousands have been left injured and homeless. While it will take months to assess the impact of the quake on the economy of Mexico, there is no doubt it will be substantial.

The United States has always responded quickly and humanely to international disasters wherever they may occur. That this disaster has struck our neighbors and friends to the South makes an immediate and generous response all the more imperative. Literally millions of Americans have familial ties in Mexico, especially those who live in border States such as Arizona and they have been directly and tragically affected by this catastrophe. In order to alleviate the suffering for both the citizens of the United States and Mexico, I would urge the President of the United States to make whatever emergency resources our Nation has available to help Mexico recover from this profound tragedy.

By Mr. BENTSEN:

S. 1682. A bill to provide emergency assistance to Mexican earthquake victims; to the Committee on Foreign Relations.

EMERGENCY ASSISTANCE FOR MEXICAN EARTHQUAKE VICTIMS

Mr. BENTSEN. Mr. President, the earthquake which struck wide areas of Mexico yesterday was a natural disaster of major proportions. We still do not know the full extent of the tragedy, but there is no doubt that there has been enormous physical destruction and considerable death and human suffering.

Last night the Senate's first response was a resolution urging the U.S. Government to give emergency humanitarian assistance and relief to the Government and people of Mexico. Today I am proposing concrete measures to carry out that recommendation.

The Mexican Earthquake Relief Act of 1985, which I am introducing today, would appropriate $25 million to the President for emergency humanitarian assistance and relief to the victims of the Mexican earthquake. That figure is arbitrary and preliminary, but I believe that it will demonstrate the great depth of U.S. concern and sympathy for the people of Mexico on this terrifying occasion.

In previous major earthquakes we have responded generously, and larger amounts may be required in this instance. When Peru was hit by a devastating quake in 1970, the United States gave relief aid. When Guatemala suffered a similar disaster in 1976, we responded again with aid. When Italy was struck in 1980, and in 1972, when a quake reduced the capital of Nicaragua to rubble and killed 5,000 people, we provided relief and reconstruction aid. Those examples show how compassionate the United States has been in similar natural disasters.

We should not rely solely on U.S. Government aid. In addition, my bill calls upon the President to seek the participation and cooperation of private business and nongovenmental institutions in this relief effort to the maximum feasible extent. There are companies and individuals with long experience in Mexico and special capabilities which could be used to strengthen our helping hand.

This bill also asks the President to report back to the Congress by the first of November, telling us what has been done and what else might be needed for longer term relief. This will

provide us with timely information prior to our planned adjournment.

Mr. President, people in Texas and even further north felt the tremors from this killer earthquake. They were spared the death and devastation. But we all share in the sense of loss and in the determination to help those who suffer. I hope that this legislation will allow us to respond more quickly and fully to the emergency needs of the Mexican earthquake victims.

By Mr. BUMPERS:

S. 1683. A bill to allow payment to be made under part B of Medicare to freestanding radiation therapy centers for services provided to hospital inpatients; to the Committee on Finance.

FREESTANDING RADIATION THERAPY CENTERS

● Mr. BUMPERS. Mr. President, I was contacted a year ago by the director of a freestanding radiation therapy center in Arkansas. He came to see me because the freestanding radiation therapy center doesn't fit neatly into the prospective payment system. We have tried through administrative channels to achieve some recognition of the special role of community radiation therapy centers and the need for a fair reimbursement mechanism for the centers, but we have been unsuccessful.

I am here today to introduce a measure which will exempt freestanding radiation therapy centers from the DRG system and allow them to bill directly for their services to Medicare inpatients through part B of Medicare. This measure will provide fair reimbursement to the freestanding centers but will not allow the centers to request additional payment from beneficiaries. There will be no increase in the out-of-pocket costs of beneficiaries who receive these services.

Prior to the prospective payment system, community therapy centers were allowed to bill directly for services to Medicare inpatients under part B of Medicare. Under the new prospective payment system, Medicare reimburses hospitals for services provided to inpatients who are Medicare beneficiaries. If a freestanding radiation therapy center provides radiation treatment to a Medicare inpatient, the clinic must contract with the hospital for payment for those services. The hospital has to take some of its lump sum DRG payment and pass it on to the radiation center in payment for the center's services to the patient.

That arrangement seems reasonable enough, but in fact it is causing serious problems for freestanding centers. We all know the cost of caring for cancer patients in hospitals is sometimes extremely high because of the length of stay or the treatment that is required. Hospitals sometimes find themselves receiving inadequate Medicare reimbursement for treating cancer patients and still being asked to share that sum with radiation centers. And the centers, which are disproportionately dependent on Medicare due to the patient population they serve, find themselves settling for inadequate payment.

In addition, the freestanding centers treat a large number of indigent patients, and charity and bad debt allowances are high. These facts make the change to the prospective payment system especially difficult for the freestanding centers.

If we were simply talking about a system that trimmed the profits of the free-standing centers I would tell the centers that was the unfortunate but necessary result of the pressing need to implement Medicare cost containment measures. I am afraid, however, that these changes threaten to end a cost effective method of providing radiation therapy to hospital inpatients.

In the State of Arkansas, freestanding clinics provide radiation therapy services for most of the State. This arrangement has worked very well in the past. Because the centers treat patients from across the State, they provide a wide range of services in addition to cost effective radiation therapy, including counseling services for their patients and transportation for inpatients from hospitals to the centers. These centers have the best equipment and support technology available as well as highly trained radiation therapy specialists. Hospitals and physicians have been pleased with this arrangement because it has prevented large capital outlays by several hospitals simply to duplicate radiation therapy services.

The freestanding centers and the hospitals devised a cost effective system for providing radiation therapy long before the Congress came along to implement a cost containment system. It is now the prospective payment system which threatens to undo the efficient radiation therapy system that has developed in Arkansas.

Already in several areas of the country, hospitals which had depended on freestanding centers are now deciding to invest in in-house radiation centers. There are real questions about whether each and every hospital can provide the type services a regional center can provide, and there are serious questions about the costs to our Nation in the long run if hospitals begin to duplicate these expensive radiation services.

I know that I will be told that this measure is going to cost the Medicare system and that isn't feasible. But I feel that this measure is an example of cost containment at its best. If the freestanding centers are not adequately reimbursed, there is a danger the centers won't be able to provide services to Medicare inpatients. We could see a proliferation of radiation therapy centers in hospitals, an expensive duplication of services, and a decline in the quality of services available to cancer patients. That result is clearly contrary to our efforts to contain medical care costs and provide quality health care to Medicare beneficiaries.

Mr. President, this is a modest but important bill. I commend it to my colleagues, and urge the Finance Committee to schedule hearings on it as soon as possible.●

By Mr. NICKLES (for himself and Mr. BORENS):

S. 1684. A bill to declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma; to the Select Committee on Indian Affairs.

CHILOCCO INDIAN SCHOOL LANDS LEGISLATION

● Mr. NICKLES. Mr. President, I rise today, with the support of my distinguished colleague Senator BOREN, to introduce legislation that represents a culmination of 5 year's work and negotiation by six Oklahoma Indian Tribes. This legislation would complete the Cherokee Nation of Oklahoma's intent to arrange the transfer in trust of the Chilocco Indian School lands to the Cherokee Nation and the Five Tribes of the Pawnee Agency, these tribes being the Kaw, Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma.

Under Public Law 93-599, the Bureau of Indian Affairs was given the authority to dispose of the Chilocco Indian School lands. Subsequently, the associate solicitor for Indian affairs determined the Public Law 93-599 only qualified the Cherokee Nation of Oklahoma as transferee of the Chilocco School lands. Therefore, the associate solicitor determined, partitionment of the land by the Cherokee Nation to the Five Tribes of the Pawnee Agency would violate the Non-Intercourse Act (25 U.S.C. 177). Accordingly, the purpose of this legislation is to authorize the United States to hold the Chilocco School Lands in trust for the Cherokee Nation of Oklahoma and the Five Tribes of the Pawnee Agency. Furthermore, it divides the surface and mineral rights according to the agreement reached between the tribes.

Mr. President, it is with great pleasure that I stand before you today with this legislation because it represents the dedicated efforts and negotiations of these six tribes. They are to be commended and congratulated for their work in reaching this timely legislative agreement.●

● Mr. BOREN. Mr. President, I am joining with my colleague from Oklahoma in today introducing legislation concerning the disposition of lands

within the boundaries of the former Chilocco Indian School in Oklahoma.

After several years of negotiations among the tribes which lay claim to these lands, a compromise that is satisfactory to all those affected has been achieved. Our legislation embodies that compromise. It is important that Congress now act quickly to approve the transfer of these lands to the tribes which formerly laid claim to them. As soon as this transfer can be made, the tribes will be able to move forward with their plans for economic development on these lands and, in so doing, provide much-needed jobs for tribal members.

I urge the Senate to act favorably in approving this agreement.●

By Mr. MATSUNAGA (for himself and Mr. EVANS):

S. 1685. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

HYDROGEN RESEARCH AND DEVELOPMENT ACT

Mr. MATSUNAGA. Mr. President, when the topic is energy and, specifically, our Nation's energy future there is a great diversity of opinion, which is not surprising since within its boundaries are housed a great diversity of interest groups: Oil, nuclear, coal, solar and all the renewables; they all have their advocates right outside this Chamber, as well as their champions among those of us within. This is by way of saying there is not much in the way of energy legislation one can introduce without drawing opposition from one or more quarters.

Today, however, the junior Senator from Washington, Mr. EVANS, and I are introducing a measure that should draw support from all quarters: solar and renewable proponents, nuclear advocates, and those concerned with the interests of both coal and natural gas. We are introducing once again a bill to provide for the establishment of an expanded and intensified research and development program in order to accelerate the commercialization of the hydrogen economy. It is essentially identical to the measure that we introduced in the 98th Congress, and one which I myself first introduced in the 97th Congress

Why is hydrogen an energy source which can command support from such disparate interest groups?

To begin with, its appeal to solar people is apparent, given the fact that hydrogen is environmentally benign and contributes not one iota to the greenhouse effect on the atmosphere. The renewables represent the most promising sources for its production. Furthermore, hydrogen is the key to assuring continuity of supply for solar power by providing a ready storage medium, whether overnight or until the clouds scatter in the sky.

For nuclear proponents, hydrogen can be seen as a vehicle for hurdling the safety barrier. Because energy is cheap to transport long distances with hydrogen as a medium, and, after 300 to 400 miles, increasingly cheaper than to transmit through electric wires, nuclear reactors could be located at greater distances from populated areas so as to assure people that, even in the case of a severe accident, there would be no danger. Seaborne reactors could be placed, for example, in the Gulf of Mexico.

Injected into declining natural gas fields, hydrogen can serve as an enhancer stretching out the life of dwindling supplies.

If coal-based reactors were built at the seashore, they could reject carbon dioxide into the sea, instead of into the air, and transmit energy in the form of hydrogen from coal. This could give us perhaps another half century of coal availability, also without adding anything to the world greenhouse effect.

With all these advantages for so many different energy quarters, I believe Senator EVANS and I should gain widespread support for this measure from the farsighted of all camps.

Mr. President, I last rose to address this body on the subject of hydrogen in March 1983. At that time I cited the record of hydrogen R&D activity far exceeding that of our own country, where it was once pioneered, on the part of such industrial nations as West Germany and Japan, as well as of significant advances in the Netherlands and Brazil. Since then Canada's hydrogen program has forged ahead with emphasis on producing hydrogen from water by electrolysis, using electricity from nuclear powerplants. If our Nation is to regain and enhance its competitive position in world trade, we must not delay playing catch up ball in this technology with its profound and pervasive prospects as the energy source of the future.

While the bill that Senator EVANS and I sponsored in the last Congress failed to gain much traction in the 98th Congress, its introduction nevertheless appeared to have spurred some salutary effects. The Hydrogen Energy Coordinating Committee in the Department of Energy, which has been inactive at the time of the bill's submission, received a new lease on life and has been functioning to good purpose, as indicated by its report-summaries to Congress since then. More to the point, research outlays for hydrogen have not declined as sharply in the past 2 years as previously had been expected.

An increased emphasis on hydrogen fuel research recently has arisen in the executive branch in the form of a new national aeronautics policy called for by a White House Aeronautical Policy Review Committee and endorsed by the President's Science Advisor, Dr. George A. Keyworth. It calls for three technological goals: (1) an entirely new generation of fuel-efficient, affordable subsonic aircraft, (2) efficient, long-distance supersonic military and civil aircraft, and (3) a transatmospheric craft hydrogen-fueled and capable of operating in both air and space while departing and landing from conventional airport runways.

On a more down-to-earth level, I have noted a shift to the use of hydrogen in the operation of gas turbines for standby power as a way to meet the restrictions of the 1978 Federal Fuel Use Act. This suggests that hydrogen is increasingly being recognized as a fuel for the here and now, as well as of the future.

In my March 1983 statement in this Chamber when introducing a similar bill, I discussed the recommendations of various reports on hydrogen as a fuel prepared by the National Academy of Sciences, the Department of Energy, and the General Accounting Office, including the necessity to have its production employ renewable or long-term primary energy sources. I would recommend to my interested colleagues that they review that statement, which appeared in the CONGRESSIONAL RECORD of March 2, 1983. It has lost little of its cogency since then. Hydrogen fuel is virtually inexhaustible, clean burning, convenient, versatile, and free from foreign control. Mr. President, I submit that Congress can advance the administration's new aeronautics policy, while forestalling future energy crises by expeditious action on my bill to accelerate the commercialization of hydrogen.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hydrogen Research and Development Act".

TITLE I—HYDROGEN PRODUCTION AND UTILIZATION

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds that—

(1) viable alternatives for petroleum-base fuels and feedstocks must be developed;

(2) priority should be given to the development of alternative fuels with universal availability;

(3) hydrogen is the most abundant element in the Universe, and water, the primary feedstock to produce hydrogen, covers three-fourths of the Earth;

(4) hydrogen appears promising as an alternative to carbon dioxide producing fossil fuels;

(5) hydrogen can be transported more efficiently and at less cost than electricity over long distances;

(6) renewable energy resources are primary energy sources that can be used to convert hydrogen from its naturally occurring states into high quality fuel, feedstock, and energy storage media;

(7) it is in the national interest to accelerate efforts to develop a domestic capability to produce hydrogen economically in sufficient quantities to make a significant contribution toward reducing the Nation's dependence on conventional fuels;

(8) hydrogenation is an integral part of synfuels production; and

(9) hydrogen is an important feedstock for ammonia and fertilizer production.

(b) The purpose of this title is to—

(1) direct the Secretary of the Department of Energy to prepare and implement a comprehensive plan and program to accelerate research and development activities leading to the realization of a domestic capability to produce and distribute hydrogen economically within the shortest practicable time consistent with appropriate research and development techniques; and

(2) establish renewable energy resources as a primary energy source to be used in the production of hydrogen.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 102. (a) The Secretary shall prepare a comprehensive program management plan for research and development activities consistent with the provisions of sections 103 and 104. In the preparation of such plan, the Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Secretary of the Department of Transportation, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate. Such plan shall be structured to permit the realization of a domestic hydrogen production capability within the shortest practicable time consistent with the appropriate research and development techniques. In addition, such plan shall identify a lead center responsible for technology support and project management.

(b) The Secretary shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate within nine months after the date of the enactment of this Act.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive plan is initially transmitted under subsection (b), the Secretary shall transmit to the Congress a detailed description of the current comprehensive plan setting forth appropriate modifications which may be necessary to revise such plan to meet any changes in circumstances which may have occurred since the plan or the last previous modification of the plan was transmitted in accordance with this section. The detailed description of the comprehensive plan under this subsection shall include a statement setting forth (with respect to each of the programs under this title) any changes in—

(1) the anticipated research and development objectives to be achieved by the program;

(2) the program elements, management structure, and activities;

(3) the program strategies including detailed milestone goals to be achieved during the next fiscal year for all major activities and projects;

(4) the economic, environmental, and societal significance which the program may have;

(5) the total estimated cost of individual program items; and

(6) the estimated relative contributions of the Federal Government and non-Federal participants in the program.

Such description shall also include a detailed justification of any such changes, a detailed description of the progress made toward achieving the goals of this title, a statement on the status of interagency cooperation in meeting such goals, any comments on and recommendations for improvements in the comprehensive program management plan made by the Hydrogen Technical Advisory Panel established under section 107, and any legislative or other recommendations which the Secretary may have to help attain such goals.

RESEARCH AND DEVELOPMENT

SEC. 103. (a) The Secretary shall establish, within the Department of Energy, a program to insure the development of a domestic hydrogen fuel production capability within the shortest practicable time consistent with the appropriate research and development techniques.

(b)(1) The Secretary shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen production and utilization capability.

(2) Areas researched shall include production, liquefaction, transmission, distribution, storage, and utilization.

Particular attention shall be given to developing an understanding and resolution of all potential phases of the hydrogen production and utilization chain into the marketplace.

(c) The Secretary shall give priority to those production techniques that use renewable energy resources as their primary energy source.

(d) The Secretary shall, for the purpose of performing his responsibilities pursuant to this title, solicit proposals and evaluate any reasonable new or improved technology, a description of which shall be submitted to the Secretary in writing, which could lead or contribute to the development of hydrogen production technology.

(e) The Secretary shall conduct evaluations, arrange for tests and demonstration and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

DEMONSTRATIONS

SEC. 104. (a) The Secretary shall conduct demonstrations, preferably in self-contained locations, so that technical and nontechnical parameters can be evaluated to best determine commercial applicability of the technology.

(b) Concurrent with the conduction of activities pursuant to section 103, smaller scale demonstrations, at self-contained sites, should be initiated, and the Secretary shall, in consultation with the Secretary of Transportation, the Administrator of the National Aeronautics and Space Administration, and the Hydrogen Technical Advisory Panel established under section 107, prepare a comprehensive large-scale hydrogen demonstration plan. Such plan shall include—

(1) a description of the necessary research and development activities that must be completed before initiation of a large-scale hydrogen production demonstration program;

(2) an assessment of the appropriateness of a large-scale demonstration immediately upon completion of the necessary research and development activities; and

(3) an implementation schedule with associated budget and program management resource requirements.

TECHNICAL APPLICATIONS

SEC. 105. (a) The Secretary shall prepare a comprehensive technology application plan. Such plan shall include—

(1) an identification and description of potential applications for the use of hydrogen;

(2) technical market and economic readiness assessments for such potential applications;

(3) an assessment of those Federal Government actions required to develop such applications; and

(4) an analysis of the potential impact such applications will have on domestic energy supplies; both regionally and nationally.

(b) The Secretary shall conduct all economic analyses on a total system, life cycle basis. Such analyses shall include production, transmission, distribution, storage, and end-use application.

(c) The Secretary shall conduct all activities pursuant to sections 103 and 104 in such manner as to permit compliance with end-use system integration constraints.

COORDINATION AND CONSULTATION

SEC. 106. (a) The Secretary shall have overall management responsibility for carrying out the program under this title. In carrying out such program, the Secretary, consistent with such overall management responsibility—

(1) shall utilize the expertise of the National Aeronautics and Space Administration and the Department of Transportation; and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordance with subsection (c) in carrying out any activities under this title, to the extent that the Secretary determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Secretary may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Secretary deems necessary to carry out any duty under this title.

(c) The Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Transportation, the Administrator of the National Aeronautics and Space Administration, and the Hydrogen Technical Advisory Panel in carrying out his authorities pursuant to this title.

TECHNICAL PANEL

SEC. 107. (a) A technical panel of the Energy Research Advisory Board shall be established to advise the Secretary on the hydrogen program.

(b)(1) The technical panel shall be comprised of such representatives from domestic industry, universities, Government laboratories, financial, environmental, and other organizations as the Chairman of the Energy Research Advisory Board deems appropriate based on his assessment of the technical and other qualifications of such

representative. Appointments to the technical panel shall be made within ninety days after enactment of this Act. Consideration should be given to the selection of at least one representative from sites where early large-scale demonstrations of the concept will occur.

(2) Members of the technical panel need not be members of the full Energy Research Advisory Board.

(c) The activities of the technical panel shall be in compliance with any laws and regulations guiding the activities of technical and factfinding groups reporting to the Energy Research Advisory Board.

(d) The technical panel shall review and make any necessary recommendations on the following items, among others—

(1) implementation and conduct of the programs established by this Act;

(2) definition of hydrogen production performance requirements for various user applications; and

(3) economic, technological, and environmental consequences of the deployment of hydrogen production and utilization systems.

(e) The technical panel shall submit to the Energy Research Advisory Board on at least an annual basis a written report of its findings and recommendations with regard to the program. Such report shall include—

(1) a summary of the panel's activities for the preceding year;

(2) an assessment and evaluation of the status of the programs mandated by this Act; and

(3) comments on and recommendations for improvements in the comprehensive program management plan required under section 102.

(f) After consideration of the technical panel report, the Energy Research Advisory Board shall submit such report, together with any comments such Board deems appropriate, to the Secretary.

(g) The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the technical panel in carrying out the requirements of this section and shall furnish to the technical panel such information as the technical panel deems necessary to carry out this section.

(h) The Secretary shall provide sufficient staff, funds, and other support as necessary to enable the technical panel to carry out the functions described in this section.

DEFINITIONS

SEC. 108. As used in this title, the terms—

(1) "Secretary" means the Secretary of the Department of Energy; and

(2) "capability" means having the proven technical ability.

AUTHORIZATION FOR APPROPRIATION

SEC. 109. There is hereby authorized to be appropriated to carry out the purposes of this title, in addition to any amounts made available for such purposes pursuant to other Acts, $200,000,000 of which $25,000,000 is authorized for the fiscal year ending September 30, 1986.

TITLE II—HYDROGEN-FUELED AIRCRAFT RESEARCH AND DEVELOPMENT

FINDINGS AND PURPOSE

SEC. 201. (a) The Congress finds that—

(1) the petroleum-base fuel currently used in all commercial turbine-powered aircraft is in short and unstable supply;

(2) future decreases in petroleum-base fuel availability will seriously impair operation of the world's air transport fleets;

(3) an alternative to petroleum must be found to fuel commercial aircraft, and hydrogen appears to be the alternative preferred by the majority of the industrialized nations of the world;

(4) it is therefore in the national interest to accelerate efforts to develop a domestic hydrogen-fueled aircraft capability; and

(5) the use of liquid hydrogen as a commercial air transport fuel has sufficient long-term promise to justify a substantial research, development, and demonstration program.

(b) The purpose of this title is to—

(1) direct the Administrator of the National Aeronautics and Space Administration to prepare and implement a comprehensive plan and program for the conduct of research, development, and demonstration activities leading to the realization of a domestic hydrogen-fueled aircraft capability within seven years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques;

(2) establish as a goal broad multinational participation in the program; and

(3) provide a basis for public, industry, and certifying agency acceptance of hydrogen-fueled aircraft as a mode of commercial air transport.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 202. (a) The Administrator shall prepare a comprehensive program management plan for research, development, and demonstration activities consistent with the provisions of sections 203, 204, and 205. In the preparation of such plan, the Administrator shall consult with the Secretary of the Department of Energy, the Secretary of the Department of Transportation, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate. Such plan shall be structured to permit the realization of a domestic hydrogen-fueled aircraft capability within seven years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques. In addition, such plan shall identify a lead center responsible for technology support and project management.

(b) The Administrator shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committees on Commerce, Science, and Transportation, and Energy and Natural Resources of the Senate within nine months after the date of the enactment of this Act.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive plan is initially transmitted under subsection (b), the Administrator shall transmit to the Congress a detailed description of the comprehensive plan as then in effect, setting forth the modifications which may be necessary to appropriately revise such plan and any changes in circumstances which may have occurred since the plan or the comprehensive program management plan made by the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, and any legislative or other recommendations which the Administrator may have to help attain such goals.

RESEARCH AND DEVELOPMENT

SEC. 203. (a) The Administrator shall establish, within the National Aeronautics and Space Administration, a program to insure the development of a domestic hydrogen-fueled aircraft capability within seven years after the date of enactment of this Act, or within the shortest practical time consistent with appropriate research and development techniques.

(b) The Administrator shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen-fueled aircraft capability.

(c) In conducting the programs pursuant to this section, the Administrator shall encourage the establishment of domestic industrial capabilities to supply hydrogen-fueled aircraft systems or subsystems to the commercial marketplace.

(d) The Administrator shall, for the purpose of performing his responsibilities pursuant to this Act, solicit proposals and evaluate any reasonable new or improved technology, a description of which is submitted to the Administrator in writing, which could lead or contribute to the development of hydrogen-fueled aircraft technology.

(e) The Administrator shall conduct evaluations, arrange for tests and demonstrations and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

FLIGHT DEMONSTRATION

SEC. 204. (a) Concurrent with the activities carried out pursuant to section 203, the Administrator shall, in consultation with the Secretary of the Department of Transportation, the Secretary of the Department of Energy, and the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, prepare a comprehensive flight demonstration plan, the implementation of which shall provide confirmation of the technical feasibility, economic viability, and safety of liquid hydrogen as a fuel for commercial transport aircraft. The comprehensive flight plan shall include—

(1) a description of the necessary research and development activities that must be completed before initiation of a flight demonstration program;

(2) the selection of a self-contained domestic site where demonstration activities can lead to early commercialization of the concept;

(3) an assessment of a preliminary flight demonstration to occur concurrently with the later stages of research and development activities; and

(4) an implementation schedule with associated budget and program management resource requirements.

(b) The Administrator shall transmit such comprehensive flight demonstration plan to the Congress within two years after the date of enactment of this Act.

HYDROGEN PRODUCTION AND GROUND FACILITIES

SEC. 205. (a) The Administrator, in consultation with the Secretary of the Department of Transportation and the Secretary of the Department of Energy, shall define the systems, subsystems, or components associated with the production, transportation, storage, and handling of liquid hydrogen that are specifically required for and unique to the use of such fuel for commercial aircraft application.

(b) The Administrator shall structure the research and development program pursuant to section 203 to include the development of the systems, subsystems, or components defined pursuant to subsection (a) of this section.

(c) The research and development program for hydrogen production, transportation and storage systems, subsystems, or components, which are suitable for inclusion as part of a fully integrated hydrogen-fueled aircraft system, but which are not being specifically developed for such application shall be the responsibility of the Secretary of the Department of Energy. Such activities shall be included as part of the program established pursuant to title I of this Act, and shall be so conducted as to insure compliance with hydrogen-fueled aircraft system constraints.

COORDINATION AND CONSULTATION

SEC. 206. (a) The Administrator shall have overall management responsibility for carrying out the program under this title. In carrying out such a program, the Administrator, consistent with such overall management responsibility—

(1) shall utilize the expertise of the Departments of Transportation and Energy to the extent deemed appropriate by the Administrator, and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordance with subsection (b) in carrying out any activities under this title, to the extent that the Administrator determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Administrator may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Administrator deems necessary to carry out any duty under this title.

(c) The Administrator shall consult with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Transportation, the Secretary of the Department of Energy, and the Hydrogen-Fueled Aircraft Advisory Committee in carrying out his authorities pursuant to this title.

ADVISORY COMMITTEE

SEC. 207. (a) There is hereby established a Hydrogen-Fueled Aircraft Advisory Committee, which shall, study and advise the Administrator with regard to—

(1) implementation and conduct of the programs established by this title, with an aim toward accelerating commercialization;

(2) definition of hydrogen-fueled aircraft system performance requirements; and

(3) economical, technological, and environmental consequences of the deployment of hydrogen-fueled aircraft systems.

(b) The Committee shall be composed of at least seven members appointed by the Administrator from industrial, academic, financial, environmental, and legal organizations and such other entities as he deems appropriate. Consideration shall be given to appointing at least one representative from sites where early commercialization of the concept might occur. The appointments shall be made within ninety days after enactment of this Act. The Chairman of the Committee shall be elected from among the members thereof.

(c) The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Committee in carrying out the requirements of this section and shall furnish to the Committee such information as the Committee deems necessary to carry out this section.

(d) The Committee shall meet at least four times annually, notwithstanding subsections (e) and (f) of section 10 of Public Law 92-463, until such time as the program goals in section 203 are met.

(e) The Committee shall prepare and submit annually to the Administrator a report. Such report shall include—

(1) a summary of the Committee's activities for the preceding year;

(2) an assessment and evaluation of the status of the programs mandated by this title; and

(3) comments on the recommendations for improvements in the comprehensive program management plan required under section 202.

(f) The Administrator shall provide sufficient staff and other support as necessary to enable the Committee to carry out the functions described in this section.

DEFINITION

SEC. 208. As used in this title, the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration; and

(2) "certifying agency" means any government entity with direct responsibility for assuring public safety in the operation of the air transport system.

AUTHORIZATION FOR APPROPRIATION

SEC. 209. There is hereby authorized to be appropriated to carry out the purposes of this title $75,000,000 of which $10,000,000 is authorized for the fiscal year ending September 30, 1986.

By Mr. MATSUNAGA (for himself, Mr. WEICKER, Mr. HOLLINGS, and Mr. MURKOWSKI):

S. 1686. A bill entitled the "Renewable Energy/Fuel Cell Systems Integration Act of 1985"; to the Committee on Energy and Natural Resources.

S. 1687. A bill to develop a national policy for the utilization of fuel cell technology; to the Committee on Environment and Public Works.

RENEWABLE ENERGY/FUEL CELL SYSTEMS INTEGRATION ACT AND THE FUEL CELLS ENERGY UTILIZATION ACT

Mr. MATSUNAGA. Mr. President, a recent report by the Congressional Research Service finds that the Federal Government has invested heavily in fuel technology over the past 10 years—a total of $260 million in research and development on fuel cells as instruments of electric power production.

The goal of this research has been to develop a highly energy efficient technology that has some especially desirable characteristics for electric power planning; namely, low environmental impact, fuel flexibility, high performance, small size, and spinning reserve capability. The primary national payoffs expected from the fuel cell research effort are increased fuel use efficiency, substitution of alternate fuels for conventional fuels, and an improved balance of trade. Due primarily to congressional initatives, the Federal research effort in regard to fuel cells continues to play an important catalytic role in the technology's development.

Nevertheless, a change in direction is needed, according to a Congressional Research Service [CRS] study, if we as a nation are to realize the aforementioned payoffs from this large public investment. Specifically, Congress needs to formulate a strategy for acting on the research findings in fuel cell technology and achieving its commercialization. According to the CRS study, the best way to reduce our oil and natural gas dependency and improve our international trade balance with fuel cell technology is to integrate fuel cells with alternative fuel technologies and focus upon the export and regulatory aspects of technology transfer in this field.

Mr. President, to effectuate the recommendations of that CRS study, I am today introducing, with Senators WEICKER, HOLLINGS, and MURKOWSKI as original cosponsors, two bills, S. 1686 and S. 1687. The first of these measures, the "Renewable Energy/Fuel Cell Systems Integration Act of 1985," would among other things, support research on how to use renewable energy sources, including wind and solar, to produce hydrogen for use in fuel cells. In addition, this legislation would support research on the operation of fuel cells which use methane gas, generated from various forms of biomass, as well as research on determining the technical requirements for use of fuel cells in electric power production as backup spinning reserve to renewable power systems in rural and isolated areas. This could be a boon to windpower generation in terms of assuring system continuity. The bill would authorize $5 million for this integrative renewable energy/fuel cell research. It would be a small price to pay if it should serve to achieve a payoff from the public investment already sunk in this technology to date.

The second bill would formulate a national policy for the use of fuel cells. The "Fuel Cell Energy Utilization Act of 1985," would amend the Public Utility Regulatory Policies Act for the purpose of including fuel cell systems under the definition of "cogeneration facility." Among other things, this should stimulate wind farm operators to employ fuel cells on a complementary basis.

This bill would also include fuel cells under the provisions of the Renewable Energy Industry Development Act as a fuel conservation technology in and of itself and when augmented by cogeneration practices. This would permit the Department of Commerce to assess international markets for the technology, identify export barriers, and focus sources of Federal assistance for promoting the export of fuel cells.

Furthermore, it would charge the Environmental Protection Agency to

prepare general guidelines for local governments to permit the use of fuel cells, subject to environmental and safety standards which can be drawn from the experience of the New York City Fire Department with this technology.

Finally, it would instruct the Commerce Department to survey the export market potential for integrated systems of fuel cells and renewable power technologies, which might be even more attractive than separate technologies, especially in isolated rural settings of developing countries.

Mr. President, I urge the support of my colleagues for these two measures to expedite the advancement of fuel cell technology. I ask unanimous consent that the full text of the two bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Renewable Energy/Fuel Cell Systems Integration Act of 1985".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that while the Federal Government has invested heavily in fuel cell technology over the past 10 years ($260,000,000 in research and development on fuel cells for electric power production), research on technologies that enable fuel cells to use alternative fuel sources needs to be undertaken in order to fulfill the conservation promise of fuel cells as an energy source.

(b) The purpose of this Act is to provide funds for research on technologies that will enable fuel cells to use alternative fuel sources.

RESEARCH PROGRAM

SEC. 3. (a) The Secretary of Energy shall implement and carry out a research program for the purpose of—

(1) exploring the operation of fuel cells employing methane gas generated from various forms of biomass;

(2) developing technologies to use renewable energy sources, including wind and solar energy, to produce hydrogen for use in fuel cells; and

(3) determining the technical requirements for employing fuel cells for electric power production as backup spinning reserve components to renewable power systems in rural and isolated areas.

(b) In carrying out the research program authorized in subsection (a), the Secretary of Energy may make grants to, or enter into contracts with, private research laboratories.

REPORT TO CONGRESS

SEC. 4. The Secretary of Energy shall transmit to the Congress on or before September 30, 1987, a comprehensive report on research carried out pursuant to this Act.

AUTHORIZATION

SEC. 5. There are hereby authorized to be appropriated $5,000,000 for fiscal year 1986 to the Secretary of Energy to be used to conduct research as provided in this Act.

S. 1687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fuel Cells Energy Utilization Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) while the Federal Government has invested substantially in fuel cell technology through research and development during the past ten years, there is no national policy for acting upon the findings of this research and development; and

(2) if such a national policy were developed, the public investment in fuel cell technology would be realized through reduced dependency on imported oil for energy and the consequent improvement in the international trade accounts of the United States.

ELIGIBILITY FOR EXEMPTIONS UNDER PURPA

SEC. 3. Subsection (j) of section 210 of the Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking out the comma after "this section" and inserting in lieu thereof a dash;

(2) designating the matter that follows such dash as clause (1);

(3) striking the period at the end of clause (1), as designated by clause (2) of this section, and inserting in lieu thereof "; and"; and

(4) inserting at the end thereof the following:

"(2) the term 'cogeneration facility' in addition to the meaning given such term in the Federal Power Act shall include facilities utilizing fuel cell systems.".

INCLUSION OF FUEL CELLS AS A FUEL CONSERVATION TECHNOLOGY UNDER REIDA

SEC. 4. Section 256 of the Energy Policy and Conservation Act is amended by inserting at the end thereof the following:

"(e) For purposes of this section, the term 'domestic renewable energy industry' shall include industries using fuel cell technology.".

ENVIRONMENTAL PROTECTION AGENCY GUIDELINES FOR USE OF FUEL CELL TECHNOLOGIES

SEC. 5. Within 180 days of the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall prepare Federal guidelines for cities and municipalities specifying environmental and safety standards for the use of fuel cell technology. In the preparation of the guidelines, the Administrator shall utilize the successful experience of the New York City Fire Department in the use of fuel cell technologies.

DEPARTMENT OF COMMERCE INVESTIGATION OF EXPORT MARKET POTENTIAL FOR INTEGRATED FUEL CELL SYSTEMS

SEC. 6. Within 180 days of the date of enactment of this Act, the Secretary of Commerce shall assess and report to Congress concerning the export market potential for integrated systems of fuel cells with renewable power technologies.

By Mr. DURENBERGER (for himself and Mr. BOREN):

S. 1688. A bill to amend the Internal Revenue Code of 1954 to include obligations issued with respect to certain State student loan programs within the definition of qualified student loan bonds; to the Committee on Finance.

SUPPLEMENTAL STATE STUDENT LOAN PROGRAMS

● Mr. DURENBERGER. Mr. President, within the past decade, students have become increasingly dependent on loans to help finance their postsecondary education. The increasing need to borrow has been caused by rising costs and declining Federal assistance. Postsecondary education institutions have been, and will continue to be, highly susceptible to the effects of inflation and reductions in support from Government and from alumni collections. Since tuition and fees represent major sources of revenue for these institutions, additional costs must be directly passed on to students and their families.

The only bridge to meet the immediate needs of students is to borrow against future income. Federal program borrowing limits have not been adjusted since 1972; thus, a significant gap of additional need has been growing for many students over more than a decade. From 1973 to 1983, the average cost of tuition, room, and board rose 108 percent for those attending public postsecondary institutions and 137 percent for students at private schools. Although Federal student aid originally kept pace with these rising costs, such assistance declined 15 percent between 1982 and 1984.

To respond to the needs of students and institutions, many States have developed supplemental loan programs that are not federally guaranteed and do not depend on direct Federal or State government subsidies. They do rely upon the availability of tax-exempt capital, however. The Deficit Reduction Act of 1984 imposed a moratorium on the issuance of tax-exempt bonds for supplemental student loan programs. Fifteen States and the District of Columbia were provided a one-time exception and allowed to issue a limited amount of tax-exempt debt to continue their programs. No provision was made in the law for the 34 States not included in the exception, however, or for continuing the 16 excepted programs after October 1986.

In response to documented needs of students and educational institutions, I believe that all States should be allowed the option of establishing supplemental student loan programs financed with tax-exempt capital. Therefore, I am introducing legislation today, along with my distinguished colleague from Oklahoma, Senator BOREN, which would allow States currently operating such programs to continue them and permit the remaining 34 States to initiate similar programs. Under our proposal, such loan programs would remain supplemental, not duplicative of other Federal loan programs. State loan could not exceed the difference between a student's cost of attendance and other forms of federally subsi-

dized assistance for which the student is eligible.

This legislation will not increase the Federal deficit. It simply provides States with additional options. Our bill would require that bonds issued for supplemental loan programs come under the existing State volume limitations on tax-exempt debt established by the 1984 act. In this way, States would have the opportunity—if they so desire—to use some of their allocation to support a student loan program. I would also emphasize that our bill does not affect the Guaranteed Student Loan Program in any way. It merely provides States with a vehicle for creating a program to augment such Federal programs.

I believe this bill is good for higher education and good for federalism. Every State should have the freedom to allocate its limited tax-exempt authority to meet the most pressing needs of its citizens.

And unless we extend the authority for State issuance of supplemental student loan bonds, many students soon may be unable to afford the rising costs of higher education.

Mr. President, I ask that a copy of S. 1688 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1688

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN STATE STUDENT LOAN PROGRAM OBLIGATIONS QUALIFY FOR TAX EXEMPT BOND STATUS.

(a) IN GENERAL.—Section 103(o)(3) of the Internal Revenue Code of 1954 (defining qualified student loan bonds) is amended to read as follows:

"(3) QUALIFIED STUDENT LOAN BONDS.—For purposes of this subsection, the term 'qualified student loan bond' means any obligation which is issued as part of an issue all or a major portion of the proceeds of which are reasonably expected to be used directly or indirectly to make or finance student loans under—

"(A) a program of general application to which the Higher Education Act of 1965 applies if—

"(i) limitations are imposed under the program on—

"(I) the maximum amount of loans outstanding to any student, and

"(II) the maximum rate of interest payable on any loan,

"(ii) the loans are directly or indirectly guaranteed by the Federal Government,

"(iii) the financing of loans under the program is not limited by Federal law to the proceeds of obligations the interest on which is exempt from taxation under this title, and

"(iv) special allowance payments under section 438 of the Higher Education Act of 1965—

"(I) are authorized to be paid with respect to loans made under the program, or

"(II) would be authorized to be made with respect to loans under the program if such loans were not financed with the proceeds of obligations the interest on which is exempt from taxation under this title, or

"(B) a program of general application approved by the State to which part B of title IV of the Higher Education Act of 1965 (relating to guaranteed student loans) does not apply if no loan under such program exceeds the difference between the total cost of attendance and other forms of student assistance not including loans pursuant to section 428B(a)(1) of such Act (relating to parent loans) or subpart I of part C of title VII of the Public Health Service Act (relating to student assistance)) for which the student borrower may be eligible.

Such term shall not include any obligation issued under a State program which provides loans under the Higher Education Act of 1965 which discriminates on the basis of the location (in the United States) at which the educational institution is located.".

(b) QUALIFIED SCHOLARSHIP FUNDING BONDS.—Section 103(e)(1) of such Code (defining qualified scholarship funding bonds) is amended by inserting after the comma the following: "or under a program approved by the State, or both,".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.●

● Mr. BOREN. Mr. President, I couldn't agree more with my distinguished colleague from Minnesota. The alarming statistics on the increasing cost of higher education that the Senator has just shared with us speak for themselves.

Tax policy aside, nothing could have a greater impact on the productivity of our economy than having a better educated work force. At a time when the Nation's attention has turned to the burgeoning trade deficit and our declining ability to compete abroad, it is clear that this body ought to do all that it can to enhance our productivity. My colleague has demonstrated what today's students are confronted with in the way of costs and he has demonstrated just what we can do to help the students who are going to keep us competitive, finance those costs. We can do this through State programs without additional cost to the Federal Treasury since the 1984 State volume limitations on tax-exempt debt will still apply.

If we will not help the States that are interested in being our partners in the effort to regain our competitive advantage by reestablishing tax-exempt bonds as a vehicle for funding/financing supplemental student loans, then we are going to see many advanced courses, laboratories, and researchers fall victim to the internal budget ax. In fact, we may witness the closing of entire departments and colleges. For there is obviously a direct correlation between the number of students who are able to pay the price and the ability of the universities to support faculty for advance programs and provide advance research facilities. In my home State of Oklahoma, for example, where our universities are aggressively improving advance programs to help attract industry and diversify our economy, educators tell me that they are not able to do all that is necessary to remain current in high tech fields, for they cannot afford to run up the costs of the students' education.

This legislation will help stop that kind of development and enable students and educators to help us retain our competitive position. I urge my colleagues to join in support of this legislation.●

By Mr. DOMENICI:

S. 1690. A bill for the transfer of certain interests in lands in Dona Ana County, NM, to Dona Ana County, NM, for the use as a fairgrounds; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN LANDS

Mr. DOMENICI. Mr. President, today I introduce a bill that will convey 140 acres of public land to Dona Ana County, NM. This land will be used to make necessary improvements to the Southern New Mexico State Fairgrounds. Unless this bill is enacted, the fair and many other very beneficial public activities will be placed in jeopardy. The public land that would be conveyed surrounds land that Dona Ana County purchased in 1967 to operate the southern New Mexico State Fairgrounds. This fairground facility is used throughout the year for various recreational meetings and other public needs.

The Southern New Mexico State Fair is an annual event that New Mexicans look forward to each year. This year the fair will celebrate its 19th anniversary. Over 42,000 citizens from a 5-county area—Dona Ana, Sierra, Luna, Otero, and El Paso—will join to celebrate such southwest traditions as rodeos, 4-H fair exhibits, livestock exhibits and auctions, horse shows, and other fair-related activities. In addition, these facilities are used for other public activities during the year such as camping, automobile racing, and small animal shows. These facilities are available for civic and other community organizations to use for their activities throughout the year.

The purpose of the transfer is to provide Dona Ana County with enough land so that valuable public activities such as the southern New Mexico State Fair can continue for the people of New Mexico.

The legislation is a very simple land transfer which contains a reversion provision in the event the land is not used for the purposes set forth in the legislation. Further, Dona Ana County agrees to pay a $2.50-per-acre administrative charge to assist with costs associated with the transfer. The legislation reserves to the Federal Government any mineral rights associated with the land.

In the past, Dona Ana County has leased this public land from the Bureau of Land Management [BLM] under the Recreation and Public Purposes Act. Earlier this year, however, the BLM discovered that this particular land was acquired under the Bankhead-Jones Act and therefore ineligible for such a lease. The state BLM office, who administers this public land, does not want to interfere with the fair, but they must obey the law. Unless this bill passes to correct Dona Ana County's problem, the fair will be jeopardized.

Mr. President, conveying this land to Dona Ana County for the fairgrounds makes sense because it would be the best use for the 140 acres of semi-desert. It is arid in character, with creosote bush being the principal vegetation. It is flat and undulating in terrain, with sandy, loam-type soil. There is no developed water on this land. Geological Survey records show that the land has nominal prospective value for oil and gas and is without value for other minerals, or for geothermal resources. All indications show that there likely would be very little usage by anyone other than Dona Ana County.

I have examined all the alternative solutions to this dilemma, and I am convinced that this legislation is the most desirable approach. This legislation would solve the problem. By conveying the land to Dona Ana County, the public good would be met, and the people of southern New Mexico would have a suitable fairgrounds for their use.

By Mr. McCLURE (for himself, Mr. FORD, Mr. PELL, Mr. NICKLES, Mr. MATSUNAGA, Mr. GLENN, Mr. BENTSEN, Mr. DOLE, Mr. WARNER, Mr. ANDREWS, Mr. SASSER, Mr. HEINZ, Mr. CHAFEE, Mr. MURKOWSKI, and Mr. ROTH):

S.J. Res. 205. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; to the Committee on the Judiciary.

NATIONAL ENERGY EDUCATION DAY

Mr. McCLURE. Mr. President, I rise today to urge my colleagues to join with me in promoting National Energy Education Day.

Energy will continue to be a national issue throughout this century and most likely into the next. Our Nation's ability to successfully meet the challenge of assuring reliable and economical energy sources in the future requires that the public be well informed on energy issues; in particular, our energy requirements and the problems and choices inherent in energy planning.

The task of developing an energy-educated public demands a long-term commitment. Our Nation's schools are best equipped to fulfill this commitment, and many have begun by including energy education in their curriculums. To assist in this energy education effort, I am introducing the 1986 National Energy Education Day [NEED] Resolution. The "Day," March 21, 1986, will serve as a focal point in recognizing the growth and importance of energy education during the previous year.

It is anticipated that between 8,000 to 10,000 schools nationwide will culminate their months of preparation with several days of activities and programs geared around the NEED 1986 theme, "Exploring Energy Pathways to Tomorrow." Using NEED as a vehicle, students can heighten public awareness of energy issues and technologies.

Congress launched NEED in 1980 to emphasize the importance of energy education. Since that time, schools throughout the Nation have benefited from the yearly program. A network of thousands of State, regional, and local NEED committees has evolved to provide energy educators with information on energy issues and to encourage and recognize their efforts. Mr. President, I urge my colleagues to join with me in support of this resolution and in maintaining our commitment to energy education.

ADDITIONAL COSPONSORS

S. 377

At the request of Mr. DECONCINI, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 477

At the request of Mr. ANDREWS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 477, a bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition.

S. 670

At the request of Mr. PELL, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1201

At the request of Mrs. HAWKINS, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1201, a bill to amend the Internal Revenue Code of 1954 to extend the residential energy credit with respect to solar renewable energy source expenditures, with declining percentages of credit, through 1990.

S. 1392

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1392, a bill to amend title 28, United States Code, regarding judicial annuities.

S. 1440

At the request of Mr. STEVENS, the names of the Senator from Washington [Mr. EVANS] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1440, a bill to restrict smoking to designated areas in all U.S. Government buildings.

SENATE JOINT RESOLUTION 156

At the request of Mr. MURKOWSKI, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 156, a joint resolution authorizing a memorial to be erected in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 158

At the request of Mr. MURKOWSKI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 185

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 185, a joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month."

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution expressing the sense of Congress in opposition to the erosion of local control and participation by farmer and rancher borrowers in the farmer- and rancher-owned Farm Credit System and in opposition to the large-scale consolidation and mergers of production credit associations and Federal land bank associations within the Farm Credit System.

SENATE CONCURRENT RESOLUTION 64

At the request of Mr. ABDNOR, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Concurrent Resolution 64, a concurrent resolution expressing the sense of the Congress that the President should form a National Commission on the Farm Credit System to make recommendations to the Congress.

AMENDMENT NO. 637

At the request of Mr. SYMMS, the name of the Senator from North Carolina [Mr. HELMS] was added as cosponsor of amendment No. 637 proposed to S. 51, a bill to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and for other purposes.

SENATE RESOLUTION 224—AUTHORIZING TESTIMONY BY A SENATE EMPLOYEE

Mr. STAFFORD (for Mr. DOLE, for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 224

Whereas, in the case of *United States* v. *Eric Cross, et al.*, Criminal Action No. 84-192-Cr-T-17, pending in the United States District Court for the Middle District of Florida, the Office of the United States Attorney has obtained a subpoena for the testimony of and production of documents by Jay C. Howell, a past employee of the former Subcommittee on Investigations and General Oversight of the Committee on Labor and Human Resources;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of former employees of the Senate concerning information acquired in the course of their official duties and that documents, papers and records under the control or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That Jay C. Howell is authorized, in response to the subpoena obtained by the Office of the United States Attorney, to testify and produce documents before the United States District Court for the Middle District of Florida, except concerning matters for which a privilege as to either should be asserted.

SENATE RESOLUTION 225—AUTHORIZING TESTIMONY OF A SENATE EMPLOYEE AND REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. STAFFORD (for Mr. DOLE, for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 225

Whereas, in the case of *United States v. Amy Walls, et al.*, Petty Offense Violation No. J0027221/WE40, pending in the United States District Court for the Eastern District of Wisconsin, the defendants have obtained a subpoena for the appearance of Senator Bob Kasten and the United States has requested the testimony of Wanda Roever, an employee in his Milwaukee office;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2)(1982), the Senate may direct the Senate Legal Counsel to defend Senators in any proceeding with respect to any subpoena or order directed to them in their official capacity;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Kasten with respect to the subpoena to him and Wanda Roever is authorized to appear and testify in the case of *United States v. Amy Walls, et al.*, except concerning matters which may be privileged.

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT ACT

STAFFORD (AND BENTSEN) AMENDMENT NO. 651

Mr. STAFFORD (for himself and Mr. BENTSEN) proposed an amendment to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

On page 74, line 15, after "question." insert the following: "The Administrator of the Agency for Toxic Substances and Disease Registry shall use appropriate data, risk assessments, risk evaluations and studies available from the Administrator of the Environmental Protection Agency.".

On page 77, line 16, after "1985," insert ", jointly with the Administrator of the Environmental Protection Agency,".

On page 77, line 23, after the word, "Administrator" insert: ", in consultation with the Administrator of the Environmental Protection Agency,".

On page 77, line 25, after the word, "Administrator" insert: ", in consultation with the Administrator of the Environmental Protection Agency,".

On page 78, line 6, after the word "with" insert "the Administrator of the Environmental Protection Agency and".

On page 81, line 17, after "trator" insert the following: "of the Agency for Toxic Substances and Disease Registry or the Administrator of the Environmental Protection Agency, as appropriate,".

On page 81, line 21, strike the period and insert in lieu thereof: ", or by the Environmental Protection Agency, as appropriate.".

LAUTENBERG AMENDMENT NO. 652

Mr. LAUTENBERG proposed an amendment to the bill S. 51, supra; as follows:

On page 114, line 13, after the period insert the following: "The annual report required by this paragraph shall also contain a detailed description on a state-by-state basis of the status of each facility subject to this section, including a description of the hazard presented by each facility, plans and schedules for initiating and completing response action, enforcement status (where appropriate), and an explanation of any postponements or failure to complete response action. Such reports shall also be submitted to the affected States.".

KENNEDY AMENDMENT NOS. 653 AND 654

Mr. KENNEDY proposed two amendments to the bill S. 51, supra; as follows:

AMENDMENT NO. 653

On page 101, after line 12, insert the following new section and renumber succeeding sections accordingly:

LEAD CONTAMINATION

SEC. . Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by this Act) is amended by adding at the end thereof the following new paragraph:

"(8) payment of the cost, not to exceed $15,000,000, of a pilot program for the removal of lead-contaminated soil in one to three different metropolitan areas.".

AMENDMENT NO. 654

On page 60, line 7, insert "(a)" after "SEC. 108.".

On page 60, between lines 12 and 13, insert the following:

(b) Section 104(c) of such Act (as amended by sections 112 and 113 of this Act) is amended by adding at the end thereof the following new paragraph:

"(8) Nothing in this Act shall limit the President in taking such action as may be necessary to assure continuous remedial action or to institute interim remedial action when it becomes necessary to reopen bidding or otherwise recontract for the performance of remedial action.".

KENNEDY AMENDMENT NOS. 655

Mr. KENNEDY proposed an amendment, which was subsequently modified, to the bill S. 51, supra; as follows:

On page 83, line 12, strike out "or $50,000,000, whichever is less".

HATCH AMENDMENT NO. 656

Mr. STAFFORD (for Mr. HATCH) proposed an amendment to the bill S. 51, supra; as follows:

On page 118, after line 8, insert the following new section and renumber succeeding sections accordingly:

HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

SEC. . (a) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section:

"HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

"SEC. . (a) AUTHORITIES.—The Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency may each, consistent with their respective missions, support the following health-related activities through grants, cooperative agreements, and contracts—

"(1) Research (including epidemiologic and ecologic studies) in

"(A) Advanced techniques for the detection, assessment, and evaluation of the effects on human health of hazardous substances;

"(B) Methods to assess the risks to human health presented by hazardous substances, including workplace hazard assessment;

"(C) Methods and technologies to detect hazardous substances in the environment and methods and technologies to reduce the amount and toxicity of hazardous substances, including recycling, incineration, biodegradation, chemical inactivation, and encapsulation; and

"(D) Improved health and safety practices in, and equipment for the handling and disposal of hazardous substances.

"(2) Training, including—

"(A) Short courses and continuing education for State and local health and environment agency personnel and other personnel engaged in the handling of hazardous substances, in the management of facilities at which hazardous substances are located, and in the evaluation of the hazards to human health presented by such facilities; and

"(B) Graduate training in environmental and occupational health and in the public health aspects of hazardous waste control.

"(b) AWARDS.—A grant, cooperative agreement, or contract may be made or entered into under this section by the Administrator of the Environmental Protection Agency or the Secretary of Health and Human Services (through the National Institute of Environmental Health Sciences or other appropriate agency or, in the case of training, through the National Institute for Occupational Safety and Health or other appropriate agency), with an accredited institution of higher education, a research institution, a State or local health agency, or other entity as the Secretary or the Administrator deems appropriate. Awards under this subsection shall be subject to peer review in a manner substantially similar to that of section 475 of the Public Health Service Act.

"(c) ADVISORY COUNCIL.—To assist in the implementation of this section, the Secretary and the Administrator may each, or they may jointly, appoint an advisory council. Such council(s) shall be representative of the relevant Federal government agencies, the chemical industry, the toxic waste management industry, institutions of higher education, State and local health and environmental agencies, and the general public.

"(d) PLANNING.—Within one year after the enactment of the Superfund Improvement Act of 1985, the Secretary and the Administrator shall complete a joint plan for the implementation of this section and shall report to the Congress on the plan and the implementation. The head of the Agency for Toxic Substances and Disease Registry shall coordinate the plan, which shall be drawn up with the participation of the Directors of the National Institute of Environmental Health Sciences and the National Institute for Occupational Safety and Health, and other officials as the Secretary and the Administrator deem appropriate.".

"(b) Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"( ) the costs of carrying out the research and training program under section , to the extent that such costs do not exceed $5,000,000 for fiscal year 1986; $10,000,000 for fiscal year 1987; $20,000,000 for fiscal year 1988; $35,000,000 for fiscal year 1989; and $40,000,000 for fiscal year 1990;".

STAFFORD (AND BENTSEN) AMENDMENT NO. 657

Mr. STAFFORD (for himself and Mr. BENTSEN) proposed an amendment to the bill S. 51, supra; as follows:

On page 112, line 18, strike "agreement is entered into" and insert in lieu thereof "completion of remedial design".

On page 112, line 22, strike "construction design" and insert in lieu thereof "a remedial action plan".

On page 113, beginning on line 8, strike "a request for funding adequate to complete remedial action, and" and on line 12, strike "request" and insert in lieu thereof "budget submission".

On page 114, after line 13, insert the following:

"(d) ACTION BY OTHER PARTIES.—If the Administrator in consultation with the head of the relevant department, agency, or instrumentality of the United States, determines that a remedial investigation and feasibility study or remedial action will be done properly at the federal facility by another potentially responsible party within the deadlines provided in paragraphs (1), (2), and (3) of subsection (c), the Administrator may enter into an agreement with such party providing for assumption of the responsibilities set forth in those paragraphs. Following approval of the agreement by the Attorney General, the agreement shall be entered in the appropriate United States district court as a consent decree under section 106 of this Act.".

On page 114, line 14, strike "(d)" and insert in lieu thereof "(e)" and on line 21, strike "(e)" and insert in lieu thereof "(f)".

On page 114, line 22, and page 115, line 11, strike "procedures".

On page 115, after line 13, insert the following:

"(h) FEDERAL AGENCY SETTLEMENTS.—The head of each department, agency, or instrumentality or his designee may consider, compromise, and settle any claim or demand under this Act arising out of activities of his agency, in accordance with regulations prescribed by the Attorney General. Any award, compromise, or settlement in excess of $25,000 shall be made only with the prior written approval of the Attorney General or his designee. Any such award, compromise, or settlement shall be paid by the agency concerned out of appropriations available to that agency.".

On page 115, line 13, after the first period, insert "The President may exempt any site or facility of any department, agency, or instrumentality in the executive branch from compliance with any such guidelines, rules, regulations or criteria if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with the reason for granting each such exemption.".

METZENBAUM AMENDMENT NO. 658

Mr. METZENBAUM proposed an amendment to the bill S. 51, supra; as follows:

On page 101, after line 12, insert the following new section and renumber succeeding sections accordingly:

TECHNICAL ASSISTANCE GRANTS

SEC. . Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) subject to such amounts as are provided in appropriation Acts, the costs of a program of technical assistance grants, in accordance with rules promulgated by the President, to community organizations or groups of indivuduals potentially affected by a release of threatened release at any facility listed on the National Priorities List, not to exceed $75,000 per facility. Such grants may be used to obtain technical assistance in interpreting information with regard to the nature of the hazard, remedial investigation and feasibility study, record of decision, remedial design, selection and construction of remedial action, operation and maintenance, or removal action at such facility.".

PACKWOOD (AND LONG) AMENDMENT NO. 659

Mr. PACKWOOD (for himself and Mr. LONG) proposed an amendment to the bill S. 51, supra; as follows:

On page 121, strike out line 10.

On page 124, line 1, insert "TITLE II—" before "AMENDMENTS".

On page 134, line 11, strike out "(3)" and insert in lieu thereof "(4)".

On page 134, lines 18 and 23, strike out "(b)(5)" and insert in lieu thereof "(b)(8)".

On page 137, beginning with line 22, strike out all through page 138, line 2, and insert in lieu thereof the following:

"(1) in the case of a taxable transaction described in paragraph (1) of section 4003(a)—

"(A) the manufacturer of the tangible personal property, or

"(B) any person who included the costs of the tangible personal property in such person's qualified inventory costs, and

On page 141, lines 10 and 11, strike out "exempt from tax under chapter 1" and insert in lieu thereof "exempt from taxation under chapter 1 by reason of section 501(a)".

On page 142, beginning with line 20, strike out all through page 144, line 5, and insert in lieu thereof the following:

"(1) IN GENERAL.— Except as provided in paragraph (2), the term 'qualified inventory costs' means, with respect to any taxable period, the costs of tangible personal property which—

"(A) are allocable to the inventory of a manufacturer under the full absorption method of accounting under section 471, and

"(B) are paid or incurred by the taxable person during such taxable period.

"(2) SPECIAL RULES.—For purposes of this subsection—

"(A) EXPENSING RATHER THAN DEPRECIATION OR AMORTIZATION.—The qualified inventory costs of any taxpayer for any taxable period shall, in lieu of any allowance for depreciation or amortization, include any amount paid or incurred during such taxable period for tangible personal property acquired or leased incident to, and necessary for, production or manufacturing operations or processes.

"(B) TAXPAYERS USING METHODS OF ACCOUNTING OTHER THAN THE FULL ABSORPTION METHOD.—In the case of a taxable person using a method of accounting other than the full absorption method used in determining the inventory of a manufacturer under section 471, the qualified inventory costs of such person shall, except as provided in regulations, include only those costs included in the inventory of a manufacturer under such full absorption method.

"(C) PROPERTY MANUFACTURED FOR LEASE BY MANUFACTURER.—For purposes of computing qualified inventory costs, any tangible personal property which is manufactured for lease by the manufacturer shall be treated in the same manner as property which is manufactured for sale by the manufacturer.

On page 145, lines 24 and 25, strike out "(determined on an annual basis)".

On page 148, lines 4, 21, and 24, strike out "The" and insert in lieu thereof "For purposes of this chapter, the".

On page 149, line 15, strike out the end quotation marks and the end period.

On page 149, between lines 15 and 16, insert the following:

"(j) SPECIAL RULE FOR SHORT TAXABLE PERIODS.—In the case of a taxable period which is less than 1 calendar year, there shall be substituted for the $4,000 amounts in subsections (a) and (d) of section 4013 and the $5,000,000 amount in section 4022(a)(2) the amount which bears the same ratio of such amounts as the number of days in the taxable period bears to 365.

"(k) SALE TO INCLUDE CERTAIN EXCHANGES AND TRANSFERS.—

for purposes of this chapter, except as provided in regulations, the term 'sale' includes any exchange or transfer other than a gift (within the meaning of section 102 or section 170).".

On page 155, line 6, strike out "Response Trust Fund" and insert in lieu thereof "Superfund".

On page 161, between lines 4 and 5, insert the following:

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

On page 135, strike out lines 3 and 4, and insert in lieu thereof the following:

(e) CERTAIN EXCHANGES BY TAXPAYERS NOT TREATED AS SALES.—Subsection (c) of section 4662 (relating to use by manufacturers) is amended to read as follows:

"(c) USE AND CERTAIN EXCHANGES BY MANUFACTURER, ETC.—

"(1) USE TREATED AS SALE.—Except as provided in subsection (b), if any person manufactures produces, or imports any taxable chemical and uses such chemical, then such person shall be liable for tax under section 4661 in the same manner as if such chemical were sold by such person.

"(2) SPECIAL RULES FOR INVENTORY EXCHANGES.—

"(A) IN GENERAL.—Except as provided in this paragraph, in any case in which a manufacturer, producer, or importer of a taxable chemical exchanges such chemical as part of an inventory exchange with another person—

"(i) such exchange shall not be treated as a sale, and

"(ii) such other person shall, for purposes of section 4661, be treated as the manufacturer, producer, or importer of such chemical.

"(B) EXCEPTION FOR EXCHANGES WHERE RECIPIENT NOT TAXABLE.—Subparagraph (A) shall not apply to any inventory exchange if the person receiving the taxable chemical would not be subject to tax on the sale of such chemical (other than by reason of subsection (b)).

"(C) REGISTRATION REQUIREMENT.—Subparagraph (A) shall not apply to any inventory exchange unless—

"(i) both parties are registered with the Secretary as manufacturers, producers, or importers of taxable chemicals, and

"(ii) the person receiving the taxable chemical has, at such time as the Secretary may prescribe, notified the manufacturer, producer, or importer of such person's registration number and the internal revenue district in which such person is registered.

"(D) INVENTORY EXCHANGE.—For purposes of this paragraph, the term 'inventory exchange' means an exchange in which a person exchanges property which, in the hands of such person, is property described in section 1221(1) for property of another person which, in such other person's hands, is so described.".

"(f) EFFECTIVE DATE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 1985.

"(2) INVENTORY EXCHANGES.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the amendment made by subsection (e) shall apply as if included in the amendment made by section 211 of the Hazardous Substance Response Revenue Act of 1980.

"(B) EXCEPTION WHERE MANUFACTURER PAID TAX.—In the case of any inventory exchange before January 1, 1986, the amendment made by subsection (e) shall not apply if the manufacturer, producer, or importer treated such exchange as a sale for purposes of section 4661 of the Internal Revenue Code of 1954 and paid the tax imposed by such section.

"(C) REGISTRATION REQUIREMENTS.—Section 4662(c)(2)(C) of such Code (as added by subsection (e)) shall apply to exchanges made after December 31, 1985.

HEINZ AMENDMENT NO. 660

Mr. HEINZ proposed an amendment to the bill, S. 51, supra; as follows:

HEALTH RELATED AUTHORITIES—SECTION 110

Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "develop and construct regional centers at appropriately qualified universities, research and medical institutions for the study of the biological and genetic effects of wastes and materials found in the environment."

Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "subject to such amounts as are provided in appropriations Acts, all costs necessary to develop and construct regional centers for study of the biological and genetic effects on humans, animals, and plants of wastes and materials found in the environment."

BYRD (AND LAUTENBERG) AMENDMENT NO. 661

Mr. BYRD (for himself and Mr. LAUTENBERG) proposed an amendment to the bill, S. 51, supra; as follows:

On page 118, after line 19, insert the following new section:

"SEC. . (a) The Administrator of the Environmental Protection Agency is directed to initiate, not later than thirty days after enactment of this Act, a comprehensive review of emergency systems for monitoring, detecting, and preventing releases of extremely hazardous substances at representative domestic facilities that produce, use, or store extremely hazardous substances. The Administrator may select representative extremely hazardous substances for the purposes of this review. Such extremely hazardous substances shall be the same substances and quantities listed by the Council of the European Communities in its "Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III", published in the official Journal of the European Communities, August 5, 1982. The Administrator shall report interim findings to the Congress not later than 210 days after such date of enactment, and issue a final report of findings and recommendations to the Congress not later than 365 days after such date of enactment. Such report shall be prepared in consultation with the States and appropriate Federal agencies.

"(b) The report required by this section shall include the Administrator's findings regarding:

"(1) the status of current technological capabilities to: (A) monitor, detect, and prevent, in a timely manner, significant releases of extremely hazardous substances, (B) determine the magnitude and direction of the hazard posed by each release, (C) identify specific chemicals, (D) provide data on the specific chemical composition of such releases, and (E) the relative concentrations of the constituent chemicals;

"(2) the status of public emergency alert devices or systems for providing timely and effective public warning of an accidental release of extremely hazardous substances to the environment, including: releases into the atmosphere, surface water, or groundwater, from facilities that produce, store, or use significant quantities of such extremely hazardous substances; and

"(3) the technical and economic feasibility of establishing, maintaining, and operating perimeter alert systems for detecting releases of such extremely hazardous substances to the atmosphere, surface water, or groundwater, at facilities that manufacture, use, or store significant quantities of such substances.

"(c) The report required by this section shall also include the Administrator's recommendations for:

"(1) initiatives to support the development of new or improved technologies or systems that would facilitate the timely monitoring, detection, and prevention of releases of extremely hazardous substances, and

"(2) improving devices or systems for effectively alerting the public in a timely manner, in the event of an accidental release of such extremely hazardous substances."

GLENN AMENDMENT NO. 662

Mr. GLENN proposed an amendment to the bill S. 51, supra; as follows:

At the end of title I add the following new section:

REGULATION OF MIXED HAZARDOUS WASTE

SEC. . (a) FINDINGS.—The Congress finds that—

(1) the generation, transportation, treatment, and storage of hazardous waste mixed with radioactive material poses potential hazards to public health and safety unless carefully planned and managed;

(2) the Department of Energy's Atomic Energy Act facilities are real or potential producers of such hazardous waste mixed with radioactive material; and

(3) the authority of the Environmental Protection Agency to regulate the disposal of hazardous waste mixed with radioactive material at the Department of Energy's Atomic Energy Act facilities should be clarified.

(b) PURPOSE.—The purpose of this section is to clarify the intent of Congress that the generation, transportation, treatment, and storage of hazardous waste mixed with radioactive material is subject to the Solid Waste Disposal Act, and that the disposal of hazardous waste mixed with radioactive material at Department of Energy Atomic Energy Act facilities, and at other facilities not licensed for the disposal of radioactive materials, is also subject to such Act.

(c) CLARIFYING AMENDMENT TO DEFINITIONS OF SOLID WASTE AND HAZARDOUS WASTE.—Section 1004(27) of the Solid Waste Disposal Act is amended—

(1) by inserting "(A)" after "(27)";

(2) by striking out ", or source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954, as amended (68 Stat. 923)"; and

(3) by adding at the end thereof the following new subparagraphs:

"(B) Except as otherwise provided in subparagraph (C), the term 'solid waste' does not include source, special nuclear, or byproduct materials as defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014).

"(C) The terms 'solid waste' and 'hazardous waste' shall each include materials described in subparagraph (B) when—

"(i) such materials are part of any mixture or combination, if the other constituent part of such mixture or combination is a 'hazardous waste' within the meaning of paragraph (5), and

"(ii) such materials (I) are in the stage of generation, transportation, storage, or treatment, or (II) are disposed of at an Atomic Energy Act facility of the Department of Energy or other unlicensed location;

except that, this subparagraph shall not apply to wastes disposed of at a 'repository' as defined in section 2(18) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(18).)".

(d) APPLICABILITY OF AMENDMENTS.—(1) This section and the amendments made thereby are clarifying in nature with respect to the purpose stated in subsection (b), and shall not be construed as altering the intent of Congress as to whether the Solid Waste Disposal Act, as in effect prior to the amendments made by this section, applies to mixtures and combinations of hazardous wastes which contain radioactive material which are disposed of at facilities licensed by a State or by the Nuclear Regulatory Commission, or as altering the applicability of any standards or requirements issued pursuant to the Solid Waste Disposal Act.

(2) Nothing in this section shall be construed to affect, modify, or amend the Uranium Mill Tailings Radiation Control Act of 1978.

STAFFORD (AND THURMOND) AMENDMENT NO. 663

Mr. STAFFORD (for himself and Mr. THURMOND) proposed an amendment to the bill S. 51, supra; as follows:

On page 91, strike out lines 5 through 19 and insert in lieu thereof the following:

"(l)(1) Any person may seek contribution from any other person who is liable or potentially liable under subsection (a), during or following any civil action under section 106 or under such subsection (a). Such claims shall be brought in accordance with section 113 and the Federal Rules of Civil Procedure, and shall be governed by Federal law. Nothing in this subsection shall diminish the right of any person to bring an action for contribution or indemnification in the absence of a civil action under section 106 of this section.".

On page 91, line 20, strike out "(3)" and insert in lieu thereof "(2)".

On page 91, line 23, strike out "under paragraph (2) of this subsection".

On page 92, line 4, strike out "(4)" and insert in lieu thereof "(3)".

On page 92, line 8, strike out "for the remainder of the relief sought".

On page 92, line 14, strike out "a State or".

On page 92, line 16, after "United States" Insert "or the State".

On page 92, line 18, after "113" insert ", and shall be governed by Federal law".

On page 105, lines 7 and 8, strike out "Administrative Office of the United States courts" and insert in lieu thereof "judicial panel on multidistrict litigation authorized by section 1407 of title 28, United States Code".

On page 105, line 15, strike out "Administrative Office" and insert in lieu thereof "judicial panel on multidistrict litigation".

On page 106, lines 7 and 8, strike out "Administrative Office" and insert in lieu thereof "judicial panel on multidistrict litigation".

On page 106, line 24, insert "(b)" after "104".

On page 107, line 2, insert "(b)" after "104".

On page 107, line 8, strike out "only objection" and insert in lieu thereof "objections".

On page 107, line 10, after "107" strike out through "comment" on line 12 and insert in lieu thereof the following: "must be based upon the comments received and the evidence contained in the record".

On page 107, line 14, after "unless" insert "the objecting party can demonstrate, on the administrative record, that".

On page 107, lines 14 and 15, strike out "arbitrary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was,".

On page 107, line 17, strike out "arbitrary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was".

On page 107, line 18, after the word "award" insert "only".

On page 107, line 25, strike out the closing quotation mark and the final period.

On page 107, after line 25, insert the following:

"(h) The President shall promulgate regulations in accordance with chapter 5 of title 5, United States Code, commonly known as the Administrative Procedure Act, establishing procedures for the appropriate participation of interested persons in the development of the administrative record on which judicial review of the response actions will be based. For remedial actions, such regulations shall include procedures for providing, before adoption of any plan for remedial action to be undertaken by the United States or a State or any other person under section 104 or section 106 of this Act—

"(1) notice to potentially affected persons and the public, which shall be accompanied by a brief analysis of the plan and alternative plans that were considered;

"(2) a reasonable opportunity to comment and provide information regarding the plan;

"(3) an opportunity for a public meeting in the affected area;

"(4) a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under such procedures; and

"(5) agency support for the basis and purpose of the selected action.

The administrative record shall include the items developed and received pursuant to the procedures established under this subsection.".

On page 108, strike out lines 1 through 3, and insert in lieu thereof the following:

(c) Section 106(b) of such Act is amended by—

(1) inserting "(1)" after "(b)";

(2) striking out "who willfully" and inserting in lieu thereof "who, without sufficient cause, willfully"; and

(3) adding at the end thereof the following new paragraph:

On page 108, line 25, beginning with "Issuing" strike out through "capricious or" on line 1, page 109, and insert in lieu thereof "selecting the response action ordered was not reasonably justified under the criteria

set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was".

On page 109, line 2, strike out "may" and insert in lieu thereof "shall".

On page 109, line 4, strike out "arbitrary and capricious or" and insert in lieu thereof "not reasonably justified under the criteria set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was".

SPECTER AMENDMENT NO. 664

Mr. STAFFORD (for Mr. SPECTER) proposed an amendment to amendment No. 663 proposed by Mr. STAFFORD (and Mr. THURMOND) to the bill S. 51, supra; as follows:

On page 1, line 8, after "Federal Laws" insert the following: "In resolving contribution claims, the court shall allocate response costs among liable parties using such equitable factors as the court determines are appropriate.".

BENTSEN (AND STAFFORD) AMENDMENT NO. 665

Mr. BENTSEN (for himself and Mr. STAFFORD) proposed an amendment to the bill S. 51, supra; as follows:

On page 88, beginning on line 16, strike all through page 89, line 3.

On page 118, after line 8, insert the following new section and renumber succeeding sections accordingly:

CONTRACTOR INDEMNIFICATION

SEC. . Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding following new section:

"INDEMNIFICATION OF CONTRACTORS

"SEC. . (a)(1) The President shall, in contracting, or arranging for response action to be undertaken pursuant to contracts or cooperative agreements in accordance with section 104(d)(1) of this Act, and funded in accordance with section 111 of this Act, agree to hold harmless and indemnify a contracting or subcontracting party against claims, including the expenses of litigation or settlement, by third persons for death, bodily injury or loss of or damage to property arising out of performance of a cleanup agreement to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the negligence, recklessness, or intentional misconduct of the contracting or subcontracting party.

"(2) The President may, in the President's discretion, agree to hold harmless and indemnify a contracting or subcontracting party against such claims to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the gross negligence, recklessness, or intentional misconduct of the contracting or subtracting party, so long as such indemnification is in the public interest.

"(b)(1) Amounts expended pursuant to this section shall be considered costs of response to the release with respect to which resulted in liability. Costs incurred in the defense of suits against indemnified parties under subsection (a)(1) may be paid to such contractor in a timely manner, in quarterly or other increments, unless and until such contracting or subcontracting party is proven negligent in a court or such contractor accepts liability for negligent action. The United States shall not otherwise participate, directly or indirectly, in the defense of contracting parties unless the United States is named as a first party defendant. No other amounts shall be expended pursuant to this section until after entry of a judgment or a final order.

"(2) Indemnification contracts entered into pursuant to this section shall not be subject to sections 1301 or 1340 of title 31 or section 11 of title 41 of the United States Code.".

On page 48, after line 3, insert the following new section and renumber succeeding sections accordingly:

"RESPONSE ACTION CONTRACTORS

"SEC. . Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subparagraph:

"( ) In the case of any person carrying out a written contract or agreement with any Federal agency, or any State (or any political subdivision thereof), or any responsible party to provide any response action or any services or equipment ancillary to such response action,

"(i) the term 'owner or operator' does not include any such person, and

"(ii) any such person shall not be considered to have caused or contributed to any release or to have arranged for disposal, treatment, or transport of hazardous substances, except to the extent that there is a release of a hazardous substance that was primarily caused by activities of such person. This subparagraph shall not apply to any person potentially responsible under section 106 or 107 other than those persons associated solely with the provision of response action or ancillary services or equipment;".

BENTSEN AMENDMENT NO. 666

Mr. BENTSEN proposed an amendment to the bill S. 51, supra; as follows:

On page 109, after line 14, insert the following:

"(i) Any litigation relating to permits of the Administrator issued pursuant to the Clean Air Act, the Clean Water Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, and this Act, and for which such permitted facilities would guarantee the availability of treatment, incineration, or disposal capacity of at least 25 per centum for Superfund wastes shall be afforded priority consideration over other civil litigation by the respective United States Court of Appeals having jurisdiction over the litigation. It shall be the duty of the Court of Appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the extent possible the disposition of any matter covered by this subsection."

McCONNELL (AND FORD) AMENDMENT NO. 667

Mr. McCONNELL (for himself and Mr. FORD) proposed an amendment to the bill S. 51, supra; as follows:

At the end of title II, insert the following new section:

SEC. . CERTAIN COSTS OF PRIVATE FOUNDATION IN REMOVING HAZARDOUS SUBSTANCES TREATED AS QUALIFYING DISTRIBUTIONS.

(a) IN GENERAL.—In the case of any taxable year beginning after December 31, 1982, the distributable amount of a private foundation for such taxable year for purposes of section 4942 of the Internal Revenue Code of 1954 shall be reduced by any amount paid or incurred (or set aside) by such private foundation for the investigatory costs and direct costs of removal or taking remedial action with respect to a hazardous substance released at a facility which was owned or operated by such private foundation.

(b) LIMITATIONS.—Subsection (a) shall apply only to costs—

(1) incurred with respect to hazardous substances disposed of at a facility owned or operated by the private foundation but only if—

(A) such facility was transferred to such foundation by bequest before December 11, 1980, and

(B) the active operation of such facility by such foundation was terminated before December 12, 1980, and

(2) which were not incurred pursuant to a pending order issued to the private foundation unilaterally by the President or the President's assignee under section 106 of the Comprehensive Environmental Response, Compensation and Liability Act, or pursuant to a judgment against the private foundation issued in a governmental cost recovery action under section 107 of such Act.

(c) HAZARDOUS SUBSTANCE.—For purposes of this section, the term "hazardous substance" has the meaning given such term by section 9601(14) of the Comprehensive Environmental Response, Compensation and Liability Act.

CONTINUING APPROPRIATIONS, 1986

WILSON (AND OTHERS) AMENDMENT NO. 668

(Ordered to lie on the table.)

Mr. WILSON (by himself Mr. DECONCINI, MR. CRANSTON, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the joint resolution (H.J. Res. 388) making continuing appropriations for the fiscal year 1986, and for other purposes; as follows:

At the end of the joint resolution add the following:

Notwithstanding section 10 of Public Law 91-672 (22 U.S.C. 2412), the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1985, namely:

AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "International disaster assistance", for necessary expenses to carry out the provisions of section 491 of the Foreign Assistance Act of 1961, $75,000,000, to remain available until expended: *Provided*, That such amount shall be available only for the relief and rehabilitation of victims of the Mexican earthquake of September 19, 1985.

MEXICAN EARTHQUAKE VICTIM RELIEF AMENDMENT

Mr. WILSON. Mr. President, I send an amendment to the desk and do so on behalf of myself and Senators DECONCINI, CRANSTON, and DOMENICI.

Mr. President, the amendment I am sending to the desk is one which I intend to offer to the continuing resolution.

The PRESIDING OFFICER. The amendment will be received and will lie on the table.

Mr. WILSON. Mr. President, it is my intention to offer the amendment at such time as the continuing resolution is before the Senate. I ask unanimous consent that the amendment be held at the desk for the purpose of allowing those of my colleagues who wish to do so to become cosponsors before its actual consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, the amendment is one that relates to the terrible tragedy that has just befallen our good neighbors to the south. This morning, television and newspapers were full of pictures, full of words that describe that tragedy, or sought to do so.

Forces beyond our comprehension have been unleashed with a cruelty which beggars our imagination. One of the world's oldest, and justifiably proudest, civilizations has been struck a body blow—and anyone with blood in his veins or a heart in his chest must respond with a mixture of horror and grief.

Our neighbor has been ravaged. We have, as neighbors, an obligation, coupled with a brother's concern, to do all in our power to ease the suffering in Mexico. We do not, as yet, know the exact dimensions of the tragedy. It is enough to know that the Earth shook, the mountains rolled over, and millions of people had their lives ripped apart like a tablecloth torn in two.

It is enough to know that we are Americans, and that a neighbor is bleeding. Not just a neighbor, but a member of the family. Fortunately, we are not powerless to help. We can follow events closely, and in their wake, we can open our hearts to the Mexican people. We can give of our material wealth. We can lend the resources of our Government. We can forget that such a thing as a geographical borderline exists, in a time of tragedy, because hearts are borderless. Historically, and I am sure in this instance, the American heart has proved and will prove bottomless.

Mr. President, at the time we consider the continuing resolution, I will offer this amendment and will welcome cosponsors between this time and that time.

The amendment will seek to provide $75 million for the purpose of Mexican earthquake victim relief, so that we can minister to the injured, prevent further loss of life, and assist in long-term efforts to rebuild and to renew the beauty and the grandeur of that lovely country with whom we share a border and a future.

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a business meeting on Thursday, September 26 at 10 a.m., in SD-342. Under consideration will be civil service pension reform legislation, budget reconciliation and the nomination of James C. Miller to be Director of the Office of Management and Budget.

For further information, please contact the committee office at 224-4751.

Mr. President, the Senate Committee on Governmental Affairs will hold a hearing on the annual report of the Postmaster General on Friday, September 27, at 10 a.m. in SD-342.

For further information, please contact Wayne Schley at 224-2254.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to receive testimony from the Department of the Interior and other interested parties on the distribution of Outer Continental Shelf section 8(g) revenues in response to instructions of the budget resolution.

The hearing will take place Tuesday, September 24, 1985, 9 a.m., in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

For further information, please contact Ms. Nan Morrison at (202) 224-7143.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Public Lands, Reserved Water and Resource Conservation Subcommittee of the Energy and Natural Resources Committee will conduct a hearing on Friday, October 4, 1985, at 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC. The subcommittee will receive testimony on the following bills:

S. 304, for the transfer of certain interests in lands in Socorro County, NM, to the New Mexico Institute of Mining and Technology, Socorro, NM.

S. 360, to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, NE.

S. 446, for the transfer of certain interests in lands in Dona Ana County, NM, to New Mexico State University, Las Cruces, NM.

S. 565, to direct the Secretary of Agriculture to convey, without consideration, to the town of Payson, AZ; approximately 31.14 acres of Forest Service lands.

S. 567, to convey Forest Service land to Flagstaff, AZ.

S. 829, to authorize the Secretary of the Interior to convey certain lands withdrawn by the Bureau of Reclamation for townsite purposes to the Huntley Project Irrigation District, Ballantine, MT.

S. 1503, to clear title to certain lands along the California-Nevada boundary.

S. 1625, to authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center.

Those wishing to testify or to submit a statement should write to the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Patty Kennedy of the subcommittee staff at (202) 224-2878.

SUBCOMMITTEE ON WATER AND POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a hearing before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

The hearing is scheduled for Saturday, November 2, 1985, beginning at 8 a.m. in the theater of the Wagner Community School, Wagner Heights, in Wagner, SD. Testimony is invited regarding S. 252, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit, South Dakota, Pumping Division, Pick-Sloan Missouri Basin Program, South Dakota.

For further information regarding the hearing you may wish to contact Russell R. Brown of the subcommittee staff—telephone number (202) 224-2366. Those wishing to testify or to submit a written statement for the hearing record should write to the Subcommittee on Water and Power, room SD-358, Dirksen Senate Office Building, Washington, DC 20510.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has postponed the hearing it had scheduled for Tuesday, September 24, 1985, beginning at 9 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC. It will be rescheduled on a future date yet to be announced.

This was a hearing to receive testimony on innovative approaches in industrial energy efficiency.

For further information regarding this hearing please contact Mr. Al Stayman 202-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Friday, September 20, in executive session to consider legislation to reduce the Federal deficit, for the fiscal years of 1986, 1987, and 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Surface Transportation Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Friday, September 20, at 2:00 p.m., to conduct a meeting on economic deregulation of the trucking industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, September 24, to conduct a hearing and a business meeting to consider and take action on Senate Concurrent Resolution 32, reconciliation instructions and on Thursday, September 26, to conduct a business meeting for the same purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FARM CRISIS AFFECTS FAMILIES

● Mr. BOREN. Mr. President, not a day goes by without some farmer in Oklahoma declaring bankruptcy or selling his farm. Once, it was easy to identify the type of farmer declaring bankruptcy. At one point, it was only young farmers who had begun farming at the wrong time that were going bankrupt. At another point, it was middle-aged farmers who had expanded too rapidly during the seventies that were declaring bankruptcy. Then, it was farmers approaching retirement who were forced into selling land that may have been in their family for generations. Now, there is not a clear delineation. No longer does it matter what one might have done during the seventies. Bankruptcy and forced liquidation of assets is affecting everyone in agriculture. Farmers who have their land paid for and only borrow annually for operating capital are finding it extremely difficult to make ends meet.

Bankruptcy, the selling of lands that have been in the family for generations, is emotionally devastating to the farmer involved and to the family involved. This is particularly so for farmers reaching retirement age when they are forced to sell everything for which they worked hard all their lives.

I recently received a copy of an essay written by a young lady in southwestern Oklahoma. She is a freshman in college. It is hard to keep dry eyes while reading this essay about the feeling experienced when one's grandfather is forced to sell land that has been in the family for generations. I commend this essay to my colleagues.

I ask that the full text of the essay be printed in the RECORD.

The essay follows:

A QUIRK IN MY PERSONALITY

I have looked up the word "Quirk". One definition says, "A peculiarity of behavior that eludes prediction or suppression." That I have. Another definition said, "An unaccountable act." A long time ago I found that if I avoided getting involved I didn't get hurt. So, most of the time, I try not to get involved. Yesterday I would have predicted that I would not write on this subject. Yesterday I would have suppressed my desire to do so. But this is today, and today I am writing. In writing this essay I prove that this definition fits my personality at least on this day. A quirk in one's personality can develop in an instant and change his outlook on life forever.

I am a private person. In writing this I become not so private. It is not easy to take this strange road. But today I looked into the face of a broken man—my grandfather; and I haven't been able to erase it from my mind. Perhaps in this "unaccountable act or writing" I can free myself from part of this pain.

As I look back I knew bad things were coming. I saw my own father go through the same thing but I was younger and he was younger. I remember my grandmother kept saying, "Honey, working our way through college never hurt anyone. If you have to you can even enjoy it." Headlines in all the magazines that lay open at my grandparents house said, "No Relief in Sight, Interest Rates Up, Next Year Will Be No Better, No Market for Cotton, etc." These did not touch me. Today I have been touched. I think my grandad's face will be forever etched in my mind.

Today began just like any other day. I was sitting at the bar in my grandparent's kitchen. It's a nice kitchen and a nice house. My grandad could not care less; but he said my grandmother deserved something good for all the years she spent sending lunches to the field, and not taking vacations, and not complaining about driving old dusty pickups. But back to my story, I was drinking a glass of tea, my grandmother was at the sink, and my mother was reading the newspaper when grandad walked in. It was just like all those other days until I heard him sob. It was only then that any of us paid any attention to him. That was when this feeling started and I can't shake it. He stood there in his old faded shirt and dirty blue overalls, that now hang on him, and tears were rolling down his weather beaten cheeks and in his hand he held a sale bill that announced to the world that he was selling the farm.

It was then that I saw these pictures flashing through my mind, sort of like a drowning person I suppose. I saw him holding freshly plowed dirt in his hand and as it fell to the ground he remarked, "There's nothing like that smell." I saw him counting cattle, patting them on the rear and calling each one by name. I heard again those stories told me so many times over the years about when my great, great grandfather came from Alabama and settled on the home place. How he thought he was ruined because a "damn yankee", (who later became his best friend) moved in on the neighboring farm. I remembered my great grandad himself telling me how my brother would till the soil on that same farm; and especially I remember how they all preached to me, "Don't ever sell the land and you'll never go broke". I remembered too, quite suddenly, what my grandmother had once told me. "I've never been jealous of another woman", she said, "but these ole' farms, that's another story!" And now they are selling.

On this day I think I have seen the demise of a farmer and it certainly isn't as easy as it sounds in the magazines and newspapers. I know this "Quirk in My Personality" is going to stay with me for a long time to come. May God bless my grandparents and all those others like him.●

DENOUNCEMENT OF "CHRISTIAN IDENTITY" GROUPS

● Mr. SIMON. Mr. President, I want to commend the American Jewish Committee and the religious organizations who held a press conference in New York today. This forum provided the opportunity to denounce the frightening and deplorable activities of the loosely organized Christian Identity hate groups. Due to Senate business, I was unable to attend.

Christian Identity pseudoministers preach the age-old Jewish conspiracy theory to despondent farmers looking for someone to blame for the foreclosures on their farms. Although scapegoating is nothing new, it threatens the morality of our country.

America's farmers have reached the economic point of no return. With few crops in the ground, the only things growing are the feelings of desperation. Historically, fanaticism breeds best under desperate circumstances. The parallel between the Christian Identity groups and Hitler's rise is unmistakable. Hitler's power base came from the ranks of the disenchanted; in these times of economic trouble, our Nation's farmers are vulnerable.

We must fight against the fanatic White Supremists' desire to take up arms against the United States and the values of decency and humanity which we all hold dear. This press conference is the beginning of a cohesive campaign to educate our Nation about the danger of this flareup of hatred in

the farm communities of the Midwest. I lend my heartiest support to the clergy and to the progressive groups striving to combat the anti-Semitic and anti-American teachings of the groups who comprise Christian Identity.●

IMPORTANCE OF TVA'S SHAWNEE PLANT

● Mr. FORD. Mr. President, I was proud Friday to participate in groundbreaking ceremonies of a coal demonstration plant underway in western Kentucky. The importance of this project—to my State and to the Nation—cannot be overstated. Its success could alter the coal market to benefit both our economy and the environment.

All eyes of the electric utilities and the coal industries will be on this facility, the Tennessee Valley Authority's Shawnee Plant, near Paducah, because it will demonstrate large-scale operation of a new technology, atmospheric fluidized bed combustion, often referred to as AFBC.

The 160-megawatt plant will demonstrate on a grand scale what was already shown in successful operation of a much smaller pilot facility there: that the AFBC process is a cleaner, and less costly way, to burn coal. The plant is to begin operation in 1988.

Once this technology is proven, utilities will likely switch to it because AFBC would allow them to meet stricter Federal air-quality standards while burning high-sulfur high-ash coals. Currently, the enormous expense of burning this coal through other processes discourages its use.

This technology, which I have supported as a member of the Senate Energy Committee, works by mixing ground limestone with coal in a fluidized bed boiler, with the limestone removing sulfur from that coal as it is burned. Also, the relatively low temperature of the AFBC boiler means that nitrogen oxide emissions are eliminated.

A recent study by Standard & Poor's predicted that if utilities switch to AFBC on a large scale, heat content, rather than sulfur content, will be the sole determinant of price, according to the study. I believe this would lower the cost of coal to utilities because they would no longer have to transport low-sulfur coal long distances in order to meet environmental standards. In the long run, power consumers could find the savings passed onto them.

The promise of AFBC has led many diverse parties to unit behind this $220-million project. Those backing it include the Commonwealth of Kentucky, Tennessee Valley Authority, Electric Power Research Institute, Duke Power, Combustion Engineering, and a group of utilities, coal, transportation and construction companies.

A recent U.S. Department of Energy study concluded that, of 13 emerging coal technologies, AFBC was top or near the top of lists of rankings which used five criteria: environmental performance, status of development, timeframe for commercialization, applicability, and cost effectiveness.

Like my colleague, Senator STAFFORD, I was sorry to have to be away from Senate business Friday during this groundbreaking ceremony. However, I believe the importance of this undertaking made it necessary for me to miss my first votes of this Congress. The advent of cleaner coal—the Nation's most abundant energy resources—will both boost our economy and protect our environment. This project is a giant step toward achieving cleaner coal, as well as greater energy self-sufficiency for the United States.●

TRANSFER OF OWNERSHIP

● Mr. BAUCUS. Mr. President, earlier this week an historic event took place in Columbia Falls, MT.

It was the transfer of ownership of the Columbia Falls aluminum plant from ARCO to an employee group.

This transaction was the result of vision, foresight, courage, and cooperation.

It was the vision of a former ARCO executive, Brack Duker, the perseverance and courage of the plant's 1,000 employees, the foresight of the Montana State Board of Investments and Governor Ted Schwinden, and the cooperative efforts of the Montana congressional delegation that helped keep this plant open.

Since last fall, the future of the Columbia Falls plant has been clouded with uncertainty.

ARCO had announced that it was getting out of the metals business and was putting the plant up for sale. The announcement sent shock waves up and down Montana's Flathead Valley.

The plant has been in operation for 30 years. It's the largest taxpayer in Flathead County. Much of the funding for schools, hospitals, and other important services comes directly or indirectly from company revenues.

Put simply, if the ARCO plant were to close, 40 percent of the Flathead Valley's economy would be lost.

The Montana congressional delegation, Gov. Ted Schwinden, plant employees, management and the people of the local community feverishly began exploring ways to keep the plant open. After months of meetings, hundreds of telephone calls, and countless hours of negotiations, a deal was struck that would save the plant.

ARCO graciously turned over ownership of the plant to Brack Duker and a new employee-owned corporation for $1. ARCO has come a long way since the wrenching closure of Anaconda's facilities in Butte, MT, several years ago.

With the Governor's leadership, the Montana State Board of Investments provided $8 million needed for operating capital. Mr. Duker will raise the $2 million from private groups.

Clearing that financial hurdle opened the way for this week's formal transfer of ownership. The major crisis looming over the Flathead Valley was overcome.

There are many who deserve recognition for their work in the campaign to save the plant. First, the people of the Flathead Valley learned that they can influence big government if they band together.

Last fall, local residents formed a group called the We Want the Plant Committee and began an ambitious campaign to organize grassroots support.

In April, the Bonneville Power Administration held a hearing in Columbia Falls to explore ways to help the ailing aluminum industry in the Northwest by reducing electricity rates.

The We Want the Plant Committee helped recruit more than 3,000 persons to the hearing, prompting BPA Deputy Director Robert Ratcliffe to comment: "I am somewhat overwhelmed—this is magnificent."

That was just the beginning. Over the next 4 months, the committee members raised money and sent representatives to other BPA hearings in Washington and Oregon.

Other representatives went to Washington, DC, to make their case to the Montana congressional delegation and other Federal officials. Some 1,600 valley residents were organized to phone the Department of Energy and express their support for the plant on the day the committee representatives met with Energy Secretary John Herrington.

This outpouring of local support played a crucial role in keeping the plant open.

Second, plant employees and management have been ready and willing to work out a deal that will keep the plant open. They provided a positive atmosphere for Mr. Duker and ARCO to work in.

The headline on a recent article in the Great Falls Tribune accurately summarized the key to success in this campaign: "Spirit of unity spearheading drive to obtain ARCO plant."

But now that the plant has been saved, the road ahead is still filled with challenges. I see three major challenges that will determine the future of the plant.

First, electricity. The aluminum-smelting process requires large amounts of electricity. At present

prices and power rates, aluminum costs more to produce than it brings on the open market.

This is not only a problem in Columbia Falls; it is part of a crisis facing the entire aluminum industry in the Northwest.

The aluminum industry was lured to the Northwest by cheap power. But within the last few years, the situation changed. Over the last 5 years, rates shot up by 800 percent, largely to pay for unneeded nuclear powerplants.

At the same time, worldwide costs for aluminum began to drop. Four years ago, aluminum was selling for over 80 cents a pound. Now it's selling for 48 cents a pound. And the average cost in the Northwest to produce the aluminum—60 cents—has changed only slightly.

The U.S. aluminum industry also has had to face competition with industries in other countries that are paying far less in electrical costs.

Electrical rates in the Nowthwest must come down and be more competitive with world rates if the aluminum industry is going to survive.

BPA recently offered Northwest industrial plants a lower rate on a temporary, incentive basis. That's good news. But BPA is also working on a plan for long-term changes in the rates next spring. This plan must give relief to the aluminum industry.

BPA is considering three main actions to implement:

A variable power rate for aluminum companies that would respond to fluctuations in the market price of aluminum; a partnership program that would modernize the plants to increase their electrical efficiency; long-term linkage between BPA industrial power rates for its direct service industries and its power rates for public utilities.

I have been urging BPA Administrator Peter Johnson to move quickly on implementing these actions.

The second challenge facing the future of the ARCO plant is employee compensation. Mr. Duker has yet to work out the details on the workers' stake in the company and the wage or benefit concessions they may be asked to make. The workers should be the last to make sacrifices and should get a fair shake in the deal.

The third challenge is the cost of transportation. I have assured Mr. Duker I will do what I can to get Burlington Northern to agree to new terms for the cost of hauling alumina and aluminum in and out of Columbia Falls.

Meeting these challenges will not be easy, but the future of the Columbia Falls plant depends on reaching positive solutions.

Montanans in the Flathead Valley should be proud of their successful campaign to keep the plant open. They set a shining example of what a spirit of unity can achieve. I am confident that this cooperative spirit will help meet the future challenges facing the plant.●

MEALS ON WHEELS

● Mr. SARBANES. Mr. President, the Older Americans Act funds a wide range of programs designed to improve the lives of older Americans in the areas of income, health, nutrition, retirement, and community services. One of the most significant components of the act is the program under title III-C which establishes the home-delivered nutrition services. In recognition of the value of this program in central Maryland, I commend the Meals on Wheels Program of central Maryland on its 25th year of service to the community.

Nutrition services has helped ameliorate many problems faced by our Nation's older population, including those of dietary inadequacy, declining health status, social isolation, and limited access to social and health services. In addition to these important benefits, the Meals on Wheels Program provides valuable opportunities for thousands of dedicated persons to volunteer their time and skills to improve the lives of older citizens.

For 25 years, Meals on Wheels of central Maryland has responded in a creative way to older individuals who are homebound. The dedication of over 2,000 volunteers in central Maryland helps people receive hot, nutritious meals each day and ensures the continued well-being of many needy persons. In a very real sense, the efforts of these volunteers promote alternatives to institutionalization for the elderly. They supply the types of preventative services which are so critical to older persons who need a small amount of help in order to remain independent.

Meals on Wheels operates in Baltimore City, Baltimore County, Anne Arundel County, Carroll County, Hartford County, and Howard County. It has done an outstanding job serving thousands of the areas senior citizens, and I commend them on this significant achievement.●

GOVERNMENT PRINTING OFFICE

● Mr. HATFIELD. Mr. President, the employees and management at the Government Printing Office once again have shown their ability to meet challenging demands successfully in their recent response to both the printing and selling of the "President's Tax Proposals to the Congress for Fairness, Growth, and Simplicity," better known as the tax-reform proposals. During the 4 days immediately following the President's televised address explaining the proposals, close to 16,000 copies of the 510-page document were distributed. Over 9,800 copies were sold on the first day alone to the long line of customers gathered outside the GPO's main Washington bookstore.

Production efforts were no less impressive than sales results. Between Saturday afternoon, May 25, and early Tuesday morning, May 28, GPO employees produced 27,110 copies of the primary document and 15,560 copies of a 32-page summary of the proposals. To meet the heavy sales demand, a second printing of 13,000 copies of the proposals was ordered on May 30. Remarkably, the GPO was able to deliver the order the following evening. This is certainly an excellent display of hard work and efficiency on the part of the GPO and merits the attention of this body.●

IMMIGRATION REFORM—S. 1200 IS NOT THE WAY

● Mr. HART. Mr. President, the issue of how this country deals with illegal immigration remains one of the most vexing problems facing the Congress. It is an issue which forces us to balance our Nation's sovereignty—and ability to control the borders—with the role America has played as a haven for the oppressed. It is an issue which forces us to reconcile law enforcement needs with our commitment to civil liberties and civil rights.

The immigration issue must be addressed. Since the Carter-era Commission on Immigration issued its report, the Congress has labored to strike an appropriate balance between these competing, and often conflicting, values. Senator SIMPSON, in particular, deserves to be commended for his unrelenting attention to this issue.

Clearly, he wants to see this issue resolved. Many of our colleagues would like to see the problem of illegal immigration behind us. But we must not permit our desire to have a bill to overcome our obligation to support the right bill. In my judgment, S. 1200 is not the right answer to our immigration problems. Consequently, I am not able to support its passage.

In prior immigration reform bills, the imposition of employer sanctions and "amnesty" or legalization occurred contemporaneously. In this bill, sanctions will come into force 3 years before legalization. This means that aliens who will be qualified for legal status cannot work, as a practical matter, for 3 years.

During these 3 years, illegal aliens will have no protections against abuse. No protections against deportation, for example, even if they are qualified for subsequent legalization. Our colleague, Senator LEVIN, offered an amendment to correct this defect in the legislation, but it was defeated.

Yet, the sponsors cannot answer the question, What are the immigrants qualified for legalization supposed to do for 3 years until their status is adjusted?

Mr. President, beyond the 3-year gap, the legalization date in the legislation of 1980 is far too stringent.

During consideration of the legislation, we voted three times on the matter of migrant farm labor. Sponsors of the amendment argued that growers could not stay in business without having access to unrestricted numbers of illegal workers to process perishable crops. The Wilson amendment responds to the growers by permitting the importation of up to 350,000 illegal migrant workers for 3 years. At that time, the program will sunset.

Even with the adoption of the sunset amendment, the Wilson proposal has rendered the bill contradictory, if not hypocritical.

One ostensible purpose of the bill is to stop illegal immigration and legalize aliens, who have been in the country for some time.

But the Wilson amendment, permitting entry of 350,000 migrant workers, is totally inconsistent with the enforcement and control provisions of the bill. It is difficult to see how these illegal workers can be monitored; so, once they enter the country, we will have opened the floodgates again. Moreover, as suggested in earlier debate, the Wilson amendment actually contains fewer safeguards than the so-called Bracero program—fewer safeguards against wage discrimination, abuse of these laborers, and the like. Finally, at a time when agricultural unemployment is in double-digits, it seems clear that we are sacrificing American jobs to provide growers with cheap, foreign labor. It's not right; it's unjust, and it makes no sense.

Finally, Mr. President, I believe that adoption of this legislation will be harmful to the civil liberties of Americans, and legal residents of this country.

It was not possible to add language to the legislation, which the senior Senator of Colorado had drafted, to protect legal residents against employment discrimination. The employer sanctions in the legislation will undoubtedly act as an incentive for businesses to "play it safe" and refuse to hire individuals whose status may be in question. This will mean that blacks, Hispanics, and Asians will have additional difficulties in getting hired. Without this language, the employer-sanction provisions simply make this bill unacceptable to me.

In the coming days, the House and Senate Judiciary Committees will be holding a joint hearing on the issues involved in alienage discrimination. After those hearings conclude, I intend to be working with Senator LEVIN and others on the important civil rights and liberties issues which this bill did not resolve. It is my hope that legislation could be crafted that reflects the language proposed by my amendment. It is unfortunate, however, that this process must follow passage of the immigration bill.

We can have immigration reform which addresses these issues in a fair, just, and honorable manner. But this bill simply did not meet these standards.●

A SOUND BUDGET PROCESS

● Mr. SASSER. Mr. President, the congressional budget process appears to have survived yet another year of turbulence and controversy. The latest estimates of the Congressional Budget Office project that the budget resolution adopted by Congress on August 1 will yield $203 billion in deficit reduction over the next 3 years. This is not an insignificant achievement.

What may prove to be the most valuable accomplishment of this year's budget debate, however, is the acknowledgement that without a balanced fiscal approach encompassing both revenue increases and spending restraints, we simply will not reach the goal of a balanced Federal budget anytime soon.

In this regard, I would like to draw the attention of my colleagues to an editorial which appeared in the August 6, edition of the New York Times entitled "a sound budget process" authorized by Lance Simmens, who has been a member of my Budget Committee staff for the last 4 years.

The article is a thought-provoking and interesting assessment of the current state of the congressional budget process and, I believe, offers some valuable insights into the expectations we have come to demand of it.

I commend Mr. Simmens for his article and ask that the article be printed in the RECORD.

The article follows:

A SOUND BUDGET PROCESS

(By Lance Simmens)

WASHINGTON.—The budget resolution approved last week by the House and Senate represented a victory for a much maligned and prematurely buried creature known as the Congressional budget process.

This year, the budget process led to a resolution that provides an economic blueprint for spending decisions in fiscal 1986 and realizes perhaps $55 billion in savings next year and $278 billion in savings over the next three years.

The process had its origins in the 1974 Budget Control and Impoundment Act. The act required Congress to identify and select national priorities and develop an economic strategy that would guide the spending decisions of individual Congressional committees. In effect, it would give Congress an overall idea of what it could and could not afford to do.

That the process has great value can no longer be disputed. First, it has forced Congress to think in basic budgetary terms of income and outgo. It asks the members of Congress to weigh their individual preferences and actions against the bottom line by forcing them to measure the impact of what they do on the budget deficit. And this, in turn, has given the problem of the deficit greater national visibility.

Perhaps most important, by forcing Congress to focus its wavering attentions on the bottom line, it has helped reveal the fallacy of the Reagan Administration's claim that deficit reduction can be achieved by spending cuts alone. One need not to have a doctorate in economics to see that this policy will result in a continuing large imbalance between income and outgo. Accordingly, in its budget resolution, Congress included revenue-raising measures. They were not large in relation to the spending cuts; but they were symbolically important in the sense that represented Congressional defiance, among Republicans as well as Democrats, of the Administration's belief that the deficit can be reduced without raising new revenues.

Nipping this unfortunate belief in the bud is probably the most significant achievement of the budget process in recent years. In the meantime, however, the process has also systematically exposed the economic irrationality of supply-side economics; of the proposition that inflation could be wrung out of the economy without a recession; of the contention that we can grow our way out of these deficits; and of the idea that there is no correlation between deficits and interest rates.

As we now know, the price of these fallacies is $200 billion deficits for "as far as the eye can see." And we must give thanks to the budget process, and the months of debate and wrangling that led up to last week's budget resolution, for at least some of the understanding we now possess.

One reason for the effectiveness of the budget process lies in its simplicity. As a device, it is the essence of convenience, involving one committee and pointing ultimately to one piece of legislation, the budget resolution. In this way, the process becomes the focal point for action, effectively subplanting the old-fashioned authorization and appropriations process, pre-empting the legislative calendar on Capitol Hill and riveting Congressional attention on our crippling deficits. It seems to have had the same effect on public opinion: Polls have indicated that concern over the budget deficit is increasingly widespread.

The budget process was never intended to be a panacea for all of the United States' economic ills. It was and is intended to be an economic blueprint for Congress's fiscal decisions. It informs Congress of the economic realities and fiscal limitations under which it should operate. It should not be asked to do more than it is realistically capable of doing. Individual Congressional committees can, if they so choose, ignore its guidelines. By itself, it cannot balance the budget. But it has served and will continue to serve a useful purpose, if only by educating us to the magnitude of our problems.●

MALNUTRITION IN THE ELDERLY

● Mr. HARKIN. Mr. President, we are facing a very serious demand on our available resources at a time of a major budget deficit. It is essential that we use our Nation's resources

wisely and prudently. I speak today regarding the fact that there is increasing evidence that malnutrition is the cause of many of the illnesses of our elderly citizens. The attached article from the August 13, 1985, issue of the New York Times entitled "Malnutrition in Elderly: Widespread Health Threat" makes that point very powerfully and persuasively. That is why I support the concept of developing a joint public-private effort in cooperation with the American Dietetic Association to build and endow a National Nutrition Center. The public support would provide the "bricks and mortar" and the privately raised funds would endow the Center and operate it. I believe that this type of public-private cooperation is a very prudent and effective use of our resources. A National Center would provide information, particularly to the most vulnerable members of our society, that would reduce unnecessary suffering and needless expense.

I submit the article for printing in the RECORD.

The article follows:

[From the New York Times, Aug. 13, 1985]

MALNUTRITION IN ELDERLY: WIDESPREAD HEALTH THREAT

(By Erik Eckholm)

Malnutrition may account for a substantially greater portion of illness among elderly Americans than has long been assumed, according to several medical experts on aging.

Medical concern about malnutrition among the aged is rising fast as the numbers of elderly climb and as surveys reveal how poorly millions of them eat.

Most recently, many gerontologists have been both alarmed and excited by evidence that malnourishment may cause much of the physiological decline in disease resistance seen in elderly patients, a weakening of immunological defenses that has commonly been blamed on the aging process.

These recent findings are troubling because they suggest that much illness among the elderly could have been prevented through more aggressive nutritional aid. Yet, in the view of some physicians, the immunological studies also hold out the promise that many individuals can lighten the disease burden of old age by eating better.

Geriatric malnutrition is not common and most severe among the ill, the impoverished and the isolated. But inadequate nutrition, which can result from the loss of taste, the side effects of drugs or from depression as well as from disease and poverty, has been found to be surprisingly prevalent among the affluent as well.

Scientists now estimate that anywhere from 15 percent to 50 percent of Americans over the age of 65 consume too few calories, proteins or essential vitamins and minerals for good health.

According to Dr. Jeffrey B. Blumberg, as associate director of the Human Nutrition Center on Aging at Tufts University, national and regional surveys over the last decade have found close to 50 percent of elderly Americans consuming insufficient levels of calories or of such micronutrients as calcium, iron, B vitamins or vitamin C. "These numbers hold up even among affluent white populations, especially in cases of specific micronutrients," he said. The research center at Tufts was established in 1982 by the Department of Agriculture to explore long-neglected aspects of nutrition and aging.

"In a conservative estimate, 15 percent to 20 percent of those over 65 in North America are malnourished," said Dr. Ranjit K. Chandra of the Memorial University of Newfoundland, Canada. "For those at special risk—those with chronic diseases or who have lost their spouses or are poor—the rate is higher." Among the affluent and happy, he said, the proportion of malnourished is much lower, perhaps less than 5 percent.

Most scientists believe that degeneration of the immune system, the means by which the body counters invading disease agents, is an inexorable consequence of growing old. But specialists, struck by recent studies linking nutritional therapy with enhanced disease resistance, are now debating just how much of the decline in the immune systems of the aged is inevitable, and how much could be slowed or reversed with better diets.

In experiments that have captured the attention of many gerontologists, Dr. Chandra has shown that nutritional supplements can partly restore the immune systems of malnourished elderly patients and can also improve their responses to vaccines for influenza, tetanus and pneumonia. A lack of immunological reaction in the aged often undercuts the benefits of vaccines, which work by triggering the body's defenses.

Dr. Chandra said that correcting dietary deficits had bolstered disease resistance in a majority, but not all, of his malnourished patients. The immunological improvement "is not to the levels seen in young people, but it is significant," he said. "We believe it can reduce their burden of illness and improve their quality of life."

In support of his claim that malnutrition accounts for a much greater share of the decline in the immune systems of the elderly than is generally recognized, Dr. Chandra noted that not every older person suffers such impairment. "Some 80- or 90-year-olds have immune systems almost as good as those of a 40-year-old," Dr. Chandra said. He said three new studies in Europe provide evidence backing his position.

Studies directed by Dr. David A. Lipschitz of the John L. McClellan Memorial Veterans Hospital in Little Rock, Ark., have also shown that immune responses in elderly patients suffering protein-calorie malnutrition can often be improved by nutritional therapy. In an interview, however, Dr. Lipschitz emphasized that strong evidence also indicates that aging impairs the immune system significantly in any case.

Dr. Lipschitz said that correction of severe malnutrition can unquestionably improve a patient's disease resistance, but that in cases of milder deficiencies the immunological benefits of supplementary feeding were less certain. "The interrelationship between nutrition, aging and immunological decline is quite complex," he said, adding that it is also poorly understood.

DIETARY NEEDS UNCERTAIN

Confounding all estimates of geriatric malnutrition is a lack of knowledge about the true dietary needs of the elderly. The Federal Government now provides the same recommended daily allowances, or R.D.A.'s for various nutrients for everyone above the age of 51.

"It's clearly not the case that a 52-year-old and a 91-year-old have the same nutritional needs," said Dr. Blumberg. Defining new R.D.A.'s for the aged is one of the priorities at the Tufts center. According to Dr. Blumberg, existing recommendations are probably far too low in the case of calcium, a mineral found mainly in dairy products and the underconsumption of which encourages bone degeneration. He said the R.D.A.'s might be too low or too high for several other nutrients.

Many elderly people, experts say, fall into a spiral of undereating, illness, physical inactivity and depression.

The most severe and prevalent malnutrition strikes patients with serious diseases. Illness can cause a loss of appetite or upset the body's capacity to absorb nutrients.

"Most older patients are relatively malnourished," said Dr. William R. Hazzard, director of the Center on Aging at Johns Hopkins University. Whether or not undernourishment caused their disease, he said, "turning around the problem often requires nutritional intervention.

In interviews, several experts said that awareness of geriatric malnutrition is increasing rapidly in the medical community and that hospitals with special geriatric units usually spot and treat the condition. But they said that less specialized hospitals and physicians often overlook the nutritional roots of illnesses.

"Elderly patients are admitted to the hospital with dehydration, infections or mental confusion," Dr. Lipschitz said. "These condition are diagnosed and treated, but the prime problem, mainly that the person is consuming inadequate calories or protein, may be missed."

People who are fighting diseases have heightened protein needs that often go unmet. "You can appear fat and happy and be starving to death from a protein point of view," said Dr. William B. Bateman Jr. of the Montefiore Medical Center in the Bronx. Studies by him and others have shown that protein malnutrition is prevalent in hospitalized patients, tends to worsen during their stay in the hospital and is associated with elevated mortality.

High-protein items like meats are expensive and often hard to chew, noted Ronni Chernoff, a nutritionist and a colleague of Dr. Lipschitz at the veterans hospital in Little Rock. and few of the elderly consume enough dairy products to provide sufficient protein.

SENSES FADE WITH AGE

Even among healthy people the senses of taste and smell fade with age, often resulting in dangerously poor eating habits, according to Dr. Susan S. Schiffman, a psychiatrist at Duke University.

With the advancing years, the nerves that carry taste sensations degenerate and the number of taste buds and papilla, the bumps on the tongue that house taste buds, decline. Cells in the olfactory bulb, crucial for smelling, decay so much that under a microscope they "actually look motheaten" in the aged, Dr. Schiffman said. In addition, many diseases and drugs alter taste and smell.

"The bitter taste of old age is real," Dr. Schiffman said.

Smells are processed in the same part of the brain that emotions are, according to Dr. Schiffman, and the loss of smell might therefore promote feelings of depression. In her work with elderly people, she has found that adding flavor enhancers to foods both encourages better eating and improves spirits. "If we add bacon flavor to vegetables, for example, they really love it," she said.

The threat of "drug-induced malnutrition" is underappreciated, according to Dr. Blumberg. He noted that 4 of 5 people over the age of 60 take drugs for at least one chronic ailment, and some take as many as 5 or 10 drugs daily.

Many drugs, alone or in combinations harm nutrition by altering appetite or taste or be hampering the body's ability to absorb nutrients. Dr. Blumberg said there is an urgent need for drug manufacturers and health professionals to assess the nutritional hazards of drugs and find ways to counter them.

Many experts say that a lack of exercise, though it means reduced calorie needs, ultimately causes malnutrition among the elderly. Sedentary people may reduce their food intake so much that their consumption of other essential nutrients becomes critically short, even though energy needs are met.

A life devoid of physical activity, physicians observe, often reflects a life devoid of meaningful tasks. Hence the problems of nutrition and health cannot be separated from broader questions of the role of the aged in society. For the depressed, dispirited elderly, underating can be "a way of committing slow suicide," Dr. Bateman observed.

Gerontologists tend to be strong supporters of programs like "meals on wheels," which provide food and daily human contact to elderly people who are physically or financially unable to cook proper meals for themselves. But they also note that programs encouraging group meals often result in higher food consumption, apparently because of the added benefits of social interaction.

SPECIAL CARE IN NURSING HOMES

Incapacitated people in nursing homes often need more diligent and patient assistance with feeding than they get, said Dr. John W. Rowe, director of the Harvard Medical School's aging division. "I think that many of them are malnourished," he said. "It takes a long time to get the necessary calories in. This malnutrition then worsens the effect of the disease that required the feeding assistance in the first place."

Dr Rowe had high praise for the recent development by private industry of flavorful, nutritionally enhanced foods for use in nursing homes. "The private sector is beginning to translate our book learning into products," he observed.

Despite their concern about vitamin deficiencies, the experts warn strongly against unsupervised ingestion of large doses of vitamins. "I wouldn't argue with a multivitamin," said Dr. Lipschitz, "but people shouldn't take pharmacological doses of vitamins. Megavitamin therapy is of no value in my reading, and may cause untoward side effects."

A study by Dr. Chandra and colleagues showed that while moderate zinc supplements can improve immunity in those with deficiencies, ingestion of larger amounts of zinc actually suppresses disease resistance.

"Megadoses can be toxic, and they're very expensive," said Dr. Blumberg. "I'd rather see the elderly spend their money on quality foods like fresh fruits and vegetables."●

ORDER OF PROCEDURE FOR MONDAY, SEPTEMBER 23, 1985

Mr. STAFFORD. Mr. President, I note that the distinguished minority leader is now in the Chamber. I ask the minority leader if he is ready for us to go to boilerplate language with respect to the adjournment on this date?

Mr. BYRD. Yes, Mr. President, I am prepared to go forward. I thank the distinguished acting leader for his patience and courtesy in waiting. I am sorry to have delayed him.

Mr. STAFFORD. The minority leader is most gracious to say that. I was delighted to wait; I really had nothing pressing to do for a change.

Mr. President, I ask unanimous consent that when the Senate convenes on Monday, September 23, 1985, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the Calendar be dispensed with, and following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE], for not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business not to exceed the hour of 1 p.m., with Senators permitted to speak therein for not more than 10 minutes each; and provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, there will be no votes on Monday. There will be no votes after sundown on Tuesday and no votes Wednesday. There will be a lot of votes Thursday and Friday, I have a feeling.

Mr. STAFFORD. Mr. President, if the majority leader will yield, I will anticipate the likelihood of a couple of rollcall votes on Tuesday as a result of what will occur Monday afternoon on our bill, the Superfund bill.

Mr. DOLE. We will hopefully have those on Tuesday.

I have been advised by a couple of Members who will be here on Monday and cannot be here on Tuesday that they do not believe it is particularly fair to have no votes the day they are here and move those votes to the day they are not here. So we are trying to resolve the equity of that, if there is any. We will work out something probably to keep everyone in suspense.

On Monday, I say to my colleagues, we will come in at noon. The leaders will have 10 minutes under the standing order. Then we will have a special order and routine morning business until 1 p.m. and be back on this bill about 1 p.m., then, on Monday, still hope to bring up the Compact of Free Association. If we could just bring that up and whip it through here without any amendments it would certainly be helpful to the administration. But I understand that there may be one amendment by Senator HATCH, one amendment by someone on the other side, and then I am not certain whether or not there will be a textile amendment. I am advised, though, that the pending textile bill will be rather sharply modified in an effort to resolve some of the resistance to the bill itself.

Mr. President, I again say no more votes today, no votes on Monday—there will be votes on Tuesday—no votes after sundown on Tuesday, and no votes on Wednesday in order to accommodate our Jewish colleagues, for that is a Jewish holiday.

ADJOURNMENT TO MONDAY, SEPTEMBER 23, 1985

Mr. STAFFORD. Mr. President, I now move that the Senate stand in adjournment until 12 noon on Monday, September 23, 1985.

The motion was agreed to; and at 4:40 p.m., the Senate adjourned until Monday, September 23, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 20, 1985:

PANAMA CANAL COMMISSION

Richard N. Holwill, of the District of Columbia, to be a member of the Board Of the Panama Canal Commission, vice John Alden Bushnell.

INTERNATIONAL ATOMIC ENERGY AGENCY

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the 29th Session of the General Conference of the International Atomic Energy Agency:

Representative:

Danny J. Boggs, of Kentucky.

Alternate Representatives:

Richard T. Kennedy, of the District of Columbia.

Nunzio J. Palladino, of Pennsylvania.

Bruce Chapman, of Washington.

IN THE ARMY

The following officers for appointment as Reserve commissioned officers in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Edward D. Baca, [redacted]
Brig. Gen. Alfredo J. Mora, [redacted]
Brig. Gen. Ernest R. Morgan, [redacted]
Brig. Gen. Nathaniel G. Troutt, [redacted]

IN THE AIR FORCE

The following-named Air National Guard of the United States officers for promotion to the grade indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

To be lieutenant colonel

Maj. John M. Lounge, [redacted]
Maj. James D. VanHoften, [redacted]

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the

United States, under the provisions of title 10, United States Code, section 3383:

ARMY PROMOTION LIST

To be colonel

Day, Jon W., xxx-xx-xxxx
Ehlert, Charles R., xxx-xx-xxxx
Fong, Wesley F., xxx-xx-xxxx
Imai, Eugene S., xxx-xx-xxxx
Novak, Carl D., xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

Deaver, Danny R., xxx-xx-xxxx
Freehan, Richard T., xxx-xx-xxxx
Geoffrey, Russell M., xxx-xx-xxxx
Harding, Michael M., xxx-xx-xxxx
Kim, Stephen N., xxx-xx-xxxx
Miller, John W., xxx-xx-xxxx
Pang, Norman K.Y., xxx-xx-xxxx
Thomson, Don D., xxx-xx-xxxx
Tuner, Robert R., xxx-xx-xxxx
Yoshida, Ronald R., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Corrigan, Gilbert E., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Duke, William C., Jr., xxx-xx-xxxx

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be colonel

Bart, Gerald N., xxx-xx-xxxx
Begtrup, Robert O., xxx-xx-xxxx
Cowan, George S., xxx-xx-xxxx
Dailey, Charles D., xxx-xx-xxxx
Elias, Elias G., xxx-xx-xxxx
Kraft, Barry, xxx-xx-xxxx
Larson, Alvin L., xxx-xx-xxxx
Perkin, David G., xxx-xx-xxxx
Price, John C., xxx-xx-xxxx
Wehunt, William D., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Steahly, Lance P., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Buhler, John E., Jr., xxx-xx-xxxx
Drobotij, Elias, xxx-xx-xxxx
Johnson, John A., xxx-xx-xxxx
Klinger, Brent J., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Andrada, Adolfo A., xxx-xx-xxxx
Andreasen, Arthur C., xxx-xx-xxxx
Bascom, James F., xxx-xx-xxxx
Brand, Jerry I., xxx-xx-xxxx
Ciesla, William P., xxx-xx-xxxx
Cohen, David J., xxx-xx-xxxx
Cotterill, Robert W., xxx-xx-xxxx
Farley, Patrick C., xxx-xx-xxxx
Manning, George S., xxx-xx-xxxx
Myers, Robert L., xxx-xx-xxxx
Penner, Clyde E., xxx-xx-xxxx
Pope, Frederick E., xxx-xx-xxxx
Posner, Michael H., xxx-xx-xxxx
Pulaski, Edwin T., xxx-xx-xxxx
Soden, Clyburn E., xxx-xx-xxxx
Tobacnikoff, Robert, xxx-xx-xxxx
Thomasino, Joseph A., xxx-xx-xxxx
Walker, Robert A., xxx-xx-xxxx
Williamson, Gary B., xxx-xx-xxxx

IN THE ARMY

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Adams, Henry W., xxx-xx-xxxx
Anderson, Harold J., xxx-xx-xxxx
Carter, Robert D., xxx-xx-xxxx
Field, Jerry W., xxx-xx-xxxx
Ford, Joe M., xxx-xx-xxxx
Gibbs, Jay N., xxx-xx-xxxx
Hillard, Charles E., Jr., xxx-xx-xxxx
Hoppes, Ronald A., xxx-xx-xxxx
Jacobs, Wesley V., xxx-xx-xxxx
Molloy, James H., xxx-xx-xxxx
Pintarro, Vincent J., xxx-xx-xxxx
Schulte, Robert E., xxx-xx-xxxx
Shipley, A.L., xxx-xx-xxxx
Smith, Orville M., xxx-xx-xxxx
Swing, John B., xxx-xx-xxxx

CHAPLAIN

To be colonel

Wolf, Clinton D., xxx-xx-xxxx

DENTAL CORPS

To be colonel

Law, Kenneth J., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Frothingham, Rodney E., xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

Boley, Kenneth O., xxx-xx-xxxx
Brock, Billy B., xxx-xx-xxxx
Butner, Henry C., xxx-xx-xxxx
Cline, Samuel B., xxx-xx-xxxx
D'Amico, John C., xxx-xx-xxxx
Davis, Bart O., xxx-xx-xxxx
Doyle, Earl L., Jr., xxx-xx-xxxx
Dubuque, Richard G., xxx-xx-xxxx
Fagan, Dennis J., xxx-xx-xxxx
Haakenson, Harvey M., xxx-xx-xxxx
Hale, Gary P., xxx-xx-xxxx
Hodgeboom, James M., xxx-xx-xxxx
Jones, Benjamin F., Jr., xxx-xx-xxxx
Joplin, Paul H., xxx-xx-xxxx
Kent, Roger B., xxx-xx-xxxx
Kratina, Ernest L., Jr., xxx-xx-xxxx
Kress, Joseph P., xxx-xx-xxxx
Krigger, Rudolph E., xxx-xx-xxxx
Labrie, Joseph G., xxx-xx-xxxx
Lent, Victor A., xxx-xx-xxxx
Lynch, Robert T., Jr., xxx-xx-xxxx
McNutt, Michael D., xxx-xx-xxxx
Monroe, Bryce A., xxx-xx-xxxx
Moore, Chester M., xxx-xx-xxxx
Moore, William G., xxx-xx-xxxx
Neese, Perry W., xxx-xx-xxxx
Noonan, Brian M., xxx-xx-xxxx
Onoszko, Peter W.J., xxx-xx-xxxx
Raisor, Gregory F., xxx-xx-xxxx
Rawl, Alfred V., xxx-xx-xxxx
Scanlon, Edward B., xxx-xx-xxxx
Smith, Kenneth L., xxx-xx-xxxx
Thomas, Joseph F., xxx-xx-xxxx
Tymeson, John A., xxx-xx-xxxx
Weiser, James A., xxx-xx-xxxx
Zink, Walter E., II, xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

Scanlan, Francis G., xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Paul, John C., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

St. Romain, Timothy J., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

McMurtry, James M., xxx-xx-xxxx
Polk, Donald H., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Gosnell, Paul W., xxx-xx-xxxx
Luckett, Joseph L., xxx-xx-xxxx

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

ARMY NURSE CORPS

To be lieutenant colonel

Hammond, Cecile E., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Lehmann, James J., xxx-xx-xxxx
Siegel, Joseph A., xxx-xx-xxxx

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code, sections 531, 532, 533:

MEDICAL CORPS

To be colonels

Turella, Giorgio, S., xxx-xx-xxxx

Lieutenant colonels

Anderson, Arthur D., xxx-xx-xxxx
Parker, Nelson H., xxx-xx-xxxx
Taylor, Thomas J., xxx-xx-xxxx
Wiener, Howard A., xxx-xx-xxxx

To be majors

Brantley, Michael J., xxx-xx-xxxx
Ducloux, Harold P., xxx-xx-xxxx
Rahman, Muhammad S., xxx-xx-xxxx
Randle, Carolyn D., xxx-xx-xxxx
Winecoff, William F., xxx-xx-xxxx

To be captains

Anqueira, Carlos E., xxx-xx-xxxx
Bertram, Kenneth A., xxx-xx-xxxx
Butterfield, Connie R., xxx-xx-xxxx
Eder, Paul A., xxx-xx-xxxx
Fengler, Scott A., xxx-xx-xxxx
Hurley, William T., Jr., xxx-xx-xxxx
Johnson, Kerry R., xxx-xx-xxxx
Kowalski, Michael G., xxx-xx-xxxx
Kozakowski, Mark H., xxx-xx-xxxx
Laurel, Andrew L., xxx-xx-xxxx
Little, Cheryl A., xxx-xx-xxxx
Marshall, Harry P., Jr., xxx-xx-xxxx
Marut, Paul C., xxx-xx-xxxx
Matheson, Evan J., xxx-xx-xxxx
Perez, Fernando J., xxx-xx-xxxx
Phillips, Raymond W., xxx-xx-xxxx
Renom-De-La-Daume H., xxx-xx-xxxx
Richards, Timonthy B., xxx-xx-xxxx
Schenkman, Noah S., xxx-xx-xxxx
Schwendeman, Clair A., xxx-xx-xxxx
Vincent, Judy M., xxx-xx-xxxx
Walton, John S., xxx-xx-xxxx
Warren, Harry L., xxx-xx-xxxx

ARMY NURSE CORPS

To be majors

Adam, Ellen V., xxx-xx-xxxx
Andrews, Susan M., xxx-xx-xxxx
Axson, John M., xxx-xx-xxxx
Bogarski Peter A., xxx-xx-xxxx
Bravo, Maureen A., xxx-xx-xxxx
Calderwood, Philip, xxx-xx-xxxx
Cowart, Inella P., xxx-xx-xxxx
Galin, Frank E., xxx-xx-xxxx
Garris, Toni E., xxx-xx-xxxx
Kilian, Cheryl L., xxx-xx-xxxx
Mayes, Barbara L., xxx-xx-xxxx
McCarthy, Barbara J., xxx-xx-xxxx
Middleton, Chantal, xxx-xx-xxxx
Paninski, Janet C., xxx-xx-xxxx

Plumlee, Candace, xxx-xx-xxxx
Roller, Carolyn B., xxx-xx-xxxx
Roots, Arleen E., xxx-xx-xxxx
Scally, Helen M., xxx-xx-xxxx
Tate, Ola C., xxx-xx-xxxx
Wallace, Linda S., xxx-xx-xxxx
Weaver, Esther D., xxx-xx-xxxx
Weisheit, Kathy J., xxx-xx-xxxx
Wendt, Donna M., xxx-xx-xxxx
Wyatt, Patricia L., xxx-xx-xxxx

To be captains

Morgan, Keith L., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonels

Marley, Henry B., xxx-xx-xxxx

To be majors

Andrews, William B., xxx-xx-xxxx
Armstrong, John F., xxx-xx-xxxx
Chesser, Gary E., xxx-xx-xxxx
Chester, Grant B., xxx-xx-xxxx
Ciment, Peter R., xxx-xx-xxxx
Clark, Willie J., xxx-xx-xxxx
Danielson, Richard, xxx-xx-xxxx
Dowling, Richard, xxx-xx-xxxx
Kauffman, George L., Jr., xxx-xx-xxxx
Raecke, Alan F., xxx-xx-xxxx
Schmid, Stanley C., xxx-xx-xxxx
Stearns, Michael B., xxx-xx-xxxx
Tankin, Alan C., xxx-xx-xxxx
Touchton, William J., xxx-xx-xxxx
Varner, Earnest E., xxx-xx-xxxx

To be captains

Eskew, Ronald E., xxx-xx-xxxx
Gullbrand, Carl E., xxx-xx-xxxx
Hulsey, Michael H., xxx-xx-xxxx
Jones, Alan E., xxx-xx-xxxx
Krikorian, Debra J., xxx-xx-xxxx
McDevitt, William M., xxx-xx-xxxx

To be first lieutenants

Mooney, John T. Jr., xxx-xx-xxxx
Murray, Gordon D. Jr., xxx-xx-xxxx

To be second lieutenants

Stewart, Reginald L., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonels

Knights, Edward M., xxx-xx-xxxx

To be major

Bailey, Michael R., xxx-xx-xxxx
Grabow, Wayne E., xxx-xx-xxxx
Jones, Timothy K., xxx-xx-xxxx
Nylander, Jay E., xxx-xx-xxxx
O'Brien, Thomas E., xxx-xx-xxxx
Querna, John C., xxx-xx-xxxx
Schanzer, Robert B., xxx-xx-xxxx

To be captains

Acevedo, Amos B., xxx-xx-xxxx
Baisden, Michael K., xxx-xx-xxxx
Balligan, Frederick J., xxx-xx-xxxx
Brodine, Alan H., xxx-xx-xxxx
Butler, Ronald C., xxx-xx-xxxx
Cohen, Richard L., xxx-xx-xxxx
Eberly, Randy J., xxx-xx-xxxx
Elrod, Clarence, xxx-xx-xxxx
Judy, David L., xxx-xx-xxxx
Juliao, Carl E., xxx-xx-xxxx
Kiersz, Jeremy, xxx-xx-xxxx
Manga, Robert K., xxx-xx-xxxx
Manganaro, Albert M., xxx-xx-xxxx
McGowan, Michael J., xxx-xx-xxxx
Muse, John H., xxx-xx-xxxx
Schonfield, Robert D., xxx-xx-xxxx
Story, Daniel B., xxx-xx-xxxx
Williams, David C., xxx-xx-xxxx
Woolland, Gordon W., xxx-xx-xxxx

VETERINARY CORPS

To be captains

Hoskins, Clyde B., xxx-xx-xxxx

To be first lieutenant

Burns, Dean R., xxx-xx-xxxx
Marron, Paul T., xxx-xx-xxxx

ARMY MEDICAL SPECIALIST CORPS

Staeheli, Joseph F., xxx-xx-xxxx

To be captains

Howard, William J., III, xxx-xx-xxxx

HOUSE OF REPRESENTATIVES—*Friday, September 20, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 19, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, September 20, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Reverend Michael B. Easterling, pastor, Madison Avenue Baptist Church, New York, NY, offered the following prayer:

Gracious Lord, we thank You today for the gift of life and for all the blessings You have bestowed upon our land and upon us as individuals.

You have honored us in times when we have stood firm for truth and goodness.

And You have not forsaken us in those times when our resolve has weakened and we have failed ourselves and others.

Continue to guide us in our leadership, that we might always strive for justice and equity for all.

We remember today our brothers held hostage in Lebanon and their families. On each of them bestow courage and strength, and in the midst of their ordeal grant them peace.

May the desire for justice and compassion permeate all of our deliberations today, and bring honor and glory to Your name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MONSON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MONSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will inform absent Members.

The vote was taken by electronic device, and there were—yeas 192, nays 105, answered "present" 2, not voting 135, as follows:

[Roll No. 314]

YEAS—192

Ackerman	Gonzalez	Panetta
Akaka	Gray (PA)	Parris
Andrews	Green	Pashayan
Annunzio	Guarini	Pease
Anthony	Hall (OH)	Perkins
Aspin	Hall, Ralph	Petri
AuCoin	Hamilton	Pickle
Barnard	Hammerschmidt	Porter
Barnes	Hansen	Price
Beilenson	Hatcher	Quillen
Bennett	Henry	Rahall
Bereuter	Hertel	Ray
Berman	Hillis	Regula
Boggs	Hopkins	Reid
Boner (TN)	Howard	Robinson
Bonior (MI)	Hoyer	Rodino
Bonker	Hubbard	Roe
Borski	Huckaby	Rowland (GA)
Boucher	Hughes	Roybal
Boxer	Hutto	Sabo
Brooks	Jeffords	Scheuer
Broomfield	Jenkins	Schumer
Brown (CA)	Johnson	Sharp
Broyhill	Jones (OK)	Shelby
Bruce	Jones (TN)	Sisisky
Burton (CA)	Kanjorski	Skelton
Bustamante	Kastenmeier	Slattery
Byron	Kemp	Smith (FL)
Carper	Kennelly	Smith (IA)
Carr	Kildee	Smith (NE)
Chapman	Kleczka	Smith, Denny
Chappell	Kostmayer	Snyder
Coats	LaFalce	Spratt
Coleman (TX)	Levin (MI)	Staggers
Collins	Levine (CA)	Stallings
Cooper	Lipinski	Stark
Coyne	Long	Stenholm
Crockett	Lowry (WA)	Stratton
Daniel	Lujan	Stump
Darden	Luken	Sweeney
Daschle	Manton	Swift
DeLay	Mazzoli	Synar
Dellums	McCloskey	Tallon
Dorgan (ND)	McHugh	Tauzin
Dowdy	McKinney	Taylor
Downey	McMillan	Thomas (GA)
Duncan	Mica	Torres
Dwyer	Mineta	Udall
Dyson	Mollohan	Valentine
Eckart (OH)	Montgomery	Vander Jagt
Edwards (CA)	Moody	Vento
English	Moore	Visclosky
Erdreich	Morrison (WA)	Volkmer
Fascell	Mrazek	Watkins
Feighan	Murtha	Waxman
Flippo	Myers	Weaver
Foglietta	Natcher	Wheat
Foley	Neal	Whitley
Franklin	Nelson	Whitten
Frost	Nielson	Wortley
Gejdenson	Oakar	Wright
Gephardt	Oberstar	Yates
Gilman	Obey	Yatron
Glickman	Olin	Young (MO)

NAYS—105

Armey	Frenzel	Moorhead
Bartlett	Gallo	Packard
Barton	Gekas	Penny
Bentley	Gingrich	Ridge
Bilirakis	Goodling	Roberts
Bliley	Grotberg	Roemer
Boehlert	Gunderson	Rogers
Boulter	Hartnett	Roukema
Brown (CO)	Hendon	Rowland (CT)
Burton (IN)	Hiler	Saxton
Callahan	Holt	Schaefer
Carney	Hunter	Schroeder
Chappie	Hyde	Schuette
Cheney	Jacobs	Shaw
Clay	Kolbe	Shumway
Cobey	Lagomarsino	Shuster
Coble	Latta	Siljander
Coleman (MO)	Lewis (CA)	Skeen
Combest	Lewis (FL)	Slaughter
Conte	Lightfoot	Smith (NH)
Crane	Livingston	Smith, Robert
Dannemeyer	Lloyd	Snowe
Daub	Lowery (CA)	Spence
Davis	Mack	Stangeland
Dickinson	Marlenee	Strang
DioGuardi	Martin (IL)	Sundquist
Dornan (CA)	Martin (NY)	Swindall
Dreier	McCain	Tauke
Durbin	McCollum	Thomas (CA)
Edwards (OK)	McKernan	Walker
Emerson	Michel	Weber
Evans (IA)	Miller (OH)	Whittaker
Fawell	Mitchell	Wolf
Fiedler	Molinari	Young (AK)
Fields	Monson	Young (FL)

ANSWERED "PRESENT"—2

Seiberling	Solarz

NOT VOTING—135

Addabbo	Gaydos	Morrison (CT)
Alexander	Gibbons	Murphy
Anderson	Gordon	Nichols
Applegate	Gradison	Nowak
Archer	Gray (IL)	O'Brien
Atkins	Gregg	Ortiz
Badham	Hawkins	Owens
Bateman	Hayes	Oxley
Bates	Hefner	Pepper
Bedell	Heftel	Pursell
Bevill	Horton	Rangel
Biaggi	Ireland	Richardson
Boland	Jones (NC)	Rinaldo
Bosco	Kaptur	Ritter
Breaux	Kasich	Rose
Bryant	Kindness	Rostenkowski
Campbell	Kolter	Roth
Chandler	Kramer	Rudd
Clinger	Lantos	Russo
Coelho	Leach (IA)	Savage
Conyers	Leath (TX)	Schneider
Coughlin	Lehman (CA)	Schulze
Courter	Lehman (FL)	Sensenbrenner
Craig	Leland	Sikorski
de la Garza	Lent	Smith (NJ)
Derrick	Loeffler	Solomon
DeWine	Lott	St Germain
Dicks	Lundine	Stokes
Dingell	Lungren	Studds
Dixon	MacKay	Torricelli
Donnelly	Madigan	Towns
Dymally	Markey	Traficant
Early	Martinez	Traxler
Eckert (NY)	Matsui	Vucanovich
Edgar	Mavroules	Walgren
Evans (IL)	McCandless	Weiss
Fazio	McCurdy	Whitehurst
Fish	McDade	Williams
Florio	McEwen	Wilson
Ford (MI)	McGrath	Wirth
Ford (TN)	Meyers	Wise
Fowler	Mikulski	Wolpe
Frank	Miller (CA)	Wyden
Fuqua	Miller (WA)	Wylie
Garcia	Moakley	Zschau

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week";

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week"; and

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the Agency's 25th anniversary, 1985–86.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 67. Concurrent resolution relating to humanitarian response to the earthquake in Mexico City.

REQUEST FOR PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, MONDAY, SEPTEMBER 23, 1985, TO FILE A REPORT ON H.R. 6

Mr. FLIPPO. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Monday, September 23, 1985, to file its report on the bill (H.R. 6), the Water Resource Conservation Development and Infrastructure Improvement and Rehabilitation Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. WALKER. Reserving the right to object, I do not know that there is a problem with what the gentleman is attempting to do, but I am informed on our side that we have not cleared this.

I have reserved the right to object to tell the gentleman that it is my understanding from the staff that this may not have been checked with the ranking member at this point, and if the gentleman would withhold until we have at least had a chance to check with the gentleman from Tennessee [Mr. DUNCAN], I do not think there will be a problem, but I would appreciate it if the gentleman would do that.

Mr. FLIPPO. Mr. Speaker, if the gentleman will yield, that is certainly acceptable, but I felt that these are simply the tax provisions of the omnibus water bill. That is all that amounts to.

Mr. WALKER. I thank the gentleman. We will have a clearance in just 1 minute.

Mr. FLIPPO. Mr. Speaker, I withdraw my request.

The SPEAKER pro tempore. The gentleman withdraws his request and may renew it at a later time.

REQUEST FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 392, APPROVING THE COMPACT OF FREE ASSOCIATION

Mr. UDALL. Mr. Speaker, I call up the joint resolution (H.J. Res. 392) to approve the "Compact of Free Association," and for other purposes, and ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I reserve the right to object and would tell the House that it is my understanding as of a few minutes ago that the administration is vehemently opposed to this legislation in its present form, so therefore, I for one would be reluctant to see it brought to the floor under a unanimous-consent request.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield to me?

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I am glad to yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman for yielding.

I stand in this well or stand here today deeply disappointed. As a working member of the committee that has followed this for aproximately 5 years and as one who has gone through 15 hearings and as one who was told that we have to have this campact by this administration because we had negotiated it for 15 years, and now today they did not have the decency to call me nor the chairman nor anyone else until now.

We hear that the Security Council is against this along with NATO, yet they told us that they had to have that compact signed for security purposes.

Mr. WALKER. Let me reclaim my time for a moment. It is my understanding that the Security Council has met on the issue. I am not aware that the Security Council took a particular position. They met on the issue this morning and it is my understanding following that meeting that the administration is issuing a position to say the administration is opposed.

Mr. YOUNG of Alaska. Well, Mr. Speaker, if the gentleman will yield further, I can say one thing. As one who has been involved, we are not going to have a compact. There will not be a compact. There will not be a solution to this problem, because they tell me that this is costing more than the original bill. They are full of horse feathers. That is not true.

The bill that came out of that committee is a bill that takes care of the American people and the Micronesian people. It is a bill that gives them security.

Mr. Speaker, I am deeply disappointed, in fact, by the inaction and the reaction of whoever is leading down at the White House on this issue. I can only say if they want a compact, they can forget it right now.

Mr. LEACH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Iowa.

Mr. LEACH of Iowa. Mr. Speaker, I just hope that the House understands that the administration is concerned that this particular extra vehicle is not, in their judgment, quite as good as the House-passed bill as a vehicle that was passed a few weeks ago before the recess and that they still strongly do support a compact and they do support arriving at a solution. It is only on the subtleties of this particular package that they have slight marginal reasons to think would be unhelpful.

I personally support this step that is being taken, but I do not think there should be any misunderstanding that the administration does not support arriving at a reasonable compact in a reasonable period of time.

Mr. WALKER. Mr. Speaker, I thank the gentleman for making that observation, because I think that it is an accurate presentation of the situation we find ourselves in.

The administration has pointed out to me, in fact, there is a House-passed bill that rests in the Senate. The Senate does have it within its power to take up that bill and move forward, using that as a premise, where the process can be worked out in a conference committee. That is my understanding of the situation. It is not that the administration does not want a compact. It is the fact that they have reasons for believing that this particular bill, handled in this particular way, is not the appropriate means to arrive at a solution.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. WALKER. Mr. Speaker, under my reservation, I yield to the gentleman from Ohio.

Mr. SEIBERLING. Well, Mr. Speaker, let me ask the gentleman a ques-

tion. Has the administration asked the gentleman from Pennsylvania to object to this unanimous-consent request?

Mr. WALKER. The gentleman from Pennsylvania would tell the gentleman from Ohio that, as I pointed out yesterday, I was somewhat concerned about the process being used. I began to check last evening on what it was that was in this particular provision and what the administration's feelings were on it.

I found that the administration is, in fact, opposed to the bill, which is information we did not have when the bill was brought to the floor yesterday; so this gentleman, on his own volition, intends to object to the bill, having voted against the bill as it passed the House in the first place.

Mr. SEIBERLING. Well, will the gentleman yield further?

Mr. WALKER. I am glad to yield to the gentleman.

Mr. SEIBERLING. Well, I share the absolute bafflement and frustration of the gentleman from Alaska.

The administration had their official representatives meet with us and the people in the other body, the Senators, who are in charge of it over there, and we worked out this substitute to meet their needs.

Mrs. MARTIN of Illinois. Mr. Speaker, I demand regular order. Either there is an objection or there is not; not debate.

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

□ 1030

PASSAGE OF COMPACT OF FREE ASSOCIATION

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEIBERLING. Mr. Speaker, I personally have no feelings one way or another about this legislation except for the fact that, as chairman of the subcommittee, I have spent literally years trying to solve the problem which the administration itself has presented to us.

On September 30, the lease on the Kwajalein Missile Base, essential to our nuclear testing program and the SDI, is going to expire. We were told that we must have this legislation by that time.

Now the House passed a bill in July, and as far as we are concerned, if the other body will accept that bill, that is all right. But the other body has some problems and we have worked them out with the leadership over there.

Now we have one Member taking it upon himself, not requested by the administration, that he is going to decide whether we have this legislation or not in a manner that the other body feels will enable it to get it expedited through that body, and I submit to you that if there are people who are concerned about process, then this is one of the most irresponsible approaches I have ever encountered in my career.

I suggest that we have a committee system and that is the reason we have it, because Members do not have time to deal with every issue in the world.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. SEIBERLING] has expired, and objection is heard.

TEMPORARY EXTENSION OF CERTAIN PROGRAMS RELATING TO HOUSING AND COMMUNITY DEVELOPMENT

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance, and Urban Affairs be discharged from further consideration of the joint resolution (H.J. Res. 393), to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. McKINNEY. Mr. Speaker, reserving the right to object, I will not object but would like the chairman of the Housing Subcommittee to explain what we are doing.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, House Joint Resolution 393 provides for a temporary extension of certain programs administered by the Department of Housing and Urban Development relating to the housing and community development programs and for other purposes. All of the authorities of the Secretary of HUD to insure mortgages under the National Housing Act expire at the end of this month. Failure to provide extension of these authorities will mean that the very popular FHA Mortgage Insurance Program will not continue on October 1. Any delay in continuing the Secretary's authority to insure has been heightened this year by the fact that approximately 40 percent of FHA mortgages are handled through the direct endorsement procedure; that is, the originating lender does all of the initial processing and initial commitments and turns the mortgage documents over to HUD for final endorsement at the time of closing on the mortgage. Without continuation of the insuring authorities, many lenders will be liable for millions of dollars of uninsured mortgage credit.

This joint resolution provides a 45-day extension of the HUD insurance authority in order to permit Congress to complete its work on this year's housing authorization bill which contains the basic authorities to permit the Secretary to continue to operate FHA, as well as numerous other changes in the housing and community development laws. Among those authorities to insure contained in the resolution are the section 203(b) Mortgage Insurance Program, which is the popular FHA Single-Family Mortgage Insurance Program, and the section 235 Homeownership Assistance Program. All of the existing FHA insurance authorities are extended in this resolution.

House Joint Resolution 393 also extends authority for the section 312 Rehabilitation Program for a period of 45 days until November 14, 1985. The resolution would extend the Farmers Home Administration's rural housing programs, which also expire at the end of this month, to November 14, 1985. In addition to the extension of the authority to continue the rural housing programs, the resolution would extend the time within which a community of 10,000 to 20,000 population would be eligible to continue to participate in the FmHA rural housing programs and would also extend the mutual and self-help housing grant loan authority to November 14, 1985.

The flood and crime insurance programs expiring on September 30 would be extended through to November 14, 1985. The entitlement eligibility of certain cities and urban counties under the Community Development Block Grant Program would be temporarily extended until November 14, 1985, and the section 202 interest rate limitation and the Home Mortgage Disclosure Act would be extended through to November 15, 1985.

Mr. Speaker, I would urge my colleagues to give their prompt approval to this resolution.

Mr. McKINNEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 393

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS.

(a) TITLE I INSURANCE.—Section 2(a) of the National Housing Act is amended by striking out "October 1, 1985" in the first sentence and inserting in lieu thereof "November 15, 1985".

(b) GENERAL INSURANCE.—Section 217 of the National Housing Act is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(c) LOW AND MODERATED INCOME HOUSING INSURANCE.—Section 221(f) of the National Housing Act is amended by striking out "September 30, 1985" in the fifth sentence and inserting in lieu thereof "November 14, 1985".

(d) SECTION 235 HOMEOWNERSHIP.—

(1) ASSISTANCE PAYMENTS AUTHORITY.—Section 235(h)(1) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(2) INSURANCE AUTHORITY.—Section 235(m) of the National Housing Act is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(3) HOUSING STIMULUS AUTHORITY.—Section 235(q)(1) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(e) CO-INSURANCE.—

(1) GENERAL AUTHORITY.—Section 244(d) of the National Housing Act is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(2) RENTAL REHABILITATION AND DEVELOPMENT PROJECTS.—Section 244(h) of the National Housing Act is amended by striking out "October 1, 1985" in the last sentence and inserting in lieu thereof "November 15, 1985".

(f) GRADUATED PAYMENT AND INDEXED MORTGAGE INSURANCE.—Section 245(a) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(g) REINSURANCE CONTRACTS.—Section 249(a) of the National Housing Act is amended by striking out "September 30, 1985" in the second sentence and inserting in lieu thereof "November 14, 1985".

(h) ARMED SERVICES HOUSING INSURANCE.—

(1) CIVILIAN EMPLOYEES OF ARMED FORCES.—Section 809(f) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(2) DEFENSE HOUSING FOR IMPACTED AREAS.—Section 810(k) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(i) LAND DEVELOPMENT INSURANCE.—Section 1002(a) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(j) GROUP PRACTICE FACILITIES INSURANCE.—Section 1101(a) of the National Housing Act is amended by striking out "September 30, 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

SEC. 2. EXTENSION OF REHABILITATION LOAN AUTHORITY.

Section 312(h) of the Housing Act of 1964 is amended—

(1) by striking out "September 30, 1984" and inserting in lieu thereof "November 14, 1985"; and

(2) by striking out "October 1, 1984" and inserting in lieu thereof "November 15, 1985".

SEC. 3. EXTENSION OF RURAL HOUSING AUTHORITIES.

(a) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(b) RURAL AREA CLASSIFICATION.—Section 520 of the Housing Act of 1949 is amended by striking out "the end of fiscal year 1985" in the last sentence and inserting in lieu thereof "November 14, 1985".

(c) MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.—Section 523(f) of the Housing Act of 1949 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

SEC. 4. EXTENSION OF FLOOD AND CRIME INSURANCE PROGRAMS.

(a) FLOOD INSURANCE.—

(1) GENERAL AUTHORITY.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(2) EMERGENCY IMPLEMENTATION.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking out "September 30, 1985" and Insert in lieu thereof "November 14, 1985".

(3) ESTABLISHMENT OF FLOOD-RISK ZONES.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(b) CRIME INSURANCE.—Section 1201(b)(1) of the National Housing Act is amended in the matter preceding subparagraph (A)—

(1) by striking our "parts A, C, and D" and inserting in lieu therof "part A"; and

(2) by inserting after "1985," the following: "and part C and D shall terminate on November 14, 1985,".

SEC. 5. MISCELLANEOUS EXTENSIONS.

(a) COMMUNTIY DEVELOPMENT BLOCK GRANT CLASSIFICATIONS.—

(1) METROPOLITAN CITY.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out "for fiscal years 1984 and 1985" in the second sentence and inserting in lieu thereof "through November 14, 1985".

(2) URBAN COUNTY.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended by striking out "for fiscal years 1984 and 1985" in the second sentence and inserting in lieu thereof "through November 14, 1985".

(b) SECTION 202 INTEREST RATE LIMITATION.—Section 223(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking out "October 1, 1984" and inserting in lieu therof "November 15, 1985".

(c) HOME MORTGAGE DISCLOSURE ACT OF 1975.—Section 312 of the Home Mortgage Disclosure Act of 1975 is amended by striking out "October 1, 1985" and inserting in lieu thereof "November 15, 1985".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISASTER RELIEF FOR THE REPUBLIC OF MEXICO

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, the first reports are just beginning to filter in about what appears to be one of the most serious natural disasters the Western Hemisphere has ever witnessed. Early yesterday morning, a devastating earthquake off Mexico's Pacific coast struck the world's most populous urban area, toppling scores of buildings in Mexico City, causing serious damage in at least four States, and leaving thousands dead or injured.

Although the full extent of the tragedy will not be known for some time because of a lack of communications between Mexico and the outside world, it is clear that a disaster of unprecedented magnitude has struck our ally and neighbor.

Mr. Speaker, the United States can and will respond to this tragedy. Today I am introducing a House concurrent resolution calling on the administration to provide all possible funding under the Disaster Relief Act to the people of Mexico. It further calls on the Agency for International Development to provide maximum funding out of its development accounts, and it calls on the President to send an immediate supplemental aid request so it can be attached to the continuing resolution pending in the Senate. Upon consultations with the chairman of the House Appropriations Subcommittee on Foreign Operations and the chairman of the Foreign Affairs Committee, I have determined that this is the fastest way for our Government to provide assistance.

Mr. Speaker, there is much talk in this Chamber about regaining American influence overseas. Our response as a nation to the disaster in Mexico will be a measure of our commitment to being a world leader, and I urge all of my colleagues to join me in sponsoring this resolution.

To the people of Mexico, I say, "La gente de los Estados Unidos si puede ayudar."

EXPRESSION OF SYMPATHY TO MEXICO

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, for the past 5 years, I have had the honor of serving as the delegate to the Mexico/United States Interparliamentary Conference.

I take the well this morning simply to extend my sympathy to the victims of yesterday's devastating earthquake, and to let the people of Mexico know that the prayers of the American people are with them.

ILLEGAL USE OF GOVERNMENT CHAUFFEURS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I think many of us were very shocked

today to find out that the Government Accounting Office has come forward with a report showing that three-fifths of Federal officials who got chauffeuring paid for by the taxpayers at the beginning of 1985 were not eligible under the law. That is a tremendous waste in a budget that is running an enormous deficit.

I have written the chairman of the board of this corporation, President Reagan, saying I am sure he is as shocked as many Members are, and I hope that he will take that Accounting Office report and ask those people to reimburse the taxpayers for their illegal use of Government chauffeuring.

I have also asked the President to withdraw the bill that he has sent to the House asking us to increase the number of public officials allowed to travel at taxpayers' expense by 25 percent. I do not think you do that when you are running the kind of debt we have.

I think we need to send another message to the taxpayers, that we are trying to be frugal and not wastrels.

DAIRY POLICY

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, the 1985 farm bill will be on the floor today. I would like to call all Members' attention to the dairy title.

We don't have a real big problem in dairy, but for the past 5 years we've been producing more milk than the consumers and the Government need. The problem has gradually been getting worse and needs to be corrected.

Surplus production is now about 5 percent, only 5 extra pounds of milk out of every 100 pounds milked.

We want to be sure not to overreact to a 5-percent problem. The dairy title in the farm bill seems to be much too complicated, expensive, and risky.

I'll be offering an amendment that is simple and effective. It will cost less. It will fix the problem and keep it fixed. It will help us get the budget balanced.

I urge all Members to get acquainted with the dairy proposals. Your vote for a commonsense dairy policy is important.

HISPANIC HERITAGE ENRICHES THE UNITED STATES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, as you know, this week, September 16-20, is Hispanic Heritage Week. I wish to commend our colleagues TOM LANTOS and from the other body our colleague Senator CLAIBORNE PELL for their initiative in honoring throughout this week one of the richest heritages to every contribute to the great American cultural melting pot.

Mr. Speaker, the culture of the Americas is a remarkable testimony to the richness of human experience. My great State of California owes much of its historical traditon to the Hispanic heritage which so infuses our State's daily life with beauty and cultural vitality. That rich historic inheritance is also alive and well in the substantial number of Americans who proudly identify themselves as Hispanic-Americans, now our largest ethnic subgroup. The Hispanic tradition of family loyalty, hard word, self-reliance, and most importantly family focus on love of God. The Hispanic experience is rooted in deep religious conviction and that is precisely in tune with the most deep-rooted and venerated American values.

It is excellent that this week be dedicated to the recognition of the vibrant and treasured Hispanic element of American life. The United States would not be culturally enriched or as productive as we are without the tremendous vitality of the Hispanic contribution. I salute Hispanic Heritage Week and join my colleagues in honoring our Hispanic brothers and sisters. Via con Dios.

Mr. Speaker, in closing, a personal note. Yesterday at the Little Company of Mary Hospital in Torrance, CA, my beloved oldest daughter Robin Marie gave birth to a beautiful healthy 7 pound, 14 ounce baby. My wife Sallie and I now have four wonderful grandchildren to add to our own five. Congratulation to the proud father Gary Griffin. He and my Sallie are at Robin's side and I fly out to join them tonight when, by my desire, I learn the gender and name of my little grandbaby at the moment when I first hold the precious bundle of love in my arms. To be continued, Mr. Speaker.

ASSISTANCE TO THE GOVERNMENT OF MEXICO

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRES. Mr. Speaker, we are all shaken by the tragic events of late in the Republic of Mexico. My colleagues have taken the floor this morning to talk about this tragedy of high magnitude.

Fortunately, reports that have come in so far indicate that American lives have not been taken, with perhaps a few injuries, and we are to be thankful for that.

However, may I address the serious problem that thousands and thousands of Mexican citizens will be facing who have probably been killed or injured in this tragedy of high magnitude. Reports are that a third of the city has been devastated and the subway is completed destroyed. And of course the city's infrastructure is nonfunctional.

Mr. Speaker, I call upon the House of Representatives today to enact emergency authorizing legislation to be able to assist the Government of Mexico with emergency relief as indicated by the kinds of Government agencies that we have. Mr. Speaker, I call upon colleagues here in the House assembled, I call upon my fellow Americans to mobilize their resources, voluntary and otherwise, to assist the Mexican people in their hour of need.

□ 1045

INCREASING FOREIGN USE OF MIXED CREDIT FINANCING

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, part of a comprehensive response to a large U.S. trade deficit must be to ensure that American exporters can get competitive financing for overseas projects. Our competitors are vigorously supporting from 20 to as much as 40 percent of their exports in the scramble for major international contracts while we support only about 3 percent of those deals.

The increasing foreign use of mixed credits of official financing subsidies has become a major problem for heavy capital-intensive industries such as transportation, aircraft, powerplant construction. The loss of foreign markets threatens jobs provided by thousands of suppliers throughout our Nation.

This problem has been identified by every study of America's competitiveness including the President's Task Force on International Enterprise. It is a serious problem costing current jobs but costing decades of loss, as we cut ourselves out of the rich follow-on market associated with these export sales.

The President's decision to include competitive financing as part of his approach to our current trade problems recognizes the importance of this approach.

In the last session, I proposed a bill on competitive financing and urge you to join me in cosponsoring H.R. 3296, also supported and cosponsored by Representative BONKER, the leader in this mixed credit financing effort.

PRESIDENT REAGAN'S REMARKS ON STRATEGIC DEFENSE INITIATIVE

(Mr. FOGLIETTA asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. FOGLIETTA. Mr. Speaker, during his press conference the other night the President equated the strategic defense initiative to a gas mask. Responding to a question about the potentially offensive use of SDI, the President said, "This isn't what we're researching on—or what we're trying to accomplish." The President seems to feel that just because he isn't thinking of SDI in offensive terms, it won't be offensive, that it will be just like a gas mask. But that's not the case. If SDI works, it will be an attacking, offensive system, not a passive one. It won't be the Great Wall of China in space, and wishing it to be that way won't make it so.

And that's the problem with the whole SDI program. It won't be—can't be—what the President or his public relations team wants. What is important is the reality, not the perception. The Soviets won't deal in what we'd like it to be, they'll deal in what it is. Before this body takes another vote on SDI, it had better take the same approach. Before we take another step in funding star wars, we'd better make sure we know the program as it is, not as we'd like it to be.

THE INTERNATIONAL JOBS PICTURE

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, in the past 5 years, the U.S. economy has created 8 million new jobs; the European economy has scarcely created a job at all. The Japanese have created 200,000 new jobs.

I have to ask then, in what way can we be exporting jobs to Europe and Japan when we are so far ahead in job creation?

I might also address the question of our new status as a debtor nation. The fact is, 8 million new Americans are working. All the Americans who are working are prospering in our thriving economy, and they are going to import more and buy more from Europe than unemployed Europeans can buy from us. That is this new debt we are talking about; it is denominated American dollars, and it is between private citizens, private corporations, and the Europeans, and the Japanese. That is something quite different than an official government debt in Brazil denominated in American dollars used to prop up a failing economy.

The real debt we must be concerned about is the official American Government debt to the American people that exists in the form of our national debt and a continuing year-in, year-out deficit. That is the problem we ought to address, and we ought to address it with fiscal restraint, not misguided protectionist policies.

IMPACT OF ELIMINATING TAX-EXEMPT STATE AND LOCAL BONDS

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, we all support the goal of a simpler and more equitable Federal income tax system. Over the past several years, the Tax Code has become a complex maze of deductions and exemptions, many of which favor only the wealthiest taxpayers. However, as we consider a simpler tax system, we must carefully examine the impact these changes will have on the common goals and needs of our society.

President Reagan's tax reform proposal would eliminate the current tax-exemption on certain revenue bonds issued by State and local governments. These bonds are commonly used to finance residential mortgages, rental housing, student loans, infrastructure repair and many other important and necessary local development projects.

Denying States the ability to issue tax-exempt mortgage revenue bonds would dramatically increase the cost of owning a home for first time buyers. Rents would skyrocket for low-income households when tax-exempt bonds are no longer available to finance the development of rental housing. Eliminating public purpose industrial development bonds would seriously limit the ability of State and local governments to pay for the much needed repair and maintenance of roadways, bridges, sewer systems and waterways.

Mr. Speaker, the Federal Government has a legitimate role in promoting homeownership, providing affordable rental housing for low and moderate-income families and repairing our crumbling infrastructure. Eliminating tax-exempt revenue bonds will seriously jeopardize these worthy goals and we must not let that happen.

TWO MORE BUDGET WAIVERS COMING UP TODAY

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, the House, I think, should be aware that we have two more rules coming up before us today, two more budget waivers; twice more we are going to go through the exercise of saying the Budget Act is meaningless, that we do not need to obey it, that we are going to go ahead and spend the money despite what we pledged to do in the Budget Act.

For the American people who are concerned about the deficit, this constant and repetitive source of congressional spending, I think, needs to be focused upon. Here is Congress constantly telling you about the fact that they want to do something about deficits, a Congress that understands the deficit problems we have accumulated at the Federal level are aggravating our trade problems, are aggravating our interest rate problems, are aggravating the entire fiscal calamity of this country, and yet day after day we are voting for rules that simply waive the Budget Act so we can go ahead and spend the money.

I think the American people need to begin to ask Members of Congress who are voting for Budget Act waivers: "Aren't you really a spender?"

WILDERNESS—NEVADA COMPROMISE

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, every piece of legislation has a focal point. That center of attention might involve a way to protect something important to the Nation. It might include the use or preservation of natural resources for a positive purpose. It definitely should be farsighted.

These were just some of the important factors that went into my drafting of the Nevada Wilderness Protection Act of 1985—a truly "conservative" bill that designates 723,000 acres of Nevada lands as wilderness.

My bill is the product of a well-balanced compromise. A bill that meets the needs of many diverse groups while not favoring any one group entirely. It is a bill that was designed to protect and preserve Nevada for all people who should always have the opportunity to enjoy the unique beauty of our State.

As it has been for thousands of years, untouched and unscarred.

Mine is a bill that "changes" nothing. It does not take away roads or create hardships. These areas never did have roads. That's part of what makes them wild—and beautiful.

My bill was drafted with the knowledge that if we don't protect our wilderness areas now we'll lose them forever.

THE VEIL IS LIFTED FROM THE SAUDI INTENTIONS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the veil has finally been lifted from the intentions of the Saudis with the an-

nouncement of their purchase of 48 Tornado aircraft from the British.

All along, when the Saudis asked this country to sell them airplanes they were intended, they said, for defensive purposes. They were intended, they said, to ward off problems in the Persian Gulf. Yet when we look at the details of the British sale of these Tornadoes to the Saudis, yes, the veil has been ripped from their face. Why?

First, the Tornado is an offensive aircraft with multiple-ejection bomb racks. This is something the United States had refused to sell the Saudis. In fact, our comparable plane, the F-15E is not sold to another single country in the world simply because it is an offensive, not a defensive, weapon.

Even more revealing is where the Saudis are going to station these planes. Will they be stationed around the troubled Persian Gulf? No way. They are going to be stationed at Tebuk, 1,000 miles away from the Persian Gulf but only 120 miles from Israel. What is their purpose when the Saudis come and ask to buy weapons from the United States. Not defending their own country but, rather, preparing for an attack on Israel.

Mr. Speaker, the United States is wise not to sell the Saudis this kind of weapon.

LARGEST TRADE DEFICIT DUE TO UNFAIR TRADE PRACTICES AND LACK OF LEADERSHIP

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, under President Reagan's policies we have the biggest trade deficit in the history of our country. It is unfair trade practices and the lack of leadership that affect every region of our country. Farmers are affected, textile workers in the South, the high-tech industry, heavy manufacturing. But the trade deficit is also a threat to our national security. Not only are we losing thousands and thousands of jobs, we are losing our capacity to produce, for example, nuts and bolts that go into our defensive weapons.

We are also leaving ourselves vulnerable in this area.

A 1983 Commerce Department study on our country's capacity to produce the nuts and bolts and rivets that hold together every jet plane, every tank, every seagoing vessel, concludes that we cannot provide for our own mobilization needs in the event of war.

I say, Mr. Speaker, that it is time the American people reject this line of thinking and this do-nothing administration.

It is time we demand fair trade, not only for all of our people in the country but for our own national security.

□ 1100

ASSISTANCE TO MEXICO FOR SEVERE EARTHQUAKE DAMAGE

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, as the news reports of the earthquake in Mexico reach all of us, we are all very deeply concerned about the devastation that appears to have occurred in our friendly neighbor to the south.

As somebody whose district is some 100 miles away from the country of Mexico and who has had the privilege of spending quite a bit of time in that country, I know that I am speaking for all of my colleagues when I say that we are deeply concerned about the situation in Mexico and that as a body and on a bipartisan basis we should join together and offer whatever assistance and helping hand we possibly can to alleviate in any way that we can any of the suffering that has occurred.

I know I am speaking for all of my colleagues when I say to the people of Mexico how deeply concerned we are about the extremely difficult situation in which they find themselves, and I know that we will join together to do everything that we can to be of as much assistance as possible.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, MONDAY, SEPTEMBER 23, 1985, TO FILE REPORT ON H.R. 6, WATER RESOURCES CONSERVATION, DEVELOPMENT AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

Mrs. KENNELLY. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Monday, September 23, 1985, to file its report to accompany the bill H.R. 6, the Water Resources Conservation, Development and Infrastructure Improvement and Rehabilitation Act of 1985.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3248, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965 AMENDMENTS

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 266 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 266

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3248) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 266 is an open rule providing for the consideration of H.R. 3248, the Arts, Humanities, and Museums Amendments of 1985 and provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

The rule waives all points of order against consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported by May 15 preceding the beginning of such fiscal year. The Committee on Education and Labor reported H.R. 2245, a bill authorizing the activities of the National Endowment for the Arts and Humanities for fiscal years 1986 through 1989, on May 15 of this year. However, since that bill con-

tained authorization levels of "such sums as necessary," the Committee on Education and Labor subsequently reported a new bill, H.R. 3248, which provides specific authorization levels for fiscal year 1986. It is because H.R. 3248 is the successor bill to a measure reported before the May 15 deadline that the Committee on Rules has recommended the waiver of section 402(a) of the Budget Act in the rule.

The rule also makes in order an amendment in the nature of a substitute reported by the Committee on Education and Labor now printed in the bill as original text for the purpose of amendment under the 5-minute rule and provides that the substitute shall be considered for amendment by titles rather than by sections and that each title shall be considered as having been read.

House Resolution 266 further provides that at the conclusion of the consideration of the bill for amendment, that any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute. Finally, the rule provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 3248 reauthorizes the activities of the National Foundation on the Arts and Humanities for the next 4 fiscal years. The bill provides $167 million for the National Endowment for the Arts, $140 million for the National Endowment for the Humanities, and $22 million for the Institute of Museum Sciences for fiscal year 1986 and such sums as may be necessary for the following 3 fiscal years. Mr. Speaker, this reauthorization reaffirms the commitment of the Congress to the support of the arts and culture in our Nation and I urge adoption of the rule so that the House may proceed to the consideration of H.R. 3248.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the rule is an open rule, and when it was presented to the Rules Committee, no controversy was indicated. However, in reading the supplementary and additional views, there is controversy, but that can be debated on the floor of the House before final passage.

There is a lot of interest in this measure, contrary to what some of us might think. Nationwide, it is an important measure, and will generate a lot of interest when it is debated on the floor of the House.

Mr. Speaker, I urge adoption of the rule, and at this time, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, first of all let me read the part of this rule that troubles me.

The rule reads:

All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived.

What does that mean? It means that if you did not put that language in this rule, we could not even bring this bill to the House floor. The spending that is contained in the bill could not even come to the House floor if we were determined to obey what we have committed ourselves to in public law.

We are not talking about a mere, little technicality here; we have committed ourselves in law, in Public Law 93-344, we have committed ourselves to a process around here which we are now waiving with this rule, and that is a problem.

This gentleman is a little tired of hearing the fact that when we create these problems for ourselves it is in fact a "mere technical problem" with this bill. The technical problem here is that the committee reported out a bill in compliance with the Budget Act, and then found out that that bill could not fly, because instead of having specific numbers in it, they had "such sums as may be necessary."

In other words, it was a big spender's bill par excellence, and they knew that coming to the floor that could not fly. So they went back and came up with another bill that they thought could fly.

This particular bill has $216.8 million in it. We could not even consider that $216.8 million being authorized on this floor if we did not have this rule. So this rule commits us to a process designed to increase spending by $216.8 million.

Now that, indeed, is the problem. Again I would say, if it was just this rule that might not be a problem; we are doing this on virtually every rule that comes to the floor. I am not certain we have had a rule since we came back from recess that did not have a Budget Act waiver in it.

The very next rule that we have up today also has a couple of budget waivers in it. We are waiving the Budget Act at virtually every occasion when we bring a piece of legislation to the floor.

I have to question the seriousness of a body about dealing with deficits if the prime disciplinary tool of the body is regularly violated consciously.

□ 1110

And if you do not believe we are consciously doing it, just take a look at the votes. I have gotten record votes on most of these rules that waived the Budget Act. Time and time again, a majority of the Members of this body are lining up and saying the Budget Act does not matter, waive the Budget Act, go ahead and spend the money.

The question is whether or not they ought not begin to be held accountable for the fact that they are indeed abandoning the very budgetary tool that they all wrapped themselves around just a few weeks ago when they pledged that what we were going to do under the budget was to save $55 billion of the taxpayers' money.

A lot of people said at that time the Budget Act was a phony. The fact is, it was. But we are showing how phony it was with a process that regularly even abandons that discipline on rule after rule after rule.

So I would suggest that the Members should vote against this rule. Let us force the Education and Labor Committee to come to the floor with a bill on arts and humanities that in fact is in compliance with the Budget Act that was reported by May 15, let us bring out that one. Let us not violate the rules in order to bring another bill to the floor that commits us to spending $216.8 million. That would be the proper way to proceed, that would be a way that fits within the disciplinary framework that we are going to have to have managed around here if we are ever going to do anything about deficits.

It is time to cut spending. The spenders are finding ways and means all the time to spend taxpayers' money. It is time for it to stop. A place to begin the stopping is with this rule.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 181, nays 148, not voting 105, as follows:

[Roll No. 315]

YEAS—181

Ackerman	Beilenson	Bryant
Akaka	Berman	Burton (CA)
Andrews	Boggs	Bustamante
Annunzio	Boner (TN)	Byron
Aspin	Bonior (MI)	Carper
AuCoin	Bonker	Carr
Barnes	Borski	Chapman
Bartlett	Boucher	Chappell
Bates	Brooks	Clay
Bedell	Brown (CA)	Coelho

Coleman (TX)	Jeffords	Regula
Collins	Johnson	Reid
Cooper	Jones (OK)	Robinson
Coyne	Jones (TN)	Rodino
Crockett	Kanjorski	Roe
Darden	Kastenmeier	Rose
Daschle	Kemp	Roybal
de la Garza	Kennelly	Sabo
Dellums	Kildee	Scheuer
Dingell	Kleczka	Schneider
Dixon	Kostmayer	Schroeder
Dorgan (ND)	LaFalce	Schumer
Dowdy	Leach (IA)	Sharp
Downey	Levin (MI)	Shelby
Durbin	Levine (CA)	Sisisky
Dwyer	Lightfoot	Slattery
Dyson	Lipinski	Smith (FL)
Eckart (OH)	Long	Smith (IA)
Edwards (CA)	Lowry (WA)	Snowe
Erdreich	Lujan	Snyder
Evans (IA)	Luken	Solarz
Evans (IL)	Manton	Spratt
Fascell	Markey	Staggers
Feighan	Mazzoli	Stallings
Flippo	McCloskey	Stark
Foglietta	McHugh	Stratton
Foley	McKinney	Swift
Ford (MI)	Mica	Synar
Ford (TN)	Mineta	Tallon
Frost	Mitchell	Tauke
Fuqua	Mollohan	Torres
Gejdenson	Moody	Torricelli
Gephardt	Mrazek	Valentine
Gilman	Murtha	Vento
Glickman	Natcher	Visclosky
Gonzalez	Neal	Volkmer
Goodling	Nelson	Walgren
Gray (PA)	Oakar	Waxman
Green	Oberstar	Weiss
Guarini	Obey	Wheat
Hall (OH)	Olin	Whitley
Hall, Ralph	Panetta	Whitten
Hamilton	Pease	Wilson
Hammerschmidt	Penny	Wirth
Hatcher	Pepper	Wright
Hawkins	Perkins	Yates
Hertel	Pickle	Yatron
Howard	Price	Young (AK)
Hoyer	Quillen	Young (MO)
Huckaby	Rahall	
Jacobs	Ray	

NAYS—148

Anthony	Edwards (OK)	Martin (IL)
Archer	Emerson	Martin (NY)
Armey	English	McCain
Barnard	Fawell	McKernan
Barton	Fiedler	McMillan
Bateman	Fields	Michel
Bennett	Fish	Miller (OH)
Bentley	Franklin	Miller (WA)
Bereuter	Frenzel	Molinari
Bilirakis	Gallo	Monson
Bliley	Gekas	Montgomery
Boehlert	Gingrich	Moore
Boulter	Grotberg	Moorhead
Broomfield	Gunderson	Morrison (WA)
Brown (CO)	Hansen	Myers
Broyhill	Hartnett	Nielson
Bruce	Hendon	Packard
Burton (IN)	Henry	Parris
Callahan	Hiler	Pashayan
Carney	Hillis	Petri
Chappie	Holt	Porter
Cheney	Hopkins	Ridge
Coats	Hubbard	Ritter
Cobey	Hughes	Roberts
Coble	Hunter	Roemer
Coleman (MO)	Hutto	Rogers
Combest	Hyde	Roukema
Conte	Jenkins	Rowland (CT)
Coughlin	Kasich	Rowland (GA)
Craig	Kindness	Saxton
Crane	Kolbe	Schaefer
Daniel	Lagomarsino	Schuette
Dannemeyer	Latta	Shaw
Daub	Leath (TX)	Shumway
Davis	Lewis (CA)	Shuster
DeLay	Lewis (FL)	Siljander
Dickinson	Livingston	Skeen
DioGuardi	Lloyd	Skelton
Dornan (CA)	Lowery (CA)	Slaughter
Dreier	Mack	Smith (NE)
Duncan	Madigan	Smith (NH)
Eckert (NY)	Marlenee	Smith, Denny
Smith, Robert	Swindall	Watkins
Spence	Tauzin	Weber
Stangeland	Taylor	Whittaker
Stenholm	Thomas (CA)	Wolf
Strang	Thomas (GA)	Wortley
Stump	Vander Jagt	Young (FL)
Sundquist	Vucanovich	
Sweeney	Walker	

NOT VOTING—105

Addabbo	Hayes	Nowak
Alexander	Hefner	O'Brien
Anderson	Heftel	Ortiz
Applegate	Horton	Owens
Atkins	Ireland	Oxley
Badham	Jones (NC)	Pursell
Bevill	Kaptur	Rangel
Biaggi	Kolter	Richardson
Boland	Kramer	Rinaldo
Bosco	Lantos	Rostenkowski
Boxer	Lehman (CA)	Roth
Breaux	Lehman (FL)	Rudd
Campbell	Leland	Russo
Chandler	Lent	Savage
Clinger	Loeffler	Schulze
Conyers	Lott	Seiberling
Courter	Lundine	Sensenbrenner
Derrick	Lungren	Sikorski
DeWine	MacKay	Smith (NJ)
Dicks	Martinez	Solomon
Donnelly	Matsui	St Germain
Dymally	Mavroules	Stokes
Early	McCandless	Studds
Edgar	McCollum	Towns
Fazio	McCurdy	Traficant
Florio	McDade	Traxler
Fowler	McEwen	Udall
Frank	McGrath	Weaver
Garcia	Meyers	Whitehurst
Gaydos	Mikulski	Williams
Gibbons	Miller (CA)	Wise
Gordon	Moakley	Wolpe
Gradison	Morrison (CT)	Wyden
Gray (IL)	Murphy	Wylie
Gregg	Nichols	Zschau

□ 1125

The Clerk announced the following pairs:

On this vote:

Ms. MIKULSKI for, with Mr. LOTT against.

Mr. HAYES for, with Mr. MCCANDLESS against.

Mr. MOAKLEY for, with Mr. OXLEY against.

Messrs. MCKERNAN, ROWLAND of Georgia, BENNETT, Mrs. ROUKEMA, Messrs. SKELTON, THOMAS of Georgia, and PASHAYAN changed their votes from "yea" to "nay."

Mr. SMITH of Florida and Mr. ERDREICH changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REAFFIRMING OUR HISTORIC SOLIDARITY WITH THE PEOPLE OF MEXICO FOLLOWING THE DEVASTATING EARTHQUAKE OF SEPTEMBER 19, 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 394) reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I yield to the gentleman from Florida [Mr. FASCELL] for clarification.

Mr. FASCELL. Mr. Speaker, there is a great deal of interest in this resolution concerning the Mexican earthquake. To expedite consideration I would propose that the gentleman from Michigan withdraw his reservation of objection, I will then yield 30 minutes of the 1 hour to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 394

Whereas on September 19, 1985, Mexico suffered a devastating earthquake resulting in heavy loss of life and injuries to many of its citizens;

Whereas the United States is both Mexico's neighbor and friend; and

Whereas bonds of family, friendship, and mutual esteem link the peoples of our two nations: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Government of the United States, on behalf of the citizens of the United States, extends to the people and Government of Mexico our most profound sympathies in this time of tragedy.

SEC. 2. The President should provide all appropriate relief and rehabilitation assistance to help prevent further loss of life, alleviate suffering, and safeguard the public health in Mexico.

SEC. 3. The United States, in consultation with the Government of Mexico, is prepared to cooperate with Mexico in long term efforts to recover from the effects of the earthquake.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] is recognized for 1 hour.

Mr. FASCELL. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Michigan [Mr. BROOMFIELD].

Pending that, I yield such time as he may consume to the gentleman from Texas, the distinguished majority leader, Mr. WRIGHT.

Mr. FASCELL. Mr. Speaker, I yield 30 minutes of the 1 hour to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. Speaker, I yield such time as he may consume to the distinguished majority leader, Mr. WRIGHT, who is the principal sponsor of this resolution, and who took the lead in seeing to it that we would have the opportunity

today to express our concern to the Mexican people as well as our willingness to cooperate with Mexico in its efforts to recover from the effects of the earthquake.

□ 1135

Mr. WRIGHT. Mr. Speaker, I think this resolution is a very important statement on the part of the House. I hope that it will become a statement on the part of the Congress. I hope that it will become a statement on the part of the Government and the people of the United States.

A grave disaster has befallen our nearest neighbor. There is a long-standing tradition of mutual help for neighbors. It is as integral a part of the American tradition as apple pie and motherhood. It is inseparable from all that we stand for. In the old days when a neighbor's barn burned down, other neighbors would gather around to supply help to rebuild the barn, to give a setting of eggs, to give a milk cow, to give a calf, to help the family rehabilitate itself.

This is what I think we have the responsibility to do for our closest neighbor in the world. The people in Mexico have become the victims of an enormously hurtful natural disaster. That country has been reeling from economic disaster for several years, since the problems that led to the devaluation of the peso and the inability of Mexico to lift itself by its own bootstraps and sustain the slow economic and institutional recovery which had so tenuously begun following the Mexico revolution in the 1920's. Through the 1930's and the 1940's, their economy was in the doldrums, but in the 1960's it began to move, and in the 1970's there was hope. Oil was the magnet that inspired hope and attracted foreign loans. Too many loans, in fact, some at extortionate rates of interest. Now petroleum prices are on the skids and Mexico's future looks even bleaker. But the staggering debts remain and grow.

The one reason we are inundated in the United States with undocumented workers is because of the severe economic crisis that besets our nearest neighbor, Mexico. I am absolutely convinced that it is not only our moral ethical responsibility, but it is our economic responsibility to ourselves and to our hemisphere to assert in the most unequivocal way our absolute intention to be of the maxium assistance and help to our closest neighbor in this, its moment of severe distress.

There is a 2,000-mile border that joins us. I hope you note that I say "joins us," rather than "separates us." There are more things that unite us with the people of the Republic of Mexico than there are that divide us. Our future, whether we like it or not, is inseparably intertwined with the future of the people of Mexico, so long denied, so long frustrated in their attempts to bring into 20th-century reality their long-smothered hopes for their children—that they might have a good education, that they might have a decent job, that they might help to rebuild their ancient land, so beautiful and yet so smitten by repeated denial and disaster time and time again.

So I suggest to you that on this day, when the International Monetary Fund has committed what I regard to be a severe error in denying aid and help to the Republic of Mexico and in demanding even more austerity than that country has brought upon its own people, our action may help to cushion the stunning effect of these twin blows—a natural disaster and a judgmental disaster. We in the United States, Mexico's closest neighbors, should be willing to take this unequivocal, affirmative stand and say, "We are ready to do whatever is necessary."

There exists right now a $95 million appropriation available to the President for his immediate use in helping rehabilitate from this terrible disaster the people of this brave country. We are saying by this resolution that we urge him to use it effectively, quickly, efficiently, and that we are willing to make available such other help as may be necessary for the long-term economic recovery of that neighboring nation. It is not good enough just to loan Mexico the money to pay the interest on the debts that they owe, so that next year they owe greater debts and higher interest. That does not help them.

What we need is real help, real understanding, so that these two nations that share this common border may indeed advance hand in hand and that we may be of material assistance and understanding to the people of Mexico.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Of course I yield to my friend, the gentleman from Iowa, any time I have remaining. I know that there are others who want to be heard on this subject.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Speaker, I subscribe to every word the gentleman says, and especially when he says we have a tradition of help to our neighbors and we have a moral and ethical responsibility to help people who have had a disaster.

But I want to add this to it: The Budget Resolution we passed August 1 here in this House decimated the disaster program for this country—just decimated it. We had a vote in the Committee on Small Business that helped to do it, and that nailed it down. We did that in order to accommodate a $10 billion increase in military spending. I think it is time we also revisit the disaster program we have for this country.

Mr. WRIGHT. I agree with the gentleman emphatically. I think charity does begin at home, and then the next place it goes is next door—and the disaster right now is next door.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I surely do. I yield to my friend, the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the gentleman's comments and ask that my colleagues support this resolution. I commend the distinguished chairman and our ranking member for bringing it up in an expeditious manner.

Mr. Speaker, we are all shocked by the magnitude of the disaster which has occurred in Mexico, even though we are not yet aware of its full dimensions. It is obvious that a great deal of rescue and reconstruction work will have to be done. It is characteristic of this Nation that we come to the aid of neighbors in distress, whether they are across the street or down the road, or whether they are neighbors in a less literal sense. Thus, we feel a moral obligation to help our Mexican neighbors in their hour of trial. We are certain that our President will be generous in administering the broad authority we are granting him today to provide disaster relief to the Mexican people. The program we approve today is in the best traditions of the American people.

Mr. Speaker, I urge my colleagues to support the resolution now under consideration.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

I want to compliment the majority leader on his fine statement and also urge the strong support of everyone on this bipartisan resolution.

At no time are we more strongly reminded of our brotherhood with our fellow man than in times of tragic human suffering. Our deepest sympathy goes out to our unfortunate neighbors in Mexico who have just suffered through an awesome natural disaster which has taken thousands of lives, and left many more people injured and homeless.

I know every American has been profoundly moved and saddened by news of this tragedy. But I am just as certain that as the horrifying reports of this disaster have come out, they have strengthened our resolve to offer such appropriate aid and comfort as we can to the devastated victims of this cruel act of nature.

A U.S. Government disaster relief task force has already sprung into action to help promptly identify needs and speed relief supplies to our stricken southern neighbors. This legislation will hopefully help to assure that

the President will have whatever authority may be necessary to expedite U.S. humanitarian assistance to the people of Mexico.

As a cosponsor of this resolution, I strongly urge the House to approve this urgently required measure.

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Agriculture.

Mr. DE LA GARZA. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to associate myself and echo the words of our distinguished majority leader, the gentleman from Texas [Mr. WRIGHT] and add a further commendation to our colleague, the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL] and the ranking minority member and all the members of the committee.

There is very little that can be added to the eloquent words of the majority leader and I will not attempt to do so except for one brief mention of our American traditional system of assisting our neighbors. I know of no better way to exemplify that than to mention that in 1967 there was a devastating hurricane and flood in my area of south Texas. As I was visiting the small town of Elsa, TX, of which three-fourths was inundated and under water, the mayor of the city asked me, "Before you leave, do not forget to stop by the city hall to see the kids from the high school who are gathering food for the earthquake victims in Nicaragua."

That, I assure my colleagues, is the theme and the tone of what the majority leader said, and it can be no better exemplified than by that act of neighborliness in 1967 by the youngsters of Elsa, TX.

Mr. Chairman, I thank you for your contribution and for the continuation of our effort to work, live and to assist each other when necessary with all of our neighbors, but specifically with our nearest neighbor to the south, the Republic of Mexico.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding this time to me, and I want to commend the chairman of the committee for bringing this resolution before us so promptly. I commend the majority leader, as well as the other cosponsors, for sponsoring it.

There is great concern, I say to my colleagues, on the part of many here in this country who have relatives or friends who either live in Mexico City or who are visiting there. Apparently there has been great loss of life and great property damage.

I think that what the resolution asks for is very appropriate. We should extend help to our good neighbor to the south, and we should do it in a way that maintains their dignity and do it in a way that is in conjunction with them, not trying to force things on them. I am sure that is the way it is going to be. Our Government has already offered assistance to the Mexican Government, and they are in contact.

Mr. Speaker, I urge my colleagues to strongly support and vote for this resolution.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to advise my colleagues that the Department of State has a task force on this earthquake, and that it has been in continuous session for 24 hours, ever since the first word of the earthquake came forward. They are working around the clock and will continue to do so. Communications, we have been told, are difficult, but nevertheless they are being maintained with the Embassy in Mexico City by radio.

The U.S. Embassy has not been unusually damaged. No Americans in that Embassy have been injured. As far as other Americans in Mexico are concerned, every effort is being made to gather information and to help establish communication directly with the concerned families in the United States. In addition to that—and you can imagine the conditions under which they have to work down there in Mexico—American Embassy people are maintaining communications with other diplomatic missions in Mexico concerned about their own citizens. Primarily, we have been consulting very closely with the Mexican officials who have anything to do with this. I can assure the Members, as they can all imagine, that they have plenty to do.

Mr. Speaker, this resolution not only expresses our concern and our solidarity with the people of Mexico, it also urges the President to use the legislative authority which he now has in order to meet short-term needs. And although that represents a considerable amount of money we have no idea at this point what the ultimate needs might be. We do not have a good reckoning of the present extent of the physical damage, much less future requirements for relief and rehabilitation. But for the short term, the President has unused economic support funds available. He has reprogramming authority. He also has some authority under the disaster relief provisions of the Foreign Assistance Act. So there are moneys available for the short term, if that is what it is that the Mexican Government and the Mexican people need. We are in constant touch with the Mexican Government so that we cooperate on the short-term problems resulting from the earthquake.

A longer range problem, as the majority leader has pointed out, is not the immediate death and destruction, as bad as that is; it is the more virulent economic difficulty, that confronts Mexico and the impact that this disaster will have on the Mexican economy.

With the tremendous underemployment and unemployment that exists in Mexico and the other financial problems they have had, there will not only be a real rehabilitation job in the physical sense once the short-term needs in the time of emergency are met, with medical, food, clothing, housing, et cetera, but there will be, and there is now as a matter of fact, an economic emergency on which some serious discussions will have to be held.

Mr. Speaker, I conclude by saying that with respect to the long-term rebuilding and rehabilitation and with respect to the long-term economic needs, that is something that would have to be negotiated out with the Mexican Government, if they seek to do so. Furthermore, depending on the outcome of the negotiations, the President would have to submit legislation to Congress requesting additional authority and funding if he wanted to go beyond the immediate disaster relief that we ask and urge the President to provide.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], a member of the committee.

Mr. BEREUTER. Mr. Speaker, I thank the ranking minority member for yielding me this time.

Mr. Speaker, I want to commend the chairman, the ranking member, and others on the committee who have offered this resolution in the wake of the disaster that has stricken our sister Republic to the south.

We have heard much already from the limited reports coming from Mexico City, about the tremendous damage to that city but apparently this earthquake disaster has struck a large portion of the Republic of Mexico.

This resolution calling for immediate and appropriate assistance to Mexico is entirely appropriate. A few minutes ago, the majority leader used an analogy about neighbors helping neighbors and raising barns in the wake of frontier disasters caused by fires and other catastrophes. That is in the American tradition. That is in the pioneer tradition. It is entirely appropriate then that we extend that kind of helping hand to our neighbor, Mexico.

It occurred to me that the next legislation we will be taking up on this floor is the rule relating to the farm

bill. In it, we are attempting to find solutions to truly disastrous conditions that affect some parts of our country. And a good part of the reason for those conditions is a problem caused by huge surpluses in agricultural commodities. We have, for example, an incredible 190 million metric tons of grain in surplus storage around the world.

I bring this matter up at this time simply to raise the hope and to urge the administration to make maximum use of the horn of plenty that we have by providing such commodities and processed foods to Mexico, to the extent that this kind of assistance would be complementary to Mexico and to the extent that it would not have a negative impact on their own agricultural sector. It is available. It is available in great quantities, and the delivery of this type of assistance, I believe, is something that the American people would approve. And the delivery of this grain and food assistance to Mexico certainly would be of assistance to our hard-pressed farm areas as well. I urge support of this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. MCCAIN].

Mr. MCCAIN. Mr. Speaker, I would like to commend our committee chairman, the gentleman from Florida [Mr. FASCELL], and the gentleman from Michigan [Mr. BROOMFIELD] for their rapid action on this very important resolution. I believe that our administration also deserves some credit. There is a crisis team standing by. There is already in place emergency disaster relief funding, and we indeed are waiting to see if the Government of Mexico requests any aid.

I am convinced that this administration and this body stand ready to provide whatever assistance we can possibly provide in this time of great trial and tragedy for the nation of Mexico.

They are facing two problems. First, there is a short-term problem in the nature of disaster relief, which is indeed very serious. But in the long term the economic impact of this devastating blow to the country of Mexico could be even more severe than is apparent at this time.

I have never been a great fan of the International Monetary Fund, and the fact that the International Monetary Fund chose today to cutoff any interest payments or any additional funding for the country of Mexico reminds one of the story of the banker who waits until it is snowing before evicting the man and his wife and children from their home. If there is such a thing as ill timing, it certainly was the action of the International Monetary Fund to choose today to enact those somewhat draconian measures.

With compassion, with sadness, and with love, the American people, as an international body, as an administration, and as private citizens throughout this Nation, express their concern and their sympathy and their willingness to aid the people of Mexico in whatever way possible.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to join in this resolution as a cosponsor with the gentleman from Florida [Mr. FASCELL] and with the ranking minority member, and I want to commend them for their prompt attention to this terrible catastrophe. I also want to associate myself with the remarks of the majority leader. It was well said.

There is one aspect of this whole situation that bothers me, because in the past, in the history of Mexico, whenever such an occurrence has taken place, we have tended, as the large nation to the north, to extend our help but to do a lot of talking and a lot of pressing, and so on, along with it. At this time I want to commend our committee and the members who are involved with this for the sensitivity with which they are attempting to offer our help to Mexico, one of the proudest nations in the world.

Those of us who live along the border live side by side with this nation day after day. I have been a lifelong admirer and visitor of that nation and have come to know and love these people as much as I would any person who resides in the United States or anyone else who lives close to us. They have a great deal of pride, they have a great deal of honor, and I think now we are realizing that any help we extend must be done with sensitivity rather than with us talking to them, and pushing, and pressing while we are offering this help. Let us hear from them. What does Mexico need? What does their government need? What do their people need? Let us find out, and let us stand by ready to afford every aspect of help we have at our command and available to us.

Mr. Speaker, I commend those Members who have worked so hard on this, and I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I thank the gentleman for yielding this time to me, and I simply wish to congratulate the chairman of the Committee on Foreign Affairs and the ranking minority member of the committee as well for the type of action they have taken. I think this measure of concern for the Republic of Mexico and its people at this time is a commendable one.

To be sure, I, too, deplore the IMF action that has taken place just yesterday and today to deny this particular Republic the type of assistance it should get from the International Monetary Fund.

As a descendant of Mexicans, I want to say to the people of Mexico that the United States, its people, and its Congress stand ready, as my colleagues have stated, to assist them in their time of need.

Mr. BROWN of California. Mr. Speaker, as we learn the full extent of the devestation caused by yesterday's earthquake in Mexico City, we should heed the warning this tragedy sends to our country.

The Mexican earthquake was a major one, registering 7.8 on the Richter scale, a measurement of ground motion, used to rate the strength of earthquakes. The epicenter of this earthquake, the land area located directly over its center, was 250 miles from Mexico City. However, because of the structure of the underlying crustal plates, which, by the way, is similar to those in Washington and Oregon, the quake traveled the 250 miles to Mexico City. The death toll from this tragedy will undoubtedly reach 1,000 lives or more, and the property damage is expected to reach billions of dollars.

While the occurrence of an earthquake is unavoidable, there are precautions which we can take to reduce the resulting damage. The United States has begun to take the first steps in developing such a program.

In 1977, Congress enacted the Earthquake Hazards Reduction Act, a bill which established a program to research and develop better methods of earthquake hazard prediction, planning, and mitigation. As a result of that law, we have established the National Earthquake Hazards Reduction Program under the leadership of the Federal Emergency Managment Agency [FEMA]. That program has developed a research and monitoring program to improve our earthquake prediction capability.

We have developed new engineering and architectural standards which are being used in earthquake-prone areas, such as southern California, to insure that buildings are designed to better survive an earthquake. According to reports regarding yesterday's disaster, much of the damage was centered in the older parts of Mexico City. The older buildings, constructed before the benefit of recent research, had less chance to withstand the impact of the quake. With the construction of our newer buildings based on seismic safety codes, we can better protect our cities from such extensive damage.

Developing earthquake monitoring techniques can have a great potential for reducing damage and loss of life. Earlier this year, the U.S. Geological Survey issued its first earthquake forecast, for Parkfield, CA. This is an exciting first step in our forecasting system, but signifies how far we still have to go before a comprehensive system of prediction is developed.

To measure the need for the National Earthquake Hazards Reduction Program,

we should compare the early damage estimates from yesterday's disaster in Mexico, with the estimated damages if a major earthquake occurred in southern California. The damage from a very large Californian earthquake, which has been projected to occur sometime within the next three to five decades, could be much more extensive. A large earthquake in the Los Angeles or San Francisco area could cause up to $50 billion in damages and result in 10,000 to 20,000 casualties.

While southern California is certainly considered a "hot spot" for a possible major earthquake, it is not the only area where one could occur. In 1964, a quake similar in strength to yesterday's took place in Alaska, causing extensive damage to Anchorage. Areas in Oregon, Washington, Utah, Nevada, the Mississippi valley, and elsewhere are also under study.

Last week, September 17, 1985, the House of Representatives approved final passage of a 2-year authorization for our National Earthquake Hazards Reduction Program. This includes $35.6 million for the U.S. Geological Survey, $5.6 million for the FEMA, $27.8 million for research at the National Science Foundation, and $500,000 for the National Bureau of Standards. I encourage my colleagues to give the fiscal year 1986 appropriations for these programs the same vital support when they come before the House for final passage.

The loss of lives and the expense of a major earthquake, wherever it occurs, will affect the entire country. The need for an effective National Earthquake Hazard Reductions Program is in the national interest, and should be considered a national priority, today. It will be too late once a major earthquake strikes.

Mr. Speaker, may I conclude this statement by making a strong plea for a generous and humanitarian response by the people and the Government of the United States to the tragedy in Mexico City. More than 100,000 of my constituents have ties of blood and culture to the people of Mexico. I know that they will respond generously to this crisis. But all of us must join in this hour of suffering that afflicts our neighbor to the south.

Mr. BUSTAMANTE. Mr. Speaker, I wish to express my concern and sympathy to the Government and people of Mexico during this time of national emergency. As Mexican officials take stock of the damage from yesterday's devastating earthquake, I am sure that all of us will commit ourselves to extending our sympathy to our southern neighbor. We should be willing to offer whatever resources we possess in the reconstruction effort.

I wish to commend the administration for its offer of immediate and appropriate assistance. All of us in this Chamber should understand the cruelty of the timing of this tragedy. Some weeks ago, President De La Madrid delivered his report to the Mexican Congress on the state of the nation. His thoughts and actions indicated a willingness to make the sacrifices necessary to put Mexico back on its feet economically. Now Mexico must face the additional burden of having to rebuild much of the foundation on which recovery was to have been based.

Our two countries share many common ties. We face many of the same problems. As a friend and neighbor, we should be prepared to share the pain that Mexico will feel as it attempts to recover from this calamity. Thank you, Mr. Speaker.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield back the balance of my time.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1200

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE REPORT ON H.R. 3166, REAUTHORIZATION OF OPIC

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on H.R. 3166, the reauthorization of OPIC.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2100, FOOD SECURITY ACT OF 1985

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 267 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 267

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI and sections 303(a) and 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two and one-half hours, two hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, and thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill, as modified by the amendments recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections, and each title shall be considered as having been read. All points of order against said substitute for failure to comply with the provisions of sections 303(a) and 401(a) of the Congressional Budget Act of 1974 (Public Law 93-344), and with the provisions of clauses 5(a) and 5(b) of rule XXI, are hereby waived. No amendment to the bill or to the substitute made in order by this resolution shall be in order except amendments printed in the Congressional Record on or before September 24, 1985, and except an amendment offered by the chairman of the Committee on Agriculture or his designee to strike out section 1141 of the substitute, as incorporated into the substitute by this resolution, and to insert the text of section 1141 of the substitute as reported by the Committee on Agriculture. All points of order against the following amendments for failure to comply with the provisions of section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived: (1) an amendment by, and if offered by, Representative Volkmer of Missouri; and (2) an amendment in the nature of a substitute by, and if offered by, Representative Alexander of Arkansas. All points of order against an amendment by, and if offered by, Representative Evans of Iowa for failure to comply with the provisions of clause 5(b) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN],

pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 267 is an open rule providing for consideration of H.R. 2100, the Food Security Act of 1985. The rule provides for 2½ hours of general debate; 2 hours to be equally divided between the chairman and ranking minority member of the Committee on Agriculture; and one-half hour to be equally divided between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

H.R. 2100 was reported by the Committee on Agriculture on September 13 and then sequentially referred to the Committee on Merchant Marine and Fisheries. The Merchant Marine Committee reported out the bill with several amendments to the version reported by the Agriculture Committee. The rule makes in order, as original text for the purposes of amendment, the Agriculture Committee amendment in the nature of a substitute, as modified by the amendments recommended by the Merchant Marine Committee. The rule provides that the substitute made in order under the rule will be considered by titles, instead of by sections, and each title will be considered as read.

This is an open rule, allowing any germane amendments not otherwise subject to another point of order to be offered under the 5-minute rule. The rule requires that all amendments to the bill be printed in the CONGRESSIONAL RECORD on or before Tuesday, September 24. The Rules Committee feels that this requirement was necessary to expedite consideration of this complex legislation as well as to facilitate the evaluation of each amendment's potential budgetary impact. The sole exception to the printing requirement is an amendment offered by the chairman of the Committee on Agriculture or his designee, to strike out section 1141 of the substitute made in order under the rule and to insert section 1141 as recommended by the Committee on Agriculture. Members should be sure that their amendments are drafted to the Union Calendar version of H.R. 2100.

All points of order against consideration of this bill for failure to comply with clause 2(L)(6) of rule XI, the 3-day layover for committee reports, are waived. This is necessary because the printed copy of the report from the Merchant Marine Committee has not been available to Members for the required 3 days.

The rule also waives all points of order against the bill for failure to comply with section 303(a) of the Congressional Budget Act. This section prohibits consideration of new spending authority that will become effective in a fiscal year, until the first budget resolution for that year has been adopted. This waiver is necessary because H.R. 2100 is an omnibus bill designed to reauthorize and redefine the Nation's agricultural policy for the next 5 years. The bill, therefore, sets target prices and price supports for certain commodities involving new spending authority beyond fiscal year 1986. The rule also waives section 303(a) against the substitute made in order under the rule for the same reasons.

The rule provides a waiver of section 402(a) of the Congressional Budget Act against consideration of the bill. This section prohibits the consideration of authorizing legislation not reported prior to May 15.

Points of order are also waived against the substitute for failure to comply with section 401(a) of the Congressional Budget Act. This section prohibits consideration of measures which contain contract or borrowing authority unless such authority is limited to amounts stipulated in appropriations acts. The Agriculture Committee will offer an amendment to make the contract authority in the bill subject to subsequent appropriations. This will cure the 401(a) violation.

The rule provides waivers of clauses 5(a) and 5(b) of rule XXI against the substitute. Clause 5(a) of rule XXI prohibits appropriations in a legislative bill. Clause 5(b) prohibits tax and tariff provisions in a measure not reported by a committee with jurisdiction over revenue matters.

Finally, the rule waives points of order against three specific amendments. All points of order for failure to comply with section 303(a) of the Congressional Budget Act are waived against: First, an amendment by Representative VOLKMER of Missouri; and second, an amendment in the nature of a substitute by Representative ALEXANDER of Arkansas. These waivers are necessary because these amendments will provide new spending authority prior to the adoption of the first budget resolution of the fiscal year in which that spending authority will go into effect.

Points of order for failure to comply with provisions of clause 5(b) of rule XXI are waived against an amendment by Representative EVANS of Iowa. This waiver is necessary because the Evans amendment contains tariff provisions to be offered to a bill not reported by a committee with jurisdiction over revenue measures.

Mr. Speaker, the rule provides for one motion to recommit with or without instructions.

H.R. 2100, the omnibus farm bill of 1985, will extend and revise Federal agricultural programs for the next 5 fiscal years. It provides for agricultural price supports and related programs, for exports, resource conservation, farm credit and agricultural research. In addition, it extends and improves food assistance to low-income persons, and expands consumer nutrition programs.

Congress has not enacted major revisions in our agricultural programs since we last passed a 4-year authorization in 1981. Since that time much has changed.

Today, our Nation's farmers are in crisis. The value of farmland has plummeted so drastically that the losses rival those of the Great Depression. Farm income will drop this year. Commodity prices have declined. Agricultural exports are down. Every sector of the agricultural industry is feeling the strain. And when America's farmers suffer, we all suffer.

Agriculture is our Nation's largest industry and the backbone of our economy. Farmers have given much to this Nation. In most cases, the problems they are facing are a result of factors far beyond their control. Our Nation is in urgent need of legislation to address this crisis. I hope my colleagues will proceed to timely consideration of this bill.

I would like to emphasize two things in closing. First, this is an open rule. Second, Members must have their amendments printed in the CONGRESSIONAL RECORD on or before September 24.

Mr. Speaker, I urge the adoption of the rule and yield to the gentleman from Tennessee [Mr. QUILLEN] for the purpose of debate.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. QUILLEN. Mr. Speaker, needless to say, this is a complicated rule, but one which I feel is necessary to order to pass a meaningful piece of farm legislation.

The Rules Committee acted responsibly in the debate on the cargo preference legislation and made in order the Merchant Marine and Fisheries Committee language as the original text for the purpose of amendment. Should the Agriculture Committee decide to amend that language it is their responsibility and they will have to take the lead.

As I said, the Rules Committee acted responsibly in making the Merchant Marine Committee language the original text.

The bill contains many, many good provisions for our farm program. We know in America the farm program is in disarray. The farmers need help, great help; so this is the time to get the bill on the floor of the House for full debate.

The bill also contains a very worthwhile dairy provision that should be embraced without change.

I could go on and on about the qualities of the bill itself, but it will be fully debated on the floor.

In the Rules Committee, I advocated a time limit on the amending process under the 5-minute rule. The last time

the farm bill was on the floor of the House it took 6 full days. How complicated this bill will be, I do not know and I do not know how long it will take. I recall that for our foreign aid bill, the Rules Committee set a time of 10 hours under the 5-minute rule and the rule passed. I think it saved some time. Foreign aid is always a complicated situation, as is this agriculture measure. But in this case we have a wide open rule with no time limitation on amendments.

We need to get down to the business of debate and pass it because our farmers and dairymen all need help.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Speaker, we come to consider reauthorization of farm program legislation at a time when American farmers are undergoing the most severe economic pressure in 50 years. Interest rates remain too high; credit availability is uncertain; land values continue to erode; and crop prices are too low. American agriculture needs help, and it was with that in mind that my colleagues and I on the Agriculture Committee began over a year ago working toward shaping a farm policy that could respond to that need.

We were not working in a vacuum, however. The continued growth of the Federal deficit, which has been a contributing factor to the worsening financial situation of farmers, has moved Congress and the administration to undertake a serious effort to bring Government red ink under control. Every sector of Federal spending has been forced to accept budget reductions contributing to the overall budget savings. In the Agriculture Committee, the Congressional Budget Resolution required that we cut expenditures for the next 3 years by $7.9 billion below the current services baseline.

I must commend my colleagues and especially our chairman for the diligent and serious way the committee accepted its responsibility and carried out its arduous task. Committed to the goal of preserving income assistance for the hard-pressed farmer, the committee, with much soul searching, managed to piece together the cuts necessary to satisfy the requirements of the budget resolution. In the end, to a very large degree, we were able to maintain the level of direct income protection for the producer.

Unfortunately, during the 11th hour of committee deliberations an amendment was adopted by a narrow majority that cast a dark shadow over the committee's previous work. The so-called Bedell amendment, if implemented, would make changes in American agriculture so radical that no one can even predict the ultimate consequences. The program is touted as voluntary but is in fact a no-choice program for the vast majority of American farmers. Unless a farmer participates he is prohibited, under penalty of law, from selling his grain for domestic consumption. To participate means, according to our best calculations, a typical farmer will be forced to set aside up to 40 percent of his corn acreage and 50 percent of his wheat acreage. This program will force economic suicide upon many American farmers.

When an identical Bedell amendment was offered as an amendment to the wheat and feed grain titles earlier in the markup, the committee overwhelmingly defeated it. Somehow a narrow majority of the committee reasonsed that what was bad policy for Congress to take responsibility for was good policy for American farmers to take responsibility for. Such reasoning, if it can be called that, is a sham and plays a cruel hoax upon farmers desperate for help. On one hand, this amendment holds out a few pennies per bushel in price for grain in one hand while in the other hand is the sledge hammer of massive set-aside requirements, unprecedented Government intrusion, and control over farm decisionmaking and unpredictable disruption and even destruction of markets. In addition, it is reasonable to assume that many producers will be unable to adopt to the changes and will simply be forced out of business.

SPECIFIC RAMIFICATIONS OF "BEDELL"

For the grain farmers, who are supposed to receive the benefit from this mandatory control scheme, the existence of uncontrolled competing commodities would ensure the erosion of traditional markets as the artificially priced grains were displaced by freely traded commodities. Other existing markets would be severely threatened or disappear altogether. Ethanol refined from corn already receives Government subsidies to keep its price competitive; artificially high corn prices would effectively eliminate that market for corn. Five percent of the wheat crop is currently fed to animals. Under mandatory controls wheat could not remain competitive as animal feed, eliminating a share of the market. Corn sweeteners maintain a fragile economic balance with competing sweeteners; artificially set prices jeopardize the hitherto growing sweetener market for feed grain farmers. Corn gluten feeds have recently made inroads into the cattle feeding market; any price advantage would be instantly lost with the introduction of mandatory controls.

As wheat and feed grains lost their position in more and more markets, inexorable pressure would amount for the Secretary of Agriculture to balance supply and demand by increasing the mandatory set-asides on the grain crops. As early as 1987, set-asides for corn are estimated to be 40 percent or higher and over 50 percent for wheat. With the mandated price only a few cents above the present target price, mounting set-asides would rapidly eat up any initial income advantage with the farmer's income actually dropping below current levels as this process continues.

The inherent instability in a mandatory scheme that does not control all commodities would wreak further havoc on the farmer. Initially, farmers would move all possible acreage into the program to get a higher loan rate, at great cost to the Government. As the Secretary was forced to withdraw more and more land from production to balance supply and demand, farm income from the controlled commodities would fall. Farmers could then be expected to move their production into and out of the uncontrolled commodities, seeking a more profitable crop. These large shifts of production in and out of corn, wheat, soybeans, and other crops would produce instabilities that would frustrate Government efforts to balance supply and demand in the controlled commodities and leave farmers constantly scrambling after a higher income.

These mandatory controls would pit commodity against commodity and farmer against farmer, driving many of them out of agriculture. Nowhere would this problem be greater than in the livestock industry. Any producer of pork, beef, poultry or dairy products who buys feed for his livestock would be hit with higher feed costs. This would occur at a time when red meat consumption is falling and meat prices are at historic lows. For example, estimates indicate that this program could cause producers to lose an additional $50 to $100 per animal on cattle that are already losing money. Hog and poultry producers would be similarly affected.

By contrast, meat producers who grow their own feed will not be forced to reduce production or pay an artificially set price for feed. These on-farm meat and dairy feeders would be handed and overwhelming competitive advantage in a shrinking market. In effect, the power of the Government would be used to select which farmers are allowed to stay in production and which would be bankrupted.

The artificial price levels in the mandatory program would effectively end American competitiveness in world markets for wheat and feed grains. As the historical examples clearly indicate, once markets are forfeited, as with recent embargoes, foreign competitors are encouraged to expand production, making it almost impossible to recover markets once they are lost. In the River Plate region of Argentina, Paraguay, and Uruguay there are an estimated 215 million

acres of very fertile land that are waiting to be plowed. This estimate does not include any of the huge tracts of Brazil that have yet to be cropped. Once production from that acreage enters the world market, American farmers would face further world surplus production if the United States attempted to reenter the market.

Proponents of the mandatory control program insist that the Federal Government would subsidize grain shipments by paying the difference between the artificially set domestic price and the world price. In this way, they argue, the American position in world markets would be protected. The massive export subsidies that would be required to accomplish this would amount to between $5.5 and $7.4 billion per year over the life of the program. These figures do not include the hundreds of millions of dollars in cargo preference charges that the subsidized exports might very possibly incur.

Additionally, the international ramifications of export subsidies on this scale would undercut both the congressional and administration arguments for fair trade. If such a subsidy became a major factor in opening up a trade war, one of the first and largest casualties would be agriculture, particularly the export of soybeans and corn gluten feed to the European Economic Community. Once again, supposedly to benefit some farmers, Government action would penalize farmers in all other sectors of agriculture.

On the other side of world trade, the artificially high prices for wheat and feed grains would encourage attempts to import grain, grain products and products directly affected by higher grain prices. The endless series of efforts to evade American import quotas and restrictions that have occurred with the sugar program would reoccur on a much larger scale with a mandatory control grain program. The protections now provided under section 22 authority appear inadequate to meet this problem.

SUMMARY

The mandatory control plan in the Bedell amendment is bad for agriculture. It would drive some producers out of business and threaten the continued existence of others. The grain farmers who the controls are intended to help would find their income actually declining under this proposal at a time when they already have their backs to the wall. For the longer term, this attempt to reject the economic realities of the international market can only lead to a shrinking agriculture sector with fewer and fewer farmers and devastating consequences for an already hard pressed rural and small town America.

The surrender of individual control to the Government, while superficially attractive to some, is perhaps the most dangerous idea of all. If today the Government can forbid the sale of a farmer's own grain without its permission, what will the Government demand of the farmer tomorrow? Once we start down that path, it may be very difficult to turn back.

I had hoped to support H.R. 2100. I still hope that at the end of floor consideration the House will pass a responsible farm bill. Agriculture producers and the Nation need it. However, if the Bedell amendment is not stricken from this bill, I will be forced to vote against it.

□ 1215

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Speaker, I rise in support of the rule. We need certainly to adopt a new farm bill. We also need an open rule and plenty of time to debate so that we can consider ideas for improving and perfecting the farm bill.

So I urge all of the Members to vote in favor of this rule today.

When the time comes, I will be offering an amendment to the dairy title of the bill. Our problem in dairy is serious, but not too complicated. For the last 5 or 6 years, we have been running a growing surplus of milk production.

My amendment would deal with that problem in a very simply way. We would gradually adjust the Federal purchase price support level, gradually down to the point where supply and demand come more in balance.

We got into trouble in the late 1970's when we raised an edict for a rather drastic increase in the support price level. By 1980, our surpluses were up to 8 billion pounds a year. In the 1981 farm bill, we did not correct that situation. It got as bad as 10 billion pounds by 1983.

For 35 years before that, we found that if you can adjust the price support level to where it is only marginally profitable to sell products to the Government that you reach an equilibrium that is very satisfactory to the farmers and does not give you much surplus. That is all we need to do.

I understand we have had about seven different bills relating to dairy in the last 5 years, since 1981. The last one had a 15-month diversion program in it under which we taxed all farmers to pay some farmers to reduce their production. It is the first time we had ever done that in dairy and never needed to do it.

What happened? Production did go down some, but consumption increased. And since the program went off in April of this year, production has jumped right back up and we are now producing more milk than we ever did before.

As it worked out, 20 percent of the farmers got paid for reducing their milk production. The other 80 percent paid the bill. The 20 percent got well paid. One congressional district had 37 farms who participated and got $400,000 each. In one State, three farms shared $4.6 million in that diversion program. The top payment to one farm was $2.8 million.

Under the committee bill, we would come into the diversion program probably every year, paying some farmers to lower their production while at the same time holding price supports high and encouraging all of the rest to produce more, We do not need to have a payout program of this nature. The problem is not that complex.

I urge all Members to vote in support of the rule so that the amendment can be made in order, and I urge all of you to consider the dairy subject seriously and vote for my amendment when it comes time.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. Mr. Speaker, I thank the gentleman for yielding.

The farm bill we are about to explore is entitled "The Food Security Act of 1985." That is an appropriate name.

Our capacity for self-reliance in the production of our own food and fiber is vital to the protection of this Nation, just as vital as the security of our borders from military attack.

If your underbelly is soft and unprotected, history tells us there is always somebody there ready to kick it.

Well, Mr. Speaker, agriculture is vulnerable today. It is time we stood up to our responsibilities of food security.

American agriculture was once fence-row-to-fence-row abundance. Hard work was rewarded by reasonable market prices.

Forces largely beyond the control of the farmers caused prices to begin to plummet, farm foreclosures to be rampant, and fear to overtake orderly planning of next year's crop and finances.

As we look to this rule, and more importantly to the Food Security Act itself, I think of the three problems predominantly told to me in my travels across Louisiana in talking to farmers, livestock producers, and dairymen.

First, unprofitability, so we must restore farm income so that farmers can pull themselves out of debt and turn a profit. And farms that have been in families for generations can continue to be passed on because they are profitable.

Second, the strong link Farm Credit System which is vital to providing credit for our farmers for such things as planting, and equipment purchases. So we must address the system's prices and get with it.

Third, sagging exports, which are a vital link in the revitalization of the

farm economy which has been affected by foreign competition that in many instances is subsidized along with high interest rates, low commodity prices, and uncertain financing.

So we must boost agricultural exports, not only to expand markets and increase sales to aid farmers, but to reverse the trend of our record trade deficit.

I ask each of you to judge this measure by its response to the needs of your States, and as I have, and will be doing on important provisions, to look at those dealing with dairy, sugar, cotton, rice, soybeans, and livestock. We can weigh these provisions and draw a framework which provides new challenge to the individual segments, but we have to keep in mind our overall goal, that which I started out emphasizing: food security, for it is the farmers, the livestock producers, and the dairymen, the grossroots of this country, that have set the standards that have shown us how to be self-reliant.

The agricultural industry is facing its greatest challenge in recent years. Let us provide it with direction, encouragement, and a farm bill that sends the correct signal to our farmers. Let us send the signal that we understand their problems, and let us send the signal that we appreciate their contributions to making this country grow and prosper.

Mr. QUILLEN. Mr. Speaker, I yield 6 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I rise in opposition to the rule. I oppose this rule very reluctantly.

The American farmer has been waiting on a farm bill for over 9 months now, and I certainly do not want to do anything to slow down the process in regard to passing a farm bill. However, I must oppose the rule because the rule we are considering today is unfair to the committee and to the American farmer.

Mr. Speaker, we have all become acquainted recently with the "level playing field" argument, or the lack thereof in discussing foreign trade. I am here to state that in my opinion, the Agriculture Committee will not be playing on a level playing field as it relates to the House's consideration of the 1985 farm bill, because of the manner in which the Rules Committee treated an amendment which we inserted in the bill, and it concerns farm exports and cargo preference.

Now, the Agriculture Committee has long, but reluctantly, conceded that the 31-year-old 1954 Cargo Preference Act, requiring that 50 percent of all Government-impelled shipments be made in U.S.-flag vessels, that this act applied to noncommercial agricultural exports shipped under such Federal food aid programs as Public Law 480, our Food for Peace Program, and section 416 of our Overseas Relief Program. These are programs essentially foreign aid in nature.

However, on February 21 of this year in the case of Transportation Institute et al. versus Dole in the U.S. District Court for the District of Columbia, brought by maritime interests against the Department of Transportation, it was held that the Blended Credit Export Program was also subject to the Cargo Preference Act. And as a result, the Department of Agriculture suspended the Blended Credit Program this February, and shipments involving over 3.5 million metric tons of U.S. grain valued at over $500 million were not made.

Not only were these shipments not made, but that means our export picture was much more bleak. That means the surplus stays the same. That means the price at the country elevator of the farmer goes down or stays the same.

But the action of the maritime interests gave them an empty victory, because the blended credit shipments were suspended, and they realized no advantage from their suit, but in fact, hurt maritime interests at port facilities. But more importantly, it devastated farm exports that were suffering from a hard dollar and competing foreign subsidies.

We made cargo preference apply to farm export programs, but we shipped no cargo, so the maritime interests got an issue, not a bill.

Now the court case has been appealed to a U.S. Circuit Court of Appeals. A resolution of the matter in the courts, however, may be delayed for years.

Because of the importance and urgency of the matter, the gentleman from Oklahoma [Mr. ENGLISH], my good friend and colleague, and I decided to introduce legislation that would clarify the situation surrounding commercial agricultural exports by amending the Commodity Credit Corporation Charter Act that is within the Agriculture Committee's jurisdiction, in our jurisdiction. By so doing, we continued the application of the Cargo Preference Act to foreign aid shipments, but exempted our commercial sales such as those under the Blended Credit Program. H.R. 1612 was referred to the Committees on Agriculture, Foreign Affairs, and Merchant Marine and Fisheries.

Now, the farm bill, H.R. 2100, is about Ivory soap pure within the jurisdiction of the Committee on Agriculture. Accordingly, common courtesy and House precedence would appear to clearly dictate that the Committee on Merchant Marine and Fisheries would be given the opportunity in the course of the consideration of H.R. 2100 in the Committee of the Whole to offer their amendment to section 1141. But instead, the Rules Committee took our amendment out and put theirs in.

It is always more difficult, I would say to my colleagues, to take a bull out of the pasture and to put him back in.

But the rule adopted by the Rules Committee is, I submit, a direct assault also as it relates to pure agricultural commercial exports. Accordingly, it should be rejected by the House.

I will vote against the rule reluctantly, because my farmers in Kansas are waiting patiently for a farm bill to be passed so that they can plant next year's crop. We are planting the seed in the ground as of right now.

But what is more important is that my colleagues in the House help us in farm country remove our farm exports from the heavy yoke placed on our backs by the maritime interests who prevailed in their court case involving blended credit. We cannot wait for years to have the courts to resolve this issue. It must be resolved in this legislation.

Therefore, no matter what the outcome on the vote on this rule, I urge your support for the Roberts-English amendment that will be offered to section 1141 to exempt commercial farm export programs. We did not want this fight with cargo preference, I would say to my colleagues. I have no greater respect for any other person in this entire body than the gentleman from North Carolina, WALTER JONES, my good friend, who serves both on the Merchant Marine and Fisheries Committee and also on the Agriculture Committee. But we did not bring the court case either. We were working on a compromise until both interests walked away from the table when the ugly head of protectionism started to rise in this country. And yet in the Rules Committee, I heard many of my colleagues say the issue was buy American or bye-bye.

Well, I submit to you it is not b-y-e, b-y-e, it is who buys our products overseas in terms of our farm exports, and who pays for it. And I will tell my colleagues who pays for it when farm exports are not sold. It is the Kansas farmer.

So plant your flag on behalf of cargo preference. I am for it. We should have a strong merchant marine. The Department of Transportation should pay for it, and all American taxpayers in full. But do not plant that flag in our back, and that is where you have planted it as of today.

□ 1230

Mr. EMERSON. Will the gentleman yield?

Mr. ROBERTS. I would be happy to yield.

Mr. EMERSON. Mr. Speaker, I just want to associate myself with the remarks of the gentleman from Kansas [Mr. ROBERTS], and to commend him

and the gentleman from Oklahoma [Mr. ENGLISH] for their leadership on this issue, which I heartily endorse.

Mr. ROBERTS. I thank my colleague.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I thank my friend and my colleague, the gentleman from Tennessee [Mr. QUILLEN] for yielding.

Mr. Speaker, I rise in opposition to this rule because it hurts farmers, and I rise in objection to the actions of the Committee on Rules in removing the committee language which would have given farmers in our exports a better break today.

By the adoption of this rule, we are hurting our blended credit sales and impacting our intermediate credit sales as well at a time when America is facing, and American farmers, ag producers, are facing an export depression.

We do not play on a level playing field today for the American producer because of high, unfair foreign subsidies, and high exchange rates, and cargo preference which, in some cases, some instances, can increase the cost of our exports 170 percent, and it does not help us be price competitive in world markets. I have no bone to pick and no quarrel with my colleagues, that I respect, on the Committee on Merchant Marine and Fisheries, nor a quarrel with the maritime industry or the maritime union, but do not take it out on the farmers. Put it in another budget; do not put it on the end cost.

Mr. Speaker, I will be voting against this rule because of the basic unfairness to American agriculture; because it hits farmers smack dab in the jugular when there is enough hardship and enough suffering out there as well.

So I would urge my colleagues to reject this rule, and by so doing, you would be helping farmers and helping American agriculture. If we do not prevail on this, and I hope we do, let me say I will be very active with my colleagues Mr. ROBERTS and Mr. ENGLISH to try to get some fairness and some help to exports and to the American agriculture producer.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Speaker, I rise to oppose the rule and object to the action of the House Rules Committee yesterday in reporting out to the House floor H.R. 2100 without section 1141 of title 11 as agreed to by the House Committee on Agriculture and as the committee reported out the bill. Mr. Speaker, section 1141 as reported by the House Committee on Agriculture contained language which was vital to the agriculture industry. The substance of the provision was clearly within the jurisdiction of the Agriculture Committee and clearly germane to omnibus farm bill package, H.R. 2100. The provision, which is aimed at curtailing a court-ordered expansion of cargo preference regulations with regard to agriculture exports, was originally referred to the House Committee on Agriculture. I am afraid that the House Rules Committee ignored this point in allowing the motion to strike the provision to prevail. I feel that it would have been far better to leave the debate on the merits of the cargo preference in agriculture issue solely for the House floor and not for the House Rules Committee. Instead, a vital aspect of the House farm bill and a vital issue for American agriculture has been stricken from H.R. 2100. I object to this aspect of the rule under which the House Rules Committee recommends that we consider and debate H.R. 2100.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

I would like to make a couple of comments with respect to what my colleagues have said on the issue of cargo preference and second the number of people who have risen against the rule.

With respect to the cargo preference issue, No. 1, Members should be aware that under Public Law 664 which is the Cargo Preference Act which was adopted I believe in the early 1950's, 1954; only 2 percent of the total U.S. agricultural trade was conducted with respect to cargo preference, 2 percent in 1983.

So we are not talking about the total export agricultural program in this country; we are talking about a very small portion. That figure, according to who you read and what recent decisions were handed down by the court, can fluctuate from 2 to 10 percent; but generally 2 percent is the figure that has been accepted.

The second point I would like to make is that the jurisdiction over that act belongs within the Committee on Merchant Marine and Fisheries. I recognize, and the Committee on Rules recognizes that the Commodity Credit Corporation Act, has jurisdictional home within the Committee on Agriculture. Therefore, you have a situation where both committees what to retain jurisdiction over this particular issue.

Through careful deliberations, the Committee on Rules felt that under this bill that we have blended together, predominantly dominated, obviously, by agriculture issues, that it was appropriate to take the position as advocated by the Committee on Merchant Marine and Fisheries and its chairman, the gentleman from North Carolina [Mr. JONES].

Now, my good friend, the gentleman from Oklahoma [Mr. ENGLISH] stated that we ought to leave this debate for the floor. Well, it is going to happen on the floor; Mr. ENGLISH, as he pointed out, will offer an amendment, and the Members on this floor will make that final decision on whether or not they want to adopt his position and those that have been expressed by Mr. ROBERTS and others, or whether they want to retain the law as it stands today.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, since there has been a lot of discussion on the rule in regard to cargo preference, I would like to state that that subject is under the jurisdiction of the Committee on Merchant Marine and Fisheries, and I do not think the Committee on Agriculture should try to take jurisdiction of that.

Therefore, I support strongly the present language made in order in the rule and will help to try to sustain it when and if amendment is offered.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in opposition to House Resolution Revise 267, to provide for consideration H.R. 2100, the Food Security Act of 1985. While I support consideration of the farm bill at this time and commend the House Agriculture Committee for reporting the bill, I am opposed to certain aspects of the proposed rule.

Specifically, I am vehemently opposed to the provision that allows the language regarding cargo preference, as reported by the Agriculture Committee, to be deleted in a last-minute move by the Merchant Marine and Fisheries Committee. If this rule passes, there will be an amendment offered to reinstate the Agriculture Committee's language that will allow our agricultural exports to get moving again.

Mr. Speaker, when our American farmers are clearly in crisis and our commercial export promotion programs have been threatened and rendered ineffective by the expansion of cargo preference to them, I find a ruling that favors a discredited maritime program to be highly unfair.

Mr. Speaker, during its consideration of this measure, the Committee on Agriculture reaffirmed its commitment to a strong merchant marine and at the same time, took steps to ensure the practicality of the farm bill's export enhancement programs. By striking section 1141 of the bill, the Rules Committee has produced an unfair farm bill contrary to the wishes of the authorizing committee. I, therefore, am strongly opposed to the rule.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding. I appreciate the comments of my colleagues with regard to their opposition to this rule. I also am opposed to this rule.

I oppose the rule on the basis that this rule includes budget waivers, again, this is a constant stream of rules that we have on the floor with budget waivers in them. Once again, we come to the floor with this rule waiving the Budget Act, and it seems to me with a fairly serious violation.

In this particular instance, Mr. Speaker, what we are waiving is section 303(a) of the bill. Section 303(a) is intended to assure that within the budget process that we do not in fact have authorizations locked in that the budget becomes committed to, into the future.

□ 1240

In this case, what we are doing is, we are going to authorize moneys out into the outyears and thereby, it seems to me, undermine the budget process in those outyears.

In this particular case, that could be fairly serious, because it is my understanding that some runs of the farm bill in those outyears show that it may be as much as $20 to $30 billion over budget. That in fact will impact upon our ability to properly be able to comply with outyear budget figures that we at least thought we were getting ourselves in place with in the budget that we passed earlier.

But above that, it still comes back to the point I made before. We do in fact have a Public Law, 93-344, and in that public law we have committed ourselves to do something to obey the law. We are consistently and constantly coming to the floor saying that that law is meaningless, that we are going to waive the Budget Act. That is what we are doing here again, and I would suggest that is reason for opposition.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

The problem with 303(a) is that it does deal with future entitlements. But we are dealing here with setting target prices for future crops. As far as I know, crops are not grown in a fiscal year. You have got to set a target price for future crops. This provision has always been waived in every farm bill. It would be impractical not to waive it because of the very policies that are built into a farm bill.

Mr. WALKER. I would simply say to the gentleman that maybe, then, we are beginning to make a case. And since the gentleman has served with great distinction on the Budget Committee, we are beginning to make a case here. We have got to do something about this Budget Act. The bottom line is that if we cannot bring bills to the floor that comply with the Budget Act, maybe we better do something about the Budget Act. That is not just the 303(a) waiver we are talking about. We have got other waivers in this bill. And it is apparent, to me, that we have got a real problem.

So it would suggest that rather than constantly putting this Congress in a position of having to vote for budget waivers that violate the law of the land, that maybe what we ought to do is begin to look at the Budget Act and figure out that something has gone drastically wrong.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if there was one reason not to vote against this rule, with all respect to my friend from Pennsylvania, it is the one he has just given.

The gentleman from California has correctly pointed out that the planting season and nature doe not necessarily follow what we have established with regard to the Budget Act, and we have traditionally, since we have had a Budget Act, allowed the farm bill some flexibility with respect to next fiscal year and years beyond.

Let me also, if I could, just for a second, respectfully admonish Members who might be listening to this debate. I am getting a little concerned about this rule, quite frankly, and if it does go down, people ought to be aware that we are starting in the Rules Committee to get a heavy pile, a large pile, of bills. We have got a tax bill coming, we will have a trade bill before us pretty soon, right now there is the work of the DOD conference bill. We have got housing authorization. There are a lot of people on this side of the aisle who are concerned about that. We have got Superfund coming up, we have got the reconciliation bill before us. Frankly, I cannot guarantee—I speak for myself and not for the full committee, but I think they share my sentiments—I cannot guarantee that we are going to get a farm rule out quickly if we turn this rule down. We have many bills that are backed up in committee. You know what the calendar is like next week. We are not going to be here. I would suggest to the Members if you are serious about getting a farm bill through this House expeditiously—and, heavens knows, we will have at least, I would think, 2, perhaps as much as 6, days, as we did 4 years ago, to debate this bill that we have got to get this rule passed and get on with the debate with this bill next Thursday.

So I would suggest that you think very seriously before you go back and really tell your farmers through your vote on this rule that we are not going to have farm legislation in the next week or so.

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to my friend, the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding.

Mr. Speaker, I have listened to some of the debate, and I find it somewhat curious, because cargo preference has traditionally and historically always been an issue before the Merchant Marine and Fisheries Committee.

It is my understanding that this rule does provide in the original text the language developed by the Merchant Marine and Fisheries Committee.

Mr. BONIOR of Michigan. That is correct.

Mr. HUGHES. My committee has some 5 days of sequential referral to try to respond to a change in the cargo preference law completed by the Agriculture Committee. Under the rule, as I understand it—and correct me if I am wrong—the issue can be advanced and will be debated and voted upon as offered in the form of an amendment by anyone on the Agriculture Committee or anyone else who wants to offer that amendment. Am I correct in my understanding?

Mr. BONIOR of Michigan. That is correct. And regardless of what happened in the Rules Committee, we are going to get a vote on this issue one way or the other. Of course, the burden now becomes that of the Agriculture Committee. But, irrespective, the votes are ultimately what is going to count.

Mr. HUGHES. I find it interesting, because time is of the essence in the Agriculture Committee. I know my farmers are hurting, as I am sure your farmers are hurting. But it seems to me that if you defeat the rule—and you may very well do that—it will be for naught, because we are going to argue the issue. And if in fact your particular approach to cargo preference is the one desired by the House, they can vote that way. But it seems to me that we will have ample opportunity to debate the issue in the context of this bill, and I do not understand what the debate is all about because the issue will be before the full House.

I thank the gentleman for yielding.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. BONIOR of Michigan. I yield 1 minute for purposes of debate only to my friend, the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Speaker, I would like to identify myself with the remarks made by the gentleman from New Jersey, with whom I serve on the Committee on Merchant Marine.

Our committee certainly does not like to get involved in disputes with other committees over issues of jurisdiction. And, historically, we have not had very many problems. However, in this case we think we have a very good argument. The Agriculture Committee is the committee, with all due respect, that put language in the farm bill in section 1141 that is exclusively and is directly a matter of our committee's jurisdiction. And when our committee got that bill on sequential, we only had 5 days, and we changed that language, it is true, that the Agriculture Committee had inserted having to do with cargo preference, in our committee, and the Rules Committee, in recommending this rule, has seen fit to agree with our opinon that the cargo preference language included by the Committee on Agriculture was simply beyond their scope; therefore, I am going to support this resolution (H. Res. 267). It is an appropriate rule for consideration on some needed legislation, and I would urge all of our colleagues to support the passage of the rule.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 1 minute, for the purposes of debate only, to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, one of the items of the gentleman's rule is a waiver of the rule prohibiting tax amendments by other than the committee of jurisdiction. It relates to an amendment offered, I am told, by the gentleman from Iowa [Mr. EVANS]. Can the gentleman tell us why he waivered, and can you tell us what the amendment is? My own committee has some interest in that, and it is unusual to provide for such a waiver. We are greatly concerned about it.

Mr. BONIOR of Michigan. Well, as I recall the discussion in the committee, when the gentleman from Iowa [Mr. EVANS] testified, it was with respect to commodities that threatened our markets here and the imposition of tariffs thereto.

The gentleman is correct, it does touch upon jurisdiction in the Ways and Means Committee.

Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. DE LA GARZA] who has been waiting patiently.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Speaker, let me state to my colleague from Minnesota and my colleague from Texas, our committee did not request this waiver. The Rules Committee, in its wisdom, gave the waiver so that Mr. EVANS of Iowa might offer an amendment that touches on section 22. Our committee opposes that amendment. I oppose that amendment. I know that under the rule there exists the remote possibility that you could address other issues. We did not ask for that waiver. We hope that the amendment will be defeated. I implore everyone to work with us to defeat the amendment, and I will see to it, with whatever authority I have, that no other issue, except that very narrow amendment, within the jurisdiction of our friends from the Ways and Means Committee is touched in the amendment.

Mr. PICKLE. Mr. Speaker, will the gentleman yield.

Mr. DE LA GARZA. I yield to the gentleman from Texas.

Mr. PICKLE. I am sure the gentleman understands if this amendment that is pending is offered, it actually has something to do with the imports of a commodity into the country. That, definitely, goes into the jurisdiction of the Ways and Means Committee. Now, that ought not be waived. If it is not opposed on the floor, I think you will find that members of the Ways and Means Committee will oppose the rule or oppose the bill. We do not seek that. I would hope we could pass this bill. I would like the assurance of the chairman that he would oppose this amendment.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 30 seconds to my friend, the gentleman from Texas [Mr. DE LA GARZA] to respond. But before I do, let me say, personally, that this gentleman opposes the amendment of the gentleman from Iowa [Mr. EVANS]. There are others on the Rules Committee, obviously, who felt differently.

Mr. DE LA GARZA. I would like to state to my colleague and all Members and the chairman of the Ways and Means Committee that we will oppose the amendment, that we did not ask for the waiver, and that we will try to protect their jurisdiction to the fullest extent and would hope that they work with us to pass a rule now because we need to proceed, and then we will oppose the amendment and see that it does not complicate issues that do not need to be complicated.

Mr. PICKLE. I thank the gentleman. We are willing to cooperate.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. FRANKLIN].

Mr. FRANKLIN. I appreciate my colleague from Tennessee yielding me this time.

Mr. Speaker, the gentleman on the Rules Committee suggests: What is the problem? Why are we in agriculture so upset about this rule?

Well, I will tell you gentlemen why we are upset. Because this rule strikes at the very heart of what the Agriculture Committee has tried to do with the farm bill. And that is to make agricultural products more competitive in world trade.

I do not believe that there is one Member of this House who has not given a speech about the trade deficit of this great country and what we can do about it to try to correct that trade deficit and become more competitive in the world.

Let me remind my colleagues also that the great economy of agriculture still has a trade surplus of $16 billion. It is one of the only segments of our economy that still has that trade surplus. However, we lost $10 billion last year in agriculture trade surplus, and we lost it because of our insistence on putting barriers and impediments into our laws that make us less competitive. That is exactly what the Rules Committee has done by adopting the merchant marine position on cargo preference.

That is why we are opposed to this rule. We spent 9 months trying to bring before this House an agriculture bill that would make our commodities more competitive, and the first thing that happens to us when we get out of the Rules Committee, up go the barriers, up goes the one thing that will keep our agricultural commodities from flowing in world trade. After the court's ruling applying cargo preference to blended credit, my friends, the estimated additional cost of the Department of Agriculture to institute that program of blended credit to move our products was $40 million to $50 million.

So what did we do? The Department of Agriculture realizes we cannot implement the program, so we do away with the blended credit program, leaving 3 million metric tons of farmers' grain still in storehouses in the United States, $500 million in value of products that could have been sold by this country overseas had we not had the impediment of cargo preference.

You say it is only 2 percent. Let me tell you what it is. It is historically applied to the benevolent programs that this country has of feeding the world's hungry, Public Law 480. But do you know what cargo preference costs the Public Law 480 budget? A full 10 percent to implement cargo preference under the current status that it is in now. And now what we want to do is to apply cargo preference not only to our benevolent programs where we help countries of the world and feed the hungry, now we want to apply cargo preference to the commercial sales, the ones that individuals transact between the U.S. sellers and purchasers around the world, we want to put cargo preference applicable to that.

□ 1255

It destroys our ability to be competitive and those of you on the Rules Committee wonder why we are upset, it is because we want to keep agricultural products competitive. We have

designed this Agriculture bill so that the U.S. Government can stand behind American farmers in world trade. The first thing that happens to us is that we put one more thing in there, a barrier to keep us from being competitive. I urge my colleagues to vote against this rule.

Mr. BONIOR of Michigan. Mr. Speaker, again, let me point out that all Members will have the opportunity to prevail in their wishes with respect to cargo preference if they vote for this rule. If you do not vote for this rule, we will not have a rule, we will be back up in the Rules Committee. I would suggest that the Members vote for the rule; the issue will come before you as Mr. ENGLISH and others will present an amendment, and if you have the strength, if the membership agrees with your position, you will prevail.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge adoption of the rule. It is an open rule; there is no time limit on the amending process. I think it is just common sense that we get down to business to help the farmers of this great Nation of ours.

While we are doing that, do not forget the merchant marine fleet. After World War II, I came back from Sasebo, Japan, on a merchant marine vessel. Now, in the case of a national emergency what would we do? We do not have that fleet. They are foreign bottoms. I think if we do not protect that American merchant marine concept we are heading down the road to defeat. I know that the farmers of this country are already on the road to ruin unless we get down to business. We can accomplish a goal of helping farmers and the merchant marine if we do not kill this rule. I urge its adoption.

Mr. Speaker, to close debate, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the ranking Member for his courtesy in yielding me this time, particularly since we happen to be on opposite sides on this issue.

Mr. Speaker, I, in the strongest terms possible, ask my colleagues to vote down this rule. When the court decision in February 1985 brought the Blended Credit Program under cargo preference, that upset the balance. What has the Merchant Marine and Fisheries Committee done now? They have declared war against the American farmer by joining that effort. They have upset the delicate political balance.

This is the first major trade legislation of the year. During this past year, $100 million in grain and processed food was not delivered through Public Law 480, our Food For Peace Program aid, and our Emergency Aid Programs for Africa because of cargo preference. Well, I guess for the moment, we must live with that as a cost of subsidizing a merchant marine, but the subsidy should be in the budget of Department of Transportation and not in the budget of the agricultural budget or out of the sales of agricultural products. But now to have cargo preference applied to blended credit commercial grain sale is absolutely incredible. The costs are so astronomical, that it frankly kills the program of subsidized commercial sales of agricultural products.

This is a declaration of war against the American farmer by the Merchant Marine and Fisheries Committee. Through this action before the Rules Committee they have joined the maritime interests in declaring war against the American farmer and agribusinessmen. I think all bets or truce arrangements are now off. I think all cargo preference should be repealed—yes, even from the Public Law 480 program. I am prepared to offer such an amendment. I am prepared to show the kind of influence that maritime political action committees have on this body. I am prepared, if necessary, to read the names and amounts of maritime PAC contributions to Members for recent years.

Mr. Speaker, I have told you about the food being taken out of the stomachs of African children last year by the price gouging of American shippers; now the Merchant Marine and Fisheries Committee would extend it further if you adopt this rule.

I am not intimidated by the fact that the rule may be voted down. Frankly, if the rule goes down, we will have another one because the prices for American agricultural products under the underlying enabling legislation to which the farm programs would revert would skyrocket. It is not going to hurt my farmers in the immediate sense if we do not approve a rule today.

For many reasons, including those raised by the Ways and Means Committee, including those raised by other people here on budgetary issues, this rule should be defeated. We will have another rule on the floor which would return the political balance where it has been on cargo preference.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the gentleman for yielding me this time.

Mr. Speaker, we in the Agriculture Committee, and I, as the Chairman thereof, have the responsibility to establish government policy for agriculture. There are different viewpoints as what that policy should be, but the existing farm legislation begins to expire at the end of this month. We have to enact this legislation; we have to move. I regret that incidental issues have become the major focus of today's debate. Under the legislative process—and more than half of my life I have spent in the legislative process—rules do not matter if you have the votes. We will have the opportunity to debate all these issues fully. I did not get the rules that I requested; they put in other things that I did not request, but on my shoulders rests the responsibility to the farmers of America. We should not let one side issue sidetrack the train.

Someone will say, "Yes, you will get another rule." We may not have time to finish general debate today. We will not vote Monday, Tuesday or Wednesday or Friday. We will only have next Thursday. If we do not finish then, and I doubt that we will, we will go to the following Tuesday, into October. We have the supplemental; we have immigration; we have a myriad of things. Today is the day, and if because of an emotional issue that will be addressed well in the amendment process of this legislation, you kill this bill, you are killing the whole process, you are slapping the farmer in the face, you are turning around.

My responsibility and our committee's responsibility is to proceed. No one is being denied the opportunity; everyone will be given the sufficient time. So the issue then should be resolved in the amendment process. By killing this rule, you may well be sounding the death knell to assistance by this Government to the farmers of America. It is that serious.

I urge all of my colleagues that we can work out in the legislative process concerns about the rule. Vote for the rule; do not turn your back on the farmers of America. All of the other issues can be resolved. You need to support the rule.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. PICKLE. With the assurance of the chairman of the committee, and I understand the ranking side, this Member of the Ways and Means Committee accepts that explanation, and I will not oppose this rule. I will ask for an "aye" vote. But we would ask the help of the gentleman.

Mr. DE LA GARZA. I urge the Members to support the rule and help us move on with the business at hand.

Mr. BONIOR of Michigan. Mr. Speaker, let me just conclude by emphasizing again this is an open rule. People who have amendments and those amendments are submitted by Tuesday, the 24th, can offer them. Once offered, if they are in order, they will be voted up or down. If they prevail, that position obviously will be taken to the Senate.

I urge my colleagues, as fervently as I can, to support this open rule.

Mr. Speaker, I yield back the balance of my time and move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROBERTS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 205, nays 99, not voting 130, as follows:

[Roll No. 316]

YEAS—205

Ackerman	Gejdenson	Murtha
Akaka	Gephardt	Myers
Andrews	Glickman	Natcher
Annunzio	Gonzalez	Neal
Anthony	Goodling	Nelson
Aspin	Gray (PA)	Oakar
AuCoin	Green	Oberstar
Barnes	Grotberg	Obey
Bateman	Guarini	Olin
Bates	Hall (OH)	Owens
Bedell	Hall, Ralph	Panetta
Beilenson	Hamilton	Parris
Bennett	Hartnett	Pease
Bentley	Hatcher	Penny
Berman	Hawkins	Pepper
Bilirakis	Hertel	Perkins
Boehlert	Hopkins	Pickle
Boggs	Howard	Price
Boner (TN)	Hoyer	Quillen
Bonior (MI)	Hubbard	Rahall
Bonker	Huckaby	Ray
Borski	Hughes	Regula
Boucher	Hunter	Reid
Brown (CA)	Jacobs	Robinson
Bryant	Jeffords	Rodino
Burton (CA)	Jenkins	Roe
Byron	Jones (OK)	Rose
Callahan	Jones (TN)	Roukema
Carney	Kanjorski	Rowland (GA)
Carper	Kastenmeier	Roybal
Carr	Kemp	Sabo
Chapman	Kennelly	Savage
Chappell	Kildee	Saxton
Coelho	Kindness	Scheuer
Coleman (TX)	Kostmayer	Schneider
Conyers	LaFalce	Schroeder
Crockett	Leach (IA)	Schumer
Daniel	Lent	Sharp
Darden	Levin (MI)	Shelby
Daschle	Levine (CA)	Sisisky
de la Garza	Lightfoot	Skelton
Dellums	Lipinski	Smith (FL)
Dickinson	Long	Smith (IA)
Dingell	Lowry (WA)	Snowe
Dixon	Luken	Snyder
Dorgan (ND)	Manton	Solarz
Dowdy	Markey	Spence
Downey	Martin (NY)	Spratt
Duncan	Mazzoli	Staggers
Dwyer	McCloskey	Stallings
Dyson	McHugh	Stark
Eckart (OH)	McKernan	Stratton
Edwards (CA)	Mica	Swift
Erdreich	Michel	Synar
Evans (IA)	Mikulski	Tauke
Evans (IL)	Miller (WA)	Tauzin
Feighan	Mineta	Taylor
Fish	Mitchell	Thomas (GA)
Foglietta	Molinari	Torres
Foley	Mollohan	Torricelli
Ford (MI)	Moody	Towns
Ford (TN)	Moore	Valentine
Fuqua	Mrazek	Vander Jagt
Vento	Wheat	Yates
Visclosky	Whitley	Yatron
Volkmer	Whitten	Young (AK)
Walgren	Wirth	Young (MO)
Watkins	Wortley	
Weiss	Wright	

NAYS—99

Archer	Gallo	Pashayan
Armey	Gekas	Porter
Bartlett	Gingrich	Ridge
Bereuter	Gunderson	Ritter
Bliley	Hammerschmidt	Roberts
Boulter	Hansen	Roemer
Broomfield	Hendon	Rogers
Brown (CO)	Henry	Rowland (CT)
Bruce	Hiler	Schaefer
Burton (IN)	Holt	Schuette
Cheney	Hyde	Shaw
Coats	Johnson	Shumway
Cobey	Kasich	Siljander
Coble	Lagomarsino	Skeen
Coleman (MO)	Leath (TX)	Slaughter
Combest	Lewis (CA)	Smith (NE)
Coughlin	Lewis (FL)	Smith (NH)
Craig	Livingston	Smith, Denny
Crane	Lowery (CA)	Smith, Robert
Dannemeyer	Lujan	Stangeland
Daub	Mack	Stenholm
DeLay	Marlenee	Strang
DioGuardi	Martin (IL)	Stump
Dreier	McCain	Sundquist
Eckert (NY)	McEwen	Sweeney
Edwards (OK)	McMillan	Swindall
Emerson	Miller (OH)	Thomas (CA)
English	Monson	Vucanovich
Fawell	Montgomery	Walker
Fiedler	Moorhead	Weber
Fields	Morrison (WA)	Whittaker
Franklin	Nielson	Wolf
Frenzel	Packard	Young (FL)

NOT VOTING—130

Addabbo	Garcia	Moakley
Alexander	Gaydos	Morrison (CT)
Anderson	Gibbons	Murphy
Applegate	Gilman	Nichols
Atkins	Gordon	Nowak
Badham	Gradison	O'Brien
Barnard	Gray (IL)	Ortiz
Barton	Gregg	Oxley
Bevill	Hayes	Petri
Biaggi	Hefner	Pursell
Boland	Heftel	Rangel
Bosco	Hillis	Richardson
Boxer	Horton	Rinaldo
Breaux	Hutto	Rostenkowski
Brooks	Ireland	Roth
Broyhill	Jones (NC)	Rudd
Bustamante	Kaptur	Russo
Campbell	Kleczka	Schulze
Chandler	Kolbe	Seiberling
Chappie	Kolter	Sensenbrenner
Clay	Kramer	Shuster
Clinger	Lantos	Sikorski
Collins	Latta	Slattery
Conte	Lehman (CA)	Smith (NJ)
Cooper	Lehman (FL)	Solomon
Courter	Leland	St Germain
Coyne	Lloyd	Stokes
Davis	Loeffler	Studds
Derrick	Lott	Tallon
DeWine	Lundine	Traficant
Dicks	Lungren	Traxler
Donnelly	MacKay	Udall
Dornan (CA)	Madigan	Waxman
Durbin	Martinez	Weaver
Dymally	Matsui	Whitehurst
Early	Mavroules	Williams
Edgar	McCandless	Wilson
Fascell	McCollum	Wise
Fazio	McCurdy	Wolpe
Flippo	McDade	Wyden
Florio	McGrath	Wylie
Fowler	McKinney	Zschau
Frank	Meyers	
Frost	Miller (CA)	

□ 1315

The Clerk announced the following pair:

On this vote:

Mr. Brooks for, with Mr. McCandless against.

Mr. HAMMERSCHMIDT and Mr. LUJAN changed their votes from "yea" to "nay."

Mr. LIGHTFOOT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. KEMP asked and was given permission to address the House for 1 minute.)

Mr. KEMP. Mr. Speaker, I have asked for this time for the purpose of asking the distinguished gentleman from Washington, the acting majority leader, the schedule for the balance of the day and next week.

Mr. FOLEY. Mr. Speaker, will the distinguished gentleman from New York, the acting Republican leader, yield to me?

Mr. KEMP. I am pleased to yield to my friend, the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman.

Mr. Speaker, the House will shortly begin general debate on H.R. 2100, the Agriculture Act of 1985. There will be no votes for the remainder of the day.

When the House adjourns today it will do so with the understanding that it will meet again at noon on Monday next. At that time we will consider two suspensions: House Concurrent Resolution 192, expressing the support of the Congress for democratic rule in Chile; and H.R. 3166, the Overseas Private Investment Insurance Corporation reauthorization.

On Tuesday, September 24, the House will meet at noon to consider two bills, also under suspension of the rules: Senate Joint Resolution 127, the interstate compact; and H.R. 1246, the Colorado River Floodway Protection Act.

Votes that may be ordered on suspensions on that Monday and Tuesday will be postponed until Thursday, September 26.

Mr. KEMP. May I inquire of my friend, the gentleman from Washington, will he seek unanimous consent from the House to lay those votes over until Thursday?

Mr. FOLEY. We will do that for Monday only. The votes on Tuesday are covered by the rule which provides that they can be postponed until the next legislative day.

Mr. KEMP. I understand that. I was alluding to the unanimous-consent request.

Mr. FOLEY. Yes; I will ask such unanimous consent.

Mr. KEMP. There is no objection from the minority side.

Mr. FOLEY. On Tuesday, the House will also consider the arts and humanities authorizations, under an open rule, with 1 hour of debate, general debate only.

On Wednesday, September 25, the House will not be in session because the high holy day.

On Thursday, September 26, the House will meet at 10 a.m. for recorded votes that may be ordered on those suspensions debated Monday and Tuesday and on amendments to H.R. 2100, the 1985 farm bill. Members should be aware of the possibility of a late session Thursday night since there are likely to be a number of votes that day.

Mr. KEMP. Does the gentleman have any estimate of how late Thursday night? Is the gentleman talking about 6 or 7 o'clock or well into the evening past that time?

Mr. FOLEY. I am sorry that I am not able to give the gentleman any precise information in that regard. I'm all candor, I would say it is the general, if somewhat extended, hope that we would finish the farm bill on Thursday. If it were possible, we would probably have a late session that would go beyond 7 o'clock. However, if it is not, we probably would not be in session very late.

My estimate at this time is that it will probably require at least another day, of the following week, perhaps Tuesday, to complete consideration of the farm bill. In that case, I do not think we would be in as late as 10 o'clock on Thursday.

Mr. KEMP. The House, as I understand it, is not in session on Friday of next week.

Mr. FOLEY. The House will not be in session on Friday, September 27. There will be again no votes on Monday or Tuesday, those votes being postponed, and the House will not be in session on Wednesday.

Mr. KEMP. I thank my colleague, the gentleman from Washington.

Mr WALKER. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I am glad to yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I appreciate the gentleman yielding, because I just wanted to raise the question of whether or not there is some chance, given the seriousness of the situation that we face on the farm, and elsewhere, and the backlog of the congressional schedule that we keep hearing about, that we could not do something about meeting next Friday, since Members are going to have to come back in town on Thursday, anyhow.

It is my understanding, based upon a letter that I have in my office, that the main reason we are off next Friday is so that some of the Members can go down to the White House and participate in the demonstration. My guess is that we might want to consider having a session that day, rather than simply folding up here for a White House demonstration by some of the Members.

Mr. KEMP. Would the acting majority leader enjoy answering that question?

Mr. FOLEY. That is the first I have heard about any demonstration before the White House. I know nothing of that.

The reason we are not meeting on Friday has nothing to do with such an occurrence. It is based upon the fact that this is the scheduled legislative weekend for the Black Caucus.

Mr. KEMP. Mr. Speaker, I thank the gentleman from Washington.

ADJOURNMENT TO MONDAY, SEPTEMBER 23, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM THURSDAY, SEPTEMBER 26, 1985, TO MONDAY, SEPTEMBER 30, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Thursday next it stand adjourned until Monday, September 30, 1985, at 12 o'clock noon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

GRANTING FEDERAL CHARTER TO PEARL HARBOR SURVIVORS ASSOCIATION

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1042) to grant a Federal charter to the Pearl Harbor Survivors Association, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 6, strike out "devices" and insert "devises".

Page 6, line 11, strike out "the".

Mr. GLICKMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. KINDNESS. Mr. Speaker, reserving the right to object, I reserve the right to object not in order to place an objection, but in order to allow the gentleman from Kansas an opportunity to explain the purpose of the amendments involved and the refined purpose of the charter bill that is proposed to be passed by the House.

□ 1330

I also will yield my reservation to those who have a desire to contribute to the RECORD.

Mr. GLICKMAN. Mr. Speaker, will my colleague from Ohio yield?

Mr. KINDNESS. I am happy to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I would say to my colleagues that this is a technical correction which basically makes some syntactical changes in the bill.

This is a bill introduced by the gentleman from New Jersey [Mr. DWYER] and has lots of support in this House, to set up a Federal charter for the Pearl Harbor Survivors Association.

I say to my colleagues, this makes no substantive changes whatsoever in the House bill that has already passed.

Mr. KINDNESS. Further reserving the right to object, Mr. Speaker, I completely concur in what the gentleman has stated with regard to the amendments and the purpose of the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Kansas?

There was no objection.

A motion to reconsider was laid on the table.

ADJOURNMENT OF THE HOUSE FROM TUESDAY, SEPTEMBER 24, 1985, UNTIL THURSDAY, SEPTEMBER 26, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next that it adjourn to meet at 10 a.m. on Thursday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION FOR MEMBERS TO FILE AMENDMENTS ON H.R. 2100

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have until 5 p.m. on Tuesday next to file amendments to H.R. 2100, the Food Security Act of 1985, should the House adjourn prior to 5 p.m. on that day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FOOD SECURITY ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 267, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2100.

The Chair appoints the gentleman from Michigan [Mr. BONIOR] to preside over the Committee of the Whole.

□ 1332

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 2100), to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is suspended.

The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 1 hour, and the gentleman from Kansas [Mr. ROBERTS] will be recognized for 1 hour. The gentleman from New Jersey [Mr. HUGHES] will be recognized for 15 minutes and the gentleman from New York [Mr. LENT] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the House today begins consideration of one of the most important pieces of legislation that we will deal with this session, this year, in fact, I might say toward the end of this century, H.R. 2100 the Food Security Act of 1985.

This omnibus bill as reported by the committee and the appropriate subcommittees of jurisdiction was drafted after we spent all of last year listening, counseling with, receiving advice from every segment of agribusiness. For the first time, we brought in banks, seed dealers, fertilizer dealers, automobile and implement dealers. We listened to anyone that would be impacted, consumers, environmentalists, and we think we have a good product, Mr. Chairman, which we bring to the floor of this House. I would hope that as we proceed through the amendment process that the membership of the House, and of the Committee when we are in the Committee, would support what the Agriculture Committee has reported in behalf of American agriculture that needs the assistance we can give them at this time.

We bring this bill to the floor because American agriculture is in trouble today—and it is the responsibility of the House to do whatever can be done to help dam the flood of problems facing agriculture that is causing great distress in many parts of the Nation.

This is a big bill. The text of the bill covers 525 printed pages and the Agriculture Committee's report is 827 pages long. It's a big bill because the problem is big. It's a complicated bill because the problems are complicated.

The crisis this bill addresses affects the farm economy and rural Amrerica. It affects millions of consumers, bankers, businessmen and workers in many industries and businesses all across the country—and it affects the international economy as well.

I could tell the story we have to face by reading you economic reports and reciting from tables of figures. But I ask this House today to look behind the numbers and the tables and the economic reports. I ask the House to look at the human beings behind those numbers.

One of those people called me the other day. Her name is Mrs. Naomi Woods. She lives on a farm with her husband near Fort Morgan, CO. And she talked to me about problems on the farm in a way that I wish everyone in this House could hear and understand.

Mrs. Woods pointed out that when a family can't afford to buy farm supplies, it hurts—but so do the people in the local businesses that depend on them. When a farm family can't afford to buy a pickup truck needed on the farm, they hurt—but so do the people on an automobile company assembly line far away from Colorado.

I hope the Woods family can survive on their farm. That's what they want to do. But what happens if they are squeezed out by forces they cannot control, no matter how hard they work or how efficient they are? Mrs. Woods told me she guesses they'd have to move to Denver to look for work.

But is that any answer? What happens when thousands of farm families are forced to move into urban areas? What is the real cost to our society in the new housing needs, in all the other costs that pile up when people don't have jobs? I say that whatever it may cost to help efficient farmers stay on the land may be less than the real cost of forcing them off.

What this comes down to is that we are dealing with more than questions of policy and dollars. We are dealing with the future of people, and this is a great responsibility for every Member of the House and everyone else involved in farm policy.

Much of agriculture is in trouble today because of a combination of factors and forces that lie largely outside the areas that farmers themselves can control. The causes of today's problems include the general worldwide recession of the early 1980's, which depressed markets for American products, the strength of the dollar in recent years, which cost us export sales, the unfair trade practices of some competing nations in world markets, and continuing surpluses of some commodities.

Farm income is down to disastrous levels. Thousands of good, efficient family farmers find themselves unable to pay their bills. Farmland values in some States have fallen by up to 50 percent since 1981. We are facing what some people say is a crisis among some agricultural lenders.

Behind these grim statistics are stories of stark tragedy for thousands of families and hundreds of rural communities. When a farm family cannot pay its bills, as Mrs. Wood eloquently explained, the bad news does not stop at the farm gate. The shock wave goes all through our economy. Here is just one example: The Agriculture Department is currently predicting that farm purchases of new and used equipment this year are expected to sink as low as $6.4 billion compared with last year's depressed $7.3 billion figure. The pain in agriculture is deep, and it is spreading—and forecasts for the near future, at least, are not encouraging.

Members of the House probably have heard that record crops are being predicted this fall, and unless we get some unexpected news, the result is likely to be continuing low farm prices and more distress in agriculture. The most severe crunch in our farm economy since the Great Depression is here. It poses a great challenge to this Congress. We need to provide agriculture at this time with an economic life preserver, not a pair of concrete boots.

These are some of the reasons why the Agriculture Committee is asking your help in passing a farm bill. I know that some may disagree with us over one or another portion of our bill. But I do not think anyone will disagree when I say that the need for an effective farm policy is urgent and in the interests of our entire Nation. That means consumers, too. In the long run, a depressed agriculture is bad news for consumers because they must depend on agriculture for what they need most—an ample and stable food supply at reasonable prices.

In drafting H.R. 2100, the Agriculture Committee was faced with two challenges:

We wanted, and I believe the House wants, a bill that protects farm income to the greatest possible extent so that efficient farmers can hang on until conditions improve.

Under the terms of the congressional budget resolution, we were required to bring in a bill that fits within the budget targets for agriculture. This we have done

through a process of hard and painful compromise.

I will not take your time to describe in full detail the provisions of H.R. 2100, but I will note briefly the major features of the bill.

First, it provides 5-year income stabilization programs, and in most cases supply stabilization programs, for major commodities including wheat, feed grains, upland cotton, rice, milk, soybeans, sugar, wool, and peanuts.

Next, it includes general commodity provisions, including a new and more effective method of setting farm bases and yields, a continued limitation on direct payments to farmers, and a new $250,000 ceiling on nonrecourse loans to individual farmers on wheat, feed grains, soybeans, peanuts, and tobacco.

Also, there is an important trade section that includes a program to use some of our surpluses as export bonuses to help regain and, we might hope, to expand overseas markets. With this, we have provided for expanded export credit programs and an extension of the Food-for-Peace Program together with additional authority to use our surplus food abroad.

In the conservation area, we have landmark new legislation, which I believe has wide support, to protect our fragile land. This section includes a proposed Conservation Reserve Program to get fragile land that is now in crops moved into protected use. And it includes Sodbuster and Swampbuster Programs to discourage the movement of erodible land into crop production.

In the field of agricultural credit, we have an extension of authority for Farmers Home Administration programs for farmers and rural development, with some changes in these areas. We have new regulations for the handling of land that the Farmers Home Administration has foreclosed. And we have a section to protect purchasers of farm products from liens held by creditors.

In the area of agricultural research, we extend authority for research programs with a number of provisions aimed at encouraging work in high-priority areas.

And in the field of domestic food assistance, our bill extends the Food Stamp Program for 5 years together with some modest and overdue improvements and a new section that requires States to set up special employment and training programs. In addition, we have other features including a 2-year extension of the Temporary Emergency Food Assistance Program to help get commodities to hungry people through agencies like food banks and soup kitchens.

Much of the discussion of this bill will involve the commodity programs. In that respect, let me give you some brief explanation.

For wheat, feed grains, upland cotton, and rice, the bill provides machinery that, for the next 5 years, would make market prices more competitive by providing authority to tie price support loan rates more closely to market conditions and by several export programs. At the same time, however, the income of farmers would be maintained because we would keep target prices frozen for 1986 and 1987 and would permit reductions in targets in the following 3 years only if farmers' costs also decline. For wheat and feed grains, the bill also includes one additional important feature. This is a provision under which wheat and feed grain farmers would vote in a referendum on whether to adopt a program of voluntary acreage control coupled with an increased price support loan rate without target prices.

If the referendum program becomes law, and if farmers then go on to adopt the program, producers who comply with acreage controls would be eligible for the new support levels, and their crops would be kept competitive in export markets by the kind of export subsidy that is provided in the general trade section of the bill. Producers who choose not to comply with acreage controls could grow as much as they want to, but they could use their grain only for feeding on their own farms or for export at world prices. If the referendum program becomes law and farmers do not approve it in their balloting, wheat and feed grains would remain under the target price program that will also be in effect for cotton and rice.

I must note that, as costed out by the Congressional Budget Office, the referendum provision will not reduce program costs as much as initially estimated. This was not intended by the sponsor of the provision, and he has already prepared a floor amendment that will achieve the needed savings in program costs.

I know that the administration has indicated it is opposed to the referendum provision, and the House will hear later a fuller report from sponsors of the provision on why it deserves support. I want to point out now that it is a compromise proposal. Some Members favor a tighter mandatory control program, but the version approved by the Agriculture Committee provides that if farmers approve the marketing certificate plan in a referendum, individual producers could still choose to stay out of the program and use their grain on their own farms or for export at world prices.

I want to add a brief word about the dairy program. This is a carefully and painfully developed compromise. It is built around a new price support formula that takes into account both farm costs and the need to reduce surpluses—a formula that is fair to consumers as well as to farmers. And it includes the surplus diversion program about which there has been much discussion. I will say at this point only that the diversion program has been tried before and has worked. It is financed by the farmers themselves, and it helps protect both the dairy industry and the taxpayer. The committee's dairy program helps meet our budget targets by saving $1.7 billion over 3 years.

The budget requirements that we had to meet were difficult. They forced the Agriculture Committee to make hard choices and forced us to make some reductions that we did not want to accept particularly at this time of economic stress for farmers. Our committee recognized, as it has in the past, however, that farmers must join other Americans in attacking the problem of the national deficit. I want to caution Members that, if they consider amendments which would increase potential costs, they should think about what else they can find to cut to get us back to the budget.

As you know, the Committee on Merchant Marine and Fisheries has reported out cargo preference provisions that differ from those contained in H.R. 2100, as reported by the Agriculture Committee. While I hoped that this difficult issue could have been resolved by now, it will have to be disposed of during floor debate. I hope the House will remember in this debate that those of us in agriculture have no quarrel with the goal of maintaining an American merchant fleet. Where there are differing views on this issue, it is over means and not ends.

Mr. Chairman, I know that when the House debates amendments to this bill, we will be faced with many proposals to make changes in the Agriculture Committee's product. I appeal to Members today to consider those proposals in the light of what they may do to help—or hurt—a segment of our economy that is in great and sometimes heartbreaking distress today.

You may be asked to cut the programs for some commodities in this bill. When you face those choices, I hope you will think about more than the numbers. I hope you will think about the farm families who produce those crops.

You may be told that consumers will get cheaper food if Congress drives down farm prices. When you face that choice, I hope you will remember that driving down farm prices won't necessarily mean lower consumer prices. And I hope you will remember that the American consumer already gets the world's best food supply at bargain basement prices in comparison with average consumer income. We have poor and needy people in this country, but we try to help them with programs like the Food Stamp Program, which this bill addresses. For the average American consumer, however, food is a bargain—and it will remain a bargain if the House stands with our Agriculture Committee and adopts this bill.

This bill is a collection of compromises. It does not give any one group everything it wants. It does not go as far as many of us would like to go in improving farm income. But it does provide machinery that can help in the crisis we face while keeping within the budget. In that respect, this is a good bill for farmers, it is a good bill for consumers, and it is a good bill for the Nation as a whole. I urge the House to adopt it.

The following material was accidentally omitted from the section of the committee report entitled "Purpose and Need for the Legislation" and I include it at this time to complete that section of the report:

The Temporary Emergency Food Assistance Act [TEFAP] requires the Secretary of Agriculture to ensure that commodities

distributed under the program are not made available in quantities that are determined to result in substitution for commercial market sales. The determination is made by the Secretary of Agriculture.

According to a recent report by the USDA, substantial commercial displacement of margarine has occurred as a result of USDA butter donations. This report by Dr. James Zellner of the Economic Research Service indicated that during the 34 months of TEFAP operations, an estimated 428 million pounds of butter were donated, displacing 370 million pounds of margarine. For fiscal year 1985, USDA estimates a $69 million loss in retail margarine sales as a result of butter donations and, assuming the margarine displaced came from soybean oil, a $55-million reduction in soybean growers' receipts. The committee also received testimony indicating a negative effect on employment and manufacturing within the margarine industry as a result of commercial displacement due to TEFAP butter donations. In response to reports of displacement, USDA reduced by half the level of TEFAP butter donations effective August 1, 1985, from a monthly average of 12 million pounds to 6 million pounds.

The Agriculture Committee is concerned about the degree of estimated displacement of commercial margarine sales due to the volume of butter released under the TEFAP Program. The committee is likewise concerned that future donations of other products may have similarly negative consequences on other commercial sales and expects the Secretary of Agriculture to monitor this carefully. The committee bill maintains the language of current law restricting donation of commodities in quantities that the Secretary, in his discretion, determines will result in substitution for commercial purchases. To ensure that the Secretary will monitor this more carefully, the committee has added a requirement for an annual report to Congress on the occurrence and extent of any such displacement or substitution. The committee expects the Secretary to provide this report by January 1 each year.

The Secretary will also give consideration to the needs of the low-income population being served by the program.

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985

GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION

In recognition of the fact that grants provided for higher education in the food and agricultural sciences must serve to maximize the potential benefit from the provision of such funds, under the bill, the Secretary of Agriculture will be authorized to weigh the availability of matching funds.

Similarly, the Secretary will be allowed to weigh the availability of matching funds in making competitive grants to educational institutions to develop and administer programs in the food and agricultural sciences. In addition, the law will be amended to stipulate that such grants go to institutions with a commitment to agriculture and the specific subject area for which the grant is to be used.

In order to expedite consideration and awarding of these grants, and avoid delays in the clearance of peer review panels, the panels will be exempted from the requirements of the Federal Advisory Committee Act.

EXTENSION AT 1890 LAND-GRANT COLLEGES INCLUDING TUSKEGEE INSTITUTE

In seeking to remove certain unforeseen inequities caused by the inadvertent termination of authorization of extension programs at 1890 land-grant colleges, including Tuskegee Institute, the law will be amended to make permanent this authority to such institutions.

DAIRY GOAT RESEARCH PROGRAM AT AN 1890 LAND-GRANT COLLEGE

In light of the progress made to date and the importance of research in this area, the committee bill will reauthorize the dairy goat research program at an 1890 land-grant college.

UPGRADING 1890 LAND-GRANT COLLEGE RESEARCH FACILITIES, INCLUDING TUSKEGEE INSTITUTE

In view of a inadvertent 1-year delay in funding the program to upgrade 1890 land-grant research facilities, the committee bill will amend the law to complete the 5-year authorization to fulfill the provisions of section 1433(a) of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981.

PESTICIDE RESISTENCE STUDY

In response to disturbing new evidence indicating the growing incidence of pesticide resistence, the Secretary of Agriculture will be required to conduct a study and report to the President and Congress within 1 year on efforts to identify, monitor, and address the problems posed by pesticide resistance.

INTEGRATED PEST MANAGEMENT [IPM]

The Committee on Agriculture strongly urges the Department of Agriculture to maintain and strengthen its efforts to assist producers in the development, understanding, and implementation of integrated pest management [IPM] practices. It has been demonstrated that existing IPM efforts have greatly aided producers in the responsible and effective control of pests, and additional efforts are needed as the problem of pest management continues to grow. Moreover, the Secretary is to apprise the committee on a regular basis with respect to the nature and progress of its IPM activities.

DIETARY ASSESSMENT AND STUDIES

Consumers continue to be inundated with sometimes conflicting, sometimes erroneous, and frequently confusing information about the dietary and health consequences of the food they eat.

As the first step in an effort to provide consumers with more definitive information regarding the relationship, if any, between dietary and blood cholesterol, and the importance of dietary calcium as a nutrient, the Secretary of Agriculture will be required, in cooperation with other agencies of the Federal Government, to conduct an assessment of existing scientific literature available on these issues. The Secretary then will develop the protocol and conduct a feasibility assessment for a definite study by the Department of Agriculture on the relationship between dietary and serum cholesterol and the importance of dietary calcium as a nutrient.

Subsequently, the Secretary will report to the House and Senate agriculture committees on the results of his findings and the plans, including costs, for a definite study on cholesterol and calcium.

NUTRITION RESEARCH

The Department of Agriculture was designated, with passage of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as the lead agency of the Federal Government for human nutrition research. Consistent with that designation, and in recognition of the interest and need of consumers for more and better information on human nutrition, the Secretary is instructed, under the bill, to submit within 1 year a comprehensiave plan for implementing a national food and human nutrition research program, and to report annually thereafter to Congress on the human nutrition research activities of the Department of Agriculture.

SPECIAL GRANTS FOR FINANCIALLY STRESSED FARMERS AND DISLOCATED FARMERS

Although the Extension Service has performed admirably in recent months to provide financial management counseling to distressed farmers, additional assistance is needed to help farmers, including farmers actually dislocated, to find alternative forms of income.

Consequently, the Secretary will be required to provide special grants for programs to develop income alternatives for farmers. The programs eligible for the grants may include education and counseling services, financial planning and management strategies, and related features.

ANNUAL REPORT ON FAMILY FARMS

Since passage of the Food and Agriculture Act of 1977, the Secretary of Agriculture has been required to report annually to Congress on the state of the family farm in the United States.

Events of the past few years have demonstrated that among the most important factors affecting the viability of family farms are tax laws, investment opportunities, technological advances, the competitiveness of American agriculture, the success of Federal agricultural program objectives, and the cost and availability of farm credit. To ensure that these critical factors are assessed for their likely effect on family farms, the Secretary will be given the responsibility to consider these factors in preparing the annual family farm report.

BRIEF EXPLANATION

The major provisions of the Food Security Act of 1985 are briefly described below.

TITLE I—SUGAR

The bill extends, through the 1990 crop, the price support loan program for sugar beets and sugarcane.

TITLE II—DAIRY

The Dairy Unity Act of 1985—

(1) for the fiscal years 1986 through 1990—

(A) establishes price supports for milk under a formula that ties the support level to changes in the real cost of producing milk and adjusts the initial support level for each year to reflect changes in commercial demand for milk;

(B) authorizes the Secretary of Agriculture to adopt a milk supply-reduction program if projected surpluses exceed trigger levels, and requires him to do so if the projected surpluses exceed a higher trigger;

(C) provides for payments to dairy farmers who agree to reduce their production under the program;

(D) requires a reduction in the price of milk when a diversion program is in effect to cover costs of the program that exceed the costs to the Government of 5 billion pounds of milk; and

(E) directs the Secretary, when a milk diversion program is in effect, to purchase and distribute an additional 200 million pounds of red meat annually;

(2) directs the Secretary to study whether casein imports interfere with the milk price support program;

(3) creates a National Dairy Research Endowment Institute to be funded by revenues raised from milk producers and dairy product importers;

(4) requires the Secretary to increase differentials in a number of specified milk marketing orders;

(5) establishes a National Commission on Dairy Policy to study and make recommendations on the operation of the Federal milk price support program; and

(6) extends for five years (A) authority to transfer dairy products to the military and veterans hospitals, and (B) the dairy indemnity program.

TITLE III—WOOL AND MOHAIR

The bill extends for five years the present program of payments to producers of wool and mohair.

TITLE IV—WHEAT

The bill establishes a program for the 1986 through 1990 crops of wheat that would—

(1) extend and modify provisions for target price protection for producers;

(2) make available a price support loan program that is responsive to market prices; and

(3) establish acreage reduction programs that must be implemented if surplus stocks are large.

TITLE V—FEED GRAINS

The bill establishes a program for the 1986 through 1990 crops of feed grains that would—

(1) extend and modify provisions for target price protection for producers;

(2) make available a price support loan program that is responsive to market prices; and

(3) establish acreage reduction programs that must be implemented if surplus stocks are large.

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAINS PROGRAMS

The bill includes a program under which wheat and feed grain producers would have the opportunity, through referendum, to adopt a program under which cooperators under the voluntary program would obtain price support loans and marketing certificates. The program would provide for export subsidies to keep grain competitive in world markets, and producers who elect not to participate (and, thus, do not receive marketing certificates) would be required either to feed their grain on their farms or export it at world market prices.

TITLE VI—COTTON

The bill establishes a program for the 1986 through 1990 crops of feed grains that would—

(1) extend and modify provisions for target price protection for producers;

(2) make available a price support loan program that is responsive to market prices;

(3) establish acreage reduction programs that must be implemented if surplus stocks are large; and

(4) direct the Secretary of Agriculture to issue marketing certificates to handlers when the world market price falls below the loan rate.

TITLE VII—RICE

The bill establishes a program for the 1986 through 1990 crops of rice that would—

(1) extend and modify provisions for target price protection for producers;

(2) make available a price support loan program that is responsive to market prices;

(3) establish acreage reduction programs that must be implemented if surplus stocks are large; and

(4) direct the Secretary of Agriculture to issue marketing certificates to exporters when the world market price falls below the loan rate.

TITLE VIII—PEANUTS

The bill generally continues, through the 1990 crop, the price support and marketing quota program that has been in effect since 1981, but makes certain modifications to reflect changed circumstances.

TITLE IX—SOYBEANS

The bill extends, through the 1990 crop, the soybean price support program, which allows the Secretary of Agriculture to make certain reductions in the loan level as necessary to maintain domestic and export markets for the commodity.

TITLE X—GENERAL COMMODITY PROVISIONS

The Agricultural Efficiency and Equity Act of 1985 adopts a revised system, to be reflected in permanent law, for establishing farm and commodity acreage bases and program yields for wheat, feed grains, upland cotton, and rice.

The bill also—

(1) establishes a $50,000 annual payment limitation under the wheat, feed grains, upland cotton, extra long staple cotton, and rice programs;

(2) establishes a $100,000 annual limitation on disaster payments under the wheat and feed grains programs;

(3) establishes a $250,000 annual limitation on the total amount of nonrecourse loans that a person may receive under the 1986 through 1990 crops of wheat, feed grains, soybeans, peanuts, and tobacco;

(4) permits producers of wheat, feed grains, upland cotton, or rice to devote any part of diverted acreage to haying and grazing during eight months of the year;

(5) authorizes the Secretary of Agriculture to provide a supplemental set-aside and acreage limitation program for wheat and feed grains if such action is in the public interest because of the imposition of export restrictions;

(6) authorizes the Secretary to enter into multiyear set-aside contracts with producers of wheat, feed grains, upland cotton, and rice;

(7) authorizes the Secretary, in order to reduce the costs of a commodity program, to—

(a) purchase, on the commercial market, a commodity for which a nonrecourse loan program is in effect;

(b) settle the loan for less than the total of the principal and interest when the domestic price of a commodity will not cover the principal and accumulated interest on the loan; and

(c) reopen a production control or loan program for a major commodity for the purpose of accepting bids from producers for conversion of acreage planted to the crop to diverted acres in return for payments in kind from Commodity Credit Corporation stocks;

(8) modifies the provisions of permanent law relating to the producer reserve program for wheat and feed grains;

(9) authorizes the Secretary to make advance deficiency payments to producers if an acreage limitation or set-aside program is in effect for wheat, feed grains, upland cotton, or rice, and if deficiency payments will probably be made;

(10) authorizes the Secretary to establish an export certificate program for wheat or feed grains;

(11) requires the Secretary to dispose of certain surplus Government-owned stocks for purposes of emergency domestic food assistance and emergency humanitarian food needs abroad;

(12) authorizes the Secretary to make advance recourse commodity loans to producers; and

(13) authorizes the use of Commodity Credit Corporation stocks, at no cost or reduced cost, to encourage the purchase of such commodities for the production liquid fuel.

TITLE XI—TRADE

The bill—

(1) extends authorities under Public Law 480 of five years;

(2) raises the authorization for the title II program under Public Law 480 to $1.2 billion annually;

(3) directs the Secretary of Agriculture to develop a payment-in-kind export assistance program to encourage expansion of farm exports;

(4) directs the Secretary, in coordination with the Special Trade Representative, to seek multilateral consultations to reduce the need for export subsidies and the likelihood of a trade war;

(5) provides for Government guarantees for at least $5 billion in commercial short-term export credits in fiscal year 1986, plus at least $325 million in direct export loans, for use in blended credit transactions; and

(6) broadens authority for intermediate-term export loans and extends for five years authority for an export credit revolving fund.

TITLE XII—RESOURCE CONSERVATION

The bill—(1) provides, with various exceptions, that persons who produce agricultural commodities on highly erodible land or converted wetlands will be ineligible for benefits under various Federal programs;

(2) establishes a conservation reserve program under which up to 25 million acres of highly erodible cropland may be converted from production of agricultural commodities in return for annual rental payments and Federal sharing in the cost of conservation measures;

(3) authorizes the Secretary of Agriculture to provide technical assistance to pro-

tect the quantity and quality of subsurface water; and

(4) extends the Soil and Water Resources Conservation Act of 1977 through the year 2008.

TITLE XIII—CREDIT

The bill—

(1) includes joint operations among entities that may receive Farmers Home Administration (FmHA) farm ownership, operating, and disaster loans;

(2) modifies the program for FmHA water and waste disposal programs for smaller and poorer communities;

(3) imposes a "family farm" requirement on the FmHA disaster loan program, and provides that eligibility for disaster production loss loans is to be determined on whether the applicant has suffered a disaster loss and not on whether the applicant is located in a disaster county designated by the Secretary of Agriculture;

(4) requires the Secretary to ensure that FmHA loan guarantee programs are responsive to needs of borrowers and lenders;

(5) reforms the provisions governing the composition of FmHA county committees;

(6) provides protection to purchasers of farm products from liens held by the creditors of the sellers if prescribed procedures are followed;

(7) authorizes the Secretary to make grants to enable public or private nonprofit groups to establish rural technology centers; and

(8) makes various revisions in operations of FmHA farm lending programs.

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985

The bill—extends for five years various authorities to fund agricultural research and extension programs, and makes a number of modifications in program provisions.

TITLE XV—FOOD STAMP AND RELATED PROVISIONS

The bill reauthorizes the food stamp program for five years, and makes various modifications in the Food Stamp Act of 1977.

TITLE XVI—AMENDMENTS TO THE TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983 AND OTHER COMMODITY DISTRIBUTION PROVISIONS

The bill extends for two years the Temporary Emergency Food Assistance program.

TITLE XVII—NUTRITION PROGRAMS

The bill—

(1) expands consumer education services to low-income individuals; and

(2) directs the Secretary of Agriculture to include a representative sample of low-income individuals in conducting the Department's survey of food intake, and maintains the Department's nutrient data base.

TITLE XVIII—MISCELLANEOUS

The bill—

(1) establishes additional standards for the commercial processing of eggs for human food;

(2) requires that poultry and poultry products for use as food that are imported into the United States be subject to the same inspection, sanitary, and certain other requirements as poultry and its products produced in the United States;

(3) imposes more stringent requirements on inspection and other standards for imported meat and meat products;

(4) revises and strengthens the Beef Research and Information Act;

(5) establishes a promotion, research, and consumer information program for pork products;

(6) establishes a research and promotion program for watermelons;

(7) increases the maximum penalty for violations of marketing orders;

(8) prohibits the Secretary of Agriculture from terminating a marketing order for any commodity for which there is no Federal price support program, unless termination is favored by a majority of the producers involved;

(9) includes moisture content as a criterion in the official grade designations of grain if it is requested by the government of the country to which grain is shipped;

(10) provides for the establishment of a new grade for grain that exceeds current standards for United States No. 1 grade;

(11) improves quality standards for grain to be exported from the United States with respect to dockage, foreign material, and other factors;

(12) reforms the provisions of the Soil Conservation and Domestic Allotment Act relating to county and community committees;

(13) prescribes provisions to be included in Commodity Credit Corporation storage contracts to reduce costs;

(14) declares as a congressional policy that is in the public interest to maintain Federal involvement in providing agricultural weather and climate information; and

(15) strengthens provisions denying program benefits to persons growing marijuana or other prohibited drug-producing plants on land they control.

TITLE XIX—NATIONAL AGRICULTURAL POLICY COMMISSION ACT OF 1985

The bill establishes a National Commission on Agricultural Policy to conduct a study and report to Congress on the structure, procedures, and methods of formulating and administering agricultural policies, programs, and practices in the United States.

TITLE XX—NATIONAL AQUACULTURE IMPROVEMENT ACT OF 1985

The bill extends for three years, and makes various modifications in, the programs under the National Aquaculture Act of 1980.

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Michigan.

Mr. SILJANDER. Mr. Chairman, as I drive across my district, I can't help but notice the rich, varied agricultural resources God has blessed the land with. However, in spite of boasting the highest productivity level in the world, the farmers are now facing financial and market pressures of a greater magnitude than they've ever faced before.

After the short supplies witnessed in the early 1970's, the Federal Government took part in the promotion of "fence row to fence row" production of wheat, feed grains, and other foods. Credit was expanded and made more easily available to farmers and efforts were made to provide farmers all types of assistance in ways to achieve higher production levels. With the improvement in strains and varieties of seed, forecasts of constant growth of export markets throughout the 1980's and a relatively low value of the dollar on foreign exchange markets, the farmers rose to meet the challenge.

Joining the farmer were a number of agencies and financial institutions. With land prices outdistancing inflation, export markets growing, crop prices and productivity increasing, lenders provided the farmers with large quantities of capital. One factor that was favorably viewed by the banking industry was the rapid appreciation of the value of farmland. Coupled with all of the profit factors associated with the land as productive unit, large scale credit expansion in the farm sector was facilitated.

Looking back, we see that this was a speculative move. Indeed, much of the blame rests on the very same institution that is trying to solve the dilemma of the farmer today—the U.S. Government. Providing low interest and guaranteed loans, the government lured farmers deeper and deeper into debt. They told them that virtually unlimited demand was assured for decades to come. They said that if a farmer was going to be a good manager, he would use debt to buy more land and machinery and to develop the land. So, with the blessing of the Government, the farm community catapulted itself into a debt position which is now recognized as being a total disaster.

At the same time, Government barns overflowed with surplus. The Commodity Credit Corporation [CCC] has continued to amass huge inventories of agricultural products. Intended as a tool to stabilize the production-demand relationship for food in our country, the CCC has been transformed into a tool for clearing the market of overproduction caused by bad Federal policies. One could say that the CCC continues to stabilize the price, keeping the price depressed through the market traders knowledge that the Government inventories will be sold at certain levels. In this way, a price "ceiling" is inadvertently enforced by the Government.

So, here we are in 1985. The agricultural community is being oppressed by high interest rates, decreasing land values, a high dollar, and ever-growing problems in maintaining export markets. With the European Community devoting approximately one-quarter of its budget, $5.3 billion, to subsidizing its agricultural exports, we must make full use of our resources in maintaining our markets.

THE EXPORT BONUS PROGRAM

The same European Community, however, which is part of the problem provided me with insight into part of the solution last year when I participated in the annual meeting of the European Parliament. These discussions with Common Market Ministers inspired my Agricultural Export Trade Equity Act. And I am gratified that H.R. 2100 contains many of the provisions of that bill.

The key to these provisions is the principle of the "baker's dozen." In H.R. 2100,

this principle is woven through sections 1102 and 1104 through 1106 of title XI.

It provides that at least 75 percent of the commodities made available under title II for nonemergency programs be fortified or processed foods. And it reflects similar concern for the expansion of dairy product exports.

The baker's dozen principle in these sections also addresses the need for development of the foodhandling infrastructures in developing nations. And it acknowledges the importance of barter in the trade of our agricultural goods.

Finally, H.R. 2100 reflects the original intention of the Agricultural Export Trade Equity Act that the marketing and distribution of commodities not interfere with the usual marketings of the United States. Nor would the bill allow the resale of transshipped goods.

These are the positive farm initiatives I fought for in my own bill, and I enthusiastically support their incorporation in H.R. 2100. These, Mr. Chairman, are the measures that will return American agriculture to its former strength and stability.

Mr. ROBERTS. Mr. Chairman, this is not a pleasant time for Members who are privileged to represent our rural and smalltown areas, and who are privileged to sit on the House Agriculture Committee. We have been trying to do our very best with the farm bill for the better part of 9 months.

Right off the bat, I would like to pay homage and pay my respects to our chairman, the gentleman from Texas [Mr. DE LA GARZA], who has worked long and hard and very diligently, with much patience, and also with some persistence. He has had a chore I think very much like trying to push a rope, Mr. Chairman, and he has done it well.

I would also like to give credit to our ranking member, the gentleman from Illinois [Mr. MADIGAN], my good friend, who has also done a splendid job, as well as all of the members of the House Agriculture Committee who have had a difficult task trying to shape a farm bill that not many of us really agree with in regard to our individual preference, and we have had to try to fit that under a budget that some of us did not vote for, and as a matter of fact, very bitterly resent.

Having said that, I think all of the members of the Agriculture Committee did a splendid job under difficult circumstances.

Mr. Chairman, I yield 4 minutes to my friend and colleague, the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding.

As has been pointed out, this is an extremely difficult time for farmers.

I want to talk to you today about the dairy provisions of H.R. 2100. First of all, I want to thank this body for the confidence that it put in the Agriculture Committee and the subcommittee the last time that we came before you with a program to handle the dairy situation.

As you well know, the dairy industry has been bedevilled by surplus milk production for several years now. Although this problem has been resistant to solution, I want to point out that significant progress was made last year in our efforts to balance the market for milk. More importantly, I want to point out that that progress was made because the House, after several earlier rejections, accepted the program recommendation of the Agriculture Committee.

Prior to 1980, milk production had seldom exceeded the demands of the commercial market. Indeed, milk production ranged only between 115 and 125 billion pounds in each of the 20 years prior to 1980. Much of the credit for this remarkable stability over time is due to the dairy price support program. Established in 1949, it was designed to stabilize production and thereby stabilize milk supplies and prices. Its success is an example of the tremendous value that a well designed agricultural program can produce for farmers and consumers like.

Things started to go awry, however, in 1980. Milk production began to grow at a rate greater than that at which commercial demand was increasing and the surplus consequently began moving to the Government. Whereas in 1979, the Commodity Credit Corporation purchased only 1.1 billion pounds of milk—less than the Federal Government's own needs for food assistance programs—in 1983 the CCC bought 16.8 billion pounds of surplus. Over that period of time, the Agriculture Committee came before the House with several recommendations that it felt would turn the situation around. In 1982, for example, the committee urged adoption of a two-tier pricing system which would have balanced supply with demand in very short order. The House accepted the proposal only to see it lost in a budget reconciliation conference which instead approved the disastrous "$1 assessment" program. This rejection of the committee's recommendation was only one of several that caused the surplus situation to grow worse instead of better.

I do not wish to belabor the point. I make it because every time in the last few years that the House or Congress has chosen to ignore the Agriculture Committee's recommendation, the surplus has grown worse and the burden to the farmer and the Treasury that the surplus creates has been exacerbated.

In 1983, the House and the Congress accepted a series of changes to the dairy program that the committee had developed in conjunction with the dairy industry. This program effected the first reduction in milk marketings and Government outlays since the onset of the surplus in 1980.

I want to spend a little time discussing that plan so that you may understand just how good a decision the House made in approving it. Dubbed the "Dairy Compromise" by both its supporters and detractors, the committee's legislation caused milk marketings to drop by 5 billion pounds, CCC purchases to decline by 8.5 billion pounds and Government outlays to fall by more than $1 billion. These changes occurred in 1984 and were the first such reductions in 5 years.

The heart of this plan was a milk diversion program. Even though it was to be financed by dairy producers themselves, the diversion became a source of considerable controversy. Those who decided, for one reason or another, to oppose this effort to balance the milk market argued that we should merely cut the support price by $1.50 per hundredweight. They claimed that this act alone would straighten things out and that, in fact, the diversion would only make matters worse.

Who then was right? At the time, Members could certainly be excused if they felt confused by the cacophony of competing claims. After all, the diversion was a new and untested idea. What we did know, however, was that price cuts alone would not accomplish what was necessary. USDA noted that, in the past when the support price had been reduced in an effort to turn back unnecessary poduction, the cuts had reduced milk production only slowly—over 18-24 months—and at great cost to individual dairymen. The committee, cognizant of the need to reduce the cost of the dairy program immediately as well as to maintain farm income at reasonable levels, felt that a short-term supply management program would be required. It, therefore, recommended a diversion program.

This past July, the Government Accounting Office released the results of a self-initiated analysis of the committee's product. It concluded that the diversion program "was responsible for reducing 1984 milk production by about 3.74 to 4.11 billion pounds below the level that could otherwise have been expected. In addition, about 705 million pounds of the milk produced was used on the farm and not marketed because of the program. Because this milk would have added to the surplus and would likely have been purchased by USDA, GAO estimates that 1984 purchase costs avoided by the program could be from $614 million to $664 million." GAO/RCFD 85 126 "Effects and Administration of the 1984 Milk Diversion Program."

What could otherwise have been expected would have been the result of the support price reduction that oppo-

nents of the committee's plan urged upon this body. History now confirms that, had we accepted their recommendation, Congress would have unnecessarily added over 5 billion more pounds of milk to CCC stocks and over $0.6 billion more to the deficit.

We wisely rejected the arguments of the price cutters who sold their plan as a simple reduction of the support price. I was reminded then of H.L. Mencken's comment that "for every complicated problem, there is a simple—and wrong—solution". There is no doubt in my mind that the price cutters were simply wrong.

Strange as it may seem, they are back again this year. The problem of surplus milk production has not gone away. Because the diversion program was limited to only 15 months' duration, no permanent reduction in milk production capacity was made in 1984. The gains that were made last year, however, were clearly the result of the committee's recommendation. As the GAO points out, the price-cut alternative would not have anywhere near the effect that the diversion produced.

In spite of this lesson, you will next Thursday be presented with more of the same arguments that were used to convince you in 1983 that the best way to eliminate surplus milk production is to simply reduce the support price. This time, the price cutters will argue that a 50-cent reduction in the support price next year, followed by 50-cent reductions each year thereafter until Government purchases fall below 5 billion pounds, are just what you and, believe it or not, dairy farmers have been looking for. I submit to you that the price cutters are as wrong this time as they were in 1983 and that the conclusions of the GAO report with regard to the committee's 1983 proposal provide good insight into this year's debate. Will the House be beguiled by the siren song of those who apparently have not learned from past experience, only to find itself battered on the rocks of illusion?

I hope not. The committee has put together a proposal that will produce much the same benefits in the short term that the 1983 legislation produced, and that will moreover, finish the adjustment to supply that was started last year.

The GAO report demonstrate that short term supply management has a salutory effect and that price cuts alone do not work. The committee's dairy proposal that is contained in this year's farm bill builds on the success of last year's program by incorporating a short-term, farmer financed milk diversion program to reduce Government removals and costs quickly. It adds an exciting new feature, however, that deserves special attention. If there was a drawback to the committee's 1983 plan, it was that the diversion did not reduce cow numbers sufficiently. Cow numbers are important because they are at the root of our current dilemma. The dairy industry is the most productive industry in the country. Over the years, it has worked to increase the output of its cows so that consumers might enjoy lower real costs for nature's most perfect food. I might note that, while the Consumer Price Index has risen — percent over the last years, the index of all dairy products has risen by only — percent, an amount that is less even than that for all foods. Consumers have been the primary beneficiaries of this increased farm productivity.

For most of the last 30 years, the number of cows being milked by farmers in the United States fell at a rate that just about exactly offset the rate of increase in yield per cow; the result was the remarkably even production from year to year that I cited earlier.

In 1980, however, cow numbers began to increase. Because yield per cow continued to increase, milk production began to outstrip commercial demand. Last year's milk diversion reduced milk production and Government costs, as GAO points out. It did not, however, do so through a lasting reduction in cow numbers. As a result, no significant reduction in the number of "machines" that make milk was affected.

The committee, therefore, decided to confront this fact head on. Recognizing that financial pressures require that cows raised to milking age—as some 11 million animals have been at this point in time—be put in the barn and milked, the committee has included a dairy herd reduction program in this year's farm bill. Its purpose is to remove from the Nations's dairy herd the 600,000 to 700,000 mature cows that produce the milk that is today being made in excess of commercial needs. We propose to achieve this goal by offering producers a financial incentive, again funded by the dairy industry itself, to sell their herds for slaughter or export, and thereby, permanently reduce the number of animals being milked in the United States.

Such an effort will reduce milk production quickly and dramatically, 7.5 billion pounds being our target. In so doing, it will reduce Government purchases of surplus milk by a like amount in 1986 alone. The savings that will accrue to the Federal Government will be in excess of $1 billion. The reduction in purchases will essentially get the Government out of the milk business.

The dairy farmer will benefit by virtue of the fact that the surplus that is now responsible for depressing his prices and income will be eliminated. Instead of merely making more milk in order to maintain a decent standard of living—a self-defeating approach in the long run, farmers will receive an adequate return for their milk and be freed from the treadmill of ever larger production.

These accomplishments are the same that we sought and achieved in 1984 with the dairy division. This proposal will, in my opinion, finish the job where we left off.

In all fairness, I must say that the committee did explore the option that will next Thursday be raised as a substitute for the committe's bill—a price cut. It rejected this approach, however, for several very important reasons.

Price cuts do eventually reduce milk production because they force enough farmers out of business. Even if one were to ignore the myriad economic and social problems created by such an event, this method of eliminating cows is extremely inefficient. When a producer sells out, he generally has an auction. Most of his cows, instead of going to slaughter, move into a neighbor's herd. As a result there is very little, if any, net reduction in cow numbers and the problem of surplus production is not effectively addressed. The dairy herd reduction program, by actually buying out those cows and sending them to slaughter or export results in a direct reduction in cow numbers. From a purely practical point of view, it is far superior.

The dairy herd-reduction approach will quickly reduce milk production, Government removals, and budget outlays. Under the price cut scheme that will be offered as an alternative to the Committe's plan, cow numbers will not drop very quickly. They will, therefore, continue to make milk which, having no commercial home, will move to the Government.

The Congressional Budget Office has analysed these two approaches and has also concluded that the committee's proposal will result in considerably greater budget savings than the price cut alternative and that these savings will accrue more quickly than under the price cut plan. Over the 3-year period that the budget considers, 1986–88, the committee's proposal will cost $495 million less than the price cut alternative. We cannot in good conscience turn our backs on savings of this magnitude.

The committee did look at the possibility of reducing cow numbers and Government costs through the use of support price reductions alone. Analysts at the Congressional Budget Office, however, advised us that a reduction of over $1.50 per hundredweight would be necessary in 1986 to achieve the spending levels that the Budget Committee is demanding. I shall not belabor the point, but I think that you can understand why the committee rejected this approach out of hand. A reduction in support of that magnitude would devastate the dairy industry and jeopardize our ability to

supply our own needs for milk. To create such a situation would be the height of insanity.

This exploration, of course, pointed up one other difference between the committee's plan and the price cutters' approach. As you are no doubt aware, farm income has fallen to record lows. A frustrating set of circumstances has conspired to reduce farm income more than at any time since the changes that occurred during the Great Depression. The 1983 diversion program had the salutory effect of increasing the price that farmers received for their product at the same time that it reduced production and Government costs. Does that seem too good to be true? It shouldn't. By reducing production, the diversion program tightened up commercial milk supplies—everyone's stated goal. The result was that market prices rose above the level that would have otherwise prevailed. In New England, for instance, farmers received 27 cents per hundredweight more for their milk than they would have received had we not had the diversion.

Put another way, had Congress merely enacted the $1.50 per hundredweight support price reduction that was proposed in 1983 as an alternative to the committee's bill, New England dairy farmers would have received 27 cents less for their milk than they actually did in 1984.

Thursday there will be those who urge you to adopt the mistake that we avoided in 1983. They will ask that you believe that a 50-cent per hundredweight reduction in the support price will solve the problem before us. It won't. Only by cutting the price by $1.50 over the next 3 years will we drive enough farmers out of business that surplus milk production will finally be reduced. Because this mechanism will work so slowly, the Government will be forced to spend almost a half billion dollars more than the committee thinks necessary to achieve our goal. In the process, the surplus that will persist for the next 3 years will depress farm prices and ruin many farmers who are already struggling to survive. I cannot think of a crueler or more senseless way to get where we want to go.

I am the first to admit that there is no proposal that is perfect in every respect. The dairy surplus is too complex a problem to expect that there could be a perfect solution. I am convinced, however, that the committee's direct approach of treating the cause of the surplus—the number of cows on farms today—is the most effective and considerate way to deal with this situation. Just as the diversion did in 1984, the herd reduction/diversion features of this bill will reduce surplus milk production quickly. Net removals will fall from 11.5 billion pounds this year to less than 5 billion pounds in 1986. The cost of the dairy program to the budget will fall from nearly $2 billion this year to less than $800 million next. Farm income, instead of being depressed by a Government policy that does not work—the price cut—will be buoyed because the market reacts to a balanced relationship between supply and demand.

I urge you to support the committee's bill. It was not put together lightly. It is the product of hard analysis and work. The dairy industry has shown a remarkable amount of concern for the problems that the surplus causes to the Federal Government. No other commodity group has been so willing to sacrifice in order to set things right.

The committee is not asking you to go on a blind date. The GAO report clearly demonstrates that the diversion did what the committee said it would when we asked for your support in late 1983: reduce Government purchases by 5 billion pounds, reduce budget outlays by $600 million, and strengthen farm income. These are the things that the committee said would happen in 1984 and they did indeed come to pass. I believe that the proposal that we are offering you now will perform as well in the short term and that it will, because of the dairy herd reduction program, produce the lasting solution that we have all been seeking. I also believe that the alternative to be presented by the price cutters, well intentioned though they may be, will absolutely not work.

Please do not vote to add nearly one-half billion dollars to the deficit. Please do not vote to throw the committee's farm bill over budget. Please do not vote to keep the Government in the business of buying an unneeded surplus of milk. And most of all, please do not vote to cut farm income in this time of stress in farm country. All of these things you will do if you vote to support the price cut amendment that will be offered to the committee's bill.

When it comes right down to it, the question will be whether or not you will let our dairy farmers pay for a program to solve their problems and to preserve their income, or whether you will take a substitute, which if it works at all, will cut the net income of dairy farmers by 70 percent and force 4,800 of them out of business. Help us finish the job that we made so much progress on with our last recommendation. Stay with your Agriculture Committee one more time.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. JONES], chairman of our Subcommittee on Conservation, Credit, and Rural Development.

Mr. JONES of Tennessee. Mr. Chairman, I rise in support of the farm bill. This bill is a long way from what I think American farmers need. It has many shortcomings but it has some strong points as well.

The commodity price support programs I feel are generally inadequate in that they do not provide sufficient mandatory production controls or price guarantees. However, the farmer referendum tied to the Voluntary Marketing Certificate Program on wheat and feed grains is a move in the right direction. This program should be expanded to other commodities.

I also support the compromise dairy program and encourage my colleagues to support it. The dairy proposal does not please dairymen in all regions but it is a true compromise, and I believe it serves the interests of the industry as a whole and will help ensure that American consumers will have a dependable supply of milk and dairy products.

Further, I am extremely proud of the resource conservation title. This package, which includes a conservation reserve, sodbuster and swampbuster programs, is probably the most comprehensive soil conservation package ever to come before the House.

I plan to support the bill. American farmers are in deep trouble and we must keep the legislative process moving, attempting to improve the bill where we can.

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Mr. ROBERTS. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Chairman, I thank my friend and my colleague from Kansas [Mr. ROBERTS], and before I give my general comments on the most important piece of agricultural legislation since the 1930's; yes, this 1985 farm bill, I want to offer my congratulations to Chairman DE LA GARZA and our ranking member, the gentleman from Illinois [Mr. MADIGAN], for the able leadership and the demonstrated competence that both of these individuals handled this tough, tough situation that we have in agriculture today.

Now there are problems, and there is a depression, and a crisis, and severe stress facing agriculture producers, American farmers, all across rural America and in the 10th district in mid-Michigan. I think my producers, my farmers are no different than the symptoms and the problems facing farmers across this land.

These are human problems involving families, and men, and women, young, and old; and we have a rich tradition in this country, of agriculture. It is a fabric and a vibrancy that has helped this great land. I recognize this as an advocate for agriculture, in seeing the problems we have in Michigan.

These problems, yes, are severe, and they are many. From low, low prices—I see it at B&W Co-op in Brecken-

ridge, MI; corn at 188—we have severe problems. Land values that have deteriorated in some instances across this country by 60 percent; a high exchange rate, a strong value of the dollar means that our agricultural exports are not priced competitive on world markets.

We see unfair foreign subsidies impacting what American producers receive, and can we sell products on foreign markets.

Some folks say some of these problems have been brought on by the farmer. I wholeheartedly reject that, because the farmers didn't cause high interest rates or the strong value of the dollar, or did not bring the grain embargoes which have caused some of the problems we have had.

No on each of those three points. The Government caused the high interest rates and the strong value of the dollar, and the grain embargo; as a matter of fact, I think that the Federal Government has aided, and abetted, encouraged, and enhanced many of the problems facing agriculture today.

Farmers do not want a handout, no, sir; but they need help to get through these tough times particularly when many of the problems they are facing have been caused by the Government itself.

Now, I think there are many positive thrusts in the 1985 farm bill; the conservation reserve that Mr. JONES spoke of, and tough sodbusting provisions coupling with the conservation reserve to get some of that fragile, highly erodable ground out of production.

I think we have seen efforts on the trade side; a bonus commodity program, a baker's dozen approach to compensate for that strong value of the dollar. Export certificates.

We see strong sugar legislation, maintaining that existing program, because I know many of my sugar beet growers in mid-Michigan is the only means of stable income when we have seen such a drop and a shortfall in prices; and that is an important aspect of this bill.

We are maintaining income bridges with deficiency payments, and the nonrecourse loan. We had very strong cargo preference language which we will come and revisit in this body, to help address the unfair level playing field of the high dollar, unfair subsidies, and that tax, that end cost where it hits farmers right in the juglar due to the cargo preference problems.

Now, mind you, there are some controversial measures that this body indeed will debate and discuss next week, and I will be a part of that as well.

Mr. Chairman, I think it is important that we all realize that this farm bill is not perfect, and it would be far easier for all of us to draft and craft a bill for our own district or for our own State; but the situation is not that simple.

During the debate, I would urge my colleagues that we work for a couple of goals: No. 1, let us provide some hope for today to American farmers; try to minimize the hardship. Find ways to provide some income and better prices for farmers and rural America that are under great hardship.

There is a fabric and a linkage between a healthy and strong small business community; the merchant, the hardware storeowner, in a rural area and a healthy agriculture. It is a two-way street. It is a linkage, and it is part of that fabric that has made this country so sound.

I think, in addition, for hope for today, we need to have some hope for tomorrow, for long-term prosperity in Agriculture.

I will close with one comment, Mr. Chairman. I read a book the other day, and took out a page. It is by Louis L'Amour, called "Hondo."

A father and a daughter were talking and the father said:

"We hold" the land "in trust for tomorrow. We take our living from it, but we must leave it rich for your son and for his sons and for all of those who shall follow."

I think we need to remember that; that we keep this tradition and fabric of agriculture rich and prosperous; and those are the deliberations and those are the discussions that we will have. Hope for today, and some opportunity for healthy, long-term agriculture.

Those are our goals and our efforts in this farm bill.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. BEDELL], chairman of the Subcommittee on Department Operations, Research, and Foreign Agriculture.

Mr. BEDELL. I thank the chairman for yielding, and I would like to associate myself with the remarks that were just made by the gentleman from Michigan Mr. [SCHUETTE].

Mr. Chairman, we do not have to repeat the problems that exist in agriculture today; the fact is that agriculture is in trouble, and we can either do something about it or we can say no, we are not going to worry about it.

I think the committee has really addressed this problem very actively. Let me tell you that I support what that committee has done on the various commodities, and I think we need to hold that together; because whereas sugar may not have much to do with my people, or peanuts, the fact is we are either going to work together and try to help each other, or we are going to continue to have problems in different areas.

It is no secret that my amendment is one of the major parts of this bill. There is a lot of misunderstanding of my amendment and what it would do. My amendment would simply say that first of all, we are going to try to give farmers better farm income; and if we are going to solve our farm problem we have to do that.

Second, it would say we are going to have the strongest export program we can possibly have, and wherever prices go, we are going to meet those prices and stay competitive.

Third, it says that we are going to have a program which will cost the taxpayers even less, if the farmers vote for it, than what it would otherwise cost.

Finally, we are going to say maybe the farmers ought to have a say in what their program is going to be, and maybe they should get to have a vote.

I cannot understand why people would say that farmers should not have any opportunity to vote on what their future should be. I will say that I think we need to hold this bill together; I think we need to prevent weakening amendments that may be offered for any commodities, and I want to again commend the chairman for what he has done and I want to commend the committee for the way they have worked on things—we have not always agreed on everything, but at least we have worked hard together, and I believe that what we have come out with is generally as good as we could have hoped for under the circumstances.

I sincerely believe, Mr. Chairman, that an objective reading of the Bedell provision will show that it is the only farm program proposal to simultaneously: First, offer the hope of improved farm income; second, provide farmers the opportunity to vote on a new direction in farm policy; third, assure that wheat and feed grain prices become competitive in the export market; Fourth, allow livestock and dairy producers to grow and feed as much of their own grain as they wish; and fifth, keep farm spending within the levels required by the budget resolution.

Mr. Chairman, the deepening credit crisis in agriculture, and the months of hearings, and debate which proceeded committee consideration of the 1985 farm bill, have produced calls that a new farm bill meet two important tests.

First, in light of the worsening farm credit crisis, many in agriculture have expressed the belief that new farm legislation must offer the prospect of increased farm income. Second, they have also stressed that, because of the perception that traditional farm programs have failed in their intended purpose to maintain farm income and preserve the family farm, farm programs for the remainder of the decade must reflect an innovative and significant new direction in farm policy.

The voluntary marketing certificate program—the Bedell provision embodied in title VA of H.R. 2100—has envolved in an effort to meet these two tests. Furthermore, because of the fundamental shift which the

proposal represents from current farm programs, farmers are provided an opportunity, in the form of a referendum, to accept or reject this policy alternative.

The program was conceived out of recognition that farmers receive their income from only two sources: the Government and the market. During an era of budget restraint, in which agriculture must absorb its share of budget reductions, it is apparent that fewer Federal funds will be available for basic farm price support programs. Consequently, if farmers are to receive higher farm income—and they must if agriculture is to weather its current crisis—then farmers have to rely on the market for more of their income.

The market for agriculture includes both foreign and domestic sales. Currently, the outlook for exports sales, most observers agree, does not look bright even assuming enactment of subsidy programs or reductions in commodity price support levels. Thus higher prices obtained in the domestic market offer the only real hope of increasing farm prices and sustaining farmers' income.

Although the marketing certificate program seeks to obtain increase farm income from domestic sales, it by no means concedes to our foreign competitors any advantage in completing for international sales. In fact, the marketing certificate program, through its mandatory export subsidy provisions, absolutely assures that U.S. exports of wheat and feed grains will be fully price competitive with those of other countries.

The marketing certificate program is designed to achieve improved farm prices while minimizing any adverse impact on the domestic livestock or dairy industry. Under the program livestock producers may opt to forego eligibility for price support loans and marketing certificates, and plant fence row to fence row, as long as all the grain they produce is consumed on provisions would result in a 3-year savings of $5.4 billion, well under the savings required by the budget resolution and nearly $1.6 billion less than the underlying provisions of H.R. 2100. The savings are achieved even after including the cost of the aggressive export subsidy program included in the provision.

Mr. Chairman, in 1932, during extremely difficult times in agriculture not unlike the farm crisis we face today, Franklin D. Roosevelt declared:

> The country needs and, unless I mistake its temper, the country demands bold, persistent experimentation. It is commonsense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something.

Mr. Chairman, we have heard the empty rhetoric and we have seen the hand-wringing by those who claim that we must have better prices in agriculture. However, many of these same individuals seem prepared to endorse a program that by all estimates will lead to still lower prices in agriculture and force many thousands more off the farm. These same individuals have criticized alternative proposals, but they have failed to offer one of their own. I have placed the voluntary marketing certificate program on the table because the times demand that we heed Franklin Roosevelt's challenge and give farmers the chance to try something new in agriculture.

I urge my colleagues to give H.R. 2100 their full support, and to oppose any weakening amendments.

Mr. ROBERTS. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Montana [Mr. MARLENEE], the ranking member on the Subcommittee on Wheat, Soybeans, and Feed Grains.

Mr. MARLENEE. Mr. Chairman, this is the most important farm bill in our history. Never has there been a crisis of this magnitude in agriculture and never has the agriculture industry in America been in such urgent need of responsible farm policy.

There are many provisions in this bill that meet this challenge. Regretfully, however, there are some major provisions in the bill as reported out of the House Agriculture Committee which I will strongly oppose.

Farmers are not looking for Government paychecks, enormous bailouts or outright handouts. Farmers want policy tools that will enable them to compete in a cut-throat world grain market. That is all—just to compete. If American agriculture is allowed to compete, it will win. Given the opportunity, American agriculture will be both successful and profitable.

During a 3-week period this spring, the United States lost 1.3 million metric tons in wheat sales. France and Argentina underbid us by about $25 per ton. This type of drastic underbidding, once extraordinary, is now common, and the United States is always on the losing end. It is not the farmer's fault, but they are forced to shoulder the burden.

We can regain world markets, and this goal is paramount if the 1985 farm bill is going to be successful. The problem is this:

Current farm programs do not address the problems facing agriculture and ignore solutions to help us compete on the world grain market. Agriculture will continue to suffer until the problems are properly addressed.

The underlying wheat and feed grains provisions—called the Foley-Marlenee provisions—meet the challenge of the crisis in agriculture. The Foley-Marlenee language provides basic income protection and policy tools to make U.S. wheat competitive on the world market. While it isn't a perfect program, it represents a significant improvement over current programs and offers stability to producers. It also gives producers an opportunity to make long-range farm management plans, which has been sadly lacking during recent programs.

Foley-Marlenee retains the current target price of $4.38 per bushel and establishes a fluctuating loan rate designed to make U.S. wheat attractive to potential world buyers.

It is a straightforward, basic program that will provide income protection and enable competitive pricing of wheat and feed gains.

Our original proposal was to freeze wheat and feed grain target prices for 2 years at 1985 levels—$4.38/bushel for wheat and $3.03/bushel for corn—with a lowering of 5 percent in 1988 and 1989. However, the Glickman amendment, which I supported, prevents the Secretary from lowering the target in 1988 and 1989 unless the costs of production for wheat and feed grains is 5-percent less than the previous crop year.

Our underlying provisions with the Glickman amendment provides the surest means of protecting income to farmers during the current period of financial stress.

Loan rates will be subject to increased flexibility to enable competitive pricing of wheat and feed grains. The basic loan can be reduced by not more than 5 percent. In addition, the proposal expands the Findley provision by giving the Secretary of Agriculture authority to reduce loans up to 20 percent. If the Secretary were to initiate both of these loan authorities to the maximum, a 25-percent reduction would be implemented.

The continuation of the target price program and the expansion of Findley provision authority will produce market results.

I would emphasize that the National Association of Wheat Growers support the position we have taken. Likewise, the Montana Grain Growers Association also supports the income protection provided by the bill and the setting of loan rates at world-competitive levels.

The committee also approved two discretionary export programs. Under the export certificate program, which I sponsored, producers of wheat and feed grains could be given export certificates for the percentage of their crop available for export—excluding the promotion of the crop expected to be added to carryover stocks. The certificates would be given a cash value and the Agriculture Department would redeem them from exporters, thus providing producers with a possible source of income and allowing exporters to sell abroad at more competitive prices. Under the other plan, producers of wheat and feed grains would be given export marketing certificates for the percentage of their crop estimated to be destined for export. These marketing certificates would have no face cash value, but exporters would be required to hold certificates when they exported grain.

In sum, the underlying provisions for wheat and feed grains will provide

income protection, long term continuity and stability and will allow our products to become world market competitive without taking it out of the pockets of the producer.

Regretfully, on the last day of full committee consideration an amendment was accepted to the wheat and geed grain provisions already discussed which could have a devastating effect on American agriculture and on our exporting ability.

Before reporting out the bill, the committee approved a provision for a producer referendum on marketing certificates for wheat and feed grains. If 60 percent or more of the producers of wheat and feed grains, including at least 50 percent of the wheat and 50 percent of the feed grain producers, vote affirmatively, then marketing certificates would be in effect for the 2 following years. I have consistently voiced my concern about the severe mandatory supply controls which could require set asides of up to 50 percent that have been a part of all referendum proposals before the House Agriculture Committee. The referendum language reported by the committee is a back door mandatory control program based on marketing certificates. With this provision producers must participate in Government programs to receive the marketing certificates. Those not in the program would be required to either consume their production on their farm or sell the grain for export at world prices. While this is supposedly a voluntary program, all of agriculture would be impacted by the program. Those in the program would have to sharply cut production to meet a shrinking demand base, perhaps as much as 50 percent. Livestock and poultry producers who purchase feed grains would face a rapid increase in feed costs. Those grain producers outside the program and producing for export markets would face Government subsidized competition from those inside the program.

I will continue to argue against the referendum approach to farm programs as long as the provisions that would be triggered by such a referendum dictate a strong mandatory supply program. This program will further involve Government in agriculture and will not help our individual producers.

There are some very subtle and threatening parts of the conservation title of H.R. 2100 as adopted by the committee. This legislation would require the Secretary of Agriculture to withhold all farm program benefits, as well as Farmers Home Administration loans and Federal Crop Insurance, from any producers who break out even a minute amount of highly erodible soil that has not been in production since 1980.

Also included in the bill is a swampbuster provision that would deny farm program benefits to farmers who convert wetlands to any crop use.

The average producer, and all of us, are rightly concerned about the massive plow-outs we have witnessed in recent years. However, in this legislation, the committee has lost the goal of stopping sod-busting and instead seems to want a program of environmental control. Such actions pave the road of regulations through the producer's front door right up to the kitchen table, which leads to the question—who's going to control the environment on the farm, the producer or Government agencies?

In the meantime, does this bill actually stop the massive sod-busting that it purports to address? The answer is no. While farm program benefits are one incentive for the massive breakage of land that is done by sod-busting speculators, their chief incentives are the doubled resale value of the broken land and increased borrowing power. It is the quick money mentality of the speculator that must be addressed by soil conservation legislation.

How many producers will unknowingly plow a handful of marginal acres in order to streamline a field, only to discover that he has lost all of his farm program benefits in the process? How many producers will plow up a field that he had farmed for years, but has had in a cover crop since 1979, in his field rotation cycle only to find out that he has lost all farm program benefits? My estimate is quite a few.

The bill also includes a good long-term conservation reserve to remove up to 25 million acres of cropland from production and place that land into a conserving use. This provision will help reduce our surplus production, and producers will receive the necessary incentive and assistance to carry this out.

However, it is vital that our farmers know that once they place this land into the conservation reserve, this land is subject to the sod-buster provisions of the bill when their contracts expire. Farmers must be told this up front, and be offered a conservation plan by the Soil Conservation Service upon the producer's request.

I have discussed this matter with the Assistant Secretary of Natural Resources and Environment of USDA, and I have been assured that the Soil Conservation Service is willing to work with us to see that this is accomplished. It is absolutely vital that farmers know what they must do to bring this land back into production.

The committee has addressed an issue of great concern to our family farmers—the threatened elimination of an effective crop insurance program by the management of the Federal Crop Insurance Corporation.

An effective crop insurance program is vital for our family farmers. The ability to obtain proper levels of crop insurance coverage can protect our already embattled producers from total ruin.

The management of the Corporation has proposed changes in the methods of determining levels of insurance coverage for farmers that would force countless producers out of the program, and possibly out of farming altogether.

The committee recognized this danger and has included report language in the bill that expresses the opinion of the committee that the Corporation must not make changes that unfairly lower insurance coverage for our farmers.

The House Agriculture Committee worked hard to produce responsible titles. However, it is my belief that our farmers, first and foremost, want stability income protection and continuity in their farm legislation. In my view, a mandatory supply program is the weakest part of the legislation that the committee reported. A possible referendum vote that could occur each year, triggering a different farm program, would not give the farmer a consistent and stable farm program. Also, mandatory production controls would effectively eliminate U.S. commercial sales of wheat, and exports of corn and soybeans would decline dramatically.

I believe along with my chairman that we have a good product for these times, one that will protect income and provide for export sales.

□ 1355

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. OLIN], a distinguished member of our committee.

Mr. OLIN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of enacting a good farm bill. We need one. I would like to commend the chairman for his work and skill in bringing this farm bill to the floor of the House. Most of the bill has very broad support. I think there are a few aspects of it that need to be modified a bit. One of those is the dairy title. I will be offering an amendment.

I represent nine counties in Virginia. I have the two largest dairy counties in the State. There is dairy in every part of the district. My dairy people want a policy that gives them predictability and stability so they can plan. None of these dairy farmers are planning on going bankrupt. They are urging me to go ahead with the program I am proposing.

I would like to talk about the cost just for a minute. In recent years, the CCC purchases have been in the range of 8 billion, 10, 13, 16 billion pounds of

milk, running anywhere between 1½ and 2 billion. We need to get those surpluses down and keep them down. My amendment would do that. The only cost of the amendment is CCC purchases. They will reduce every year, starting next year. By the third year, they will be lower than those in the committee bill. By the fifth year, they will be at $600 million, half of today's cost or less.

The committee bill will require continual CCC purchases over $1 billion or other subsidies, 1.1 billion every year. That bill will cost $500 million more than I am proposing. On top of that, the taxpayers will pay for the additional cost of milk for the Government food program of about $2 billion over the term of the bill. The consumer is probably going to pay something like $11.5 billion more for their milk.

There is no question at all in my mind that the program I am proposing is going to be good both for the farmers and good for the country.

I urge the Members to support the amendment.

Mr. ROBERTS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Chairman, I think all of us on the committee have mixed emotions about what we are fixing to undertake, consideration of a farm bill. I think we are glad it is here. I think many of us have mixed emotions about various portions of it. I would like to say that I commend the chairman, the gentleman from Texas, and the ranking minority member, the gentleman from Illinois, and every member of the committee for what I feel was a very bipartisan effort in developing legislation for probably one of the most significant parts of our economy today, certainly one which I think is probably in more of a distressed condition than almost any other segment. While many of us may have differed in the direction we wanted to go, I think each of us had the same objective in mind of where we wanted to be. And that was in developing some type of a farm program which we all know in itself is not the salvation to agriculture but which is a significant part of it, in developing a type of program which provides some income protection to agriculture. I do not believe in my lifetime I have ever seen agriculture in such a distressed state. I think, because of that, that we have also got to recognize the potential of maybe having to do some things that in normal conditions we may not do, because I see this as the potential of losing rural America as we basically know it today.

I think if that changes, if we continue to see the problems that agriculture is facing continue over the next several months, we may not be able to reverse the trend that we have now in rural America.

I think it is imperative that all of us look at the problem for a bipartisan standpoint and look at the problem with an understanding of what type of assistance we can provide without gouging some other segment of the market, without gouging some other segment of the end user of agriculture products, but to provide some income protection for agriculture, to provide an opportunity for a farmer to make a profit.

I do not know of any problems that we have today in agriculture that would not be solved if the farmer were able to make a profit. The credit problems which we are going to undertake very soon and try to deal with I think can be solved if the farmer can make a profit.

I think that this Government can compete with any government in the world. I think that our farmers can compete with any farmers in the world. But I do not think it is fair to put our farmers against other governments, and that basically is what we are doing. And until we can bring under control that type of unfair competition in world markets, I think it may be necessary for us as a body and for us as a government to deal with the problems of agriculture in a way that again we might not want to do in a more long-term situation and certainly one that we might not want to do any other time if agriculture was not in the distressed state that it is in.

I think it is imperative that we deal with the problem, that we recognize the problem, that we try to do something realistic, something responsible and something that can change.

In the past 4 years of the current agricultural program, this Government has expended more money than at any other time, and yet I think agriculture today is probably in worse shape than it has been at any other time.

Money is not the answer. It is not simply throwing money after the problem that cures it. It is the policy that we establish in a farm bill, it is the policy that we establish in trade relations, and it is the policy that we establish in overall economic factors that I think really have the effect on agriculture and really what is going to bring it back. No farm bill itself is going to solve the problem that we are facing in agriculture. It can go a long way toward solving it, but I think that we have got to recognize that there are many other things, as well, that have got to be done.

Again, I appreciate the work of the committee, of every member of the committee, and their sincerity, in trying to deal with the problem. And, again, while it has been that we may have differed from time to time on certain directions, I think the final point and that of providing some stability in agriculture is a goal that we have all sought, and I hope within the next few days that we can reach that goal here in this body.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. WHITLEY], chairman of our Subcommittee on Forests, Family Farms, and Energy.

Mr. WHITLEY. I want to thank the chairman for yielding, and I, too, want to begin my remarks by commending all of our colleagues on the committee for an outstanding job. This is the third 4-year farm bill, and thanks to the gentleman from Texas [Mr. STENHOLM] and his amendment, this may be a 5-year farm bill if we pass it in its present form; but this is the third that I have had an opportunity to participate in putting together, and I can assure all of my colleagues that they get more difficult each time.

In this situation, we were under the constraints of a very tight budget. I think all of us knew things that we would like to do and perhaps ought to do to help the farmers and help agriculture, but in every case these things were expensive, they cost money. So we had to try to restrict ourselves in every instance and in every category to those things that would total to an aggregate amount less than that which the budget called for or within the budget. And I might add that I am very proud of my colleagues for having done this, and I think it is significant that the other body, the Agriculture Committee in the other body, was not able to achieve this objective and, as I understand it, they reported a bill to their floor that exceeds the amount provided in the congressional budget.

I wish that we could say we have solved all of the problems of the farmers of this country in this farm bill, but we cannot. I wish we could say that we have solved all of the problems of any segment of American agriculture in this farm bill, but we have not. Those problems go too deep, those problems involve the high dollar overseas, those problems involve the various high cost of production, those problems involve dropping values of land, those problems involve high interest rates. They involve a great number of things that are not within the jurisdiction of our committee and which our committee cannot address in a farm bill.

But I think we have addressed and addressed as effectively as we could those things that were within our jurisdiction. Mr. Chairman, if the family farm is not to be an endangered species, we need to do as much as we can and we need to do what we have done in this farm bill.

Mr. ROBERTS. Mr. Chairman, I yield 3 minutes to my friend and col-

league, the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, today we are finally beginning to talk about one of the most important pieces of legislation that will appear before this Congress. American farmers have been waiting for the new farm bill for some time now. Some of them have not been able to hang on until now—and even more may not be able to hang on until next year. It is imperative that the Congress pass, and the President sign, a farm bill that will provide programs for American farmers that will help create an economic climate where they can once again prosper, and earn a reasonable income for their hard work and investment.

Although the farming population of this country is depending on us for help, this is not simply a rural or an agricultural issue—it is a national issue. I want to remind all of my colleagues, the citizens of the United States are, at this time, fed better and fed cheaper by our farmers than the citizens of any other country in the world. According to the USDA's Economic Research Service, in the United States only 12.7 percent of a family's average expenditures go for food; in Canada, just to the north, it is 15.2 percent of expenditures; in Great Britain it is 16.5 percent; in Australia it is 17.3 percent; in France it is 18 percent; in Germany it is 19.5 percent; in the Soviet Union it is 25.6 percent; and in Italy it is 27.2 percent. We cannot allow American agriculture to be removed from the control of family farmers, because if that were to happen the result would obviously be devastating.

In order to reach a consensus on the 1985 farm bill the Members of the House must work together: Democrats and Republicans, liberals and conservatives, urban Members and rural Members. This is the kind of cooperation between Members of Congress we must have in order to pass a new farm bill that will put our farmers back on the path of prosperity; and by putting them back on the path of prosperity we will ensure that American consumers continue to receive the very best in terms of their food supply.

Mr. Chairman, H.R. 2100, as it was reported from the Agriculture Committee, is not a panacea. I am sure I speak for all the members of that committee when I say that if there was a single button we could push to cure all the ills of agriculture we would do just that. But, there isn't, and there is no sense in wishing that there was. On the other hand, we have to work to benefit the national economy by lowering interest rates, by finding and exploiting new export markets, by reducing the deficit, by stabilizing the U.S. dollar at a reasonable rate, and by bolstering our economy in general to restore financial stability to the farm, so to speak.

I don't believe you could find anyone who likes each and every line of the 1985 farm bill, but the point is that the Agriculture Committee has worked to write a bill that will benefit everybody. We have listened to every producers' organization and we have tried to report a bill that will address everyone's problems as a whole. Some fine tuning still needs to be done and we must continue here in the whole House to do what we did in committee—produce the best bill we possibly can.

Our farmers aren't asking for giveaways. They just want the help they need to pull them through these very difficult times in agriculture. The help they are looking for won't be found in the failed policies of the past. We must move the Government out of control of agriculture, because that governmental interference is one of the main reasons why farmers are in the shape they are today. However, the transition from an agriculture controlled by the Government to one controlled by the farmers can't occur over night—it must be gradual and it must be orderly. Our farmers have earned that much, they deserve it, and I, for one, think we should give it to them.

Mr. Chairman, I will now turn to several other titles of H.R. 2100. Three titles involve issues related to food assistance and nutrition programs. For the past 2½ years I have served on the subcommittee responsible for several of these programs. I have traveled across the United States and have participated in hearings, visited soup kitchens, welfare offices, and other sites serving low income people. I do not question that there are individuals and families in need—I have seen them myself. Nor do I question that there are programs—both public and private—out there to help.

USDA food assistance programs provided $19.5 billion to needy people in 1984. Overall, in 1984, $80 billion in Federal and State assistance went to individuals and families who are in need. In addition almost $65 billion was donated, 83 percent of which was donated by individuals, to help their neighbors and communities.

The need is great and the response has matched it.

Within these three titles there are many positive measures. The Food Stamp Program, the Temporary Emergeny Food Assistance Program, and the Commodity Supplemental Food Program are reauthorized; a Mandatory Work and Employment Program, designed by States, is included; monthly reporting and retrospective budgeting is better targeted; a Nutrition Education Program which strengthens the Expanded Food and Nutrition Education Program is authorized; and the USDA nutrition monitoring is expanded. All of these are worthy of support and I do support them.

The Food Stamp Program itself serves on the average of over 22 million people per month—in 1984 it is estimated that 38 million people were helped by the Food Stamp Program—up from a 35.3-million figure in 1980. Some of these same people—and more—are helped by the other USDA food assistance programs. These are basically good programs. In fact, I believe the Food Stamp Program is significantly improved by one provision in H.R. 2100—that is the Mandatory Employment and Training Program.

I believe in work programs and I do not believe we should get hung up on terminology. If someone does not like Workfare but agrees with the concept of work for able-bodied people—change the name, call it something else.

I believe that successful work programs, those in which the goal is to return able-bodied individuals to employment, must use a mixture of methods to achieve the goals.

Able-bodied individuals participating in the Food Stamp Program have varied work backgrounds. Some are only temporarily out of work. Others need help in finding work. Still others need to be trained in the special skills needed to get and keep a job.

That is why no one work program can be successful for all able-bodied individuals. Yet, I believe it is imperative that all public assistance programs require, and then help, able-bodied individuals to become employed.

There is a basic rationale behind this concept. The taxpayers of our country furnish the money for the Food Stamp and other programs. Their support or lack of it can determine the success of these programs.

One reason that the Food Stamp Program periodically suffers from a poor image is that it is such a visible program, as stamps are exchanged for goods in the grocery stores.

It, at times, is a program which the public believes is abused. I know when I ask my constituents if they believe able-bodied people should work or look for employment in return for their benefits, an overwhelming majority agree.

I see results of similar opinion polls in the CONGRESSIONAL RECORD and they reflect the same belief whether the Member conducting the poll is a Democrat or Republican.

Conversely, I believe most people want to work. I believe they would prefer to work for a living rather than rely on public assistance. Some lack basic skills needed to find and keep employment.

For both these reasons, the public support and help to the participants, public assistance programs must incorporate elements that will return able-

bodied individuals to work. H.R. 2100 does accomplish this goal.

However, there are several provisions within title 15 with which I do not agree. I offered an amendment in committee—which failed on a 22 to 21 vote—to delete additional spending in the Food Stamp Program. My amendment would have reduced the cost of H.R. 2100 by over $1 billion by 1988—by 1990 it would have reduced the cost by over $2 billion.

My amendment deletes much of the additional spending contained in the committee bill for food stamps. It does not cut benefits. I urge you to look at my amendment carefully. It takes out the add on's. It allows all cost-of-living adjustments for benefits and deductions.

Under my amendment the thrifty food plan for a family of four will increase from the present level of $264 per month to $295 per month by 1988. The standard deduction will increase from $95 per month to $107 per month. The shelter/dependent care deduction will increase from $134 per month to $152 per month. All increases are provided for in the act and my amendment does not change that. This is not a freeze amendment. Growth is allowed and accommodated.

My amendment removes the add on's. The committee bill increases benefits and deductions over and above the cost-of-living adjustments. The committee bill expands the Food Stamp Program; adopts methods of adjusting benefits and deductions that were repudiated by the Carter administration; and reinstates reforms of 1981 and 1982—such as outreach. In addition the amount of money to be provided for food assistance in Puerto Rico is increased by $370 million by 1990—providing a total amount of almost $4½ billion. And yet this increase in spending is described as a savings of $208 million.

I urge you to support my amendment. You will be giving cost-of-living adjustments to the food stamp participants. Benefits will go up and deductions will increase.

I urge you to support my amendment.

I would like to mention one additional area concerning H.R. 2100. That is the Temporary Emergency Food Assistance Program. As you may know this program is reauthorized and administrative funding is provided for 2 years.

I offered an amendment to this program that requires the Secretary of Agriculture to submit a report once a year to the Congress that assess the impact of the distribution of surplus commodities on commercial sales of similar commodities.

Unfortunately, the description of my amendment was omitted from the committee report on H.R. 2100. I thank the chairman of the committee for explaining this occurrence and for correcting the record.

The TEFAP Act requires the Secretary of Agriculture to assure that commodities distributed under the program not be made available in quantities that are determined to result in substitution for commercial market sales. The determination is made by the Secretary.

According to a recent report by the USDA, substantial commercial displacement of margarine has occurred as a result of USDA butter donations. This report, authored by Dr. James Zellner of the Economic Research Service of USDA, indicated that during the 34 months of TEFAP operations an estimated 428 million pounds of butter were donated, displacing 370 million pounds of margarine. For fiscal year 1985, the USDA estimates a $69 million loss in retail sales of margarine as a result of butter donations, and assuming the margarine displaced was derived from soybean oil, a $55 million reduction in soybean growers' receipts. The committee also received testimony indicating a negative impact on employment and manufacturing within the margarine industry as a result of commercial displacement due to TEFAP butter donations. In response to the reports of margarine displacement, the USDA reduced by half the level of margarine butter donations effective August 1, 1985, from a monthly average of 12 million to 6 million pounds.

The committee is concerned about the degree of estimated displacement of commercial margarine sales due to the volume of butter released under the TEFAP Program. The committee is likewise concerned that future donations of other products may have similarly negative consequences on other commercial sales and expects the Secretary of Agriculture to monitor this carefully. The committee bill maintains the current law language restricting donation of commodities in quantities that the Secretary, in his discretion, determines will result in substitution for commercial purchases. To assure that the Secretary will monitor this more carefully, the committee has added a requirement for an annual report to Congress, on the occurrence and extent of any such displacement or substitution. The committee expects the Secretary to provide this report by January 1 of each year.

□ 1410

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. I thank the gentleman for yielding me this time.

Mr. Chairman, first of all, I want to commend all of my colleagues, but particularly the leadership on the committee for their hard work over these past several difficult months in crafting a farm bill. I have in my hands an article from the Minneapolis Newspaper which has the headline: "Earnings of Full-Time Farmers in State Drop to a Thirty-Year Low." That is the story in farm country all across America. And while we must deal with budget policies that will help us to bring interest rates down and will help us to bring the value of the dollar down so we can regain our exports, we also must deal in this farm bill with income for farmers and do everything we can in this farm bill to provide a better price for agriculture.

I have a chart that demonstrates what has happened to prices for corn and beans in my State at a local elevator in just the last few months. We started keeping these records back in July, and on July 26, new corn was at $2.01. Today, new corn stands at $1.90. On July 26, new beans stood at $5.04. Today, those prices are $4.82.

We are not going to solve the agricultural crisis if prices continue to decline. Farmers need an income; farmers need a profit. Total income lost to farmers in Minnesota because of that kind of price reduction in all commodities totaled $335 million just in the 2-month timeframe from July 9 to September 9. So just in 2 months, because of a drop in prices for every commodity for agriculture, farmers in our State alone lost $335 million in income. Now, you are not going to take care of a $250-billion farm debt in America when you are losing income at that kind of a rate in American agriculture.

This bill is not a perfect package, but at the very least we must approve this measure to sustain income for farmers, and with the Bedell amendment, we have an opportunity to in fact increase income for agriculture in wheat and in grains. This farm bill could be improved by amendments that will be adopted along the way, but we ought to keep the focus on supporting amendments that improve price for farmers and vote down those amendments that would pull price out from under farm products.

Mr. ROBERTS. Mr. Chairman, I yield 4 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to commend the chairman of the committee, my good friend, Mr. KIKA DE LA GARZA, ED MADIGAN, PAT ROBERTS, and all of the members of the Agriculture Committee who have worked with so much ability and so much dedication to craft this bill.

As the Representative from the second most agricultural district in the Nation, I want to comment about some of the problems that face our agricultural economy as we are addressing H.R. 2100, the Food Security Act of

1985. We have widespread insolvency. Cattle prices are the lowest in 7 years. Our fed cattle are losing $150 a head. Corn prices for fall delivery are below $2. Wheat prices are far below the cost of production. Economists are predicting that the farm income will deteriorate from $34 billion this year to $22 to $23 billion next year. Many of our farm commodities have already plunged to the lowest levels since 1978.

Of course with income down so drastically farmers cannot pay their bills. The farm credit system is in trouble; our banks are in trouble. According to the Federal Reserve System of Kansas City, between October of last year and March of this year 6.5 percent of the farmers in our seven-State region had to close down. With 57,000 farmers left in Nebraska we are closing down right now at the rate of about one farmer per hour.

When you add to this the U.S. dollar that has put a tax on exports so we have lost our export markets, in part of my district the worst drought in 80 years; the worst grasshopper infestation in 30 years; with more bank failures than since the 1930's, and with the greatest decline in land values in history, this situation has grown desperately serious. It not only affects agriculture, but it affects every main street in my rural district, and it will soon affect the main streets in our most urban centers if something is not done about it.

Now, we know that this farm bill is not going to solve all the problems. There are many things that have brought us to the situation we are now in. But it is still one of the most important farm bills in history, and it has many strong points. It has a strong conservation plank; a strong sugar bill; it strengthens exports; it has target prices, deficiency payments, and loans. It is not perfect; there are going to be some amendments that we will need to carefully consider, but against the worst economic picture in half a century, this is a serious attempt to improve profitability and give agriculture a chance to once again have a fair position in world trade, and to once again have a bottom line that can read with a profit.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. I thank the gentleman for yielding me this time.

Mr. Chairman, I first wish to commend the chairman of the Agriculture Committee for his fairness and dedication to work on getting a bill, as good a bill as possible, to the floor of the House, and I think he has done it under the budget constraints and the problems that we have had. It is a bill that has been crafted and delicately put together.

In my opinion, if it starts unraveling, we could very possibly lose the bill on the floor which none of us wish to do. Those of you that are concerned about the sugar, I would just like to point out that that sugar provision, and I have no sugar in my district, but if it would go out and we would have no sugar program, in my estimation we would not have any sugarbeet producers or cane producers in this country in the next 4 or 5 years. And you are going to say to them, "We do not want you anymore."

The second thing that would happen is that in dairy, if that dairy provision, if the amendment of the gentleman from Virginia, cosponsored by the gentleman from Illinois, is adopted, we will have very few dairy producers and only large ones in our country.

□ 1420

Basically, the same thing applies to the Bedell amendment, in my opinion. If that goes out and all we have is what is in the bill, in the regular part of the bill, then net income on the commodities, corn, wheat,will continue to deteriorate in the next 4 years.

What that means in my district is that we are going to lose, and a study has already been made, one-third to one-half of the farmers in northern Missouri, which includes the area of my colleague, the gentleman from Missouri [Mr. COLEMAN] and myself. We already have many banks in financial difficulty. If they cannot make it under today's prices, how do we expect them to make it under lower prices?

So I feel very strongly that we have to have a better provision. I am going to offer an amendment for a mandatory program. I would like to have that kind of program. I think it provides more income for the farmers, at least to let the farmers vote on a better program. But if that fails, for sure we have to have the provision in there for the referendum that has been sponsored by the gentleman from Iowa [Mr. BEDELL].

I feel very strongly that we need to continue that, and I ask for the support of my colleagues in continuing the program in the bill.

Mr. ROBERTS. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, let me begin, like so many of the others before me have, by issuing a very special compliment to our distinguished committee chairman for his patience, cooperation, and leadership in this most difficult of all farm bills.

I would like to begin by sharing a very personal story of something that is happening back in my hometown, in my home school district.

As we talk today, school officials are meeting with the neighboring school to find a way to next year merge these two school districts into one, because the facts are, to provide a quality education, no longer can the taxpayers, and in particular the farmers, the property taxpayers, find a way to make the necessary payments.

What that indicates to me more than anything else is that what we are talking about in the 1985 farm bill is not just the question of what our farm legislation ought to be. Ladies and gentlemen, what we are talking about in the 1985 farm bill is the structure of rural America. Whether we make the right or wrong decisions will determine whether or not we maintain our local schools, hospitals, churches, our rural and social, cultural, historical organizations that are the real fiber of this country.

The farm crisis, I think, is no news to anyone any more. In 1981, we had $31 billion in net farm income. In 1985, it is going to be down to $19 billion. Farm debt is up to $212 billion. Land values in my State of Wisconsin have decreased some 30 percent in the last 5 years. In the neighboring State of Iowa, of course, it is around 50 percent.

All of this is the result of the problems facing agriculture today. Farmers are producing more and more because they are receiving less and less for their product. The production increases the surpluses, which decreases the prices, and that reduces the farmers' net income, which creates, with high interest rates, a major credit crisis. So we in the Agriculture Committee will no more than complete our work on the farm bill before we will already be deeply involved in trying to resolve another farm credit crisis in the Farm Credit Administration this fall, and I suspect a new farm credit next spring when planting season comes before us.

I have suggested since day 1 that we ought to really have three goals in the farm bill: We ought to stabilize farm income, increase it if we can in the short; we ought to find a long-term transition toward more market orientation, not a free market, there is no such thing, but more market orientation, whether we are talking dairy, wheat, and feed grains or other commodities; and third, we have to do all of this and live within our Federal budget. The budget deficit and interest rates are one of the major weapons against the American farmer today.

I would like to take a moment, if I could, to compare the dairy section of the committee proposal, with the major amendment that is going to be offered to it, along this line of farm income.

First of all, the committee proposal says that the farmer ought to have a dairy price support of $11.09 the first year, $11.27 the second, and $11.74 the third. The Olin proposal does just the

opposite. It starts at $11 and goes on down to $9.63 in the third year.

We are looking at a 30- to 60-percent decrease in net farm income under the Olin substitute. Anyone who believes the American family farmer is well enough off today to survive that does not understand what is occurring in American agriculture today.

Second, we want to make a movement toward market orientation, and I would suggest that everyone take a look back at the last dairy diversion program. Within less than 12 months of that program, the American dairy farmer was receiving, not from the Government, not from a support price, but receiving in the market a price approximately a dollar above the Government support.

Is that not the goal of farm legislation, to get the situation in a supply-demand balance so that the price in the market is what the farmer works for and earns and receives, not the Government floor? That ought not to be the ceiling, and clearly under the Olin substitute, the Government floor will be also the farmer's ceiling for many, many years to come.

We need a supply-demand balance in dairy. We are only going to get through a farmer-financed dairy diversion program.

I must make one other comment that I find so ironical, it is sort of hypocritical: That those who say we need a free market in dairy, I say go all the way. Eliminate price support, eliminate marketing orders, let every farmer in America compete against each other for the right to sell on the store shelf, and let the most efficient dairy farmer survive, whenever that happens. They say, "Oh, no; we cannot do that. We do not want to let your farmers in the Midwest compete with our farmers in Virginia, even though through our marketing orders we are getting $2 to $3 more per hundredweight than you are. We do not believe in that kind of a free market. We want our kind of a free market."

Third, we need to take a look at the budget and we need to take a look at budget savings. The fact is that over present policy, the committee proposal in dairy will save some $775 million the first year and over $1.7 billion over the next 3 years.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

Mr. ROBERTS. Mr. Chairman, I will be happy to yield 1 additional minute to the gentleman from Wisconsin.

Mr. GUNDERSON. I thank the gentleman for yielding this additional time to me.

Mr. Chairman, the fact is, then, that we compare that also with the Olin substitute which will be proposed, and the committee proposal saves some $585 million over the Olin amendment in the first year. Over 3 years we save $495 million more than the Olin substitute.

The question is asked, "Wait a minute. We save $585 million the first year but $495 million over 3 years. Why less over 3 years?"

It is very simple. As the gentleman from Vermont before me indicated, under that proposal, what happens is that 48,000 dairy farmers in this country go bankrupt.

I hope that is not the solution of the American Congress.

Mr. Chairman, as we begin deliberations on the 1985 farm bill, I would like to share with you something that is happening back home. When I graduated from my local high school, our class consisted of 89 students. The class enrollments have continued around that number. Yet, today our local school system and the neighboring school system are in the midst of intensive studies and plans to merge the two school systems by next fall. Why? Very simply, the local residents, and especially the farmers, simply cannot afford increased taxes which would be necessary to maintain and provide the adequate education the children of the area deserve.

I share this story with you because it provides in living color the painful realities of life in rural America today. And it presents to this Congress the real specter of our challenge. For we are deciding in this farm bill, not only the Government's agricultural policies for the next 5 years, we are deciding the structure of rural America. Our schools, our churches, our hospitals, our small town main streets—the fabric of America's heartland will be determined by our actions. Let us not underestimate the importance of our actions.

Nor let us underestimate the task at hand. American agriculture is in a crisis. Net farm income has dropped from a high of $31 billion in 1981 to a projected $19.2 billion in 1985. Farm debt is at a staggering $212 billion. Last year the farmer's debt to assest ration reached on all time high of 20.8 and is likely to remain in that range for 1985. Land and assest values are shrinking. In the last 5 years, in my home State of Wisconsin, land values have dropped about 30 percent, with even higher decreases in neighboring Iowa. And many predictions are that values will continue to fall. In the last year, 122,400 farmers have gone out of business, over half due to financial problems.

Last spring we witnessed a major credit crisis in agriculture. It is no wonder, while farm assets drop and farm increase drops that farmer's ability to pay off loans will decrease. For example, in 1981 farmers received a support price of $13.10 for each hundred pounds of milk marketed. That price has consistently dropped over the past 4 years to its present support of $11.60. Similar decreases in prices are evident in wheat, feed grains, and red meat.

The result? In the past few years the Farmer's Home Administration has been forced to substantially increase its expenditures for farm operating loans. In 1980 the Government provided $820 million; today they provide over $2.5 billion. And everyone agrees the demand will be even higher next year. At the same time the farm credit system's $75 billion loan portfolio is under stress like never before. Recently, the Farm Credit Administration announced that they will need the Federal Government to step in and assist them if they are to survive. Quite frankly, unless we act properly in writing a farm bill, the Federal Government will be faced with new indirect costs that make the present cost of the farm bill look like peanuts.

In addition to the stress American agriculture faces within this country, in 1985 we witness a new stress from outside. Like many other sectors of the American economy, agriculture is now facing a challenge from the Third World in our export markets. Industrial and nonindustrial countries are today seeking the same export markets. We have traditionally exported 30 to 40 percent of our wheat and feed grain production. Record harvests at home and abroad, the high value of the dollar, our cargo preference laws, plus other factors all put extreme pressure on us to just maintain, say nothing of increasing, our exports. Of course this in itself presents a major policy question; do we raise prices domestically to help farm income? Of course. But how do we do this and still maintain our export markets?

With these facts as a quick background, let me suggest this Government has three goals to achieve in the 1985 farm bill. First, we must stabilize or increase farm income in the short term; second, we must make a long-term transition to a more market-oriented agriculture; and third, we must achieve these goals within the budget guidelines.

From this perspective let us focus for a moment on the dairy section of the farm bill. No one disputes that there is a surplus of dairy production in this country. As mentioned earlier, as a result of that surplus, the price the farmer receives has consistently decreased from $13.10 to $11.60. During the past 4 years two different policies have been tried to reduce the surplus. Price freezes and price reductions have only resulted in farmers increasing their production. Only once during the past 4 years have we seen a significant decrease in milk production and in Government purchases of surplus milk, that being during the diversion program. That farmer financed program resulted in 4 billion pounds less production, it reduced Government purchases by 8 billion pounds (cutting the total purchases in half), and saved the taxpayers over a billion dollars by cutting the cost of the program from $2.5 billion to $1.5 billion in the 1 year the diversion was in effect.

As we consider the 1985 farm bill, we again face the question of which policy to follow in meeting the goals mentioned previously. How do we maintain if not increase dairy farmer income? Which plan gives us the best chance to move toward a true market oriented dairy policy in the long run? Which policy does the most to

provide cost savings to the budget? Clearly, the committee provisions far exceed the alternative.

In terms of income, the committee proposal provides a dairy support of $11.09 the first year, $11.27 the second year, and $11.74 the third year. Contrast this with the Olin-Michael amendment which provides decreasing support of $11.00 the first year, $10.13 the second year, and only $9.63 the third year. Even more important, if one considers the last diversion program the price the farmer received was actually a dollar above the support price because a supply-demand balance had been achieved. And isn't that our real goal, to have farmers income received in the market, not long years of low Government supports due to surplus production.

Many of my colleagues have suggested that their major concern in this farm bill is to save the family farm structure. I can guarantee you that a drastic support price decrease which will only affect selected areas of the country, such as the midwest, will devastate the family farm. Projections are that net farm income will be reduced between 30 and 60 percent under the Olin proposal. Anyone who believes the family farmer can endure that drastic cut simply does not understand what is happening in American agriculture.

The second basic question is which policy moves us towards a more market oriented policy. Now, first, I want to clarify that there is no such thing as a free market in agriculture. But we still should become more responsive to the market. No one can justify long term production only for the government. But as I mentioned above, if one desires the market pricing mechanism to take over, then the only option is to support the committee proposal. First, the committee proposal will achieve a market price many years sooner than the alternative. Second, it is the committee proposal which through the farmer financed paid diversion will achieve the supply-demand balance necessary to allow us to make the moves toward a more market oriented dairy program.

The hypocrisy of those who promote the Olin-Michel alternative is most evident in this area. They claim because there is too much milk, we should let the market work, and just reduce the price. Every price support reduction in the last 4 years has not reflected in any reduction in the price to the consumer. Likewise those advocating such a proposal do not really believe in the free market philosphy they espouse. I have often suggested that if one wants a true free market in milk, fine, go all the way. Yet proponents of the Olin amendment do not support any change in the Nation's 49 milk marketing orders to allow all farmers to compete equally nationwide for the sale of their milk. It is frankly, rather funny that those living in areas where through market order protection have milk prices $3 and $4 above the Government price support should suggest that areas dependent upon the present price support for their income should take further cuts.

Finally, one must ask which proposal will achieve the most savings along the line of our previously passed budget. I voted against that budget resolution because it does an inadequate job of dealing with the deficit. I do not support increasing defense and cutting agriculture. Yet, that is what is before us. We must live with it.

In the first year, the committee proposal will cost $945 million (including the $200 million to purchase red meat) compared with the Olin proposal costing $1.465 billion. Over 3 years the Olin amendment will cost $495 million more than the committee proposal. Likewise it will result in 3.85 billion pounds more in purchases.

No legislative proposal is ever perfect. Certainly the one before us is not. But if our goal is to live within the budget, yet try and stabilize farm income and establish the environment which would allow us to become more market oriented, the committee proposal is our only alternative.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the Subcommittee on Livestock, Dairy and Poultry, the gentleman from California [Mr. COELHO].

Mr. COELHO. I thank the gentleman for yielding this time to me.

Mr. Chairman, what I would like to do is, first off, thank the chairman of the full committee and the ranking member of the full committee, and also the ranking member of the subcommittee, for the tremendous cooperation that we have had over the past several months in coming up with a dairy program.

Most people felt that we could not come up with something that would meet the objectives of working with all the different dairy groups throughout the country, as well as working with the objectives of people from both sides of the aisle. After the work of many of my colleagues on both sides, we were able to come up with something that made sense for the dairy farmers of this country.

The current cost of the dairy program is $1.7 billion. The cost after the dairy unity bill is put into effect will be a little over $800 million. The difference is being made up by the dairy farmers themselves. They are willing to put up their own money in order to get us to a position where dairy farmers can go back to a market-oriented program.

We need to do that. Everybody understands that. We have too much milk today.

The difference between the Olin-Michel proposal and the dairy unity proposal basically is simple. The Olin-Michel proposal would prefer to put people into bankruptcy and to eliminate dairy farmers. The difference with the dairy unity bill is that what we want to do is to provide a situation where at the end of 2 years we will go back to a market-oriented program where we will have surpluses dictating what the price support should be.

□ 1430

That is what should be done. We should not have deviated from that over the last few years and we will be going back to it. That makes sense.

But the most important thing is that during this period of time price supports will be retained at $11.60. We will keep the dairy farmer in business and be able to get over the current hurdle we have with the dairy farmer in business. That makes sense for the consumer. That makes sense for the dairy farmer and that makes sense for everybody else in the livestock business.

I think it is a good plan and I want to applaud again my colleagues from the Republican side and my colleagues from the Democratic side who were able to work together to come up with this package.

I particularly want to compliment my colleague, the gentleman from Vermont [Mr. JEFFORDS] for working closely with us to bring this about.

Mr. DE LA GARZA. Mr. Chairman, I yield two minutes to the distinguished Chairman of our Subcommittee on Cotton, Rice, and Sugar, the distinguished gentleman from Louisiana [Mr. HUCKABY]

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding.

I would like to just briefly elucidate the essence of the programs on cotton, rice, and sugar.

We are responding to the administration's request on cotton and rice to have a market-oriented program. Our basic loan will be 85 percent of the prior 5 years' price. The target prices for both these commodities will be frozen. We are not decreasing income protection for the farmers.

Unfortunately, the budget did not allow us to increase this income protection.

Mr. Chairman, within the last four years as the value of the dollar has continued to increase, this super high priced dollar has priced us out of many markets. It has actually acted as a surtax, a 30-percent surtax on our exports of cotton, our exports of rice. Hence, they are down significantly today. That is why our market prices this year are rock bottom.

A key provision of our bill mandates that the Secretary must lower the loan rate to be competitive in world markets. He can lower it up to 25 percent.

I understand that the administration is looking for someone to offer an amendment to gut this provision of the bill. I cannot understand why. This is the key and the heart of the bill to enable us to become market competitive once again, so that we can recapture the markets that we had. We can expand our production once again.

Mr. Chairman, the sugar program will be one of the most controversial sections of this entire farm bill. It will be the first provision debated.

We ask for an absolute freeze on the sugar program. I would like to point out to my colleagues that this is actually the first trade vote that you will be making this fall. We support the price of sugar at 18 cents in the United States. The European common market does at 23 cents and the French dump it for 3 cents on the world market and our farmers cannot compete with those farmers.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the Domestic Marketing Consumer Relations, and Nutrition Subcommittee, the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, first of all, let me extend my thanks to the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA], and also the ranking minority member, the gentleman from Illinois [Mr. MADIGAN] for their cooperation in the work we have done on H.R. 2100. In particular, I want to thank my ranking minority member, the gentleman from Missouri [Mr. EMERSON] for the cooperation that he has provided on titles XV, XVI, and XVII of the bill relating to nutrition assistance. We have not always agreed, and yet, he has always been cooperative in the effort to try to find answers to this problem.

H.R. 2100, the Food Security Act of 1985, is the constructive and responsible product of months of hard work by the Committee on Agriculture. Assuming there are no major changes in the bill, I urge my colleagues to support its passage on the House floor. There are many reasons why this bill is worthy of widespread support. As chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, I would like to highlight several areas that are of particular concern to me and hope that the following discussion will influence Members, particularly those from nonagricultural districts, to support this bill.

DOMESTIC HUNGER

Titles XV, XVI, and XVII of H.R. 2100 relate to domestic food assistance and nutrition programs. Title XV and XVI would take affirmative steps to address the current domestic hunger problem by reauthorizing and improving the Food Stamp Program and the Temporary Emergency Food Assistance Program [TEFAP]. Title XVII would augment these efforts by strengthening current programs for nutrition education and nutrition monitoring for low-income households.

Before proceeding further in discussing the domestic hunger issue, I would like to draw Members' attention to an inadvertent error in the committee report (Rept. 99-271, Part 1). By sheer oversight, a small portion of the committee report was omitted. This omitted part described a committee amendment (section 1605 of H.R. 2100) that requires the Secretary to submit an annual report to Congress as to whether and to what extent distribution of TEFAP commodities results in displacement of or substitution for commercial sales of commodities. I understand that the full text of this report language is included in today's statement by Chairman DE LA GARZA on H.R. 2100. I would add that the displacement issue is one of serious concern to those of us who monitor the TEFAP Program. I believe that the omitted portion of the committee report printed today in the RECORD should be treated as legitimate legislative history.

The purpose and need portion of the committee report on H.R. 2100 provides excellent background on the extent of the domestic hunger problem and the need to do something about it. The subcommittee I chair has held repeated hearings around the country on hunger, including several this year. We have visited dozens of soup kitchens and talked with many people involved with the problem. Their message has been uniform and consistent: The hunger problem is real and growing. It is a message confirmed by countless studies and surveys, including a survey of major U.S. cities completed by U.S. Conference of Mayors just several months ago.

Several recent reports and studies also reveal increases in infant mortality and low-birth-weight rates in many areas of the country, and the growing incidence of nutrition-related health problems among children. A relatively high poverty rate, especially among young children, persists. Despite the recently reported decrease in the national poverty rate, approximately one-fourth of all American children below age 6 live in poverty. We are virtually guaranteeing serious social problems and greater costs down the road if we fail to take preventive action now.

Unfortunately, despite all the recent talk about hunger, the Federal response has been inadequate. Private-sector charities and food banks have responded generously to the crisis, but their efforts are falling short. Congress has staved off nutrition cutbacks sought by the administration in addition to those enacted in 1981 and 1982, but has been largely unsuccessful in restoring funding to vital nutrition programs that serve our poorest citizens. Even President Reagan's conservative Task Force on Food Assistance recommended spending increases that have yet to be enacted.

Last year, the House took a positive step by passing the Hunger Relief Act of 1984. Despite the strongly bipartisan 363 to 39 vote, the Senate took no action and the bill died.

H.R. 2100 recommends food assistance improvements that are very similar to those included in last year's Hunger Relief Act. The provisions of H.R. 2100 are moderate in approach and include many of the recommendations of the 1984 President's Task Force on Food Assistance. These provisions are consistent with the assumptions of the budget Congress adopted for fiscal year 1986.

I frankly believe that anyone who supported the Hunger Relief Act last year should support these food assistance provisions this year. The content is very similar and the 3-year costs are nearly identical. Certainly, all of the evidence indicates that the domestic hunger problem is just as severe, if not more so, than last year.

In my view, the key to dealing with the present budget-deficit problem is in knowing where to cut and where to invest in the battle for future savings. For 4 years, I headed the Budget Committee's task force responsible for enforcing reductions in all aspects of Government spending, including popular domestic social programs. One fundamental lesson I learned is that cutbacks in certain programs, such as those that feed the hungry in this country, save us no money at all. In fact, a problem like hunger is so fundamental—and has such a far-reaching effect on the health, education, productivity, and spirit of our citizenry—that even small investments now to combat it are likely to produce significant long-term savings. H.R. 2100 is intended to be this type of investment.

The primary food assistance cost item in H.R. 2100 is a slight increase (approximately 1 percent) in the basis for benefits in the Food Stamp Program. Food stamp benefits are based upon the costs of the Thrifty Food Plan, the lowest cost of four diet plans prepared by USDA. Currently, food stamp benefits lag 3-15 months behind actual Thrifty Food Plan costs; over the past 7 years, benefits have lagged, on average, about 5 percent below actual Thrifty Food Plan costs. H.R. 2100 would simply require that future food stamp benefit adjustments must be 3 months more current than present. This results in an increase of less than 1 cent per person per meal in benefits paid to our neediest citizens. Benefit levels would continue to lag up to 12 months behind actual food costs.

Other key food stamp provisions of the bill would: Increase work incentives by restoring the earned income deduction from 18 percent to 20 percent of earnings and by establishing a separate deduction for dependent care costs; increase the ceiling on the excess-shelter-cost deduction to address the "heat or eat" dilemma faced by many households; liberalize the de-

duction allowed for high medical costs incurred by elderly and disabled households; and adjust assets tests along the lines recommended by the President's Task Force on Food Assistance.

The bill would greatly strengthen and improve current work requirements and opportunities through a new employment and training program that Representative BILL EMERSON and I jointly developed. For the first time, all States would be mandated to establish a program of work, training, or job search, or any combination thereof, for appropriate food stamp participants. Each State would have considerable flexibility in designing a program that best suits its particular needs, including the ability to target the program on those individuals for whom it would be most effective. Increased Federal funding would be provided to assure active participation by the States.

In addition, the bill includes many provisions that simplify Food Stamp Program management and enhance program integrity. Significant incentives for increased use of computers in program administration would be provided, monthly reporting and retrospective budgeting would be targeted to maximize cost-effectiveness, penalties on retailers who violate the act would be strengthened, and simplified application and benefit determination procedures would be encouraged.

I am concerned, however, that a floor amendment to H.R. 2100 may be offered that would negate the positive steps that H.R. 2100 would take to address the domestic hunger situation. I cannot emphasize enough that maintaining the status quo in food program benefits will not make a dent in the hunger problem. If we make no changes in current programs, it would be tantamount to saying we are willing to tolerate the current shameful levels of hunger that now exist in this country.

If such an amendment were to be offered, Members would undoubtedly be inundated with a variety of facts and statistics to justify removing the antihunger provisions of this bill. In sorting through this information, I would hope Members would keep the following points in mind:

First, the provisions of H.R. 2100 would restore only a small portion of the deep food stamp reductions (an estimated $7 billion over the fiscal year 1982–85 period) enacted by the 97th Congress; and

Second, despite the major reported increases in hunger in this country in recent years, food stamp spending has remained constant over the past 3 years. Food stamp expenditures fell from $12.7 billion in fiscal year 1983 to $12.4 billion in fiscal year 1984. Anticipated fiscal year 1985 food stamp costs are about $12.5 billion.

Altogether then, I believe titles XV-XVII of H.R. 2100 represent a balanced and responsible approach toward improving domestic food assistance programs in this country. In my view, we cannot afford not to act on hunger now.

WORLD HUNGER

Over the past year, considerable public attention has focused on world hunger, particularly the desperate situation in Africa. America has been generous in responding to the crisis through both Government and private donations. Yet despite the unprecedented flow of food aid to Africa, there is much left to be accomplished. For the foreseeable future, the demand for emergency food aid to combat starvation will be enormous. Substantial additional aid for emergency health care, water treatment, and transportation is also necessary in the short term. With so many lives literally hanging in the balance, I believe it is imperative that we remain vigilant in providing assistance until the crisis is over.

One of the more common inquiries that I have received from constituents throughout this hunger crisis is: "Why don't we ship the surplus grains and other commodities the Federal Government owns to feed the starving people of Africa?" While the cost of shipping commodities and the task of matching U.S. grain donations with the dietary patterns of recipient nations present complications, the short answer to the question is: We should be doing more. If the United States owns edible commodities that are not otherwise committed to aid farmers, to increase farm exports, or to serve domestic feeding needs, I believe some portion of these commodities should be made available to ease the world hunger situation.

I am pleased that the committee adopted an amendment I offered to section 416 of the Agricultural Act of 1949 with Representative COOPER EVANS to require that greater quantities of uncommitted U.S. surplus commodities be made available for donation overseas. Not only does the amendment expand the variety of commodities available under section 416, but it mandates minimum tonnages, so long as sufficient commodities are available and certain conditions are met.

Under current law, eligible commodities for international distribution under section 416 are limited to dairy products and wheat. However, to date, the Secretary has exercised authority for release of dairy products alone. Despite continuing pressure from Congress and commodity groups, coupled with the increasing demand for wheat donations, the Secretary has inexplicably failed to approve requests for wheat. Given this record, it was necessary to add a minimum tonnage requirement to section 416 so that the Secretary would actually distribute the food. Among the newly eligible commodities for distribution would be uncommitted stocks of corn, rice, grain sorghum, and oilseeds.

This amendment would contribute significantly to international food aid basically for the cost of processing and shipping the commodities. Since the Government already owns the commodities, no new costs would be incurred for special purchases. And, while the cost of shipping this aid is by no means trivial, it represents a sound and humane investment. It is an investment that is far preferable to allowing the food to lie in storage indefinitely, subject to spoilage and waste. Furthermore, disposing of these commodities will lower our surpluses and have a salutary effect on domestic markets.

In sum, I believe that the committee's action to revise section 416 authority is a wise and humane decision. In my mind, there is no more compassionate goal than one that seeks to end the plight of those facing hunger and starvation. I am pleased that the committee has contributed to achieving this goal through section 416(b).

MARKETING ORDER AGREEMENTS

Over nearly a half century, the Agricultural Marketing Agreement Act has served to promote the orderly marketing of agricultural commodities. This has been accomplished by a policy that encourages industry participation in the implementation of 48 current marketing orders affecting milk, fruits, and vegetables.

As chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, I support the fair and effective implementation of marketing orders, including the participation of growers, handlers, and consumers in the regulatory process. During the course of the past few years, I have found it necessary to join many of my House colleagues in objecting to USDA policy decisions and intervention by the Office of Management and Budget in decisions of the Agricultural Marketing Service with respect to marketing order agreements. On several occasions, I have communicated directly with USDA officials concerning possible circumvention of the Agricultural Marketing Agreement Act relating to seasonal referenda proceedings, release of confidential information, termination of orders, and enforcement of violations.

In an effort to clarify the intent of Congress in the administration and enforcement of marketing orders, the Committee approved amendments to the Agricultural Marketing Agreement Act that I endorse. These amendments and explanatory committee report language restate and emphasize congressional support for marketing order

ageements and procedures for implementing them. Amendments adopted by the committee include: an increase in the criminal fine for handler violations of a marketing agreement; the requirement that a voting majority of industry representatives submit their approval prior to termination of a marketing order by the secretary; and a statutory clarification of the confidentiality of records provided to the Secretary by industry groups.

In addition, I am pleased that the committee report reinforces recent action by the Department of Agriculture to ensure that amendments to any marketing order are to be voted on individually in a referendum and that the failure of any one amendment does not terminate the entire order. In addition, the report encourages the Department to pursue fair and effective enforcement of all marketing order agreement violations and allows marketing order administrative committees to retain counsel for hearings and rulemaking proceedings at the discretion of the Secretary.

I am optimistic that the objectives of the Agricultural Marketing agreement Act can be achieved with the cooperation of the Department and affected industry groups. H.R. 2100 and its legislative history are intended to keep the Department on course in its administration of marketing order agreements. In recent years, the Department has attempted to make changes in marketing order policy that I believe are within the authority of Congress. These amendments send a signal to the Department to administer marketing orders in closer compliance with long-standing legislative and regulatory policy.

The following is a summary of the major food assistance provisions of H.R. 2100:

SUMMARY OF MAJOR FOOD ASSISTANCE PROVISIONS OF H.R. 2100

As agreed to by the Committee on Agriculture

(1) IMPROVING FOOD STAMP WORK REQUIREMENTS AND INCENTIVES

For the first time, each State would be required to set up an employment and training program for employable food stamp participants. States would be provided considerable flexibility to design their own program and determine who is to be served. A wide variety of options—job search, job finding clubs, workfare, training, education relating to employment—could be utilized by the States and States would have flexibility to target the program on those employable recipients for whom it is most appropriate.

The earned income deduction would be restored from 18 percent to 20 percent.

A separate deduction for dependent (child) care costs would be established, effective in FY 1987. Currently, only a combined excess shelter/dependent care deduction is available. The ceiling on the dependent care deduction would be set at $160 a month.

(2) IMPROVING FOOD STAMP BENEFIT ADEQUACY AND ACCESSIBILITY

The basis for benefits would be increased slightly (roughly 1 percent) to reflect more accurately the actual costs of the Thrifty Food Plan during the benefit year.

The ceiling on the combined excess shelter/dependent care deduction would be increased to $155 in FY 1986. (In FY 1987, the shelter and dependent care deductions would be split, with the cap on the shelter deduction reflecting the $155 level established in FY 1986, adjusted for inflation.)

The threshold for qualification for the medical deduction for elderly and disabled households would be changed from $35 a month, to 5 percent of gross income or $35 a month, whichever is less.

Assets limitations would be adjusted in a manner similar to the recommendations of the President's Task Force on Food Assistance. Farmers and others would be aided by excluding from assets consideration any property on which a lien has been placed and thus made unavailable for conversion to a liquid asset. The liquid assets test for an elderly household of one would be set at the same level as for households of two or more that include one or more elderly members.

Effective in FY 1988, States and localities opting to participate in the Food Stamp Program would be prohibited from collecting sales taxes on food stamp purchases.

Self-employed persons, including farmers, would be permitted to offset losses incurred in self-employment against other household income in determining food stamp eligibility and benefit levels.

Eligibility of the homeless would be assured, so long as they meet qualifications requirements.

The definition of the disabled would be expanded to include certain severely disabled persons not currently treated as disabled for food stamp purposes.

Current law allowing SSI applicants and recipients to file a simplified food stamp application and be certified at Social Security offices would be reinforced and applicants and recipients of Social Security benefits would be permitted to apply for food stamps at Social Security Offices.

A limited program to allow State and local agencies to receive matching Federal funds to inform elderly, disabled and unemployed persons about the Food Stamp Program would be authorized.

The Nutrition Assistance Program in Puerto Rico would be extended through FY 1990, with funding increases to reflect food price inflation starting in FY 1987. Payment of benefits in cash form would be permitted.

The Food Stamp Program would be reauthorized for 5 years with spending ceilings that leave some margin for error in current estimates for inflation and unemployment over this period.

(3) IMPROVING PROGRAM MANAGEMENT AND ACCOUNTABILTY

The Secretary would be required both to provide quality control findings to the States on a more timely basis and to speed up his collection of sanctions owed by the State for high error rates.

States would be permitted to apply up to 15% of any error rate sanctions assessed in any fiscal year toward new efforts to reduce errors in the State, rather than pay the amount to the Federal government. Such efforts could include new computer operations, increased staff, better staff training or any other initiatives that would bring error rates down.

States would not be sanctioned for errors in food stamp administration that are due to inaccurate information provided by Federal automated information systems.

The mandatory aspects of monthly reporting and retrospective budgeting (MRRB) would be limited to those households with earnings or recent work history. This is consistent with the approach utilized in the Aid to Families with Dependent Children (AFDC) program. Waivers from MRRB for some or all of these households would be possible, subject to the Secretary's approval.

Food stamp households composed exclusively of AFDC or SSI recipients would be categorically eligible for food stamps.

State agencies would be authorized to issue benefits on a staggered basis throughout each month. This facilitates mail issuance and discourages grocers from raising food prices at the beginning of each month.

Simplified application projects would be continued unless the Secretary finds they are not achieving their intended goals.

Food retailers disqualified from the Food Stamp Program would be required to pay a fine if they sell their stores prior to expiration of the disqualification period.

Information submitted by retail food stores for food stamp purposes could be disclosed to agencies administering the WIC program.

The Secretary would be required to assess each State's computer operations and develop, in consultation with the States, the elements of a model plan for food stamp computerization. Such plan would be subject to public comment before being finalized.

Earnings of participants in Jobs Training Partnership Act on-the-job training programs would be counted as income for food stamp purposes, similar to the AFDC program.

Recipients of energy assistance vendor payments would not be allowed to claim the portion of their energy bills paid by the vendor payment in calculating eligibility for the excess shelter cost deduction. If these households have out of pocket utility bills, they would be eligible for the State's standard utility allowance.

Banks would be permitted to charge food retailers for processing food stamps only if retailers fail to bundle the food stamps according to Federal Reserve requirements.

Certain Federal credit unions would be authorized to redeem food stamps.

Through various tests, such as visual inspection, sales records, purchase records, inventory or other methods, retail food stores would be afforded the opportunity to prove that fifty percent of their business is staple food items, thus qualifying them to accept food stamps for food purchases.

(4) REAUTHORIZING AND IMPROVING SURPLUS COMMODITY DISTRIBUTION UNDER THE TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

TEFAP would be extended for two years, with $50 million a year authorized for State and local administrative funding.

Administrative funding would be provided on a more timely basis for State and local agencies.

Audit standards would be established to ensure accountability and to reflect the special circumstances of certain emergency feeding organizations.

The Secretary would be required to report annually to Congress on whether and to what extent donations under TEFAP substi-

tute for or displace commercial sales of the same or any other agricultural produce.

(5) MISCELLANEOUS

The Department of Agriculture would be required to conduct a study of the feasibility of extending a food assistance program to American Samoa.

The Commodity Supplemental Food Program (CSFP) would be reauthorized and revised to (1) allow local operators to serve elderly persons out of available funding so long as women and children are not denied benefits; and (2) require the Secretary to approve new sites satisfying eligibility requirements so long as funding is available. Current law provisions governing CSFP administrative funding and three existing programs serving the elderly would be extended.

A small program of Food, Nutrition and Consumer Education would be authorized to complement and enhance current nutrition education programs like the Expanded Food and Nutrition Education Program (EFNEP). Funds would be provided to State cooperative extension offices.

State agencies would be required to encourage food stamp participants to utilize the EFNEP program. Upon the request of EFNEP officials, State food stamp agencies would be required, wherever practicable, to allow placement of EFNEP personnel and materials in food stamp offices.

Improved nutrition monitoring of low income individuals by USDA would be required.

Section 1114 of the Agriculture and Food Act of 1981 would be extended to require the Secretary to provide uncommitted Commodity Credit Corporation stocks to domestic feeding programs without charge or credit. H.R. 2100 would make clear that once the Secretary determines that cheese, nonfat dry milk, and wheat are in surplus, they must be distributed, although he is not limited to distributing these commodities.

National Commodity Processing, whereby the Secretary encourages consumption of bonus commodities through private companies, would be extended for two years.

Mr. ROBERTS. Mr. Chairman, I yield 4 minutes to my distinguished colleague, the gentleman from Missouri [Mr. COLEMAN], who is the ranking member on the Conservation, Credit, and Rural Development Subcommittee.

Mr. COLEMAN of Missouri. Mr. Chairman, let me add my voice of commendation to our chairman, the gentleman from Texas [Mr. DE LA GARZA], who is certainly recognized as a fair individual and as a chairman who gives everybody the opportunity to be heard and to express himself by amendment or by opinion in our committee. I thank him for his courtesies as we have drafted this bill through the last 9 months.

Mr. Chairman, Agriculture and rural America are going through the most difficult adjustment period since the 1930's. High interest rates, low prices, declining land values and bad weather have made it nearly impossible for farmers to maintain a positive cashflow in many areas of the country.

The migration of people away from U.S. farms has been dramatic. The percentage of the U.S. population engaged in farming has decreased from about 25 percent in 1935 to less than 2.5 percent in 1985. The number of farms has fallen by more than 60 percent during that period.

We have before us for consideration a farm bill to reauthorize farm programs for the next 5 years. The bill has several new programs that should help the agricultural economy. However, we must also recognize that this bill will not create a miracle and will not change the agricultural economy over night, but this bill will help agriculture get back on the right track. There are many who believe that the programs in the 1981 farm bill have not worked. The 1981 farm bill was written in a time of high inflation. We anticipated that inflation would continue and we build inflation factors into the farm programs. In doing so, we made our agriculture products noncompetitive on world markets. The increased value of the dollar in comparison to other currencies has only compounded the problem of competitiveness.

It is clear that rural America is going through a very difficult transitional period. Steps must be taken now to prevent the raveling of the fabric of rural America. I am hopeful that this bill will help strengthen the threads that bind rural America together.

One of the brightest shining stars in this bill is the conservation title. Working in a bipartisan manner Mr. JONES, chairman on the Conservation, Credit and Rural Development Subcommittee, and I have fashioned a conservation title that has received overwhelming support.

Last year this body passed a Soil Conservation Act that had many of the same provisions included in the conservation title of H.R. 2100. We were disappointed when the legislation died in conference. However, this year we have worked in a bipartisan spirit to develop an even stronger conservation program. The administration has endorsed the conservation title as well as many soil and environmental groups.

Soil is, very simply, one of our most valuable resources and we can't continue to let it erode at a faster rate than it is replaced. We must take action now to save our land. The sodbuster and conservation reserve provisions in the conservation title will help to preserve our land for future generations.

Mr. Chairman, I have reserved time later on today for a special order to continue my discussion of this bill and would invite others to remain also.

Mr. COELHO. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM], the author of title X, the Agriculture Efficiency and Equity Act of 1985.

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding me this time.

I would say that today there is a growing awareness in America of the importance of agriculture to our economy. Unfortunately, there are no short-term solutions to the problems of agriculture. The challenge to the House Agriculture Committee was threefold: to write a farm bill, to deal with the short-term problems of having borrowed $100 billion more money than we farmers can pay back with current income; second, to meet a budget requirement imposed by the House and Senate conference on the budget; and third, to provide some long-term hope of working ourselves out of this dilemma we find ourselves in.

We have met that budget challenge. As tough as it has been, we have met it. We could have used another $11 billion, as the Senate Agriculture Committee reported last night, but we do not have it.

Unfortunately, we still have $150 billion deficits as far as the eye can see and I submit we will never solve our farm problem or our Nation's problem until we solve our propensity to spend more than we have as a nation.

Mr. Chairman, I support H.R. 2100. I encourage each and every one of you also. Where our committee has been split, we will allow the will of the majority to work. Where you have an idea to improve it, you will have an opportunity under an open rule to improve this legislation.

Mr. Chairman, H.R. 2100 gives us the tools necessary to begin working our way out of the dilemma we find ourselves in. It is a more logical basing yields bill, a more effective supply-management program, clear title legislation granting to innocent third-party buyers the necessary protection they need in this world today; a conservation title you have heard so much about, and I join with those who have expressed their support for that.

I hope that each and every one of you will join in opposing every farm income weakening amendment that comes on this floor. The dairy substitute, the sugar substitute, the peanut substitute, all will reduce farm income. We do not have farm income to share.

Mr. Chairman, I urge support for the bill.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Dakota [Mr. DASCHLE], a very important member of our committee.

Mr. DASCHLE. Mr. Chairman, so much has already been said about the bill and about the situation today in agriculture, but it does bear repeating. We are meeting at a time when we are in absolutely the worst condition agriculture has witnesses in the last 50

years and it is in this climate now that we try to put together the fabric of legislation which will allow us to address the problem in an equitable and effective way. It is not easy. From Georgia to California, from North Dakota to Texas, farmers have cried out for the recognition of the problem that they face in agriculture today, and with virtual unanimity they are saying that there really is only one solution, a better price.

So it is our hope that as we address this problem today that the ultimate goal will be a product that will provide farmers with what they have told us is the only panacea, a better price.

Our bill represents very divergent thoughts on how to accomplish a better price. Our bill represents a concensus among a very sensitive balance between those who take one philosophical approach and those who take another; but the fact of the matter is that this is a consensus and at a very minimum it is acceptable to virtually every element within our society today in agriculture who demand a better price.

What I would hope is that we as a committee, that we as a Congress, that we as a government facing a crisis in agriculture, unlike anything we faced before, can speak with the same unified voice in our response to the farmers who have called for us to provide the mechanism for a better price.

Mr. Chairman, we have that opportunity today. We have that opportunity as we deliberate on this bill in the next couple days. I can only hope that we succeed.

Mr. Chairman, the farm bill debate we open today is a debate about survival. The actions we take in this Congress, or those we fail to take, will determine whether independent family agriculture as we have known it since the founding of this Nation will survive.

There are those—and they are powerful—who believe family farming should be allowed to slide quietly into oblivion. The words they use are well known. They speak of shakeouts. They talk of market forces and competition and facing the inevitable.

Their terms are carefully calculated to foster the impression that family agriculture is an inefficient, unproductive relic of the past. Sure we feel sorry for the poor farmer, they say, but we have to be realistic. Family agriculture can't make it on the free market. We can ease the pain a little, but propping up the family farm is just an expensive exercise in postponing the inevitable.

That is what they say. It is a seductive argument, one carefully crafted to appeal to a budget-conscious, competition-oriented land. It draws for us a mental picture of Silicon Valley's high tech on the one hand and the American gothic farmer, pitchfork in hand, on the other. Painted that way, the choice is clear. America must go with the future. The family farmer is the past.

That is the picture they paint, Mr. Chairman, but that picture is a lie. If American family agriculture were an unproductive drag on this Nation's economy then those who seek its survival indeed would be the modern luddites their opponents make them out to be.

But American family agriculture is the very opposite of unproductive. Family agriculture is the most productive agriculture in the history of mankind. Whether they are compared to other systems through history, to other nations, or to corporate agriculture in this Nation today, the family producers come out ahead.

The problems of family agriculture have absolutely nothing to do with productivity or efficiency or competitiveness. They have nothing to do with inability to survive on the level playing field of a free market. The problems that will destroy family farming within the next 4 years if not remedied are problems created by Government. They are problems made in Washington and in Tokyo and Brussels. They are problems caused by an unfair tax system that favors the giant producer over the family operator; problems from a Government created high dollar; problems resulting from an American Government that has rolled over to foreign protectionism directed against her farmers and has directed what little help she has offered to the most powerful corporate farm interests, not to the family operators who deserve it.

Farm families know their problems are made in Washington, but they do not come to this city begging for a handout. What farmers seek is a fair price. They want to work. They want to produce. They know they can succeed if only their Government will level the playing field and allow them to earn a decent price.

Price, Mr. Chairman, that is the key. No farmer anywhere can survive on the $2.60 wheat and $2.05 corn the administration offers and pawns off as a free-market price. That is not a free-market price. That is a price created by tax subsidies to giant producers, by foreign nations that pay their farmers to dump crops on the world market at prices far below their actual cost.

Let us be honest here. If we are about to foreclose on the family farmer, let us at least tell the truth about what we are doing. Let us look that farmer in the eye, acknowledge he produces our food as efficiently as anyone has in history, but tell him we lack the courage to close those tax loopholes, the guts to force foreigners to let him compete or the nerve to get that dollar back down. Let's tell him we have decided to take the easy out: We are going to let him go under.

Acceptance of the obscene price formula's and the phony free marketism pressed upon us by John Block's unending veto threats may be the easy out. At least it may look that way. Standing up to a President is never easy. But I can guarantee you that pulling the plug on family agriculture is not going to be easy either.

There is a potential for catastrophe in my State. It is a potential born of absolute desparation and the unimaginable injustice of what is being done to family farmers.

The $2.60 wheat and $2.05 corn will unleash a rolling tidal wave of bankruptcy in my State this winter. I fear for what will happen as those foreclosure notices are served. I fear not just for the individuals who may be harmed as these tinderbox situations unfold, but for this entire Nation.

What will it mean to America to see the men and women whose lives more than those of any others have formed her bedrock values cast asides? How will despair and disaster in Peoria play in the rest of the Nation?

Mr. Chairman, I do not think it will play well. And it will play particularly badly for those in this body seduced by the siren song of the phony free marketeers. There is a deep reservoir of support for American farm families. Some of that support is emotional. Much, though, is born of an innate understanding that turning agriculture over to the supposed efficiency of General Motors may not be such a great bargain after all—an understanding that the price and quality of the farmers product might even compare favorably with that of their gigantic brothers.

This House, starting today, will decide.

There is much that is complex in this 1985 farm bill. But there is one thing that is not. It is price. With a price, farmers can survive. With the prices proposed in the amendment, we will buy time to meet the underlying tax and high dollar and trade problems that are the true cause of our current farm crisis. We will buy that time while staying well under our budget targets.

What we are talking about here is only a short-term solution. But unless we tide over the family farmers now—for the short term—few, if any, will still be around by the time we muster the courage to deal with the largely fundamental problems.

If we give our farmers a fair price today, 10 years from now we will all agree that it was one of the smartest things we ever did. We will point to it as one of our finest accomplishments, for we will have given America's family farmers the chance they want and deserve. We will give them the chance to feed our families as well as their own.

They are good at that. The best ever. We should give them that chance.

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Mr. GLICKMAN. Mr. Chairman, I yield 2 minutes to the ranking Democrat on the Wheat, Soybeans and Feedgrains Subcommittee, the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Chairman, a few weeks ago the subcommittee that I chair over on the Government Operations Committee was looking into some of the problems facing the farm credit system of our Nation, and we had the historian of the Department of Agriculture in to give us a little bit of a background and history as to

what that system was all about and how it came about.

But during the course of that discussion, he made what I thought was a rather amazing and, quite frankly, very startling statement that I do not think either he planned, nor certainly was our committee trying to elicit. That is, he said that he was very disturbed by the similarities between what was taking place in 1985 in agriculture and what took place in 1926. He pointed out that in 1926 we saw the most productive region of our Nation's agriculture; namely, in the Midwest, slowly slipping into a depression, a depression that began to spread like an inkspot throughout agriculture, and finally throughout the rest of the Nation, in fact, pointing out that most economists today recognize that it was agriculture that was primarily responsible for the Great Depression of the 1930's, not the stock market crash, as I think the general public perceives.

I think as I look at it that some people, particularly in urban areas, say well, there are not as many farmers today as there were back in 1926, and surely the impact could not be as great. And I made this observation to the historian. He said that is exactly where so many people are wrong, and perhaps that is the reason they are being lulled by the current difficulties facing America in agriculture, because in 1926 agriculture comprised 20 percent of the gross national product of this Nation, and in 1985, agriculture still comprises about 20 percent.

So it is critical that we come up with a farm bill that gives our farmers a chance to survive, and gives the Nation as well a chance to survive.

Mr. GLICKMAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Chairman, I rise in support of the H.R. 2100, the Food Security Act of 1985.

At the outset, I want to commend the chairman of the House Agriculture Committee, Mr. DE LA GARZA, and the ranking member, Mr. MADIGAN, for their efforts in bringing this bill before the House. The current farm crisis has presented the committee with a difficult challenge. The leadership of the committee has done an excellent job in responding to this challenge, and they bring a bill to the House floor which deserves every Member's support.

I also want to commend the chairman of the Subcommittee on Cotton, Rice, and Sugar, Mr. HUCKABY, and the ranking member of that subcommittee, Mr. STANGELAND, for all they have done in carrying out their responsibilities. In particular, I want to thank them for their efforts on the sugar title of the bill.

The bill freezes the Sugar Program at the current loan rate of 18 cents per pound. While a freeze at 18 cents will no doubt cause considerable hardship for sugar farmers in my area, I recognize that the Sugar Program in this bill is the best we can expect under the circumstances.

I am concerned about the amount of misinformation being circulated about sugar. It seems that the level of misinformation on the Sugar Program and its effect on consumer prices always escalates just before consideration of the farm bill. I sincerely hope that my colleagues in the House take the time to learn the facts before they consider voting for any amendment to cut the Sugar Program.

Sugar has a long and prominent history in Hawaii. We are proud of our sugar heritage. In 1985, Hawaiian sugar achieved a milestone. This year marks the 150th anniversary of cultivating sugarcane in Hawaii.

Favorite weather, rich soil, abundant rainfall, and a continuous growing season make Hawaii one of the most efficient sugar producers in the world. In Hawaii, we produce 1 million tons of sugar annually; nearly 1 out of every 5 pounds of sugar produced in the United States comes from Hawaii's canefields.

Despite the advantages nature has given us, the future for our sugarcane industry is bleak. As the sugarcane farmers I represent recognize, unless the current Sugar Program is renewed the United States will be overrun by a tide of cheap, subsidized, sugar imports. Without the current Sugar Program and the economic base it provides our State, the way of life we have known in rural Hawaii for a century and a half will rapidly disappear.

The fears expressed by my people in Hawaii are probably no different from those being voiced by many of your constituents. The Midwest is concerned about Japanese auto imports and its declining industrial base. The Southeast wants protection for its textile industry. The Pacific Northwest is concerned about the health of its timber industry. In New England, the issue is how to halt the flow of shoe imports. In Hawaii and in the 15 other States where beet or cane sugar is grown, there are similar concerns about import competition.

Those of us who have fought for a strong domestic sugar policy know of the hardship that U.S. sugar farmers have experienced. Over the past 10 years, 24 sugar refineries and processing plants have closed their doors. During the same period in Hawaii, 30 percent of our cane acreage has been idle and 4 of our 17 plantations have gone out of business. Unless our domestic Sugar Program is renewed, the situation will get much worse.

Unless Congress acts, U.S. sugar farmers will certainly face a bitter future. When the 1985 farm bill is considered on the House floor, I urge you to support an extension of the current Sugar Program.

Mr. ROBERTS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Minnesota [Mr. STANGELAND] the ranking member of the Cotton, Rice, and Sugar Subcommittee.

Mr. STANGELAND. Mr. Chairman, there are numerous provisions in H.R. 2100 which are worthy of support and offer some hope to American agriculture. In particular, the long-term acreage conservation reserve, "sodbuster" language to discourage expansion of highly erodible cropland, the Dairy Program's "whole herd buyout" plan, and the Sugar Price Support Program, are just a few of the features which could provide some help for my farmers in northwestern Minnesota.

Unfortunately, one of the reasons it took the House Agriculture Committee 6 months to complete its deliberations on this farm bill is because from the beginning the philosophical debate on this most important agricultural legislation has been extremely polarized.

The Reagan administration first initiated a 1985 farm bill proposal that would have been disastrous for my Minnesota producers and all of American agriculture. Under the banner of market orientation, the administration's plan called for pain, not profit, for our farmers.

On the other hand, those who advocate mandatory controls wishfully think the answer to all of agriculture's problems will be achieved by merely cutting back our production. What do they think we have been doing? While we have implemented supply management programs in 5 of the last 6 years, our export competitors have expanded both acreage and production. At the same time, our share of the world export market in wheat has dropped from almost one-half to about one-third, while our export competitors have gained by the same amount.

Both of these narrow, shortsighted approaches would put American agriculture on a sure fire course for self-destruction. Sometime down the road the Reagan administration's proposal would certainly make our exports price competitive—but it would be a joyless victory after counting the number of farmers who would be sacrificed in the process. There is also no question that strict mandatory production controls would ultimately raise farm prices. But would it be worth laying idle 50 percent of the richest cropland in the world? Saying goodbye to our hard-earned export markets? Dashing any hopes for significant market growth in the future? Adding American agriculture to the list of slowly dying U.S. industries that have already conceded defeat to foreign competition?

The administration's approach isn't truly "market-oriented" because it doesn't call for our Government to fight as hard for American farmers in the world market as other governments fight for their farmers. Yet those who only advocate strict mandatory production controls want to give up without even trying to fight back.

Farmers aren't quitters. Most have had to fight for everything they've got. They just want to see our Government start implementing policies that work for them instead of against them.

That is what I believe this farm bill should be about. And it is why I am still fighting for two new innovative concepts that many of my committee colleagues have joined me in supporting—the "marketing loan" and the "targeting" of Government payments to family-sized farms.

The marketing loan allows us to immediately become price competitive in the export market while protecting farmers' income. Farmers would receive Federal price support loans on all of their production, but would only have to repay their loans at the lower of: First, the original loan rate; or second, the State average price at the time they redeemed their loan. Although many are advocating programs to bolster farm exports by subsidizing the exporter or the foreign buyer, the marketing loan is the one program which makes our exports price competitive by putting the "subsidy" where it is needed most—in the farmers' pockets, not those of the exporter or foreign buyer.

In addition, I will be joining my coauthors on the committee in reoffering our amendment to direct maximum farm program benefits to the middle 85-90 percent of all U.S. grain farmers having wheat bases from 15-500 acres and corn bases from 15-350 acres.

Since the enactment of the 1981 farm bill, countless studies have shown that it is not the extremely small "hobby" farmers primarily dependent upon income earned off the farm, nor is it the large-scale "superfarms", which are most in need of farm program benefits.

I personally feel that in this time of limited fiscal resources, the time has come when we need to direct scarce Federal dollars to those middle 85-90 percent, comprising our medium-sized commerical producers, who will otherwise be driven from the land their families have in many cases tilled for generations.

The committee-approved bill now before us meets the true test of any legislative compromise—nobody likes all of it. Like any painstakingly crafted committee bill, the final result appears less a clear blueprint for the future than it does a mixed bag of confusing and sometimes contradictory approaches. The best that could be said for it is that it contains the most of what is least objectionable to the greatest number of people. But I still think we can do better.

More than anyone, I am well aware of the uphill battle we face in proposing bold departures from depression-era farm programs.

But I remain convinced that new, innovative approaches are absolutely necessary to meet the needs of modern American agriculture in the 1980's and beyond and to offer farmers some hope.

Mr. GLICKMAN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN], the former chairman of the Department Operations, Research and Foreign Agriculture Subcommittee.

Mr. BROWN of California. Mr. Chairman, I want to compliment Mr. DE LA GARZA and Mr. MADIGAN for the work that they have done in bringing the 1985 farm bill to the House floor. This has been a long and difficult process which started shortly after we finished work on the 1981 farm bill. Through many months of hearings and markups, we have heard a variety of viewpoints in an open and fair process. We are all indebted to the dedication and patience of Mr. DE LA GARZA and Mr. MADIGAN in presiding over that process.

American agriculture is in the midst of turmoil and transition, facing disasterous debt levels and excessive production, at a time when budget constraints have limited our options. The challenge before us is to stabilize our agriculture sector and fashion a new direction in Federal policy which will carry us through the rest of the century. We take the first steps today.

There will be a number of amendments offered to this bill in an attempt to perfect it, at least in the eyes of those offering the amendments. I will support some of these, particularly the Olin-Michael dairy substitute and the Lundine amendment on peanuts, having reached a different conclusion on those provisions than the Agriculture Committee did. I will have more to say on this in just a moment.

Tucked away in this bill, beyond much of the controversy which may surround other provisions, are changes proposed to our agricultural research extension and teaching programs. In the long run, these programs will do more to shape the direction of tomorrow's agricultural policy than any of the intermediate steps we may take elsewhere in the bill.

Our dairy surplus, for example, comes from dairy productivity advances resulting from years of research and extension work. Yet we have not made similar advances in our dairy policy work, and now have a modern dairy sector tied to an outdated dairy policy. And we are on the threshold of explosive new technological applications which will make past dairy productivity gains look insignificant.

In other areas of agricultural production, we will see similar changes. Plant agriculture will see new biotechnological applications which, by the end of the century, will cause a revolution in farming. Research to reduce farm input costs will offer new hope to farmers continually squeezed between cost of production and market prices.

If you examine the research extension and teaching proposals in title XIV, you will see a new challenge being issued. Questions about the adequacy of our technology transfer process, from the research labs to the farm, are raised. A recent report by the Congressional Office of Technology Assessment [OTA] raises the issue of the effect of farm technology on farm structure and prompted many of the title XIV amendments. Questions about environmental concerns are expressed in the title as well.

What is not there, and probably needs to be, is a mechanism for taking these new challenges and new technologies and factoring them into our farm policy debates. The OTA tries to do this but cannot manage the entire task. I hope that in future years we can do a better job of combining research, sociological, economic, and policy concerns in order to avoid the surpluses which confront us in our current farm crisis.

As I mentioned earlier, the dairy title of this bill causes me concern and I would like to turn to that issue now.

Many Members joined me in November 1983 in setting the stage for this year's debate on dairy legislation. The occasion 2 years ago was a floor debate on the Conable amendment to H.R. 4196, the Dairy Production Stabilization Act of 1983. Until the dairy program is substantially reformed, this body will be compelled to confront again and again precisely the same issues and political dilemmas. I am afraid we must admit that many years have passed since we honestly confronted the failings of our dairy program—and other aspects of farm policy; 4 steady years of bad economic news about the profitability of agriculture, and the prospects for even worse developments in the next few years, are ample testament to the failings of the last farm bill. The bill failed because it did not provide proper tools to adopt to changing economic conditions.

We are flirting with the same fundamental mistake with the 1985 farm bill. If we once again dodge the bullet in this farm bill cycle and perpetuate past mistakes, the agricultural community, and society at large, will pay increasingly high costs for our collective inability to restructure farm pro-

grams and policies. Undoubtedly over $100 billion is at stake in this year's farm bill debate.

I argued strongly against H.R. 4196, the 1983 dairy bill that authorized the milk diversion program. I supported a substitute bill offered as an amendment during floor debate by our former colleague, the Honorable Barber Conable. The Conable amendment was simple, and authorized the secretary to reduce the price support level for milk in stages until milk production and demand came back into balance. I'll present today facts which clearly demonstrate that the Conable amendment would have worked far better than the so-called compromise plan in H.R. 4196 that was eventually enacted.

Now, another set of key votes on major dairy legislation is about to occur. The issues haven't changed, that same sense of political drama is in the air, and the stakes are again very high. Once again the always clever and imaginative dairy lobby proposes to keep milk prices artificially high through a complex program that consumers will be forced to pay for. The transfer of wealth triggered by the dairy title alone is likely to exceed $10 billion over the next 4 years. This time around though, we have the opportunity to make much more informed decisions because of the lessons of the past 2 years. It would be tragic for American agriculture, and society in general if we unquestionably accept again arguments advanced in 1983 that can so clearly now be shown to be either spurious or just plain wrong. I also intend to as bluntly as possible expose the injustice of the dairy lobby's unity plan. It won't take much effort this year—the facts speak loud and clear.

As I did in 1983, I urge my colleagues to critically evaluate the choices before us in the context of the severe crisis in agriculture, and in agricultural policymaking. The committee proposal coming to the floor—the so-called unity bill—is fatally flawed. It is bad policy and it won't work for the same reasons the 1983 legislation failed to deliver as promised. In fairness to Members who supported the compromise plan in 1983, no one fully anticipated the weaknesses in the compromise plan, nor the depressed feed grain prices that further encouraged dairymen to keep production at high levels. In all honesty though, I find it rather remarkable that the committee is again offering before the House a plan which suffers from the same fundamental weaknesses as the 1983 legislation. Let's not repeat the mistakes of 1983—join me in supporting passage of the Olin-Michel substitute bill calling for a predictable, gradual reduction in price support levels.

I. CRITICAL ISSUES

During the last two farm bill cycles in 1977 and 1981, dairy policy debates have set the tone, and helped define the approaches incorporated in other major commodity titles. Political struggles in 1981 and 1983 over the direction of the dairy program accelerated the formation of new coalitions and alliances. These coalitions, in turn, have become strong new voices, exerting new pressures in the formation of farm policy. Just like the farm economy, the policy process is becoming increasingly complex, unpredictable, and unstable. Rejection of the unity plan in the bill before the House will mark the end of a 50-year era of farm programs and politics. By passing the Olin-Michel amendment, this body will do more than finally address the basic problem in the dairy program. Our action will signify acceptance of a new set of policy principles governing farm program design. These new principles are defensible on both economic and policy grounds. They should and can now be applied equitably across all farm program commodities, and are responsive in a more equitable way to the legitimate interest of consumers, taxpayers, and all agricultural and food industries.

The unity plan before the House would take the dairy industry another large step toward a complex supply control program that is necessitated for the simple reason that the Government-set price support level is too high relative to the costs of producing milk. The unity plan proposes to address the symptom—too much production—with very costly, cumbersome, and ultimately ineffective medicine. Instead, our efforts should be directed to the cause of the problem—artificially high support prices.

For decades, the agriculture committees have sold Congress and the public on progressively more complex, and costly farm programs that subsidize agriculture by keeping prices artificially high, while attempting to restrict production through some sort of diversion or land retirement program. In 1984 and early 1985, we even tried paying farmers not to produce milk. The approach worked a little bit for a short while, but at great cost to the industry and consumer. Now, the committee bill proposes to continue on this path by extending and expanding the diversion program, and—believe it or not—increasing the price support level for milk. This approach will not work.

The basic fact and principle we should finally incorporate in our farm programs is that farmers are intelligent and rational business men and women. They know that the relative price levels of farm inputs and outputs dictate production levels. Accordingly, this body should adopt in all the titles of the farm bill simple, predictable formulas to adjust price support levels according to changing market conditions, along with language mandating that the formulas be incorporated over a reasonable time period to avoid any drastic changes in support prices.

I have firmly supported for over 20 years the basic stated purposes of our traditional farm programs—assuring a stable, safe, and affordable food supply to American consumers and a fair income to all those engaged in agriculture. I believe a fundamental policy change is needed not because I now reject the very reasonable goals that farm programs have tried to achieve, but because the programs simply don't work, and hold no realistic prospect of working in the future. Times have changed, and so must farmers—and farm programs—if they are to survive in this increasingly competitive environment governing agriculture in this country and in global markets. In the past we have been quick to obscure the need for change by tinkering with payment rates and swallowing large, additional increments of spending. I feel strongly that Congress should stop misleading producers by acquiescing to pressures that produce policies we know are flawed. It is time Congress began helping the dairy sector work through a difficult period of economic adjustment that is now unavoidable, in part, because of our dairy policy mistakes in past years, and in part, because of increasingly rapid technological changes in the industry.

A second basic principle that Congress should now firmly endorse by passing the Olin-Michel substitute is that consumers deserve a greater share of the benefits brought about by the remarkable efficiency gains made throughout agriculture. The unity plan would keep the price of milk products artificially high, assuring that producers capture most of the economic benefits associated with rising productivity. I think producers should get a major share of the gains, but not them all. With bovine growth hormone and a host of other remarkable new technologies in the pipeline, virtually all experts are certain that dairy productivity will continue to rise steadily for years. Productivity gains can and should translate into lower per unit costs of production, some of which can and should be passed on to consumers in the form of lower prices. For a long list of reasons, this won't happen if we pass the unity plan.

As I did in 1983, I have consulted widely with experts in the field, and studied all the projections available comparing the impacts of the unity plan, Olin-Michel, and other alternative approaches. I know as well as any Member the shortcomings of the various models used, and the many future uncertainties that could alter the pro-

jections. Still, this body must face honestly the magnitude of the stake consumers have in this debate. Over the 5-year life of the program—1986 to 1990—the most plausible estimate that can be made is that the unity bill will increase the income of dairy farmers between $6 and $10 billion, largely at the expense of consumers—and taxpayers—who will pay $6 to $10 billion more than they would have to under the Olin-Michel substitute for dairy products and the industry's price support program. All projections confirm that such a tradeoff will occur, and most fall within the $6 to $10 billion range I've cited. Based on the events of the last few years, I personally feel a strong case can be made that even the $10 billion figure underestimates the true and full range of excessive costs that consumers will have to pay if we pass the unity plan.

This extra dairy farm income each year would constitute a healthy 8.6 to 14.4 annual increase in farm cash receipts over 1985 earnings. Calculation based on USDA projected cash receipts in 1985 of $17.4 billion, and between $1.5 and $2.5 billion annual increase in income over this level. From the consumer's perspective, the unity plan would raise the total cost of dairy products from 4.3 to 7.2 percent, while also reducing the volume of consumption between 7 and 10 percent. Put in the simplest possible terms, the unity plan is designed to sustain each year a $2 to $3 billion transfer from consumers and taxpayers to producers by artificially inflating the overall cost to society of dairy products. Even if it worked as intended, the unity plan would be a very poor deal for most Americans, and a deal much of the dairy industry wants no part of.

There is a third basic issue we now have a chance to squarely face, for the first time in decades, in passing the Olin-Michel substitute. New technologies that have the potential to increase productivity have traditionally been funneled by our farm programs in a single direction—increased per-acre yields or more production per animal. Indeed, most farmers and agricultural leaders don't even understand that productivity can rise while production falls. Most valuable, new technologies can achieve two results equally well: they can raise yields more on a percentage basis than they raise costs; or they can be employed to reduce per-unit costs more on a percentage basis than yields. Today it is abundantly clear to everyone that Federal farm policy should, as a matter of utmost priority, encourage technologies that make us more competitive by lowering production costs. Fortunately, this goal also happens to make a lot of sense in helping resolve surplus production problems. Technologies with the capability to raise productivity both through raising yields and/or lowering costs, or both have been steadily incorporated in U.S. agriculture, to the benefit of both producers and consumers. Yet public policies have almost exclusively encouraged, through tangible economic benefits incorporated in our farm programs, use of these new technologies to raise yields and production with little or no regard to cost of production consequences. We now awaken to find that Argentine wheat can be sold in the Midwest at a price below the support rate. Oats from Sweden in parts of South Dakota for less than the going market price in the Nation's leading oat-producing State? Is this possible? Farm programs have evolved from a big part of the solution to farm income problems in the 1950's to a big part of the problem in 1985.

I am able to report with some confidence—and trepidation—that no sector of agriculture will benefit sooner, or more dramatically than the dairy industry from introduction of new biotechnologies. Pass the unity plan and those technologies will be exploited with a vengeance, and great success, largely to increase production and raise Government program costs. Cost per unit of production will not appreciably drop, and consumers will share almost no benefits from the efficiency gains made possible by use of the technologies. That is the way the programs have always worked, and is actually the way they are designed to work.

These new technologies offer a great opportunity to the dairy industry to cut costs. Efficient operators should be able to make a good return on investment even after the price support level is cut to longrun market clearing levels, somewhere between $10 and $11 per hundredweight with the currently low level of feed grain prices. If producers face a future of $10 milk, with predictable further adjustments in the price level in response to changing market conditions, the new technologies will be employed in a very different way, with different results.

It is vital, I believe, to make an historic shift now toward farm programs that encourage productivity gains of all sorts—consistent with the needs of the market. When supplies are short and prices rising, lets go for productivity gains through yield increases. But when we are in an era of chronic surplus capacity, let's provide equally compelling inducements to use new technologies to lower costs, thereby helping produce our way out of the economic doldrums.

The economic consequences of the adoption of bovine growth hormone, and other major new dairy technologies, will be determined by a host of public and private policies. Passage of the Olin-Michel substitute will not, by itself, guarantee that these technologies are adopted in ways that reduce costs, and lower surpluses. But such an outcome is, without doubt, far less likely to occur if the unity plan, and the principles it represents are adopted by Congress as the foundation for future dairy policy.

The Olin-Michel substitute is superior to the unity plan because it is responsive, and realistic in light of the three key issues I've stressed. A simple dairy program with support prices adjusted in a predictable way toward market clearing levels will be reliable, and affordable. It will work as intended, providing producers, consumers, and agribusinesses clear signals regarding economic prospects. It is the most equitable approach, and will encourage cost-savings from the adoption of new technologies. This body, however, will hear many arguments to the contrary, the majority of them based on faulty data and/or analysis. Also regardless of the merits of the case, any major change in dairy policy is bound to be opposed vigorously by some because of political reasons. As a body we have been remarkably stubborn in giving up the notion that we can effectively micromanage the dairy industry.

II. SUBSTANTIVE CHALLENGES IN CHOOSING AMONG ALTERNATE APPROACHES TO DAIRY POLICY

The 1983 debate on the relative merits of the Conable amendment versus the compromise plan unfolded with a confusing flurry of numbers, conflicting projections, novel and self serving interpretations of history, and a diversity of dire predictions regarding the consequences of one course of action or another.

This year Congress will be subjected to a similarly confusing combination of conjecture and facts. I am distressed that we begin the 1985 debate ready to repeat the embarrassing episode in 1983 during which the great depth of farm policy expertise represented by the membership of the Agriculture Committee could not produce a coherent explanation to our colleagues of the relative costs and benefits of the major program choices that came up for votes. We were badly divided, and resorted to an unnecessary numbers game that left most Members confused, and some disgusted. This should not have happened because the basic consequences of the compromise plan, in contrast to the Conable proposal to cut price supports, were clear, predictable, and inevitable. Experts can and always will argue about the timing and magnitude of impacts, but there was no reason or excuse in 1983, nor is there in 1985 to obscure the basic direction and approximate magnitude of the consequences of our votes. Yet that is what happened, and may be happening again.

I implore Members to question the validity and assumptions behind all

projections, including the ones I report, because none are infallible, and all have certain weaknesses and/or built-in biases. Yet, even a cursory review of the projections made by several groups yields a very consistent picture of the implications of the two basic approaches the Congress must choose between.

I am also concerned that bogus historical analyses will once again be repeatedly cited to confuse Members. You will hear that cuts in the price support level do not translate directly into reduction in the retail price paid by consumers for dairy products. Five historical instances of this will be mentioned. A close reading of the debate in 1983 will reveal that nobody seriously contended that a dollar drop in the support price would drop retail prices a dollar. There is slippage. But the historical evidence and virtually all reputable economists who have studied the issue agree that a 10-percent drop in the support price produces over a few years between a 3-percent and a 4-percent drop in consumer prices, below the level that would otherwise have prevailed. There is simply no reason to become confused or diverted by arguments over this relationship because the facts are clear. Moreover, I believe that the difference between a 3- or 4-percent response does not appreciably alter the fact that the consumers will be milked under the unity plan. There clearly has been a drop in retail prices of at least this magnitude from the reductions in the price support level beginning in 1983. Members that argue otherwise do not understand the facts, or choose to mislead less-well-informed Members.

There is another argument that will be advanced in emotional terms again this year. Some Members will claim that cutting the price support level will drive off the farm tens of thousands of dedicated families that simply won't be able to make ends meet following a price cut.

I have defended the family farm since entering this body, and will continue to do so. I have consistently opposed policies that favor large farms, or make it more difficult for small farms to survive. I also am encouraged whenever any of my colleagues speak to this concern of mine. But don't let very real sympathy for farmers in financial stress blur the issues at hand. Since 1970, some 25,000 or more dairy farms have gone out of business annually. Others have gone into business. The unity plan, or the Olin-Michel substitute may or may not keep certain farmers in business that otherwise would have to cease production. The basic facts to remember are: there is historically a relatively high degree of mobility mostly out, but in some cases into dairying; the need to reduce dairy production will necessitate some reduction in farm numbers, regardless of the bill we pass; there is no valid data to document the impact since 1983 of the compromise plan on the number of dairy farms; as I argued in 1983, for most farms, the critical determinant of whether a given farm will survive is whether it is efficient or inefficient in terms of total production costs—including debt service, not whether it is large versus small.

The impact of dairy program changes on the financial viability of highly leveraged and/or inefficient dairy farms is indeed a distressing topic. But those farms facing serious economic problems will not be saved by any feasible program alternative; and those farms in good financial shape will find a way to remain profitable regardless of what actions Congress takes. This point is forcibly driven home by the extremely broad distribution of milk production costs found in a recent farm credit system study: the most efficient group of producers had total production costs averaging $11.78 per hundred, while the least efficient group had costs over $20 per hundred weight, reflecting in most cases considerably higher debt loads and interest costs per producing cow. We simply cannot afford, nor justify the immense infusion of funds that would be needed to bail out all dairy farms with production costs considerably above current support and market prices. I do think it both proper and advisable that efforts be made through other programs and policies to help ease the human suffering associated with these economic adjustments. Again, let me stress that other initiatives to help those farmers leaving dairy production will be of great value regardless of the provisions of the dairy program eventually passed by Congress.

A last challenge before this body is to remain focused on real issues and real consequences rather than the political taunts and ultimatums that find such fertile ground around dairy legislation. My colleagues on the agriculture committee bear a special burden to objectively and honestly lay out for the House the pros and cons of the choices before us. I hope we do not revert as we did in 1983 to bogus arguments over numbers, models, and assumptions. We owe the House a straightforward explanation of the probable consequences of the unity plan in contrast to the Olin-Michel substitute. Unless we totally confuse and frustrate everyone again, I am convinced that this body will have a relatively easy time identifying the superior course of action.

III. IMPACTS OF THE 1983 DAIRY BILL AND THE COMPROMISE PLAN

The failures of the 1983 bill constitute one of the strongest arguments for adoption of the Olin-Michel substitute. The very nature of the committee bill before us and the many reasons another major rescue effort is needed is ample evidence that the 1983 bill was a failure.

Supporters of the compromise plan in 1983 told this body that this emergency plan would only need to be temporary; that it would "virtually eliminate [USDA's] stockpile of dairy products by the end of 1985." We were told the plan "leaves nothing to chance," that "a number of safeguards (were included) to assure that the diversion program results in a real reduction in milk production"; and that the Secretary's authority to cut the support price another 50 cents after the diversion program would deter production increases at the end of the diversion program.

Milk production in May 1985 increased at the sharpest rate in three decades, and June's monthly production jump was the largest in four decades. Net removals by the CCC in 1985 are expected now to reach 11.4 billion pounds by the end of this fiscal year. The GAO documented that only about one-half of the milk production decrease contracted and paid for in the 1984 diversion program actually was attributable to the program. In other words, many producers were paid for herd reductions that had already occurred for other reasons.

The 5 to 30 percent milk diversion program is an inherently flawed policy tool. Milk production capacity is too slippery to effectively keep track of, and cope with through such a program. The problems that plagued the diversion program in 1984 will arise again if the unity plan is adopted, and as long as such a scheme is attempted.

Several analyses of the reasoning behind producers' decisions to join the program have been completed. In general, producers who were cutting back anyway found participation attractive. Others who felt they could temporarily profit by cutting production joined, with the expectation of increasing production to preprogram levels once the diversion payments ceased. Much of this milk is now coming back onstream.

Supporters of the compromise plan argued it would save money. Because of the relatively low participation rates, and the trend toward lower feed costs, production did not drop nearly as much as predicted, and has already expanded to levels well above monthly rates at the time the 1984 diversion program was initiated. In light of these facts, further price support cuts remain the only viable option for returning the dairy industry to a sound economic footing since the Secretary has already exercised his authority to reduce the price support rate another 50 cents.

In the 1983 debate, I argued that the temporary authority for price support

cuts in the compromise plan would emerge as a fundamental flaw. It has. The most cogent statement supporting this view was made by a compromise plan proponent in the 1983 debate in reference to the temporary nature of the very unpopular assessment authority given to the Secretary in the Agriculture Budget Reconciliation Act of 1983: "And the (temporary assessment/price cut) signal (given to producers) is a very counterproductive one which reinforces the view that Congress is not yet really serious about using reduction in support price levels as a primary tool for bringing supply and demand back into balance." Of course, the legislative success of the unity plan in reaching the House floor further reinforces those in the dairy industry that expect support prices to remain artificially high. Further details on the projected and actual effects of the 1983 compromise plan appear in table 1.

TABLE 1. ESTIMATED AND ACTUAL IMPACTS OF 1983 DAIRY LEGISLATION

	1983	1984	1985
Production:			
CBO estimate	137.6	130.0	133.3
Cornell * estimate	139.1	133.0	137.8
Actual	139.6	135.4	138.0
Consumption:			
CBO estimate	122.5	124.8	126.8
Cornell estimate	123.6	128.8	132.1
Actual	121.3	122.5	127.4
Government outlays:			
CBO estimate	2.37	1.03	1.3
Cornell estimate	1.65	2.06	1.6
Actual	2.6	2.0	1.9

* Cornell projections provided by Dr. Andrew Hovakovic in November 4, 1983 letter to Congressman Brown, printed on pages 9528–9530 of the November 9, 1983, Congressional Record.

I do not wish to unduely belabor the shortcomings of the 1983 bill, and have dwelled on these points primarily to highlight the many reasons we should reject the unity plan. I will not address other important problems like the unequal distribution of payments in the diversion program, a weakness in the plan insightfully identified and addressed by the minority leader Mr. MICHEL in his floor comments in 1983. The assessment that will be used to finance the new diversion program also represents an inequitable transfer of wealth within the industry. The level of the assessment needed to make the program self-supporting is also a matter of dispute, although I am told it surely will not fall below 4 cents, and could very likely reach 7 cents. While the Department of Agriculture's estimate of $1.05 to $1.25 is probably high, the committee's contention that the assessment would never exceed 56 cents is most certainly low.

IV. OLIN-MICHEL AND THE FUTURE OF THE DAIRY INDUSTRY

The dairy industry is a critical sector of agriculture, accounting for nearly 13 percent of all cash receipts earned by farmers. Products from this industry are vital to sound nutrition and the health of our population. There are 300,000 dairy farms around the country, each making important contributions to local economies and the Nation's prosperity.

Passage of the unity plan is not in the best interests of the dairy sector, and clearly is not good for consumers and/or taxpayers. The sizeable transfer of wealth from consumers to producers under the Unity Plan is, to many farmers, reprehensible. Many of the farmers that oppose the Unity Plan desperately need the extra income it would provide them in the short run, yet they reject it because they recognize the weaknesses of the Unity Plan. They fear that the Unity Plan will become a wedge in the public's mind, dividing like never before the interests of consumers from those of dairy producers.

Responsible dairy farmers want to retain the trust and confidence of both consumers and taxpayers. They believe they can provide the American public a better deal on dairy products, save the Government some money, and restore economic order and predictability to their industry. They are very anxious to do so now because they suspect that other profound technological changes are just a few years from commercial application that could further exacerbate overproduction and economic tensions if the unity plan, or a related approach is still in place.

I commend those in the industry who recognize the need to accept change. The Olin-Michel substitute would produce a dairy program that is predictable. It would clearly be the most orderly in assisting the industry work through painful adjustments. Under any plan, some farms and regions will fare somewhat better than others. No plan can save all dairy farms now in economic trouble, nor preserve dairying in regions where production costs have risen above average levels attainable elsewhere.

Close to the end of the very long, often heated debate on the Conable amendment in 1983, a significant player in the legislation—Mr. MADIGAN, the Agriculture Committee's ranking member—broke a very conspicuous silence. For weeks he had refused to take a position on the amendment although he was very heavily lobbied by both sides. He opened his comments by deliberately stating that his position on the Conable amendment had been undecided. Then he said:

> Historically the only thing that has reduced the dairy surplus problem has been a Conable (price-cut) type provision. There is plenty of data to support that assertion.
>
> The Compromise would ultimately get to the Conable-type provision and it appealed to me because it did it gradually and it said "Let us try these other things first."
>
> But today we heard from the sponsors of the Compromise that before they would allow us to reach the chronological point in the timetable that the Conable-type provisions would be arrived at in the Compromise, they would intervene with other legislation . . . I do not want this assembly to be misled. I want the members to understand that we have a Compromise because an earlier idea failed, that before the good part of this Compromise can be arrived at, we are going to go on ad infinitum until the whole thing finally collapses of its own weight.

Mr. MADIGAN's assessment is, in my judgment, an accurate one. His words set the context for the choice once again before the House. The time has come now to begin a new approach to farm policy. The financial plight of so many involved in agriculture today distresses us all, and is the most forceful testament possible to our need for a new approach to farm policy. We need new strategies that build on the traditions and lessons of the past, yet are designed to fuel and harness—not hold back—the productive potential of U.S. farmers. If we reduce per-unit production costs as dramatically in the next 15 years as we have increased per-acre production since 1970, U.S. agriculture will regain an ironclad grasp on its position of commercial preeminence around the world. There simply are no scientific or technical reasons why we should be any less successful at cutting production costs in contrast to raising yields. We simply have never really tried, raising yields has always seemed the only logical thing to do. In the 1985 farm bill, we must take an historic step by accepting the need to lower support price levels for all commodities to encourage—even compel—producers to utilize technology first and foremost for reducing costs as a matter of economic necessity and survival.

We need to challenge and refocus the entrepreneurial skills and talents of agribusinesses, scientists, and engineers. Let's start by adopting a dairy program that rewards efficiency, that can easily accommodate further innovation, and that equitably shares the benefits of the tremendous productivity gains we are fortunate enough to enjoy.

Let's stop fooling ourselves, and deceiving farmers. This body lacks the ability and time to manage the dairy industry with complex programs, like the Unity Plan, and this body will not continue to appropriate increasingly large sums of money to support a program that so consistently fails, so predictably costs more money than promised, and that imposes such great and unjustified costs on consumers. Join me in what will be a first historic step toward a new foundation for farm policy by passing the Olin-Michel substitute.

Mr. GLICKMAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I thank the gentleman from Kansas for allowing me these 2 minutes.

I rise with a troubled heart because I see the fulfillment of something that since 1965, some of us have been addressing from the financial-structural standpoint. At this point in America we are facing a domestic time bomb that is far more explosive than the so-called Third World debt bomb. We have a home-made debt bomb of our own: Every day you read about another farm bank going under.

Now, nothing in this legislation addresses the central issues or does anything to really arrest the further decline of American agriculture. I realize, being chairman of the Subcommittee on Housing, what it is to try to legislate constructively under the situation we confront today.

In the first place, with the entry of Portugal and Spain into the European Common Market, we will see a further preempting of our American grain exports to that area.

As far back as 1962, my first month in this House, in the 87th Congress, I voted against the John Kennedy pet proposal, the so-called General Agreement on Tariffs and Trade because of the fact that it was obvious to me that nobody in America, all during the 8 years of Eisenhower's regime, not one reference was made to the emerging European Common Market that was destined to preempt our agricultural exports.

Our most productive American element, which is agriculture, is knocked out of the world markets because of the imbalance in our currency situation. The American dollar has been very well manipulated to where it is overvalued and we just do not have a chance. Until we address those central issues, we will be flailing our arms.

Mr. ROBERTS. Mr. Chairman, I yield 5 minutes to my distinguished colleague and friend from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I thank my colleague for yielding me this time. I am not a member of the Committee on Agriculture, but I do want to in all sincerity compliment and congratulate the chairman of the committee, the ranking member, and all members of the House Agriculture Committee for their their long and very sincere effort to find solutions to our major agricultural problems today.

I think there ought to be different kind of medal, a Congressional Medal of Honor for all of you for what you have been through, and I believe that you probably should be issued steel trousers for those many hours of hearings that the committee has held.

I think it is indeed appropriate that the committee has named this bill, H.R. 2100, the Food Security Act. That gets to the heart of what we are attempting to do by assisting the American agricultural sector by providing a profitable agricultural base for the country. This has been a difficult task, I know; the committee has tried to build a consensus and it has gone a long way toward doing that. I wish the committee the best as we proceed in debate next week and following, and in the conference with the other body.

I want to say to my urban colleagues a particular thank you because so many of you have been visited by representatives of farm States, by farm organizations such as the farm crisis group that had its genesis in Emerson, NE, in my district.

You, my colleagues, have been extremely courteous and have listened to these representatives of farm families and agribusiness families. To all of my urban colleagues, I very much appreciate the sincerity with which you welcomed and listened to my farm constituents and those from other districts.

A special thanks to the Black Caucus, who have really, I think, gone out of their way to be hospitable and helpful to farm families from throughout the country.

There are many elements of controversy, of course, in this farm legislation; they have to do with whether or not a particular commodity should be under a farm support program; the levels of support, the referendums that may be offered to provide a choice; but I think we ought to concentrate a little bit on some of the innovative, imaginative, very positive things that are part of this farm legislation.

They certainly, in my judgment, include the conservation reserve. There seems to be unanimous support for that effort; I think it is overdue, but it was recognized early and now you are bringing us legislation which would establish this conservation reserve.

Likewise, the sodbuster provisions of this bill are very important, and I compliment the committee for those two conservation-related aspects of the bill and for the kind of changes that you helped craft; primarily the Committee on Agriculture, although the House Foreign Affairs Committee where I serve also has jurisdiction; I speak of the Public Law 480 Food-for-Peace Program. Those are important steps forward.

The Agriculture Export Commission, where I serve with seven other Members of the House, has found that most of its recommendations are incorporated in your legislation. We think that is appropriate; we congratulate you for the more aggressive stance that you have taken on expansion of exports.

I have met, as a part of a delegation, met twice a year with members of the European Parliament, and they contend that indeed we have as many dollars or units of subsidy to our farmers as they do to theirs; and perhaps that is true, but I have pointed out frequently to them—perhaps without success at this point—that most of our subsidy dollars are aimed at reducing production, while theirs are aimed seemingly at increasing production to unprecented levels.

Then they come along and use their export subsidies; the francs, the deutsche mark, to take away markets by export subsidy. So the primary beneficiary of our efforts to reduce production, to reduce surpluses, has been not first and foremost the American farmer or taxpayer; it has been the French farmer or his counterparts in the European Community.

I think you have taken some steps to deal with that problem; much yet remains to be done. I think it is important for all of us, but especially perhaps the urban colleagues, to think a little bit as we proceed with this debate, about the unusual agglomeration of problems that have come together to create disaster which affects whole states and whole regions and whole sectors of our agricultural economy.

Certainly, the genesis can be traced back at least to the creation of OPEC, the shock waves coming out of that, to fiscal policy, to a monetary policy which was primarily a stop policy in 1981 and 1982, which brought down the value of the agricultural land incredibly.

So this is the most important trade bill, and agriculture credit bill, as well as being a farm bill, and I commend my colleagues through the next few days.

Mr. ROBERTS. I yield myself such time as I may consume in the remaining timeframe that I have.

Mr. Chairman, it is not going to be my purpose in speaking in my own behalf to go down the litany of grim facts that do underscore the economic adversity that we are going through in farm country; the hurt, the fear, and the personal grief. That is a given.

Let me say that of the many problems that we face in agriculture, that these problems are not of the farmers' making. We have had a lot of publicity in the news media and a lot of folks in Washington pointing the finger of blame at the farmer; I just do not think that is accurate and I do not think it is right.

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At the same time, I think many of these solutions to what ails us in farm country is beyond the scope of the Agriculture Committee. The budget that we passed here just a few weeks ago forced the Agriculture Committee to trim $7.9 billion from baseline and $11.4 billion from the committee bill

that we passed. It forced the farmer to take a cut from what we are spending now in regards to agriculture. It did not force the Defense Department to take a cut, and it did not force the people on Social Security to take a cut with their COLA's or the rest of the entitlement programs, but yet it asks the farmer to take a cut despite the adversity that we are facing.

I do not think that is right. I do not think it is fair. I did not vote for the House budget. As a matter of fact, I think that budget is full of smoke and mirrors. I do not think it is going to get the $50 billion that it alleges down from the deficit. And the irony of it is that all of the people in my country, in the big First District of Kansas, want that deficit reduction No. 1 in terms of their issues of concern, and they will even believe more, they will even believe more, Mr. Chairman, in order to get the deficit down, but at the same time we pass a budget that does not do that, does not take that dramatic step, and so I am forced, as a member of the Budget Task Force of the House Agriculture Committee, to try to cut $11.4 billion out of a bill that I really do not prefer. The bill that I preferred was introduced by Mr. STANGELAND, Mr. GLICKMAN, and myself, the marketing loan bill. It lost by only two votes in the committee.

So the irony is that while farmers in my country would like to see significant budget reduction, the budget we have does not do that. Yet we have to cut more out of the farm bill.

If these were normal times, Mr. Chairman, this would be a good bill. It is a good bill in many respects. We have a conservation reserve. My colleagues have spoken to that. We have sodbuster legislation. We actually reform the acreage base provisions of this farm bill that will be of help to my long long-suffering summer fallow producers. We did contain positive language on the cargo preference section of the bill, until merchant marine reclaimed that issue and put their bull in our pasture. And I would say to the gentleman from Michigan [Mr. BONIOR] who is currently serving as Chairman of the Committee of the Whole House, that, yes, this issue does only involve 2 percent of our export sales, but it will involve a lot more in the rest of the export program that we have, and we are not moving any grain right now into the export market. And if in fact it only involves 2 percent, I think that perhaps the Department of Transportation should pay for that and not agriculture. But it is not my intent to rehash the cargo preference issue at this particular time.

We have instructions to Extension and Research, those fine departments within the USDA, to do some things on the cost of production. We have a cost of production board that is made up of farmers to really try to take a good look at the true costs that we have out in farm country today.

So it was a good bill in normal times, but these are not normal times. We are going through a terrible time in farm country. This past August I toured the 58 counties of the big First District, that is 4,000 miles, 3,700 people turned out. It was a record. I do not care whether it was the courthouse, the church, the coffee shop, the elevator, or whatever, the primary issue is farm income, and, yes, there was another issue, and that is preserve the credit walls or the credit home of the farm credit system, our commercial banks, and our Farmers Home, as well, So I am going to say that the farm credit issue that my colleagues have spoken to deserves at least the same amount of time as the farm bill, and I think that is what we are going to see.

Let me caution, then, my colleagues, that if and when we pass this bill, when it is finally signed by the President, we have not solved this problem. Before this session is over, we will be back with the farm credit issue, and, in my view, an emergency farm bill.

Another issue this bill does not address is what are we going to do with the massive amounts of grain that are going to be forfeited to the Government in the next few months. Uncle Sam is going back into the grain business. We harvested a near record wheat crop this summer, and we are now harvesting a record fall crop of feed grains because the market price is now below the loan rate. Most of it will go under loan to the Government and ultimately may be forfeited to Uncle Sam.

By this time next year, if Congress or the USDA does not take steps to correct this situation, we will be drowning in a sea of surplus grain that we cannot sell. I am predicting, perhaps, not son of PIK, but something like a light commodity payment, so we can get out from under that grain.

I hope we will be able to pass this farm bill, get a bill signed into law as soon as possible. My farmers are already putting some seed into the ground. But let me warn my colleagues that the problem is so enormous and the economic malaise, if you will, is so acute in farm country that we will be faced with an emergency bill. Every farm bill that has been passed here the last four times has been followed by a crisis bill, an emergency bill, to correct some of the problems not addressed by this bill. So once we get this budget business or budget game, if you will, out of the way, I predict we will be back with an emergency farm bill. We are at a very critical crossroads. We can continue to pay lip service to our growing economic crisis in farm country or we can take action now to protect and shore up our farm lending system, to pass this farm bill and to make those very, very difficult choices needed to reduce the deficit, which is the number one issue in farm country.

There is no time left, Mr. Chairman, and no place to hide. We have to act. We have jumped that first hurdle in the House Agriculture Committee, due to the leadership of the gentleman from Texas [Mr. DE LA GARZA], the gentleman from Illinois [Mr. MADIGAN], and my fine colleagues on the committee. It is time now to do the same thing on the floor of the House.

Mr. Chairman, I reserve the balance of my time.

Mr. GLICKMAN. Mr. Chairman, I yield myself such time as I may consume.

As no doubt the last speaker on the majority side, I do not want to reiterate what everybody has said, but I do want to point out, at least at the beginning, that our committee did make a conscientious and effective effort at complying with the budget that we did pass, as bad as that budget may be, as the gentleman from Kansas [Mr. ROBERTS] just indicated. We did pull our own teeth and others, as well, to get those numbers down. And for anybody who is watching this debate, I will ask them to focus on pages 520, 521 through 525 of this bill, where we do list the meat and potatoes of the budget cuts that we made, and I want to make sure that my colleagues know that at least this body was responsible in trying to get the bill, as difficult and painful as it is right now, within budget.

As both Mr. ROBERTS and Mr. GONZALEZ and others have talked about, there are a lot of problems facing farm country today, many of which have nothing to do with the farm bill itself—large deficits in the last few years, high value of the dollar, tariff and nontariff trade barriers by other nations, making it impossible for our commodities, not only our manufactured goods but our farm commodities, to be sold into other countries, Government policies which often work against the producer of food and fiber of this country. But, unfortunately, the way this institution works, the way our country works, we do not come down with one big giant bill to take care of it all. We have to take care of the basic farm commodity problems that we have, and that is the function of this bill. It is not a perfect bill, but it is a heck of a lot better than what the President and Secretary Block proposed to us 7, 8, 9 months ago, and, obviously, almost everybody feels that way, because nobody, not even the President and Secretary Block, are sending us down signals that they support that original package. We did our best under very difficult circumstances to come up with a bill that tries to preserve farm

income at least at the levels of what we have had it in the past. There are a lot of hot items in this bill, items like peanuts and tobacco and dairy and the Bedell amendments, and I am sure there are other hot items as well, efforts to decrease target prices, and I hope that my colleagues from both rural and urban areas, while they will have to use their own judgment on each one of these amendments, will do their best, as a whole, to preserve the delicate balance that we have tried to create and the complicated bill, with hundreds of different provisions.

I have been in the House almost 10 years, and I have never dealt with a piece of legislation that combines so many different pieces of the pie in one bill as the farm bill does. And people said, "Well, how is the farm bill?" And I tried to explain, "Well, there are a lot of different pieces to the farm bill, from commodity issues, to conservation, to credit, to exports, to almost everything under the sun."

But the fact of the matter is, we put this together, trying to come up with a piece of legislation that will be effective.

I just have a couple more comments before I reserve the balance of my time. I do hope that my colleagues will look favorably upon the Bedell amendment, an amendment which gives farmers the choice of voting on what program they would want next year.

I also hope that my colleagues will give favorable consideration to an amendment that I will be offering with the gentleman from Kansas [Mr. ROBERTS] and the gentleman from Minnesota [Mr. STANGELAND] to tie a marketing loan concept to targeting of deficiency payments, so that we will have really and truthfully an innovative approach to farm problems without increasing the budget.

Targeting is interesting. It basically says that the benefits will go primarily to small and midsized producers, as opposed to producers of all kinds. It is controversial. But it is something that I think should make sense to a lot of people in this Congress who want to see that farm moneys go to people who really need it.

A few years back we had a bill to help save New York City, and at that time, as I approached that bill, I thought to myself, "What does a Member from Kansas have to gain by providing help to New York City?" And notwithstanding the politics of it, I felt at that time that it would not be in the interests of America to see the Nation's largest city suffer financial catastrophe. We helped with that problem. New York City is a much more thriving place today because of it. And I am proud of my vote. Today, rural America is in a crisis, at least as bad if not worse than the crisis that New York City was in. And I hope that all of my colleagues, rural and urban alike, notwithstanding their specific positions on some of these side issues, will see fit to support the basic farm bill as we have brought it from the Agriculture Committee.

Mr. Chairman, I reserve the balance of my time.

Mr. ROBERTS. Mr. Chairman, I have no further requests for time, and, therefore, I yield back the balance of my time.

Mr. GLICKMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho [Mr. STALLINGS], a new member of the committee.

Mr. STALLINGS. Mr. Chairman, I rise today to speak in favor of H.R. 2100. As a freshman Member, I have been most impressed with the way this committee has operated. I find a real sense of commitment to the well-being of the farmers of this country and a sense of the crisis that is about to envelope the entire land if something is not done to reverse this. So, to me, H.R. 2100 is perhaps the most vital bill we will be dealing with this session.

There is no question in my mind that the House farm bill will improve farm income while making our farm products more competitive in world markets. Our particular concern to farmers across this country is the opportunity to get a decent price for their products. America owes them that much and, in my mind, much more.

I would like to take a few minutes to speak to two specific provisions in this Food Security Act.

First, I applaud the language that was originally contained in H.R. 2100 that would remove cargo preference regulations, that specified designated exports be shipped in American vessels from the USDA's commercial export sales programs.

I call on all Members of this body to support cargo preference provisions that will allow our farm export programs to work as intended and still preserve our maritime industry.

Second, I urge my colleagues to support the sugar provisions in H.R. 2100 which direct the Secretary of Agriculture to support domestically produced sugar cane and sugar beets through nonrecourse loans at a rate not less than 18 cents per pound.

This price support system is vital to our domestic producers, numbering more than 13,000 families farmers in 15 States, along with nearly 150,000 workers involved in indirect and related sugar industries, who, it seems, are facing the same problems from foreign competition that most other domestic industries are now fighting.

We have an opportunity in the next few days to do something right for these producers, and that is to continue a program that works, a program, I might add, that does not cost the American taxpayers a single dime.

Do not be fooled by arguments that will be made by opponents who claim that the sugar program costs the American consumer tremendous amounts of money. The truth is that when sugar prices are high, these costs are indeed passed along to the consumers. When sugar prices drop, these cost savings do not seem to get spread along to the American consumer.

One last point: During the period of 4 percent annual inflation, the loan level on domestic sugar was increased only 1.4 percent a year. Surely, this cannot be a great windfall to our family farmers.

Mr. Chairman, I urge the support of the Members for this farm bill which represents hope to the family farmers across this land.

Ms. MIKULSKI. Mr. Chairman, I rise today and commend my colleagues on the House Agriculture Committee for their tireless efforts in working to help America's farmers out of the current crisis many of them face.

As a Representative from the State of Maryland, which claims agriculture as its No. 1 industry, I am deeply concerned about the plight of our farmers. Whether it is a poultry farmer on the Eastern Shore, a dairy farmer from Howard County, or a tobacco grower in southern Maryland, I believe it is essential that we work to insure that farmers receive a fair price for their produce.

In recent months we have heard a great deal about the difficulties which our farmers face: record numbers of foreclosures, high interest rates, low prices, and huge crop surpluses have placed thousands of family farmers in circumstances reminiscent of the 1930's.

It is my hope that with the enactment of new farm legislation we can improve the condition of our farmers and enable them to get through these tough times.

There are two provisions in H.R. 2100, as reported by the House Agriculture Committee, however, which I take strong exception to:

First, is the bill's sugar title. It would maintain the sugar loan rate at 18 cents a pound for the next 4 years, and retain the requirement that the Department of Agriculture maintain the market price for sugar roughly 4 cents higher than the loan rate.

The program was designed in 1981 to protect American sugar growers while the real effect has been to cost 3,000 American jobs in 7 refineries which have been forced to close because the amount of imported sugar processed in the United States has dropped from 5 million tons annually to about 2.5 million tons.

The 1985 farm bill maintains the current 18-cent-a-pound loan rate. If this is not modified, we will see more refineries close, placing another 4,00 jobs at risk. Of greatest concern to me is the chance that 650 Marylanders who work at Amstar's sugar refinery located in my congressional district will be put out of work because of the

restrictive sugar policies which this bill would continue.

To prevent these dire economic consequences from occurring, I will be supporting my colleagues Representative TOM DOWNEY and BILL GRADISON in their effort to modify, but not eliminate, our sugar program. Through a combination of modest loan rate and market price reductions, this amendment will protect our Nation's refinery workers from being forced onto the unemployment lines.

The second provision I oppose in H.R. 2100 as reported from the House Agriculture Committee is that which would exempt Government-sponsored agricultural export programs from our Nation's cargo preference laws.

The press focuses on how many subsidies the U.S. merchant marine receives, and how cargo preference is crippling our ability to export American agricultural products. My colleagues ought to know, however, that at its peak, the U.S. merchant marine received $650 million a year in Government assistance, while agriculture will get as much as $11 to $12 billion this year alone from direct Government subsidies.

I cite these figures not as an indication that we ought to slash our help to farmers, but to suggest that our merchant marine should not, and must not, be made a whipping boy for the plight of American farmers.

Cargo preference laws affected less than 2 percent of the 145 million tons of farm goods exported from the United States last year. Yet this small percentage of cargo accounted for over a third of the revenue which our merchant fleet generated.

Simply put, without cargo preference, we will face the virtual extinction of the U.S. merchant marine, part of our national infrastructure and truly the fifth arm of our national defense.

While American farmers have been suffering, so have American mariners. In the last three decades the number of people working in the maritime industry has dropped from over 70,000 to roughly 18,000. In the last 4 years alone, nearly half of our active merchant fleet has been scrapped because of the worldwide shipping glut.

Shipyards have closed and companies that once proudly boasted of ships in the U.S. fleet have been forced to diversify for lack of cargo, foreign subsidies, and Government unwillingness to provide even the smallest amounts to American mariners.

What has happened to the maritime industry is endemic of what has happened to our entire manufacturing/industrial base, as nearly 2 million jobs have been exported overseas and our trade deficit soars to an all-time high.

Because of this concern over weakening our Nation's cargo preference laws, I supported the leadership of the Merchant Marine and Fisheries Committee, particularly chairman WALTER JONES and vice chairman MARIO BIAGGI, removing this anticargo preference provision in our committee.

I am pleased that the Rules Committee has acknowledged the principle jurisdiction of the Merchant Marine and Fisheries Committee on this issue and has given us a bill that does not have the anticargo preference language in it.

In the event that someone would attempt to reinstate it, I intend to strongly oppose such an effort. In trying to assist two struggling industries, agriculture and the merchant marine, we should not seek to aid one at the expense of the other.

In conclusion, it is my hope that this House can produce a farm bill that is truly in the best interests of America: Legislation that helps American farmers without sacrificing America's manufacturing and maritime infrastructure.

Mr. KASTENMEIER. Mr. Chairman, colleagues, can there be any doubt in the minds of any member of this body that the farm crisis we have been facing for so many years continues steadily to worsen? That today, as highlighted by the recent declarations by the Farm Credit Administration that (in the absence of an infusion of Federal money) the Farm Credit System will soon go bankrupt, we stand on the brink of a final showdown for anywhere from one-third to one-half of our farmers.

One need only travel the backroads to see evidence that rural America is already suffering from a lack of capital. In small towns, houses and buildings go unpainted. Repairs are not made. Rural highways which used to be maintained in good condition are left for repaving in some future year. There is no money. There is no income. Rural counties are reporting that tax delinquencies are approaching record highs.

For over one year now the debate has raged in Washington and throughout the country as to what our national farm policy—as established by this bill, the 1985 farm bill—should be. Having experienced half a decade of declining farm prices, declining farm income, declining farm exports, rising farm foreclosures and bankruptcies, increasing bank failures, and intolerable rises in farmer depression and farm suicides, rural America has looked to this bill.

They have done so not optimistically, but hoping against hope that perhaps now, at last, the situation has gotten bad enough that the Government would turn to farm programs which would actually raise farm income, which would recognize that more credit alone is not an answer.

And what has the response of the Government been? President Reagan has been steadfast in his opposition to programs aimed at improving farm income. He has advocated programs which will clear out our markets by allowing our prices to drop to world market levels. He has rashly warned the Congress that he will veto any legislation aimed at improving farm income by decreasing farm production. He has accepted the inevitability of the disappearance of small, family farmers and has adopted a let them eat cake attitude to those who will be forced into bankruptcy by his cheap food policy.

The President had drawn the battlelines as sharply as they could be drawn by espousing a do-nothing fatalistic approach toward the plight of farmers whose fortunes have been crashed upon the rocks of slow-growth Reaganomics. The question as we consider this bill is what our response will be.

Just this week Earl Butz, the discredited former Secretary of Agriculture appointed by Nixon, was in my district disclaiming the existence of a farm crisis and proclaiming that it was, in fact, nothing more than the creation of a national media on the prowl for a new witch to hunt. Citing the proposition that perhaps some 60 percent of all farmers were doing well, Butz blithely ignored the other 40 percent and suggested things are just fine down on the farm.

We must not adopt this ostrich approach to our agricultural situation. We cannot hide our heads in the sand or the sand will soon be blowing down the streets of rural America.

The Agriculture Committee worked hard for many months to develop a bill which would improve farm income while lowering Government program costs. The bill which they have reported would accomplish that end. It could be better. And I will support amendments to make it better. But I would urge my colleagues not to make it any worse. The President is capable of leading the fight against a good farm bill. We do not need to do his work for him.

The Bedell voluntary certificate program for wheat and feed grains will improve income for wheat and feed-grain farmers. Let us not remove it from the bill. I will support efforts to expand and improve the Bedell approach. If the Alexander amendment is offered, I will vote for it. Not because it is the ideal farm program, but because it would give farmers the opportunity to vote in a referendum and determine whether or not they want to pursue mandatory supply control as a means of revitalizing our farm economy.

The Dairy Unity Act included in this farm bill is not the best we could have done for dairy farmers. I will be supporting efforts to improve it. But it is a better alternative than that being pursued by the administration. It does lower Government costs. It allows farmers to help themselves by supporting the costs of Government purchases and by cutting milk production.

I oppose the dairy provision which increases class I differentials for most of the milk market orders. I will support efforts to remove those increases from the bill because they put Wisconsin dairy farmers at a tremendous disadvantage. They actually would encourage increased production in many parts of the country when the intent of the diversion is to lower dairy production. I may offer my own amendment on the differential increases. But if my efforts fail, I will support the bill as being a better option than nothing—a better option than the President's approach.

And so, I ask my colleagues to join me. Let's resist the efforts to turn our backs on our farm problems. Let's pass a farm bill that will let American farmers know where their best interests really lie.

Mr. GROTBERG. Mr. Chairman, today, the House begins consideration of H.R. 2100, the 1985 farm bill. This is a very complex and controversial measure, but one which affects all of our citizens, directly or indirectly. For the benefit of our colleagues, I would like to include my news column, written this week, detailing my feelings about the pending bill:

GROTBERG ANALYZES HOUSE VERSION OF NEW FARM BILL

WASHINGTON.—It's taken months of hearings and hours of testimony from frustrated farmers and concerned agri-businessmen, but the House Agriculture Committee finally approved a new omnibus farm bill Sept. 10.

I'd be the first to admit we need to abandon our old Band-Aid approach to correcting the problems our farm communities face by drafting a new farm bill, but the one just approved by the Agriculture Committee has some major problems.

The bill, which could come to the House floor as early as this week, is supposed to preserve a five-year income protection safety net for farmers, as well as provide new trade expansion and conservation programs.

When the committee originally began marking up the bill, it carried a price tag of $42.8 billion over three years. But because of the $34 billion congressional budget limit, committee members were forced to reduce its total cost by $11.8 billion.

The bill provides that for five crop years—beginning in 1986—market prices of major crops including corn and wheat would be made more competitive by authority to link commodity price support loan rates more closely to market conditions, and by several export and expansion programs.

In the final hours before the bill gained approval, an amendment was added giving farmers an opportunity to vote by referenda for higher wheat and feed grain price supports (Bedell amendment). The referendum requires approval of 60 percent of all voting farmers, and at least 50 percent of both wheat and corn growers, before the controls could go into effect.

It's this amendment that causes the problems, as I see it, because farmers who do not participate will not be allowed to sell domestically, and would not receive any subsidies. Participating farmers, on the other hand, would have to adhere to domestic wheat and corn limits, but would also receive subsidies. For those participating, crop loan rates would increase from $3.30 to $4.50 a bushel for wheat, and from $2.25 to $3.25 for corn.

This amendment would take more land out of production and decrease exports, signaling foreign countries to increase their production. And livestock producers would pay more for feed grains.

In talking with some members of my farm advisory group—the members of which are farmers and businessmen from each county in my district—they are not happy with the overall effects of the farm bill.

John White Jr., of Elburn, who is president of the Illinois Farm Bureau, said he is "opposed to the referendum" because the production controls could be instituted by only 60 percent of all voting farmers and at least 50 percent of both wheat and corn growers.

Eldon Gould of Maple Park said he wants to see present target prices maintained and the loan prices scaled down. He said he also favors production limits because "we're producing more grain than we're using."

Malcolm Whipple of Utica said his main concern is "getting the federal deficit cut down, at all costs, even if it means the farmers have to take their share of licks."

The vote by the House Agriculture Committee sets the stage for more skirmishing on the House floor, where program supporters and consumer groups intend to take new aim on the bill.

While there is still plenty of time for debate and changes on the House floor, I have real problems with the bill as passed out by the Agriculture Committee.

Mrs. BENTLEY. Mr. Chairman, today we are considering the comprehensive farm bill, H.R. 2100, the Food Security Act of 1985, as reported favorably by both the House Committees on Agriculture and Merchant Marine and Fisheries. The new farm policy, as reported by the House Merchant Marine and Fisheries Committee, is a sound bill benefiting two vital American industries, the agriculture and maritime industries, which can contribute to an improved balance of trade and generate American jobs. As it happens, these two industries, agriculture and maritime, are the very industries that have suffered the most due to the ever increasing U.S. trade deficit.

I believe that a productive, healthy agricultural industry and a strong maritime industry are vital to the economic well being and security of our Nation. I am very supportive of maintaining Federal support programs which benefit the agriculture community. At the same time, I know the importance of the cargo preference laws to further this Nation's policy of having a U.S. built, owned and operated merchant fleet sufficient to meet the Nation's waterborne commerce requirements and capable of serving as a military adjunct in time of conflict.

Cargo preference is essential to the U.S. merchant marine generating a high portion of the total tonnage carried by the U.S. fleet, 37 percent in 1983. It is important to remember that of the 145 million tons of agricultural exports in 1983, less than 2 percent, and I emphasize only 2 percent of the total agricultural commodities exported were covered by the cargo preference requirements. Also, I must point out that cargo preference requirements do not increase the cost of U.S. agricultural export and do not inhibit export trade. Cargo preference does not add 1 cent to the price the farmer receives or the price the overseas customer pays.

Both of these industries are forced to compete abroad in the face of highly subsidized foreign competition, nontariff barriers and restrictive foreign policies. It is clear that both industries deserve, and are guaranteed under the present law, the support of our Government and neither should be helped at the expense of the other. This is exactly what H.R. 2100 accomplishes as reported by the House Merchant Marine and Fisheries Committee, which I proudly serve. Thank you.

Mr. HILLIS. Mr. Chairman, during the August recess, I was driving the back roads of Indiana and marveling at the fields of corn and soybeans which stretched as far as the eye could see. The weather had been too dry most of the summer, yet the technological advancements of modern agriculture were about to give us another bumper crop.

Indeed, everywhere I went I heard the same worry from our farmers: The crop was going to be so good this year, corn prices could drop to just $1.75, bankrupting hundreds.

That's the irony of the crisis on the farm. We're so good at what we do, it seems we can't seem to make a decent living doing it.

While hundreds of thousands starve in Africa, America's farmers—the most productive in the world—can't get a decent price for their grain.

It doesn't make much sense until you realize the American farmer has been less a victim of his own expertise and more a casualty of excessive governn:ent market manipulation.

Yet, here we are today, once again moving toward more intervention. The 1985 farm bill contains an all too familiar refrain of price supports, acreage reductions and paid diversion programs—the same stuff which has failed in the past.

I believe it is time to abandon this philosophy and move, instead, toward a free market economy—one in which the dynamics of supply and demand govern the health of the American agriculture industry.

I'm pleased to report my constituents apparently feel the same way. In my most recent districtwide poll, 78 percent of those responding favored a return to the free market while only 22 percent wanted to retain our system of farm supports.

Since the days of the Great Depression, the Federal Government has tried to influence the farm economy by juggling prices and production.

It is painfully obvious now that these policies accomplish little except to further deepen the budget deficit. With this bill, we have the opportunity to change the framework of U.S. agriculture policy.

It is an opportunity I do not believe we should pass.

This legislation proposes displacing the market-determined price of commodities with a price determined by the Federal Government. The intent is to protect farmers from a sudden price collapse. But the result is often the opposite.

The prices the Government sets generally exceed the market price, providing farmers with an incentive to flood the market with surplus goods. The law of supply and demand—a law not even the Congress can repeal—kicks in and the very economic crisis we are trying to avoid, occurs.

Commodity price supports, set at higher than market levels, result in inefficient resource allocation, unwanted surpluses and depressed prices.

Production controls, as proposed by this bill, will directly and immediately hurt large segments of American Agriculture.

In my own district, I am most concerned about suppliers of fertilizer, pesticides and equipment—all of whom would see their

business hurt as demand for their services fell.

Production controls, for the most part, have not succeeded anyway because they encourage farmers to retire their least productive land and farm the remainder intensively. Worse, our overseas grain competitors historically have taken advantage of U.S. acreage reductions by increasing their own production.

Once again, the American farmer is the loser.

Mr. Chairman, I am fully aware that we will not be able to alter our farm policy painlessly.

It will take time for the forces of the free market to stabilize supply and demand and restore profitability to the agriculture industry. For many, the adjustment will not be easy.

I believe Congress has an obligation to cushion this adjustment by using the tax dollars freed through elimination of support programs and applying them for programs which afford temporary relief.

American agriculture is at the crossroads. The crisis on the farm is real.

The immediate problems which are forcing hundreds into bankruptcy and ripping the fabric of rural America must be addressed. But, in doing so, let us neither ignore the long-term problem nor shy away from the long-term solution.

It is time to change our thinking. It is time to recognize that the revitalization of American agriculture lies in the free marketplace—not in mandatory controls imposed by the Congress.

Mr. LEWIS of Florida. Mr. Chairman, let me begin by commending Mr. DE LA GARZA, the chairman of the Agriculture Committee, and Mr. MADIGAN, the ranking Republican who have worked many long and oftentimes difficult hours to bring H.R. 2100 to the House floor. That has been a thankless task and their efforts should be duly noted as nothing short of heroic.

Mr. Chairman, I'm sure we can all agree on the fact that this is not a perfect farm bill. Members of the Agriculture Committee, other Members of this body, the administration, farmers, industry officials, economists—all have different views on how we can improve the American farmer's plight. As a matter of fact, I will work to have some of the provisions in H.R. 2100 changed during the floor debate.

Now, I don't doubt that all our views have merit. In fact, I would be the first to say, "Let's incorporate everyone's ideas," if I thought that would work. The plain and simple truth of the matter is, through little fault of its own, the American farm community is in serious trouble. These troubles can be attributed to many things; ineffective Government programs, high interest rates, a runaway Federal deficit, a dangerously high trade deficit—and the list goes on and on.

No single piece of legislation can solve all these evils. However, H.R. 2100 is a vehicle, a good vehicle by which we can develop an American farm program.

The farmers of this Nation are waiting for us, their elected officials to provide them with a window clear enough to give our farmers a vision of what the future holds for them.

We have a challenge ahead of us. I hope the Members of this body will meet it head on.

We owe that to those who make up the roots and the fiber of our Nation, the American farmer.

Mr. GLICKMAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired on the agriculture portion of the general debate.

The Chair will note that the members of the Committee on Merchant Marine and Fisheries designated to control the time for the general debate are not present on the floor and have advised the Chair that they do not wish to reserve such time; therefore, the Chair will consider such time for general debate to have been yielded back.

Mr. GLICKMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. STALLINGS] having assumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, had come to no resolution thereon.

□ 1525

GENERAL LEAVE

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2100.

The SPEAKER pro tempore (Mr. ROBINSON). Is there objection to the request of the gentleman from Kansas?

There was no objection.

1984 ANNUAL REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service.

(For message, see proceedings of the Senate of Friday, September 20, 1985.)

GENERAL LEAVE

Mr. BRUCE. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from Alabama [Mr. FLIPPO].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TAX REFORM

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BARTON of Texas. Mr. Speaker, as you know, the House Ways and Means Committee is poised to begin consideration of comprehensive tax reform legislation and markup should commence before the end of the month. It is likely that there will be some substantial changes to the President's tax reform proposal, which I endorsed with reservations when I testified before the committee on June 18, 1985.

The extensive hearings held by the Ways and Means Committee over the summer have served a useful role in identifying specific areas of concern. It has become apparent that some changes will have to be made and the Reagan administration has indicated that it is agreeable to some changes. It also appears that most of the changes will result in the loss of revenue. This is particularly true in important areas such as State and local tax deductions, recapture, and the investment tax credit. Compromises in these areas could lead to revenue losses of tens of billions of dollars.

Chairman ROSTENKOWSKI has steadfastly maintained that any tax reform bill must be revenue neutral. The budget deficit is already monstrous, and tax reform must not aggravate the budget problems. If the Ways and Means Committee makes changes to the President's proposal that lead to massive revenue losses, they will have to find additional revenues to offset the losses.

Recent reports suggest that some members of the committee are considering imposing additional taxes on the U.S. petroleum industry in order to offset anticipated revenue losses. I find these reports disturbing. The Ways and Means Committee has never been particularly sensitive to the needs of the U.S. petroleum industry, at least since the early seventies. The windfall profits tax demonstrated a

complete lack of understanding of how the energy industry works. The Congress decontrolled oil and natural gas in order to encourage the industry to search for additional energy reserves. Yet the Ways and Means Committee imposed the windfall profits tax, removing the incentive to explore and develop new reserves. One hand took away what the other hand granted.

I would like to remind our colleagues on the Ways and Means Committee of the heavy tax burden already borne by the U.S. petroleum industry. Three fine gentlemen from my alma mater, Texas A&M University, recently wrote an excellent analysis of the heavy tax burden of the petroleum industry. Their analysis clearly demonstrates that the U.S. petroleum industry already pays more than its fair share of taxes. Their article, titled "The Relative Tax Burden of the Petroleum Industry," appeared in Tax Notes on August 5, 1985.

The text of the article follows:

THE RELATIVE TAX BURDEN OF THE PETROLEUM INDUSTRY

(By Edward P. Swanson, D. Larry Crumbley, and Gary G. Berg)

The Treasury's recent tax proposals have focused public attention on tax reform. The basic concept underlying the Treasury's proposals are to lower rates and increase the perceived fairness of the tax system by eliminating narrowly focused benefits. Evidence about the present level and distribution of the tax burden is essential in assessing the fairness of the existing system. This article analyses a key Congressional source of such information.

More specifically, the staff of the Joint Committee on Taxation (JCT) annually prepares a study for Congress of corporate tax burdens. This article summarizes the major findings of the most recent Congressional study and discusses some limitations in its analyses. While the effective tax rates of numerous industries are reported in that study, this article focuses on representation of the level of taxation of the petroleum industry. The elimination of tax provisions that benefit this industry has been called the litmus test of the Administration's seriousness about tax reform. Yet in Treasury II, the rapid writeoff of intangible drilling costs continues to be allowed. A key question therefore arises: Do these tax provisions allow the petroleum industry to avoid paying a fair share of federal taxes?

This article presents additional data that, in conjunction with data in the JCT study, provide an accurate description of the relative degree of taxation of the petroleum industry. By itself, the JCT study provides an incomplete summary of taxes paid to the federal governments by the petroleum industry. The key problem with the JCT study is its failure to consider the impact of the Windfall Profit Tax.

I. CONGRESSIONAL CORPORATE TAX RATE STUDY

A. Major findings

The Congressional study reports both worldwide effective tax rates on worldwide income and U.S. effective tax rates on U.S. income. Examination of Table 1 reveals that two industries have 1983 worldwide effective tax rates of over 40 percent: chemicals and petroleum. Four industries have worldwide rates of less than 10 percent: paper and wood products, telecommunications, railroads, and utilities. Examining 1983 U.S. effective tax rates (per Table 2), five industries have rates above 30 percent: instrument companies, soaps and cosmetics, tobacco, trucking, and wholesalers. Eleven industries report 1983 U.S. effective tax rates below 10 percent.

Worldwide effective tax rates are substantially higher than U.S. rates. The 1983 average worldwide rate is 29.2 percent, while the corresponding U.S. rate is 16.7 percent. Moreover, the worldwide effective tax rates are greater than or equal to U.S. rates in virtually every industry. In addition, industry rankings sometimes change substantially. In particular, the chemical and petroleum industries, which have the highest 1983 worldwide effective tax rates, rank 27th and ninth (respectively) out of 30 industries for which 1983 U.S. effective tax rates were calculated in the study.

B. Data and their limitations

Effective tax rates in the Congressional study were computed from data available in financial statements. (Tax return data were not used primarily because such data is not available for about two years and tax returns of individual companies are confidential.) The study includes 218 companies selected from the Fortune 500 Industrials and the Fortune Serve 500. Industries generally correspond to the Standard Industrial Classification Code. Industry tax rates were calculated by including each company in the industry or service group in which the company has the greatest volume of sales. Firms with operations in more than one industry, therefore, cause some distortion in the industry rates.

Industry effective tax rates were calculated by dividing the current portion of income tax expenses for all firms in the industry by their net income before tax. The latter was adjusted to include the income or losses attributable to minority interests and to eliminate income or losses of affiliated enterprises on the equity method. Income is before extraordinary items and discontinued operations. State and local income taxes are not included in income tax expense. Firms with losses or tax refunds were generally included in the industry averages.

II. RELATIVE TAXATION OF THE PETROLEUM INDUSTRY

The figures reported in the Congressional study show that the petroleum industry is heavily taxed on a worldwide basis. However, controversy surrounds the interpretation of these figures. In some foreign countries, the government owns the producing properties, and the IRS has argued that a portion of the income tax payments are actually royalty payments.

Those who are skeptical about the reported worldwide rates for the petroleum industry would place greater weight on effective U.S. tax rates. Moreover, members of Congress are primarily concerned with U.S. rates. On this basis, the JCT study reports an average rate for the petroleum industry of 21.3 percent in 1983. This is above the average U.S. effective tax rate of 16.7 percent for all industries and ranks the industry ninth highest of the 30 industries covered in the study. To summarize, based on the data in the Congressional study, the petroleum industry pays a high rate of worldwide taxes and an above average rate of U.S. taxes.

The JCT study, however, has significantly understated the petroleum industry's U.S. and worldwide tax burdens. The cause of the understatement is the enactment of the Windfall Profit Tax (WPT). This tax became effective in 1980 as part of the decontrol of oil prices and has resulted in a sizable increase in taxes paid to the federal government. The WPT is a federal excise tax on the difference between the removal price and a specified base price of a taxable barrel of crude oil. The removal price is the actual or constructive sales price of a barrel of crude at the wellhead. The base price is generally the pre-decontrol price at which the oil would have been sold. The difference between the removal price and the base price is the so-called "windfall profit." Ironically, the enactment of the WPT has reduced the effective U.S. income tax rates for the petroleum industry. This occurs because the WPT is a deduction in calculating federal taxable income.

In deciding on the need for changes in the taxation of the petroleum industry, government policymakers should be aware of the effect of the WPT on the tax rates reported in the JCT study. To determine this effect, we collect data from financial reports on the amount of WPT paid by firms included in the JCT study. We then recalculated the industry's effective U.S. and worldwide tax rates, including both income taxes and the WPT in the numerator (the denominator becomes income before both the WPT and income taxes). This approach provides a more complete measure of the petroleum industry's federal tax burden. Under this approach, the industry's 1983 U.S. effective tax rate increases from 21.3 at present to 40.6 percent. This rate is the highest of any industry in the Congressional study (see Table 2). The worldwide effective tax rate increases from 42.0 percent to 49.6 percent. This is the second highest rate for any industry in the Congressional study (see Table 1).

While the petroleum industry clearly pays a high rate of federal taxes when the WPT is considered, the WPT is scheduled to expire in 1991 under either current law or Treasury II. We therefore estimated the effective tax rates for the industry assuming expiration of the WPT but retention of income tax laws that benefit industry. In this case, income taxes that would be paid can be approximated by adding to current income taxes an amount calculated as the marginal tax rate (46 percent) times the WPT. This total is the numerator in calculating the effective tax rate, while the denominator is income before both the WPT and income taxes. Ironically, because eliminating the WPT would do away with a sizable income tax deduction, the industry's 1983 effective income tax rate would increase from the 21.3 percent reported in the JCT study to 27.3 percent. (The fact that the effective income tax rate reported in the Congressional study would increase by 28 percent, by eliminating a sizable federal tax paid by the industry, further illustrates the misleading nature of the industry rate reported in the Congressional study.) The industry would, therefore, pay a rate of income taxes that is 11.2 percent above the average for all industries even if favorable benefits, such as immediate writeoff of intangible drilling costs, remain intact.

III. CONCLUSION

Our analyses, in conjunction with the data reported in the Congressional study, show the relative tax burden of the petroleum industry. A major conclusion is that the petroleum industry pays a relatively high rate of federal taxes. Moreover, the industry's tax burden will remain relatively high

even if special tax benefits, including immediate writeoff of intangible drilling costs, are retained.

It is the responsibility of government policymakers to decide what level of taxation of the petroleum industry is appropirate. It is important, however, that those policymakers have more complete data about the relative tax burden of the petroleum industry than reported in the JCT study. In fact, the data provided to Congress in the JCT study are potentially misleading.

TABLE 1.—EFFECTIVE WORLDWIDE INCOME TAX RATES BY INDUSTRY

[In percent]

	1982	1983	1983 rank
Petroleum industry:			
Per JCT study (federal income tax only)	38.2	42.0	2
Income tax plus Windfall Profit Tax (WPT)	50.4	49.6	2
Other industries (data per JCT study):			
Aerospace	7.1	18.1	19
Beverages	28.8	27.3	14
Broadcasting	13.7	21.7	17
Chemicals	47.3	52.9	1
Computers and office equipment	37.1	38.1	4
Construction	22.6	29.3	11
Electronics and appliances	21.4	16.4	20
Financial institutions	24.3	24.3	16
Food processors	36.5	29.3	11
Glass and concrete	17.9	24.4	15
Instrument companies	26.9	36.7	5
Insurance	(2.5)	12.9	22
Investment companies	23.3	13.8	21
Metal manufacturing			
Metal products	42.8	29.3	11
Mining			
Motor vehicles		10.4	23
Paper and wood products	42.5	7.2	24
Petroleum	38.2	42.0	2
Pharmaceuticals	38.3	32.1	10
Retailing	21.6	21.3	18
Rubber	59.6	35.0	7
Soaps and cosmetics	38.0	38.9	3
Telecommunications	2.3	5.6	26
Tobacco	32.7	32.9	9
Transportation:			
Airlines			
Railroads	4.1	3.3	27
Trucking	37.2	34.6	8
Utilities	15.6	7.1	25
Wholesalers	34.1	35.9	6
Average for all industries	29.6	29.2	

TABLE 2.—EFFECTIVE U.S. INCOME TAX RATES BY INDUSTRY

[In percent]

	1982	1983	1983 rank
Petroleum industry:			
Per JCT study (federal income tax only)	18.2	21.3	9
Income tax plus Windfall Profit Tax (WPT)	43.7	40.6	1
Other industries (data per JCT study):			
Aerospace	(0.6)	14.0	16
Beverages	20.5	18.7	12
Broadcasting	8.9	18.5	13
Chemicals	(17.7)	(1.0)	27
Computers and office equipment	26.4	26.3	7
Construction	15.9	7	25
Electronics and appliances	14.3	7.4	19
Financial institutions	(3.8)	6.4	21
Food processors	31.6	25.9	8
Glass and concrete		17.5	14
Instrument companies	21.9	32.8	5
Insurance	(6.3)	9.9	17
Investment companies	21.3	9.3	18
Meal manufacturing			
Metal products	30.2	15.1	15
Mining			
Motor vehicles		3.5	23
Paper and wood products	36.1	(.5)	26
Petroleum	18.2	21.3	9
Pharmaceuticals	32.7	27.2	6
Retailing	20.4	20.0	10
Rubber	39.0	19.6	11
Soaps and cosmetics	33.3	35.6	1
Telecommunications	1.6	4.8	22
Tobacco	36.3	33.8	4
Transportation:			
Airlines			
Railroads	4.1	3.3	24
Trucking	36.9	34.5	3
Utilities	15.6	7.1	20

TABLE 2.—EFFECTIVE U.S. INCOME TAX RATES BY INDUSTRY—Continued

[In percent]

	1982	1983	1983 rank
Wholesalers	36.1	34.8	2
Average for all industries	16.1	16.7	

TRIBUTE TO THE HONORABLE WILLIAM NATCHER

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I would like to acknowledge the honor bestowed on our colleague, Mr. WILLIAM NATCHER, by the National Multiple Sclerosis Society.

The National MS Society honors a Member of this House annually with its Congressman of the Year Award. The award was presented to Mr. NATCHER for his longstanding record of support for biomedical research and other issues that directly effect the concerns and quality of life of people with multiple sclerosis.

Multiple sclerosis is a disease of the central nervous system—the brain, spinal cord, and optic nerves. It most frequently strikes men and women between the ages of 20 and 40. It generally follows an exacerbating and remitting course, and is often progressively disabling.

Multiple sclerosis is characterized by inflammation and disintegration of the myelin sheath, an insulating covering that wraps itself around fibers in the central nervous system. Later, scars form in the damaged places and nerve impulses traveling to and from the brain may be distorted, misdirected, or lost entirely as they go by these damaged areas.

No two cases of multiple sclerosis are necessarily the same. Symptoms depend on the site and extent of damage to the myelin; they range from incoordination; loss of balance; pins-and-needles sensations and exhaustion to impairment of vision, hearing, or speech; bladder and bowel problems; partial or complete paralysis. The cause of multiple sclerosis is, as yet, unknown. Recently several treatments were announced which seem to alter the course of the disease and some symptoms can be alleviated by good medical management.

The National Multiple Sclerosis Society, through its network of chapters and branches located in every State in the United States, provides support programs and medical equipment loans to those with multiple sclerosis.

The society is the only voluntary health agency in the United States supporting programs in national and international research to find the cause, a prevention and a cure for multiple sclerosis, and more effective treatments for those who already have the disease. Since its inception in 1946, the National Multiple Sclerosis Society has allocated more than $65 million to research grants and training.

In recognition of the accomplishments of our colleague, the National Multipe Sclerosis Society has named for him a 3-year research grant of $40,488 to John R. Richert, M.D., the school of medicine, Georgetown University. Dr. Richert's project is titled, "Studies of Cloned Measles—Specific T Lymphocytes from Patients with Multiple Sclerosis."

Mr. Speaker, I take this opportunity to bring this recognition to the attention of the House as, soon Mr. NATCHER, the chairman of the Subcommittee on Labor, Health, Human Services, and Education of the Committee on Appropriations will bring to the floor of this House "the People's bill." As the Members know, this bill funds the health programs, education programs, and related programs of such great consequence to America and its citizens.

Mr. Speaker, I congratulate on behalf of this House Congressman NATCHER on this significant award.

THE ARMS CONTROL NEGOTIATIONS—ARE THEY HOPEFUL OR HOPELESS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, I rise to focus attention on a very serious subject, which could very well affect the survival of this Nation and the entire world in the months and years to come—arms control and the limited production and reduction of nuclear, conventional, and chemical weapons, as well as the number of military troops.

Presently, the United States Government is deeply involved in a number of arms control talks with the Soviets in Geneva, Switzerland, and Vienna, Austria.

Many of the residents of my congressional district and the districts of our colleagues in the House of Representatives are so concerned about their own problems and the problems of the country that it is difficult for them to focus on, or become serious about, the subject of arms control talks and the possibility that the deadly weapons in the arsenals of both sides could literally destroy great portions of America and the world in just 3 hours.

That is the reason, Mr. Speaker, that I am making these remarks on the floor of the House of Representatives today—to do my part to keep this serious subject in the forefront of the minds of all who might hear me, or read the CONGRESSIONAL RECORD.

I, along with eight of our colleagues who serve on the Armed Services Committee, are members of an arms control panel.

We have held 5 days of hearings in the last 2 weeks, with testimony from 20 witnesses, in preparation for departure to travel to Geneva and Vienna, where we will have the opportunity to meet and talk personally with the negotiators on both sides. The recent panel hearings in open and closed sessions have been extremely enlightening. Such renowned persons as: Ambassador Max Kampelman, head of the U.S. delegation; Hon. Kenneth Adelman, Director of the U.S. Arms Control and Disarmament Agency; Hon. Richard N. Perle, Assistant Secretary for International Security Policy; Ambassador John G. Tower, U.S. negotiator on strategic nuclear arms; Ambassador Robert Blackwill, U.S. representative to the mutual force reductions negotiations; and Hon. Richard L. Wagner, assistant to the Secretary of Defense for atomic energy have testified before the panel.

On one occasion, in open session, Mr. Adelman, Director of the U.S. Arms Control and Disarmament Agency, said, "The Soviet Union is a closed society. We are not able to verify what they do or to trust them in their negotiations. Yet the Russian agent in the back of the room today seems to show up wherever I make public speeches or statements. He also has access to all of the minutes, activities, and meetings in which we are involved which are not classified or closed."

It is no secret that progress is slow and difficult, yet progress in arms control is extremely important to all of us, whether we are interested or not.

All of us would like to see a real, not symbolic, reduction in the number of weapons, especially strategic weapons. But previous treaties like SALT I, hailed as accomplishments of arms control, actually resulted in increased numbers of weapons. We cannot continue to be satisfied with agreements that are merely symbolic accomplishments of the arms control process and not real arms control. Arms control is not an end in itself but has to really reduce the risk of war and improve security on both sides.

Why have we failed up to now in achieving real arms control and how could we do better? How is it as Richard Pipes has observed that "Neither détente nor the arms limitation agreement accompanying it * * * have produced a dent in the upward curve of Soviet defense expenditures"? It was questions of this kind that led Chairman SAM STRATTON in 1983 to establish the arms control and disarmament panel of the Armed Services Committee as a vehicle for Congress to monitor the status of negotiations and to make appropriate studies on matters related to arms control and verification.

Based on the testimony our panel has heard so far, I have made the following conclusions.

First, the U.S. negotiations teams are all new faces. Although experienced in national security affairs, they have never negotiated with the Russians. The Soviet negotiators, on the other hand, have often been on the job for 10 years or more. It seems to me unwise to continually put new United States teams up against experienced Soviet negotiators.

Second, a comprehensive test ban treaty would be a grave risk. U.S. nuclear weapons need periodic testing for reliability, safety, and survivability—not just for new weapons. In fact, if the United States developed no new nuclear weapons at all, we would still need a considerable number of tests. The Soviets may not be so dependent on reliability testing. There is a great danger of imbalance and a Soviet advantage under a comprehensive test ban treaty. During several hearings in the last 2 weeks, it was the general consensus of witnesses before the policy panel that if we can do away with nuclear weapons by negotiating verifiable reductions, we should do so. But we should not do away with our own nuclear weapons by allowing them to become less and less reliable and safe.

Third, Ambassadors to the Geneva talks on nuclear and space weapons which have just reconvened in Geneva are "realistic but hopeful." Since the Soviets returned to the table in 1985, the United States has had specific proposals on the table but the Soviet aims seem to be to preserve substantial advantage in nuclear offensive forces for themselves and to stop the United States SDI research program. They have combined tough bargaining at the negotiating table with an extensive public propaganda compaign aimed at undermining support for U.S. programs.

Fourth, the mutual and balanced force reduction [MBFR] talks in Vienna which deal with conventional weapons and the number of troops on each side, have gone no where for 12 years. The U.S. side is modestly hopeful that a technical breakthrough may be possible in this session.

The panel has been able to confer only with the Ambassadors and chief negotiators so far. As I mentioned earlier, we will hold detailed oversight hearings with the delegations themselves in Geneva and Vienna this month. The purpose of these visits is to identify the sticking points in the negotiations and to understand current developments. Our aim is to better improve our knowledge and ability, so we can communicate the status of the talks to our colleagues and to our constituents.

We are impatient as a nation and frustrated by the slow movement of the talks. But we must remember that patience is the name of the game, and that the Soviets are masters of the art of patiently waiting for the "fruit to fall from the tree" while those who are impatient are shaking and climbing the tree, sometimes to no avail.

By meeting and entering into dialog, there is always the hopeful chance that some breakthrough will occur. The arms control panel sees its responsibility as one of learning, keeping current, informing our committee and constituents and encouraging support.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, I was unavoidably absent for rollcall No. 314 on approval of the Journal, this morning. At the time of this rollcall, I was making arrangements for an Air Force plane to fly medical supplies from Miami to Mexico City to assist the needs of that city resulting from the earthquake that occurred on September 19, 1985. Had I been present for the rollcall, I would have voted "aye."

LEGISLATION INTRODUCED TO CREATE THE INTERNATIONAL COPPER ACTION COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, I am introducing today legislation that will serve to establish an International Copper Action Commission. The world copper market today is in a threatening state of disarray. The world price of copper has fallen from an average of $1.01 per pound in 1980 to less than 65 cents per pound in 1985. As a result, the very future of our domestic copper industry has been called into question.

Severely hit by the 1982 recession, our domestic copper industry has been largely bypassed by the recent economic recovery. Seventeen of the 28 major U.S. copper mines are shut down. Last year, domestic mine capacity shrunk by 630,000 metric tons—300,000 tons of it permanently. Smelter capacity fell by 372,000 metric tons; and refinery capacity by 563,000 metric tons.

Employment in the domestic copper industry has fallen from 44,000 in 1979 to 23,000 in the first half of this year. Corporate profits have disappeared. Since 1981, the industry has lost nearly $1.2 billion. And those losses are likely to continue for some time to come.

If current trends continue, the Department of Commerce estimates that total production could fall another 15 percent by 1989, and primary production could decline by 28 percent. Imports, by the end of the decade, could account for more than 35 percent of our domestic consumption.

Two factors are contributing to the current disarray in world copper markets. First, excess world production. With the aid of low-interest loans from multilateral lending institutions like the World Bank, Third World countries like Chile and Zambia have been able to greatly expand their mining and smelting capacity. In turn, these same countries have been protected from the consequences of declining commodity prices by the compensatory financing facilities of the International Monetary Fund. In addition, most of the major foreign copper producers are government-owned companies that are far from sensi-

tive to swings in supply and demand. As a result, the copper markets in recent years have been plagued by chronic surplusses and an inventory overhang that has served to keep prices at depressed levels.

Second, the normally robust demand for copper has been hurt in recent years by competing product lines. Fiber optics are making inroads into the copper cable telecommunications market. The intensity of copper use in the auto industry has declined due to automotive downsizing and new copper substitutes. Automotive radiators, for instance, are now being built with aluminum.

Both these problems—excess world production and the changing nature of the demand for copper—need to be addressed on an international level. The bill that I am introducing today would do so by giving the President explicit authority to initiate negotiations for the establishment of an International Copper Action Commission composed of representatives of the international copper industry and other interested parties.

The committee would serve several purposes. It would serve as a forum for a discussion of international trade policy and the role of subsidized loans in generating excess world production. The Commission could develop better and more accurate forecasts of the demand for copper. Finally, the Commission could explore new markets for copper and support research into possible applications of copper.

Arrangements, such as these, already exist for a number of other commodity groups. Properly set up and administered, such groups operate in the best interests of producers and consumers alike. They can, through the dissemination of better information, bring about a better balance between supply and demand and, as a result, stabler prices.

By itself, this action will not solve all the problems of the copper industry. Far from it. But this action would contribute to a lasting and workable solution.

It's my hope and expectation that Congress will move swiftly in approving this legislation.

MUTUAL FUND TECHNICAL AMENDMENTS ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. FLIPPO] is recognized for 5 minutes.

Mr. FLIPPO. Mr. Speaker, I am pleased to have the opportunity today to join with my colleagues Mrs. KENNELLY and Mr. MCGRATH in introducing legislation to amend subchapter M of the Internal Revenue Code. This is the section of the code that governs the taxation of mutual funds, technically known as regulated investment companies or RIC's.

The Federal income tax provisions applicable to mutual funds were first enacted in 1936. The basic structure and principles of these provisions have remained changed. These tax provisions have worked reasonably well over the years. However, a changing marketplace and the emergence of new investment vehicles requires an update of the tax laws governing the mutual fund industry to allow the industry to better serve the mutual fund investor.

The legislation we are introducing today will enable the industry to fully respond to the changing financial marketplace, to continue to act in the best interest of the mutual fund shareholder, and to provide the mutual fund shareholder, typically a middle-income American, the same opportunities available to the direct investor, who is generally wealthier than the average American. I want to emphasize, Mr. Speaker, that this legislation is revenue neutral. In addition, I would like to point out that the Treasury Department has reviewed this measure and is generally supportive of this bill.

A mutual fund is a financial service organization which makes investments on behalf of individuals and institutions who share common investment objectives. The fund pools the money of investors, and professional money managers invest the pooled money in a diversified portfolio of stocks, bonds, or money-market instruments best suited to achieve the investment objective. The earnings from the investment are distributed to the shareholders as dividends of capital gains.

The median income level of households owning mutual fund shares is about $29,000. It is these investors of modest means, working Americans, who benefit the most from mutual funds, because they are afforded the opportunity to have professional investment guidance, portfolio diversification, access to the investment community, and other benefits typically available to direct, and generally more wealthy, investors.

The mutual fund industry has grown substantially over the past 40 to 50 years. In 1940, there were 68 mutual funds with $448 million in assets and 296,000 shareholder accounts. At the end of July 1985, there were more than 1,400 mutual funds with assets in excess of $441 billion and more than 30 million shareholder accounts.

The tax treatment of mutual funds is based on the conduit theory. In other words, the fund serves as a pipeline through which its net income—dividends, interest, and capital gains—earned from the securities held in the portfolio flows to the fund shareholders. The distributed income is taxes at the shareholder level, not at the corporate level, unless the fund fails to meet certain specified requirements under the code. Failure to satisfy the stringent conduit requirements subjects a mutual fund to the full corporate tax imposed under subchapter C of the code.

The conduit treatment is premised on the notion that mutual funds can and should provide a mechanism by which investors of more modest means may obtain the same professional investment management, the same diversification of risk, and roughly the same tax treatment available to the direct investor who more typically can afford direct investment guidance.

The tax provisions applicable to mutual funds has worked reasonably well over the years. However, a number of developments over the last several years have made some of the existing rules, which were drafted in the investment environment of 1936, outmoded and unresponsive to modern financial climate.

For example, we have recently seen the introduction of such new investment products as exchange-traded stock options, options and futures contracts on stock indices, options and futures on debt instruments, and options and futures on foreign currencies. The creation of these new products has, at least in part, been a response to the volatility of interest rates, currency exchange rates, and the stock market. These products, which have become an integral part of all professional investment management, are particularly useful in hedging against the risks of fluctuations in interest rates, stock values, and currency exchange rates. Mutual funds, which are regulated by the Securities and Exchange Commission, should not be unduly restricted by outmoded provisions of the Internal Revenue Code. These provisions hinder the use of these products by mutual funds because they unduly hamper a mutual funds ability to protect its shareholders' investments in a constantly changing environment.

Another development has been the increasing interrelationships among worldwide financial markets. Much of this is made possible by technology undreamed of in 1936 when the subchapter M provisions were passed. More and more U.S. investors are becoming sophisticated and knowledgeable about foreign markets, and many mutual fund shareholders look to foreign stocks and securities as well. The status of foreign currency gains realized by a mutual fund in connection with its foreign investments require clarification. This bill does that.

There are two key provisions in the bill that respond to these market developments. The first is the repeal of section 851(b)(3), which provides that a mutual fund is not eligible for conduit treatment if 30 percent or more of its gross income is derived from gain on the sale of stock or securities held for less than 3 months. This rule was enacted at a time when products such as index options and futures, financial futures and other new investment products did not exist and, indeed, were not contemplated. However, in today's environment, the rule thwarts a mutual fund's fiduciary responsibility to act in the shareholder's best interest.

First, the rule prohibits a mutual fund from taking advantage of these new investments products, even though they are used extensively by other investors. Second, it imposes an unwarranted restriction on the fund's ability to react and benefit from rapid changes in the market, that is, periods of volatile interest rates or when the value of securities increase abruptly, thereby precipitating an artificial investment decision that may not be in the best interest of the mutual fund shareholder.

Following are two actual examples of the adverse effects of this rule on mutual fund shareholders.

A mutual fund manager's option income fund bought stock of a publicly held company at $48 per share in January and wrote a March 50 call. The stock could be called away, that is, bought for $50 a share before the March expiration date of the call option. Three weeks later, the stock went to $75 a share. A prudent investor would want to immediately close out the option and sell the stock to take advantage of the gain realized in the transaction and to avoid and further downside risk. Because of the 3-month rule—the one the bill repeals—the fund manager was unable to close out the position. When the stock went back to $45 a share, the fund not only had a loss that it could have avoided, but also had foregone a substantial gain.

A second example occurred in 1981. A mutual fund took an extra long bond position because of the anticipated fall in interest rates. Interest rates did fall, but more rapidly and more substantially than the fund anticipated. In the face of a rapid rate reduction, the fund would have benefited by closing out these position within 2 months and by adopting a more defensive position. However, the fund was unable to close out the positions after only 2 months because it would have realized an impermissible gain under the 3-month rule. For these and similar reasons and because it is in the best interest of the shareholders, section 851(b)(3) should be repealed.

The second key provision of this bill expands the definition of qualifying income under section 851(b)(2), which provides that a mutual fund does not qualify for conduit treatment unless at least 90 percent of its gross income is derived from dividends, interest, payments with respect to securities loans, and gains from the sale or other disposition of stock or securities. The bill would amend section 851(b)(2) to make it clear that gains from the sale or other disposition of "securities", as that term is defined in the Investment Company Act of 1940, would constitute qualifying income. It further provides that gains from options and futures contracts related to a fund's portfolio investments constitute qualifying income.

The bill also adds foreign currency gains to the definition of qualifying income, so that mutual funds hedging against foreign currency risks associated with their foreign investments will not be at peril under this 90 percent test.

This letter change is needed because of the increasing internationalization of financial markets. Mutual funds investing in foregin stocks or securities frequently hedge the risk of currency fluctuations by entering into bank forward contracts for the future delivery of foreign currencies or by entering into future contracts or options on foreign currencies. It gains from foreign currency transactions are not treated as qualifying income, a RIC would, in effect, be penalized for endeavoring to reduce the risk of currency fluctuation associated with its foreign investments. The expansion of qualifying income to include foreign currency gains will prevent this undesirable result.

In addition to these key provisions that are designed to bring subchapter M into the 20th century, the bill also contains three other provisions of a more technical nature, which are described in the secitonby-section analysis below.

Following study and consultation with representatives of the mutual fund industry, I urge this body to give early attention to the bill introduced today and to adopt its provisions. Again, I wish to emphasize that this bill is revenue neutral.

The bill and section-by-section analysis follow:

H.R. 3397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1954 CODE.

Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. AMENDMENTS TO THE REGULATED INVESTMENT COMPANY QUALIFICATION RULES.

(a) REPEAL OF THREE-MONTH HOLDING PERIOD REQUIREMENT.—Subsection (b) of Section 851 is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(b) EXPANDED DEFINITION OF PERMITTED INCOME.—Paragraph (2) of subsection 851(b) is amended by striking out the semicolon at the end of the paragraph and inserting in lieu thereof: "(as defined in section 2(a)(36) of the Investment Company Act of 1940, as amended) or foreign currencies, or other income (including but not limited to gains from options or futures contracts) derived with respect to its business of investing in such stock, securities, or currencies; and".

(c) CLERICAL AMENDMENTS.—

(1) The final sentence of subsection (b) of section 851 is amended by striking out "paragraphs (2) and (3)" and inserting in lieu thereof "paragraph (2)".

(2) Subsections (c), (d) and (e) of section 851 are each amended by striking out "(b)(4)" each place it appears and inserting in lieu thereof "(b)(3)".

SEC. 3. TREATMENT OF SERIES FUNDS AS SEPARATE CORPORATIONS.

Section 851 is amended by adding at the end thereof the following new subsection:

(q) SPECIAL RULE FOR SERIES FUNDS.—

(1) In the case of a regulated investment company (within the meaning of subsection (a)) having more than one fund, each fund of such regulated investment company shall be treated as a separate corporation for purposes of this title (except with respect to the definitional requirement of subsection (a)).

(2) For purposes of paragraph (1) the term "fund" means a segregated portfolio of assets, the beneficial interest in which is owned by the holders of a class or series of stock of the regulated investment company that is preferred over all other classes or series in respect of such portfolio of assets."

SEC 4. EXTENSION OF PERIOD FOR MAILING NOTICES TO SHAREHOLDERS.

The following provisions are each amended by striking out "45 days" each place it appears and inserting in lieu thereof "60 Days":

(a) Paragraph (3) of subsection 852(b).

(b) Subparagraph (A) of paragraph 852(b)(5).

(c) Subsection (c) of section 853.

(d) Paragraph (2) of subsection 854(b).

(e) Subsection (c) of section 855.

SEC. 5. PROTECTION OF MUTUAL FUNDS RECEIVING THIRD-PARTY SUMMONSES.

Paragraph (3) of subsection 7609(a) is amended by:

(a) striking out "and" at the end of subparagraph (F);

(b) striking out the period at the end of subparagraph (G) and inserting in lieu thereof, "; and"; and

(c) adding the following new subparagraph:

"(H) any regulated investment company (as defined in section 851) and any agent of such regulated investment company when acting as an agent thereof.".

SEC. 6. EFFECTIVE DATES.

(a) The amendments made by sections 2 and 4 of this Act shall apply to taxable years of regulated investment companies ending on or after September 30, 1985.

(b) The amendment made by section 3 of this Act shall apply to taxable years of regulated investment companies beginning after the date of enactment.

(c) The amendments made by section 5 of the Act shall apply to summonses served after the date of enactment.

MUTUAL FUNDS TECHNICAL AMENDMENT ACT OF 1985

SECTION-BY-SECTION ANALYSIS

Section 1: Technical Drafting Explanation. The bill amends the Internal Revenue Code of 1954, as amended

Section 2: Amendments of the Regulated Investment Company Qualification Rules

(a) *Repeal of the three month holding period requirement.* Section 851(b)(3) of the Code currently provides that a regulated investment company (RIC) does not qualify for conduit treatment if 30% or more of its gross income is derived from the sale (or other disposition) of stock or securities held for less than 3 months. The bill would repeal this requirement.

(b) *Expanded definition of permitted income under code section 851(b)(2).* Under current law, a RIC does not qualify for conduit treatment unless at least 90% of its gross income is derived from dividends, interest, payments with respect to securities loans, and gains from the sale (or other disposition) of stock or securities.

The bill will make explicit that the term "securities" has the same meaning as it does in the Investment Company Act of 1940, as Treasury Regulations now provide. The bill will also make clear that gains from options and futures contracts related to a RIC's portfolio investments constitute qualifying income. The Internal Revenue Service has issued a number of private letter rulings holding that options and futures contracts on securities and stock indices give rise to qualifying income, and the bill would codify these rulings.

The bill adds foreign currency gains to the definition of qualifying income. Under current law, the treatment of gain on these and similar transactions is unclear.

The bill will also codify the approach of certain IRS rulings by expressly providing that other income derived with respect to a RIC's business of investing in stock or secu-

rities (or foreign currencies) will be treated as qualifying income. *See, e.g.,* Rev. Rul. 64-247, 1964-2 C.B. 179 (litigation recovery of excessive management fees, although greater than 10% of gross income, not disqualifying under section 851(b)(2)), PLR 8523015 (refund of State taxes similarly not disqualifying).

(c) *Clerical Amendments*

Section 3: Treatment of Series Funds as Separate Corporations

Under current law, most series funds organized as corporations are treated as single corporations for federal income tax purposes. Thus, in applying the Subchapter M tests that a RIC must meet to be eligible for conduit treatment, the income and assets of the different portfolios of a series fund are combined. However, if a series fund is organized as a Massachusetts business trust, it may be able to treat each of its separate portfolios as a separate corporation. The IRS has recently issued a number of private letter rulings to this effect.

The purposes underlying the Subchapter M requirements would be more properly fulfilled if each separate portfolio in a series fund were treated as a separate corporation regardless of the form of organization chosen by the RIC under state law. The bill provides for such teatment with the result that a portfolio in a series fund will be eligible for conduit treatment only if it satisfies the Subchapter M requirements, without regard to the assets and income of other portfolios of the series fund. The bill also provides that each separate portfolio in a series fund will be treated as a separate corporation for all federal income tax purposes.

Section 4: Extension of Period for Mailing Notices to Shareholders

Subchapter M currently requires RICs to send various notices to their shareholders within 45 days following the end of the RIC's taxable year. RICs have customarily mailed these notices with their annual reports. The SEC formerly required that annual reports be sent out within 45 days of the end of a RIC's taxable year, but has recently extended the time for mailing to 60 days. A corresponding extension to 60 days for mailing the notices required by Subchapter M would not affect the ability of RIC shareholders to prepare timely tax returns and would eliminate the unnecessary expense of two mailings. The bill makes this change. A similar change from 30 to 45 days was made in Subchapter M by section 229(a) of the Revenue Act of 1964 when the SEC extended the period for mailing annual reports to shareholders from 30 to 45 days.

Section 5: Protection of Mutual Funds Receiving Third-Party Summonses

Section 7609 of the Code provides certain protections in connection with summonses served on "third-party recordkeepers", a term defined as including various types of financial institutions such as banks, savings institutions and brokers. RICs are in essentially the same position as the institutions currently covered by section 7609 and the bill accordingly expands the definition of third-party recordkeepers to include RICs.

Mrs. KENNELLY. Mr. Speaker, in joining my colleagues from Alabama and New York, in introducing H.R. 3397, I, too, wish to urge the amendment of certain provisions of subchapter M of the Internal Revenue Code dealing with the tax treatment of regulated investment companies, more commonly known as mutual funds.

This legislation has become necessary largely because of the extensive changes in the financial markets in recent years. These changes include the development of new financial products, such as exchanged-traded options, financial futures contracts, and options and futures on stock indexes which have been developed to meet the needs of investors and money managers in the increasingly sophisticated and internationalized economic community in which we live. Certain provisions in subchapter M are simply outdated and unnecessarily restrict the ability of mutual funds to use these new financial products.

The changes proposed in H.R. 3397 will reduce the existing restrictions that hinder the use of these new financial products by a mutual fund. Therefore, these changes will permit mutual fund shareholders to take advantage of the same investment opportunities currently available to the generally wealthier direct investors.

By repealing the 3-month holding period requirement (section 851(b)(3)) and expanding the definition of permitted income under section 851(b)(2), this legislation would modernize the Tax Code so that mutual funds would be able to better serve the millions of middle-income investors, whose primary involvement in the securities markets of this country is through a mutual fund.

By repealing section 851(b)(3), a mutual fund would no longer be denied conduit tax treatment if it derived 30 percent or more of its gross income from the sale or other disposition of stock or securities held for less than 3 months. Instead, a mutual fund would be permitted to take prudent advantage of the opportunities presented by new financial products and to react immediately and responsibly to changes in what is often a volatile market.

By amending section 851(b)(2) of the curent law, H.R. 3397 would make this provision of the Internal Revenue Code of 1954 consistent with the thrust of existing Treasury private letter rulings. The bill would make it clear that any income derived from the sale or other disposition of "securities", as defined under the Investment Company Act of 1940, would be included as qualifying income. The amendment would also enable a RIC to use gains from investment in foreign currency as qualifying income, as well as gains from most options and futures contracts.

The other three provisions of H.R. 3397 referred to by my colleagues, while technical, are important components of this legislation. These amendments provide consistency in the tax treatment of series mutual funds; conform certain SEC and tax code reporting requirements; and recognize that mutual funds should receive the same protection as banks, savings institutions, and brokers with respect to summonses served on "third-party recordkeepers."

I also wish to note that this bill is revenue neutral. It has no impact on the budget or deficit. It has a tremendous impact, however, on the ability of the mutual fund industry to provide greater investment services to millions of investors and to their ability to contribute toward a healthy and growing economy. I strongly urge its passage.

Mr. MCGRATH. Mr. Speaker, I am joining my colleagues from Alabama and Connecticut in introducing H.R. 3397, a bill to amend subchapter M of the Internal Revenue Code. H.R. 3397 will permit the millions of mutual fund shareholders to take advantage of the same investment opportunities currently available to direct in investors.

The Tax Code sections addressed by this legislation are obsolete. They inhibit, indeed prevent, the mutual fund industry from using modern investment products and techniques available to the direct investor. Enactment of this bill will change current laws—originally enacted in 1936—to allow mutual funds to participate fully in the modern age of investment management.

My colleagues have described in detail the technical aspects of H.R. 3397, and have enumerated the greater variety of financial instruments and investment techniques which these corrections in the tax law will make available to the middle-income investor through a purchase of mutual fund shares. It is this segment of our population which is in the greatest need of new methods to accumulate savings.

The importance of mutual fund shareholders becomes more apparent every day. The growth of the mutual fund industry to the point where there are now over 1,400 funds with more than $441 billion of assets tells only part of the story. There are more than 30 million shareholder accounts; the median income level of households owning mutual funds is $29,000. These shareholders often find that the only reasonable access to the securities markets in this country is through mutual funds. These working Americans are afforded portfolio diversification and access to professional management when they purchase the shares of a mutual fund.

The mutual fund industry is ready to better serve millions of investors as a result of the proposed relief from certain outmoded restrictions of the Tax Code. In addition, the Treasury Department is supportive of this bill. I would emphasize that there is no revenue loss associated with these proposals.

I urge my fellow Members to assist these millions of middle-income Americans in realizing their financial goals by adopting this legislation.

PUBLIC SERVICE TO MOTIVATE COLLEGE STUDENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Panetta] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker. I would like to take this opportunity to call my colleagues' attention to the recent release of the Carnegie Foundation for the Advancement of Teaching's report on higher education. The study found that college students

are becoming increasingly passive and uncreative in their academic and career paths. Saddled with overwhelming debts upon graduation, students no longer find it worth the risk to pursue public service employment opportunities, opting instead to enter safer careers where they are guaranteed to earn salaries which will allow them to repay student loans.

I find this trend extremely disturbing. Civic responsibility is one of the fundamental principles on which our democracy was founded. I agree with the Carnegie Foundation's recommendation that we find ways of encouraging the performance of community service among our young citizens. To that end, I introduced legislation, H.R. 888, which would establish a Voluntary National Youth Service Program. Under this bill, State and local youth service programs would be provided with matching grants to encourage the creation and expansion of such initiatives. Although each locality would be free to design its own program in accordance with its individual needs, post-service benefits such as educational financial assistance would be encouraged. The Carnegie Foundation's report proposes just such a link between student aid and public service.

Mr. Speaker, I insert the text of an article on the Carnegie Foundation's findings that appeared on the front page of the Washington Post on Tuesday, September 17, in the CONGRESSIONAL RECORD:

[From the Washington Post, Sept. 17, 1985]

COLLEGE GRADUATES DEPICTED AS UNCREATIVE, TOO INDEBTED

(By Keith B. Richburg)

America's colleges are churning out uncreative graduates who leave campuses overburdened with debt and with too little sense of civic responsibility, according to an unusually critical report from the widely respected Carnegie Foundation for the Advancement of Teaching.

"Students too frequently sit passively in class, take safe courses, are discouraged from risky or interdisciplinary research projects and are discouraged from challenging the ideas presented to them," according to the report, "Higher Education and the American Resurgence."

The report by Frank Newman, former president of the University of Rhode Island, called for a drastic overhaul in the nation's system of higher education and the way students pay for it, including a suggestion that the federal government curtail its massive loan program and make students perform community service work in exchange for financial aid.

The current system of saddling students with huge loan debts upon graduation discourages them from entering lower-paying community-service and public-sector jobs, Newman said.

"Excessive loans inadvertently undercut traditional values. Working one's way through college is a cherished American concept that conflicts head on with 'Go now, pay later,'" wrote Newman, who is president of the Education Commission of the States. "A student who leaves college with a large debt burden may well feel he has already assumed all of the risk that he possibly should."

The report's suggestions on college-student aid come in the midst of a national debate on how to restructure federal college-assistance programs, as Congress prepares to reauthorize the omnibus Higher Education Act.

The sponsors of this report expect it to spark the same kind of impetus for reform in higher education that the widely touted "Nation at Risk" report produced at the elementary and secondary school level. That report attacked the low standards of American public education and said the nation was at risk from a rising tide of mediocrity.

Some of the report's suggestions will be discussed for possible implementation on campuses when a consortium of 100 university and college presidents meets in Cambridge, Mass., next month. That group is expected to draft a joint statement emphasizing that students must become involved in their communities as a key facet of their college life.

While insisting that American higher education is still the best in the world, the Carnegie report attacks the hierarchical structure of the American college, in which professors often lecture in large halls to students expected to take notes and repeat the professor's words on a final examination.

Such a system, according to the report, aptly prepared students for work in the old-style hierarchical corporate world. But the new world of business, in a highly competitive international economy, requires workers who can think creatively to solve problems outside of a formal management structure.

"Much attention has been focused on whether higher education is graduating a large enough pool of technically trained manpower to meet the needs of an advanced technological society," the report said in one of its summaries.

"A more urgent question is whether graduates, in all fields, have the ability to be innovative, the will to take the necessary risks, the capacity for civic responsibility and the sensitivity to the international nature of the world to be effective in today's society," it added.

On another topic, the report emphasized the need to improve minority participation in higher education by creating a National Opportunity Fund to support grants for disadvantaged students. Recent studies and informal surveys have shown that minority—particularly black—enrollment on college campuses has declined since the 1970s.

LEGISLATION INTRODUCED GRANTING RELIEF TO STATE AND LOCAL GOVERNMENTS FROM IMPACT OF U.S. SUPREME COURT'S DECISION IN GARCIA VERSUS SAN ANTONIO METROPOLITAN TRANSIT AUTHORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BARTLETT] is recognized for 10 minutes.

Mr. BARTLETT. Mr. Speaker, today, I am introducing H.R. 3391, a bill which would grant relief to State and local governments from the impact of the U.S. Supreme Court's decision in Garcia versus San Antonio Metropolitan Transit Authority et al., while at the same time ensuring the rights of State and municipal employees.

On February 19, the U.S. Supreme Court issued a ruling which has the effect of prohibiting compensatory time in lieu of overtime wages for approximately half of the Nation's 14 million State and local public employees. The result is sudden increases in payroll costs, reduced flexibility in the assignment of personnel, and decreased ability to meet the needs of taxpayers who pay the salaries of those public employees.

Estimates on how much it will cost to comply with the court's decision vary, but the nationwide total ranges as high as $2 billion to $3 billion.

In the Third District of Texas, cost estimates range from $100,000 for the city of Carrollton to $1.6 million for the city of Dallas. In other parts of the State, a survey done by the Texas Municipal League indicates that costs for 1 year of compliance range from $20,000 in Marshall to $8 million in Houston.

Cities outside of Texas are faced with equally burdensome, unanticipated costs. Throughout the country, city services that are most affected are those which operate 24 hours a day. Minneapolis' bomb squad and canine units, for example, are staffed by a few individuals who have the required specialized training. The Garcia decision effectively ends the practice of allowing these individuals to work extends hours when necessary and then to take compensatory time off during less busy times when their expertise is not needed.

Representatives of the U.S. Conference of Mayors have said that Minneapolis faces a bill of at least $1.3 million to fully comply with Garcia; Baltimore must find an additional $10 million per year; and Los Angeles estimates that compliance just for police officers and firefighters will cost about $100 million.

Although figures such as the above are staggering to city budgets, there are other reasons that I am introducing legislation to mitigate the effects of the court decision: I am more concerned about the rights of public employees and the taxpayers who pay their salaries.

Historically, State and municipal public employees have wanted the option to taking compensatory time in lieu of overtime pay, and they want to be able to bank that time for use outside of the work period when the overtime was incurred. This provides increased flexibility in the lives of public employees.

More importantly, my bill will enable millions of public employees in cities and States across the country to keep their jobs. If their employers are forced to comply with the Garcia decision as issued on February 19, many of these employees will be forced to seek other work. State and local govern-

ments do not have in their budgets anywhere near the funds that will be needed to pay overtime wages, and as a cost-cutting measure, a number of cities will be forced to reduce their regular payrolls.

Such layoffs would be detrimental not just to the public employees who would lose their jobs, but to every resident of the affected communities. These residents would be faced with decreased services ranging from fewer police patrols to less frequent garbage and brush collection.

The legislation which I am introducing today is an equitable, carefully considered response to the Garcia decision. The bill grants budgetary relief and ensures employees' rights through the following provisions:

It allows compensatory time at the rate of 1.5 times the regular hours in lieu of overtime wages, at the employee's option. The employee would elect on a yearly basis between compensatory time and overtime pay to give State and municipal governments the information they need to develop accurate budgets. The provision would apply to all municipal and State employees covered by the Fair Labor Standards Act, but for those who are under collective bargaining agreements that already address this issue, those agreements would take precedence.

It extends the workweek for firefighters to 224 hours in 28 consecutive days, or the number of hours which has that same ratio in a work period which has at least seven but less than 28 days. Generally, firefighters' workweeks are 48 or 72 hours, depending upon whether a particular workweek has two or three shifts.

It makes clear that volunteer personnel are exempt from FLSA provisions.

It provides that police officers and other public safety employees who voluntarily choose special detail work with another employer for which they are paid, shall not be considered employees of the State, political subdivision, or agency during any time period when they are on special detail work.

It specifies that States and municipalities are immune from liability incurred before the date of enactment.

On October 15, the Department of Labor is scheduled to begin enforcing compliance with the Garcia decision. It is, therefore, urgent that this Congress consider and approve legislation that will prevent the following adverse results: strained municipal budgets, higher taxes, reduced State and local services, and decreased flexibility for public employees.

The bill which I am introducing today takes care of those problems in an equitable manner.

H.R. 3391

A bill to amend the Fair Labor Standards Act of 1938 to authorize the provision of compensatory time in lieu of overtime compensation for employees of States, political subdivisions of States, and interstate governmental agencies, to lengthen the workweek of firefighters, to clarify the application of the Act to volunteers, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMPENSATORY TIME.

Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end the following:

"(o)(1) Any public agency which is a State, a political subdivision of a State, or an interstate governmental agency and which is required to pay overtime compensation by this section may in lieu of paying such compensation provide compensatory time in accordance with paragraph (2).

"(2)(A) Compensatory time authorized by paragraph (1) may be provided only if the compensatory time—

"(iii) is one and one-half hours for each hour of employment for which overtime compensation is required under this section; and

"(i) is not prohibited by an agreement made as a result of collective bargaining or similar negotiations between the public agency and representatives of the employees for whom the compensatory time is to be provided and is authorized in writing by the employee in accordance with subparagraph (B).

If an employee takes compensatory time in any workweek or other work period, such employee shall not be considered as having been employed in such workweek or other work period for the period of the compensatory time unless an agreement made as a result of collective bargaining or similar negotiations between the public agency and representatives of its employees provides otherwise.

"(B) Each employee of a public agency which is a State, political subdivision of a State, or an interstate governmental agency shall upon entering employment with the public agency be given the opportunity to elect to receive compensatory time in lieu of overtime compensation during the 12-month period following such election.

"(3) For purposes of this subsection, the term 'overtime compensation' means compensation at one and one-half times the regular rate at which an employee is employed.".

SEC. 2. SPECIAL DETAIL WORK FOR FIRE PROTECTION AND LAW ENFORCEMENT EMPLOYEES.

Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding after subsection (o) (added by section 1) the following:

"(p) For purposes of this section, a person who is employed by a State, political subdivision of a State, or an interstate governmental agency in fire protection or law enforcement activities (including security personnel in correctional institutions) and who voluntarily agrees to be employed by another employer in fire protection, law enforcement, or related activities shall not be considered an employee of such State, political subdivision, or agency during any time period in which such person is employed by such other employer.".

SEC. 3. FIRE PROTECTION EMPLOYEES.

Section 7(k) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(k)) is amended by inserting before the period at the end a comma and the following: "except that in the case of employees employed by a State, a political subdivision of a State, or an interstate governmental agency in fire protection activities, such rate is required only for tours of duty which in the aggregate exceed 224 hours in a work period of 28 consecutive days or a number of hours which bears the same ratio to the number of consecutive days in the work period as 224 bears to 28 days in any case in which a work period of at least 7 but less than 28 days has been established".

SEC. 4. VOLUNTEERS.

Section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) is amended—

(1) by striking out "paragraphs (2) and (3)" in paragraph (1) and inserting in lieu thereof "paragraphs (2), (3), and (4)", and

(2) by adding at the end the following:

"(4) The term 'employee' does not include any individual who volunteers to perform services for a public agency that is a State, a political subdivision of a State, or an interstate governmental agency and volunteers to perform such services without compensation or for expenses or a nominal fee.".

SEC. 5. EFFECTIVE DATE.

No public agency which is a State, a political subdivision, or an interstate governmental agency shall be liable under section 16 of the Fair Labor Standards Act of 1938 for a violation of section 7 of such Act occurring before the date of the enactment of this Act with respect to any employee of the public agency.

PROBLEMS WITH AMERICAN AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. COLEMAN] is recognized for 60 minutes.

Mr. COLEMAN of Missouri. Mr. Speaker, as I indicated during my remarks on the general debate on the farm bill, I took this time today to make a few additional comments without the restraints of the time, and to show and illustrate some of the real problems that American agriculture is experiencing at this time.

While the farm bill is very important to the tone of the farm policy for the next 5 years, it seems to me that the general atmosphere that we are conducting this discussion in today and next week in making these important decisions is really bounded by a phenomenon which is outside the framework of this farm bill. But it is always in the back of our minds and I think we have to address this farm bill and recognize the type of economy that we are having to live under in order to recognize the real reasons behind many of the points in the farm bill.

I had the following charts made up and prepared because I think they point out in dramatic terms exactly some of the problems that we are experiencing today. First of all, we start off with the budget deficit which zoomed up in 1981, and which, by this chart, shows that it is literally going off the chart here, increasing, we know, this year to well over $200 billion.

Everybody says why is the deficit important to me; what does that mean to me? Well, in the farm community it means a great deal because farmers have to rely upon exporting their product overseas in order to get the benefit of additional sales and income.

The next chart shows, as I indicated earlier, the real exchange rates between the U.S. dollar and various other currencies. What this means is when the U.S. dollar goes up, as this graph indicates, it makes it less able for us to sell our products overseas. I think the vast majority of our product that we do try to market overseas is agriculture. It makes it much easier for us to import, on the other hand, those products that the other countries manufacture or produce and sell to this Nation. Therefore, that budget deficit, again, taking off on 1981, has created a strong dollar which also took off in 1981.

This indicates, I think in very good terms, what exactly this means to agriculture. We have seen in that same time frame the decrease of American farm exports overseas. The top line, the red line being corn, the next line being wheat, the next line being soybeans, and the only steady but very low line being cotton produced in this country and sold overseas.

Overall, if you put all of those together, the next chart shows very pointedly how the dramatic fall in agricultural exports has occurred through this period of time. It has gone down precipitously. Now, if you put this in the terms that individuals can understand, the strong dollar has made it much more difficult to market overseas. Here we show a chart, the average price of a bushel of American-produced soybeans, this last marketing year, averaged $6.10. That is not exactly what farmers are getting today; they would like to see $6.10. It has gone down much, much lower than that.

Last year that bushel of beans, perhaps produced in my district, would sell for $6.10 in the United States. If marketed and bought overseas, the comparable dollars that they would have to come up with because of the strong dollar, in Holland it would be $10.17; in Germany, they would have to come up with $10.77. The next bar graph shows that in England, they would have come up with the equivalent of $11.91 and then finally, on this particular chart, if you were in France and wanted to buy that 1 bushel of American beans, you would have to pay the equivalent of $14.08. If it were shown here, and if you were in Mexico and wanted to buy that bushel of beans you would have to pay the equivalent of $49. We did not sell a whole lot of soybeans to the Mexican government or people at $49. We did not sell a whole lot to the people of France at $14.08 because the U.S. dollar was so high. That is the equivalent currency they would have to come up with. But we are still talking about the same bushel of beans. That bushel of beans could have been raised in the United States or it might have been raised in Brazil. Brazilian beans sold cheaper because they did not have to come up with the equivalent currency to purchase that.

As a result, this next graph shows American farm income. This is net income after expenses showing a rather zig and zag line. That zig-zag line goes up and down. The last time that it went up was a time when we came up with the PIK Program, the Payment-in-Kind Program that sent about $10 billion out to the rural areas, but that did not sustain things at all. That was a very short-term Band-Aid. It has declined since then and has gone down further since that graph is showing. It has gone down even further than ever before.

Just who is being pinched by the economic phenomenon in rural America? This next pie chart shows exactly who is being hurt. This is important for us as we debate the farm bill, because it shows, and somebody said this earlier, but I think if you see this in black and white, it makes a big emphasis. Those people who are part-time farmers are really not under that much severe stress because they have their own job. They usually live close to a major metropolitan area; they might work at an automobile plant or they might teach school. They may have a job that certainly provides them their vast majority of income, off-farm. But they like farming and they like the rural life and they stay in it.

□ 1535

This chart shows the amount of people distributed within the farm sector who are having severe economic stress. We define that as having a debt-to-asset ratio of 40 percent and a negative cash flow, but they only make up 9 percent of the people who are under stress. Those are the part-time farmers.

The other small group is your large operators. These are people who sell their products, gross sales of over $500,000. They are only 3 percent of farmers who are experiencing financial stress.

The rest of the people, and well over half of this pie chart, represent your average farmer, your mid-sized farmer, your traditional family farmer. Those are the people who are under the most stress. Those are the people who we see going out of business every day and every week in my district and in other places in the country.

Why this is important is because we have heard about targeting amendments to this bill, which means that we are going to target the assistance that we have in this bill, and why it is important to target that. I will remind my colleagues, as we come up with those amendments, exactly why we need them, because they go to the people who deserve them and need them most, who see their source of income predominantly from the farm operation, and they are the ones experiencing the most stress.

The next chart, which probably cannot be seen very well by my colleagues in their offices, shows the decline in farm values that has occurred in the last 5 years, and especially the last year. In the Corn Belt, where Missouri is put on this map on the bottom, along with Illinois and Indiana and Ohio, we have experienced a 25-percent drop in 1 year in the value of our land. We have experienced a 38-percent drop in the last 5 years.

Everywhere in the country, with the exception perhaps of Texas, because of the mineral rights that are incorporated into the value of the land, we have seen dramatic falls, and that is the chief equity that the farmer has built up through the years, his family, and perhaps not just in his lifetime but generations before him have built up this operation, have built up this property, and now he is seeing it slip through his hands because it is all done on paper, it is all done with the strong dollar, it is all done with a depressed economy, and as a result, he is losing his farm, his home and in many cases his own self-esteem.

We have the Farmers Home Administration, which is the lender of last resort. That means if you cannot get a loan at your local commercial bank or anywhere else, you can go to the Government and apply for a loan. We have a number of farms that just are going under and being tendered back to the Government or being foreclosed on by the Government. Not anymore, but they were several years ago. And we have seen this rise rapidly in my own State of Missouri.

This chart shows the number of farms that have gone from private ownership to public ownership; owned by Uncle Sam now. We have only kept statistics for the last 2 years, but this chart shows dramatically that that has risen from 198 just 2 years ago to 420 or more today, and that represents well over 100,000 acres in the State of Missouri.

If that trend line continues off to the side of this chart, it is a bleak prospect, but possibly not an improbable prospect at that.

The reason I made these charts and show them in my district and I show them here to my colleagues is that I think we can talk about these things; we can say, "Oh, yes," but what does it mean unless you really visualize it, just as we cannot visualize a $200 billion deficit. We could fill this whole Chamber up with dollar bills, probably, and still have plenty of dollars left over. So, that is the reason I took this special order.

Mr. Speaker, I would at this time yield to my colleague and friend from the Agriculture Committee, the gen-

tleman from Texas [Mr. COMBEST], a new member of the committee but a very important member, and, again, if he would like to say something on the topic of agriculture and this farm bill, I would be delighted to yield to him.

Mr. COMBEST. I thank the gentleman for yielding.

Mr. Speaker, I wanted to make a couple of points to follow up some of the things the gentleman was saying. I appreciate the fact that the gentleman would take this special order to give us an opportunity to continue to discuss some of the problems in agriculture as we are beginning to think about this farm bill.

One chart there impressed me a great deal when the gentleman was showing the chart relative to the average-sized farm, or what we normally speak of, I guess, in farm language as the family farm, as being the ones that are the most stressed, the most under concern by the debt problem.

I think it is important as we go through this farm program, as we go through the decisionmaking process on a farm bill, to recognize a couple of things.

No. 1: It has been, I think, the tradition of farming, and those who have been around farming and those who have grown up around it, and those Members who represent districts relative to agriculture, that we have traditionally in agriculture have had bad years. The old saying in farming goes, "Well, wait until next year. Maybe next year will be better."

I think it is very important that as we address this agriculture legislation now that we recognize that there may not be a next year for this group of farmers who are in that financially stressed area, that family farmer out there who has basically never known anything in his life other than agriculture. That is what that person has done for all of his life. They have not gone out and gotten another job. They are not hobby farmers. They are not part-time farmers. But we are really beyond the point now of just saying it is going to be another bad year and we will catch up again next year.

We have to, I think, understand the emotion involved in some of the decisionmaking process that these people are going through. They are seeing continued crops coming off and very, very low prices, and that is due to no fault of their own. They are not seeing the opportunity even to service the debt that they have, much less pay toward the principal, and they are looking at the chance of selling, not only just the chance but the probability, I think, in many instances, of losing a family farm operation that may have been in their family for years.

The reasons for this are not their own fault. They are not due to the bad judgments that so many times we hear where people say, "Well, this farmer went out and he made a bad judgment. He bought land and he paid too much for it, or he bought a new tractor, or he is having to debt service high interest."

That farmer looked back years ago when interest was low, or back at the time that agriculture looked more prosperous or more potential. They had the opportunity to go to the people who give them advice, the people from whom they borrow, whether it be a bank or whether it be Farmers Home or some other lending institution, and it was easy to get the money. The credit was there, the money was available. The interest rates were low. It looked prosperous.

And those people who advised that farmer said, "Go out and do more and buy more and spend more," and they did. Now what we have is, when we saw double-digit interest rates and inflation rates, and all of a sudden the cost of production went drastically up, now it is very, very difficult for that same price to meet that debt.

I think it is important to note that we are looking at a change in agriculture where these people may be gone from the farm forever. What is going to happen to those land values? What is going to happen to that rural community? Eventually, what is going to happen to the overall economy of the Nation.

One other point that the gentleman made that I wanted to bring up, and I think he is correct in terms of overall land values in the United States, but the gentleman mentioned Texas specifically in regard to the fact that the land values have not dropped Texas due to the mineral rights.

Mr. COLEMAN of Missouri. That is on an average basis.

Mr. COMBEST. On an average basis, correct. And in many areas in Texas we are fortunate to have the mineral values and we do produce a lot of oil and gas, but even that economy itself is going through some tremendous restraints and problems at this time that we have to deal with as well.

In the farming community there are not the mineral-right values. They do not have them there. So if we look at just the farming community, we have seen massive land drops. We have seen those land values move down dramatically, and it has become effective and certainly it has hurt the asset value of that farm and of that farmer and of how he stacks up on the books as to whether or not his loan can be made.

The main point that I would like to try to make, and that I try to make to my urban constituents in my district which, all because of the dependency on one of the largest agricultural districts in this country, I think understands the basis of our economy there is agriculture, is that we are facing again a very, very serious threat in rural America that will eventually move into other areas, because we are going to see, as we do see, banks begin to fall, or we see support businesses, the fertilizer people, the seed people, the cotton gins, the cotton warehouses, the grain dealers, or the grain warehouses, elevators, whatever it may be, as we begin to see the ripple effect of agriculture going, we are going to see these other people go, and that is going to affect the small business. It is going to affect the small-town operations. There have been countless numbers of stores in my district that are not agricultural stores, they may be clothing stores, they may be feed and seed stores, or tire stores, that have closed up, and these are businesses that have been in existence for years.

I think it is important to recognize that these businesses are not coming back. They will not be back there next year. If we do not do something in the short term to curb this problem and still look at the long-term problem of agriculture, I am afraid we may be setting ourselves up for a type of economic depression that this country simply cannot afford.

□ 1545

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman for his eloquent contribution and agree with him totally.

We have seen, as the gentleman said, in the past farmers having a good year, and a bad year, or maybe have a good year coming back. In many cases, we have had bad year, after bad year, after bad year and no one can keep their doors open in any business in this country if you have had bad year after bad year, even if you are the Chase Manhattan Bank, or you are a large insurance company, or you are a small family farmer. I thank the gentleman.

I see my friend and colleague, the gentleman from Nebraska [Mr. BEREUTER] is here. I yield to the gentleman if he would want to make a statement at this time.

Mr. BEREUTER. Mr. Speaker, I thank my colleague and neighbor for yielding.

I want to commend the gentleman for taking this special order to try to set the context today for some of the debate that will be ensuing on the farm bill, or the food security bill in the next week, and who knows for how long that debate will continue.

I heard recently that the debate in 1981 was 6 days in length. I think it is appropriate that the issues in this farm bill be fully examined.

I would like to speak not only as a Member who has an agriculturally intensive district, the First District of the State of Nebraska, but also as a Member that serves on the House

Banking Committee, on the Trade Subcommittee of Foreign Affairs, and as a Member from a State that unfortunately is feeling deep economic difficulties as as result of our farm problems and the farm credit problems.

In the State of Nebraska in the last 2 years, we have had 16 agricultural banks fail. During this calendar year alone, the number is 12.

I think it is important to look at why some of this is happening, because it is important to explain to our urban colleagues why what we are proposing to do is so very important, why we urgently ask them to carefully examine the votes that are upcoming, but also to explain to them how a variety of factors have come together beyond any that one could reasonably expect to have impacted family farm operations and agribusiness operations throughout the United States, but especially in the western Grain Belt the gentleman and I have in part the responsibility to represent.

I mentioned earlier in the general debate on the food security bill that I saw some of the sectors coming together were the success of the Green Revolution and the fact that many countries that once imported agricultural products from us are not exporters, the fact that we have fiscal difficulties that are the responsibility of both the executive and the legislative branches, current and past; that we have incredible surpluses of grain today, to pick out that part of agriculture, in the world. The latest estimate I have seen, to indicate that the world is indeed awash in grain, indicates that we have a surplus grain supply of 192 million metric tons, probably more by now, and in almost every commodities issue we find that the United States will be producing U.S. record crops, and we are going to add to that in substantial fashion.

Now, those figures are hard to imagine for anyone, but I think perhaps if you took the example I recently heard cited that all the grain shortfall in Africa, drought-stricken Africa this year, was 4 or 5 million metric tons, and then imagine that we have 192 million metric tons in storage, you know what is going to happen to agricultural commodity prices in this country unless we take some actions that are important to keep that from happening.

Certainly the energy shocks and the creation of OPEC itself came together, but I guess tonight I would like, since the gentleman has taken this special order, to mention something that has been brought to my attention lately by some respected economists. They suggest that one other important element in the farm crisis that we have and the agriculture credit crisis and the problems of declining land values relates to monetary policy and they say, "Go back and look at what happended in 1981 and 1982."

When the Reagan administration came to office, we not only had prime interest rates of 21½ percent, but we had an inflation rate of about 11½ percent, both unprecedented, the highest in modern history.

During the period of February through April 1981, we had something like a loose monetary policy, the normal kind of growth we had been experiencing in M1 and some people read that as a cooperative effort between the Federal Reserve and the administration to monetize deficits.

Well, along in April, the Federal Reserve slams down the growth in money supply. For the next 6 months, we had absolutely zero growth in M1. Then again in December 1981 and January 1982, we went back to the policy that had been pursued before and then again for 6 months slammed it down almost to zero growth.

Now, the administration formally asked early in 1982 that we have a reduction in the rate of monetary supply, in M1, of about 50 percent over a 6-year period of time. But what happened? In calendar year 1981, we achieved 75 percent of that reduction in monetary growth in 1 year, not 6 years, 75 percent, a sudden kind of change had a dramatic effect.

This past month, three agriculture economists from Iowa State University, at the annual meeting of the American Association of Agricultural Economists, presented a paper and I think had convincing evidence that what the greenbackers and what the various populist farm organizations in the 19th and 20th centuries said was in fact borne out by their results, and that is that at least a small amount of inflation, a moderate inflation, is beneficial to the farm sector; that while the inputs are inflated as well, that in general, the net profits to farmers are beneficial under other normal conditions, with a slight inflation rate.

Well, instead of having a reduction in the inflation rate, what Secretary Regan asked for, he projected 8.2-percent reduction by the end of calendar year 1981.

What did it come down to? It was 3.9 percent, an incredible drop in the rate of inflation. We have not seen anything but devastation in the farm sector in the value of land, particularly in the western Grain Belt, the high-capital kind of agriculture, since that time.

Now, I do not mean to suggest that there is a conspiracy. I just suggest that there is difference of view on monetary policy. It is increasingly hard to hit targets with so much of the financial industry deregulated.

I am suggesting, however, that this kind of dramatic deflation in land values is something that no one could expect.

So today, as bank examiners go in to our State and federally chartered banks, they say to the banker, "Where is the collateral behind these loans?" Because it has declined so dramatically, 50 percent roughly in Iowa and Nebraska alone. I suggest in the gentleman's district it is not far from that.

So it is quite natural that our farmer-owned farm credit system and our commercial banks are having deep trouble and it is quite natural that the most extreme problems falling on families in agriculture today are on those families, those one-third of the farm families, roughly, that have debts-to-asset ratios of 70 percent or more.

It is hard for a family with no debt basically to survive on those existing farm prices, but there is no hope for someone who is in the high-debt ratio, unless we make dramatic changes and do it in a fashion that does not devastate our agriculture export sector at the same time.

I do not know if the gentleman has any views that he would like to express on these subjects, but I very much appreciate adding these thoughts and these statistics to the attention of my colleagues as we prepare for debate on the farm bill.

Mr. COLEMAN of Missouri. Well, Mr. Speaker, I thank the gentleman for his usual expert opinion and analysis of the problem. We certainly know that in our area, our district's border, that we experience the same phenomenon that State lines have not stopped this from happening.

I think just for the sake of those who are not familiar, not only the things the gentleman said happened, but we had unprecedented bad weather during the same period of time.

Mr. BEREUTER. That is correct.

Mr. COLEMAN of Missouri. If we add these factors together, I recall several years ago when that drought came through that we had instead of 125 or 130 bushels of corn per acre up there where our districts adjoin, we had 4 and 5 bushels an acre. Well, you cannot have any business in the Nation that has a dropoff of 95 percent of their business and expect them to keep going, but this is what we have asked our family farmers to do, and believe it or not, a lot of them still produce and still are functioning. They are holding on by a thread, but they are still functioning. How they do it, I do not known.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield further?

Mr. COLEMAN of Missouri. Certainly.

Mr. BEREUTER. The gentleman is quite right in reminding me of that extremely difficult period of time in southeast Nebraska and northwest Missouri, where our districts adjoin. I know we had 3 out of 5 years with drought conditions, so that was an ad-

ditional devastating effect that took place before all this.

I hope as we look at the farm bill that we think also of what happened during that necessary emergency PIC year in 1983 when we reduced the land in production by one-third. We knew it was going to affect the Main Streets in Maryville, or Tecumseh, and every other Main Street, particularly the people that sold diesel fuel, and fertilizer, and feed, but they understood that the farmer had to get well before they would have profitable years ahead of them.

We took out one-third of production I think in our areas. It was an emergency condition to deal with huge surpluses, but I think it is very important that as we fashion an alternative farm bill, as we fashion perhaps referenda to the farm bill, that we take great care that what we do is really justified by political reality and particularly the reality of the pocketbook.

We really have no way of knowing how deep our competitors, particularly the European Community, will reach in their pockets for export subsidies. With the value overblown still as much as 36 to 37 percent, the pressure has been relieved on their chancellors of the exchequer and their finance ministers. So how deep will they reach?

Will we in 2 years find ourselves taking out of production as much as 40 to 50 percent of our productive land? If we do, I think our whole way of life will be changed in the Great Plains and certainly the communities will dry up and blow away. I do not think that those kinds of reductions in acreage are acceptable to either the farmers or the American public; so I think great care must be taken in fashioning any kind of alternatives which appear to give great relief at a time when we need to have some very innovative ideas, but which could result in costs, production capacity costs, that cannot be borne by our agribusiness section all the way from Main Street in Maryville, or Tecumseh, NE, or the larger cities.

Mr. COLEMAN of Missouri. The gentleman is absolutely right. In all the towns that dot northwest Missouri and southeast Nebraska are small towns. They range in size usually 500 to several thousand and they cannot sustain these losses.

Where can these people go? They have no jobs. They are not trained. They feel they have very few skills.

This was addressed by an amendment that I offered in committee which was adopted and which I will speak to when we further debate the bill to be able to give these people an opportunity for a new start. We would like to keep them in the rural communities. They would like to stay there. They would like to keep their families and their ties there.

Perhaps there are specialty crops that can be developed. Perhaps there is training that can be undergone and an analysis of their own skills.

Find me a farmer who is not a good mechanic and I will show you a farmer who will not be a farmer for very long. He could use those mechanical skills in something other than farming and perhaps will farm and stay in the community, but not full time, not at the same operation that just does not make economic sense right now for him to do.

I would only remark also because I see my other colleague from Nebraska here, too, and I do not know if he wishes to engage in this special order, but we are not going to deal with the credit issue per se in this bill, but what we will have in the next several weeks are hearings and then a bill I assume that will come through before the end of this session and we will have to address the issues of all those people that we have talked about and their inability to pay back from their lenders, be it a commercial lender, or an insurance company, an individual, or the Farm Credit System. Those people have sustained these losses and the inability to pay them back. What are we going to do?

Now, the gentleman so dramatically pointed out, as did the gentleman from Texas, that all these decisions they made were absolutely the appropriate decisions to make. If you went to Harvard and got an MBA, I daresay you would make the same decision that many of these farmers independently did throughout the Nation during these years, and yet things turned. The same things turned in Mexico and other oil-producing nations when they started building economies based upon their own oil and borrowed on that assumption that oil was going to go up and that the price of oil was going to go up. Well, we know that did not happen for some reason and now we see the Third World staggering, and rescheduling itself, and all the problems that go with that.

We saw a major corporation, the Penn Square in Oklahoma, do the same thing, misjudged the economy.

The bank in Chicago, the Continental Illinois Bank, the same situtation.

People do make mistakes, but it is not based upon total speculation or erroneous beliefs in something that is not logical. These farmers have based their decisions in the past upon what was absolutely a correct decision under the terms of what was happening and the rules of the game at that time and I daresay there are a lot of people holding condominiums in Florida that wish they had not bought them, either, at that particular time.

□ 1600

Mr. BEREUTER. Will the gentleman yield on that particular point?

Mr. COLEMAN of Missouri. I yield to the gentleman.

Mr. BEREUTER. I want to commend the gentleman and the gentleman from Texas who spoke a few minutes ago for concentrating on that point.

Never in my lifetime has the value of agricultural land gone down until the last 15 months; so there is no reason to expect that. Furthermore, every land grant institution was preaching this kind of leverage arrangement, and to the so-called students—reaching out to everybody living in those land grant institution States.

I think we have to remember that this Federal Government specifically said to the farmer: Plant fence row to fence row. So the advice coming from all directions and the experience that they had lived through showed nothing to the contrary.

I want to, again in closing my remarks, commend the gentleman for his foresight in taking out this special order and my appreciation for letting me share in the time.

Mr. COLEMAN of Missouri. I thank the gentleman for his participation.

Mr. DAUB. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman.

Mr. DAUB. Mr. Speaker, if the gentleman will be so kind, I would like a little time, but not to take much from the rest of this special order.

I have been listening to the special order in my office and am most intrigued by a number of the more substantive comments made, although a little fun from time to time I might say to my friend from Missouri is poked at the special order process. I sure hope Members are listening, because this is the kind of environment when more substantive dialog can occur, and it is not limited to the 1-minute or 5-minute rule in the heat of debate.

I am indeed pleased to have a chance to participate for just a moment and thank the gentleman for his leadership in the Committee on Agriculture. Indeed, the gentleman is a leader for agriculture, and I know that he has worked very hard to fashion a bill, many parts of which I can support; the conservative reserve, the wetlands, swamp-buster, sod-buster provisions are indeed two features which, in my opinion, are even more important than the budget savings and the idea of conservation.

In fact, they are indirectly aimed at supply management, because they not only help to take some marginal land out, but at the same time they prevent a whole bunch more from going into

production, which keeps this add-on of grain production at the margin from further depressing cash price at harvest.

So I want to commend the gentleman and his leadership and the committee's insight for finally biting the bullet without stepping on the right of someone to do what they want to do with their own land. I think the gentleman has made a fine distinction in the bill and I think it is something that should be supported by the whole of the House.

I would like to talk about my view, as someone who grew up in ag, in an ag State, and someone who spent his private sector career in agribusiness before coming to the House, and just list about six things very quickly that I think ought to be taken into account by a politician when looking at how to write laws that affect the lives of family farmers, whether they be cotton, rice, peanuts, tobacco, wheat, corn, beans, cattle, hog, or diversified in a variety of other things like nuts, and fruits and timber and related industries.

So I think it is a perspective that perhaps is sometimes overlooked. In the fifties and sixties we used our taxpayers money, through our land grant college system in ag country to send people like our Special Trade Ambassador Clayton Yeutter to South America to teach countries how to become food secure.

So in those days we taught them how to put millions and millions of virgin acres of land into production.

About 1971, my second point, we went off the gold standard. Now, it is not that I suggest we go back to the gold standard, but an interesting phenomenon occurred, and that is currencies de-linked from one another as we de-linked from the gold base, and those currencies began to be traded in a very jumbled kind of a relationship relative to what had up until 1971 been a very stable kind of an oscilloscope line of pounds, marks, franks, liras, and pesos.

As you move through that period of time, then it was not the value of meat or citrus behind the dollar or the value of the Toyota behind the yen; but in fact those currencies were traded for a quarter point of advantage in the international exchange market, and they discovered, those 30 countries that we taught how to raise food, that they could push that food out on a second track and subsidize the export of that food into the world market, not for profit but for the currency exchange, the hard currency exchange that they needed to buy other things.

So ag exports, particularly feed grains, became a vehicle for these countries to survive as the economy was changing.

As we got into the 1975 timeframe then, our growth in our export market, which had pulled these land values up, particularly in the Midwest, right behind them, began to drop off. We did not notice it, though. Things were still going good; we were putting in our center pivots and technology was improving what we were bringing in off our land, because we remembered that things were going well with land prices and inflation and export demand.

Then all of a sudden, 1979 came along. We had a feed grain embargo, but more than that, we should remember the soybean embargo as well to put it in perspective—more than that, we deregulated interest rates in banks.

So, another very devastating blow hit this labor and capital-intensive business called agriculture. Money was no longer available at longer terms and at stable rates. The money market and the NOW draft and the jumbo and the Eurodollar and the petrodollar attracted those $100,000 deposits their way, not to farming. Because we were starting to notice land values sagging. They were getting spongy in 1979 and 1980; they were finally topping out.

By the time we got to 1980, we recognized another thing had happened. From 1965 to 1980, 15 years about, the domestic consumption of red meat per capita had fallen from about 106 pounds a person to about 72 or 74 pounds a person. That was a drop of about 25 percent in domestic red meat consumption; it is slimmercize, jazzercise, exercise—the Carol Formans of the world who used to preach, in a previous administration, that red meat was poison.

All of those things came together, and that meant that 25 percent of the grain we raised, that used to be throughput to raise the red meat as a market disappeared. So the double whammy: meat consumption drops, grain consumption domestically drops, the export market as a percent of growth has fallen away; the cost of money and all of these other things are erratic; and land devaluation begins and it begins in a very disorderly way.

So we get to the prospects I see for the meat belt-grain belt. The part of the region of the country that the gentleman represents, in this high oval, high plains area where we are grain-specific, meat-specific; and the four distinct seasons of weather, hot and cold, up where I come from we cannot go into timber or catfish or poultry, and we cannot grow into truck gardening and lettuce and carrots; our soil is not such that we can diversify in other ways; we are limited.

Thus, our land bank crisis in the four-State area. The portfolio is in land and machinery and in grain and in meat. We have a peculiar problem in agriculture in that sense.

So I hope that as our colleagues take into account the work your committee has done, and the way it will affect us as well as other parts of the Food and Fiber and Nutrition Act, that we will think very carefully about mandatory controls, voluntary mandatory controls, certificates, quotas, not as they so much affect the strong dollar or the export market, but as they will effect an even more dramatic shift in terms of the feed grains, meat and cattle and hogs in this part of the country where our economy is, if you will, rather landlocked. Rigid targets and rigid loan rates and artificial diversion programs tend, if they are put into long-term legislation, to lock us away from market affectation.

While this farm bill is market-oriented, perhaps some amending on the floor, in my opinion, is necessary to improve it.

That perspective is one I bring on behalf of my constituents from Nebraska's Second District; that it would be indeed very dangerous, in my opinion, to lose sight of market-oriented policy.

Income maintenance, yes; but if we do not get to some market affectation of our price against this straight technology and productive capability of agriculture, in the end we will just dig the hole deeper for a whole lot more of those people out there that we in our political capacities are trying to help.

I thank the gentleman again for his leadership and for allowing me part of his special order.

Mr. COLEMAN of Missouri. I thank the gentleman, and I might say that I find his statement one of the most articulate and understandable and correct statements on this subject that I have ever heard, and I commend him for it, and I hope that in the future, people will read the RECORD of what the gentleman said this afternoon, because he sums it up so well that I will not attempt to sum up any more of what he has said.

Obviously the gentleman knows of what he speaks, of where he comes, and who he represents and what should be done.

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Mr. Speaker, in the final analysis, we are talking about world trade. We read a lot about world trade as being the real hot political issue of this session and the next session, a real division issue, a real perhaps unfortunately and undoubtedly a partisan issue.

The real question is whether or not the United States is going to be able to continue its productive capacity in what it has always been the world leader in, and that is of agricultural food and fiber. Notwithstanding all

the barrages of all these factors that we have just talked about, we have continued our ability to do so and to lead the world.

There are some in government who feel that a strong U.S. dollar is a good thing because it give us, the United States, the ability to purchase more of the world's resources on the cheap. But I suggest that those people who hold that position and feeling should recognize that when you get out of the business of producing whatever it might be, a bushel of wheat, a widget, a car, a bar of steel, that when you find it easier to purchase that with a strong dollar overseas, you will have forever forgotten how and the capacity to produce that item. If we get to the point where we have the inability to produce the food and fiber for ourselves, then, Mr. Speaker, we will have had an unprecedented change in direction in this country and attitude and I am not sure where our destiny might lead us under those circumstances.

So I am glad and I compliment my colleagues for participating in this special order again to set the atmosphere for the discussion of the 1985 farm bill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SENSENBRENNER (at the request of Mr. MICHEL), for today, on account of official business.

Mr. ALEXANDER (at the request of Mr. WRIGHT), for today, on account of attending a funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COMBEST) to revise and extend their remarks and include extraneous material:)

Mr. BARTLETT, for 10 minutes, today.

Mr. COLEMAN of Missouri, for 60 minutes, today.

Mr. MCEWEN, for 10 minutes, today.

(The following Members (at the request of Mr. BRUCE) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mr. FLIPPO, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. CONYERS, for 15 minutes, today.

Mr. OBEY, for 60 minutes, on September 24.

Mr. OBEY, for 60 minutes, on September 26.

Mr. DORGAN of North Dakota, for 60 minutes, on October 1.

Mr. FOWLER, for 60 minutes, on October 1.

Mr. SLATTERY, for 30 minutes, on September 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. BENTLEY, on H.R. 2100, in the Committee of the Whole today.

(The following Members (at the request of Mr. COMBEST) and to include extraneous matter:)

Mr. MCCAIN in two instances.

Mr. DAUB.

Mrs. JOHNSON.

Mr. GUNDERSON.

Mr. COURTER in two instances.

Mr. SUNDQUIST.

Mr. GREEN.

(The following Members (at the request of Mr. BRUCE) and to include extraneous matter:)

Mr. MRAZEK.

Mr. LOWRY of Washington.

Mr. ANDERSON.

Mr. ACKERMAN.

Mr. PEASE.

Mr. TORRES.

Mr. BARNES.

Mr. ROSTENKOWSKI.

Mr. BUSTAMANTE.

Mr. SCHEUER in two instances.

Mr. FLORIO.

Mr. BIAGGI.

Mr. OBEY.

Mr. MINETA.

Mr. ROWLAND of Georgia.

Mr. SCHUMER.

Mr. HUBBARD.

Mr. LANTOS.

ADJOURNMENT

Mr. COLEMAN of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 12 minutes p.m.) under its previous order, the House adjourned until Monday, September 23, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2024. A letter from the Secretary of Defense, transmitting a report on an obligation or expenditure of funds in excess of amounts available in an appropriation or fund in advance of an appropriation by the Department of the Air Force, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

2025. A letter from the Assistant Secretary of the Navy for Shipbuilding and Logistics, transmitting notice of intent to convert to contractor performance the facilities maintenance function at Camp H.M Smith, HI, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

2026. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Cost Analysis of the District's Lease at 1111 E Street," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

2027. A letter from the Director, Office of Legislative Affairs Agency for International Development, transmitting a justification for a change in the allocation of foreign assistance in Panama, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2028. A letter from the Director, Office of Legislative Affairs Agency for International Development, transmitting a justification for a change in the allocation of foreign assistance in Ecuador, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2029. A letter from the Under Secretary of State for Security Assistance, Science and Technology, transmitting a letter of notification for increases in funding for Jamaica and Ecuador, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2030. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2031. A letter from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting notice of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2032. A letter from the General Counsel, Securities and Exchange Commission, transmitting notice of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2033. A letter from the Chairman, Federal Trade Commission, transmitting the eighth annual report on the operation of premerger notification provisions of the Clayton Act, pursuant to the act of October 15, 1914, chapter 323, section 7A(j) (90 Stat. 1394); to the Committee on the Judiciary.

2034. A letter from the Chairman, U.S. Synthetic Fuels Corporation, transmitting the appendices to the comprehensive strategy report submitted on July 8, 1985 (Executive Communication 1639), pursuant to Public Law 96-294, section 126 (b)(2) or (d)(2); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

2035. A letter from the Comptroller General of the United States, transmitting a report entitled: "Overview of the Dairy Surplus Issue—Policy Options for Congressional Consideration"; jointly, to the Committees on Government Operations and Agriculture.

2036. A letter from the Comptroller General of the United States, transmitting a report entitled: "20 Years of Federal Mass Transit Assistance: How Has Mass Transit Changed?"; jointly, to the Committees on Government Operations and Public Works and Transportation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H.R. 3391. A bill to amend the Fair Labor Standards Act of 1938 to authorize the provision of compensatory time in lieu of overtime compensation for employees of States, political subdivisions of States, and interstate governmental agencies, to lengthen the workweek of firefighters, to clarify the application of the act to volunteers, and for other purposes; to the Committee on Education and Labor.

By Mr. BEREUTER (for himself, Mrs. SMITH of Nebraska, and Mr. EVANS of Iowa):

H.R. 3392. A bill making supplemental appropriations for the fiscal year ending September 30, 1985, for assistance for the victims of the September 1985 earthquake in Mexico, and for other purposes; jointly, to the Committees on Foreign Affairs and Appropriations.

By Mr. DASCHLE:

H.R. 3393. A bill to amend chapter 106 of title 10, United States Code, with respect to the eligibility requirements of the educational assistance program established under such chapter; to the Committee on Armed Services.

By Mr. DELAY:

H.R. 3394. A bill to amend the Fair Labor Standards Act of 1938 to exempt from its overtime requirements employees of State and local public agencies and to clarify the application of that act to volunteers and to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September until September 30, 1987; to the Committee on Education and Labor.

By Mr. DIOGUARDI:

H.R. 3395. A bill to provide for a 25-percent discount on the fee charged to senior citizens for the issuance of a passport; to the Committee on Foreign Affairs.

By Mr. DREIER of California:

H.R. 3396. A bill to provide for an exchange of certain lands with the County of Los Angeles, CA; to the Committee on Interior and Insular Affairs.

By Mr. FLIPPO (for himself, Mrs. KENNELLY, Mr. MCGRATH, and Mr. HEFTEL of Hawaii):

H.R. 3397. A bill to amend various provisions of the Internal Revenue Code of 1954 relating to the taxation of regulated investment companies; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 3398. A bill to accelerate the removal of the Social Security trust funds from the Federal budget process, and to establish the Social Security Administration as an independent agency of the Government; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 3399. A bill to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; to the Committee on Education and Labor.

By Mr. HUNTER (for himself, Mr. BATES, Mr. PACKARD, and Mr. LOWERY of California):

H.R. 3400. A bill relating to country-of-origin marking requirements for canned tuna; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 3401. A bill to provide for assistance to the noncommunist resistance forces in Mozambique and to prohibit economic and military assistance to the People's Republic of Mozambique; to the Committee on Foreign Affairs.

By Mr. LOWRY of Washington (for himself, Mr. STUDDS, and Ms. MIKULSKI):

H.R. 3402. A bill entitled the "Distribution of Revenues from the Extraction of Marine Resources Act of 1985"; jointly, to the Committees on Interior and Insular Affairs, Merchant Marine and Fisheries, and Rules.

By Mr. MINETA (for himself, Mr. BOLAND, Mr. CONTE, Mr WOLF, Mr PARRIS, and Mr FUQUA):

H.R. 3403. A bill to authorize the Smithsonian Institution to plan, design, and construct facilities for the National Air and Space Museum; jointly, to the Committees on House Administration and Public Works and Transportation.

By Mr. RANGEL (for himself and Mr. GILMAN):

H.R. 3404. A bill to deny most-favored-nation treatment to the products of foreign countries that are sources of narcotic and psychotropic drugs and other controlled substances and do not cooperate with the United States in eliminating the production and distribution of those substances; to the Committee on Ways and Means.

By Mr. ROBINSON:

H.R. 3405. A bill to direct the Secretary of the Army to review reports pertaining to the water supply needs of Pulaski and Lonoke Counties, AR, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3406. A bill to direct the Secretary of the Army to modify the boundaries of the Little Rock Division of the Corps of Engineers, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3407. A bill to amend the Fair Labor Standards Act of 1938 and the Tariff Act of 1930 to promote fair trade based on a fair wage; jointly, to the Committee on Education and Labor and Ways and Means.

By Mr. SCHUMER:

H.R. 3408. A bill to amend the Truth in Lending Act to establish a limitation on the rates of interest which may be imposed on credit card accounts, to provide that such limitation shall take effect on October 1, 1986, unless the determination is made that such rates reflect the cost of funds to creditors and competition among creditors for new credit card accounts, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SUNDQUIST:

H.R. 3409. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to authorize funds for the establishment of university hazardous waste research centers; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Science and Technology.

By Mr. UDALL:

H.R. 3410. A bill to establish a government-to-government International Copper Action Commission; to the Committee on Foreign Affairs.

By Mr. WALGREN:

H.R. 3411. A bill to amend subchapter II of chapter 15 of title 31, United States Code, to limit year end spending by executive agencies; to the Committee on Government Operations.

H.R. 3412. A bill to amend title XVIII of the Social Security Act to permit coverage of maxillofacial services and protheses needed in conjunction with certain reconstructive surgery; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WRIGHT (for himself, Mr. FASCELL, Mr. DE LA GARZA, Mr. BROOMFIELD, Mr. BARNES, Mr. LAGOMARSINO, Mr. GILMAN, Mr. YATRON, Mr. SOLARZ, Mr. BONKER, Mr. STUDDS, Mr. MICA, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. BERMAN, Mr. LEVINE of California, Mr. FEIGHAN, Mr. WEISS, Mr. ACKERMAN, Mr. MACKAY, Mr. UDALL, Mr. GARCIA, Mr. SOLOMON, Mr. SILJANDER, Mr. DORNAN of California, Mr. SMITH of New Jersey, Mr. DEWINE, Mr. BURTON of Indiana, Mr. MCCAIN, Mr. COLEMAN of Texas, Mr. TORRES, Mr. LOEFFLER, Mr. MOORHEAD, Mr. LEWIS of California, Mrs. BOGGS, Mr. OBEY, Mr. MURTHA, Mr. BEREUTER, Ms. FIEDLER, Mr. HAMILTON, Mr. ORTIZ, Mr. BUSTAMANTE, and Mr. DELAY):

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985; considered and passed.

By Mrs. KENNELLY:

H.J. Res. 395. Joint resolution designating the 12-month period from September 1, 1985, through August 31, 1986, as the "350th Anniversary Year of Hartford, Connecticut"; to the Committee on Post Office and Civil Service.

By Mr. COLEMAN of Texas (for himself, Mr. SKEEN, Mrs. SCHROEDER, Mr. TORRES, Mr. BUSTAMANTE, Mr. HOYER, Mr. DURBIN, Mr. COELHO, Mr. SISISKY, Mr. MINETA, and Mrs. BURTON of California):

H. Con. Res. 196. Concurrent resolution expressing the sense of the Congress in support of the provision of disaster assistance for the victims of the earthquake in Mexico on September 19, 1985; to the Committee on Foreign Affairs.

By Mr. HAWKINS (for himself, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mr. MURPHY, Mr. KILDEE, Mr. MARTINEZ, Mr. DYSON, Mr. GILMAN, Mr. HORTON, Mr. CRAIG, Mr. COURTER, Mr. OBERSTAR, Mr. RODINO, Mr. YATES, Mr. BROOKS, Mr. NATCHER, Mr. FASCELL, Mr. WRIGHT, Mr. CONTE, Mr. KASTENMEIER, Mr. ADDABBO, Mr. FUQUA, Mr. MCDADE, Mr. QUILLEN, Mr. ANNUNZIO, Mr. CONYERS, Mr. DE LA GARZA, Mr. HOWARD, Mr. JONES of North Carolina, Mr. GRAY of Illinois, Mr. BEVILL, Mr. HAMMERSCHMIDT, Mr. NICHOLS, Mr. SCHEUER, Mr. FISH, Mr. JONES of Tennessee, Mr. ROE, Mr. STOKES, Mr. WHITEHURST, Mr. YATRON, Mr. ASPIN, Mr. BREAUX, Mr. DELLUMS, Mr. LENT, Mr. MAZZOLI, Mr. MITCHELL, Mrs. COLLINS, Mr. LEHMAN of Florida, Mr. LOTT, Mr. MADIGAN, Mr. RINALDO, Mr. ROSE, Mr. SHUSTER, Mr. TAYLOR, Mr. TRAXLER, Mr. WILSON, Mr. AUCOIN, Mr. BEDELL, Mr. EDGAR, Mr. FLORIO, Mr. HEFNER, Mr. HUBBARD, Mrs. LLOYD, Mr. NOWAK, Mr. SOLARZ, Mr. WAXMAN, Mr. WEAVER, Mr. LUKEN, Mr. APPLEGATE, Mr. EDWARDS of Oklahoma, Mr. GARCIA, Mr. LEACH of Iowa, Ms. MIKULSKI, Mr. RAHALL, Mr. STANGELAND, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WEISS, Mr. YOUNG of Missouri, Mr. CARR, Mr. BARNES, Mr. BONER of Tennessee, Mr. CLINGER, Mr. COELHO, Mr. CROCKETT, Mr. DAVIS, Mr. DIXON, Mr. FAZIO, Mr. FROST, Mr. GINGRICH, Mr. HALL of Ohio, Mr. LELAND, Mr. LEWIS of Cali-

fornia, Mr. LOWRY of Washington, Mr. MAVROULES, Mr. PASHAYAN, Mr. SHELBY, Mr. KOSTMAYER, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. ECKART of Ohio, Mr. FOGLIETTA, Mr. GEJDENSON, Mr. HERTEL of Michigan, Mr. HILER, Mr. HUNTER, Mr. MCEWEN, Mr. ROBERTS, Mr. SAVAGE, Mr. SNYDER, Mr. WORTLEY, Mr. WYDEN, Mr. ACKERMAN, Mr. BILIRAKIS, Mr. BOEHLERT, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mr. BRYANT, Mrs. BURTON of California, Mr. COLEMAN of Texas, Mr. DARDEN, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FEIGHAN, Mr. HAYES, Mrs. JOHNSON, Ms. KAPTUR, Mr. KLECZKA, Mr. KOLTER, Mr. MCCLOSKEY, Mr. MOLLOHAN, Mr. MOODY, Mr. MRAZEK, Mr. PENNY, Mr. PERKINS, Mr. RICHARDSON, Mr. RIDGE, Mr. SIKORSKI, Mr. SISISKY, Mr. SMITH of Florida, Mr. STAGGERS, Mr. TALLON, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. WHEAT, Mr. WISE, Mrs. BENTLEY, Mr. BRUCE, Mr. DIOGUARDI, Mr. GORDON, Mr. KANJORSKI, Mr. LIGHTFOOT, Mr. MANTON, Mr. ROBINSON, Mr. STALLINGS, and Mr. TRAFICANT):

H. Res. 268. Resolution to express the sense of the House of Representatives with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits; to the Committee on Ways and Means.

By Mr. MARKEY (for himself, Mr. WOLPE, Mr. BARNES, Mr. UDALL, Mr. WAXMAN, Mr. SOLOMON, Mrs. SCHROEDER, Mr. OWENS, Ms. KAPTUR, Mr. ECKART of Ohio, Mr. FOWLER, Mr. GLICKMAN, Mr. VENTO, Mr. MRAZEK, Mr. CONYERS, Mr. DOWNEY of New York, Mr. LELAND, Mr. TORRES, Mr. EDWARDS of California, Mr. NEAL, Mr. DYSON, Mr. PENNY, Ms. MIKULSKI, Mr. VALENTINE, Mr. HOWARD, Mr. RUSSO, Mr. FAUNTROY, Mr. KASTENMEIER, Mr. RICHARDSON, Mr. DYMALLY, Mr. TOWNS, Mr. LEHMAN of Florida, Mr. MOAKLEY, and Mr. WEISS):

H. Res. 269. Resolution to request the President to resubmit the Proposed Agreement for Cooperation with China to the Congress with exemptions from two requirements of the Atomic Energy Act; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of the rule XXII,

Mr. Jones of Tennessee introduced a bill (H.R. 3413) for the relief of Jacqueline Yian Barbee; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. LEATH of Texas.

H.R. 236: Mr. CLINGER.

H.R. 442: Mr. MCGRATH, Mr. HOYER, and Mr. HYDE.

H.R. 776: Mr. SCHUMER, Mr. REGULA, and Mr. DAUB.

H.R. 825: Mr. MATSUI, Mr. NELSON of Florida, Mr. ROBINSON, and Mr. SKELTON.

H.R. 979: Mr. KASICH.

H.R. 1019: Mr. DURBIN.

H.R. 1021: Mr. TOWNS.

H.R. 1059: Mr. STRANG and Mr. COMBEST.

H.R. 1207: Mr. COURTER and Mr. MORRISON of Washington.

H.R. 1361: Mr. EDGAR.

H.R. 1375: Mr. CONYERS and Mr. COBEY.

H.R. 1376: Mr. SHAW.

H.R. 1659: Mr. ARMEY, Mr. BARTON of Texas, Mr. BUSTAMANTE, Mr. EDWARDS of Oklahoma, Mr. KASICH, and Mr. MATSUI.

H.R. 1679: Mrs. JOHNSON.

H.R. 1704: Mr. BEDELL, Mr. HENDON, Mr. YOUNG of Florida, Mr. HENRY, Mr. PEASE, Mr. FIELDS, Mr. BARTLETT, and Mr. BLAZ.

H.R. 1770: Mr. CROCKETT, Mr. GINGRICH, Mr. GROTBERG, and Mr. OBERSTAR.

H.R. 2170: Mr. FOWLER and Mr. HUBBARD.

H.R. 2453: Mr. HAMMERSCHMIDT.

H.R. 2680: Ms. SNOWE.

H.R. 2708: Mr. SHAW.

H.R. 2815: Mr. CRANE, Mrs. VUCANOVICH, Mr. YOUNG of Florida, Mrs. MARTIN of Illinois, Mr. BROWN of Colorado, Mr. BOULTER, and Mr. GINGRICH.

H.R. 2866: Mr. VALENTINE.

H.R. 2902: Mr. COOPER, Mr. FOGLIETTA, Mr. OBERSTAR, and Mrs. SCHROEDER.

H.R. 2983: Mr. BONIOR of Michigan, Mr. CROCKETT, and Mr. WOLPE.

H.R. 3035: Mr. KILDEE.

H.R. 3081: Mr. GREEN, Mr. CONYERS, Mr. BARNES, Mr. MORRISON of Connecticut, Mr. MOODY, Mrs. BURTON of California, Mr. TOWNS, Mr. CROCKETT, Mr. WILLIAMS, Mr. GRAY of Pennsylvania, Ms. OAKAR, Mr. ORTIZ, Mr. ROSE, Mr. DERRICK, Mr. FLORIO, Mr. EDWARDS of California, Mr. DARDEN, Mr. WALGREN, Mr. SWINDALL, Mr. GLICKMAN, Mr. YOUNG of Florida, Mr. BOSCO, and Mr. BADHAM.

H.R. 3132: Mr. FAWELL, Mrs. BENTLEY, Mr. DWYER of New Jersey, Mr. MRAZEK, Mr. WAXMAN, Mr. SCHEUER, Mr. WHEAT, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. RANGEL, and Mr. WEISS.

H.R. 3148: Mr. CONYERS, Mr. SIKORSKI, and Mr. LUKEN.

H.R. 3149: Mr. CROCKETT, Mr. WILSON, Mr. STANGELAND, Mr. LAGOMARSINO, Mr. HUCKABY, Mr. THOMAS of Georgia, Mr. MANTON, Mr. HUGHES, Mr. BATEMAN, Mr. MURPHY, Mr. WOLPE, Mr. GOODLING, Mr. MARTINEZ, Mr. FROST, Mr. MATSUI, and Mr. LEWIS of California.

H.R. 3260: Mr. GREGG, Mr. LEACH of Iowa, Mr. DASCHLE, Mr. FRANK, Mr. LELAND, and Mr. STUDDS.

H.R. 3263: Mr. ROE, Mr. BEILENSON, and Mr. MRAZEK.

H.R. 3292: Mr. LAGOMARSINO, Mrs. KENNELLY, Mr. DIXON, Mr. CHANDLER, Mr. DANNEMEYER, Mrs. HOLT, Mr. WOLF, Mr. OXLEY, Mr. SKEEN, Mr. WHITEHURST, Mr. MONTGOMERY, Mrs. BOXER, Mr. LIGHTFOOT, Mr. SMITH of New Jersey, Mr. WHITTAKER, Mr. BROWN of Colorado, and Mr. WORTLEY.

H.R. 3298: Mr. RINALDO.

H.R. 3384: Mr. MYERS of Indiana.

H.J. Res. 126: Mr. YOUNG OF ALASKA, and Mr. HAYES.

H.J. Res. 141: Ms. OAKAR, Mr. SMITH of New Jersey, Mr. DIOGUARDI, Mr. RALPH M. HALL, Mr. DANIEL, Mr. GUARINI, Mr. MATSUI, Mr. BARTLETT, Mr. SAXTON, Mr. AKAKA, Mr. ANTHONY, Mr. BONIOR of Michigan, Mr. BOSCO, Mrs. Burton of California, Mr. COOPER, Mr. CONTE, Mr. APPLEGATE, Mr. BENNETT, Mr. CARPER, and Mr. CALLAHAN.

H.J. Res. 183: Mr. BARNARD, Mr. BONIOR of Michigan, Mr. BROYHILL, Mr. BURTON of Indiana, Mr. COYNE, Mr. DANNEMEYER, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DERRICK, Mr. EARLY, Mr. ENGLISH, Mr. FLIPPO, Mr. GALLO, Mr. GEPHARDT, Mr. GROTBERG, Mr. GUARINI, Mr. HAMILTON, Mr. HATCHER, Mr. JACOBS, Mr. JONES of North Carolina, Mr. MOLLOHAN, Mr. ROBERTS, Mr. ST GERMAIN, Mr. SKEEN, Mr. SKELTON, Mr. SPENCE, Mr. SYNAR, Mr. TORRICELLI, Mr. WHITTAKER, Mr. YOUNG of Florida Mr. BROWN of Colorado, Mr. FASCELL, Mr. MCCLOSKEY, and Mr. SILJANDER.

H.J. Res. 296: Mr. DONNELLY, Mr. BOLAND, and Mr. DAVIS.

H.J. Res. 313: Mr. THOMAS of Georgia, Mrs. BYRON, Mr. ROWLAND of Georgia, Mr. RINALDO, Mr. SPENCE, Mr. HORTON, Mr. MILLER of Ohio, Mr. MAZZOLI, Mr. MORRISON of Washington, and Mr. MCKERNAN.

H.J. Res. 334: Mr. ANNUNZIO, Mr. BEVILL, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CARR, Mr. CHAPPIE, Mr. CLAY, Mr. COELHO, Mr. CONYERS, Mr. CRAIG, Mr. CROCKETT, Mr. DARDEN, Mr. DASCHLE, Mr. DIOGUARDI, Mr. DIXON, Mr. DURBIN, Mr. FEIGHAN, Mr. FLORIO, Mr. FOGLIETTA, Mr. GARCIA, Mr. GONZALEZ, Mr. HORTON, Mr. HOWARD, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. KILDEE, Mr. KLECZKA, Mr. MCCAIN, Mr. MANTON, Mr. MOAKLEY, Mr. MRAZEK, Mr. NICHOLS, Mr. RINALDO, Mr. ROGERS, Mr. SIKORSKI, Mr. VOLKMER, Mr. WHEAT, Mr. WISE, Mr. WYLIE, Mr. FISH, Mr. BOLAND, and Mr. GROTBERG.

H.J. Res. 381: Mr. MORRISON of Connecticut, Mr. MCGRATH, and Mr. MANTON.

H.J. Res. 386: Mr. NEAL, Mr. LIVINGSTON, Mrs. BENTLEY, Mr. MRAZEK, and Mr. BURTON of Indiana.

H. Con. Res. 178: Mr. OWENS, Mr. ROSE, Mr. MITCHELL, Mr. LAGOMARSINO, Mr. CONYERS, Mr. WORTLEY, Ms. KAPTUR, Mr. DE LUGO, Mrs. COLLINS, Ms. MIKULSKI, Mr. EDWARDS of Oklahoma, Mr. FOGLIETTA, Mrs. BENTLEY, Mr. LEHMAN of Florida, Mr. MATSUI, Mr. RAHALL, Mr. RANGEL, Mr. GONZALEZ, MR. BERMAN, MR. MARTINEZ, Mr. DOWNEY of New York, and Mr. FEIGHAN.

H. Con. Res. 190: Mr. GUNDERSON, Mr. PASHAYAN, Mr. TAYLOR, Mr. MCCURDY, Mr. BARNARD, and Mr. WEBER.

H. Res. 40: Mr. MURPHY, Mr. STALLINGS, and Mr. WHITTAKER.

H. Res. 60: Mr. BURTON of Indiana.

H. Res. 180: Mr. RUDD, Mr. SUNIA, Mr. GINGRICH, Mr. WHITEHURST, Mr. SMITH of New Hampshire, Mr. LAGOMARSINO, Mr. DEWINE, Mr. LUNGREN, Mr. DYSON, Mr. HUTTO, Mr. BRYANT, and Mr. LIVINGSTON.

H. Res. 245: Mr. BARNARD, Mr. BOLAND, Mr. DANIEL, Mr. DE LUGO, Mr. DYSON, Mr. EMERSON, Mr. HEFNER, Mr. HORTON, Mr. QUILLEN, Mr. RAHALL, Mr. SMITH of Florida, Mr. YOUNG of Alaska, Mr. WATKINS, Mr. DARDEN, Mr. DWYER of New Jersey, Mr. HAYES, Mr. JONES of North Carolina, Mr. MRAZEK, Mr. WORTLEY, and Mr. KINDNESS.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

211. By the SPEAKER: Petition of the South Florida Americans for Democratic Action, West Palm Beach, FL, relative to South Africa; to the Committee on Foreign Affairs.

212. Also, petition of the Elks Grand Lodge, Winton, NC, relative to enterprise zones; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. ENGLISH:

—Title 11, on page 274, after line 12, insert the following:

"Subtitle D—Transportation Charges for Waterborne Cargoes of Donated Commodities

LIMITATION ON REQUIREMENTS

SEC. 1141. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end thereof the following: 'Export activities of the Corporation under this Act and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act shall not be subject to cargo preference requirements, except to the extent otherwise required for exports under the Agricultural Trade Development and Assistance Act of 1954.'."

By Mr. PENNY:

—Page (115) on line 3, strike out "$4.50" and insert in lieu thereof "$4.60".

Page (120) on line 3, strike out "$3.25" and insert in lieu thereof "$3.35".

By Mr. ROTH:

—Page 37, beginning in line 11, strike out "The Secretary" and all that follows through "Agriculture." in line 14 and insert in lieu thereof the following: "The Secretary of Agriculture shall, in consultation with the International Trade Commission and the United States Trade Representative, conduct a study to determine what relief should be granted because of the interference of imported casein with the dairy price support program."

—Page 274, after line 18 insert the following:

TRADE LIBERALIZATION

SEC. 1132. (a) Congress finds that—

(1) the present high level of agricultural protectionism contrasts sharply with the general trade liberalization that has been achieved since the inception of the General Agreement on Tariffs and Trade (hereinafter referred to as "GATT");

(2) GATT procedures should explicitly recognize the protective effect of domestic subsidies that alter trade indirectly by reducing the demand for imports and increasing the supply of exports;

(3) current rules make a distinction between primary and manufactured products, and this allows for agricultural export subsidies;

(4) the rule that permits export subsidies on primary products that do not result in inequitable market shares has proven to be unworkable; and

(5) a unified treatment of tariffs and subsidies would clarify trading rules for market participants and simplify trade negotiations.

(b) It is the sense of Congress that the President should negotiate with other parties to GATT to revise GATT rules so that agricultural export subsidies would be treated the same as tariffs and primary products the same as manufactured products.

Amend the table of contents at the beginning of the bill accordingly.

By Mr. SKELTON:

—Insert in Section 1605 (which amends Section 204 of the Temporary Emergency Food Assistance Act) a new paragraph:

(4) Funds from section 204(c)(1) shall be available to the extent that they are matched on an equal basis by State appropriated funds. The provision shall apply to a State beginning October 1 of the calendar year in which the State legislature next meets.

By Mr. VOLKMER:

—Page 110, strike out line 1 and all that follows thereafter through page 124, line 14, and insert the following new title:

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

SEC. 551. Effective only for the 1986 through 1991 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end of a new title V as follows:

"TITLE V—REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

"Subtitle A—Findings and Policy; Consumer Safeguards

"FINDINGS AND POLICY

"SEC. 501. (a) Congress finds that—

"(1) wheat and feed grains are essential agricultural commodities for the Nation, are produced throughout the United States by hundreds of thousands of farmers, and along with their products flow in substantial amounts through instrumentalities of interstate and foreign commerce from producers to consumers;

"(2) abnormally excessive and abnormally deficient supplies of wheat and feed grains on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce; and

"(3) interstate and foreign commerce in wheat and feed grains, and their products, should be protected from burdensome surpluses and disruptive shortages, a supply of the commodities should be maintained to meet domestic consumption of the Nation should not be squandered in the production of surplus burdensome supplies of the commodities.

"(b) It is hereby declared to be the policy of Congress that it is in the interest of the general welfare to assist in the marketing of wheat and feed grains for domestic consumption and export; to regulate interstate and foreign commerce in the commodities to the extent necessary to provide an orderly, adequate, and balanced flow of the commodities in interstate and foreign commerce; and to provide loans and other means to maintain farm income for producers of the commodities, reduce excess production, and enable consumers to obtain an adequate and steady supply of such commodities at fair prices.

CONSUMER SAFEGUARDS

"SEC. 502. The powers conferred under this title shall not be used to discourage the production of supplies of food and animal feed sufficient to meet normal domestic and export needs, as determined by the Secretary. In carrying out the purposes of this title, the Secretary shall give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair both to producers and consumers.

"Subtitle B—Producer-Approved Wheat and Feed Grain Program

PROCLAMATION OF WHEAT AND FEED GRAIN MARKETING QUOTAS

"SEC. 511. (a) Whenever prior to April 15 in any calendar year the Secretary determines that the total supply of wheat or feed grains, or both, in the marketing years for such commodities beginning in the next succeeding calendar year, in the absence of a marketing year program, will likely be excessive, the Secretary shall proclaim that a national marketing quota for wheat or a national marketing quota for feed grains, as the case may be, or marketing quotas for both, shall be in effect for such marketing years and for the marketing years for the next crop of such commodities. In the case of the marketing years for the 1986 and 1987 crops of such commodities, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"(b) If a national marketing quota for wheat or feed grains has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 nor later than April 15 of the calendar year preceding the year in which such marketing year begins, except that in the case of the marketing years for the 1986 and 1987 crops, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Secretary Act of 1985, but not later than January 1, 1986. The amount of the national marketing quota for wheat or feed grains for any marketing year shall be an amount of wheat or feed grains that the Secretary estimates is required to meet anticipated needs during such marketing year, taking into consideration domestic requirements, export demand, food aid needs, and adequate carryover stocks.

"(c) If, after the proclamation of a national marketing quota for wheat or feed grains for any marketing year, the Secretary determines that the national marketing quota should be terminated or increased to meet a national emergency or a material increase in the demand for wheat or feed grains, the national marketing quota shall be increased or terminated by the Secretary.

"FARM MARKETING QUOTAS

"SEC. 512. (a) For each marketing year for wheat or feed grains for which a national marketing quota has been proclaimed under section 511 of this title, the Secretary shall establish farm marketing quotas in accordance with this section.

"(b) The Secretary shall establish a marketing quota apportionment factor for each wheat or feed grain marketing year for which a national marketing quota is proclaimed under section 511. The marketing quota apportionment factor shall be determined by dividing the national marketing quota for such marketing year for wheat or feed grains by the product obtained by multiplying (1) the Secretary's estimate of the average of the then current program yields for wheat or feed grains assigned to each farm by (2) the total of each farm's then current wheat or feed grain crop acreage base.

"(c) The Secretary shall assign a farm marketing quota to each farm with a wheat or feed grain crop acreage base of fifteen acres or more for the crop involved by multiplying the marketing quota apportion-

ment factor determined under subsection (b) of this section by the product obtained by multiplying (1) such farm's then current program yield for wheat or feed grains by (2) such farm's then current wheat or feed grain crop acreage base.

"(d) Farm marketing quotas shall be established by the Secretary under this section by June 1 of the calendar year preceding the marketing year for which a national marketing quota has been proclaimed under this title, except that in the case of the 1986 and 1987 crops, such quotas shall be established as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"PROCLAMATION OF WHEAT AND FEED GRAINS NATIONAL PRODUCTION ACREAGES

"SEC. 513. (a) If a national marketing quota has been proclaimed for any wheat or feed grain marketing year under section 511 of this title, the Secretary shall proclaim a wheat or feed grain national production acreage for the crop of wheat or feed grains covered by such marketing year on the date that such national marketing quota is proclaimed.

"(b) The amount of the national production acreage for any crop of wheat or feed grains shall be the number of wheat or feed grain acres that the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than acreage not harvested because of program incentives) of the farm production acreages for such crop will produce an amount of wheat or feed grains equal to the national marketing quota for the commodity for the marketing year for such crop.

"(c) If, after the proclamation of the national production acreage for wheat or feed grains for any crop, the Secretary determines that the national production acreage should be terminated or increased to meet a national emergency or a material increase in the demand for wheat or feed grains, the national production acreage shall be increased or terminated by the Secretary.

FARM PRODUCTION ACREAGES

"SEC. 514. (a) The national production acreage determined under section 513 of this title for a crop of wheat or feed grains shall be apportioned by the Secretary among farms in accordance with this section.

"(b) The Secretary shall establish a production acreage apportionment factor for each crop of wheat or feed grains for which a national production acreage is determined. The production acreage apportionment factor shall be determined by dividing the national production acreage for such crop of wheat or feed grains by the total of the acres of wheat or feed grains included in each farm's wheat or feed grain crop acreage base, as determined under title VI of this Act.

"(c) The Secretary shall determine the wheat or feed grain farm production acreage for each farm (with a crop acreage base for the commodity and crop involved of fifteen acres or more) on which wheat or feed grains are produced by multiplying the production acreage apportionment factor determined under subsection (b) of this section by the farm's wheat or feed grain crop acreage base.

"(d) Notwithstanding the provisions of subsection (c) of this section, the farm production acreage for each farm—

"(1) in the case of each crop of wheat, shall be equal to 65 per centum of the farm's crop acreage base for wheat, unless the Secretary estimates that, by the end of the marketing year for that crop of wheat, ending stocks of wheat will be equal to or less than the domestic consumption of wheat for the marketing year; and

"(2) in the case of each crop of feed grains, shall be equal to 80 per centum of the farm's acreage base for feed grains, unless the Secretary estimates that, by the end of the marketing year for that crop of feed grains, ending stocks of feed grains will be 10 per centum or less of the total use of feed grains for the marketing year.

"(e) Subject to the provisions of section 535(b) of this title, whenever a wheat or feed grain production acreage for a crop is established for a farm, other than for a crop which the producers on the farm uses for on-farm feeding purposes and which the producers on the farm certify in writing will be used exclusively for on-farm feeding purposes during the period for which a national production acreage is in effect, under this section, the producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of the farm's production acreage for the commodity; and with respect to farms with a crop acreage base for the commodity and crop involved of less than fifteen acres, producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of fifteen acres.

REFERENDA

"SEC. 515. (a) If national marketing quotas for wheat, feed grains, or both wheat and feed grains for two marketing years, are proclaimed under section 511 of this title, the Secretary shall, not later than July 1 of the calendar year in which such national marketing quotas are proclaimed, conduct a referendum by secret ballot of wheat and feed grain producers to determine whether they favor or oppose marketing quotas and production acreages for the marketing years and crops for which proclaimed. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after the date of enactment of the Food Security Act of 1985, but not later than February 1, 1986.

"(b) Any producer with a wheat or feed grain crop acreage base of fifteen or more acres for the then current crop, as determined under title VI of this Act, shall be eligible to vote in the referendum. For purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum and if the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in the referendum voted for marketing quotas and production acreages, the Secretary shall proclaim that marketing quotas and production acreages will be in effect with respect to the crops of wheat or feed grains, or both, produced for harvest in the two calendar years following the year in which the referendum is held (or in the case of the referendum held no later than February 1, 1986, for crops harvested in 1986 and 1987).

"(d) In the event that marketing quotas and production acreages are approved with respect to the 1986 crop of wheat or feed grains, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm production acreage prior to the proclamation by the Secretary that marketing quotas and production acreages will be in effect with respect to that crop. Such compensation shall cover at a minimum the costs incurred by producers for planting such crop, as determined by the Secretary.

"(e) If the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in a referendum approved marketing quotas and production acreages for a period of two marketing years, no referendum shall be held for the next year of such period.

"(f) If marketing quotas and production acreages are not approved by producers in a referendum as provided under this section, with respect to the crops harvested in the succeeding year, in lieu of such marketing quotas and production acreages, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat and feed grains as provided elsewhere in this Act.

LOANS AND PURCHASES

"SEC. 516. (a) If producers of wheat and feed grains approve marketing quotas and production acreages, as provided in section 515 of this title, loans and purchases shall be made available to producers as provided in sections 105C and 107D of this Act, except that the minimum loan rates for the crops of wheat or feed grains with respect to which marketing quotas and production acreages are in effect—

"(1) in the case of wheat, shall be not less than $5.03 per bushel for the 1986 crop, and, for each of the 1987 through 1991 crops of wheat, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$5.17 per bushel
for the 1988 crop	5.31 per bushel
for the 1989 crop	5.45 per bushel
for the 1990 crop	5.59 per bushel
for the 1991 crop	5.73 per bushel.

"(2) in the case of corn, shall be not less than $3.49 per bushel of corn for the 1986 crop, and, for the 1987 through 1991 crops, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$3.59 per bushel
for the 1988 crop	3.69 per bushel
for the 1989 crop	3.79 per bushel
for the 1990 crop	3.89 per bushel
for the 1991 crop	3.99 per bushel.

"(3) in the case of feed grains other than corn, for each of the 1986 through 1991 crops, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which loans are made available for corn.

"(b) Loans referred to in subsection (a) shall not be subject to the limitation on nonrecourse loans set forth in section 405(b) of this Act.

MARKETING CERTIFICATES

"SEC. 531. (a) At the time a producer of wheat or feed grains is assigned a farm marketing quota under section 512 of this title for any marketing year, the Secretary shall issue a marketing certificate to such producer for the crop of such commodity covered by such marketing year. The Secretary shall also issue marketing certificates to producers with a wheat or feed grain crop acreage base of less than 15 acres (producers not assigned a farm marketing quota) for such commodities to be produced on such crop acreage base for the crop covered by such marketing year.

"(b) A marketing certificate applicable to a marketing year issued to a producer of wheat or feed grains shall authorize such producer to market, barter, or donate, during such marketing year, an amount of such commodity equal to the farm marketing quota assigned to such producer (or, in the case of a producer not assigned a marketing quota because the producer's crop acreage base for the commodity crop is less than 15 acres, an amount of such commodity equal to the producer's production of the commodity on the acreage—if the acreage is less than fifteen acres—planted to the commodity for harvest.

"(c) The Secretary shall adjust the amount of wheat or feed grains that may be marketed, bartered, or donated under a marketing certificate to reflect the amount of such commodity that will be used for feed, human consumption, or other purposes on the farm of the producer.

"(d) If for any crop, the wheat or feed grains that the producer harvests exceeds the amount of the commodity that may be marketed, bartered, or donated under a marketing certificate, the surplus amount of such commodity may be used for feed, human consumption, or other purposes on the farm of the producer, or may be carried over by the producer from one marketing year to the succeeding marketing year and may be marketed without penalty imposed under section 523 of this subtitle in the succeeding marketing year to the extent that (1) the total amount of such commodity available for marketing from the farm in the marketing year from which such commodity is carried over does not exceed the farm marketing quota, and (2) the total amount of such commodity available for marketing in the succeeding marketing year (that is, the sum of the amount of such commodity carried over and the amount of such commodity produced on the farm subject to a farm marketing quota in the succeeding marketing year) does not exceed the farm marketing quota for the succeeding marketing year.

"(e) Wheat or feed grains harvested in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though such commodity is marketed prior to the date on which such marketing year begins.

"(f) A person may not purchase or otherwise acquire an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate.

"(g) If marketing quotas for a commodity are not in effect for any marketing year, all previous marketing certificates applicable to such commodity shall be terminated, effective as of the first day of such marketing year.

"PENALTIES

"SEC. 532. (a)(1) Except as provided in subsection (b) of this section, if a producer fails to comply with any term or condition of a program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment authorized under this Act.

"(2) Except as provided in subsection (c) of this section, if a producer markets, barters, or donates a commodity without a marketing certificate required under section 532 of this subtitle or markets, barters, or donates an amount of a commodity for use in excess of the amount of the commodity the producer is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a civil penalty against such producer in an amount equal to three times the current minimum loan rate for the commodity so marketed, bartered, or donated; or

"(B) decrease the number of acres of the producer's wheat or feed grain crop acreage base such producer may devote to production under section 514 of this title for the succeeding crop of the commodity by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A) of this paragraph.

"(3) If a person knowingly purchases or otherwise acquires an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate issued under section 531 of this subtitle, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the commodities so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary determines that the penalties provided for in subsection (a) of this section are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"TRANSFER OF FARM MARKETING QUOTAS

"SEC. 534. Farm marketing quotas assigned to a farm under this title generally shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, the farm marketing quota assigned to a farm for any marketing year, or any portion thereof, may be voluntarily surrendered to the Secretary by the producer, and the Secretary may reallocate the amount of any farm marketing quotas so surrendered to other farms having farm marketing quotas on such basis as the Secretary may determine.

"CONSERVATION OF ACREAGE REMOVED FROM PRODUCTION

"SEC. 535. (a) A producer of a commodity shall devote to approved conservation use all acreage of the farm's wheat or feed grain crop acreage base that may not be devoted to the production of the commodity involved under the rules applicable to farm production acreages under sections 514 and 524 of this title.

"(b) The Secretary may make such adjustments in the amount of such acreage removed from production as the Secretary determines necessary to correct for abnormal factors affecting production and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary determines appropriate.

"(c) Regulations issued by the Secretary under this section with respect to acreage required to be devoted to conservation uses shall require appropriate measures to protect such acreage against noxious weeds and wind and water erosion.

"(d)(1) Any acreage removed from production may be devoted to wildlife food plots or wildlife habitats in conformity with standards established by the Secretary in consultation within wildlife agencies.

"(2) The Secretary may pay such amount as the Secretary considers appropriate of the cost of the practices designed to carry out the purposes of paragraph (1) of this subsection.

"(3) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(e)(1) A producer of a commodity shall execute an agreement with the Secretary that describes the means the producer will use to comply with this section not later than such date as the Secretary may prescribe.

"(2) The Secretary may, by mutual agreement with such producer, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"REGULATIONS

"SEC. 536. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.

"COMMODITY CREDIT CORPORATION

"SEC. 537. The Secretary shall carry out the program authorized by this title through the Commodity Credit Corporation.

"ADMINISTRATIVE PROVISIONS

"SEC. 538. The provisions of sections 361, 362, 363, 364, 365, 366, 367, 368, 372(d), 373, 374, 375, and 376 of the Agricultural Adjustment Act of 1938, as amended by section 452 of the Food Security Act of 1985, shall apply to the programs in effect under this title for any of the 1986 through 1991 crops of wheat and feed grains.".

"LIMITATION ON IMPORTS

"SEC. 539. If imports of grain or processed grain threaten to render ineffective, or materially interfere with, the national marketing quota program, Congress expects the Secretary will take appropriate action available under section 22 of the Agriculture Adjustment Act of 1933 as is necessary in order that such imports will not render ineffective or materially interfere with this program.".

Amend the table of contents in section 2 accordingly.

EXTENSIONS OF REMARKS

VIETNAM VETERANS RETURN FROM CENTRAL AMERICA

HON. ROBERT J. MRAZEK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. MRAZEK. Mr. Speaker, this week I had the privilege of meeting a group of Vietnam veterans who just returned from a fact-finding trip to Central America.

Over the course of 10 days, they visited El Salvador, Nicaragua, and Honduras. They spoke at great length to the American Ambassador in each country, to the leaders of each country, to opposition parties, and to teachers, newspaper editors, army commanders, and just ordinary citizens in each of these troubled nations.

I had the privilege of getting to know two of these men much better. One, Asa Baber, is a former marine, trained in counterintelligence, who was in a position to assess with professional expertise many of the briefings provided by leaders on both sides of the conflicts in the region.

The other, Charles Liteky, was a Catholic chaplain in Vietnam and was a recipient of the Congressional Medal of Honor for extraordinary heroism. He is a humble man, who has dedicated his life to the cause of peace. He now works in a sanctuary program for Central American refugees in San Francisco.

I was proud to have an opportunity to introduce both these men to many Members of Congress who have taken a leadership role on both sides of the Central America question.

I also wish to thank my colleagues LANE EVANS and DAVE BONIOR for sponsoring a forum at which the participants on the trip had the opportunity to present their findings and conclusions. We are indebted to them for being patriotic Americans who took time out from their busy lives to attempt to shed some light on the very difficult policy questions we are facing in Central America.

The statements of the Vietnam veterans are as follows:

STATEMENT BY CHARLES LITEKY, CHAPLAIN IN VIETNAM

I was a Catholic chaplain in Vietnam. Spent two-and-a-half years there. Served with an infantry brigade. My mission was to give moral support to a cause I regarded as morally correct.

I was the son of a 32-year navy man, the product of Catholic culture that sanctions the morality of a just war. In the 1960's, any war against communism was judged to be just.

As a chaplain, I felt it was my duty to monitor the morality of the means used to accomplish military ends. I was ready to resign on one occasion, when I learned of a brigade policy of awarding snipers in a country R&Rs for three kills. The policy was changed.

I've tried to put the Vietnam war behind me and get on with the good life that we Americans are free to pursue. But my country's involvement in Central America has called forth the ghost of Vietnam and awakened me to immoralities more grievous and gross than I experienced in Vietnam. I'm hearing the voices of the poor in El Salvador, Nicaragua, Honduras and Guatemala, the cries of the raped, the murdered, the mutilated and the disappeared. Good people who are for the most part innocent. People numbering, since 1980, in the tens of thousands. I'm sure you are as familiar as I am with the facts and figures.

In addition to my outrage over my government's complicity in the carnage of Central America, I have a personal revulsion toward bullies, people or groups of people that use superiority of size or strength to impose their will on others incapable of adequate defense. I believe we are throwing our military weight around.

From what I have read about and recently experienced in El Salvador, Nicaragua and Honduras, I conclude that Central America could become another Vietnam—or worse—because of the problem's proximity to U.S. borders.

I think that we as a country should help our neighbors to the south solve their century-old problems of repression and poverty. But, I do not think we should do so with guns and bullets and bombs.

In 1980, Archbishop Romero of El Salvador begged us not to send any more instruments of killing to his people to help them kill one another. We did not heed his plea. He's dead now, along with 50,000 of his people.

I do not accept the two major premises used by our current administration to support U.S. intervention in Central America: (1) that this is an East-West conflict, and (2) that the situation in Central America constitutes a threat to our national security.

On our trip to Central America we, Vietnam veterans, spoke with representatives of opposing parties to the conflict and to the innocent victims of war. No one, except the Contras, believe that the solution to problems in Central America is military.

So, I say, listen to the cries of the poor, for the sake of the would-be dead, wounded, tortured and raped. Let's get on with the negotiations process—Contadora or otherwise.

STATEMENT BY ASA BABER, FORMER MARINE

My name is Asa Baber. I served on active duty with the United States Marine Corps from 1958–1961, including some time with a task force in the Far East.

At that time, the United States was strongly considering an invasion of Loas, and the war in South Vietnam was heating up at a slow but steady pace.

The strategies, tactics, methodologies—the rationale for our actions, if you will—were well-articulated by the Americans who briefed me.

I have just returned from an intensive 10-day tour of El Salvador, Honduras and Nicaragua, and I have to tell you that every argument I heard for our involvement in Laos and Vietnam in 1961 has been advanced again by my government in 1985.

Before I go on, I want to pay homage to my fellow countrymen who are serving now in Central America. Almost all of them are professionally competent, linguistically capable, and aware of the complexities of that beautiful, tragic region. They are hard-working, honest, risk-taking Americans who are doing their best in a tough situation.

For example, the American Ambassador to El Salvador is a former Peace Corps worker who once tried to help organize the garbage collectors of Columbia. The American Ambassador of another country we visited was a total realist about the political and economic problems in that country—but he was a realist only off the record, I must add.

The point is that I've seen this movie before. I've heard all the reasoning, wrestled with the words, tried to decipher my government's intentions. For what it's worth, I conclude the following.

Our government is telling us:

(1) The U.S. is in the area to stay.

(2) There are no commitments to any limitations of time or money.

(3) There is a strong Soviet-Cuban challenge to our automony in the region, but the proof of that challenge cannot be shared with the American people.

(4) According to our government, any analogy between the crisis in Vietnam and the coming conflagation in Central America is invalid.

(5) The United States cannot live with or abide mixed economies in Central America. For us, it's capitalism or bust; any other form of economy is an anathema to us.

(6) A military solution may not be the total answer to the problem—but diplomatic and political negotiations are on the back burner.

I submit that we are in for a very long war in Central America. I submit that our government is telling us that. All we have to do is listen carefully.

As a man who considers himself a loyal citizen, and who has been trained by his own government to assess certain military situations, I conclude after my visit to Central America that we are in a condition of stalemate—that neither the forces of the right or of the left can win a total victory—much as we were in Vietnam and Laos in the early 1960's. The eventual commitment of more United States troops into Central America seems inevitable.

It may be that the United States is prepared for a 10 or 20 or 30 year war. If that is so, then our present policies will prove to be extremely popular. If that is not so, then the sooner we move into diplomatic and political negotiations, the better.

My name is Harold Bryant. Like the other men and women who will address you today, I volunteered to serve my country in Vietnam. For the last 12 years, I have continued to serve my country by helping the men and women whose lives were shattered by that war. When Dr. Clements asked me if I

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

would like to accompany this delegation to Central America, I was eager to respond because I have a nineteen year old son. He, like other youths of color and the poor of this country, may be called upon to do what we did in Vietnam, because the Reagonomics era draft has surpassed the Vietnam era draft in numbers of disadvantaged youth—almost 40 percent of our combat ready forces today are Black and Hispanic. The irony of that is not missed in our neighborhoods. In St. Louis, my home, we have census tracts with an infant mortality rate approaching that of some of the Central American countries we just visited.

Facing further cutbacks in aid to families with dependent children, food stamps, low income housing, child nutrition programs, low income energy assistance, jobs and training programs, health care block grants, and community services, Hispanic and Black communities will not be willing to send off their sons to look down the gun barrels at their poverty stricken bothers and sisters in Central America. This is especially so when these cuts are to provide an unprecedented peacetime military build-up that undermines, not strengthens, our national security.

For our real security lies in the health of our chidlren, the housing of our children, the feeding of our children, and the education of our children—not just some of our children, but in this affluent nation all of our children. We do not build security by escalating the arms race. We do not build security by volatile rhetoric and refusing to discuss peace with our enemies. This kind of security will only insure bankruptcy and war. More so than ever, we must heed Martin Luther King's warning: "A nation that continues year after year to spend more on military defense than on programs of social uplift is approaching a spiritual death."

I am convinced by what I saw in Central America that this conflict is not East-West, so much as North-South. It is a metaphor for the First and Third World struggles that we will see the rest of our lives. In the next 24 hours, 40,000 children will die of malnutrition related causes. Peasants like the campesinos in Central America will continue to pick up rifles and fire at multimillion dollar jet fighters, as long as their deaths have as little meaning as their lives. If we continue to ask "where do they get the rifles?" instead of understanding and addressing the desperation that drives them to such acts we will remain the 911 for repressive regimes and military dictatorships that cry "Communism" when their privege or position is threatened. The flow of so-called "brown skinned feet people" to this country will continue, so long as our so-called friends continue policies of "search and destroy" and "free fire zones"—words and images too familiar to those of us who created them last time.

STATEMENT OF DAVID HARRINGTON, FORMER MARINE LIEUTENANT

Good Morning: My name is David Harrington. For the past thirteen years, I have enjoyed a diverse and challenging career as a social worker. In Vietnam, I served for 21 months as a Marine Lieutenant: the first 12 as an infantry platoon leader and company commander, the last 9 as military attache to the CORDS program in Eye Corps. The first year was a hard lesson in the U.S. military's misunderstanding of startegy and tectics, the second a soulwrenching insight into the brutality and deception of our so-called pacification program.

During our visit to Central America, I found a clear division of opinion within the ranks of Americans serving in the various missions of all three countries. This division touched me deeply because I was a witness to similar tensions between and within our military and civilian efforts in Vietnam. There, the divisions were so great as to cause chaos and complexity to reign supreme in a situation which required order and simplicity.

In Central America, the divisions are between U.S. ideologues (academic hardliners) and American pragmatists. Simply put, the ideologues base their views on the following:

A belief that East—West security issues, including Soviet and Cuban arms as well as Nicaraguan imperialism, are at the root cause of social upheaval.

A view that militarization is the only solution with a focus on "low intensity warfare", i.e. using phase one of Vietnam (CIA/SF) and phase three of Vietnam (air/electronics) and reducing phase two (U.S. troop involvement) to a minimum.

Specifically, militarization includes for the Salvadoran and Honduran armies: More battalions; more helicopters/airplanes; more armed militia; Phoenix style assassination programs; through public safety organizations and military intelligence; population destabilization; and support for the contras in Honduras.

In this effort, human rights are politically expedient and not a matter of social justice.

On the other hand, U.S. realists in the region view the situation quite differently:

The Soviet/Cuban/Nicaraguan equation is not taken seriously: instead, convergence (i.e., the agreement by broad elements within each Central American country on a political and socioeconomic agenda) is the cause of all the change movements.

Humanization, not militarization of the war, is considered essential:

For the Salvadoran and Honduran Army more engineer and medical battalions, more civic action programs.

End of support to the contras.

A negotiated end to all terrorism.

Population stabilization.

Human Rights are recognized and addressed.

The conclusions of our delegation on the impact of this rift among U.S. public servants in Central America follow:

Chaos and complexity reign supreme within each country and within the region.

Stalemate and prolongation of the war and inevitable results.

Opposition forces will only need to change the terms of engagement to adjust to our changing military tactics.

Opportunities for dialogue and a negotiated settlement are lost.

Meanwhile, U.S. respect in the region erodes rapidly:

The governments of El Salvador and Honduras lose credibility among their people.

Central America bleeds with campesinos killing campesinos.

Convergence moves from a mere agreement on the need for social change toward a broad-based revolutionary movement.

General Edward Meyers, on his retirement as Chief of Staff of the Army in 1983, gave these words of warning on the lessons of Vietnam:

1. Let's assess the price before we pay it, because the price may be too high.

2. Let's not send our boys where the American people do not support them; let's not dangle them again at the end of a string.

3. Let's not seek a military solution to socio-economic problems.

What we saw in Central America was that unless U.S. policy is resolved, American troops will be introduced into a chaotic situation as they were in Vietnam and with similar results.

STATEMENT OF DENNIS KOEHLER, FORMER INTELLIGENCE OFFICER

Good Morning: My name is Dennis Koehler. I'm a Vietnam vet, lawyer and former county commissioner from Palm Beach County, Florida.

I was privileged to be a part of Dr. Charlie Clements' group of Vietnam veterans that just completed what seemed like 30 days worth of work during our ten day visit to Central America.

In Vietnam, I served two tours of duty as a U.S. Army intelligence officer. In both tours, my main mission was to "neutralize" enemy intelligence gathering operations.

After two years of some military successes, usually measured in "body counts," and growing frustration with that war's lack of progress, I concluded:

(1) That our U.S. military tactics and strategies in Vietnam—"search and destroy," "free fire zones," "winning hearts and minds"—were incapable of producing victory.

(2) That our South Vietnamese "allies" were unrepresentative of and unresponsive to the needs of their own people.

(3) That we could never succeed in forcing our own American-style form of democracy onto the Vietnamese culture.

During our visits to El Salvador, Nicaragua and Honduras, I was particularly sensitive to the impact our American policies were having on these countries. I was profoundly disappointed. It seems that with few exceptions, we are repeating the mistakes we made in Vietnam.

In both Nicaragua and El Salvador, we are characterizing the struggles as "East versus West," "Communism versus Capitalism," "Tyranny versus Freedom," when in fact the last thing the contestants for power in these countries want is to be dominated by either one of the superpowers.

In El Salvador, we are focusing our efforts (through the use of our military agents rather than U.S. troops) on the same type of counterinsurgency tactics and ever-escalating commitment of U.S. resources that is incapable of producing military "victory" over a people being denied justice and basic human rights by its own government.

In Nicaragua, we are attempting to overthrow the same government that ended one of the most repressive dictatorships in Central American history, on the specious grounds that:

(1) The Sandinista government is nothing more than a "totalitarian puppet" of the Soviet Union and Cuba, bent on exporting communist violence throughout the region; and

(2) Unless we "stop communism" in Nicaragua, the rest of the Central American republics, including Mexico will inevitably fall like dominoes to the Soviets.

Does any of this sound familiar? I think so. Nations that refuse to learn from their past mistakes are bound to repeat them. Vietnam was a great American mistake. We have an opportunity to avoid repeating this great mistake in Central America, if only we will listen to and support those who call for

peaceful rather than military solutions to this region's overwhelming social, economic and political problems.

I believe that the Contadora process offers the only real hope for peace in Central America.

We Vietnam vets have a special responsibility to share the lessons we've learned with the American people. As our representatives, we hope that you in the Congress are listening!

STATEMENT BY LESLIE FELDSTEIN, FORMER NURSE ANESTHETIST

Good morning: I am a nurse anesthetist and as a member of the Army Nurse Corps served in an evacuation hospital in Chu Lai, South Vietnam. I was involved in the care of U.S. soldiers, Vietcong prisoners of war, Republic of Korea marines, and Vietnamese civilian war casualties. I have seen 18 and 19 year old kids minus arms and legs, blinded, and with much of their insides gone. It impressed me greatly how brave they were, and how it was all for nothing. I truly wanted to believe there was a reason for all that suffering, that somehow the leaders of my government knew something more than I did. But they didn't, and that they let it happen is something I've never been able to come to terms with.

When I went to Vietnam I understood almost nothing of the politics or history of that region. It took me fifteen years to learn the facts of Vietnam and why it was all so wrong for us. I went to Central America to get a sense of that region and what my government was doing there.

Of all the places we visited and people we spoke with, the most poignant for me was our visit to the military hospitals and refugee centers in El Salvador and Nicaragua. The bottom line, after all the military and political rhetoric, is the reality of a ward full of 16 to 20 year old kids with one or two legs gone or an abdomen so shot up that normal functions will probably never be restored. My immediate reaction was how familiar the scene was, only now these kids were Salvadoran or Nicaraguan, Instead of American. And I was struck with the same sense of sorrow and absurdity of the situation.

Everyone we spoke with, except for members of the contra, acknowledged that a military solution was not feasible. Political negotiations are the only realistic means to deal with a situation that is causing untold misery for soldiers, civilians and internal and external refugees in both El Salvador and Nicaragua.

I am especially bothered by the frequent use, in El salvador, of the words terrorist, subversive or Communist to dehumanize the opposition. This was used to justify the deaths of women and children in the free fire zones of El Salvador. It was much like our use of the term gooks in Vietnam. 45 percent of the 1.5 million south Vietnamese killed were civilians who seldom had access to medical care.

There is, in my opinion, at the very least a moral injustice in our government's seemingly unbending attitude towards the Sandinistas in Nicaragua and the guerillas in El Salvador.

I would like to end with an observation that the reality of war is a far cry from the romanticized and patriotic propaganda and rhetoric used by politicians and high ranking military. It is not surprising, then, that in this Administration, many of the loudest voices calling for military intervention themselves did not see military service in Southeast Asia.

The reality is helicopters filled with 18 and 19 year old kids, with black pitted holes form shrapnel, and arms and legs torn off by mines. Kids, like one I remember, who hoped to play college football after his tour but was blinded in Vietnam. I could tell you many personal stories about the real tragedies of war, but in numbers they almost lose their impact. I will tell you, put one young man in a body bag, and you'll want to do anything to end it. If our children are to have Rambo as a role model, then make certain the dolls have detachable arms and legs.

GIVE SENIOR CITIZENS A BREAK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. BIAGGI. Mr. Speaker, in the August edition of the American Legion magazine, the magazine featured an article entitled, "Give Senior Citizens a Break." This excellent article focused on the increasing paperwork burden faced by our senior citizens who wish to qualify for Government benefits and services.

Earlier this year, I authored legislation, H.R. 776, to require the Secretary of Health and Human Services to study the duplicative collection of information by the Department of Health and Human Services and to recommend to Congress various methods to reduce such unnecessary duplicative collection. Excessive and ofttimes duplicative paperwork requirements on the elderly is a critical problem which must be addressed.

At the present time, our Nation's senior citizens are required to fill out at least 12 different forms for programs all under Social Security. In addition, the Veterans' Administration requires individual applications for burial benefits, burial flags, headstone and burial markers, and death pension. Not only is this an unnecessary waste of time for employees and beneficiaries, more importantly, such similar request forms represent a terrible waste of taxpayer dollars. In this time of a record high deficit, these duplicative information requests epitomizes the public's outcry over wasteful and unnecessary spending.

The Federal Government has proved paperwork simplification efforts are a necessary and important change for many Americans. In 1982, more than 15 million people used the IRS-issued short form when filing taxes. In a similar move, a court recently ordered HHS to simplify its Medicare application. Clearly, these new forms will bring welcome relief to many people burdened by excessive applications forms.

H.R. 776 does not require any new Federal expenditures, but in fact, would be financed through a pooling of funds already set aside for administration of various benefit programs. This offers Congress and the Federal Government a unique opportunity to effectively eliminate waste; and most importantly, provide our Nation's senior citizens with a much-needed break from the bureaucratic redtape that plagues them.

The article follows:

GIVE SENIOR CITIZENS A BREAK

Senior citizens should get a break from the bureaucratic red tape that plagues Americans, said Rep. Mario Biaggi, who has proposed legislation, to reduce the paperwork burden the elderly suffer to qualify for government benefits and services. A recent survey by Biaggi's office pinpointed at least 12 different Social Security forms required for benefits.

In another example, the VA requires individual applications for burial benefits, burial flags, headstone and burial markers, and death pension. Biaggi said he feels it is a waste of time for VA employees and beneficiaries, not to mention a waste of taxpayer dollars, when applicants must fill out four different forms requesting similar information.

The legislation would order the Department of Health and Human Services to review information collection and recommend ways to reduce it. The agency is already under court order to simplify Medicare information.

Biaggi said simplification efforts have worked in the past with the IRS. In 1982, more than 15 million people used the short form when filing taxes. If the federal government can provide relief in some areas, said the congressman, the same kind of rationale and much/needed change will offer relief for our senior citizens.

PROPOSED TAX REFORM UNFAIR TO COLLEGES AND UNIVERSITIES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. HUBBARD. Mr. Speaker, I received an excellent letter from my friend and fellow Kentuckian, Dr. W.R. (Randy) Davenport, president of Campbellsville College of Campbellsville, KY, who has contacted me about his concerns about the adverse effects of the proposed tax reform plan upon independent colleges and universities.

I believe Dr. Davenport's ideas are worthy of consideration as Members of Congress continue to work on tax reform legislation. I urge my colleagues to read Dr. Davenport's comments to me, and his three areas of concern are as follows:

1. The Administration's proposal to tax appreciated property in the minimum tax. This would reduce even more than the original treasury plan the incentive to give to institutions like Oklahoma Baptist University or Campbellsville College.

2. The Administration's plan to accelerate exploration of the above-the-line charitable deduction. If the proposal to repeal at the end of this year the provision which allows charitable deductions for non-itemizers, colleges like ours which are attempting to provide great services for the public, but not at public expense, could be damaged significantly.

3. The Administration's proposal to repeal the tax-exempt status of interest on certain bonds. This proposal would virtually deny

access to the tax-exempt bond market to independent colleges and universities. Such a denial would force these independent institutions to compete for borrowings in the taxable bond market with public utilities and major corporations. This would be extremely damaging to these colleges and universities—many of whom are struggling valiantly to continue to provide irreplaceable services to thousands of our citizens.

MANCHESTER—A CITY WITH A FIGHTING SPIRIT

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. RAY. Mr. Speaker, in this last year, Manchester, GA, has watched several of its industries close one by one. In January, Milliken & Co. announced the closing of its textile mill in Manchester, which had been operating since 1908. Then, still reeling from this closing, the citizens of Manchester learned that the local Playtex plant would be closing at the end of August.

In a 6-month period, the city has lost 645 of its 1,934 private sector jobs. This means that over one-third of the work force is now unemployed.

The statistics are awesome—and frightening. The closing of Milliken and Playtex will cost the city about $37,000 in property taxes annually, more than 10 percent of the city's property tax revenue. The city will also lose an estimated 5 to 10 percent of their utility franchise fees. All this hit the city at a time when revenue sharing is about to make its final appearance and the city faces a State-required sewage renovation, expected to cost $3 million. For the people of Manchester, these job losses will mean a reduction of $156,090 per week in employee income.

These plants were closed, Mr. Speaker, because of the growing number of textile and apparel imports coming into this country. So, while we debate free trade and protectionism here in Washington, back in my district plants are shutting down and people are losing jobs they've had for over 20 years.

This situation makes me angry, Mr. Speaker. We have seen this coming for a long time in this country, and by not acting quickly enough, we have let our people down.

This issue is not an abstract, philosophical one. It is one of people and their livelihoods. It is whether an industry will continue to survive or be allowed to die. It's time the Congress and the administration faced up to these issues and resolved them.

Let me conclude, Mr. Speaker, on a brighter note. Fortunately, the people of Manchester aren't relying on Washington to solve their problems. They may be down right now, but they are a long way from beaten. The citizens are organizing and using their ingenuity to look for new industry to bring into the area. They're surveying their citizens and the area's assets and planning to hold a development day to show off all they've got to offer. They are holding economic development seminars for those businesses still in town and, most importantly, they are facing this period as a challenge that can lead to new growth and opportunity for the city.

Manchester has a fighting spirit, and I have no doubt that they will come through this experience with more industry and a more solid economy than ever before.

But, I wanted my colleagues to hear their story because it may happen, or may already be happening, in your districts. We have to face the trade issues that confront us and make practical decisions soon, or for some industries it may be too late.

I urge my colleagues to give their support to H.R. 1562, the Textile and Apparel Trade Enforcement Act of 1985. Our textile and apparel industry is dying and the cities who harbor these industries are struggling. Join us in our fight to save the domestic American textile industry.

BIG TROUBLE DOWN ON THE FARM

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. OBEY. Mr. Speaker, before the House votes next week on the farm bill, I hope that every urban member of this body reads the following statement made by a dairy farmer from my district, at a Joint Economic Committee hearing yesterday on the spreading impact of the farm crisis. Bryce Luchterhand's eloquent words were from his heart, not from paper; they capture more than all the economic analyses put together what's really happening on America's farms today.

STATEMENT OF BRYCE LUCHTERHAND, DAIRY FARMER, UNITY, WI

My testimony is going to be divided in one category: big trouble down on the farm.

A couple of weeks ago, the vice-president of the Chase Manhattan Bank came out to Madison. He was good enough to tell us that there is going to be a recession in 1986. The country is going to just slide into it. It won't be sudden. We are just going to slide.

That was a terribly poor statement to make out in America's dairy land. We entered the recession in 1980 and 1981. Right now in rural Wisconsin we are in the throes of a very deep depression. It is getting worse.

I am a 37-year-old dairy farmer. I run 359 acres, milk 40 cows, have about 115 head, including steers and young stock, replacement stock. It has been in my family since 1900.

The Luchterhands have seen hard times, and we have seen less hard times. In 86 years we have never seen good times.

In 1980, we were being paid $13.20 for 100 pounds of milk. This last August in 1985, the Minnesota/Wisconsin steer price was $11.08 a hundred. In 1978, steers sold for 60 to 65 cents. One of the gentlemen before me said that he thought there had been a 20 percent cut in the price of beef. Baloney! There has been a 35 to 40 percent cut in the price of beef. It is down to 41 cents right now, and I am going to tell you that I have to have $500 a steer if I am going to break even on an 1100 and 1200 pound animal.

Cows were selling for $41.29 in 1978. A new tractor that I purchased in 1979 cost me $10,000. I went shopping for one last year and that same tractor, if I was going to replace it with an identical tractor, cost me $20,000. I bought a used one, 15 years old, for $1900.

My utility costs—when I say "mine," I mean every farmer—my utility costs, my fertilizer, my insurance, my taxes, head expenses, repair parts, are all up. Some of them very dramatically.

The income and the expense disparity increases daily. We don't get any inflation indexing out there in the farm unless it is to knock us down. We certainly never get anything to push us up.

1984, we lost 40,000 farms in this nation. We lost 2000 of them in the state of Wisconsin. Something that you have got to understand, that everybody on your committee I hope would understand, that when a farmer makes money, he doesn't put it in the bank. He spends it.

Farming is too darn tough to be putting money in the bank. There is too many things to buy. When he buys things, that dollar turns over and you make jobs for people to buy houses and refrigerators and stoves.

I want to tell you a little bit about how this ripple effect goes out in the country.

A neighboring county of mine has roughly 1200 farms in it. 175 of them are borrowers of the FHA. One third of those are delinquent and one half of those delinquencies are expected to go bankrupt.

Property tax delinquency in Clark County—that is my county back in Wisconsin—increased by 34 percent in 1985. I want to show you something.

This is a page in one of our weekly newspapers. Let me open that up. This is another half-page of that paper. Those little single-spaced lines are names of people that tax action can be taken against. It was published in March, and as of October 1, tax action could—tax lien action by the county can be taken on them.

These are proud people. They don't take pride in having their names mentioned in the local paper that they are in debt for three and four years on their taxes.

Local officials in the four surrounding townships around me—a township is six square miles or 36 square miles, so I am talking about a 144 square mile area—local officials in those areas listed off the new improvements that have been made in the last year.

That included seven sheds, two new silos and one new mobile home. Another, at least two of those areas saw 50 improvements, 50 improvements apiece in 1978. Over 30 businesses, including co-ops and tractor businesses, farm retail shops, clothing stores, any kind of business that you can think of out there have busted in the last two years in Clark County alone.

One local implement dealer that I talked to sold 50 new tractors in 1978. He sold 15 in 1984. He happens to handle the New Holland line of machinery, of implements. That is down 50 percent since 1978. He lost three neighboring competitors.

He doesn't feel glad about that—three neighboring competitors, and stretch that across the country.

The use of lime—this is even more significant because it dictates what is going to happen in the future. The use of lime in my part of the area has been reduced by one half, by 50 percent.

Lime is essential if you are going to get crops in the future. Farmers are sacrificing what they put on the land, they are sacrificing the land for now without being able to expect what they can do with it in the future. It is going to catch up with them.

Governor Janklow had it right. One day they are going to wake up, and they are not going to have a crop. Then the surplus will be over.

Lending institutions that I talked to before I came out here, they are hesitant to talk to you. And that tells me they are in trouble but they won't admit it. They simply say that 5 percent of their ag portfolios, or 5 percent of their portfolios, of which varying numbers of them are agriculture, whether it is 35 or 65 percent, but 5 percent almost right down the line of the ag lending institutions that I talked to—these are local banks—said, "We have got about 5 percent in trouble." 5 percent in trouble.

"Well, how many do you expect to be in trouble by the end of the year?" I said. "Another 2 to 4 percent."

"Well, how many can you expect, what percent of your portfolio can you have in trouble before you are in trouble?" "10 percent" is the answer.

They expect themselves—they didn't say that in so many words, but they expect themselves to be in serious trouble inside of a year. What happens when these local banks that are supposed to be guaranteed by the FDIC start going bust even more quickly than they are now?

In the best of times, farmers have stresses unlike those of any other workers in the country. But things aren't what they should be.

Farmers are cutting back on pleasure. More than one spouse, sometimes both of them, are going off the job to look for work. Kids can't be sent to school. They can't go to college because they are needed at home on the farm.

Farmers can't buy health insurance anymore. When they cancel their health insurance, they are not qualified to go on medical assistance, so they do without.

What do these people feel? What is the tremendous cost to them? It can't be measured in dollars.

I challenge any member of your committee, which not many are present right now—I wish they were—or any member of the Reagan administration to demonstrate to me a more beneficial expenditure of money than a properly administered base support price for farm commodities.

The diversion program paid people not to produce. Farm production is well, and the only thing that is more foolish than paying people not to produce well is to punish them for producing well.

That is what is happening today. We are destroying the family farm. And many of them are my friends and neighbors. When we destroy the family farm, it is going to be the end of cheap food.

This is a great and strong nation. Farmers are doing their part. They have done their part. No nation should punish its workers for being the best in the world.

Thank you.

PROFESSOR BLAUSTEIN OFFERS INSIGHT ON SOUTH AFRICA

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to a September 16 article in the Washington Times, dealing with the constitutional problems of South Africa. The author of this insightful op-ed is Prof. Albert P. Blaustein of the Rutgers University Law School in Camden, NJ, where he specializes in constitutional writing and analysis. As a former student of Professor Blaustein's, I value his intelligence and his many contributions to the field of constitutional law.

To his credit and to the ongoing process of teaching other students constitutional law, he has written a 19-volume "Constitutions of the Countries of the World." His indepth knowledge and long time experience in this field have led him to counsel, consult and sometimes draft the constitutions of Liberia, Bangladesh, Peru, and Zimbabwe.

Dr. Blaustein points out very simply that any constitution, whether of South Africa or of the United States, must be a product of its people and directly address the inherent needs of the people it is made to govern. With respect to this, then, the actual constitutional making process is of utmost importance, because it must contain the consensus of all the people, not just the one-sided decisions of a ruling party. Its significance can sometimes outweigh the solutions which result.

As a student of constitutional law and a strong and vocal supporter of human rights, justice and equality for all South Africans, regardless of race, I agree with several of the points that Professor Blaustein raises, although I take issue with his opposition to disinvestment.

As an original cosponsor of H.R. 1460, the Anti-Apartheid Act of 1985, I believe that financial pressure through economic sanctions must be exerted on the South African Government to instigate a change in that government's racist policies. I was pleased to see the large margin of support for these sanctions that has been demonstrated by both chambers and hope that the other body will approve the final conference report at the earliest opportunity.

Professor Blaustein's insightful article on the future of South Africa follows:

[From the Washington Times, Sept. 16, 1985]

A CONSTITUTIONAL SOLUTION FOR SOUTH AFRICA

(By Albert Blaustein)

South Africa needs a new constitution. It needs a formalized codification of political arrangements delineating power-sharing with the black majority population. The survival of the South African nation so requires. On that there is agreement.

But agreement is absent on the specifics of that constitution and the methods to achieve it.

Of course there is no one simple solution which will resolve such disagreements. But there are many avenues of approach, gleaned from the 200 years of constitutional history that began with the world's first national constitution, the 1787 Constitution of the United States.

These are the immutable truths of constitution-making:

A constitution must be autochthonous. It must be home-grown; it must spring from the soil. It must be bespoke, custom-made to meet the needs, wants, and aspirations of the people for whom it is written. It cannot be assembled like some prefabricated henhouse from standardized excerpts taken from portions of the other 162 national constitutions of the world: a chapter here, an article there, a section or clause from someplace else.

The government does not create the constitution; the constitution creates the government. The autochthonous constitution must be the product of its beneficiaries. Just as it cannot be dictated from abroad, so it cannot be dictated by any one population group. It cannot be handed down as the beneficence of the rulers that be; it cannot be imposed by an opposition clique or faction. All the successful constitutions of the past have resulted from shared participation in the constitution-making process. That is the defect (and failure) of the current South African constitution, initiated unilaterally by the government.

The constitution-making process is as important as the constitution which results. The procedures and methods for reaching constitutional solutions may be even more significant than the mechanics of the constitutional solutions which emerge.

The South African constitution must be discussed, analyzed, written, and promulgated by South Africans for South Africans to meet the unique/peculiar circumstances of South Africa. This means:

1. The South African constitution cannot be imposed from the outside—neither by well-meaning foreign liberals in America and Europe, properly opposed to apartheid, nor by the Marxist ideologues of refugee liberation groups.

2. The South African constitution must be the product of all South Africans, not just those in the white, dominant community nor blacks who are in opposition to the present power structure. It cannot be the constitution of President P.W. Botha *or* Chief Gatsha Buthelezi *or* Bishop Desmond Tutu. It must be the joint effort of these three and of the millions of others for whom the new political dispension will be written.

3. South Africa must become (as soon as possible) a land of constitutional ferment—like today's Brazil. The constitution-making process must involve everyone. This is the time for surveys, studies, seminars, conferences, etc., etc., by government, universities, foundations, businesses, and unions to promote and foster total participation.

4. South Africa must make a special effort to encourage the talents and the participation of the *total* legal community. The Rev. Martin Luther Kings of the world—including South Africa—have been heard on the moral issues and the philosophical issues. It is now the time for the lawyer to draft the constitution and legislation and (like lawyer Thurgood Marshall in 1954) plead the power-sharing cause in the courts and to the black community.

For it is ever the lawyer's task to translate theories and philosophies into practical,

working legal instruments. Constitution-making is lawyer business. It is lawyer business of the highest order and has been so since the days of Thomas Jefferson and James Madison.

South Africa has an excellent bar which includes an active Black Lawyers Association. But these lawyers need more support, more resources, more available time to pursue constitutional studies and prepare constitutional proposals.

5. South Africa must have the help of the international community. But it must be the kind of aid that South Africa needs and wants—and can use. Of course South Africa needs ideas, suggestions, and recommendations—and it needs information—but it certainly doesn't need officious intermeddlers. It certainly does not need a modern-day Tom Paine to sit in its constituent assembly, as Mr. Paine did in the France of 1791.

South Africa needs and wants exchanges of constitutional information. Its scholars, particularly legal scholars, black and white, need freedom now denied to them to travel to international conferences. The participation of foreign scholars within South Africa is desired, not to tell South Africans what to do but to furnish background information and objective, impartial ideas—and to help frame the issues that must be decided by South African policy-makers alone. Some of these foreign scholars must come from such countries as Nigeria, which presently denies its citizens permission to travel to South Africa.

South Africa needs more constitutional law books. It needs more funding for seminars and studies. It needs more scholarships, especially for graduate training of South Africa's black lawyers, both in South Africa and abroad. It also needs consultations with sociologists trained in survey methods, and public-information specialists who can help raise both black and white consciousness about constitution-making.

The people of South Africa do not need terrorism and riots. They do not need disinvestment.

CREDIT CARDS AND INTEREST RATES

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. SCHUMER. Mr. Speaker, each of us in this Chamber probably has at least one credit card. If these cards are typical of the more than 700 million in circulation in the United States today, we will pay an annual interest rate on purchases made with these cards of almost 19 percent.

This 19-percent average rate on credit cards compares with a 13-percent average rate on new car loans, a prime rate of 9.5 percent and a 3-month T bill rate of just over 7 percent. Of course, providing loans on credit cards is more costly than providing other types of credit because of the open-ended nature of the lending and the small size and frequently changing amounts of principal. However, while other interest rates have risen and fallen during the past 5 years with the cost of funds to lenders, interest rates on credit cards have continued an inexorable rise.

In May 1980, the average finance rate on a new automobile was 15.72 percent, while the finance rate on credit card plans averaged 17.31 percent. In May 1982, auto loan rates were at 17.20 percent and credit cards at 18.41 percent. In May 1985, auto rates had fallen, along with other interest rates. The finance rate on a new car was down to 13.16 percent. But the credit card rate remained near its high, at 18.74 percent. Market forces simply do not appear to be working in the credit card market.

Competition has had some effect: Banks are competing for customers by offering lower annual fees, rebates, and prestige cards, but basic price competition has been virtually nonexistent. I have tried to get the data necessary to determine if there are legitimate reasons why a competitive market place has not generated rates that rise and fall along with other money rates, but I have discovered the necessary data, if it exists, is in the hands of the banks who don't want to publicize it.

I oppose unnecessary Government involvement in the market place, but I am equally opposed to consumers' being bilked into paying usurious rates on credit card loans. Therefore, I am introducing legislation today that would require the Federal Reserve to conduct an investigation of the credit card market and determine if the market is responding to competitive forces. If the Fed determines that the market is not responding freely, a floating Federal cap would be imposed on credit card interest rates. This cap, adjusted quarterly, would be set at 6 points over the rate on 3-month T bills.

I believe this legislation is fair to both credit card lenders and to consumers. If credit card lenders are operating fairly in a competitive market, no ceiling will be imposed. However, if rates are being held high artificially, consumers will be protected. I urge my colleagues to support this effort to ensure competition and fairness in an increasingly significant American financial industry.

The text of the bill follows:

H.R. —

A bill to amend the Truth in Lending Act to establish a limitation on the rates of interest which may be imposed on credit card accounts, to provide that such limitation shall take effect on October 1, 1986, unless the determination is made that such rates reflect the cost of funds to creditors and competition among creditors for new credit accounts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Credit Card Interest Rate Limitation Act of 1985".

SEC. 2. LIMITATION IMPOSED ON RATES OF INTEREST WHICH MAY BE IMPOSED ON CREDIT CARD ACCOUNTS.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 137. MAXIMUM RATES OF INTEREST ON CREDIT CARD ACCOUNTS.

"(a) IN GENERAL. The rate used to compute the finance charge imposed for any period on any credit extended through the use of a credit card shall not exceed—

"(1) the maximum annual percentage rate for the calendar quarter during which such period begins, divided by

"(2) the number of such periods which begin during the calendar year in which such calendar quarter occurs.

"(b) MAXIMUM PERCENTAGE RATE.—

"(1) DEFINITION.—The maximum annual percentage rate applicable under subsection (a) for each calendar quarter is the sum of 6 percent and the average annual percentage yield on 3-month obligations of the United States issued by the Secretary of the Treasury under section 3104(a) of title 31, United States Code, during the second calendar month of the calendar quarter preceding such calendar quarter.

"(2) DETERMINATION BY SECRETARY.—Before the 5th day of the third month of each calendar quarter, the Secretary of the Treasury shall—

"(A) determine the average annual percentage yield on 3-month obligations of the United States issued by such Secretary during the calendar month preceding such third month, and

"(B) notify the Board of such determination.

"(3) DETERMINATION AND PUBLICATION BY BOARD.—Upon receiving notice of an average annual percentage yield determination from the Secretary of the Treasury under paragraph (2) during the third month of any calendar quarter, the Board shall determine the maximum annual percentage rate for the next succeeding calendar quarter and shall publish notice of such determination in such manner as the Board shall prescribe.".

(b) STUDY AND REPORT BY BOARD.—

(1) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System shall conduct a study of—

(A) the relationship between—

(i) interest rates on credit extended through the use of credit cards during the period beginning on January 1, 1979, and ending on December 31, 1985, and

(ii) the cost of funds to banks and other creditors for the extension of such credit during such period; and

(B) the degree to which interest rates on such credit reflected competition among creditors for new credit card accounts during such period.

(2) REPORT REQUIRED.—On or before June 1, 1986, the Board shall submit a report of such study to the Chairman of the Committee on Banking, Finance, and Urban Affairs of the House of Representatives and the Chairman of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) DEFINITIONS.—For purposes of this subsection, the terms "credit", "creditor", and "credit card" each have the meanings given to such terms by section 103 of the Truth in Lending Act (15 U.S.C. 1602).

(c) COORDINATION WITH OTHER LAWS.—Subsection (b) of section 111 of the Truth in Lending Act (15 U.S.C. 1610) is amended—

(1) in subsection (b) by striking out "This title" and inserting in lieu thereof "Except as provided in subsection (e), this title";

(2) in subsection (d) by striking out "and 166" and inserting in lieu thereof "137, and 166"; and

(3) by adding at the end thereof the following new subsection:

"(e) MAXIMUM CREDIT CARD RATE PROVISIONS.—

"(1) FEDERAL MAXIMUM SUPERSEDES HIGHER STATE MAXIMUM.—To the extent the law of

any State permits the use of a rate in excess of the rate determined under section 137 to compute any finance charge which is subject to such section, the provisions of such section shall supersede the law of such State.

"(2) PUBLICATION BY BOARD SATISFIES CERTAIN NOTICE REQUIREMENTS.—

"(A) IN GENERAL.—If the maximum annual percentage rate determined by the Board under section 137(b)(3) for any calendar quarter exceeds the maximum annual percentage rate in effect for the calendar quarter preceding such calendar quarter, the publication of such determination by the Board under such section shall be deemed to satisfy the provisions of any State notification law applicable to any rate which is subject to section 137 so as to allow an increase by the creditor in such rate for any period beginning in such quarter, subject to any other law of such State which is not inconsistent with any provision of this title.

"(B) STATE NOTIFICATION LAW DEFINED.—For purposes of subparagraph (A), the term 'State notification law' means—

"(i) any law of a State which requires a creditor to provide notice to any person to whom credit has been extended before the creditor may increase the rate used to compute the finance charge imposed on such credit, and

"(ii) any provision of the law of a State relating to the time and method for providing any notice described in clause (i).".

(d) CLERICAL AMENDMENT.—The table of sections for chapter 2 of such Act is amended by adding at the end thereof the following new item:

"137. Maximum rates of interest on credit card accounts.".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsections (a), (c), and (d) shall apply to credit extended during calendar quarters beginning after September 30, 1986.

(2) LIMITATION NOT TO TAKE EFFECT IF CREDIT RATES ARE COMPETITIVE WITH COST OF FUNDS.—If, after conducting the study required under subsection (b), the Board of Governors of the Federal Reserve System determines that, during the period studied, interest rates imposed on credit extended through the use of credit cards reflected the cost of funds to creditors for the extension of such credit and competition among creditors for new credit card accounts, the amendments made by subsections (a), (c), and (d) shall not take effect.

SUPPORT FOR SUPERFUND LEGISLATION

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. HALL of Texas. Mr. Speaker, the Detroit Free Press and the Detroit News have both given their editorial support to the Superfund legislation reported by the Committee on Energy and Commerce in July, and I want to take this opportunity to share them with my colleagues in the House.

In our efforts to reach agreement on Superfund legislation, committee members spent numerous days on one of the most tortuous issues facing us. Certainly it is one of the single most serious—and most difficult to resolve—of all the environmental problems facing this country today. The consensus arrived at, which garnered three-quarters of the committee's members in the vote on final passage, would provide $10 billion over the next 5 years.

Personally, I think that $10 billion is more money than can be prudently spent by EPA, and more than we can afford now in these times of huge budget deficits and tight budgets. But in the spirit of compromise, as well as in recognition of our need to proceed to clean up our hazardous waste dumps, I voted in favor of the legislation with the majority of my colleagues. The Detroit News editorial rather eloquently states my views on this score, disagreeing with my full committee chairman, Mr. DINGELL, on funding, while approving some of his other views. It said, "The good side is that Mr. Dingell eliminated some of the bad requirements and tried to put together a tax that wouldn't affect companies' international competitiveness. The bad part is that he didn't cut the $10-billion program to reasonable levels."

The Detroit Free Press, on the other hand, does support the $10 billion. Nevertheless, the Free Press does have the wisdom and the grace to praise the congressional oversight process by stating the following:

But the best guarantee that any Superfund will work lies in the quality of oversight exercised by Congress. EPA has spent $1 billion of Superfund money so far and succeeded in cleaning up only six sites—and that only since the former Superfund administrator was jailed and the former head of the EPA cashiered by an angry Congress. Close oversight from Congress—combined with an increase in knowledge about toxic wastes—remains the best assurance that the EPA will spend its next $10 billion much more efficiently and wisely.

I am pleased that the Free Press has acknowledged the contributions to effective governance that can be made through congressional oversight. The Superfund is an enormously complex and expensive program that undoubtedly will require substantial oversight, and I take comfort in knowing that Chairman DINGELL'S Oversight and Investigations Subcommittee and its capable staff are committed to exercising this function fairly and responsibly.

I would like at this point to share the complete texts of the two editorials with the Members.

[See attached, "Superfund: It'll take money, research and oversight to mop up the mess" and "Superfund: It's Becoming A Hydra."]

[From the Detroit News July 15, 1985]

SUPERFUND: IT'S BECOMING A HYDRA

Temperatures in Washington have been hovering around the 100-degree mark, which may explain the way in which Congress had handled legislation to renew Superfund, the program to clean up orphaned hazardous waste dumps. Perhaps the honorables are suffering heat stroke.

The House and Senate both have insisted on giving the Environmental Protection Agency (EPA) far more money than it needs. EPA Administrator Lee Thomas and his predecessor, William D. Ruckelshaus, both told congressional committees that the agency simply hasn't the personnel, the need, or the expertise to spend more than $5 billion over the next five years. In the first five-year program, now ending, the agency strained its resources to spend $1.6 billion. A $5 billion program would force EPA to increase its work by 17 percent in each of the five years.

That has no daunted senators and representatives who seem to view spending as a moral imperative. The Senate's Environment and Public Works, Finance, and Judiciary committees have approved a $7.5-billion bill, which is now ready for a floor vote. The House has bid up the price even further. *Rep John Dingell's Commerce and Energy Committee* is considering a $10-billion measure. After its markup, the bill will visit the Ways and Means and Judiciary committees before going to the House floor. To put that in perspective, the EPA would have to increase its work by 30 to 40 percent each year for five years to spend $10 billion.

Much of this spending is the handiwork of lobbyists for enviromental organizations. They now are demanding enormous sums and impossible work schedules in order to complete what they consider a vital task of cleaning. Politicians aren't resisting much because voters won't bear the cleanup costs directly. The 1,000 industrial comapnies that produce and utilize chemicals will simply receive a huge new tax bill. The costs of that tax then will seep slowly down to consumers.

During the last five-year period, Superfund got 87.5 percent of its $1.6 billion from a tax on feedstocks paid by a couple of hundred chemical companies, at the rate of more than $300 million a year. The rest came from federal tax revenues.

The Senate renewal bill leaves the feedstock tax in place and imposes a transaction tax on 1,000 industries (including auto companies) that utilize hazardous materials. Congressional accountants figure this will raise an additional $6 billion over five years. The Chemical Manufacturers Association says this would be applied to the wholesale value of products, and looks suspiciously like America's first value-added tax, although the precise details are not worked out.

The House proposes a more comprehensive revenue base—$4.5 billion from a broadly based industrial transaction tax, $1.5 billion from chemical feedstocks, $1.25 billion from general federal tax revenues, $1.5 billion from a new waste disposal tax, and $1.25 billion from a new tax on gasoline, supposedly to take care of cleaning up leaks from underground fuel storage tanks.

Rep. Dingell is credited with bringing the House proceedings into focus when he reportedly engineered an end run around the excesses of Rep. James J. Florio, D-New Jersey, chairman of the Subcommittee on Transportation and Tourism. Rep. Florio wanted rigid schedules on how many sites the EPA had to clean up per year, an impossible demand because all sites are complex and must be subjected to a careful engineering and scientific study before the hazards can safely be removed. Mr. Dingell co-sponsored the "consensus" bill with Rep. Dennis Eckart, D-Ohio, that orders the EPA to begin investigation of and engineering on 150 sites in the first year, 175 the second year and 200 a year after that, without imposing deadlines for completion of remedial work. Rep. Florio's subcommittee passed the "consensus" bill 13 to 6.

The good side is that Mr. Dingell eliminated some of the bad requirements and tried to put together a tax that wouldn't affect companies' international competitiveness. The bad part is that he didn't cut the $10-billion program to reasonable levels.

Nobody is in favor of leaky toxic waste dumps. Everybody believes they should be cleaned up. But oceans of money won't soak up all the waste. Messrs. Thomas and Ruckelshaus, who surely are credible witnesses, have already set the practical maximum at $5 billion over five years. Congress shouldn't feel tempted or compelled to double their request.

[From the Detroit Free Press, July 14, 1985]

SUPERFUND: IT'LL TAKE MONEY, RESEARCH AND OVERSIGHT TO MOP UP THE MESS

A $10 billion Superfund bill goes before the House Energy and Commerce Committee this week and will apparently be out on the House floor as soon as the chairman, Rep. John Dingell, D-Mich., can manage it. The bill before the committee, sponsored by Rep. Dennis Eckart, D-Ohio, has been dubbed, somewhat unfairly, the "Superstall." It is not as tough as the environmental lobby would like. It may be as tough a measure as can be passed without exciting such opposition from industry and the administration that no bill at all will squeak through before the present Superfund expires in October.

The Eckart bill gives the Environmental Protection Agency a sixfold increase in the toxic cleanup money and an order to evaluate at least 150 sites a year and to start remedial action at 90 percent of them within a year of the investigation. Among other improvements over the present law, it removes the federal ban against states levying their own taxes to fund hazardous waste cleanup and it allows Superfund money to be used to clean up petroleum leaks, a major source of groundwater pollution.

Critics of the Eckart bill prefer an alternative that would order the EPA to evaluate 20,000 suspect sites in five years and begin cleanup work on 600—an impossible timetable, since permanent solutions to many toxic disposal problems remain to be worked out. If all the Superfund does is shuffle toxic wastes from one site to another, to be mopped up again by future generations, it will be an expensive and dangerous dud.

The need for a well-financed Superfund, with tough cleanup standards and realistic timetables is pressing, though. In Michigan alone there are 59 sites on the Superfund priority list and another 965 that remain to be evaluated. The toxic cleanup effort also cries out for more money to be pumped into research into the health and environmental effects of toxic wastes and into ways to dispose of them.

But the best guarantee that any Superfund will work lies in the quality of oversight exercised by Congress. EPA has spent $1 billion of Superfund money so far and succeeded in cleaning up only six sites—and that only since the former Superfund administrator was jailed and the former head of the EPA cashiered by an angry Congress. Close oversight from Congress—combined with an increase in knowledge about toxic wastes—remains the best assurance that the EPA will spend its next $10 billion much more efficiently and wisely.

SUPERFUND PROGRAM

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. MOODY. Mr. Speaker, yesterday, I was joined by 13 of my colleagues from the Public Works and Transportation Committee in introducing H.R. 3383, a $10 billion reauthorization of the Superfund Program that represents a clear revival of the many key provisions that passed the House with wide, bipartisan support in the 98th Congress by a vote of 323–23.

Those elements of the Superfund bill last year, H.R. 5640, that were defeated from inclusion in the Energy and Commerce Committee's final reported version (H.R. 2817) this summer testify to a move away from reauthorizing a Superfund Program with strong congressional oversight and backing to enforce legislative mandates that have not been effectively carried out—witness a total of only six Supefund sites that have been entirely cleaned up in 5 years. Although H.R. 2817 assumes the same funding level as our bill and no one can deny the immense cost of eventually cleaning up all the national priorities made last year to revamping the Superfund Program.

We felt it important that our committee, which has equal jurisdiction on this issue, develop its own reauthorization bill that, at the very least, met the basic standards contained in H.R. 5640. Our legislative initiative incorporates most of the provisions of H.R. 5640 with several other important changes: Strengthens cleanup standards; provides immunity for response action contractors; new health effects study; addresses major issue this year by adding community right-to-know title; and retains Federal cause of action provision originally in H.R. 5640, but deleted on the House floor last year.

In addition, our bill demands strict schedules for starting studies and cleanups and completion deadlines for preliminary assessments of all sites by 1987 and for listing at least 1,600 sites on the NPL by 1988. We recognize, explicitly, the necessity for strict, joint, and several liability as the legal strong arm for Superfund. Finally, our bill allows citizen suits against EPA and under certain conditions, against polluters themselves.

Our reauthorization legislation embodies many key elements that would make an effective Superfund program pay off and we are not willing to renege on all the good progress made last year on this measure. We have received favorable encouragement from our own subcommittee chairman, BOB ROE, in our efforts to build a firm consensus around this endeavor.

ANDREA GORDMAN ELECTED INTERNATIONAL PRESIDENT

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. DAUB. Mr. Speaker, the new international president of B'nai B'rith Girls is Andrea Gordman of Omaha, NE, and I am proud to have this opportunity to congratulate her.

Ms. Gordman graduated from Burke High School in Omaha last May and will be attending Boston University in the fall of 1986. She has been a member of MZ Yoshanah BBG No. 2053 and has served as editor historian, recording secretary, vice president and president.

Additionally, Ms. Gordman served as president and Sh'licha of Corn Belt region BBG and previously served as International Sh'licha and Doveret.

Ms. Gordman's election as international president is a prestigious recognition of her past achievements. Her leadership skills will serve her well as she meets the challenges of this demanding position.

It is a privilege to join with "Andie's" family and many friends in commending her and wishing her every success in the important work before her.

ROCKY HILL CIVIC ASSOCIATION CELEBRATES ITS 50TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the Rocky Hill Civic Association of Queens County, NY, on the joyous occasion of its 50th anniversary, which will be celebrated with a gala dinner-dance on September 27, 1985.

Mr. Speaker, historically, the association has played a major role in securing better education, safer streets, and a more vibrant community life in the Bellerose Manor area. Its members led the community's fight in demanding better schools; this battle led to the construction of P.S. 18, an elementary school, and Martin Van Buren High School. More recently, in the 1970's the Rocky Hill Civic Association worked with local leaders to change unfair property-tax assessments, to the benefit of many, many homeowners.

Today, the Rocky Hill Civic Association is involved in many important facets of community life. It played a key role in the hiring of security officers to patrol residential neighborhoods; its hard work is responsible for a safer way of life for everyone in the community.

In addition, association members are conducting a comprehensive survey of public roads in the neighborhood, in order

to notify city officials of safety hazards on the public streets.

Mr. Speaker, the Rocky Hill Civic Association is an impressive example of the ability of American citizens to organize and act to meet the needs of their community, and the concern and hard work of its members are deeply appreciated by the residents of eastern Queens.

I take great pride in informing my colleagues of the achievements and accomplishments of this outstanding organization. I would particularly like to commend its fine officers: Bernard Aquilino, president; Rosaleen O'Conner, recording secretary; Frances Ianni, financial secretary; Susan Sydenham, corresponding secretary; Jack Arnold, treasurer; and William Fickbohn, sergeant-at-arms. I also would like to acknowledge the chairman of the executive board, George Kormer. These and the other members who have dedicated their time and energy to Rocky Hill deserve our warmest congratulations.

Mr. Speaker, I ask all of my colleagues in the United States House of Representatives to join with me now in paying tribute to the members of the Rocky Hill Civic Association, upon the momentous occasion of its 50th anniversary.

A TRIBUTE TO THE HON. REGINALD STANTON

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. COURTER. Mr. Speaker, I rise today to pay tribute to an outstanding jurist and educator, the Hon. Reginald Stanton of Morristown, NJ.

Judge Stanton is being honored on September 23, 1985 by the Morris County Bar Association for his distinguished work.

After serving in the U.S. Army as a lieutenant in Germany, Judge Stanton was admitted to the New Jersey Bar in 1962 and earned an excellent reputation as an attorney in private practice from 1962 through 1974. Since January 1975, Judge Stanton has served on the bench, first in the Morris County Court, then in the New Jersey Superior Court, where he obtained tenure on March 30, 1983. Judge Stanton is widely known as a fine public servant who has displayed a consistently fair, impartial, and intelligent judicial temperament.

Judge Stanton has also devoted himself to legal education. Since 1975, he has taught at New Jersey's Seton Hall Law School, and his record as a teacher has paralleled his fine record as a judge. Recently, the students of Seton Hall voted him the finest law professor at that great institution. Such is his love of learning that his wife has remarked that, given his druthers, Judge Stanton might have become a lifelong professional student. Certainly New Jersey's legal community and his students are fortunate that the judge has chosen to remain in the classroom, giving the benefit of his education and practical experience to New Jersey's future attorneys.

Mr. Speaker, while I regret that I cannot join Judge Stanton and his colleagues at the awards ceremony, I did want to address this House in tribute to a fine jurist, a well-regarded educator, and a great American.

OIL AND GAS LEASING ON THE OCS

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing a bill which I believe would provide a "fair and equitable" resolution of the disputes surrounding section 8(g) of the Outer Continental Shelf Lands Act. The bill also would require explicit congressional approval of the Interior Department's Five-Year Leasing Program and would strengthen the role of the States in the actual leasing process.

Section 8(g) of the OCS Lands Act, enacted in 1978, provided the opportunity for the Governor of the coastal State and the Secretary of the Interior to enter into an agreement to "fairly and equitably" divide revenues derived from oil and gas leasing on tracts within 3 miles of the State's seaward boundary. In the absence of an agreement between the Governor and the Secretary, the revenues were to be placed in an escrow account pending an agreement.

To make a long story short, the Governors and the Secretary have not been able to agree on a division of the revenues, ambiguities in the original language have been litigated for 7 years, and the escrow account has grown to nearly $6 billion.

In May of this year, the Subcommittee on Panama Canal/Outer Continental Shelf held a hearing in New Orleans on the so-called 8(g) question. At that time, it became clear to me that this problem would not be easily settled through judicial and administrative means, and that legislation may be the best means to settle the dispute.

In its deliberations this spring, the Budget Committee called for a division of the current escrow account, and included the approximately $4 billion Federal portion of the escrow account in its first budget resolution.

Although the Committee on Interior and Insular Affairs was the only committee that received reconcilation instructions on this matter, I believe that the Committee on Merchant Marine and Fisheries also has an interest in this matter. The Subcommittee on Panama Canal/Outer Continental Shelf has been concerned and involved in every step leading to the resolution of this problem, and we intend to forward a Merchant Marine and Fisheries Committee 8(g) bill to the Budget Committee as part of the reconciliation process.

I believe this bill provides a fair and equitable distribution of resources to the States, while, at the same time, being responsible to the Federal Government and the General Treasury. It not only divides the current escrow account, but also divides future revenues from the leasing of lands within miles seaward of the State's seaward boundary.

Section 201 of the bill provides for the division and distribution of the current escrow account. Over $4.2 billion will go to the Federal Treasury from this account, and the remainder will be distributed to the affected coastal States.

Section 202 of the bill establishes a system for the division and distribution of future revenues from oil and gas leasing on these tracts. Twenty-seven percent of bonuses and rents will go to the States. In the case of royalties, the States will be able to choose between compensation for drainage of State resources from common reservoirs by Federal lessees, or 27 percent of Federal royalties from the tracts.

The bill also calls for congressional approval of the Five-Year Leasing Program and strengthens the State-Federal consultation process between the Governor of the affected State and the Secretary prior to actual lease sales.

Mr. Speaker, I believe that this bill provides a mechanism within the reconciliation process for a fair and equitable settlement of the so-called 8(g) dispute. It also provides a more explicit congressional review of the Department of the Interior's Five-Year Leasing Program and improves the likelihood of more effective State-Federal consultation within the OCS leasing process.

I hope that my colleagues will join me in moving this package of legislation which will reduce much of the controversy associated with oil and gas leasing on the Outer Continental Shelf.

CALIFORNIA WINERY EXHIBITS WORKS OF ARTIST BENIAMINO BUFANO

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. LANTOS. Mr. Speaker, I rise today to call to the attention of my colleagues in the Congress a significant cultural event in northern California. From September 29 through November 18, an outstanding exhibit of works by artist Beniamino Bufano—1898–1970—will be on public display at the Mondavi Winery in Oakville, CA, in the heart of California's Napa Valley wine country. The works have been made available for this exhibit by Bufano's son Erskine and his daughter-in-law Shirley.

Over 75 pieces by Beniamino Bufano are included in this exhibit. These works represent his entire creative life, beginning with some pieces dated as early as 1915 and some as late as 1970, a short time before his death. These works represent the full spectrum of media used by Bufano—bronze, stainless steel, ceramics, marble,

granite, wool wall handlings, drawings, oils, wood, and mosaics.

For those acquainted with Bufano's works, the exhibit will include things that are both familiar and new. Several of Bufano's large animals, which many of you have seen in the San Francisco International Airport, are included in this exhibit. At the same time, however, some of the works on display have never been shown to the public and they will be totally unfamiliar.

Two works in the exhibit will be sculptures of Saint Francis of Assisi, one with a wonderful mosaic robe. Saint Francis is one of Bufano's favorite subjects—the patron of peace and symbol of San Francisco, Bufano's long-time home.

Mr. Speaker, these outstanding works are being displayed in the Spanish-style Vineyard Room of the Robert Mondavi Winery. Robert Mondavi began hosting art shows at the winery in 1967 in order to encourage the flourishing of the visual arts in the Napa Valley. Since that time the work of a number of prominent and talented artists has been displayed.

COMMEMORATING COMMUNITY DEVELOPMENT BLOCK GRANT DAY IN LOS ANGELES COUNTY

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. TORRES. Mr. Speaker, I was pleased to have the opportunity during the recent congressional recess to participate in Community Development Block Grant Day in Los Angeles County. The Los Angeles County Board of Supervisors declared August 29, 1985, as Community Development Block Grant Day to commemorate the 10th anniversary of this block grant and to recognize all of the accomplishments of the program throughout Los Angeles County. Forty-eight cities participate in the Los Angeles urban county program, with 97 perent of the funds being used for low and moderate income purposes. The success of the program can be attributed to the fact that the local governments were able to set their own priorities and are given the capability to enhance CDBG funds through private/public partnerships. I join the Los Angeles County Board of Supervisors in saluting the accomplishments of the Community Development Block Grant Program.

I would also like to bring to the attention of my colleagues the following resolution by the Los Angeles County Board of Supervisors declaring August 29, 1985, Community Development Block Grant Day.

RESOLUTION

Whereas, in 1974 the 93rd Congress enacted "The Housing and Community Development Act" to establish a Community Development Block Grant program designed to alleviate urban community needs; and

Whereas, this Community Development Block Grant (CDBG) Program has provided annual assistance to local governments, through a formula approach, with maximum certainty and minimum delay in funding; and

Whereas, the CDBG Program has given local government a financial tool for long-range planning; and

Whereas, the CDBG Program has placed the responsibility for identifying needs and developing activities to meet those needs at the local level; and

Whereas, this legislation has provided the framework for bringing into Los Angeles County approximately $250 million in federal funds over the past decade; and

Whereas, this influx of federal funds has contributed to significant accomplishments throughout the County to help meet our critical social, economic, and environmental problems;

Now, therefore, be it resolved by the Board of Supervisors of the County of Los Angeles that August 29, 1985 be declared Community Development Block Grant Day to commemorate the tenth anniversary of the Community Development Block Grant Program and that the Los Angeles County Congressional delegation be commended for this support of this positive program.

Presented by:

Supervisor EDMUND EDELMAN.

DOCTOR JIMMY WATERS

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. ROWLAND of Georgia. Mr. Speaker, on Sunday, September 29, the family and many friends of Dr. James W. "Jimmy" Waters will gather in Macon, GA and celebrate the 40th anniversary of his ministry.

Dr. Waters is one of the Nation's outstanding religious leaders. As president of the non-profit Jimmy Waters Ministries, his moral influence has extended not only across his own community of Macon and middle Georgia, but throughout much of the country and the world.

His ministry began in 1945 when he was ordained to preach by the First Baptist Church in Tucker, GA. When he came to Macon's Mabel White Memorial Baptist Church that same year, the membership stood at 800. When he stepped down as pastor in 1977, the membership has grown to more than 3,800 and the value of church building properties had increased from $55,000 to more than $1.5 million.

Dr. Waters has served as president of the Georgia Baptist Convention, as a leading member of the Radio and Television Commission of the Georgia Baptist Convention, as religious director for WMAZ Radio and Television in Macon, as a member and twice as president of the National Religious Broadcasters, as chaplain for the Georgia Department of Public Safety and the Georgia Bureau of Investigation, as chaplain for the Macon Police Department, the Bibb County Sheriff's Department and the Macon-Bibb Fire Department, as a lifetime Chaplain of the Peace Officers Association of Georgia. He has received many honors, including the Algernon Sydney Sullivan Award for leadership in christian and civic affairs from Mercer University. He is currently pastor in the interim of the Tattnall Square Baptist Church of Macon. He expanded his ministry through the media as early as 1948, when he began his long-running daily program on WMAZ radio. Since then, he has made more than 25,000 radio and television broadcasts.

Dr. Waters is married to the former Annette Burton of Crawfordville, GA, and they have one son, three daughters, and seven grandchildren.

Mr. Speaker, I wish to express our best wishes to Dr. Waters and his family on this wonderful occasion. We look forward to many more years of leadership from the ministry of Jimmy Waters.

FRESNO AG HARDWARE

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. PASHAYAN. Mr. Speaker, this year the city of Fresno, CA, is celebrating its centennial. One of many businesses that have contributed to the success of the communiy is Fresno Ag Hardware. Through the development of what was to become the Fresno Scraper, the impact of this business went far beyond Fresno.

James Porteous came to this central California community and opened a wagon shop at Mariposa and J Streets in 1877. Owing to increased business in the manufacturing of buggies and heavy mountain wagons, he purchased five lots on the corner of L and Tulare Streets, across the street from Fresno's first county courthouse. In 1879 it became the location of Fresno Agricultural Works.

Recognizing the valley's dependence on irrigation, Mr. Porteous constructed and patented his first dirt scraper for the digging of irrigation ditches in 1882. The years from 1883 to 1889 found Mr. Porteous working to perfect the dirt scraper with William Deidrick, Abijah McCall, and Frank Dusy. His invention came to be known as the "Fresno Scraper" or simply the "Fresno" and was shipped to South America, India, the Orient, South Africa, Australia, and Europe.

The Fresno Scraper transformed the back-breaking labor of leveling land, digging ditches, and building roads into a mechanical process. California's Imperial Valley owes its fertility to the Fresno Scraper's work on the Great Dam. During World War I army mules worked hundreds of Fresno Scrapers for the U.S. Army on the European front. By 1941 the Fresno Scraper was attached to the Caterpillar tractor and was named a bulldozer. As such, it was employed in the South Pacific to clear the jungles for World War II airfields. The Fresno Scraper also played an important role in the construction of the Panama Canal.

Mr. Porteous' imagination, initiative, and energy produced over 50 patented inventions spanning the years from 1887 to 1922. After his death, his son, William, took over

controlling interest in the Fresno Agricultural Works. From 1922 to 1948, the business continued to grow and expand.

In 1948 Fresno Agricultural Works was purchased by three Fresnans, P.J. Farrar, K.J. Collings, and James Porteous, son of the founder. At the time, the company handled pumps, pressure systems, tractors, all kinds of agricultural equipment, and a complete farm hardware department.

In 1952 the manufacturing portion of the business was closed out by Mr. Farrar, who had controlling interest in the company at the time. The hardware department was sold to John Rosetta. Fresno Agricultural Works became Fresno Ag Hardware, as it is still known today. A few years later John's brother, Jim Rosetta, became his partner, and the business was relocated to its present site at North Blackstone Avenue and Gettysburg Street.

The success of Fresno Ag Hardware and its predecessors symbolize the hardiness and vision of all the people who made Fresno and the San Joaquin Valley the premier in agriculture.

TRIBUTE TO THOMAS V. MANZO

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. DIOGUARDI. Mr. Speaker, I am honored to have this opportunity to honor Thomas V. Manzo on the occasion of his retirement after 26 years of service to the city of Yonkers.

Tommy was born and raised on Linden Street in the Park Hill section of Yonkers. His life has been one of service to his community and his brother Teamsters.

Tommy started his career with the city in 1959 as a member of the Public Works Department. Eight years later, he was named shop steward and in 1970, he was appointed chief shop steward. He held that position for 15 years.

Tommy's role as chief shop steward for local 456 of the International Brotherhood of Teamsters was marked with a unique drive to stand up for the interest of his brothers in the local.

Tommy has been married to the former Marion Blasetti for 29 years and is the father of two sons: Anthony and Thomas, Jr. His civic activities include work with the Valentine Association for Retarded Children, the March of Dimes, the Heart Fund, the Yonkers Blood Bank, the Armando A. Rauso Post, and the Brotherhood Dinner Club.

Tommy's efforts in the creation of the alcoholic treatment program for the Yonkers Public Works Department have no doubt been instrumental in the saving of many lives.

I am proud to represent Tommy here in Washington and hope that he will enjoy a long, and happy retirement. Thank you, Mr. Speaker.

ADULT DAY CARE CENTERS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mrs. JOHNSON. Mr. Speaker, soon those of us in Congress and across the Nation who are committed to preserving the quality of life for our senior and disabled citizens will set aside some time to recognize the important contributions of adult day care centers. I am very pleased that the dedicated personnel and the essential support services provided at these fine facilities will be acknowledged during the upcoming week of September 22, 1985, which has been officially designated "National Adult Day Care Center Week."

Adult day care centers are community-based organizations that preserve the independence of older Americans and assist families in remaining together. Without the assistance of adult day care, many families would be forced to turn to institutionalization when keeping the family together would be more compassionate, less expensive, and more gratifying and appropriate for everyone concerned.

The experience and sensitivity of center staff is evident through consistently high quality care, through innovative programming, and through the glowing reports of the individuals who attend and their families. In the State of Connecticut it is exciting to see communities, government and the private sector joining forces to provide services through 35 adults day care facilities to more than 1,200 individuals.

We must continue to support the efforts of adult day care to encourage senior citizens to lead an active life, to resist isolation, and to ensure that life remains rewarding well beyond one's working years. Adult day care services offer invaluable assistance to seniors, their families and friends. These centers are responsive and happy places to be, as well as cost effective health care alternatives.

I salute those many dedicated senior day care workers for their outstanding contribution to the quality of the lives of so many of America's senior citizens and take great pleasure in recognizing National Adult Day Care Center Week.

THE BILL OF RESPONSIBILITIES

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. MCCAIN. Mr. Speaker, as part of my contribution to the celebration of Constitution Week, September 16 to 20, I would like to bring to my colleagues' attention "The Bill of Responsibilities." Created by the Center for Responsible Citizenship, this bill is a synopsis of the responsibilities of American citizenship.

Since ours is a government of, by, and for the people, the support for its must come from the people themselves. Our democracy will survive ony if the citizens are confident in the inherent virtue of the system and are willing to bear the responsibility of living in a free society. I believe the following bill is excellent inspiration for meeting that challenge.

BILL OF RESPONSIBILITIES

Preamble. Freedom and responsibility are mutual and inseparable; we can ensure enjoyment of the one only by exercising the other. Freedom for all of us depends on responsibility by each of us. To secure and expand our liberties, therefore, we accept these responsibilities as individual members of a free society:

To be fully responsible for our own actions and for the consequences of those actions.—Freedom to choose carries with it the responsibility for our choices.

To respect the rights and beliefs of others.—In a free society, diversity flourishes. Courtesy and consideration toward others are measures of a civilized society.

To give sympathy, understanding and help to others.—As we hope others will help us when we are in need, we should help others when they are in need.

To do our best to meet our own and our families' needs.—There is no personal freedom without economic freedom. By helping ourselves and those closest to us to become productive members of society, we contribute to the strength of the nation.

To respect and obey the laws.—Laws are mutually accepted rules by which, together, we maintain a free society. Liberty itself is built on a foundation of law. That foundation provides an orderly process for changing laws. It also depends on our obeying laws once they have been freely adopted.

To respect the property of others, both private and public.—No one has a right to what is not his or hers. The right to enjoy what is ours depends on our respecting the right of others to enjoy what is theirs.

To share with others our appreciation of the benefits and obligations of freedom.—Freedom shared is freedom atrengthened.

To participate constructively in the nation's political life.—Democracy depends on an active citizenry. It depends equally on an informed citizenry.

To help freedom survive by assuming personal responsibility for its defense.—Our nation cannot survive unless we defend it. Its security rests on the individual determination of each of us to help preserve it.

To respect the rights and to meet the responsibilities on which our liberty rests and our democracy depends. This is the essence of freedom. Maintaining it requires our common effort all together and each invididually.

RULE ON H.R. 6, WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my col-

leagues that the Committee on Ways and Means recently favorably ordered reported to the House of Representatives an amendment in the nature of a substitute to title XIII of H.R. 6, the Water Resources, Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985.

I wish to serve notice, pursuant to the rules of the Democratic Caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of the provisions of this bill, which are within the jurisdiction of the Committee on Ways and Means.

CURBING END-OF-THE-YEAR SPENDING SPREES

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. WALGREN. Mr. Speaker, as the fiscal year comes to a close and the Federal deficit looms at $200 billion, we must once again hope we do not see agencies hastily unloading taxpayer dollars in the waning days of the fiscal year. Periodically, Congress and others have questioned what several years ago seemed like an annual ritual of agencies rushing to spend their appropriated funds before the fiscal year closed. After much public outrage and congressional attention, many agencies curbed these practices, I commend them. Even though some past abuses may have been cleaned up, there is still a need to tighten up the basic law to make sure these practices are not repeated and that agencies have clear direction from Congress.

Today I am introducing a bill to do just that. My bill would limit the amount an agency could spend during the last 2 months of a fiscal year to 20 percent of the agency's annual appropriation. At the end of each fiscal year, each agency would be required to report to Congress on the degress of compliance with this requirement and include an explanation of any noncompliance. The bill would provide for waivers from the 20-percent limitation in the case of entitlement programs like Social Security, and veterans' benefits, and for emergency expenditures affecting the protection of human safety and property, like earthquakes.

What is wrong with yearend spending? In some cases, it may be perfectly justifiable; for example, the funding cycle for some education programs may coincide with the school year, requiring funding in the last quarter of the fiscal year, prior to the start of the school year. But many reports by the General Accounting Office, inspectors general, and congressional committees found agencies awarding grants and contracts in a use-or-lose mentality, to be able to justify to Congress the need for equal or more funding for the subsequent year.

This is just plain wrong. Agencies have a serious responsibility under the Constitution and under Federal budget laws to manage their budgets prudently within the law as Congress directs. In managing an appropriation, agencies have no obligation to spend for spending's sake. They have authority to spend up to the level appropriated by Congress.

Another problem created by heedlessly unloading money before year's end is that Federal procurement practices—designed to promote fairness and economy—may be circumvented. This can result in the award of noncompetitive grants and contracts, "sweetheart" deals, and the purchase of shoddy products at high prices.

In 1983, the Associated Press reported that the Department of Defense on the last day of the fiscal year went on a "one-day, $4.2 billion shopping spree," making that the largest single-day defense expenditure since the Vietnam war. On that day, the Pentagon awarded 234 contracts and erased what would have been a surplus. Normally, the Pentagon, according to this article, announces 2 to 4 dozen contracts every working day—a far cry from 234.

When the current fiscal year closes at the end of this month, let's hope the news from the Pentagon and other Federal agencies is that they have managed their appropriation wisely. As one GAO report found, the yearend rush is symptomatic of a larger problem—the failure by agencies and the Office of Management and Budget to effectively monitor and manage the execution of the budget. Here is a golden opportunity for President Reagan and his colleagues in the administration to join Congress in trying to keep Federal spending under control and make a dent in the Federal deficit. I hope my bill will help bring some attention to the critical need to carefully manage precious public resources and cut the Federal deficit.

AIR AND SPACE MUSEUM EXPANSION AT WASHINGTON DULLES AIRPORT

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. MINETA. Mr. Speaker, I am today introducing legislation to authorize first planning and then construction of an expansion of the National Air and Space Museum at Washington Dulles Airport.

This initiative was approved by the Board of Regents of the Smithsonian Institution, and is a companion to similar legislation now pending in the other body. I am joined today by my fellow Regents Mr. BOLAND and Mr. CONTE, as well as Mr. WOLF, Mr. PARRIS, and Mr. FUQUA.

This legislation is proposed to solve two major problems confronting the Air and Space Museum. First, as my colleagues know, this is perhaps the most popular museum in the world. The public's demand for exhibits and information concerning our aviation history is enormous, and growing. We need the additional facilities to respond to this demand.

But why out at Dulles? Why not build the new facility here in downtown Washington? The answer is simple: there is no site large enough for the needs envisioned, and of paramount importance, there is no other site adjacent to a major airport.

An airport site is critical because of the second problem we are trying to solve, which is how to display objects of the scale of the space shuttle or other modern aircraft. The museum needs to be at Dulles Airport because that is the only site to which these exhibits can be transported and displayed.

In particular, this legislation authorizes the transfer to the Smithsonian of land at the airport. This bill authorizes a total of $2.4 million in funds for planning of the new museum, to be appropriated in the 1986 to 1988 period.

In addition, the bill authorizes the appropriation of $42.6 million in Federal funds beginning in 1989 to finance half of the cost of actually constructing the museum. These Federal funds would not be available unless and until a private fundraising effort has raised an identical amount.

Mr. Speaker, this is an important bill. I urge my colleagues to join in bringing this new facility into being.

LEGISLATION TO ESTABLISH UNIVERSITY HAZARDOUS WASTE RESEARCH CENTERS

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. SUNDQUIST. Mr. Speaker, today I am introducing legislation that would establish regional research centers designed to improve the safety of the manufacture, transportation, use, disposal, and management of hazardous wastes. I believe timely legislation will allow us to more effectively spend the over $1 billion fund and provide the impetus for developing new disposal technologies.

Everyone fears the contamination of their water supply. With ground water contamination being the most prevalent problem at National Priority List sites, it bothers me that little cleanup activity has focused on this problem. Moreover, it is not even known whether contaminated aquifers can be restored to drinking water quality.

Certainly, we are aware that within the Superfund Program, every attempt is made to prevent waste sites from getting worse. That effort is important, but under the present system, we are not getting our money's worth. Specifically, the current cleanup program suffers because there are only a few commercially available cleanup technologies that are permanently effective. Additionally, there are not enough qualified and experienced technical people to effectively manage a site cleanup. The result is that we transfer waste from one site to another, thus compounding the problem and raising the cost.

Indeed, a report by the Office of Technology Assessment recommended substantially more support for the development and demonstration of new cleanup technologies. OTA cited the fact that few commercially available technologies are permanently effective. Clearly, a great deal of work needs to be done in this area, and my legislation is designed to move us in that direction.

Specifically, my legislation would amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 by authorizing $10 million for fiscal year 1986 to fiscal year 1990 to be awarded in grants to regional university hazardous waste research centers. These centers would be located in a major metropolitan area with a population of more than 750,000 which has experienced problems with hazardous waste management. The grant recipient must have staff specializing in hazardous waste management and research. Also, the university must make a commitment to budget $100,000 per year of their own institutional funds.

I believe this legislation has merit and deserves consideration by the House. I think everyone would agree the money we annually spend on the cleanup of hazardous waste sites must be complemented by scientific knowledge and effective technology if we are to gain the best use of the authorized funds.

I urge my colleagues' support of this legislation.

KEEPING A GOOD THING GOING—RENEW THE DAIRY DIVERSION PROGRAM

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. GUNDERSON. Mr. Speaker, building on the success of the recently completed dairy diversion program, a new 2-year diversion has been incorporated into the dairy title of the House version of the 1985 farm bill. Upon examination of this proposal, I am confident that my colleagues will support this program and oppose simple price cuts when the farm bill is considered by the House.

The diversion program included in the Farm Bill provides a positive financial incentive similar to the 1984–85 diversion for producers who voluntarily reduce production. It differs in two important respects; first, it is a two-year, rather than a 15-month program and, second, it includes a whole-herd buy-out option. Both of these additions should help make the reductions in production accomplished by the diversion more lasting.

Any dairy producer may participate in the partial diversion option by entering a contract with the Secretary of Agriculture to reduce production between 5 and 30 percent of his base. Participating producers would be paid $10 for every 100 pounds of milk they cut back from their baseline. Most importantly, the program will be completely self-financed through assessments on all milk marketed in the United States.

The whole herd buy-out program, on the other hand, will be conducted on a bid basis. A producer submits a bid to the Secretary to eliminate his entire herd either through slaughter or export and, further, agrees to stay out of the dairy business for 3 to 5 years. The Secretary has the discretion to accept or reject the bid.

Agricultural economists agree that the only way to permanently reduce milk productions is by reducing cow numbers. A combination of the partial diversion and whole herd buy-out programs will accomplish this.

The first diversion program resulted in the slaughter of 3.2 million dairy cows and a new reduction of 225,000 cows in 1984 alone. Further, by last fall supply and demand were in better balance and farmers received a higher price for the milk they produced.

Yet, it is interesting to note that consumer prices for dairy products were virtually unchanged—all of this from a producer-financed program.

We can expect similar results from the new diversion and whole-herd buy-out programs. In fact, during committee consideration of the farm bill, Ag Committee economists predicted that the committee/dairy unity bill will result in 15.5 billion pounds of purchases of surplus dairy products over three years while the Olin/price cut substitute would result in 20.5 billion pounds of surplus dairy products during the same period of time.

In short, the economists tell us that if we go with price cuts, history will indeed repeat itself—we will be purchasing an extra 5 billion pounds of product we wouldn't have purchased by sticking with a producer-finance diversion program.

At the same time, the Congressional Budget Office tells us that price cuts will cause net farm income to decline by another 30 percent. It occurs to me that the last thing we ought to be doing presently is reducing farm income further.

In recent years, dairy farmers have been beset with falling land values, poor commodity prices and high interest rates. Yet, they are still willing to finance their own self-help program to offer producers positive incentives to reduce production and increase net income.

I urge my colleagues to reject price cuts, additional government purchases of surplus dairy products, and lower net farm income. Support the diversion programs in H.R. 2100, not the Olin amendment.

SALUTE TO THE BENEFACTORS OF THE QUEENS SYMPHONY ORCHESTRA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. SCHEUER. Mr. Speaker, the Queens Symphony Orchestra enters its thirty-third year in the 1985–86 season. Under the inspiring leadership of its founder and Music Director, David Katz, the orchestra has become one of New York City's five major symphonic orchestras.

Support from the Queens community has made possible the many quality programs that the orchestra offers to the residents of Queens and metropolitan New York.

On Sunday, September 6, special recognition will be given to the Queens Symphony Orchestra Charter Chair Benefactors who have taken a leadership role as individuals who directly support the orchestra throught their generous commitment. I would like to bring these outstanding people to the attention of my colleagues.

John and Nell Rollo, Concertmaster; Alvin and Naomi Burnett, Principal Bass; Julian and Myrna Grow, Principal Trumpet; David Katz, Principal Oboe; Elsie and Leon Levy, Principlal Flut; Joshua and Harriet Muss, Principal Cello and Ruth Brooks, Timpani.

Mrs. Arthur King, Keyboard; Margery and Steven Kolman, Violin; Sylvia and Sidney Kraut, Viola; Michael and Sydelle, Lazar, Horn; Claire and Sam Prozant, Violin; Myrtle Racanello, Clarinet and Oscar Katz.

IMPROVEMENT IN EDUCATION BENEFITS ELIGIBILITY FOR NATIONAL GUARD AND RESERVES NEEDED

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. DASCHLE. Mr. Speaker, I am today introducing legislation to correct an inequity in existing law and improve educational benefits eligibility for members of the National Guard and Reserves. Under current law, an individual who enlists in the active duty armed services prior to receiving a high school diploma is eligible for veterans educational benefits if a diploma or its equivalent is obtained prior to completing his or her enlistment. Because Armed Forces volunteers enlisting prior to obtaining a diploma can achieve eligibility for veterans educational benefits by obtaining a diploma during his or her period of service, an important incentive, which I strongly support, is provided for further educational attainment by members of our Armed Forces.

Unfortunately, however, current law requires members of the National Guard and Reserves to have obtained a diploma prior to completing active duty for training in order to be eligible for educational benefits. This requirement discourages enlistment in the National Guard and Reserves prior to high school graduation, provides no incentive for further educational attainment by members of the National Guard and Reserves who have completed active duty for training prior to high school graduation, in many instances needlessly delays active duty for training by young men and women

who have enlisted prior to high school graduation in order to avoid the loss of eligibility for educational benefits, and inequitably denies educational benefits to young men and women who receive a high school diploma after completing active duty for training.

The legislation which I am introducing today will correct these inequities by extending to members of the National Guard and Reserves the same opportunity to establish educational benefit eligibility as now exists for enlistees in our active duty Armed Forces. With the approval of this measure, members of the National Guard and Reserves who have completed active duty for training prior to receiving a high school diploma will be eligible for educational program benefits if a diploma or its equivalent is obtained during the period of enlistment. Under this legislation, no longer will young men and women who enlist in the National Guard or Reserves and elect to complete active duty for training prior to receipt of a high school diploma be denied eligibility for educational benefits. In addition, young men and women who enlist in the Guard or Reserves prior to high school graduation will no longer be forced to needlessly delay completion of active duty for training in order to maintain eligibility for educational benefits and the young men and women who enlist in the Guard and Reserves prior to high school graduation will be provided an important incentive to successfully complete their high school education.

Mr. Speaker, I encourage my colleagues to support this legislation and to give this measure which improves education benefits eligibility for members of the National Guard and Reserves speedy consideration and prompt approval.

U.S. GOLD COINS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. LEWIS of California. Mr. Speaker, it is long past time for this country to begin again minting gold coins. Americans have shown they have a tremendous demand for owning gold coins, but their only sources of new coins are foreign. With our critical trade problems, why has the United States opted out of this market, leaving the field to others? Indeed, on the front page of the Wall Street Journal, September 9, 1985, appeared this item:

Maple-leaf gold coins from Canada sell strongly as South Africa's Krugerrand falls out of favor for political reasons. The Canadian Royal Mint expects 1985 sales to rise 50% or more from last year's level of one million ounces.

Why are U.S. coins not available, especially when our trade deficit with Canada is the largest per capita with any nation in the world?

According to the Gold Institute in 1983—293,000 troy ounces of gold entered this country per month, the majority of which in the form of gold coins. The average monthly figure for 1984 was 388,000 troy ounces of gold, the majority of which again were gold coins. These trade hemorrhages will stop when we begin minting our own competing gold coins.

In February of this year, Congressman DIXON and I introduced H.R. 1123 which would create a new U.S. gold coinage program in a manner designed to eliminate Krugerrand imports to this country, improve our international trade balances and reduce the national debt. H.R. 1123 now has 241 cosponsors and with the great help of Mr. ANNUNZIO from Illinois has passed the House in a slightly modified form as part of the South African sanction legislation. The Senate has also passed a similar bill. President Ronald Reagan, in his September 9 Executive order on South Africa spoke of "expeditiously seeking legislative authority to accomplish the goal of issuing such (gold) coins."

It is now time we put these forces together to give the American people the opportunity to buy American gold coins.

WHERE DO WE GET SUCH MEN?

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. BLAZ. Mr. Speaker, wherever our national interest is threatened or endangered, there is a group of men our country has come to rely on to protect our citizens, our security and our way of life. These men come from across the Nation, from ordinary walks of life, from our farms and neighborhoods.

Yet they face responsibilities and dangers no ordinary men would assume. They place themselves in the vanguard of our Nation's defense. They risk their lives daily. They are extraordinary.

Where do we get such men?

It is a privilege to call to the attention of my colleagues an excellent article in the September issue of Reader's Digest magazine that answers that question.

The story tells in very human terms how these ordinary men are transformed by training, commitment, and circumstance into the courageous cutting edge of our Nation's Armed Forces. The article captures how they feel putting their lives on the line for their country. It is a story about Jeff Nashton from upstate New York, Frankie Meno from Guam, Steve Russell from Hope-dale, MA, and many more.

As a member of the Armed Services Committee, I am concerned, as all of you are, that we maintain the high standards of valor and commitment that have made this the greatest nation on earth. Reading about these men strengthens my belief that we are keeping the faith and that our Nation's Armed Forces are continuing that tradition of excellence. It is inspiring reading about inspiring men. I urge my colleagues and all of those who share my concerns to read this story. It will be well worth the time and effort.

The men I am talking about, the men who are the subject of the article, are U.S. Marines. The current Commandant of the Marine Corps, Gen. P.X. Kelley, also likes to ask the question: Where do we get such men?

Mr. Speaker, it is an honor and a privilege to answer that question: We get such men from these United States.

A CONGRESSIONAL SALUTE TO IVO LUSIC

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Ivo Lusic, who is being honored at a gala dinner at the Yugoslav-American Club of San Pedro, CA, on September 28, for his 24 years of service to the club.

Born in Split, Yugoslavia, Ivo played professional soccer for 25 years in his native homeland, Italy and Peru. In 1952 he came to the United States and was a member of a semiprofessional soccer team in Milwaukee, WI. Six years later, he moved to San Pedro to coach and play for the Jadran Soccer Club. In 1961, Ivo began working as club manager at the Yugolsav-American Club, which is celebrating its 50th anniversary this year.

Ivo Lusic has given a lifetime of community servie. He has been at the forefront of every venture of good will, developing pride and community responsibility, aiding many worthy causes.

Mr. Speaker, our seaside community of San Pedro is lucky to count Ivo as one of its residents. Quite frankly, it is individuals such as Ivo which make the harbor area such a special place to live and work.

My wife, Lee, joins me in saluting Ivo Lusic on this special occasion. We wish him and his wife, Radmilla, and their three sons, George, Nick, and Michael, continued success in all their future endeavors.

BERNARD HABER: CITIZEN OF THE YEAR

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. SCHEUER. Mr. Speaker, I rise to pay tribute to one of the outstanding civic leaders in New York City's Borough of Queens—Bernard Haber.

A long-time resident of Bayside and chairman of Community Planning Board 11-Q, Bernie was recently named "Citizen of the Year" by the Bayside Historical Society for his tireless efforts and boundless enthusiasm in a wide variety of projects. Bernie has provided his community with sound leadership and has set an example for public service that is second to none.

A profile of Bernie Haber recently appeared in Newsday. I commend this article to the attention of my colleagues.

[From Newsday, Sept. 16, 1985]

HE'S ENGINEERING FEATS AS THE CITIZEN OF THE YEAR

(By Adrianne Goodman)

As an engineer and chairman of Community Board 11, Bernard Haber has a lot of first-hand experience as a troubleshooter. And in the opinion of his colleagues, he's done quite well at it.

The 56-year-old Bayside resident recently was named Citizen of the Year by the Bayside Historical Society for being "wonderfully efficient, dedicated, and willing to help the community," according to Della Stametz, a member of the society.

"It's very gratifying to receive this kind of recognition," Haber said. "It concerns my work with the community board, but it's really not just for me, but for all 47 members of the board."

Of his accomplishments, Haber said he is most proud of his help in getting additional parkland for the Alley Pond Environmental Center and the establishment of Udall's Cove as a natural preservation.

His interest in community affairs has always been strong, Haber said, but it was further encouraged by his son Neil, who as a teenage in the 1960s became involved in volunteering for city political campaigns.

"To a degree I learned a lot from him," Haber said. "Somehow, it rubbed off." In 1969, the community board system was started, and volunteers were needed to help get the system off the ground. Haber offered his expertise as an engineer and as a 30-year resident of Bayside.

Now, in addition to his full-time duties as a civil engineer with the Manhattan-based firm of Hardesty and Hanover, one of the oldest engineering firms in the country, Haber devotes his evenings and weekends to community board work. "It's a tremendous education in learning the city and how it works," Haber said.

"The reason he was chosen is he's been very quietly professional all these years," Stametz said. "You never hear any bragging on his part, and he gives unstintingly of his time."

Community involvement is a family trait, evident not only with Haber's son Neil, who is now a labor lawyer in Manhattan, but with his wife Sheila, who works with the Public Education Association, and daughter Lisa, who works with the World's Fair headquarters in Paris.

"The work will never end," Haber said. "But I love every minute of it, and I'd like to continue as long as I can."

LEARNING DISABILITY AWARENESS MONTH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 19, 1985

Mr. BROWN of California Mr. Speaker, I would like to thank all of my colleagues for their support of House Joint Resolution 287, designating October 1985 as "Learning Disabilities Awareness Month." The Senate version of this bill, Senate Joint Resolution 191 is expected to pass shortly. I had the distinct honor and pleasure of sponsoring this legislation in the House, which is intended to significantly increase public awareness of learning disabilities. For several years, October had been the official month for learning disabilities awareness—now it's official.

Some of the national organizations joining in the activities for "Learning Disabilities Awareness Month" will be: The California Association for Neurologically Handicapped Children (NAHCD), The Foundation for Children with Learning Disabilities (FCLD), The Orton Dyslexia Society (ODS), The Association for Children and Adults with Learning Disabilities (ACLD), Parents' Campaign for Handicapped Children and Youth, and The General Federation of Women's Clubs (GFWC).

I am pleased to announce that I will be addressing an NAHCD–ACLD group in my district in Riverside next week. I urge my colleagues to reach out in their home districts in a similar way during October to help bring attention to the complex and frustrating issue of learning disabilities.

The research being done for learning disabilities is not commensurate with the magnitude of the problem. Technology as a tool in helping learning-disabled is a field which could be pursued more aggressively. For example, many computer/word processing systems have extensive vocabularies capable of spotting and correcting mispelled words. Most recently, Smith-Corona began marketing a typewriter which has its own built-in dictionary. While these new advances are very helpful to the average user, they can be lifesavers to the learning disabled. Technological devices can be equalizers for the learning disabled, helping to stem the gap between special and regular education.

My concern, however, is that a computer able to correct spelling has only a coincidental application for the learning-disabled. More research should be concentrated on using computer and microprocessor technology to aid the neurologically handicapped. The learning-disabled, as we are fully aware, are not dumb. Many, in fact, have extremely high IQ's. If we can use technology to compensate for neurological difficulties, we could conceivably unleash vast mental resources. I can easily envision technology applications to aid the learning-disabled [LD] with deficiencies in computation, attention span, forgetfulness, spatial orientation, and eating patterns. I may be somewhat biased in my opinion, but I feel that there are few problems which cannot be solved, at least in part, with applied technology.

Note this interesting fact: learning disabled students represent more than 40 percent of the more than 4 million handicapped students served in special-education programs in the United States, yet learning disabilities are the least recognized, least researched of all handicaps.

Most professionals will agree, however, that learning disabilities are among the most difficult disorders to identify and to treat. After more than a decade of focused attention on this condition, education researchers have still not arrived at a clear-cut program to help the LD child or adult. Part of the reason is that learning disability is an "umbrella" term which includes as many as 12 to 15 defined learning dysfunctions. You are aware of the many conditions which fall under the learning disabilities heading, such as dyslexia (an impairment in the ability to read), developmental aphasia (impaired ability to speak), attention deficits (inability to concentrate) and many others.

A person can have one or all or any combination of the neurological dysfunctions associated with learning disabilities. Also, the severity of the problem differs among individuals in a given category. For example, a student may have a severe case of dyslexia, yet show only minor problems with social interaction. Therefore, with 10 million children in America with learning disabilities, we are really talking about any number of defined conditions which should be analyzed and treated on an individual basis. Beyond a doubt this is a complex task with no easy answers.

A plethora of programs have surfaced across the country to address the special needs of the learning-disabled. Some are very good, and some not so good, There have been discussions over the most effective means of bringing learning-disabled children up-to-speed with their peers. The numerous programs, however, fall into one of several approaches, including: (1) the functional curriculum approach (concentrating on those specific skills needed to function in society); (2) basic skills remedial approach (concentrate on reading and writing ability); (3) the tutorial approach (provide instruction in academic content areas); (4) the work-study approach (provide job- and career-related skills); and (5) the learning strategy approach (concentrates on how to learn, rather than on content). These various approaches have benefits for different degrees and kinds of learning disabilities.

One interesting concept I will mention would use math as a teaching tool for certain learning disabilities. Apparently, recent evidence indicates that only when a child is able to organize his thoughts and activities in a logical, confident way can he go on to master language development. The unique quality of math is that it provides just this kind of training. Math offers a variety of visual and concrete techniques for training its students to analyze, to zero in on essentials, to look for patterns, and to classify and organize information in order to solve specific problems.

Although programs to combat learning disabilities have proliferated, more work needs to be done in program development. Compounding the problem is the greater ability to identify the learning-disabled students, resulting in an increase in special education students by more than 100 percent in the period between 1975 and 1983. Unfortunately, there is still no consensus on what method of special education is appropriate for the various forms of learning disabilities.

James J. Gallagher, director of the Frank Porter Graham Child Development Center at the University of North Carolina, is a leader in special education, and one whose views I respect. Mr. Gallagher suggests that one possible strategy to help our definitional problems is to use sophisticated statistical methods to try to sort out identifiable subcategories of learning disabled children. Through complex statistical procedures, we can then cluster children together and identify what it is that makes them similar to other children in the subgroup of identified children with learning disabilities. In this way, we can obtain three, four, or five separate subcategories of LD children, and perhaps eventually provide differential educational programming for them.

This observation makes sense to me and follows a pattern shared by almost all research. The more we understand about a subject, the more we are able to break it down into various components. perhaps addressing the learning disabilities issue in small parts will lead to more comprehensive solutions.

Mr. Speaker, I urge my colleagues to use this opportunity resulting from the passage of the "Learning Disabilities Awareness Week." I urge them to work with learning disabilities groups in their home districts, and take advantage of this nationally recognized commemorative. Only through the combined efforts of educators, parents, and Government officials can we ultimately arrive at a solution for learning disabilities.

DON'T FORGET THE HELSINKI THOUSANDS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. GREEN. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in the Wall Street Journal last week.

The article reminds us that behind the headlines and the two or three famous Refuseniks are thousands—300,000 to 400,000—of Soviet Jews who are trying to get out. These faceless numbers are increasingly becoming victims of persecution and are victims of what the State Department has labeled "an official Soviet Campaign against the current revival of Jewish culture in the Soviet Union."

I join the authors of this article in asking that we not forget the hundreds of thousands of Soviet Jews who are victims of oppression.

[From the Wall Street Journal, Sept. 10, 1985]

DON'T FORGET THE HELSINKI THOUSANDS

(By Sari Horwitz and Douglas Mishkin)

The plight of Soviet Jews is often reduced to the single case of Anatoly Shcharansky. For seven years the Western press has focused its accounts of Soviet Jewry on Mr. Shcharansky, a scientist convicted in 1978 of trumped-up spying charges and sentenced to 13 years in a Siberian labor camp.

But on the 10th anniversary of the Helsinki international human-rights accord, the world should know there are hundreds more "Shcharanskys" whose names and cases have gone unreported. Largely ignored as old news, these Soviet Jews continue to be arrested, beaten, imprisoned and shipped off to labor camps for the "crime" of applying to emigrate to Israel.

We recently spent 10 days meeting with Jewish activists in Moscow and Leningrad. These "refuseniks"—Jews whose applications for exit visas have been arbitrarily refused—said that under the leadership of the new Soviet premier, Mikhail Gorbachev, their harassment has escalated. They told us of jobs being taken away, apartments being searched, phones being disconnected, mail being seized and—most disturbing—more refuseniks being arrested on trumped-up charges.

During our trip, we met with the family and friends of a 24-year-old Soviet Jew who was imprisoned in January, ostensibly for the crime of writing letters to Soviet officials appealing the denial of his visa application.

While we talked one Sunday afternoon with this prisoner's visibly shaken father, the prisoner continued to languish in a Moscow jail cell without notice of a scheduled trial date, without being told specifically why he had been arrested five months earlier, and without the assistance of a lawyer.

The unmistakable message of this and other recent cases is that a refusenik may be arrested at whim, beaten without cause and detained without explanation. In fact, the refuseniks said that this summer, for the first time since the Stalin era, Soviet authorities arrested and imprisoned a Jew based on their official confiscation of his private mail, a blatant violation of the 1975 Helsinki Accords.

Such arrests, while perhaps not surprising in light of the history of the Soviet Union's treatment of Jewish activists, are nonetheless significant because they appear to under cut the hopeful speculation by some Western observers that the new Gorbachev regime would demonstrate an increased sensitivity to human rights.

By most counts, about 10,000 Soviet Jews have been refused visas, and an additional 300,000 to 400,000 of the approximately two million Jews still in the Soviet Union have requested applications for visas.

Even while the 10th anniversary of the Helsinki agreement was approaching:

Roald Zelichonok, a Hebrew teacher, was arrested in Leningrad and charged with defaming the Soviet state.

Evgeny Aisenberg, a Hebrew teacher in Kharkov, was sentenced to 2½ years in a labor camp.

Dan Shapiro, a talented linguist, Hebrew teacher and Jewish activist, continued to serve an indeterminate pre-trial sentence in a Moscow jail.

Yuli Edelshtein, a Jewish prisoner in a Siberian labor camp, was being battered daily by prison authorities who wanted to "beat the religion out of him," according to the U.S. State Department.

These four men are among the latest victims of what the State Department recently decried as "an official Soviet campaign against the current revival of Jewish culture in the Soviet Union."

Recent arrests of Soviet Jews remain largely unreported because, as some Western journalists explain, they have become commonplace and thus are not newsworthy. However, when the routine arrests and harassment of Soviet Jews are, in the words of our State Department, "a real obstacle to the constructive relations with the Soviet Union that the United States seeks," then even the routine is newsworthy.

By ignoring these repeated violations of human rights and international law, the press allows the Soviet Union to systematize persecution while leaving the mistaken impression with the American public that the oppression of Soviet Jews is limited to Anatoly Shcharansky.

DAVID A. BRODY

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. BARNES. Mr. Speaker, I would like to direct my colleagues' attention to an article which appeared in National Journal on September 14, 1985 entitled "Making Matches Means Access."

The article is a profile of an individual who is a good friend of mine and a very familiar figure to many of us in Congress, David Brody. I believe that it captures quite well the talent, the instincts, and the important influence that David Brody brings to the legislative process.

The article follows:

MAKING MATCHES MEANS ACCESS

Most Washington lobbyists boast about having connections. David A. Brody takes pride in making them.

The veteran Washington representative of the B'nai B'rith Anti-Defamation League is an inveterate matchmaker who wends his way through the capital's power circles on the lookout for people who ought to know one another.

No sooner do his antennae pick up a nugget of conversational information about somebody's past or present interests than the next words out of his mouth are invariably, "I'd like to put you together with. . . ."

The very next day, if not later the same day, Brody will be on the telephone proposing a luncheon involving himself and the two people he wants to bring together. Invariably, they are people who would have gotten together on their own at some point but, as Brody said in an interview, he finds that it advances his long-term interests if he can be the "facilitator or catalytic force."

"I do it so that the two people will know each other, so they will not be strangers when they need to deal with one another. Both parties usually welcome it," he explained. Those involved may run the gamut from Members of Congress, White House aides and ambassadors to reporters, fund raisers and constituents.

Twenty years at his job has taught Brody that at some point, his gestures of good will are likely to be returned in some form. "It's not so much that people are beholden to me, as it's a matter of providing greater access for me," he said, stressing the golden word of the lobbyist's trade—access.

The autographed pictures on the wall of Brody's office attest to his success in gaining access at the very highest levels. They also attest to his skill at hearing what people say and sensing what makes them tick and what their current concerns are.

"In this town, so many people talk rather than listen," explained Brody, giving away a major secret of his success. It also helps to be quick-witted enough to put information to immediate use. "If I happen to be in a Member's office and a name comes up, we'll often set up a lunch right then."

Brody is constantly on the lookout for likely connections, two Members of Congress who haven't met each other yet, a reporter who is starting out on a project involving principals he hasn't met, new arrivals at the Israeli Embassy who need to meet the people they will be dealing with in Washington.

"It's just a matter of having almost an intuitive sense about people's needs," Brody said, "I guess it is just a matter of knowing how to relate to people. I will occasionally bring Members of Congress together whose views may be divergent. In bringing them together, they find that they are able to work together on other issues."

Those other issues, with luck, may turn out at some point to be the very ones upon which Brody is lobbying. And, even if their votes do not always go his way, Brody at least gets a chance to have his say, In 1981, when Congress approved the sale of military aircraft to Saudi Arabia, Brody recalled, "a number of good friends of mine voted for the sale, but I still had the opportunity to sit down and talk to the principal—to the man who cast the vote."

That statement is also revealing. In lobbying, as in match-making, the permanence of relationships is important. Accordingly, significance attaches to Brody's reference to "good friends" who voted against his position. They still are his good friends, and maybe next time they will be with him.

Besides putting his lunch hour to regular use, Brody and his wife, Bea, entertain at their home, throwing dinner parties that may bring anywhere from a dozen to three dozen Washington notables together to trade information and get to know one another better.

"From time to time, press people are invited to my parties at home as friends," Brody explained. What goes on is not intended for publication, Brody noted, but it is recognized "a reporter may pick something up at a party." But, he added, "the story won't be that I had that group of people to dinner."

Brody added that he has never hesitated to bring politicians and journalists together in a social setting. "I don't draw any lines," he said. "When I find it useful to play that catalytic role, I do it." With reference to the politicians, he observed, "I think they welcome the opportunity too, otherwise they wouldn't agree to it."

To the best of his recollection, Brody over the years has never become a matchmaker in the romantic sense. He says that he knows of no marriages that have resulted between people he has brought together and quickly adds in a businesslike tone that "if it has happened, that would not be the purpose that the meeting started out with."

There is more than a bit of a Horatio Alger aspect to Brody's career. The man who now wines, dines and facilitates friendships among the high and mighty started out in life as the son of an immigrant garment worker who entered this country through Ellis Island. He grew up in Brooklyn, attended public schools and ended up studying law at Columbia University on a scholarship. He came to Washington in 1940 to work as a lawyer for the government and has been with the Anti-Defamation League since 1949.

Brody said he has developed his skills as a lobbyist-social connector as he has gone along. "I like to say that the things I do, I never learned in law school." Nonetheless, the 69-year-old lobbyist makes it clear that he enjoys what he does. "I have no plans to retire," he said.

The matchmaker is obviously well matched to his calling.—Dick Kirschten.

THE DEFICIT CRISIS: A PLAN FOR ACTION

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 20, 1985

Mr. PEASE. Mr. Speaker, Our distinguished colleague, the gentleman from California [Mr. BEILENSON], recently issued a news letter which cogently and clearly analyzes our Nation's budget dilemma.

Without endorsing every proposal it contains, I hereby submit it for the RECORD as a brilliant example of clear thinking on the budget issue.

There is now widespread recognition that the Federal budget deficit is by far the most serious issue confronting the Nation today.

The budget resolution recently adopted by Congress was a step in the right direction, but it does not begin to solve the problem. Members of the business community, economists of all persuasions, and the vast majority of political observers in Washington all agree that our budget reduction plan does not constitute a truly serious assault on the deficit—which the administration now admits will be at least $225 billion next year.

There are ways to really bring the deficit under control. Solving the problem will be difficult, but it can be done, and in a fair and equitable manner without asking too much sacrifice of any American.

But until we face up to the facts and recognize how serious the problem is, there will simply be no way to get general public support for the kinds of steps that must be taken to deal with the deficit.

THE PLAIN, UNVARNISHED TRUTH ABOUT THE DEFICITS

Here are the facts:

The Federal budget has shown a deficit almost every year since World War II, but none has been nearly so large as the annual deficits we have been faced with since 1981. In each of the last 3 years, the Federal deficit has been nearly three times the size of any single deficit prior to 1981.

The amount of debt that we have run up in just the last 5 years is equal to the total national debt that was accumulated under all previous Presidents, from George Washington through Jimmy Carter. In other words, the size of the total Federal debt has more than doubled since President Reagan took office, and it will double again in the next 6 years if we do not take the necessary steps to control it.

The adverse economic consequences of this huge and growing debt are enormous: The highest real interest rates in history, slowing economic growth, and record trade deficits resulting in the loss of millions of American jobs.

Our growing national debt guarantees much greater future Government spending because of the much higher interest costs we will have to pay every single year. The cost of interest payments on the debt next year will be $146 billion, three times the cost of interest just 6 years ago. That huge amount, almost 15 percent of all the money the Government will spend, won't be used to buy anything—it will go simply to pay interest on the debt. And the annual interest payment will soar to $234 billion by 1990 if deficits are not reduced.

Eventually, we're going to have to raise taxes by a substantial amount just to pay for the increased annual interest payments on the debt we've run up in these past few years.

HOW DID THE DEFICITS GET OUT OF HAND SO QUICKLY?

What caused these enormous deficits? According to the Congressional Budget Office (CBO), the nonpartisan budget-analysis office headed by respected conservative economist Rudolph Penner, the sudden explosive increase in deficits over the past 5 years has occurred not because of the growth of social programs, but because of "large and increasing tax reductions, rapid growth in military spending, and escalating interest payments."

CBO figures show that since 1981, legislative actions initiated largely by President Reagan will have cut $333 billion from domestic spending over the 1982–87 period. But these program cuts have been overwhelmed by increases of $175 billion in defense spending, $604 billion in revenue losses because of tax cuts, and $111 billion in added interest costs just on the increased portion of the debt. The net result has been an increase of $557 billion in Federal deficits over the same period.

By far the biggest contributor to our large current deficits is the tax cut that Congress voted in 1981 at the President's behest. More than three-fourths of the entire deficit we face next year will come from that tax cut. Had we not cut taxes then, our deficit next year would be about $40 billion instead of $225 billion.

Many of us voted against the 1981 tax cut, believing that such a large loss of revenue, combined with the enormous defense buildup being proposed by President Reagan, would obviously result in huge and unmanageable deficits in the very near future. It's not comfortable for a politician to vote against a tax cut for everyone back home, but we did not think that so large a tax cut was either wise or necessary.

By far, the greatest benefits of that tax legislation went to wealthy individuals—and to corporations, which now pay only about 8 percent of total U.S. taxes compared to the 27 percent they paid 30 years ago. However, all Americans, whether or not they benefited from those tax cuts, have been saddled with these enormous deficits, with the tripling of annual interest payments on the debt and, inevitably, with

the necessity of paying higher taxes simply to pay for the increased payments on the debt.

WHAT CAN WE DO TO REDUCE THE DEFICITS?

We have to control spending across-the-board. Three broad areas account for 83 percent of all Federal spending:

Entitlement programs—41 percent (these are programs such as Social Security, Medicare, Federal civilian and military pensions, and veterans' programs, which provide benefits to any person who meets the eligibility requirements established by law);

Defense spending—27 percent; and

Interest payments on the debt—15 percent.

Spending for all other Federal programs, including highways and mass transit, education and job training, national parks, science and health research, space programs, immigration enforcement, Federal prisons and law enforcement, toxic waste cleanup, air and water pollution control, and many, many more, together total only 17 percent of Federal outlays.

These percentages make very clear what must be done to control spending. The only way to find enough to cut—and the only decent, fair, and politically acceptable way to reduce spending—is to cut relatively small amounts from all parts of the budget, including entitlement programs and defense, rather than large amounts from small programs.

You cannot find adequate savings by concentrating spending cuts on only those small programs that make up just 17 percent of the budget, as Mr. Reagan has done. The savings from reducing them are trivial; even if all of the President's cuts in these programs were enacted, spending would be reduced by only $17 billion next year—and the budget deficit would still exceed $208 billion. Spending simply cannot be cut enough without addressing the two areas, entitlements and defense, which together comprise more than two-thirds of the budget.

We have to raise taxes as well as cut spending:

Nevertheless, even if spending for entitlement programs and defense is reduced, a huge deficit will still remain. The hard truth is that any realistic plan to reduce deficits has to include a tax increase as well. Here's why:

If you got together a group of reasonable-minded Americans of all political persuasions, gave them the facts about how much each Federal program costs, and asked them to come up with as large a package of savings and cuts as they possibly could, my educated guess is that such a cross-section of Americans could come up with no more than $50 to $75 billion in specific program cuts.

They might agree on $30 billion or so in cuts from defense programs; they might be able to agree on a like amount of savings from reducing Social Security and other entitlement programs; and they might be able to agree on a package of several billion dollars of cuts in all the relatively small domestic "discretionary" programs which make up that final 17 percent of our Federal spending. But I doubt if they could agree on much more than those amounts. That is, in fact, the kind of exercise that both the Republican and Democratic Members of Congress have gone through, and those are the results we obtained.

The truth is that there is no way to find more than $50 to $75 billion in annual program cuts that any group of fairminded, middle-of-the-road Americans would approve. That still leaves us with an annual deficit of at least $150 billion (which is about the amount of additional revenues we would have right now if we hadn't passed the 1981 tax cut bill). The only way to erase that remaining deficit is by raising taxes.

Let me describe the problem in another, though similar way: Right now, for each $1 of Government spending that we're enjoying, we're only being charged about 75 cents in taxes. Right now, we're getting over $900 billion worth of programs and services from our Government and only paying for three-fourths of them—and each year we are putting more than $200 billion of the unpaid bill on our children's shoulders.

We have to decide, very soon, what we want from our Government—a strong defense, a Social Security system and a Medicare Program to help with expenses in our old age, effective drug and law enforcement agencies, a national park system, and so forth—and then we have to add up the total cost of all these programs, which the vast majority of Americans seem to want and demand, and tax ourselves at a rate that will raise the money necessary to pay for them.

The fact is, unless Congress and the President act now to reduce spending and raise taxes, the deficit will climb to more than $250 billion by 1988. Five years ago, a deficit of that size would have been unthinkable. No one would have settled for a deficit of that magnitude—and I don't think we should settle for it now, either. We must put in place now changes that will reduce spending and raise taxes enough to balance the budget by 1988. Here's how it could be done—

HOW WE COULD BALANCE THE BUDGET IN 3 YEARS

First, spending cuts:

The key to a fair plan is to spread the burden as broadly as possible, making relatively small changes in all the major parts of the budget. That way, no one group will feel singled out. And, if the plan solves the problem, rather than just making it a little less worse, people will feel that their contribution is a meaningful one, and they will be much more willing to accept the modest sacrifice asked of them. The trouble with what we've been doing—just chipping away at a few relatively small programs—is that it is not solving the problem; what we've been doing keeps leaving us with $200 billion deficits.

The time has come to really control spending. There's just one possible way to do that, and that's to freeze spending for all programs.

Imposing a temporary freeze on all programs at current spending levels is a relatively equitable way to reduce spending without causing serious harm to any one program. A freeze is not the very best way to restrain future spending—it would be better for Congress to evaluate each program individually—but in the overwhelmingly threatening deficit situation we are in now, it is the simplest and fairest way to save a huge amount of money quickly.

A 2-year freeze, modified to make it more equitable by providing cost-of-living adjustments to those who would otherwise fall below the poverty line, would reduce the deficit to about $150 billion by 1988.

In combination with the freeze, at least $10 billion in additional savings could be produced by reforming programs that everyone recognizes are out of control, such as farm price supports, military pensions, and weapons procurement. We're spending billions of dollars on price supports that mainly benefit large agribusiness corporations; on generous pensions for military officers who retire in their early 40's and then take well-paying civilian jobs; and on overpriced and wasteful military procurement programs. These areas should be reformed under any circumstances; the fact that we are faced with such enormous deficits makes their immediate reform a necessity.

This $10 billion in additional savings—on top of the modified 2-year freeze—would bring the 1988 deficit down to $140 billion.

Next, additional revenues:

Here, again, there are broad-based ways to produce the $140 billion that is needed if we want to balance the budget by 1988.

Perhaps the fairest, easiest way to do it would be to repeal the 1981 tax cuts, the vast majority of which went to corporations and the very wealthy—we'd get the $140 billion right there. Obviously, the President wouldn't go along with that but, at the moment, neither will he agree to any other tax increases—including the following alternatives:

Delay indexing of income tax rates. A 3-year moratorium on indexing (the adjustment of tax rates to compensate for inflation) would reduce the deficit by $28 billion in 1988.

Repeal accelerated depreciation and the investment tax credit. Both of these special tax provisions encourage businesses to make decisions based on tax benefits rather than market considerations. Eliminating these two provisions alone would reduce the deficit by $54 billion in 1988.

Limit tax preferences. These deductions, exclusions, and credits that certain categories of corporations and individuals are allowed could also be limited in an across-the-board way, without singling out specific groups. A 20 percent reduction in credits and exclusions, and a 10 percent cut in itemized deductions, would reduce the deficit by $30 billion in 1988.

Finally, increase excise taxes on gasoline and cigarettes. This would raise large amounts of revenue and discourage gas and tobacco comsumption at the same time. Adding 20 cents to the current 9-cents-a-gallon levy on gasoline would raise

$18 billion annually; increasing the cigarette tax from 16 cents to 40 cents a pack would raise $7.5 billion each year.

Interest savings. Raising the above amounts would bring a windfall: Because they lower the deficit by such a large amount, we would save $27 billion in interest payments in 1988 alone.

These relatively modest—and fair—changes would produce $165 billion—a good deal more than the $140 billion necessary to eliminate the deficit in 1988. The sooner we take action to raise taxes, the smaller the tax increase will need to be because we will avoid having to pay increasingly greater interest payments on the national debt. Thus, we can avoid paying much higher taxes in the future if taxes are raised by a more modest amount now.

WHAT'S NEEDED: POLITICAL WILL

The means to eliminate the deficit in 3 years, without asking too much sacrifice from anyone, are available. What has been lacking so far is the will to do it. The Federal deficit is the No. 1 problem facing us today. It will continue to get worse until the President, the Congress, and the American people decide that solving it is our highest priority and unite to take the tough but vital steps necessary to balance the budget.

HOUSE OF REPRESENTATIVES—*Monday, September 23, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 19, 1985.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Monday, September 23, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember this day people who suffer or know pain, particularly those in Mexico who know the violence of earthquakes. We pray for the families of victims that they will experience the presence of Your comforting spirit and we pray for those who work to ease the pain. May we be generous to people everywhere who are in great need so Your will may be done on Earth as it is in Heaven. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands appproved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1671. An act to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities; and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such act;

S.J. Res. 43. Joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes;

S.J. Res. 132. Joint resolution designating October 1985 as "National Head Injury Awareness Month";

S.J. Res. 175. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National CPR Awareness Week";

S.J. Res. 191. Joint resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month";

S.J. Res. 194. Joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week"; and

S.J. Res. 197. Joint resolution to designate the week of October 6, 1985 through October 13, 1985 as "National Housing Week."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair wishes to make the following statement.

Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Thursday, September 26, 1985.

OVERSEAS PRIVATE INVESTMENT CORPORATION AMENDMENTS ACT OF 1985

Mr. FASCELL, from the Committee on Foreign Affairs, submitted a privileged report (Rept. No. 99-285) on the bill (H.R. 3166) to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation.

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3166) to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation, as amended.

The Clerk read as follows:

H.R. 3166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Overseas Private Investment Corporation Amendments Act of 1985".

SEC. 2. REFERENCE TO THE ACT.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of the Foreign Assistance Act of 1961.

SEC. 3. CREATION, PURPOSE, AND POLICY.

(a) INCOME LEVELS IN LESS DEVELOPED COUNTRIES.—Section 231 (22 U.S.C. 2191) is amended in paragraph (2) of the second undesignated paragraph—

(1) by striking out "$680 or less in 1979 United States dollars" and inserting in lieu thereof "$896 or less in 1983 United States dollars"; and

(2) by striking out "$2,950 or more in 1979 United States dollars" and inserting in lieu thereof "$3,887 or more in 1983 United States dollars".

(b) PROTECTION OF HEALTH, SAFETY, AND THE ENVIRONMENT.—Section 231 is amended—

(1) in the second undesignated paragraph—

(A) in paragraph (1) by striking out "and" after the semicolon;

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (2) the following:

"(3) ensure that the project is consistent with the provisions of sections 118 and 119 of this Act relating to the environment and natural resources of, and biological diversity in, developing countries, and consistent with the intent of regulations issued pursuant to sections 118 and 119 of this Act.";

(2) in subsection (1) by striking out "and" after the semicolon;

(3) in subsection (m) by striking out the period at the end and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(n) to refuse to insure, reinsure, guarantee, or finance any investment in connection with a project which the Corporation determines will pose an unreasonable or major environmental, health, or safety hazard, or will result in the significant degradation of national parks or similar protected areas.".

SEC. 4. ADDITIONAL REQUIREMENTS.

(a) IN GENERAL.—Title IV of chapter 2 of part I is amended by inserting after section 231 the following new section:

"SEC. 231A. ADDITIONAL REQUIREMENTS.

"(a) WORKER RIGHTS.—The Corporation may insure, reinsure, guarantee, or finance a project only if the country in which the

project is to be undertaken is taking steps to adopt and implement laws that extend internationally recognized worker rights, as defined in section 502(a)(4) of the Trade Act of 1974 (19 U.S.C. 2462(a)(4)), to workers in that country (including any designated zone in that country). The Corporation shall, in making its determinations under the preceding sentence, use the reports submitted to the Congress pursuant to section 505(c) of the Trade Act of 1974 (19 U.S.C. 2465(c)). The restriction set forth in the first sentence of this subsection shall not apply until the first such report is submitted to the Congress.

"(b) PUBLIC HEARINGS.—The Board shall hold at least one public hearing each year in order to afford an opportunity for any person to present views as to whether the Corporation is carrying out its activities in accordance with section 231 and this section or whether any investment in a particular country should have been or should be extended insurance, reinsurance, guarantees, or financing under this title.".

(b) APPLICABILITY OF AMENDMENT.—Subsection (a) of section 231A, as added by subsection (a) of this section, shall not apply to projects insured, reinsured, guaranteed, or financed before the date of the enactment of this Act.

SEC. 5. INVESTMENT INSURANCE AND GUARANTIES.

(a) LOSS DUE TO BUSINESS INTERRUPTION.—Section 234(a) (22 U.S.C. 2194(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B) by striking out "and" after the semicolon;

(B) in subparagraph (C) by striking out the period and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(D) loss due to business interruption caused by any of the risks set forth in subparagraphs (A), (B), and (C).."; and

(2) in paragraph (4)—

(A) by striking out "civil strife insurance for the first time" and inserting in lieu thereof "insurance for the first time for loss due to business interruption";

(B) by striking out "definition of civil strife" and inserting in lieu thereof "definition of 'civil strife' or 'business interruption' "; and

(C) by inserting immediately before the period at the end of the paragraph the following: "and, in the case of insurance for loss due to business interruption, an explanation of the underwriting basis upon which the insurance is to be offered".

(b) MAXIMUM CONTINGENT LIABILITY FOR INVESTMENT GUARANTEES.—Section 234(b) is amended in the last proviso by striking out "10" and inserting in lieu thereof "15".

(c) POOLING AND RISK-SHARING AGREEMENTS.—Section 234(f)(2) is amended by striking out "other national" and all that follows through the end of the sentence and inserting in lieu thereof "multilateral insurance or financing agencies or groups of such agencies, notwithstanding the provisions of section 231 of this Act.".

SEC. 6. FACULTATIVE REINSURANCE PROGRAM.

Title IV of chapter 2 of part I is amended by inserting after section 234 the following new section:

"SEC. 234A. FACULTATIVE REINSURANCE PROGRAM.

"(a) ESTABLISHMENT.—In order to encourage greater availability of political risk insurance for eligible investors, the Corporation shall establish, not later than 1 year after the date of the enactment of the Overseas Private Investment Corporation Amendments Act of 1985, a pilot program of facultative reinsurance. The program shall provide reinsurance to insurance companies, financial institutions, other persons, or groups thereof, with respect to insurance issued by such companies, institutions, persons, or groups for new investments, and expansions of existing investments, by eligible investors, in excess of limits which the Corporation would otherwise normally apply for its exposure to such investments. The exposure of the Corporation under the facultative reinsurance program at any one time may not exceed $150,000,000 or, with respect to any one country, $50,000,000. Contracts of reinsurance issued under the program shall be on equitable terms. The program, and any project covered by reinsurance under the program, shall be consistent with the provisions of this title. The Corporation shall take steps to encourage equitable participation in the program by all eligible persons.

"(b) PERSONS ELIGIBLE FOR THE PROGRAM.—An insurance company, financial institution, or other person shall be eligible to participate in the facultative reinsurance program established under subsection (a) if that company, institution, or other person is an eligible investor under this title.

"(c) ADVISORY GROUP.—

"(1) ESTABLISHMENT.—The Corporation shall establish a group to advise the Corporation on the development and implementation of the program of facultative reinsurance under this section. The group shall be composed of 9 members as follows:

"(A) Three officers or employees of the Corporation designated by the Board.

"(B) Four persons appointed by the Board, who represent insurance and reinsurance companies, financial institutions, and other persons eligible for the facultative reinsurance program under this section, including insurance brokerage firms.

"(C) Two persons appointed by the Board from among persons who are eligible investors, other than persons described in subparagraph (B).

"(2) FUNCTIONS.—The advisory group shall advise the Corporation on the development and implementation of the facultative reinsurance program under this section, including ways to ensure equitable participation in the program by all eligible persons.

"(3) MEETINGS.—The advisory group shall meet not later than 180 days after the date of the enactment of the Overseas Private Investment Corporation Amendments Act of 1985, and not less than once in every 180-day period thereafter.

"(4) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The advisory group shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

"(e) REPORT TO THE CONGRESS.—The Corporation shall, not later than 18 months after the date of the enactment of the Overseas Private Investment Corporation Amendments Act of 1985, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the implementation of the facultative reinsurance program established under subsection (a).".

SEC. 7. EXTENSION OF ISSUING AUTHORITY.

Section 235(a)(5) (22 U.S.C. 2195(a)(5)) is amended by striking out "1985" and inserting in lieu thereof "1989".

SEC. 8. GENERAL PROVISIONS RELATING TO INSURANCE AND GUARANTY PROGRAM.

(a) COMPENSATION FOR LOSS DUE TO BUSINESS INTERRUPTION.—Section 237(f) (22 U.S.C. 2197) is amended in the first sentence—

(1) by striking out "and (2)" and inserting in lieu thereof "(2)"; and

(2) by inserting immediately before the period at the end of the sentence the following: ", and (3) compensation for loss due to business interruption may be computed on a basis to be determined by the Corporation which reflects amounts lost".

(b) NOTIFICATION OF COUNTRIES OF ENVIRONMENTAL RESTRICTIONS ON CERTAIN ACTIVITIES.—Section 237 is amended by adding at the end the following:

"(m)(1) Before finally providing insurance, reinsurance, guarantees, or financing under this title for any environmentally sensitive investment in connection with a project in a country, the Corporation shall notify appropriate government officials of that country of—

"(A) all guidelines and other standards adopted by the International Bank for Reconstruction and Development and any other international organization relating to the public health or safety or the environment which are applicable to the project; and

"(B) to the maximum extent practicable, any restriction under any law of the United States relating to public health or safety or the environment that would apply to the project if the project were undertaken in the United States.

The notification under the preceding sentence shall include a summary of the guidelines, standards, and restrictions referred to in subparagraphs (A) and (B), and may include any environmental impact statement, assessment, review, or study prepared with respect to the investment pursuant to section 239(g).

"(2) Before finally providing insurance, reinsurance, guarantees, or financing for any investment subject to paragraph (1), the Corporation shall take into account any comments it receives on the project involved.

"(3) On or before September 30, 1986, the Corporation shall notify appropriate government officials of a country of the guidelines, standards, and legal restrictions described in paragraph (1) that apply to any project in that country—

"(A) which the Corporation identifies as potentially posing major hazards to public health and safety or the environment; and

"(B) for which the Corporation provided insurance, reinsurance, guarantees, or financing under this title before the date of enactment of this subsection and which is in the Corporation's portfolio on that date.".

SEC. 9. GENERAL PROVISIONS AND POWERS.

"(a) AUDITS OF THE CORPORATION.—Section 239(c) (22 U.S.C. 2199(c)) is amended to read as follows:

"(c)(1) The Corporation shall be subject to the applicable provisions of chapter 91 of title 31, United States Code, except as otherwise provided in this title.

"(2) An independent certified public accountant shall perform a financial and compliance audit of the financial statements of the Corporation at least once every 3 years, in accordance with generally accepted Government auditing standards for a financial and compliance audit, as issued by the Comptroller General. The independent certified public accountant shall report the results of such audit to the Board. The financial statements of the Corporation shall be presented in accordance with generally accepted accounting principles. These finan-

cial statements and the report of the accountant shall be included in a report which contains, to the extent applicable, the information identified in section 9106 of title 31, United States Code, and which the Corporation shall submit to the Congress not later than 6½ months after the end of the last fiscal year covered by the audit. The General Accounting Office may review the audit conducted by the accountant and the report to the Congress in the manner and at such times as the General Accounting Office considers necessary.

"(3) In lieu of the financial and compliance audit required by paragraph (2), the General Accounting Office shall, if the Office considers it necessary or upon the request of the Congress, audit the financial statements of the Corporation in the manner provided in paragraph (2). The Corporation shall reimburse the General Accounting Office for the full cost of any audit conducted under this paragraph.

"(4) All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Corporation and the accountant who conducts the audit under paragraph (2), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office.".

(b) ENVIRONMENTAL IMPACT ASSESSMENTS.—Section 239(g) is amended to read as follows:

"(g) The requirements of section 118(c) of this Act relating to environmental impact statements and environmental assessments shall apply to any investment which the Corporation insures, reinsures, guarantees, or finances under this title in connection with a project in a country.".

(c) CORPORATION EXEMPT FROM TAXATION.—Section 239 is amended by adding at the end the following:

"(j) The Corporation, including its franchise, capital, reserves, surplus, advances, intangible property, and income, shall be exempt from all taxation at any time imposed by the United States, by any territory, dependency, or possession of the United States, or by any State, the District of Columbia, or any county, municipality, or local taxing authority.".

(d) REGULATIONS.—Section 239, as amended by subsection (c) of this section, is further amended by adding at the end the following:

"(k) The Corporation shall publish, and make available to applicants for insurance, reinsurance, guarantees, financing, or other assistance made available by the Corporation under this title, the policy guidelines of the Corporation relating to its programs.".

SEC. 10. EFFECTS OF OPIC ACTIVITIES ON EMPLOYMENT IN THE UNITED STATES.

Section 240A (22 U.S.C. 2200a) is amended—

(1) by inserting "(a)" immediately before "After" in the first sentence; and

(2) by adding at the end of the section the following new subsection:

"(b) Each report required by this section shall also describe the effects on employment in the United States of each project for which the Corporation has provided financial support, including—

"(b) Each report required by this section shall also describe the effects on employment in the United States of each project for which the Corporation has provided financial support, including—

"(1) the actual amount of United States exports purchased in carrying out the project,

"(2) the actual final destination of the products produced as a result of the project, and

"(3) the impact of such production on United States domestic production of similar products with regard to both domestic sales and exports.

Each report shall provide such a description with respect to any project for which the Corporation provided any insurance, reinsurance, guarantees, or other financing during the fiscal year for which the report is submitted or during any prior fiscal year, except that this subsection only applies with respect to projects for which financial support was provided after the date of enactment of this subsection.".

SEC. 11. RETURN OF APPROPRIATED FUNDS.

Section 240B (22 U.S.C. 2200b) is hereby repealed.

SEC. 12. FALSE ADVERTISING OR MISUSE OF THE NAME OF THE CORPORATION.

Section 709 of title 18, United States Code, is amended by inserting after the tenth paragraph the following:

"Whoever uses the words 'Overseas Private Investment', 'Overseas Private Investment Corporation', or 'OPIC', as part of the business or firm name of a person, corporation, partnership, business trust, association, or business entity; or".

SEC. 13. TECHNICAL AMENDMENTS.

(a) TECHNICAL AMENDMENTS RELATING TO FACULTATIVE REINSURANCE PROGRAM.—

(1) Section 235(d) (22 U.S.C. 2195(d)) is amended in the first sentence by striking out "or under similar predecessor guaranty authority" and inserting in lieu thereof ", under similar predecessor guaranty authority, or under section 234A".

(2) Section 237(f) (22 U.S.C. 2197(f)) is amended in the last sentence by inserting "or 234A" after "234".

(3) Section 240 (22 U.S.C. 2200) is amended in the last sentence by inserting "and section 234A" after "234".

(b) DEFINITION OF ELIGIBLE PERSON.—Clause (2) of section 238(c) (22 U.S.C. 2198(c)(2)) is amended by striking out "or any State or territory thereof" and inserting in lieu thereof ", any State or territory thereof, or the District of Columbia,".

(c) ADDITIONAL TECHNICAL AMENDMENTS.—

(1) Section 235(c) (22 U.S.C. 2195(c)) is amended—

(A) by striking out "section 235(d)" and inserting in lieu thereof "subsection (d) of this section";

(B) by striking out "section 234(e)" and inserting in lieu thereof "subsection (e) of this section"; and

(C) by striking out "section 235(f)" and inserting in lieu thereof "subsection (f) of this section".

(2) Section 235(d) is amended by striking out "section 235(f)" each place it appears and inserting in lieu thereof "subsection (f) of this section".

(d) REMOVAL OF REPORT REQUIREMENT.—Section 9 of the Overseas Private Investment Corporation Amendments Act of 1981 (Public Law 97-65) is amended—

(1) by striking out "(a)" after "SEC. 9"; and

(2) by striking out subsection (b).

The SPEAKER pro tempore. Is a second demanded?

Mr. ROTH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. ROTH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am bringing to the House today H.R. 3166, extending and revising the statutory authorities for the Overseas Private Investment Corporation. I offer this bill for the Committee on Foreign Affairs on behalf of our colleague DON BONKER, chairman of the Subcommittee on International Economic Policy and Trade, who when the bill was quickly scheduled for floor action today was unable to change his schedule in order to be here to manage the bill. I have attached at the end of my explanation of the bill the statement which he would have presented had he been here to manage the bill.

First, Mr. Speaker, I would like to commend the gentleman from Washington [Mr. BONKER] and the ranking minority member of his subcommittee, Mr. ROTH, for the excellent work they have done in drafting this legislation, and the other members of the subcommittee for their attention to this matter. Never do I recall an OPIC reauthorization moving so expeditiously and smoothly.

The Overseas Private Investment Corporation provides political risk insurance for U.S. investments in developing countries in order to encourage such investments as would assist in the economic development of those countries. OPIC also provides guarantees for loans to such investments, has a small direct financing program for such investments, and engages in investment promotion activities such as financing feasibility studies and investment survey missions. I cannot emphasize that the focus is on development, and has been since the initiation of the OPIC program.

To summarize the major provisions of the bill, it would:

Extend the authority for 4 years, through September 1989;

Update the country per capita income restrictions from 1979 to 1983 dollars;

Increase the maximum contingent liability for investment guaranties that may be issued to a single investor;

Encourage pooling and risk-sharing with multilateral agencies;

Specify that OPIC shall collect information regarding the U.S. employment and trade impact of each OPIC project and report the results to Congress;

Establish specific conditions on OPIC assistance relating to the protec-

tion of the environment, and public health and safety;

Place conditions on OPIC activities in countries with respect to workers rights—including the right of association, right to organize and bargain collectively, forced or compulsory labor, employment of children, and working conditions;

Provide authority to extend insurance for losses due to interruption of business; and

Establish a new pilot program of facultative reinsurance in order to encourage greater availability of private political risk insurance.

Mr. Speaker, OPIC both assists development in the Third World and helps promote U.S. exports. OPIC reports that over the last 3 fiscal years the 395 projects it has supported are projected to: generate more than 62,000 new jobs in the countries in which they are located, provide those countries with a net $1.1 billion balance-of-payments benefit, and supply nearly $380 million in tax revenues. At the same time, these projects are projected to utilize about $4.1 billion of U.S. equipment and supplies in their startup phase and in their first 5 years of operations to generate another $2.5 billion of U.S. procurement. This would translate into some 70,730 man-years of employment for American workers. The provision in the bill to require more explicit information regarding these trade and employment effects is intended to provide a more accurate verification of these calculations by OPIC.

Mr. Speaker, in the current world economic situation, in which the Third World debt problem has reduced the availability of commercial loans and made many developing countries more receptive to direct foreign investment, OPIC is likely to play an increasingly important role. The legislation before the House today supports U.S. development goals in the Third World and our trade and employment goals here at home. I urge its passage by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the chairman, the gentleman from Florida [Mr. FASCELL] for his fine remarks. I want to say that it is especially gratifying coming from indisputably the best full committee chairman we have in this body.

I would also like to commend the gentleman from Washington [Mr. BONKER] who could not be here today, for his leadership in the reauthorization of the Overseas Private Investment Corporation. OPIC has been a fundamental tool of the U.S. development objectives around the world. It is a well run organization that has returned every penny of U.S. taxpayers' dollars to the U.S. Treasury.

I want to repeat that. OPIC has returned every penny of U.S. dollars to the U.S. Treasury. The reason I want to underline that is that not too many other agencies can say that. OPIC receives no appropriations from Congress.

OPIC has helped create U.S. exports through its programs to assist joint ventures and export-generating investments overseas. To help the constituents in my district, Craig Nalen, President of OPIC, was a distinguished guest speaker at my Fourth Annual Exports Conference held in Green Bay last Friday. For many companies, undertaking a joint venture with a foreign company or government is the first step toward establishing a viable U.S. export program. And it is clear from the attendance at my conference—over 780 people—that progr ms such as OPIC offers are of vital interest to America's exporters.

The legislation before us today makes few changes to the existing operations of OPIC. In my judgment the most important provision of the bill now authorizes OPIC to offer insurance to companies that experience business interruption because of foreign exchange controls, expropriation, or civil strife. This would have protected many U.S. companies that were hurt severely during the Latin American debt crisis several years ago.

I urge my colleagues to support this bill.

Mr. BONKER. Mr. Speaker, H.R. 3166, the reauthorization legislation for the Overseas Private Investment Corporation [OPIC], is the product of extensive hearings and consideration before the Subcommittee on International Economic Policy and Trade, which I have the honor to chair. We have worked closely with the OPIC staff on this reauthorization legislation, and I believe we have a solid bill which the House should adopt.

I would like to point to several provisions in particular which in my view will improve OPIC's operations and which make this a bill worthy of our support:

OPIC's environmental mandate is strengthened in a manner which will assure that no projects which pose a significant threat to the environment, public health or safety will be assisted, and that the developing countries will be aware of environmental safeguards they can implement to reduce the chance of accidents;

OPIC's procedures for reviewing the potential negative impact of an investment on American jobs and on the U.S. trade balance are tightened and improved so that we are not assisting projects which could cut back jobs here at home or do further damage to our enormous trade deficit;

The bill requires OPIC to publish and make available to applicants the OPIC Board policy guidelines so that an applicant will be informed of the criteria that are used to judge the application as well as the procedure that will be used to review and approve or disapprove the application; and finally,

A pilot program of facultative reinsurance is created to expand the reinsurance capacity available to the American private political risk insurance industry. This is an important initiative and I look forward to working closely with OPIC to develop an effective facultative reinsurance program.

The Corporation has an impressive record of achievements over the past 4 years since the last reauthorization: it has become entirely self-sustaining and has issued record levels of political risk insurance—a total of $12.8 billion. The nearly 400 projects which OPIC has assisted during the last 4 years also bring desperately needed good news for our trade crisis: they are expected to generate some $5.5 billion in American exports in their first 5 years of operation. While there are still some areas where improvements can be made, the Corporation on balance should be commended for its outstanding performance.

H.R. 3166 was reported unanimously by the subcommittee; it was approved with overwhelming bipartisan support by the Committee on Foreign Affairs; and it enjoys the administration's support. I urge my colleagues to vote in favor of H.R. 3166.

Mr. BROOMFIELD. Mr. Speaker, I offer my support for the legislation before us which reauthorizes the activities of the Overseas Private Investment Corporation [OPIC]. Among other important changes, this legislation extends the activities of the Corporation. The bill also specifies that the Corporation report to Congress regarding the impact its projects have on U.S. trade and employment. Finally, the bill encourages greater availability of political risk insurance for eligible investors.

We all know that OPIC has shown itself to be an effective supplement to U.S. development assistance objectives. The Corporation has insured U.S. private investors against political risks; it has provided investment guarantees for financing eligible projects. It has facilitated American private investment in more than 100 friendly developing nations. This, in turn, has provided markets for U.S. exports and jobs for Americans.

As a Member of the Small Business Committee, I am pleased to say that 30 percent of the projects insured and financed by OPIC belong to small businesses.

We are all concerned about America's record trade deficit. This Corporation promotes U.S. foreign investments as a stimulus to American exports. U.S. investment in the Third World can assist developing nations in meeting their development objectives. It can also help our domestic economy through increased demand for our goods and services. We must keep in mind that the Third World is America's largest trading partner. Those underdeveloped nations now buy 40 percent of America's agricultural and manufactured exports.

I am encouraged by the fact that OPIC has become fully self-sustaining. In fact,

the Corporation returned to the U.S. Treasury the balance on its original startup appropriation. This year, OPIC continues to have record levels of activity in terms of insurance volume, finance projects, and income.

Across the board, OPIC's efforts have been successful. It has demonstrated solid growth and sound management. It has helped to promote the export of U.S. equipment and supplies. This has created new jobs for American workers.

I encourage my colleagues to join me in supporting this bill.

Mr. ROTH. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3166.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Forida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 3166, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXPRESSING SUPPORT OF CONGRESS FOR EARLY AND PEACEFUL RETURN OF DEMOCRATIC RULE IN CHILE

Mr. BARNES. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 192) expressing the support of the Congress for an early and peaceful return of democratic rule in Chile, as amended.

The Clerk read as follows:

H. CON. RES. 192

Whereas September 11, 1985, marked the twelfth anniversary of authoritarian rule in Chile:

Whereas General Pinochet has been unwilling to take concrete steps to prepare for a transition to democracy and has rejected civilian proposals on the grounds that the democratic opposition in Chile is not unified on a reasonable timetable for a transition;

Whereas on August 25, 1985, Cardinal Juan Francisco Fresno brought together 11 parties spanning the political spectrum to sign a National Accord for the Transition to Full Democracy in Chile;

Whereas the signatories to the Accord repudiate violence as a method of political action; and

Whereas these parties together with labor unions, professional organizations, and other groups who support the Accord, reflect the overwhelming support of the Chilean people for an early and peaceful return to civilian democratic rule: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress supports the efforts of democratic forces in Chile to achieve a peaceful return to democratic government, and expresses its view that the National Accord for the Transition to Full Democracy in Chile is an important first step toward that goal. Furthermore, the Congress encourages the Government of Chile and the signatories of the Accord to engage in direct dialogue as an important second step toward a return to democratic rule.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROTH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlgman from Maryland [Mr. BARNES] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. ROTH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution should be noncontroversial. It was unanimously approved by the Subcommittee on Western Hemisphere Affairs on September 11. And after several changes to accommodate the concerns of the ranking member of the subcommittee, Mr. LAGOMARSINO, it was unanimously approved by the full Foreign Affairs Committee on September 26. I am pleased that we have before us language which is supported by both sides of the aisle.

Mr. Speaker, for the first time in over a decade, parties from all political persuasions in Chile have come together, under the auspices of the Catholic Church, to sign an agreement laying out a timetable for an orderly transition to democracy. The National Accord addresses the issues that General Pinochet claims have prevented a return to democracy by: First, repudiating violence as a means of political action; second, recognizing the 1980 Constitution, although proposing amendments to it; and third, bringing all the democratic opposition together in a unified front. This is a very significant development when one considers that these rival parties have put the future of their country above their political differences.

The Reagan administration has credited the accord with "positive, pragmatic and forward-looking" proposals "which we hope will receive a constructive response from other Chilean leaders." Thus far, the response from General Pinochet has not been altogether promising.

Mr. Speaker, this resolution puts the U.S. Congress on record in support of democracy in Chile. I hope that we can unanimously cast our lot with the aspirations of the Chilean people for an early and peaceful democratic transition.

Mr. Speaker, I reserve the balance of my time.

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we have an opportunity to send our congratulations to the people of Chile. One month ago, 11 political parties in Chile joined in signing a national accord for the transition to full democracy in Chile. This action represents an important and constructive step toward a viable transition to democracy as called for by the Chilean Constitution of 1980. Most importantly, the signatories of the accord reject the use of violence as a means of political action. This is obviously an important prerequisite to meaningful discussions between the Pinochet government and opposition political parties—one that has been missing until now.

It is our hope in Congress that in the years ahead, we will witness a smooth, peaceful, and lasting transition from military to civilian rule in Chile. To do so includes a reconsideration of the political processes prescribed by the 1980 Constitution. We are hopeful that a strong political fabric can be weaved over the next few years wherein constructive steps are taken to bridge the democratic transition.

I would like to commend the gentleman from Maryland [Mr. BARNES] for bringing this resolution to the floor. I would like also to thank the gentleman for the efforts he has made to accommodate some of my concerns with the resolution he originally introduced. We, in Congress, send a message of good will to the Government and people of Chile in their quest for a peaceful transition to democracy.

Mr. BARNES. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I thank the gentleman from Maryland.

Mr. Speaker, I rise to strongly support this resolution and also to add my commendation to the gentleman from Maryland. As chairman of the subcommittee, he has devoted a great deal of time and attention to all matters in the Western Hemisphere. They are vital to us, of course, because they are closest to home.

There is a real struggle going on throughout the hemisphere with respect to choices that people have to make, not only in economic development, but politically. So I commend the gentleman from Maryland for bringing this resolution, which has bipartisan support and was reported unanimously by the Committee on Foreign Affairs. We should not under-

estimate what we are doing here by what some people might call a simple resolution. The fact is that the news out of Chile in terms of political development has been scant, if at all. An opportunity for the Congress of the United States, which I think rightfully is recognized as one of the premier democratic institutions in the world, to go on record supporting the efforts, fledgling as they may be, of political parties in Chile under the difficulties which exist for political participation in that country, is something that will receive considerable attention. We should not minimize in any way the impact that this resolution by the Congress of the United States will have in supporting and encouraging democratic process in Chile.

We are all hoping for the return of democratic institutions in Chile.

I urge my colleagues to join in support of this resolution.

Mr. BARNES. Mr. Speaker, I want to thank the distinguished chairman for his comments.

I urge a unanimous vote in favor of the resolution.

Mr. Speaker, I yield back the balance of my time.

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Mr. ROTH. Mr. Speaker, I have no further requests for time.

Just in response to our excellent chairman of the committee, the gentleman from Florida [Mr. FASCELL], I join in his remarks and I hope that in the future short months we have that we can have resolutions like this pertaining to Nicaragua and many of the other countries around the world, including in Central and South America.

Mr. BROOMFIELD. Mr. Speaker, September 11, 1985, marked the 12th anniversary of authoritarian rule in Chile. Gen. Augusto Pinochet continues to hold tightly to the reins of power while neighboring countries such as Argentina, Brazil, Uruguay, and Bolivia have successfully made the transition from authoritarian rule to democracy.

The United States must continue to clearly indicate its encouragement for a peaceful return to democratic rule in Chile. The resolution that we are considering today signals the strong support of Congress for such a process.

Eleven political parties spanning the entire spectrum of democratic political opposition in Chile recently signed a national accord for the transition to full democracy in Chile. The accord repudiates violence, calls for respect for basic human rights, and set forth important political, economic, and social objectives.

Chile has a long and rich democratic tradition, the revival of which is of tremendous importance to that country's future. The accord for the transition to full democracy in Chile is an important step in efforts to achieve this goal. The resolution we are considering today indicates the support of Congress for the accord and encourages the Government of Chile and the signatories of the accord to engage in direct dialogue as an important second step toward a return to democratic rule.

I urge my colleagues to support this resolution.

Mr. LAGOMARSINO. Mr. Speaker, I wish to commend the gentleman from Maryland, Mr. BARNES, the chairman of the Subcommittee on Western Hemisphere Affairs, for his efforts in bringing this resolution forward for our consideration. I also wish to express my appreciation for his sensitivity to the broad range of feelings on the subject of transition to democracy in Chile and United States policy toward that nation. He and his staff have worked closely and cooperatively with me and Congressman ROTH to fashion a resolution that can carry the broadest possible support in the House.

Although I would have crafted the resolution in a slightly different manner, I believe that it is imperative to have a broad consensus on the part of the House in expressing our interest in seeing progress on the transition to democracy in Chile.

Certainly the national accord on transition to democracy representing 11 political parties, including two which have considered themselves supportive of the Government in the past, is a significant accomplishment and one that deserves strong recognition and positive reinforcement.

The trend in South America over the past 5 years has been one of change from military dictatorship to democratic government. The examples of Argentina, Brazil, and Uruguay make Chile's absence from that list even more noticeable. I believe the agreement for a national accord is a useful step which can lead to a constructive dialog among the various parties and the Government. I hope the Government of Chile will respond in the same constructive manner as the parties who put forward the accord.

The initial reactions to the accord include the September 2 statement by the Government which stated in part:

We appreciate, as a positive element, a progress in the understanding of the circumstances the country is experiencing * * *. This better understanding becomes particularly clear from the fact that now the arguments have been formulated within the legal framework.

Also, the speech by President Pinochet on September 11 leaves some room for hope that he will not close the door on dialog and discussion with the signatories to the accord. As President Pinochet stated:

* * * The Government harbors the hope that those proposals will translate into concrete facts and well-defined attitudes, thus favoring the stability of our democracy.

I believe we in the Congress must express our clear interest in seeing that nothing is done to disrupt the movement toward democracy in Chile, and that every effort be made to facilitate a smooth, orderly transition to full democratic government. I view the national accord as a positive element in that process and I urge my colleagues to express their support for it as well.

Mr. ROTH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland [Mr. BARNES] that the House suspend the rules and agree to the resolution, House Concurrent Resolution 192.

The question was taken.

Mr. BARNES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. BARNES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

GRANTING ADDITIONAL POWERS TO BI-STATE DEVELOPMENT AGENCY BY STATES OF MISSOURI AND ILLINOIS

Mr. GLICKMAN. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 127), to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

The Clerk read as follows:

S.J. RES. 127

Whereas, the Congress in consenting to the compact between Missouri and Illinois creating the Bi-State Development Agency and the Bi-State Metropolitan District provided that no power shall be exercised by the Bi-State Agency under the provisions of article III of such compact until such power has been conferred upon the Bi-State Agency by the legislatures of the States to the compact and approved by an Act of Congress; and

Whereas, such States have now enacted certain legislation in order to confer certain additional powers on such Bi-State Development Agency; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the consent of the Congress is hereby given to the additional powers conferred on the Bi-State Development Agency by—

(1) Senate Bill 416, Laws of Missouri 1977; Public Act 80-377 (Senate Bill 179), Laws of Illinois 1977;

(2) Senate Bill 589, Laws of Missouri 1980; Public Act 81-589 (Senate Bill 23), Laws of Illinois 1979; Public Act 81-1419 (Senate Bill 1597), Laws of Illinois 1980; and

(3) Senate Bill 395, Laws of Missouri 1981; Public Act 82-950 (House Bill 2304), Laws of Illinois 1982.

(b) The powers conferred by the Acts consented to in subsection (a) shall be effective as of January 1, 1983.

SEC. 2. The provisions of the Act of August 31, 1950 (64 Stat. 568) shall apply to the additional powers approved under this joint resolution to the same extent as if such additional powers were conferred under the provisions of the compact consented to in such Act.

SEC. 3. The right to alter, aeend, or repead this joint resmlutign is expressly reserved.

SECs 4. The right is hereby reserved to the Congress to require the disclosure afd furnishing of such information or data by the Bi-State Development Agency as is deemed appropriate by the Congress.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Kansas [Mr. GLICKMAN] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. COBLE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 127 would grant the consent of Congress to a series of laws passed by Missouri and Illinois granting additional powers to the Missouri-Illinois Bi-State Development Agency. The additional powers authorize an increase in the ceiling on the agency's bonds to 14 percent, and authority to construct a resource recovery facility to salvage recyclable materials from waste and generate steam energy by burning waste.

On July 22, 1985, Senate joint resolution was the subject of a subcommittee hearing before the Subcommittee on Administrative Law and Governmental Relations. The Bi-State Development Agency of the Missouri-Illinois Metropolitan District is an interstate compact authority. The Bi-State Development Agency and the Bi-State Metropolitan District were established by an interstate compact approved August 31, 1950, with the enactment of Public Law 743 of the 81st Congress. Under the provisions of the 1950 act, additional powers conferred by the legislatures of two States must be approved by act of Congress. Senate Joint Resolution 127 would provide that consent to the additional powers provided by the State laws which are referred to in that joint resolution.

As was pointed out at the hearings, the joint resolution concerns authority on three basic subjects. The first concerns interest on Bi-State's bonds. The original compact set a ceiling of 6 percent on the interest payable in connection with Bi-State's bonds. Due to changes in the market, it has been necessary for Missouri and Illinois to pass legislation increasing that ceiling to 14 percent. Those States have also passed laws authorizing action to resolve long-range waste disposal problems in the metropolitan district. The committee has been advised that under that authority Bi-State proposes to construct a resource recovery facility which will salvage recyclable materials from the waste stream and generate steam energy by burning the remaining waste. Additional authority is provided for industrial parks, bridges, and tunnels.

The rationale for the change concerning the interest rate ceiling is clear since under current market conditions, Bi-State cannot raise any funds without authority to pay a competitive interest rate. With respect to potential Federal concerns surrounding the ratification of this State legislation concerning the proposed recovery facility, it is relevant to note that Congress has already given authority to States to enter compacts and establish agencies for mutual assistance in the management of waste through the enactment of the Resource Recovery Act of 1976.

It is recommended that the joint resolution be considered favorably.

Mr. COBLE. Mr. Speaker, I have no requests for time and I yield back the balance of my time.

Mr. GLICKMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kansas [Mr. GLICKMAN] that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 127).

The question was taken.

Mr. GLICKMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

COMMUNICATION FROM THE HONORABLE JACK RUSS, SERGEANT AT ARMS, U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 20, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Rule L(50) of the Rules of the House, I had notified you of the receipt of a subpoena issued by the United States District Court for the Western District of Tennessee. After consultation with the General Counsel to the Clerk of the House, I have determined that compliance with this subpoena is consistent with the privileges and precedents of the House of Representatives.

Sincerely,

JACK RUSS,
Sergeant at Arms.

IN CELEBRATION OF THE 20TH ANNIVERSARY OF THE NASA/ARMY JOINT COOPERATIVE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, as we approach the end of the 20th century, we must take note of the fact that the evolution of the airplane—from unwieldy combat biplanes of World War I to modern supersonic marvels exceeding mach 2—must be characterized as one of the most impressive feats of scientific ingenuity in the history of mankind. Thousands of man-hours have been expended by dedicated, highly motivated individuals in the lengthy technology development process from first principles of proof-of-concept to application. The overall thrust of these efforts is to advance those aeronautical technologies which are critical to maintain the preeminence of U.S. military and civilian aviation.

Recommendations were made in a November 1983 report to the President's Science Adviser by a committee of the Office of Science and Technology Policy. It stressed the need for a more comprehensive and aggressive vision for aeronautics with emphasis placed upon high return technology areas, as well as the reestablishment of an active flight research and experimental aircraft program. These views have received overwhelming endorsement by the Congress as well as the multitude of aeronautical advisory committees whose input is vital to the policymaking process.

An example of a major technological advancement in aeronautics is demonstrated by the tilt rotor concept and technology. Tilt rotor aircraft are those that operate as helicopters at low speeds and as fixed wing propeller driven aircraft at higher speeds. NASA and the Army have jointly conducted research which has led to the development of ground and flight measurement tools and techniques which provide a better understanding of rotorcraft noise and vibrations as well as systems and methods designed to reduce these undesirable phenomena.

NASA/Army activities planned for later this year and next include full-scale testing of main rotor/tail rotor/fuselage interference, flight tests of advanced tilt rotor blades, the first comprehensive rotor noise prediction analysis, and testing of both the light scout/attack/utility helicopter [LHX] and the joint services advanced verti-

cal lift aircraft [JVX]. The Department of Defense has targeted production of over 500 JVX aircraft with an initial operational capability in the early 1990's. Numerous civil applications are expected to follow the development of JVX technology.

While NASA/Army aeronautical research and technology programs are well coordinated at the working level, the Aeronautics and Astronautics Coordinating Board provides a senior level NASA/DOD forum for communicating technical requirements and exchanging information on current and future program directions. In addition, by means of a diverse range of formal and informal advisory panels comprised of experts from the aeronautics community, input on strategic and long range planning activities is also obtained. Many of their predictions have supported earlier assessments that significant revolutionary and revolutionary advances are definitely possible which could make technologically obsolete virtually all civil and military aircraft that are operational today. However, they also recognize that the range of exciting possibilities will far exceed the resources available for investment. Thus, the pace of technology advancements resulting in a new generation of military and civil subsonic transports and rotorcraft will be constrained by the resources available. Moreover, by recognizing that key elements of our national and economic security are linked to preeminence in aeronautics, careful planners know that resource integration and collaborative efforts such as those demonstrated by NASA and the Army over the last 20 years are crucial to the developments in technology required for superior U.S. civil and military aircraft.

I will attend a symposium commemorating the 20th anniversary of the NASA/Army Joint Cooperative Agreement on September 30, 1985, at the Ames Research Center, Moffett Field, CA. NASA's Ames Research Center and the U.S. Army aviation research and technology activity are sponsoring this event in recognition of their constructive association and collaboration since 1965. I commend the efforts of the NASA/Army team since that time for striving to maintain an aggressive and forward looking program of aeronautical research and development. This not only assures our ability to continue to pursue objectives relative to national security and economic well-being, but enables us to do so in a more cost effective way by pooling the skills and assets of two Federal agencies seeking new and exciting frontiers in the field of aviation.

COMMEMORATIVE COINS AND MEDALS FOR THE BICENTENNIAL OF TOE CONSTITUTION

T(E SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, in 1987 this Nation will celebrate the 200th anniversary of the U.S. Constitution. To mark this momentous bicentennial, I am introducing legislation calling for the minting of coins to commemorate the occasion and the striking of medals which the Federal Commission on the Bicentennial of the U.S. Constitution may sell to help fund it activities.

I am pleased that my colleague from Illinois, Mr. CRANE, and my colleague from Louisiana, Mrs. BOGGS, have joined with me as cosponsors of this legislation. Both have been appointed by the Speaker to represent this House on the Commission.

The bill calls for the minting of up to 1 million $5 gold coins and 10 million silver dollars in commemoration of the Bicentennial. The coins will be minted to historical specifications, with the gold coins containing 90 percent gold and containing just under a quarter ounce of pure gold. The silver coin will be 90 percent silver and contain over three quarters of an ounce of pure silver.

The coins will carry a surcharge that will be used solely to reduce the national debt. If all the coins are sold, we would raise $105 million. I think the Founding Fathers would be proud of this measure, because it is the kind of fiscal responsibility they practiced and engrained in those leaders who followed them. In the first 60 years under the Constitution, the U.S. Government had a surplus of $70 million.

This bill is a modest attempt to return to the example set by those who wrote the Constitution. The profits from the sale of the coins are not viewed as merely another source of revenue to be spent. Instead, it is a revenue measure that cannot be spent. We need to begin to restrict more revenue sources to debt reduction.

The legislation also calls for the striking of national medals for the Bicentennial Commission. These medals would be sold by the Commission to help fund its activities. This would reduce the need of the Commission to request appropriations. In addition, the legislation requires the Commission to pay the mint a 10-percent surcharge over the costs of striking the medals and to post adequate security to guarantee that the mint will be reimbursed for all its costs.

Under the rules of the Subcommittee on Consumer Affairs and Coinage, which I chair, the legislation must be sponsored by at least 218 Members of this House before it may be considered. This requirement assures that no coin or medal bill is considered unless it has broad support showing that the bill commemorates an event of significant national importance. I urge all Members to contact the subcommittee at extension 6-3280 to become cosponsors of this bill.

AN HONEST TRADE POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 30 minutes.

Mr. SLATTERY. Mr. Speaker, the President has just concluded another speech about foreign trade.

I applaud the decision—announced yesterday—to begin careful, coordinated intervention to bring down the value of the dollar.

This action is urgently needed and long overdue.

It represents an important and positive change in administration policy.

I also support new initiatives designed to promote American exports by eliminating unfair trade practices.

If today's speech signifies a new trade policy, that is also positive.

Unfortunately, even these changes are too little, too late, and too slow.

We face a crisis.

And today's speech does not address the fundamental causes of this crisis.

First, there is nothing to reduce budget deficits, the leading structural cause of high interest rates and the overvalued dollar.

Second, there is no serious effort to reform the international financial system.

What is happening is a slow-motion crisis: a trade crisis, a financial crisis, an international economic crisis that threatens the stability of the world financial system.

My neighbors in Kansas and people across the country are suffering from a trade deficit that rapidly approaches $150 billion.

Tensions are rising at home and around the world.

We are witnessing a worldwide spiral of protectionism.

There is a danger, a real danger, of a global trade war reminiscent of the 1930's.

Meanwhile, a tidal wave of debt—domestic and international, public and private—threatens chaos in financial markets.

Budget deficits are skyrocketing above $200 billion.

The national debt is climbing above $2 trillion.

For the first time since 1914, our country is a debtor nation.

We now owe the world more than the world owes us.

By the end of the year, we will be a $100 billion debtor.

By the end of the decade, our international debt will surpass $500 billion.

At home, consumer debt is over $500 billion, and rising fast.

The farm credit system faces potential disaster.

Farm debt is now above $200 billion. Some 100,000 highly leveraged farmers could go under this year.

The dollar is today overvalued by more than 30 percent.

This means a 30-percent advantage for foreign competitors. It means pain for Americans: pain on the farms of Kansas, the factories of Michigan, and the high technology firms of Silicon Valley.

The worldwide exchange rate system is a speculator's paradise.

Every day, some $150 billion are traded on foreign exchange markets. That's 40 times the dollar value of action on the New York Stock Exchange.

Mr. Speaker, we face a two-pronged crisis:

There is a trade crisis, caused largely by budget deficits, high interest rates, and the overvalued dollar.

There is a crisis of confidence and a lack of stability throughout the world economy.

The lessons of history are clear: Inaction is ineffective, and protectionism is self-destructive.

The answer—the only answer—is an honest trade policy that addressed both the domestic and international crises.

Any trade policy, to be serious and effective, must involve reducing budget deficits.

And any trade policy, to address the long-term, underlying problem, must include reform of the international financial system.

Therefore, I am today proposing two initiatives:

First, I am suggesting a major, bipartisan effort to reduce defects. I would propose that the President meet with the congressional leadership, and develop a sincere, honest and effective deficit reduction plan.

In line with this, I would propose that the President meet with Mr. Volcker, the Chairman of the Federal Reserve, to develop a looser monetary policy in concert with deficit reduction.

Second, I propose that the President offer to convene a new Bretton Woods Conference, to reform the international financial system, particularly exchange rates.

Mr. Speaker, the President's speech today falls short.

He told us more about what he wouldn't do than what he would do.

We are sailing into a hurricane, and he summoned us to man the rowboats.

We need a new trade policy, and the centerpiece must be lower budget deficits.

We should declare war against rising deficits, high interest rates, and the overvalued dollar.

It is easy to claim a profile in courage by attacking the Japanese.

It is much more difficult, but much more honest, to claim that courage by reducing budget deficits.

It is a copout, it is a delusion, to pretend we can solve our trade problems without addressing our budget problem.

It is wishful thinking: politically appealing, but intellectually dishonest and economically disastrous, to rely on the placebo of protectionism but neglect the real issues.

As Joe Louis said: "You can run, but you can't hide."

To be honest, to be effective, to show leadership, we must face the truth:

Revenue must be raised: by raising taxes for those who can afford it.

Spending must be cut: by cutting nonessential defense spending, by reducing cost-of-living increases for some entitlement programs.

Regarding deficits, too many politicians are selling the people short.

They are insulting the intelligence of voters, by suggesting that our people lack the courage and the will to support deficit reduction.

I believe our people are ready to march, if summoned by creative and courageous leaders.

I believe there is a wellspring of patriotism across this country.

I believe people will respond, and sacrifice, if sacrifice is fair and if the benefits of sacrifice are fairly distributed.

It is imperative for both parties to work together, to foresake short-term political advantage, to pursue the national interest.

It is imperative that we work together: to lower deficits, to reduce interest rates, to bring down the value of the dollar.

Intervention will not work unless those deficits are reduced.

Intervention can work if it's done alongside deficit reduction.

My second proposal is for a new Bretton Woods Conference.

The world financial system is moving toward chaos.

American leadership—and only American leadership—can reverse the drift toward financial instability and protectionism.

Some 40 years ago, during another crisis at another time, American leadership made a difference.

Through the Marshall plan, we rebuilt Europe.

Through the GATT, we fought for an open trading system.

Through the Bretton Woods, system, we stabilized international finance.

Never before in history had a great nation acted so wisely after prevailing in battle.

Never before had a great nation acted so generously, by defining its interest by promoting the common good.

The result was an unprecedented era of Western prosperity, achieved through American leadership.

Today we face another crisis, and once again, American leadership is urgently needed.

The Bretton Woods system—fixed exchange rates—was appropriate for the postwar world.

During the instability of the 1970's, there was valid reason to look toward a new system of greater flexibility.

In 1973, when the floating rate system was adopted, it looked as though a solution had been found.

But since then, flexibility has turned to instability; instability has turned to chaos.

The exchange rate system, today, is in disarray.

The international movement of money has accelerated dramatically.

New technologies link the financial markets of the world.

Communications heighten the emotional impact of individual events.

Speculation is rampant, and the intensity of exchange rate fluctuations has become alarming.

The time has come to reform the international financial system.

We do not need, and should not return to, a system of fixed rates.

But we cannot continue the present course: there is too much instability, and it is destabilizing trade and formating protectionist pressures.

The leaders of the industrial nations should work together, to devise a new system that allows the marketplace to influence exchange rates, but sets reasonable boundaries and reduces excessive speculation.

Mr. Speaker, the time has come for leadership.

Political leadership, to summon our people to meet the challenge of trade, to reduce deficits, to lower interest rates, to make the difficult, but inescapable decisions, that we avoided for far too long.

Diplomatic leadership, by the United States, to stabilize and stimulate the world economy.

It is time, once again, for our country to stand at the head of the Western alliance, to lead the way to reform, as we have done in the past.

If we have the courage, if we have the vision, at home and abroad, we can meet the challenge.

We can unleash the power of the American economy, in a promising new direction.

By showing courage, and leadership, and vision, there is nothing we cannot accomplish.

But we must be ready, willing, and able to make the difficult decisions, and face the difficult choices that lie before us.

□ 1230

I yield to my colleague from Kansas.

Mr. GLICKMAN. I want to compliment my colleague from my State of Kansas for his extraordinary remarks as well as his leadership on a variety of budget issues where he has shown a tremendous amount of courage as well

as foresight, and I think where the House and Senate will ultimately be going in the next few years.

I also want to compliment the gentleman on his two specific suggestions with respect to getting the forces of our Government together, the Chairman of the Federal Reserve System, and the President to try to work cooperatively on monetary issues plus a review of the Bretton Woods Agreement.

But I just want to follow up on one suggestion or two.

I looked at the President's speech this morning and the fact sheet.

It is interesting to note that the President spends a lot of time talking about what we are going to do now with respect to unfair trading practices put upon us by other countries. They list those in the fact sheet, things like, for example, Japanese restrictions on leather and footwear, European Economic Community canned fruit subsidies, Korean insurance policy barriers, Brazil's import restriction on microelectronic products and Japanese tobacco restrictions.

Now the fact of the matter is that this President has had 5 years with existing Federal legislation to deal with unfair trade practices from overseas, both tariff- and non-tariff-based, and he has chosen to do nothing. In the same way, there has not been much action with respect to deficit reduction; there has been very little action on the trade front on things that we could have done something about.

Just one example affecting our own State of Kansas. In the 1970's, we sold lots of airplanes—general aviation airplanes made in Wichita—to Brazil. Now that one market was an important market for us. As many as several hundred airplanes were sold in there in each of the last 2 or 3 years of the 1970's. In the 1980's, we have virtually sold no airplanes into that market; maybe a couple but not very many.

Well, why? Well, the "why" is because the Brazilians make their own airplane. It is called by many names, Embraer is the name of the company, and they make airplanes called the Bandeierante and others that compete with Cessna and Beech and Piper and Lear.

So here we have Brazil decided to protect their own markets back in the 1970's when we were selling several hundred a year into their markets, and, whammo, they decided to protect their markets and nothing gets into that market, absolutely nothing. Now what does the administration decide to do with this? Absolutely nothing. It is no different with respect to a lot of industrial products.

So I think you make a very good point, that we have had the power and the authority to deal with some of these issues and nothing has been done. I do not want the public of this country to look at these new actions that the President is taking and think that they alone are going to do anything unless we have the will to back them up both in terms of deficit reduction, in terms of fiscal-related issues in terms of exchange rate problems and in terms of not only talking tough on trade but acting responsibly and carrying through with our threats to people who in fact do restrict our access to their markets.

Now the gentleman has said many time, and I think this is an important point, that we have built this defense budget up mightily to maintain the strength of the United States but we have unilaterally disarmed on the deficit and we have unilaterally disarmed on trade. It is a question of will, it is a question of responsibility. We Democrats, we Republicans, we Americans do not want to be so protectionist that we cannot exist in a free world with respect to movement of products around, but neither do we want to be dummies or patsies, and that is what we have been in the last 5 years.

Let us hope that the President's remarks this morning are a new step to end what the rest of the world thinks of us in the trade area.

Mr. SLATTERY. I thank my colleague from Kansas for his remarks.

I think he really hits the nail on the head and points out some very important specific examples of the kind of inaction we have seen by this administration in terms of dealing with specific trade problems, in the aircraft industry. I would observe that yesterday, Martin Feldstein, the President's former Chairman of his Council of Economic Advisers, was on one of the Sunday news programs and during that program he took a very forceful position indicating that, in his judgment, the biggest problem we have in the international trade arena today is our domestic deficit. The reason he cited is simply some of the reasons I indicated in my remarks, that this huge deficit is driving up domestic interest rates and it is driving up the value of the dollar. Mr. Feldstein clearly indicated that the biggest problem we have with the trade deficit in this country is the problem with the overvalued dollar. If we can deal with the overvalued dollar, we can deal with our trade deficit problem.

We are not going to be able to solve our trade problems until we solve the overvalued dollar problem. I think Feldstein made that perfectly clear.

Again, this is the person who until very recently chaired the President's Council of Economic Advisers. I do not understand why this administration is so locked in, to continue to support and promote deficit spending. This is a fact that has been lost in this country. I do not think 1 percent of the American public understands that this year, this President asked this Congress to spend $972 billion. I do not think the American public understands that one of the big spenders in this town is down on Pennsylvania Avenue. The Congress in its budget resolution recently adopted to cut that spending to $967 billion, not near as far as it should have been cut, but at least it cut it below what the President requested.

Now if we are going to solve this domestic deficit problem, we have to have Presidential leadership. We have not had that. The longer I am around this body, the longer I serve in this Congress, the more convinced I become that without Presidential leadership, in a responsible way on the deficit, we are not going to be able to institutionally solve this problem.

I would just plead with the President to come forward and be honest with the American public and offer the Congress a plan to balance this budget. He is the chief executive of this country.

Every Governor in this country submits a balanced budget to the legislature. Why cannot this President submit to this Congress a plan to balance the budget by 1989 or 1990 at least?

I would submit that if he would do that, that is the most important thing we can do to address this trade problem at this particular time.

I yield to my colleague from Kansas.

Mr. GLICKMAN. I think the gentleman makes an interesting point. I think notwithstanding what we do with respect to the finance ministers of all of the major industrial countries in the world in terms of the exchange rate, that if, in fact, we do not get the underlying fundamentals together, this whole process is an enormous risk for us.

Mr. SLATTERY. No question about it.

Mr. GLICKMAN. The rest of the world may think they are going to lower the value of the dollar, but why are they doing that? Really, they are doing that because their underlying fundamentals are kind of weak and it could lead to a precipitous decline in the dollar unless people have confidence that we know what we are doing. They may not have that confidence now. I think the gentleman makes an excellent point about the underlying fundamentals have to be at the basis of getting this trade deficit problem corrected.

One other thing. I think that, and I know that a lot of my colleagues agree with me, I think the President is more interested in changing Government around than he is in getting that deficit down. He wants to starve the Government of revenues so that we will have to make a choice as to where we are going to spend that money and dramatically reduce spending.

Unfortunately, that choice is going to require us to cut back on the defense budget dramatically or cut back on Social Security and other entitlement programs dramatically, and I do not think that the majority of the American people want to make that choice.

So the President is not only risking the future of the economy on issues like exchange rate modifications without taking care of the underlying fundamentals, but he is risking a lot of the economy of this country on the fact that if push comes to shove, if we starve this Government of revenues, we will make the choice to cut massive cuts out of the defense budget and massive cuts out of the entitlement budget, which are not going to happen. I just do not think they are going to happen, not only from the political point of view but from a substantive point of view.

So, therefore, we are being led down a very, very tricky road. Again, it goes back to exactly the point the gentleman is saying, that unless we deal with the underlying fundamentals with fairly responsible fiscal planning, then all of these issues are going to go for nought.

Mr. SLATTERY. I thank the gentleman for his interest and his comments today.

And, again, I think to sort of sum up what we have said, No. 1, and the most important thing we can do is to get together a meeting with our own domestic political leadership and bring about dramatic deficit reduction and, second, I think in concert with this, we need to encourage the Federal Reserve system to expand the monetary supply, and in addition to that, we need to have the Bretton Woods Conference, and I think that with all of this going on at the same time, we can act responsibly and do the things that should be done to deal with this trade deficit problem in such a way as to avoid the kind of protectionist trade war that existed during the 1920's that many people argue precipitated the great financial collapse of 1929.

So, Mr. Chairman, I thank the chairman, and I yield back the balance of any time I may have.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BEVILL (at the request of Mr. WRIGHT), for this week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROWN of California) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of California, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PEASE, for 60 minutes, on October 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. COBLE) and to include extraneous matter:)

Mr. PORTER.

(The following Members (at the request of Mr. BROWN of California) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. RODINO.

Mr. PEPPER.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 43. Joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes; to the Committee on House Administration.

S.J. Res. 132. Joint resolution designating October 1985 as "National Head Injury Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 175. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National CPR Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 194. Joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 197. Joint resolution to designate the week of October 6, 1985, through October 13, 1985, as "National Housing Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GLICKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Tuesday, September 24, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2037. Under clause 2 of rule XXIV, a letter from the Director, Office of Legislative Affairs Agency for International Development, transmitting a justification for a change in the allocation of foreign assistance in Sudan, pursuant to 22 U.S.C. 2413(b), was taken from the Speaker's table and referred to the Committee on Foreign Affairs.

REPORT OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Mr. ROSTENKOWSKI: Committee on Ways and Means, H.R. 6. A bill to provide for the conservation and development of water and related resources and the imporvement and rehabilitation of the Nation's water resources infrastructure; with an amendment Rep. 99-251, Pt. 3). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 6. A bill to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure; with amendments Rep. 99-251, Pt. 4). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONKER: Committee on Foreign Affairs. H.R. 3166. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; with an amendment (Rept. 99-285). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2453. A bill to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal year 1985, 1986, and 1987 for commodity distribution; and for other purposes; with an amendment (Rept. 99-286). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. Report pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. 99-287). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN:

H.R. 3414. A bill to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through November 14, 1985; to the Committee on Post Office and Civil Service.

By Mr. ANNUNZIO (For himself, Mr. CRANE, and Mrs. BOGGS):

H.R. 3415. A bill to authorize the minting of coins and the striking of medals in commemoration of the bicentennial of the U.S. Constitution; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROOMFIELD:

H.R. 3416. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for a small business innovation research program to conduct research for innovative or experimental treatment technologies for use in the cleanup of Superfund sites; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, Science and Technology, and Small Business.

By Mr. JONES of North Carolina:

H.R. 3417. A bill amending the Outer Continental Shelf Lands Act to distribute revenues from, resolve claims associated with, and repeal section 8(g) of the OCSLA; to establish a new section 8(g) for coastal States impact assistance from nearshore tract leasing; to establish a marine mineral resource coastal States trust fund; and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. SMITH of New Hampshire:

H.R. 3418. A bill to amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980 to improve the participation of potentially responsible parties in the cleanup of abandoned hazardous waste sites; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. LENT:

H.J. Res. 396. Joint resolution to express opposition to the Environmental Protection Agency's proposal to increase fluoridation levels in drinking water; to the Committee on Energy and Commerce.

By Mr. SCHUMER (for himself, Mr. FRANK, Mr. GARCIA, Mr. FAUNTROY, Mr. LEVIN of Michigan, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. MANTON, Mr. VENTO, Mr. ROEMER, Mr. ERDREICH, Mr. TORRES, Ms. KAPTUR, and Mr. MITCHELL):

H. Res. 270. Resolution commending the Nation's financial institutions for recognizing the economic instability inherent in the system of apartheid, and urging them to continue calling in loans to South African borrowers as they come due; to the Committee on Banking, Finance and Urban Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 695: Mr. BEREUTER.

H.R. 1145: Mr. BURTON of Indiana.

H.R. 3073: Mr. BATES, Mrs. BENTLEY, Mr. PORTER, Mr. SAXTON, and Mr. WEISS.

H.R. 3099: Mr. HERTEL of Michigan and Mr. ROEMER.

H.R. 3230: Mr. ARMEY, Mr. LOWERY of California, Mr. SLAUGHTER, Mr. LIGHTFOOT, and Mr. WOLF.

H.R. 3298: Mr. PASHAYAN.

H.J. Res. 322: Mr. BATES, Mr. LUJAN, Mr. REID, Mr. SCHAEFER, and Mr. SYNAR.

H.J. Res. 350: Mr. MATSUI, Mr. MARKEY, Mr. HARTNETT, Mr. BARNARD, Mr. BIAGGI, Mr. LEVINE of California, Mr. SMITH of Florida, Mr. ANNUNZIO, Mr. LANTOS, Mr. ROWLAND of Georgia, Mr. PRICE, Mr. GALLO, Mr. SWINDALL, Mr. FLIPPO, Mr. KOSTMAYER, Mr. MOORHEAD, Mr. GRAY of Illinois, Mr. REID, Mr. DIOGUARDI, Mr. MRAZEK, Mr. FISH, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. BUSTAMANTE, Mr. PANETTA, Mrs. BURTON of California, Mrs. BENTLEY, Mr. HUGHES, Mr. MOLLOHAN, Mr. DANIEL, Mr. KOLTER, Mr. HENRY, Mr. ROWLAND of Connecticut, Mr. RINALDO, Mr. SCHEUER, Mr. ENGLISH, Mr. FEIGHAN, Mr. BATES, Mr. RANGEL, Mr. DYSON, Mr. SPRATT, Mr. LIGHTFOOT, Mr. FLORIO, Mr. MARTIN of New York, Mr. JONES of North Carolina, Mr. BLILEY, Mrs. JOHNSON, Mr. LATTA, Mrs. LLOYD, Mr. DENNY SMITH, Mr. WISE, Mr. CALLAHAN, Mr. RUDD, Mr. WAXMAN, Mr. NIELSON of Utah, Mr. MILLER of Washington, Mr. SCHUETTE, Mr. MAZZOLI, Mr. SOLOMON, Mr. YOUNG of Florida, Mr. CONTE, Mr. STALLINGS, Mr. BROOMFIELD, Mr. SNYDER, Mr. MACKAY, Mr. BEVILL, Mr. COLEMAN of Missouri, Mr. BONIOR of Michigan, Mr. GILMAN, Mr. FRANKLIN, and Mr. CHAPPIE.

H. Con. Res 190: Mr. STRANG.

PETITIONS, ETC.

Under clause 1 of rule XXII,

213. Under clause 1 of Rule XXII, the following petition and papers were presented, as follows: The Speaker presented a petition of the Board of County Commissioners, Shelby County, TN, relative to South Africa; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. PETRI:

—Page 525, after line 2, insert the following new title:

TITLE XXI—TOBACCO

SHORT TITLE

SEC. 2101. This title may be cited as the "Tobacco Deregulation Act of 1985".

REPEAL OF PROVISIONS OF LAW CONCERNING PRICE SUPPORT FOR TOBACCO

SEC. 2102. (a)(1) Section 101(a) of the Agricultural Act of 1949 (7 U.S.C. 1441(a)) is amended by striking out "tobacco (except as otherwise provided herein), corn," and inserting in lieu thereof "corn".

(2) Section 101(c) of such Act (7 U.S.C. 1441(c)) is repealed.

(3) Section 101(d)(3) of such Act (7 U.S.C. 1441(d)(3)) is amended—

(A) by striking out ", except tobacco,", and

(B) by striking out "and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;".

(b) Sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1455-1, 1445-2) are repealed.

(c) Section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)) is amended by striking out "tobacco,".

REPEAL OF PROVISIONS OF LAW CONCERNING TOBACCO ACREAGE ALLOTMENTS AND MARKETING QUOTAS

SEC. 2103. (a) Section 2 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1282) is amended by striking out "tobacco,".

(b) Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) in paragraph (3) by striking out subparagraph (C),

(2) in paragraph (6)(A) by striking out "tobacco,",

(3) in paragraph (7) by striking out "Tobacco (flue-cured), July 1-June 30; "Tobacco (other than flue-cured), October 1-September 30;",

(4) in paragraph (10) by striking out subparagraph (B),

(5) in paragraph (11)(B) by striking out "and tobacco",

(6) in paragraph (12) by striking out "tobacco,",

(7) in paragraph (14)—

(A) by striking out "(A)", and

(B) by striking out subparagraph (B),

(8) by striking out paragraph (15), and

(9) in paragraph (16) by striking out subparagraph (B).

(c) Section 303 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1303) is amended by striking out "rice, or tobacco," and inserting in lieu thereof "or rice,".

(d) Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is repealed.

(e) Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking out "tobacco,".

(f)(1) Section 371(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371(a)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(2) Section 371(b) of such Act (7 U.S.C. 1371(b)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(g)(1) Section 373(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373(a)) is amended—

(A) in the first sentence—

(i) by striking out "peanuts, or tobacco, and" and inserting in lieu thereof "or peanuts, and",

(ii) by striking out "peanuts, or tobacco from" and inserting in lieu thereof "or peanuts from", and

(iii) by striking out "all persons engaged in the business of redrying, prizing, or stemming tobacco for producers,", and

(B) in the last sentence by striking out "$500;" and all that follows through the end thereof and inserting in lieu thereof "$500.".

(2) Section 373(b) of such Act (7 U.S.C. 1373(b)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(h) Section 375(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1375(a)) is amended by striking out "peanuts, or tobacco" and inserting in lieu thereof "or peanuts".

(i) Section 378(f) of the Agricultural Adjustment Act of 1983 (7 U.S.C. 1378(f)) is repealed.

(j) The Act entitled "An Act relating to burley tobacco farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended", approved July 12, 1952 (7 U.S.C. 1315), is repealed.

(k) Section 4 of the Act entitled "An Act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes", approved April 16, 1965 (7 U.S.C. 1314c note), is repealed.

(l) Section 703 of the Food and Agriculture Act of 1965 (7 U.S.C 1316) is repealed.

EXCLUSION OF TOBACCO FROM CONCESSIONAL EXPORT SALES PROVISIONS OF PUBLIC LAW 480

SEC. 2104. The proviso to the first sentence on section 402 of the agricultural Trade Development and Assistantce Act of 1954 (7 U.S.C. 1732) is amended by striking out ", and for the purpose of title II of this Act," and inserting in lieu thereof "or".

PROHIBITION AGAINST COMMODITY CREDIT CORPORATION USING POWERS WITH RESPECT TO TOBACCO

SEC. 2105. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end the following new undesignated paragraph:

"Notwithstanding any other provision of law, the Corporation may not exercise any of the powers specified in this section or in any other provision of this Act with respect to tobacco.".

PROHIBITION AGAINST TOBACCO MARKETING ORDERS

SEC. 2106. Section 8c(2) of the Agricultural Adjustment Act (7 U.S.C. 608c(2)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by striking out "tobacco,".

(2) by inserting "tobacco," after "(B) any agricultural commodity (except honey,", and

(3) by adding at the end the following new sentence: "Notwithstanding any other provision of law, no order concerning tobacco may be issued or enforced under this Act.".

WITHDRAWAL OF CONSENT RELATING TO COMPACTS AMONG STATES FOR REGULATING TOBACCO PRODUCTION AND COMMERCE

SEC. 2107. (a) The Act entitled "An Act relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes", approved April 25, 1936 (7 U.S.C. 515 et seq.), commonly known as the Tobacco Control Act, is repealed.

(b) The Congress hereby withdraws its consent to any compact or agreement entered into under the Act referred to in subsection (a).

TRANSITION

SEC. 2108. The Secretary of Agriculture shall administer resources and programs otherwise available to the Department of Agriculture under law, consistent with the purposes for which those resources and programs are so available, so as to assist to the extent practicable farmers and others affected by the changes in law made by this title in adjusting to those changes.

EFFECTIVE DATES

SEC. 2109. (a) The amendments made by sections 2102 through 2106 shall apply with respect to the 1986 and subsequent crops of tobacco.

(b) Section 2107 shall take effect January 1, 1986.

(c) Section 2108 shall take effect on the date of the enactment of this title.

—Page 525, after line 2, insert the following new title:

TITLE XXI—TOBACCO

RESTRICTION OF TOBACCO PROGRAM TO ACTUAL GROWERS

SEC. 2101. Section 312(c) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1312(c)) is amended by inserting after the first sentence the following: "A farmer shall not be considered as engaged in the production of the crop of tobacco for the purposes of this subsection unless such farmer actually operates the farm on which such production takes place.".

—In the table of contents in section 2 of the bill, add at the end the following:

TITLE XXI—TOBACCO

Sec. 2101. Short title.
Sec. 2102. Repeal of provisions of law concerning price support for tobacco.
Sec. 2103. Repeal of provisions of law concerning tobacco acreage allotments and marketing quotas.
Sec. 2104. Exclusion of tobacco from concessional export sales provisions of Public Law 480.
Sec. 2105. Prohibition against Commodity Credit Corporation using powers with respect to tobacco.
Sec. 2106. Prohibition against tobacco marketing orders.
Sec. 2107. Withdrawal of consent to compacts among States for regulating tobacco production and commerce.
Sec. 2108. Transition.
Sec. 2109. Effective dates.

—In the table of contents in section 2 of the bill, add at the end the following:

TITLE XXI—TOBACCO

Sec. 2101. Restriction of Tobacco Program to Actual Growers.

SENATE—*Monday, September 23, 1985*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

I will praise thee, O Lord, among the people: I will sing unto thee among the nations. For thy mercy is great unto the heavens, and thy truth unto the clouds. Be thou exalted, O God, above the heavens; let thy glory be above all the earth.—Psalm 57:9-11.

Eternal God, Who art omnipresent—everywhere at once, filling all space and beyond—omniscient, Who knoweth all things, past, present, and future—omnipotent—Who has all power in Heaven and on Earth—immutable—Who changes never, the same yesterday, today and forever. We worship Thee, we magnify Thee, we adore Thee, we praise Thee. Be glorified in this place today. Thy will be done on Earth as in Heaven. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. SIMPSON. I thank the President pro tempore.

SCHEDULE

Mr. SIMPSON. Mr. President, this morning, after the convening there will be time for the two leaders under the standing order of 10 minutes each. We have a special order not to exceed 15 minutes for Senator PROXMIRE. We will then have routine morning business not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for not more than 10 minutes each.

Following routine morning business, the Senate will then resume consideration of S. 51, the Superfund bill. Under the previous orders and understandings, there will be no rollcall votes during Monday's session, but indeed we will be processing the Superfund legislation and amendments this afternoon of Senator ROTH and others.

THANKS TO SENATOR MITCHELL

Let me at this moment pay my regard and respect to Senator MITCHELL, who, as comanager of the bill with Senator STAFFORD, both of them doing an able job, was willing to withhold an amendment of his out of personal deference to me in meeting a situation Friday afternoon that I could not decline. I deeply appreciate Senator MITCHELL and his accommodation of me. It was a little bit above and beyond the call, and I thank him.

THE IMMIGRATION BILL

Then, I might just relate within the time of the leader that I personally am most appreciative of the courtesies of my colleagues on both sides of the aisle with regard to processing of S. 1200, the immigration measure. In a long period of 7 days, or portions thereof, the Senate, I might inform the body, consumed 36 hours and 12 minutes on that measure, with 16 rollcall votes, 39 amendments and motions considered, and 24 of those amendments were agreed to, 1 rejected, 6 tabled, 4 withdrawn, and 4 not acted upon.

I wish to thank my colleagues for turning their attention to that matter in the midst of a very full national agenda and I appreciate that. I think that is one of the things that needed to be addressed. We did address it. I thank you. I believe Members would be interested in the time expended on that measure.

RESERVATION OF MINORITY LEADER'S TIME

On behalf of the Democratic leader, I ask unanimous consent to reserve the full amount of his time and reserve the balance of the leadership time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

PERLE IS WRONG—THE NUCLEAR ARMS RACE RUSHES ON

Mr. PROXMIRE. Mr. President, on June 29 of this year, Assistant Secretary of Defense Richard Perle spoke at a conference on nuclear proliferation at Geneva. Mr. Perle argued that the public generally believes the United States and the Soviet Union are engaged in a nuclear arms race. "And," said Secretary Perle, "the facts are significantly different." To hear Perle tell it, the United States has been busily engaged in unilateral nuclear disarmament for the past 20 years while the Soviet Union has been roaring ahead with a massive nuclear buildup.

Can this be true? The answer is a sure and obvious "No." Secretary Perle summons some fancy figures to make his case. First, he says the United States has 8,000 fewer nuclear weapons deployed around the world in 1985 than we had in 1967. Second, we have agreed with our NATO allies to reduce our European-based nuclear weapons by an additional 1,400. Now doesn't that sound impressive?

But what does "nuclear weapon" mean? And what does "deployed around the world" mean? Obviously, if we withdraw 8,000 or 10,000 small, "land-mine" type tactical nuclear weapons from Europe by itself that fact means very little. We may at the same time deploy an equal or greater nuclear capability by submarine or bomber. We may regard the European deployment as "deployed around the world." We may consider the U.S. submarines and bombers as not so deployed. Perle can take this position. If as much of our nuclear deterrent is deployed at sea or in the air and most of the rest of it is based in the United States—this deployment may not be considered as "around the world." And yet it is specifically deployed to give our country the capacity to deliver a devastating nuclear payload on the Soviet Union under any conceivable circumstances.

Perle further says "the megatonnage of this diminished American force is barely one-quarter of what it was in the late 1960's." Apparently Perle is referring to the American nuclear force in Europe. What does this mean? Does it mean this country has unilaterly without any quid pro quo from the U.S.S.R. cut the megatonnage of its nuclear forces in Europe without any counterbalancing of this lost nuclear capability elsewhere? Is there any informed person in the entire world who will believe that? Has this Congress been appropriating tens of billions of dollars for nuclear arms deterrence every year for the past 20 years while the Defense Department has found some mysterious way to cut our nuclear deterrence on our front-line—facing our great adversary in Europe by three quarters. If this is the case, some heads should roll including that of Richard Perle, known far and

wide as the resident military genius of our nuclear deterrent strategy against the Soviet Union.

So what really has happened? Did we deliberately reduce our nuclear megatonnage deployed in Europe because we could more surely deliver it on target, not from stationary, land-based European deployments but from mobile, underwater, and airborne bases? Or have we unilaterally—without negotiations with the U.S.S.R.—opted out of the nuclear arms race with the Soviet Union? Perle goes on in his statement to charge that while the United States is engaging in nuclear arms reduction, the Soviets are building up: He says "by contrast, we have seen in recent years consistent additions to Soviet nuclear forces: 8,000 new strategic warheads alone since 1969, when the SALT I negotiations got underway, 4,000 of which have been added since 1979 when the SALT II Treaty was signed." So what is Perle saying? He is saying that the Russians are rushing pellmell ahead piling up a super nuclear arsenal while the United States reduces its nuclear power. Can this be true? Of course not. Mr. Perle started his statement by setting out to demolish what he describes as a myth—a fiction—that the two superpowers are engaged in a nuclear arms race. As it turns out the myth is a grim but sure reality. This is without question a two-sided, mutual arms race, the most terribly dangerous arms race in human history, by far. It is a race which humanity throughout the world can only lose. In terms of survivable nuclear power capable of delivery on the adversary the increasing billions of dollars the United States devotes every year as the years go on to nuclear weaponry has given the United States a measurable advantage in this no-win race. The U.S. Under Secretary of Defense reported to the Congress this year that the United States has the technological lead in 15 of the 20 most important areas of military technology. In five the superpowers have about the same capacity. The Soviets lead in none, zero, zip. They do not have more land-based ICBM nuclear warheads and megatonnage. We have far more submarine- and bomber-based nuclear capability. The two superpowers now have about the same number of strategic warheads. Let me repeat that. We have the same number of strategic warheads. But the Soviets are deployed in a far more vulnerable mode. The U.S. deterrent is largely invulnerable. Both superpowers have the capacity to blow the other to kingdom come not once, but several times over, and the arms race—Perle to the contrary notwithstanding—goes on and on. If not, what happens to the $45 billion we authorized for nuke weapons for this year? Is this for ashtrays and toilet seats?

Mr. President, I ask unanimous consent that the excerpt from the speech by Mr. Perle to which I have referred be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NOTABLE AND QUOTABLE

Richard Perle, assistant secretary of defense, at the Groupe de Bellerive conference on nuclear proliferation in Geneva on June 29:

Ladies and gentlemen, we in this room, and most of the world, accept an image of the strategic relationship between the United States and Soviet Union that is characterized by a spiraling arms race. And yet the facts are significantly different. The United States has today, deployed around the world, some 8,000 fewer nuclear weapons than we had deployed in 1967. And as Sen. Stevens indicated earlier, the megatonnage of this diminished American force is barely one-quarter of what it was in the late 1960s. Moreover, the western alliance agreed, at a meeting in Canada a little over a year ago, to reduce further, by 1,400 weapons, the number of our nuclear weapons deployed in Europe. By contrast, we have seen in recent years consistent additions to Soviet nuclear forces: 8,000 new strategic warheads alone since 1969, when the SALT I negotiations got under way, 4,000 of which have been added since 1979 when the SALT II treaty was signed.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, has this administration really come down hard on waste, fraud, and abuse in the Defense Department? Administration officials not only say "yes" but also sound like a Greek chorus: "We've done more. . . . We uncovered that. We're after the contractors."

Yet the administration's own figures for successful prosecutions demonstrate that these assertions constitute a myth. During the first 6 months of 1985, the administration conducted 1,882 successful prosecutions for waste, fraud, and abuse. How many were in the defense area—344 or a measly 18 percent. That is pitiful.

Who put out these figures? Some antiadministration, antidefense interest group? Not on your life. They were issued by the President's own Council on Integrity and Efficiency.

If these data on prosecutions are compared to agency budgets for the first 6 months of 1985, you get a good idea of where the administration is really cracking down.

In Defense, the administration got one conviction for every $367 million spent.

But in the Labor Department, it got one for every $37 million spent.

In other words, you were about 10 times as likely to be convicted for defrauding the Labor Department as for doing the same thing to Defense. This comparison rests on the assumption that the overall level of fraud, per dollar spent, is about the same between the two Departments.

Is this a good assumption? I believe it is and, if anything, is biased in favor of Defense. Defense contractors are not inherently more law abiding than those dealing with Labor. They are just not as likely to be caught.

How do the other departments fare? In Agriculture, the administration got one conviction for every $115 million spent, in Education, one for every $112 million. Even at Health and Human Services, where the large Social Security trust fund distorts the data, they got one conviction for every $290 million spent.

Mr. President, these figures show that the administration's claims about rooting out fraud in the Defense Department are mythical. A General Dynamics beats the rap, or never gets caught, while some poor schnook who cheats on unemployment gets caught and punished. Come on, Mr. Attorney General, go after the big boys as hard as you do the little guys.

THE GREAT UKRAINIAN FAMINE OF 1932-33

Mr. PROXMIRE. Mr President, much attention has been given to the African famine, which is currently devastating large tracts of that continent. Over population, misguided agricultural policies and war have played significant roles in the tragedy; the drought itself was a mere catalyst to the disaster, breaking the fragile hold which the people had on existence.

The African famine has been an unintentional disaster, following the historical characteristics of famine, where a population suddenly loses its food supplies through war or natural disasters such as drought or disease. There are a few exceptions to this general pattern, perhaps the most dramatic being the Great Ukrainian Famine of 1932-33. Unlike the African famine, the Great Ukrainian Famine was the sole result of harsh political policies, more savage than the worst of droughts.

The Great Ukrainian Famine was created by Stalin in his impatient rush to collectivize agriculture and subdue the strong nationalism of the Ukrainian peasantry. Stalin broke up the existing social order of the peasants, shooting and deporting landowners and creating a new heirarchy based on party loyalty. Many villagers exacerbated the growing crisis by killing off their livestock to protest collectivization. As grain supplies decreased, Stalin requisitioned and confiscated an increasing amount of grain.

The chaos produced by the disruption of Ukraine society was exactly what Stalin sought. Experts estimate that between 4.5 million to 7 million Ukrainians died of starvation. Those who tried to flee were turned back at the border by Soviet patrols. The

spirit of the Ukrainian people was crushed.

Mr. President, I have spoken many times on the horrors of genocide, citing example after example of the attempted destruction of peoples and cultures around the world. The Great Ukrainian Famine of 1932-33 is another dramatic component of this gruesome catalog. Just as we have responded to the Ethiopian Famine in an effort to relieve human suffering we must also respond to those, like Stalin, who would intentionally inflict such conditions of their people. Let us assume this moral responsibility by ratifying the Genocide Treaty.

ACTION MUST BE TAKEN TO SAVE DOMESTIC MACHINE TOOL INDUSTRY

Mr. PROXMIRE. Mr. President, this Senator is a cosponsor of the bill of Senator GRASSLEY—the present Presiding Officer—which would require the President to act expeditiously on the 18-month-old recommendation by Commerce Secretary Malcolm Baldrige that machine tool imports do indeed threaten the national security and that trade protection for the critical domestic machine tool industry is justified.

Secretary Baldrige made his recommendation after an 11-month review of the facts involving a machine tool industry petition for import relief under the threat to national security provision of our trade laws.

It seems incomprehensible to me that an industry clearly reeling from import penetration and essential to our Nation's ability to defend itself during any protracted conflict is being permitted to twist slowly in the wind.

Secretary Baldrige's February 28, 1984, recommendation to limit machine tool imports for a short period of time would permit our domestic producers to continue and even accelerate their rebuilding and modernization program. In spite of severe financial difficulties the U.S. machine toolmakers are currently spending heavily on lasers, computer software and other advanced technology, to overtake and surpass foreign competitors.

The Secretary's conclusion makes sense in light of the following facts: Three years ago there were more than 700 companies engaged in the machine tool industry. Today, we have less than 500.

Five years ago, the machine toolmakers could boast of backlogs of more than $5 billion in unfilled orders. Today, after 2½ years of national economic recovery, unfilled orders remain below $2 billion.

In both 1983 and 1984, the total industry actually lost money and today continues to suffer from a serious cash-flow crisis.

Just 2 years ago the value of imports was 27½ percent of total U.S. consumption. Today, it is over 40 percent and continues to rise rapidly. What is even more frightening is the most vulnerable domestic markets involve machine tools which are essential for our Nation's "high tech" defense and innovative production needs.

Since the late 1970's, employment has declined by 40 percent in this essential industry.

Mr. President, it is certainly clear that if something isn't done immediately to preserve the remains of our domestic machine tool industry, we will become dependent on possibly unreliable foreign suppliers to provide us with the wherewithal to meet future national defense emergencies.

It is ironic that we strive to keep critical defense technology out of the hands of the Soviet Union, yet allow a withering of our domestic base for frontier machine tool technology, which is itself irreplaceable in the development of modern military systems.

It is precisely for these reasons that I joined my colleagues in the Wisconsin delegation back in June 1983 in writing Commerce Secretary Malcolm Baldrige expressing strong concerns that imports were injuring the health of the U.S. machine tool industry.

Mr. President, I have always been a supporter of free trade. But the issue addressed in this legislation, and in the future health and stability of the machine tool industry involves American security.

The bill I am pleased to cosponsor today does not tell the President what to do but requires that he at least make a decision on future petitions involving restraining imports if national security is threatened within 90 days.

Since the current machine tool recommendations have sat on the President's desk for so long, this bill would require him to immediately move to institute the Secretary's findings and recommendations. This seems eminently reasonable to me. With the uncertainty generated by no presidential action in a year and one-half, some companies have decided to close down their machine tool operations, while others are transferring what remains of their operations offshore.

Mr. President, this unmistakable and frightening erosion of the very core of this nation's productive and defense capacity cannot continue. I call upon the President to act now in approving the recommendations by Secretary Baldrige to grant relief to the hard-pressed machine tool industry, and I welcome this opportunity to cosponsor legislation which would require the President to act in a reasonable amount of time on other national security petitions which arise under our trade laws.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed beyond the hour of 1 p.m., with statements therein limited to 10 minutes each.

SENATOR ROCKEFELLER'S TRADE ADDRESS

Mr. BYRD. Mr. President, we have heard a great deal of talk over the past several weeks about the trade crisis. The President's press conference on Tuesday, September 17, featured questions on trade. It is appropriate that this issue is generating a great deal of publicity and concern.

In West Virginia, we are acutely aware of the importance of trade, because of its impact on jobs and the economy of our State. West Virginia industry has suffered disproportionately from imports of steel, footwear, ferroalloys and other products. At the same time, West Virginia exports—coal, chemical products and others—have been burdened with an overvalued dollar.

I have mentioned before that the Department of Commerce ranks West Virginia as third among all the States in the percentage of its manufactured goods which go to export. About 16,000 West Virginia manufacturing jobs—roughly 1 in 7—depend upon exports. Thus, a trade deficit that could exceed $150 billion this year places a disproportional burden on the economy of West Virginia.

On Saturday, September 14, my friend and colleague from West Virginia, Senator JAY ROCKEFELLER, gave the Democratic response to the President's radio address on trade. Senator ROCKEFELLER is no newcomer to this issue. As Governor of West Virginia, JAY ROCKEFELLER joined with me to begin a program to expand West Virginia's export potential. His insights on the trade dilemma are straight forward and thought provoking. I recommend them to my colleagues, and I ask unanimous consent that they appear in the RECORD.

There being no objection, the response was ordered to be printed in the RECORD, as follows:

THE DEMOCRATIC RESPONSE TO THE PRESIDENT'S RADIO MESSAGE

(Senator John D. Rockefeller IV)

I'm Jay Rockefeller, Senator from West Virginia.

If you listened to the President today, you got the idea that the only people in trouble these days are farmers. It's true that farmers are suffering. They aren't the only ones.

You've heard a lot of talk about trade lately—and for a very good reason. Millions of American jobs are at stake. The health of vital industries from steel to semi-conductors is in deep jeopardy.

The President described our economy in glowing terms. But the real test of how this country is doing economically is our trade picture. And in that test, we are failing, and badly.

What does it mean to be running up a trade deficit approaching $150 billion?

It means that every week, America is spending $3 billion more buying things from abroad than it does selling American products to other countries.

It means that in the last five years, our steel industry has lost 40 per cent of its jobs.

It means that some of our best companies are moving jobs abroad, because they can't afford to manufacture here at home in America.

How do we respond to this challenge?

One way is to pretend that we don't have a problem. That's what the Reagan Administration has done. The President only tells you good economic news; his Administration refuses to acknowledge the damage caused by the budget deficit and the trade deficit. They see neither the pain of West Virginia's unemployed coal miners nor the growing problems for California's high tech firms.

Another way is to blame Japan. That's fashionable—and it makes us feel good. It's true that Japan has not played by the rules of free trade. They've closed their markets to our goods while benefiting from our open door. But if Japan is the only problem, why is it that we also run up trade deficits with France, Canada, Korea, Brazil, and so many other countries?

In my judgement, we must recognize that the world has changed a great deal, but we haven't changed with it. The policies we followed; the ways we did business; the habits we developed in the '50s and '60s when we dominated international trade are simply no longer good enough.

The solutions aren't easy, but this much is certain: we can't ignore our problems, or hide behind our borders, or only blame other countries. We in America need to regain our competitive edge in world trade. And the Democratic party believes this country has the talent and the will to do it.

The first step is economic. Unless we reduce the federal deficit and bring down interest rates, the overvalued dollar will make it impossible for our companies to compete—under any circumstances.

Next: we need to stand up to unfair trade practices, and make other countries open their markets to our products. Would any other country stand by—as we have in America—while imports doubled in industry after industry, wiping out millions of jobs? Of course, they would not—and we should not.

The President has spoken often of the dangers of protectionism. But his alternative is neglect. Democrats believe that temporary trade relief should be available to industries in trouble, but in exchange for commitments by management and workers to modernize and adjust so as to produce a more competitive industry. Our industries would know that the government will give them the breathing time and space to revitalize, but the public would know that the industries were doing their part as well.

But to truly secure our competitive position, we need to go beyond economic and trade policy, even as important as they are.

Today, because of longer school days and a longer school year, the Japanese child who completes high school has actually spent four more years in the classroom than an American child. We are selling our kids—and their future—short. Nothing in my judgement, is more important than improving our educational system.

We need to aggressively and intelligently retrain many of our workers—especially our displaced workers—and help them find new jobs.

In this new competitive era, American labor and American management—whether they know it or not—have no choice but to find ways of cooperating and working together for their mutual benefit. Japan has demonstrated—and we've begun to confirm it here in America—that flexibility in the work place and shared decision-making can increase productivity and job satisfaction.

We need to drastically strengthen our research and step up our development of technology. And in doifg so, we should recognize that other countries are also doifg pioneerifg research as well. In other words, one habit we must discard is thinkifg that we have nothing to learn from anyone else.

There is a cost to rebuilding our competitive positign. But it is a small cost compared to the price that we pay for closed factories, unemployed workers, and schools that don't produce the engineers, the scientists, and the computer experts that America needs for the future.

And to be competitive again—and to make this work—we'll need to pull together as a nation. We have to restore the sense of cooperation and national purpose that has marked all of our country's greatest endeavors.

Thank you for listening.

TWENTIETH ANNIVERSARY OF THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES

Mr. PELL. Mr. President, it is with a great sense of pride and satisfaction that I call the attention of my colleagues to a very important anniversary being observed this week all across the Nation. It is the 20th birthday of our twin cultural agencies, the National Endowments for the Arts and Humanities which were first established in 1965. I had the honor and privilege of being the author and chief Senate sponsor of their enabling legislation.

The year 1965 marked a significant turning point in our Government's recognition of the importance of the cultural life of our Nation. It was the first time in our history that a major Federal program was enacted to support the arts and humanities across this country. It was, in fact, the humanities which gave the most strength and political viability to my legislation.

Humanities leaders had a breadth of vision and a sense of commitment that was less apparent in the more contentious and less well-organized fields of the arts. They also had a constituency, a network of State and private universities which gave them added political clout. As strange as it seems now, the arts then were considered more frivolous and unpredictable and, except to a few of us, as having no central importance to our daily lives. As chief sponsor of the legislation, I was looked on more often than not as a dreamer and eccentric and as espousing a cause that was too far off the beaten path.

Since their modest beginning with a combined appropriation of $5 million, the Endowments have expanced and matured into influential catalysts that have had a most profound impact on the development and appreciation of the arts and humanities in the United States. In comparison, the 1985 budget for the Arts Endowment is an impressive $163 million while the Humanities Endowment is set at $139 million.

With the lead being taken by the National Endowments, it was not long before all State and many local governments followed with ever-increasing amounts of financial commitment to cultural endeavors in their own regions and municipalities. It has become abundantly clear that more and more Americans are perceiving that the values of the arts and humanities have a very basic importance to their lives.

One provision of the law that created the Endowments was designed to prevent Government dominance in the arts and humanities. It stipulated that the Endowments shall not provide more than half the cost of any project. Thus, other than fellowships to individuals and a few special projects, each Endowment grant must be matched with one dollar or more from non-Federal sources. This procedure has encouraged a staggering increase in the amount of contributions to the arts and humanities from the private sector. This has proven to be one of the most positive and meaningful effects of the enabling legislation for these agencies.

Over these 20 years a momentum for the advancement of our cultural well-being has developed with strong bipartisan support. This momentum is not exclusively financial in nature. The leveraging force of Endowment grants is symbolic as well in that they bespeak a national commitment. They represent an affirmation, in the words of the Endowments' original statute, that "world leadership which has come to the United States cannot rest solely upon superior power, wealth and technology but must be solidly founded upon worldwide respect and admiration for the Nation's high qualities as a leader in the realm of ideas and the spirit."

I wish the Endowments well as they celebrate this important milestone and extend my warm congratulations to NEA Chairman Frank Hodsoll and to NEH Acting Chairman John Agresto for the fine leadership they are providing as well as to their staffs for their superb support and dedication.

WEEKLY BUDGET SCOREKEEPING REPORT

Mr. DOMENICI, Mr. President, I hereby submit to the Senate the budget scorekeeping report for the week of September 16, 1985, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, September 23, 1985.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal years 1985 and 1986. The estimated total of budget authority, outlays, and revenues for each fiscal year are also compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through September 20, 1985. The report is submitted under Section 308(b) and in aid of Section 311(b) of the Congressional Budget Act.

No changes have occurred since my last report.

With best wishes.

Sincerely,

C.G. NUCKOLS
(For Rudolph G. Penner).

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONG. 1ST SESS., AS OF SEPT. 20, 1985

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Fiscal year 1985				
Current level [1]	1,062.2	946.4	736.5	1,823.8
Budget resolution S. Con. Res. 32	1,062.1	946.3	736.5	[2] 1,847.8
Current level is:				
Over resolution by	.1	.1		
Under resolution by			[3]	24.0
FISCAL YEAR 1986				
Current level [1]	618.9	719.4	792.8	1,823.8
Budget resolution, S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by				
Under resolution by	450.8	248.2	2.9	255.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in S. Con. Res. 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $1,823,800,000.

[3] Less than $50,000,000.

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS., AS OF SEPT. 20, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
FISCAL YEAR 1985			
I. Enacted in previous sessions:			
Revenues			736,650
Permanent appropriations and trust funds	686,253	607,885	
Other appropriations	542,981	516,642	
Offsetting receipts	−182,025	−182,025	
Total, enacted in previous sessions	1,047,209	942,502	736,650
II. Enacted this session:			
Famine relief and recovery in Africa (Public Law 99–10)	784	289	
Appropriations for the MX missile (Public Law 99–18)		79	
Agriculture supplemental appropriation (Public Law 99–71)	1,000		
Federal supplemental compensation phaseout (Public Law 99–15)	160	160	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	18	16	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			−150
United States-Israel Free Trade Act (Public Law 99–47)			[1]
State Department authorization (Public Law 99–93)			−1
Supplemental appropriations bill (Public Law 99–88)	(13,029)	(3,369)	
Offsetting receipts	(−48)	(−48)	
Bill total	12,981	3,321	
Total, enacted this session	14,943	3,865	−151
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action			
Total, current level as of Sept. 20, 1985	1,062,152	946,368	736,499
1985 budget resolution (S. Con. Res. 32)	1,062,100	946,300	736,500
Current level is:			
Over budget resolution	52	68	
Under budget resolution			1
FISCAL YEAR 1986			
I. Enacted in previous sessions:			
Revenues			792,800
Permanent appropriations and trust funds	717,652	631,009	
Other appropriations		185,348	
Offsetting receipts	−162,006	−162,006	
Total, enacted in previous sessions	555,645	654,351	792,800
II. Enacted this session:			
Appropriations for the MX missile (Public Law 99–18)		368	
Famine relief and recovery in Africa (Public Law 99–10)		421	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	−15	31	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			13
United States-Israel Free Trade Act (Public Law 99–47)			−8
State Department authorization (Public Law 99–93)			2
Supplemental appropriations bill (Public Law 99–88)	36	3,138	
International Security and Development Cooperation Act (Public Law 99–83)	−25	−25	
Federal supplemental compensation phaseout (Public Law 99–15)			10
Total, enacted this session	−4	3,932	17
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to the CIA retirement fund	110	110	
Claims, Defense	165	161	
Payment to the Foreign Service retirement trust fund [2]	(161)	(161)	

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS., AS OF SEPT. 20, 1985—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
National forest system	64	52	
Range improvements	10	7	
BLM: Miscellaneous trust fund	[1]	[1]	
Payments to air carriers, DOT	54	50	
Retired pay—Coast Guard	352	318	
Maritime, operating-differential subsidies		303	
BIA: Miscellaneous trust funds	4	4	
Social services block grant	2,700	2,700	
Family social services	550	550	
Guaranteed student loans	3,267	2,606	
Higher education facilities loans and insurance	18		»
Government payment for annuitants	1,606	1,448	
Retirement pay for PHS officers	84	78	
Medicaid	17,910	17,579	
Medical facilities guarantee and loan fund	25		
Payments to health care trust funds [2]	(19,761)	(19,761)	
Special Milk Program	12	7	
Child nutrition programs	4,059	4,039	
Federal unemployment benefits and allowances	75	74	
Advances to the unemployment trust fund [2]	(516)	(516)	
Special benefits (general retirement and Federal employee retirement)	260	259	
Black lung disability trust fund	1,035	1,035	
Supplemental security income	7,587	7,587	
Special benefits for disabled coal miners	752	752	
Assistance payments	6,783	6,783	
Child support enforcement	436	436	
Payments to social security trust funds [2]	(497)	(497)	
Veterans insurance and indemnities	10	9	
Veterans readjustment benefits	1,006	963	
Veterans compensation	10,076	9,269	
Veterans pensions	3,951	3,631	
Veterans burial benefits	144	144	
Salaries of judges	82	81	
Fees and expenses of witnesses	42	32	
Compensation of the President	[1]	[1]	
Payment to the civil service retirement trust fund [2]	(4,621)	(4,621)	
National wildlife refuge fund	6	6	
General revenue sharing [2]	(4,567)	(4,567)	
Total, entitlements	63,235	61,070	
Total, current level as of Sept. 20, 1985	618,877	719,353	792,817
1986 budget resolution (S. Con. Res. 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution			
Under budget resolution	450,823	248,247	2,883

[1] Less than $500,000.

[2] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.

SENATOR SARBANES ON THE SUMMIT

Mr. BYRD. Mr. President, the distinguished Senator from Maryland [Mr. SARBANES] is a highly respected Member of this body. He is brilliant and logical in his analysis of complicated issues. He is thoughtful and articulate, and extremely knowledgeable on matters particularly relating to our Nation's foreign affairs. He sits on the Foreign Relations Committee, and has distinguished himself in his capacity as a member of the delegation of Senators which I recently led to visit Hungary and the Soviet Union.

This was Mr. SARBANE'S second trip to meet with a Soviet leader. In 1983, he was a member of the delegation which I appointed to meet with Mr.

Andropov, the Soviet leader at that time. Senator SARBANES is a skilled lawyer, with a sharp feeling for argument, and an instinct for opportunity. He has written an incisive and thoughtful piece which was carried in the September 16, 1985, edition of the Baltimore Sun, on our meetings with General Secretary Gorbachev and his general impression of Mr. Gorbachev. Senator SARBANE'S article is entirely accurate in its summation of the delegation's meeting. He indicates that he feels Mr. Gorbachev is a "person with some ability * * * confident and articulate," but that it would be a mistake to advance the "misimpression that the new Soviet leader is 10 feet tall, or to suggest that we have turned a corner in our relations with the Soviets." Nevertheless, as Mr. SARBANES so rightly points out, the United States would be making a grievous error not to explore the opportunity that Mr. Gorbachev's ascendency to power represents. We should probe and explore for areas of flexibility in the Soviet position, as Mr. SARBANES points out, since the "next few months are likely to determine the framework within which the two nations will operate for years to come." As Senator SARBANES concludes, it "makes more sense for both sides to seek a positive and constructive path now than to risk a deterioration in relations which will be very difficult to reverse later."

I congratulate Mr. SARBANES on this article, and commend it to my colleagues for their consideration. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Sept. 16, 1985]

THE SUMMIT'S REAL POTENTIAL

(By Paul S. Sarbanes)

Observers commenting on U.S.-Soviet relations invariably see them at a critical point. Commonplace as that observation may be, I returned recently from a trip to the Soviet Union—and a three and one-half hour meeting with Mikhail Gorbachev—convinced that it is certainly true today.

The meeting, which took place between Mr. Gorbachev and the eight members of a bipartisan Senate delegation led by Senators Robert Byrd and Strom Thurmond, provided a sharp contrast to the meeting just two years earlier with then-Soviet leader Yuri Andropov. Unlike his predecessors—Konstantin Chernenko, Mr. Andropov and even Leonid Brezhnev in his later years—Mr. Gorbachev is healthy and vigorous, and there is every expectation that he will be the Soviet leader for years to come. He is well-informed, confident and articulate, and draws heavily on his legal training in presenting his case. He appears to be a person of some ability.

This is not to contribute to the wave of publicity in the West giving the misimpression that the new Soviet leader is 10 feet tall, or to suggest that we have turned a corner in our relations with the Soviets. The differences between our two nations remain profound and long-standing. It is to suggest however, that now is the time for the United States to proceed carefully and with skill to see whether improvements in the relationship are possible. The Soviets have, in effect, a new administration, and we need to probe for opportunities to put U.S.-Soviet relations on a steadier track. It is not necessary to conclude, as British Prime Minister Margaret Thatcher said, that Mr. Gorbachev is a man with whom we can do business; instead we need to find out if that is the case.

It is especially important that each side listen closely to what the other has to say. Mr. Gorbachev made clear that he attaches enormous importance to the November summit with President Reagan. He considers it an important opportunity to engage in serious and business-like discussions, and asserted that he wished to see the U.S.-Soviet relationship shift to a more constructive path. He expressed deep concern about elements in this country who, in his view, want to undercut any chance for success at the summit.

Mr. Gorbachev also emphasized the importance of responsibility and reciprocity in the relationship between the United States and the U.S.S.R. He stressed the seriousness of the issues between us, and particularly the heavy responsibility which falls on both sides where arms-control questions are concerned. By reciprocity Mr. Gorbachev indicated that he means an equality of attitude and perception on the part of the United States in its dealings with the Soviet Union.

In making these general points about the conduct of U.S.-Soviet relations, Mr. Gorbachev returned again and again to the question of arms control and particularly the Strategic Defense Initiative (SDI), which he sees as altering the equation governing U.S.-Soviet nuclear relations. The Soviet Union, he told us, is prepared to come forward with "radical" proposals on offensive nuclear weapons after the United States agrees to restrict SDI. Clearly this is not an acceptable negotiating position, as it would require the United States to agree to forgo SDI as a precondition to hearing the Soviet proposals on offensive weapons. To move to serious discussion and negotiations it is necessary for both sides to place on the table the full range of proposals on offensive and defensive nuclear weapons.

There was one subject Mr. Gorbachev did not want to discuss—human rights—and his attitude here appeared to differ not at all from his predecessors'. We sought to impress on the new Soviet leader that American convictions about the dignity and worth of the individual, and the rule of law, run very deep and must be respected. No single issue between the United States and the U.S.S.R. can be wholly isolated from all the others; there needs to be progress across the board, although not necessarily always at the same rate. As the Senate delegation pointed out, it was the Soviet invasion of Afghanistan that led to the withdrawal of the SALT II Treaty from Senate consideration.

U.S.-Soviet differences over arms control, regional questions, human rights, and many other issues remain acute. But it would be a mistake to dismiss out of hand the opportunity which Mr. Gorbachev may represent. This is a period for probing and exploration, for discovering where some new flexibility may exist and how it might best be developed. Whether such probing will produce results will depend on the substantive positions which the Soviets ultimately take on specific issues. Unless the effort is made, however, we will never know.

Developments in the U.S.-Soviet relationship in the next few months are likely to determine the framework within which the two nations will operate for years to come. It makes more sense for both sides to seek a positive and constructive path now than to risk a deterioration in relations which will be very difficult to reverse later.

TRIBUTE TO LIBBY RIDDLES

Mr. STEVENS. Mr. President, through the years, the men and women who have raced with their sled dog teams over the more than 1,000 miles of Alaska's Iditarod Trail have been recognized as heroes.

Only heroes could measure up to the grueling trip, which takes 2 weeks in subfreezing weather, across Alaska's rugged terrain from Anchorage to Nome.

This year, for the first time, a woman crossed the finish line first.

Alaska's own Libby Riddles, from the village of Teller, was first among 40 mushers who braved the trail. For 2 weeks, sleeping only a few hours out of every 24, she guided her sled and her dogs through snow-covered valleys and mountain passes and across ice-packed Norton Sound.

Veteran mushers marveled at her bravery when she spent a night out on pack ice, unable to continue because of howling winds and white-out conditions.

After the 1,135-mile trek, during a banquet in Nome, the President was among those who sent special congratulations to Libby. The press told the story of her race to the world, and Alaskans in every corner of the great land celebrated.

Tonight the Women's Sports Foundation will salute Alaska's Libby Riddles as Sportswoman of the Year. She was chosen from a field of athletes whose names are legendary in their own sports.

And in the few short months since the March day when she crossed the finish line in Nome, Libby Riddles has become a legend, too.

Today I offer this salute to Alaska's own Libby Riddles, as she travels to the east coast to accept the title of Sportswoman of the Year. There is no doubt in my mind, or the minds of all Alaskans, that she deserves that title.

SENATOR PELL ON THE SUMMIT

Mr. BYRD. Mr. President, the distinguished senior Senator from Rhode Island [Mr. CLAIBORNE PELL] accompanied me as a member of the Senate delegation which recently visited the Soviet Union. Mr. PELL is the ranking Democrat on the Foreign Relations Committee. He is a cochairman of the Senate Arms Control Observer Group, and has already traveled to Geneva to monitor each of the first two rounds of the negotiations with the Soviet

Union on space, strategic and intermediate nuclear arms.

Mr. PELL was an extremely valuable asset to our delegation. He was, as he always is, courteous to a fault, a gentleman in the true sense of the word, thoughtful, articulate in presentations and comments in the meetings that were held with the Soviet leadership. In addition, when the delegation visited Budapest, Hungary, en route to the Soviet Union, Mr. PELL brought special experience to bear in making the stop there a very fruitful one. Mr. PELL's father, the late Herbert C. Pell, Jr., a former Member of the House of Representatives from New York, was the U.S. Minister to Hungary, our highest ranking diplomat accredited to that nation just prior to World War II. Senator PELL, himself was the director of the European office of the International Rescue Committee, a private relief organization, and he directed that organization's relief efforts in connection with the Hungarian uprising of 1956. His unselfish efforts on behalf of the downtrodden continue today. He is the head of a private U.S. group called the Free Raul Wallenberg Committee, dedicated to resolving the issue of the fate of that famous Hungarian who single-handedly freed so many Jews from the hands of the Nazis in Hungary during World War II.

Mr. PELL is no stranger to the Soviet Union. In 1983, at my request, he headed a delegation of eight Senators to Moscow and had a very productive visit with the Soviet leader at that time, Mr. Andropov.

The Washington Post, on September 18, carried a very thoughtful op-ed piece authored by Mr. PELL on the question of the upcoming summit. As always, Mr. PELL takes the high road, the diplomatic road, encouraging the President and his Soviet counterpart to "rise above their respective bureaucracies and set the stage for compromise." Mr. PELL is to be commended for this thoughtful piece, and I recommend it to my colleagues for their reading. I ask unanimous consent that it be reprinted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUCCESS AT THE SUMMIT IS POSSIBLE

Having just returned from Moscow as a member of a bipartisan Senate delegation, I am convinced that a basis exists for a mutually advantageous arms control agreement in Geneva. However, both President Reagan and General Secretary Mikhail Gorbachev will have to rise above their respective bureaucracies and set the stage for compromise. Without a clear commitment on both sides of success in Geneva, the negotiations that follow the November summit will be little more than an exercise in futility.

In Moscow I received the impression that Gorbachev is ready to conclude an arms control agreement so that he can turn his attention to pressing domestic problems. In what could be a promising approach to break the deadlock in Geneva, Gorbachev told us that "if the United States were prepared to discuss the question of preventing the militarization of space, it would then hear from the Soviet side the most radical proposals covering strategic arms and medium-range weapons." Although later he made this point in a less forthcoming manner, we ought to concentrate on the formulation that only requires a U.S. willingness to discuss the Strategic Defense Initiative. The president should make it clear that the United States is prepared to discuss limitations on SDI and then challenge the Soviets to table their "radical proposals" for reductions in offensive forces.

Such a scenario could set the stage for negotiations on the obvious bargain to be struck in Geneva: deep Soviet reductions in offensive weapons in exchange for restrictions on SDI. By approaching the negotiations in these terms, we would be following the formula for success that was used by President Nixon in 1972 to achieve the SALT I agreements in which a freeze on strategic offensive weapons was coupled with the ABM treaty.

Some, including former Secretary of State Henry Kissinger ["We Need Star Wars," Topic A, Sept. 8], believe that we should hold out for both radical reductions in Soviet offensive weapons and press ahead with SDI. I fear, however, that such an approach would not be negotiable, because it would not dispel the Soviet concern that SDI is intended as a protective shield behind which the United States would have a first-strike capability. And, in the absence of an agreement, which I believe is only possible by constraining SDI, the Soviets would develop their own countermeasures, including more offensive forces or their own SDI, or both. In the process, the arms race would continue in new and more perilous ways.

The idea of making our country invulnerable to attack is attractive, but it is more a dream for the distant future than a near-term reality. Supporters of the SDI have scorned the strategy of mutual deterrence based on the concept of assured retaliation in the event of attack. Uncomfortable as a policy based on the threat of mutual annihilation may be, abandonment of the concept in the mere hope of acquiring the means to achieve security based on a concept of mixed offenses and defenses makes no sense. It would be far wiser to continue to rely on the system of deterrence that has kept us from nuclear war for 40 years while urgently exploring ways to achieve greater security at sharply lower levels of weaponry.

It is not feasible for the president and Gorbachev to negotiate an agreement at the summit, but they could agree on principles to guide the negotiators. Here are proposals I believe that the president should be prepared to offer either immediately or at the summit:

We should indicate to the Soviets that we are prepared to discuss a ban on weapons in space. We should make it clear that we intend to ensure that both sides have the leeway to continue a vigorous program of research on space defenses, but that we are willing to find a mutually acceptable point in the course from research to development, testing and deployment beyond which both sides would be obligated not to go for a fixed number of years.

We should express a willingness to reaffirm our adherence to the ABM Treaty, which constitutes the crucial underpinning of mutual deterrence. In return, we should insist that the Soviets join us in clearing up ambiguities in the treaty and in resolving the compliance questions that have been raised. I believe that their large new radar at Krasnoyarsk constitutes a clear violation of the treaty and should be dismantled or other steps should be taken as a demonstration of Soviet intent to comply strictly with the treaty in the future.

We should offer a mutual ban on antisatellite weapons systems. The two sides should agree to stop testing ASATs, to prohibit further ASAT deployments, and to place the strictest possible controls on existing systems, including dismantling. Clearly, ASAT's threaten the very satellite systems we rely upon for early warning, surveillance and communications. It is, therefore, in our interest to remove that threat. Moreover, ASATs could undermine any ban on space weapons by allowing space-weapon experiments under the guise of ASAT work, and it would be in the interest of both sides to prevent that.

We should insist that the Soviets make good on their pledge to table radical proposals for reduction of strategic and intermediate-range weapons. We should also come to the table with our own new proposals. Now that so many understand the importance of getting MIRVed missiles out of both arsenals, we could propose a mutual agreement not to deploy any new MIRVed missiles. As a first step, we might agree not to deploy the MX if they did not deploy the new and very potent SS-X-24. We would be trading a weapon that makes no sense for them, if both sides are genuinely committed to controls.

If we thus open up important new arms control options, it should be possible to reach early agreements. In the negotiations, we should move step by step to put controls in place as we can agree on them. We will have to take care that nuclear stability is maintained throughout the process, but we cannot wait until all issues are resolved before implementifg each area gf agreement. Such a task could take years, if it can ever be accomplished. We should not leave the bargaining table, however, so long as there is any prospect of achieving the arms control successes both sides profess to want—and surely do need.

We are at a critical point in the effort to reverse the nuclear arms race. We have the opportunity with new leadership in the Kremlin to achieve far-reaching limitations on nuclear weapons. But it will require a high act of statesmanship on both the Soviet and U.S. sides to achieve that objective. Let us show the world that such statesmanship and concern for the fate of humanity are not lacking on our part.

COAST GUARD NARCOTICS INTERDICTION PROGRAM

Mrs. HAWKINS. Mr. President, a very important statistical summary was recently released by the U.S. Coast Guard regarding its Narcotics Interdiction Program. This document delineates the results of the Coast Guard's most recent drug control activity, as well as numerous related drug law enforcement actions. This report indicates just how dedicated and consistent this very special organization is in its continued work to

achieve the eradication of illicit narcotics.

During the month of June 1985, alone, the U.S. Coast Guard was able to accomplish the following: seizure of 16 drug-laden vessels—14 United States, 1 French, and 1 stateless; seizure of 67,806 pounds of marijuana; and arrest of 18 persons involved in narcotics trafficking. Coast Guard law enforcement actions include: On June 1, 1985, a passing pleasure boat reported the 23-foot U.S. motor boat, *Reef Diver,* abandoned and adrift off the coast of southern Florida, and the Coast Guard vessel was dispatched to investigate—the vessel was seized after 3,960 pounds of marijuana was found aboard; on June 1, 1985, a pleasure craft reported three bags of cocaine approximately 2 miles east of Miami—a Coast Guard vessel then recovered the three bags and turned the 107.8 pounds of cocaine over to the Customs Service; on June 4, 1985, a Coast Guard station received word that a 30-foot pleasure boat was aground, and when the vessel was investigated, over 2,000 pounds of marijuana was discovered, and the vessel was seized, and the drugs confiscated; on June 6, 1985, the 50-foot U.S. fishing vessel, *John Michael,* was intercepted and boarded by the Coast Guard, and an estimated 16,000 pounds of marijuana was discovered; on June 7, 1985, the Coast Guard located the 124-foot fishing vessel, *Argana II,* and found bulk marijuana in a hidden compartment—further investigation revealed approximately 29,000 pounds of marijuana on board; and on June 11, 1985, the 38-foot pleasure craft, *Sam's Song,* was seized by the Coast Guard with 500 pounds of marijuana on board.

Mr. President, in this anecdotal recitation of Coast Guard narcotics control activity, it is particularly noteworthy that these acts of Coast Guard bravery and herosim occur almost daily. Every day, the courageous and highly effective men and women of the U.S. Goast Guard patrol our seas, on an effort to protect our nautical borders. One of the most important duties they perform is narcotics interdiction, and as we can see from the statistic summary most recently released by the Coast Guard, they do it very well.

I commend this fine organization, and the men and women in it, for their dedication, and hard work. And I personnally offer my thanks for their sustained activity in the waters surrounding my home State of Florida, a thriving area for drug traffickers. Were it not for the U.S. Coast Guard, Florida's shores would be inundated by drug traffickers.

HIS GENEROSITY MADE OTHERS' DREAMS LIVE

Mr. THURMOND. Mr. President, I would like to call the attention of my colleagues to an editorial printed in the September 9, 1985, issue of the Laurens County, SC, Advertiser as a tribute to Mr. James Hellams Thomason, Sr.

Not only was Mr. Thomason a major supporter of higher education through Presbyterian College of Clinton, SC, he was also one of the State's most active philantropists. His many financial contributions have enabled the Martha Franks Retirement Center, the Connie Maxwell Children's Home, First Baptist Church of Laurens, and the Laurens County Baptist Association to serve countless numbers of citizens.

It was with great sadness that I learned of his death on September 4, 1985, and I want to share with my colleagues the memory of this truly great American and offer the following article as evidence of his dedication to his fellowman. Mr. President, I ask unanimous consent that a copy of this editorial be printed in the RECORD following these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Laurens County Advertiser, Laurens, SC, Sept. 9, 1985]

HIS GENEROSITY MADE OTHERS' DREAMS LIVE

His life epitomized the American dream.

James Hellams Thomason Sr. rose from a very humble beginning and, in his own words, "with little formal education" went on to achieve success and considerable wealth.

But the real success came not through the mere accumulation of money, but though his sharing of it in a way that would give educational opportunity to others that he did not have himself. He no doubt was the largest individual donor in the history of Presbyterian College.

His philanthropy was not confined to Presbyterian College, for he gave freely to many Baptist organizations. He made a considerable gift to the restoration of the Villa, which is the administration building for the Martha Franks Baptist Retirement Center.

He gave the money for constructing recreation buildings for the Connie Maxwell Children's Home in Greenwood, to the First Baptist Church of Laurens, and for the Laurens County Baptist Association grounds at Lake Greenwood, among many others.

Born in the Trinity section of Laurens County, as a young man in his teens he attended Cleveland's Pratt and Noble Automobile School, and on completion got a job as a mechanic. He worked his way up the ownership of General Motors automobile agencies in Laurens and in Greenville. He then turned to the securities business with the New York Stock Market and the Chicago Board of Trade and with great business acumen made his fortune.

In the meantime he had moved his home to Stuart, Fla., but returned to Laurens in 1968. Shortly afterward, Presbyterian College started its EXCEL campaign. Thomason became interested and contributed $250,000 toward the library to be built.

Shortly afterward, in early 1969, he announced another gift to the library, which now bears his name, of $500,000, making a total of $750,000 he gave for the James H. Thomason Sr. Library.

Several years late he made another gift in the form of an endowment to help with operation expenses of the library, and then gave the money for the beautiful fountain in front of the library, known as the "Center Plaza," in honor of Mrs. Thomason.

Early in his connection with Presbyterian College, Thomason told school officials, "I think you ought to have a clock on the campus." This seemed to be a pet idea of his and another of his dreams, and he mentioned it from time to time.

Then when the restoration of the Springs Recreation Center was begun, he gave the money for the clock tower and these were dedicated last Tuesday. He became ill and was unable to attend the ceremony, but he had seen "his clock" become a reality.

His death Wednesday removed from our community not only the largest individual donor in Presbyterian College's history, but also one of Laurens County's greatest philanthropists.

Great oaks from little acorns grow, and from a humble beginning grew a man whose gifts to the people he loved will live on and on and give untold others the opportunities that he did not have.

HONORING AMERICAN NEWSPAPER WEEK

Mr. DOLE. Mr. President, the week of September 22 is being set aside this year to recognize the enormous contribution American newspapers made to our free society.

Every year on September 25, we celebrate the anniversary of the first publication of a newspaper in the United States. With that edition of "Public Occurrences Both Foreign and Domestic" we initiated a tradition that is fundamental to the American way of life.

The freedom to disseminate information, without prior censorship, has helped preserve our Nation as one of the world's great democracies. The public's right to know, and the role American newspapers serve to further that goal, assures that no one man, no one institution, can override the public will.

American newspapers inform us, entertain us, and even though they sometimes might infuriate those in public life, most of us would agree we couldn't live without them.

So, Mr. President, I want to acknowledge the important role American newspapers play in all our lives. There will be special days this week honoring the men and women who make newspapers a reality—the editors, publishers, reporters, advertisers, news carriers, and printers.

Freedom of the press is one of our most cherished freedoms. And by setting aside 1 week every year to acknowledge the role of American news-

papers, we help guarantee that freedom remains healthy and intact.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPERFUND IMPROVEMENT ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, S. 51, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 670

Mr. STAFFORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont, Mr. STAFFORD, for himself and Mr. BENTSEN proposes an amendment numbered 670.

On page 51, line 11, strike "or (b)" and insert in lieu thereof ", (b), or (j)".

Mr. STAFFORD. Mr. President, this is purely a technical amendment. It makes no substantive change in the bill at all. I believe there is no opposition to it. It is necessary that we accomplish this.

Mr. BENTSEN. Mr. President, speaking for the minority, we have examined the technical amendment and see no problems with it and are pleased to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 670) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 671

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 671.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 49, after line 25, insert the following new section and renumber succeeding sections accordingly:

LIABILITY LIMITS FOR OCEAN INCINERATION VESSELS

SEC. . (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) 'incineration vessel' means any vessel which carries hazardous substances for the purpose of incineration of such substances, so long as such substances or residues of such substances are on board.".

(b) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Subsection (a)(3) is amended by inserting "or incineration vessel" after "facility";

(2) Subsection (a)(4) is amended by inserting ", incineration vessels" after "facilities";

(3) Subparagraph (A) of subsection (c)(1) is amended by inserting ", other than an incineration vessel," after "vessel";

(4) Subparagraph (B) of subsection (c)(1) is amended by inserting "other than an incineration vessel," after "other vessel,";

(5) Subparagraph (D) of subsection (c)(1) is amended by inserting "any incineration vessel or"*** BAD MAG TAPE *** before "any facility".

(c) Section 108 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Paragraph (1) is amended by inserting "to cover the liability prescribed under paragraph (1) of section 107(a) of this Act" after "whichever is greater)";

(2) Add a new paragraph to read as follows:

"(4) In addition to the financial responsibility provisions of paragraph (1) of this subsection, the President shall require additional evidence of financial responsibility for incineration vessels in such amounts, and to cover such liabilities recognized by law, as the President deems appropriate, taking into account the potential risks posed by incineration and transport for incineration, and by any other factors deemed relevant."

(d)(1) Section 105(g)(5) of the Marine Protection, Research and Sanctuaries Act of 1972 is amended by striking "The injunctive relief provided by this subsection shall not" and inserting in lieu thereof "Nothifg in this Act, including the injunctive relief provided by this subsection, shall", afd by inserting before the period ", including relief under Title 42, United States Code, section 1983, or as a maritime tort".

(2) Section 107(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting ", under maritime tort law," after "with this section" and by inserting before the period "or the absence of any physical damage to the proprietary interest of the claimant".

Mr. BENTSEN. Mr. President, I offer an amendment that would modify Superfund so that releases from ocean incineration would be treated similarly to land-based incineration. Currently, liability for damages caused by releases from ocean vessels is limited by the value of the vessel, which is clearly an inadequate amount.

My amendment would clarify that owners or operators of incineration vessels are liable for releases from such vessels. There is currently an inequity in the law, which permits a $5 million liability limit per vessel, while liability for land-based incinerators is for full cleanup costs plus $50 million for natural resource damages. This amendment erases the distinction between liability for ocean incineration and liability for land-based incineration. In addition, the amendment provides that vessel owners and operators are liable for up to $50 million in natural resource damages, as land-based owners are under present law. The modifications I am proposing also assure that, as with land-based incinerators, persons generating substances for vessel incineration, as well as persons transporting such substances, remain liable for any releases that might occur in conjunction with such incineration.

Section 108 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is also amended to require the Administrator to establish evidence of financial responsibility specific to incineration vessels. As in other financial responsibility requirements, a variety of mechanisms such as insurance, risk retention pods, letters of credit, bonds, self-insurance, and others may be used to provide evidence of financial responsibility. Required financial responsibility for stack emissions from incineration vessels under this provision should be the same as the financial responsibility required for land-based incinerators under section 108(b) and subtitle C of the Solid Waste Disposal Act.

These changes address a serious inequity in current law. States that are adjacent to marine environments are at particular risk in the event of a release.

Mr. President, this amendment also clarifies the question of accidents involving ocean incineration where Federal admiralty law and State law are unlikely to afford an opportunity for recovery.

There is a strong demand, interest, and concern that there be clear liability for third-party damages as well as the cleanup costs. So this amendment, as prepared, is a change to the Ocean Dumping Act that removes these barriers to third-party claims. It clarifies the congressional intent in that

regard, allowing claims for third-party damages under other applicable Federal and State law.

Additionally, I have clarified that under CERCLA and maritime tort law third parties may recover for economic loss due to releases of hazardous substances even though there is no direct physical damage. Thus, for example, down in our part of the country commercial fishermen in the gulf injured by a release from an incineration vessel can recover their damages in that regard.

Mr. President, I urge favorable consideration by this body of this amendment.

Mr. STAFFORD. Mr. President, we have examined the amendment offered by my friend and colleague, the able Senator from Texas, Mr. BENTSEN.

We believe it is a good amendment. We believe its adoption will improve the package that we are working on for Superfund.

We are prepared to accept it.

Mr. BENTSEN. Mr. President, I urge favorable consideration of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Texas.

The amendment (No. 671) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FINANCING SUPERFUND

Mr. LEVIN. Mr. President, I wish to take a few moments to raise with my colleagues an alternative approach with respect to financing Superfund.

It is clear to many in this body, including myself, that we should have great concerns with instituting a value-added tax as the means for financing the Superfund Program. At a time when many people seek a more simplified Tax Code, the value-added tax adds new complexity. At a time when people seek greater fairness in the Tax Code, the value-added tax adds new inequities.

All of us in this body have met with members of the business community who have complained about excessive Government involvement in their affairs. The President has also established deregulation as an essential part of his program. Why, then, are we considering a value-added tax which will burden many, many businesses of this country with new forms to fill out and new taxes to pay when there is an alternative to financing Superfund which, for every business, will involve no new forms and no new taxes?

Furthermore, why are we considering imposing a broad-based regressive tax on American consumers? Everyone in this body would like to see a fairer Tax Code. But what the tax does is to provide a new inequitable way to take disproportionately more from those who can afford it least. Why are we taking steps to impose a regressive tax on individuals already paying taxes when at the same time some profitable corporations are paying nothing in taxes? Recent reports indicate that, from 1981 to 1984, 50 firms earning $58 billion in profit paid nothing in taxes—in fact received refunds of $2.4 billion. In 1984 alone, 40 firms earning $10 billion in profits paid nothing in taxes, and in fact received $650 million in refunds.

There is an alternative to the value-added tax which will be a giant step toward fairness and not a leap backward. The alternative I am speaking about is an effective minimum tax on profitable corporations. There are a number of specific proposals which have been made along these lines which could meet the goals I have set up. I will have more to say on an effective minimum tax on corporations as an alternative to the value-added tax as the debate on this bill continues.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I understand that there will be no transaction of business for about an hour and no other Senators seeking recognition. Therefore, I will speak on the subject of "The United States Senate." This is my 77th speech on this subject since March 20, 1980.

If any other Senator should wish to have the floor I will be glad to yield.

THE UNITED STATES SENATE

THE SENATE AND JOE McCARTHY, 1947-1957

Mr. BYRD. Mr. President, on February 9, 1950, in Wheeling, West Virginia, a United States senator addressed a meeting of the Ohio County Women's Republican Club. His speech was intended as just another partisan salvo to be delivered during the Lincoln's birthday recess and then quickly forgotten by all involved. Instead it became one of the most portentous speeches in American political history. America was losing the Cold War, asserted Senator Joseph McCarthy, not because an enemy had invaded our shores but because of the "traitorous actions" of officials within the Department of State and other federal agencies. Then the senator added: "While I cannot take the time to list all of the men in the State Department who have been named as members of the Communist Party and members of a spy ring, I have here in my hand a list of 205 * * * a list of names that were well known to the Secretary of State and who nevertheless are still working and shaping the policy of the State Department."[1]

"I have here in my hand a list * * *" became the catch phrase of the era, along with the equally ominous: "Are you now, or have you ever been a member of the Communist Party of the United States?" They are indelibly associated with the Republican junior senator from Wisconsin, Joe McCarthy, and the movement which bore his name, "McCarthyism." For the four years following his speech at Wheeling, McCarthy emerged as the most controversial member of the United States Senate; the scourge of presidents, diplomats, military officers, bureaucrats and private citizens; the master of the headlines. His reign ended in 1954 with a humiliating censure by his fellow senators. Thirty years later, however, he continues to incite the popular and scholarly imagination. A television movie, "Tail-Gunner Joe," and a documentary film, "Point or Order," have recorded his stormy career. A staggering number of books have analyzed his impact, as just a small sampling of titles will indicate: *The Life and Times of Joe McCarthy; A Conspiracy So Immense: The World of Joe McCarthy; Joe McCarthy and the Press; The Intellectuals and McCarthy; God, Church, and Flag: Senator Joseph R. McCarthy and the Catholic Church; Senator Joseph McCarthy and the American Labor Movement; The Politics of Fear: Joseph R. McCarthy and the Senate; Men Against McCarthy;* and *Who Killed Joe McCarthy?*

Senator Joseph McCarthy's ten turbulent years in this institution are the subject of my remarks today, in my continuing series of addresses on the history of the United States Senate. There was never quite anyone like McCarthy in the Senate before or after; nor has this chamber ever gone through a more painful period. No history of the Senate would be complete without the story of his dramatic rise and equally dramatic fall. He was a complex and enigmatic figure, and I will try to deal with him fairly and

Footnotes at end.

frankly, without turning him into a caricature.

Joe McCarthy literally burst upon the Senate scene. He had barely stepped off the train from Wisconsin when he called his first Washington press conference. The junior senator had nothing new or significant to say, but he fascinated reporters nevertheless. The *Saturday Evening Post* shortly afterwards featured an article on McCarthy as "The Senate's Remarkable Upstart."[2] McCarthy had just defeated one of the most respected members of the Senate, Robert M. La Follette, Jr. He was a farm boy who had worked his way up, completing four years of high school in one hurried year, earning his law degree from Marquette University, and winning election as a Wisconsin circuit court judge at age thirty. While still on the bench, at the beginning of World War II, McCarthy enlisted in the Marine Corps, later to be commissioned an officer. As his official biography in the *Congressional Directory* stated, he "qualified as a tail gunner and had 17 official missions in the South Pacific, participating in strikes over /a series of/ Jap airfields."[3]

Among the many conservative Republicans elected in the Senate "Class of '46" like William Knowland, John Bricker, William Jenner, and George "Molly" Malone, Joe McCarthy was at first perceived as a moderate, forward-looking member of his party's Harold Stassen wing. Housing for veterans, for instance, was among the first issues to which McCarthy devoted his energies in the Senate. But, as Professor Robert Griffith has noted in his study of McCarthy and the Senate, neither issues nor ideology characterized McCarthy's apprentice years in the Senate. Rather, it was, in Griffith's words, "his continual violation of the rules, customs, and procedures under which the Senate operates * * *. These unwritten laws of seniority, apprenticeship, reciprocity, courtesy, and so forth * * * provide the framework for the resolution of charged political issues * * *. The observance of Senate folkways requires patience, restraint, and moderation, however, these were qualities which the junior senator from Wisconsin singularly lacked. Instead, he brought to the Upper Chamber a restless and compulsive energy, a hunger for power and public notice, and a casual disregard for custom and authority."[4]

McCarthy, who had been an amateur boxer as a youth, fought tough, no-holds-barred fights for a variety of issues during his early years. In his first match, he sided with the soft-drink producers who wanted quick decontrol of sugar prices after the war, while consumer advocates like Republican Senator Charles Tobey of New Hampshire preferred gradual decontrol. During the floor debate, McCarthy quoted spurious statistics, made false statements concerning the position of the Department of Agriculture, and challenged the personal motives of his opponents. "Once he got going," wrote biographer David Oshinsky, "logic and decorum gave way to threats, personal attacks, and multiple distortions."[5] But these tactics worked; his colleagues took him at his word, and the Senate adopted McCarthy's amendment for speedy decontrol.

Later in 1947, McCarthy once again took on Senator Tobey by supporting prefabricated housing construction as a substitute for the public housing program which Tobey endorsed. Both McCarthy and Tobey served on the Senate Banking Committee, but when Congress established a Joint Committee on Housing, McCarthy sided with House members to deny the chairmanship to the senior Tobey. Such tactics were not forgotten, however, and when the Democrats regained control of the Senate in 1949, the new chairman of the Banking Committee, Burnet Maybank of South Carolina, bumped the junior senator from Wisconsin off the committee. "He's a troublemaker, that's why I don't want him," Maybank exclaimed.[6]

McCarthy's remaining assignments consisted of two minor committees: District of Columbia and Expenditures in the Executive Departments. But McCarthy quickly demonstrated that he did not need prestigious committee assignments in order to gain influence and notoriety. In 1949, the Senate Armed Services Committee appointed a subcommittee, chaired by Connecticut Republican Raymond Baldwin, to investigate charges that American soldiers, had mistreated German prisoners of war who had been involved in the Malmedy Massacre (the terrible slaughter of 150 American GI's by their Nazi SS troop captors). Senator McCarthy, with a large German-American constituency in his state, took an interest in the case and asked permission to sit in on the hearings. However, McCarthy quickly took over the proceedings, acting as chief prosecutor. He peppered witnesses with hypothetical questions in order to manipulate their answers. He used extreme language (at one point calling the American military judges "morons"). He made unexpected personal attacks. After he had won the headlines, but knew he would lose the vote, he dramatically walked out, accusing the committee of trying to "whitewash a shameful episode." Senator Baldwin was so distressed by the incident that it triggered his decision to leave the Senate and accept appointment to his state's supreme court. Baldwin would not be the last senator driven out of this chamber by McCarthy's tactics.[7]

Perhaps the most remarkable fact about Joe McCarthy's early years in the Senate was the tolerance shown toward him by other members. Although Senator Maybank removed him from the Banking Committee and Republican leaders failed to fight to reinstate him, McCarthy in fact paid little for his transgressions against the Senate's rules and folkways. Despite his sometimes boorish behavior, senators, reporters, and others who came in contact with him, found that they liked Joe McCarthy. As the columnist Jack Anderson noted in 1952, "He's an ingratiating, friendly, hail-fellow-well-met, called 'Joe' by almost everyone who has known him for more than five minutes. 'He comes to you with tail wagging and all the appeal of a tramp dog,' said one colleague. He is earthy and unpretentious in manner and dress, often with rumpled clothes (he presses his pants under the mattress at night) and unshined shoes; a big barrel-chested man with a large head, huge hands, and short, restless, muscular arms * * *. A man of furious physical energy and capacity for work * * *."[8]

Those who have studied McCarthy's life have found a sharp division between his private and public images. In the cloakrooms and locker rooms he was "Joe," the hard-drinking, back-slapping, story-telling good fellow. Senators with whom he fought in committee and on the Senate floor found him entertaining in private. Leonard Ballard, a West Virginian who recently retired as an Inspector of the Capitol Police force, recalled that Senator McCarthy regularly lent money to the young policemen, mostly students using the Senate's patronage to help them work their way through school. "Can you let me have ten until payday, senator?" they would ask; and he would respond, "Well, go up and see Mary." Then Mary Driscoll, the senator's personal secretary, would give them a check for fifteen or twenty dollars. When Senator McCarthy died, Inspector Ballard estimated that the Capitol policemen owed him at least a thousand dollars in outstanding loans.[9]

In all of his furious activity, Senator McCarthy made strong friends and strong enemies. Among the latter was the *Madison Capital-Times*, an influential newspaper in his home State. The *Times* was unrelentingly critical of McCarthy's behavior, at one point leading a movement to censure and disbar the senator for running for public office while sitting on the bench. In November 1949, the senator responded by accusing the *Times* city editor of being a Communist. "One of the major aims of the Communist Party is to locate members in important positions in newspapers," McCarthy warned in a speech to Madison Shriners. "There is no law which prevents the *Capital-Times* from follow-

ing the Communist line right down to the last period," he continued. "It is for the people of Madison . . . to decide whether they will continue by advertisements or subscriptions to support this paper in view of the facts which I have set forth in this document."[10]

The editor whom McCarthy had charged with being a Communist had once belonged to several Communist front organizations, but there was no evidence that he was a member of the Communist Party. Indeed, the *Madison Capital-Times* was a staunchly anti-Communist newspaper. No matter, these reckless charges won him instant and widespread publicity. In those anxious early years of the Cold War, people sought some explanation for the troubled state of the nation and the world, and internal Communist subversion seemed a plausible answer. McCarthy had touched a nerve. As one of his biographers, Thomas C. Reeves, concluded: "Joe's attack on the *Capital-Times* in November 1949 won him more publicity throughout Wisconsin than any activity he had undertaken since entering the Senate. The principle was not lost upon him: he could labor for months on housing legislation with barely a ripple of attention in the press, but by calling someone's loyalty into question he became an instant celebrity."[11]

Mr. President, Senator Joseph McCarthy did not create the anti-Communist issue in American politics. Long before McCarthy's attack on the *Capital-Times* or his speech in Wheeling, West Virginia, the House Un-American Activities Committee and the Senate Internal Security Subcommittee had been investigating Communist influence in the government to the accompaniment of banner headlines and occasionally with some spectacular results, as in the case of Whittaker Chambers' accusations against former State Department official Alger Hiss. The Communist victory in the Chinese Civil War in 1949 profoundly shocked the American public, precipitated a debate into who "lost" China, and raised suspicion of Communist sympathizers among American foreign policy makers. It was in this highly charged atmosphere that McCarthy's speech at Wheeling caused such an explosion.

Even McCarthy was surprised by the response to his Wheeling speech. At other stops on his speaking tour, he repeated essentially the same speech, although the "list of 205" alleged Communists in the State Department alternately became "207 bad risks" and "57 card-carrying members of the Communist party." By the time McCarthy reached Reno, Nevada, he found the press eager for evidence to support his charges, but the senator refused to be specific. Finally, on February 20, 1950, he rose on the Senate floor to present his charges—this time against "81 loyalty risks" in the State Department. For eight hours, McCarthy went through his 81 cases, identifying them by number rather than by name, lumping together loyalty risks and suspected Communists. The material, as it turned out, was not new, but consisted of three-year-old files from the House Appropriations Committee. Senator McCarthy, however, implied that it had been leaked to him by sources inside the State Department.[12]

McCarthy's charges were so sweeping and yet so unspecific that they defied effective rebuttal. Republican Senator Robert Taft later referred to the speech as "a perfectly reckless performance."[13] Senate Democrats responded by proposing that the Foreign Relations Committee investigate the matter. Even two of McCarthy's staunchest supporters, commentators William F. Buckley and L. Brent Bozell, conceded that the senator had placed himself in an embarrassing position by misleading the Senate as to the source of his information.[14] But, having dug a hole for himself, McCarthy nimbly scrambled out.

A special subcommittee of the Foreign Relations Committee, chaired by Democratic Senator Tydings of Maryland, and including Senators Brien McMahon, Theodore Francis Green, Henry Cabot Lodge, Jr., and Bourke B. Hickenlooper, called upon Senator McCarthy to produce evidence in support of his charges. From the outset the hearings became a confrontation between the patrician Chairman Tydings and the pugnacious Joe McCarthy. They began, for instance, by debating whether the sessions should be open or closed to the public. But when Tydings suggested an executive session, McCarthy admitted that he had already released the text of his remarks to the press. So it went. McCarthy named names, but of the four State Department officials he cited, all had been thoroughly investigated by the department's security force, and each was able to rebut the charges. McCarthy then turned his fire on Professor Owen Lattimore of Johns Hopkins University, who had advised the State Department, but was never a member of its staff. Lattimore, McCarthy suggested, was the "top Russian espionage agent" in the United States, an unwarranted allegation from which the senator quickly retreated. Professor Lattimore and other witnesses were heard; charges and countercharges were made; if anything, the issues became murkier and more difficult to discern. The press reported everything in detail, and McCarthy, whether one agreed with him or not, became a household name.[15]

On July 14, voting along party lines, the Tydings Committee issued a report which accused Senator McCarthy of perpetuating a "fraud and a hoax" on the Senate and the American public.[16] The Senate then adopted the Tydings Committee report, but again by a straight party vote which diluted its impact. This vote did not mean that "McCarthyism" was a partisan issue. There were Democrats who supported Senator McCarthy and Republicans who opposed him. In the latter camp stood Senator Margaret Chase Smith of Maine, who on June 1, 1950, delivered her eloquent "Declaration of Conscience" on the Senate floor. "I speak as a Republican. I speak as a woman. I speak as a United States senator. I speak as an American," she said. "The United States Senate has long enjoyed worldwide respect as the greatest deliberative body in the world. But recently that deliberative character has too often been debased to the level of a forum of hate and character assassination, sheltered by the shield of congressional immunity * * *. Those of us who shout the loudest about Americanism in making character assassinations are all too frequently those who, by their own words and acts, ignore some of the basic principles of Americanism: the right to criticize; the right to hold unpopular beliefs; the right to protest; the right of independent thought."[17] There was no question that Senator Smith directed her words against McCarthy, although she refrained from mentioning his name.

The most disquieting result of the Tydings Committee hearings was Senator Tydings' defeat for reelection that fall. The able if austere Tydings was a senior and respected member of the Senate's "Inner Club." He had survived even Franklin D. Roosevelt's effort in 1938 to "purge" him and other conservative Democrats from the party, and he seemed invincible at the polls. Senator McCarty's staff, however, devoted a good deal of its time to defeating Tydings. Communism in government became the theme of the Maryland election, and the conservative and anti-Communist Tydings found himself accused of "protecting Communists for political reasons" and of shielding Communists in the State Department. Campaign literature against Tydings featured a composite photograph supposedly showing the senator in intimate conversation with Earl Browder, head of the American Communist Party. Other dirty tricks abounded. The result was that Senator Tydings was defeated by a relatively unknown politician who supported Joe McCarthy. Also defeated in the elections of 1950 were Senate Democratic leader Scott Lucas and Democratic whip Francis Myers, both McCarthy opponents. Commentators attributed these political reversals to McCarthy's national support, and the senator's political star rose even higher.[18]

Although Senator Tydings did not contest his election defeat, he filed a protest with the Senate Subcommittee on Privileges and Elections, which held hearings on the Maryland campaign. The subcommittee, chaired by Senator Guy Gillette of Iowa, found that there were two campaigns in Maryland, one a "front street" campaign conducted by the Republican candidate, John Marshall Bulter, and the other a "back street" campaign conducted by outsiders, chiefly from McCarthy's staff. The subcommittee reached no conclusions about the conduct of the election, but recommended that the Rules Committee prepare explicit standards of behavior for members of the Senate. Joe McCarthy dismissed the subcommittee's criticisms, attributing them to those who would "ignore or whitewash Communist influences in our government." [19]

Rather than make him more cautious, each confrontation seemed to embolden Joe McCarthy and encourage him to seek even larger targets. On June 14, 1951, in a speech on the Senate floor, the senator took on one of the most respected individuals in the nation, General George C. Marshall. After his service as Army Chief of Staff during World War II, Marshall served as Secretary of State and Secretary of Defense in the Truman administration. His name was internationally associated with the Marshall Plan to provide relief for war-ravaged Europe. He was a man of great dignity and rectitude. None of this deterred McCarthy. After the Communist victory in China and the invasion of South Korea, Americans were fearful of the turn of events in Asia. The blame, McCarthy argued in his speech, belonged to General Marshall. "During all this time the /Truman/ administration preaches a gospel of fear, and / Secretary of State/ Acheson and Marshall expound a foreign policy in the East based upon whimpering appeasement," said the senator. "How can we account for our present situation unless we believe that men high in this government are concerting to deliver us to disaster? This must be the product of a great conspiracy, a conspiracy on a scale so immense as to dwarf any previous venture in the history of man." [20]

The attack on General Marshall was met with shock and dismay in the Senate. Republican leaders would not condone it. Senator Leverett Saltonstall, and Massachusetts Republican, considered the speech "sickening, simply disgusting." Senator Ralph Flanders, Republican from Vermont, believed the speech had done Senator McCarthy "more harm than good." Many Senate Democrats responded angrily to the speech. New York Senator Herbert Lehman in particular denounced McCarthy's use of "character assassination." Senator William Benton of Connecticut introduced a resolution calling for an investigation to determine whether McCarthy should be expelled from the Senate. To this, Senator McCarthy replied that "Benton has established himself as a hero of every Communist and crook in and out of government." That resolution went to the Subcommittee on Privilege and Election, which held a stormy investigation, but was unable to reach a determination. Once again Senator McCarthy had eluded condemnation by his Senate colleagues.[21]

From the day he gave his address in 1950, until the election of 1952, Joe McCarthy was constantly under fire from senators like William Benton, Herbert Lehman, Thomas Hennings, J. William Fulbright, and Margaret Chase Smith. McCarthy counterattacked with a vengeance, proving himself skillful at parliamentary maneuvering. Nevertheless, McCarthy was more often on the defensive than the offensive, fighting off attacks against him by hurling charges at his attackers. This situation continued so long as McCarthy remained a minority member of the Senate. The election of 1952, however, changed everything. Republican Dwight D. Eisenhower replaced Democrat Harry S. Truman in the White Hguse, and Republicans won the majority in both the Senate and the House.

Amid the Republican euphoria, there were worries about Jee McCarthy. Some hoped that movifg into the majority would have a maturing effect on the junior senator from Wisconsin; that he might act more responsibly. Others hoped that Eisenhower would keep McCarthy in line. When the 83rd Congress opened, it was Indiana's William Jenner who drew the chairmanship of the Senate Internal Security Subcommittee, and it was expected that he rather than McCarthy would lead any anti-Communist investigations. "We've got Joe where he can't do any harm," majority leader Robert Taft commented on McCarthy's chairmanship of the Senate Government Operations Committee. But all of this speculation was wrong.[22]

As Chairman of Government Operations, McCarthy exercised his prerogative to chair its Permanent Subcommittee on Investigations. In 1948, the Permanent Subcommittee had been created out of the old Truman Committee to investigate the national defense program during World War II. It had won a flurry of attention of its investigation of alleged corruption in the Truman administration, but under its elderly chairman, Clyde Hoey, it had been a relatively quiet and sedate operation. Joe McCarthy, however, realized that the subcommittee offered him unlimited possibilities for investigating whatever and whomever he wished.

McCarthy set about assembling a subcommittee staff. Roy Cohn from the U.S. Attorney's office in New York, Cohn's friend David Schine, and Ambassador Joseph P. Kennedy's son Robert were among the ambitious young men, still in their twenties, whom McCarthy hired. All was not harmonious, however. There was considerable animosity between Roy Cohn and Bob Kennedy, each of whom had wanted the top staff position. McCarthy finally appointed Cohn as Chief counsel, Francis "Frip" Flanigan as general counsel, and Kennedy as Flanigan's assistant. With two counsels, subcommittee leadership became a muddle. Ruth Young Watt, the subcommittee's chief clerk recalled that: "when some decision would have to be made, I'd say to Roy Cohn 'What'll I do?' He'd say, 'Well, Ask Frip.' Then I'd go to Frip and he'd say, 'Ask Roy.' In other words," she continued, "I'd just end up doing what I thought was right." By June of 1953, Ruth Watt observed, "everything was in shambles * * * as far as the staff was concerned, because every body was at cross purposes; everybody was vying for position and so on." [23]

At that point, Chairman McCarthy hired J.B. Matthews as administrative assistant to straighten out the mess. A former Methodist minister and ex-Communist, Matthews had become an outspoken anti-Communist, given testimony to congressional committees, and published widely on the "Red Menace." Matthews may well have been the man to bring order out of the committee's chaos, but he never had the opportunity. Just as his appointment was announced, one of his articles, "Reds and Our Churches," was published. Even for its time the article was extravagant in its claim that: "The largest single group supporting the Communist apparatus in the United States today is composed of Protestant clergymen."

This outrageous defamation of the clergy gave the Eisenhower administration the opportunity it was seeking to disassociate itself from McCarthy's tactics. Eisenhower's aides phoned religious leaders around the country, encouraging them to make formal protests to the White House about Matthews' article. Eisenhower then planned to issue a condemnation—obviously aimed at McCarthy—of those who made sweeping accusations of disloyalty against groups of American citizens. As it happened, Senator McCarthy at that very time was on his way to the press gallery to announce that he had fired J.B. Matthews. However, Vice President Nixon intercepted the senator and invited him into his Capitol office for a few minutes of diversionary conversation. By the time McCarthy reached the press gallery with his news release, Eisenhower's

angry statement had already been released, making McCarthy's move appear as a capitulation to the president.

This maneuver has been cited often by Dwight Eisenhower's supporters as evidence of his "hidden-hand" approach to Joe McCarthy. Eisenhower steadfastly refused to engage in a personal attack on the senator, believing that "getting in the gutter" with him would diminish the presidency and elevate McCarthy's national stature. As Eisenhower noted in his diary, "nothing will be so effective in combatting/ McCarthy's/particular kind of troublemaking as to ignore him. This he cannot stand." [24] Yet, as sensible as this tactic seemed, Eisenhower's nonconfrontation approach deprived the Senate opposition to McCarthy of needed presidential leadership.

In the meantime, Senator McCarthy was making the most of his chairmanship of the Permanent Subcommittee on Investigations. As Robert Griffith has noted, "McCarthy's subcommittee quickly captured the nation's attention by hurrying from one 'startling revelation' to another." With McCarthy in the chair, the subcommittee, by its own count, initiated 445 preliminary inquiries and carried out 157 investigations.[25] Given Senator McCarthy's initial attack on the State Department in his Wheeling, West Virginia, speech, it was not surprising that he would aim at the same target in his first committee investigations. In February 1953, the subcommittee launched investigations into the State Department's information program, both the Voice of America and the overseas libraries.

This was the period for which most people remember Joe McCarthy. His aggressive and relentless interrogation of witnesses not infrequently included bullying, intimidation and insults. His witnesses ranged from the frightened to the belligerent. His repeatedly asked question, "Are you now or have you ever been a member of the Communist Party?" was often answered with a refusal to answer under the Fifth Amendment of the Constitution. It was a bewildering period for the press, the public, and the United States Senate. Was Senator McCarthy on to something? Had he uncovered a network of subversion in the United States? Or was he striking out blindly, heedless of the reputations he was destroying, on a mammoth fishing expedition?

Reading through the transcripts of Senator McCarthy's many hearings in the 83rd Congress, one sees considerable evidence of his intelligence and skill. Few witnesses got the better of him. Indeed, he seemed to take great pleasure in surprising, outmaneuvering and flustering his witnesses. Although it was never clear where it all was leading, McCarthy seemed to enjoy the thrill of the hunt. The former chicken farmer from Wisconsin took special delight in outwitting, embarrassing, and humiliating members of the "Eastern Establishment": graduates of ivy league universities, the liberal intelligentsia.

Take, for example, his interrogation of James Wechsler, the liberal, anti-Communist editor of the New York *Post.* Wechsler made no secret of his youthful membership in the Communist Party in the 1930's, or of his later break with the Communists. Wechsler had also written several books, copies of which had been purchased for the American overseas libraries. This was the pretext under which he was called to testify, although it is clear from the questioning that it was the *Post's* critical editorial policy that most concerned Senator McCarthy. His objective was to force Wechsler to "name names" of former comrades in the Communist Party. Wechsler was equally determined not to betray youthful friends, many of whom might also have long since abandoned Communism. This is part of Wechsler's account of that interrogation, taken from his book, *The Age of Suspicion*:

(In his own defense, Wechsler had introduced a statement which the Communist Party had issued in 1948, personally attacking him. "I am rather fond of this tribute," he said, "and it may perhaps have some bearing on your comment that I have not been active in fighting Communism.")

In a cold casual voice, McCarthy responded quickly: "Did you have anything to do with the passage of that resolution? Did you take any part in promoting the passage of that resolution?"

I thought I had expected anything, but my imagination had been inadequate. His words registered slowly. I must have looked baffled as well as astonished, almost incapable of trusting my own senses.

"Is that a serious question?" I asked.

McCarthy turned briskly to the stenographer. "Will you read the question to the witness?"

His voice was harder and tougher. In this strange proceeding he alternately played the role of prosecutor and judge, and now he was definitely the prosecutor. The stenographer read the question.

I knew I was making an obvious effort to keep my voice down as I answered, and I am sure my hands trembled a little: "Sir, I have not been in any way affiliated with the communist movement since 1937, as I believe your investigation will show. That resolution was adopted by the Communist Party as a tribute to the militant and vigorous anti-Communism of the New York *Post* which has, in my judgment, been more effective in leading people away from Communism, senator, than those who prefer to identify liberalism with Communism."

He let me finish and then, in the same flat tone, he said: "now will you answer the question?"

"The answer is no, senator," I replied.

"The answer is no. Do you know whether anyone on your staff took part in promoting the passage of that resolution?"

"Senator, to the best of my knowledge, no one on my staff is a member of the Central Committee of the Communist Party or identified with it in any way."

"Now will you answer the question . . .?"

"I have answered it as best I can."

"You have said that you did not think anyone on your staff was a part of the committee. That was not the question. Read the question to the witness."

The stenographer read it. The faint smile which McCarthy had exhibited earlier was gone now. Once again, in a voice that must have sounded spineless, I answered the question.

"I do not know that anyone on my staff took any part in promoting the passage of that resolution," I said. He had astonished me, and he knew it.

Thus within ten minutes after the hearing had begun, I found myself in the preposterous position of denying under oath that I had inspired the long series of communist attacks on me, climaxed with the denunciation of the Central Committee. With that brilliant stroke of what Philip Graham, publisher of the Washington *Post,* later described as "brute brilliance," McCarthy thus virtually ruled out the whole structure of evidence which I had wide-eyedly assumed would resolve the issue once and for all.[26]

Wechsler's hearing ended with his providing McCarthy with a list of names of other members of the Young Communists League whom he could remember. The only concession the editor could win was that the list not be published in the record. McCarthy had vanquished another opponent.

Looking back over Senator McCarthy's investigation of the State Department's overseas information program, it is hard to imagine what he thought he had accomplished. His aides, Cohn and Schine, had made a much publicized tour of overseas libraries, which led to the removal from their shelves of such "subversive" books as Dashiel Hammett's *The Maltese Falcon.* Such behavior brought ridicule from America's overseas allies, and fury from the Senate Foreign Relations Committee, which believed McCarthy was invading its jurisdiction. The persistent investigations in the State Department ruined careers and demoralized the department. Prominent authors were badgered in public and closed hearings. No terrible spy ring was uncovered, no subversion documented, no particularly new information presented. But Senator McCarthy considered the hearings a tremendous success. In fact, as his biographer David Oshinsky has noted, "those who followed him sensed an important change in his behavior. The jauntiness and the self-mockery were gone. There were no more winks at newsmen who questioned his charges. Now like the true believer, he lectured them about Communists in colleges, the defense plants, and the VOA / Voice of America/. 'You don't understand,' he told columnist Jack Anderson. 'This is the real thing, the *real thing.*' " [27]

Mr. President, if the expression "a loose cannon on a rolling deck" ever

applied to any member of the United States Senate, it seems appropriate for Joe McCarthy in the 83rd Congress. He may have been transformed from cynical publicity-seeker to true believing crusader, but no matter what his motivations, he daily demonstrated that he operated under no one's rules other than his own. McCarthy's arbitrary behavior, particularly with regard to appointing staff, so outraged his Democratic colleagues that they walked out of the subcommittee and boycotted its meetings for months. Young Robert Kennedy also left McCarthy's staff in the summer of 1953, to return later as counsel to the Democratic minority. But while opposition to McCarthy mounted in the Senate and within the White House, the senator's national popularity rose. One wonders what heights he might have reached had he not made the mistake of taking on the United States Army.

Mr. President, so much has been written about the Army-McCarthy hearings that it is difficult to summarize it. Because they were televised, they riveted the nation's attention on McCarthy and his activities as nothing before, and many commentators attribute his downfall to that raw national exposure. The hearings grew out of McCarthy's earlier investigation into laxness of security at the Army Signal Corps' top secret laboratories at Fort Monmouth, New Jersey. It was a complex, meandering investigation, but eventually it converged on the promotion, from captain to major, of an Army dentist, Irving Peress, whom Army intelligence had suspected of disloyalty. "Who promoted Peress?" became McCarthy's rallying cry. This was a legitimate question; a mistake had been made; but McCarthy's approach was typically unrestrained. While interrogating Brigadier General Ralph Zwicker, Peress' commanding officer, the senator exploded in anger, calling him "not fit to wear that uniform." Later that evening, when he had calmed down, McCarthy conceded, "I guess I treated Zwicker pretty rough," but the damage had been done.[28]

The Presidential administration of General Dwight D. Eisenhower wanted no such harrassment of Army officers. Secretary of the Army Robert Stevens denounced McCarthy's behavior and ordered General Zwicker not to reappear before the subcommittee. An angry Senator McCarthy called Stevens to threaten that he was going to "kick the brains out of anyone who protects Communists! * * * Communists! * * * You just go ahead," MCarthy taunted. "I will guarantee you that you will live to regret it." McCarthy's friends in the Senate rushed to intervene between the Wisconsin senator and the Army. The hapless Secretary Stevens was invited to a fried chicken luncheon with McCarthy and other Senators in the Senate Republican Campaign Committee room at the Capitol, where he agreed to a "memorandum of understanding," giving in to all of McCarthy's demands. The press reported the "chicken luncheon" as a total capitulation, and the next day Secretary Stevens issued a statement, approved by President Eisenhower, that the Army personnel would not be "browbeaten or humiliated." The Army then accused Senator McCarthy of seeking preferential treatment for a former staff member, David Schine, who had recently been drafted. McCarthy rebutted that the Army was holding Schine "hostage" in an attempt to "blackmail" him into calling off his investigation.[29]

These were serious charges. Either the U.S. Army or Senator Joe McCarthy was lying. The Permanent Subcommittee on Investigations voted to hold hearings on the matter, and Senator McCarthy agreed to step down temporarily as chairman in favor of Senator Karl Mundt of South Dakota. Ray Jenkins would act as committee counsel, and a Boston lawyer, Joseph Welch, would represent the Army.

From April through June 1954, the Army-McCarthy hearings gripped the nation. Crowds lined up outside the Senate Caucus Room for available seats. Radio, television and the newspapers devoted extraordinary attention to the proceedings. Senator McCarthy, although no longer chairman, remained a force to be reckoned with. His repeated points of order interrupted the testimony and kept the focus of attention on him. He battled regularly with subcommittee Democrats, John McClellan, Henry Jackson and Stuart Symington. He jabbed and dodged, ridiculed and attacked. It was a remarkable performance before a television audience. But in Joseph Welch, McCarthy confronted another remarkable performer, and met his match.

On June 9, Joe McCarthy finally went too far. Gratuitously he attacked a young lawyer in Welch's law firm, Fred Fisher. "In view of Mr. Welch's request that the information be given once we know of anyone who might be performing any work for the Communist Party, I think we should tell him that he has in his law firm a young man named Fisher whom he recommended, incidentally to do work on this committee, who has been for a number of years a member of an organization which was named, oh, years and years ago, as the legal bulwark of the Communist Party * * *." With a pained expression, Joseph Welch delivered his famous response: "Until this moment, senator, I think I never really gaged your cruelty or your recklessness." Welch went on to describe how he had invited Fisher to work with him on the Army-McCarthy hearings, but that Fisher had said that he once belonged to the Lawyers Guild. Despite the fact that Fisher was also secretary of the Young Republicans League of Newton, Massachusetts, a good indication of his politics, Welch decided not to subject the young lawyer to possible attack during the hearings, and sent him back to Boston. When McCarthy attempted to continue his attack on Fisher, Welch angrily cut him off: "Let us not assassinate this lad further, senator. You have done enough. Have you no sense of decency, sir, at long last? Have you left no sense of decency?" [30]

After delivering this blast, Joseph Welch left the Caucus Room to a burst of applause from the audience. Senator McCarthy could be seen shrugging his shoulders and asking "what did I do?" What he had done, as Welch had expressed, was to destroy himself by demonstrating his "reckless cruelty" to an amazed national audience. Public opinion polls showed that McCarthy's favorable rating fell from 50 percent in January 1954 to 34 percent in June.[31]

The rest, as they say, is history. Under pressure from both Republicans and Democrats, Roy Cohn resigned as subcommittee counsel. Senator Ralph Flanders of Vermont, Republican, introduced a resolution to censure Senator McCarthy. A committee under Arthur Watkins, Republican from Utah, took the censure resolution under consideration that summer. In November, Democrats won back control of the Senate, beginning twenty-six years in the majority. Later in November, the Senate returned to debate the censure of Joseph McCarthy.

Our colleague, Senator Barry Goldwater, has recounted in his memoir, *With No Apologies*, how right up to the end McCarthy refused to help his own case. Senator Goldwater told how Senator Price Daniel of Texas had informed him that a number of Southern Democrats would vote against censure if Senator McCarthy formally apologized to those members of the Senate whom he had insulted. Senator Goldwater, and McCarthy's attorney Edward Bennett Williams, carried this message to Senator McCarthy at Bethesda Naval Hospital, where he was undergoing treatment. Both urged him to sign the letters of apology to stave off censure. "This upset McCarthy," Senator Goldwater wrote. "He threw the pen across the room, started swearing at both of us, and pounded the table." [32] On December 2, 1954, the Senate voted 67 to 22 that Joseph R. McCarthy's conduct was "contrary to senatorial traditions and is hereby condemned."

Mr. President, I think it must be hard for anyone who has not served in the Senate of the United States to

comprehend how devastating censure can be to a senator. Censure does not remove a member's right to vote, or speak, or serve on committees. But in as collegial a body as this, censure is an awe-some punishment, and from all accounts Senator McCarthy suffered mightily as a result. Our own Dr. Floyd Riddick, the Senate's parliamentarian emeritus, has recalled that "from the time McCarthy was censured until he died he would call me frequently, as a regular practice when he was going to hold a press conference, he'd call me and read his statement to me and say: 'Do you think that's something that would offend the Senate's dignity?' * * *. He became very inactive; he really, it seemed to me, became almost ashamed to come on the Senate floor." [33]

Similarly, Ruth Watt recalls how the Eisenhower administration publicly shunned McCarthy after his censure. On one occasion, Eisenhower held a reception for every member of the Senate except Joe McCarthy. "We were having a hearing in the Caucus Room," she recalled, "and Senator McCarthy kept calling me over and saying, 'Ruthy, go ask Mary Driscoll / McCarthy's secretary/ if I've heard from the White House yet, if I've gotten an invitation,' which I thought was kind of sad. I'd call Mary and she'd say, 'You know very well he hasn't. He's not going to get any invitation to that party tonight.' " [34]

McCarthy's final years were sad ones. Censured by his colleagues, shunned by his party, ignored by the press, he began to drink heavily. In May 1957, at the age of forty-eight, he died in office, very much a broken man. His crusade produced no substantial evidence of Communists in government. Instead, his reckless behavior helped undermine the public credibility of the anti-Communist movement. He sought to fight international Communism, but devoted his energies to battling his own nation's diplomats and military. He made the public suspicious of Congressional investigations as a threat to civil liberties, a suspicion that lingered for two decades until erased by the stellar work of the Watergate Committee. He demonstrated remarkable talents and native intelligence, but proved unable to channel them constructively. By most accounts, he was a warm, generous, likable man, but he made himself a controversial and even hated member of the United States Senate. In all our history there has never been a more tragic figure.

FOOTNOTES TO "THE SENATE AND JOE MCCARTHY, 1947-1957"

[1] David M. Oshinsky, *A Conspiracy So Immense: The World of Joe McCarthy* (New York, 1983), 108-9.

[2] Jack Alexander, "The Senate's Remarkable Upstart," *The Saturday Evening Post* (August 9, 1947).

[3] *Congressional Directory*, 80th Congress, 1st sess., (1947), 138.

[4] Robert Griffith, *The politics of Fear: Joseph R. McCarthy and the Senate* (Lexington, 1970), 13-14.

[5] Oshinsky, *A Conspiracy So Immense*, 63-66.

[6] Griffith, *The Politics of Fear*, 17-20.

[7] Ibid., 20-26.

[8] Jack Anderson and Ronald W. May *McCarthy: The Man, The Senator, the "Ism"* (Boston, 1952), 3-4.

[9] *Leonard H. Ballard, Inspector, United States Capitol Police, 1947-1984*, Oral History Interviews, 1984, Senate Historical Office, 25.

[10] Oshinsky, *A Conspiracy So Immense*, 80-83.

[11] Thomas C. Reeves, *The Life and Times of Joe McCarthy: A biography* (New York, 1982), 195.

[12] Griffith, *The Politics of Fear*, 54-55.

[13] Oshinsky, *A Conspiracy So Immense*, 114.

[14] William F. Buckley, Jr. and L. Brent Bozell, *McCarthy and His Enemies: The Record and Its Meaning* (Chicago, 1954), 58.

[15] Griffith, *The Politics of Fear*, 52-100.

[16] U.S. Congress, Senate, Committee on Foreign Relations, *State Department Employee Loyalty Investigation: Report No. 2108*, 81st Congress, 2nd sess., 1950.

[17] Margaret Chase Smith, *Declaration of Conscience* (Garden City, 1972), 12-18.

[18] Griffith, *The Politics of Fear*, 122-131; Richard M. Fried, *Men Against McCarthy* (New York, 1976), 122-153.

[19] Griffith, *The Politics of Fear*, 153-156.

[20] *Congressional Record*, 82nd Congress, 1st sess., 6556-6603.

[21] Fried, *Men Against McCarthy*, 191-218; Oshinsky, *A Conspiracy So Immense*, 201-202; Griffith, *The Politics of Fear*, 157-187.

[22] Oshinsky, *A Conspiracy So Immense*, 251.

[23] *Ruth Young Watt*, Oral History Interviews, Senate Historical Office, 109, 115.

[24] William Bragg Ewald, Jr., *Who Killed Joe McCarthy?* (New York, 1984), 72, 383.

[25] Griffith, *A Conspiracy So Immense*, 212-213.

[26] James A. Wechsler, *The Age of Suspicion* (New York, 1953), 269-272.

[27] Oshinsky, *A Conspiracy So Immense*, 285.

[28] Ibid., 355-377.

[29] Griffith, *The Politics of Fear*, 247-249.

[30] U.S. Congress, Senate, Committee on Government Operations, Permanent Subcommittee on Investigations, *Special Investigations on Charges and Countercharges Involving Secretary of the Army Robert T. Stevens, John G. Adams, H. Struve Hensel and Senator Joe McCarthy, Roy M. Cohn, and Francis P. Carr* (Washington, 1954), 2426-2430.

[31] Griffith, *The Politics of Fear*, 259-263.

[32] Barry M. Goldwater, *With No Apologies* (New York, 1979), 61.

[33] *Floyd M. Riddick: Senate Parliamentarian*, Oral History Interviews, Senate Historical Office, 368.

[34] *Ruth Young Watt*, Oral History Interviews, 150-151.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABNOR) Without objection, it is so ordered.

SUPERFUND IMPROVEMENT ACT OF 1985

The Senate continued with the consideration of the bill.

Mr. STAFFORD. Mr. President, I would like to propound an inquiry to the principals of the amendment to be offered, Senator ROTH and Senator MITCHELL. Knowing that we cannot vote today, I would say to my colleagues, would they jointly be willing to consider a unanimous-consent request that debate tomorrow, prior to voting, might be limited to 20 minutes, 10 minutues on each side? Would that be agreeable?

Mr. ROTH. Yes; that will be satisfactory.

Mr. STAFFORD. Would that be agreeable to Senator MITCHELL?

Mr. MITCHELL. That is agreeable to me.

Mr. STAFFORD. I thank both Senators.

Mr. President, I am prepared to yield the floor.

The PRESIDING OFFICER. Is the Senator making that request?

Mr. STAFFORD. No; the Senator is not at this point. I would say to the Presiding Officer I am not proposing a unanimous-consent request. I am simply ascertaining the wishes of the principals. I will defer to the leadership for a unanimous-consent request.

AMENDMENT NO. 673

Mr. MITCHELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maine [Mr. MITCHELL] proposes an amendment numbered 673.

Mr. MITCHELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 99 insert the following on line 6 before the words "of the disease": ", who have been exposed to a release of the relevant hazardous substance,".

On page 99, insert on line 9 after the word "individuals" the following: "who have been exposed to a release of the relevant hazardous substance but".

On page 99 insert on line 15 after the word "individuals" the following: ", who have been exposed to a release of the relevant hazardous substance, ".

Mr. MITCHELL. Mr. President, this amendment has been cleared on both sides with both supporters and opponents of the provision regarding a Victim Assistance Demonstration Program. It is an effort to clarify what has been one of the controversial areas regarding this provision.

It would provide at the relevant points in the bill that any benefits under this demonstration program are limited to persons—and I now quote the relevant words of the amendment: "Who have been exposed to a release of the relevant hazardous substance."

This matter arose in the Environment and Public Works Committee when this matter was thoroughly debated. I stated at that time that it was my intention in drifting this provision that such benefits be limited to persons who have actually experienced exposure.

Those who have opposed this provision have rightly been concerned

about that fact. In an effort to make it absolutely and unmistakably clear that that is the case, I have offered this amendment so there can be no further doubt or question about that.

I have discussed it with Senator ROTH and Senator SIMPSON, as well as Senator STAFFORD. I believe we are all in agreement that this does make that point clear. I now yield to either Senator ROTH or Senator SIMPSON, if they care to make any comment on this. Following that, I will move adoption of the amendment.

Mr. ROTH. Mr. President, I have no objection to a modification. I would only make the admonishment that while it brings some clarity into it, there still is an ambiguity as far as I am concerned. I would not want to say that it necessarily eliminates the problem of ambiguity. I have no objection to the amendment offered by the distinguished Senator from Maine.

Mr. SIMPSON. Mr. President, may I add that in my mind I share the view that it certainly does not cure the defects in the proposal of the Senator from Maine. I certaifly do not accept it on that basis. I think we are going to find in an up-or-down vote whether we accept that entire concept. I think it is important. I just want to say that, in my mind, it may be the terms used in it as to "relevant hazardous substances" and "exposed" still do not have the sound, scientific basis that is going to enable us to solve this really tough issue. From that standpoint, I accept it on that basis, but hope that we shall reject the entire concept later when we come to an up-or-down vote.

The PRESIDING OFFICER. Is there any other debate? If not, the question is on agreeing to the amendment.

The amendment (No. 673) was agreed to.

AMENDMENT NO. 674

(Purpose: To strike out section 129 (relating to victim assistance)

Mr. ROTH. Mr. President, I send an amendment to the desk on behalf of myself, Mr. SIMPSON, Mr. HELMS, Mr. DENTON, and Mr. DOMENICI and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH]. for himself, Mr. SIMPSON, Mr. HELMS, and Mr. DENTON, and Mr. DOMENICI proposes an amendment numbered 674.

Beginning on page 96, line 3, strike out through page 101, line 12.

Mr. ROTH. Madam President, I ask unanimous consent that Senator DOMENICI's name be added as a cosponsor.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. ROTH. Madam President, my amendment would strike section 129 from the bill. At the outset, let the record be clear that I support reauthorization of Superfund and I shall vote for passage of S. 51 so that we can get on with the important task of cleaning up abandoned hazardous waste sites. I must, however, oppose section 129 as an unwise program which will divert funds and attention from the primary goal of the Superfund Program and create the potential, even the inevitability, of costing many billions of dollars in the future.

During the Environmental and Public Works Committee markup of Superfund held earlier this year, a Victims Assistance Demonstration Program—section 129—was included in the bill. The program was designed to provide grants of not less than $1 million, nor more than $10 million, each for not less than 5 nor more than 10 demonstration areas. These areas would be in 5 to 10 States and are selected on the basis of health assessments by the Agency for Toxic Substances and Disease Registry. The assessments would attempt to correlate disease or injury with a release of hazardous substance and consequent exposure. Persons residing in the experimental areas would be provided with free medical insurance policies that would cover continued medical monitoring. Persons showing present symptoms of such disease or injury would be reimbursed for past medical expenses and the costs of medical and surgical treatment and hospitalization resulting from such disease or injury, subject to an annual deductible of $500. The program was designed not to exceed $30 million per fiscal year.

Madam President, my colleagues and I in the Finance Committee had many concerns with section 129 of this bill, and after careful analysis of this concept, rejected it as fundamentally flawed and refused to authorized funds for the program. This program would seriously undermine Superfund's central purpose, which is the prompt cleanup of the hazardous waste sites, by adding on a major new National Health Care Program.

When Congress enacted Superfund in 1980, it recognized the pressing need for a program to cleanup hazardous waste sites. We are all firmly committed to this goal and I believe that the cleanup of hazardous waste sites would be most expeditiously and readily accomplished if Superfund is used exclusively for that purpose. By expanding Superfund to include a potentially very costly demonstration program, the limited resources would be diverted from the central purpose of cleaning up hazardous waste sites. This program, if expanded to a Nationwide Victims Compensation-Entitlement Program, would involve costs far beyond any current or potential funding capability of Superfund. It would require either substantial funding from general revenues or a dramatic increase in Superfund's tax base. If the Congress desires to create a Medical Assistance Program for individuals who have been placed at increased risk due to releases of hazardous substances, the large and uncontrollable financial costs of such a program require that that issue be considered separately.

I only point out at this point that even the present Superfund cleanup program is slowly taxing the revenue measures available for that purpose.

The Assistance Program was developed by its authors in good faith to remedy possible inadequacies in determining responspibility, to assign liability and to provide compensation in the case of exposure to hazardous wastes by a party. But product liability or worker compensation laws now provide redress in most of these cases. Recent data show that first-party insurance and tort benefit payments totalled $142.5 billion in 1981. Government payments for health and disability, in the same year, were $107.6 billion for almost 39 million beneficiaries. Health insurance issued by private companies covered 108 million persons in 1981.

The United States devotes an enormous, and still growing, proportion of its gross national product to the compensation of persons requiring medical care, rehabilitation, income replacement, and other monetary or other in-kind compensation for injury, illness, or disease resulting from virtually any cause. Compensation systems readily available in the United States are the tort system, State and Federal workers' compensation systems, Medicare, Medicaid, Social Security disability insurance, black lung, employer-provided medical and disability insurance, and a variety of others. It appears that the combination of these resources is sufficient that any person suffering injury or illness in the United States will have his or her basic income or medical support needs addressed.

I believe everyone in this body, certainly the Senator from Delaware, has a great deal of sympathy for those potentially exposed to the effects of toxic wastes. We want to help. But the plain and simple fact is that the Treasury simply cannot afford the potentially gargantuan expenditures that his program is likely to incur. It is much much wiser to correct identifiable deficiencies in current legal institutions and other support systems to protect their respected values and control their costs than to attempt to achieve a national compensation system that may be beyond the Nation's current or future means.

This program does nothing to resolve the scientific uncertainties and causation controversies, which now exist, and need to be resolved before

we even contemplate a compensation program of this magnitude.

It does not solve the problem of determining which cases of a particular illness may be caused by exposure to a hazardous release, nor does it distinguish between individuals whose exposure has been substantial and those whose exposure has been slight. The result is that for certain benefits—that is testing and screening—which by themselves are very costly, large segments of the population are likely to be eligible.

The demonstration program addresses symptoms that are present or are later developed. However, there is no adjustment for, nor recognition of normal incidences of disease symptoms, especially as the population ages. By the way that it is defined, the program opens up claims for potentially unlimited numbers and types of illnesses and thereby begins an open-minded entitlement program directed at only a few areas of the country, and I anticipate increasing pressure to expand the size and cast of the program.

Judging from the history of similar program that began with limited intentions, such as the Black Lung Program, it is difficult to imagine that those individuals not eligible because a site in their vicinity was not selected for the demonstration would accept their exclusion if they believe themselves to be otherwise deserving. In addition, it will reinforce the fear that living near a site can cause serious injury. Pressure to expand the program nationally is highly likely. I do not think that the Senate expected Superfund to become the precursor to a National Health Insurance Program.

Clearly the most disabling aspect of this program is that it creates a precedent for compensating persons linked to a hazardous substance, even when there is no credible evidence that the illness was in fact caused by the substance or that the individual was actually exposed.

Madam President, section 129 does not require a beneficiary to have been exposed to a hazardous substance, it eliminates dose as a relevant consideration, it substitutes association for causation, and it would entitle an individual to benefits for a significantly increased risk even where the underlying risk may be wholly insignificant. Establishing such a precedent could have serious implications for how the tort system and various administrative compensation programs deal with toxic exposure claims. Compensation would be awarded in an arbitrary and indefensible manner.

It is clear that no current or foreseeable funding level for Superfund could possibly cover the expenditure for such an expanded program.

For these reasons, enactment of section 129 could serve as an important first step toward a far more expansive entitlement-compensation program, with obvious and significant fiscal and policy implications. While I understand the sincere and deeply held concerns of the proponents of this provision, I believe that no need has been demonstrated for legislation that poses the grave risks and problems I have identified. I urge the Senate to delete the program.

Madam President, an editorial in the Washington Post of September 23, 1985, said:

SUPERFUND AND THE SENATE

Another bad provision sets up a "demonstration" program to provide compensation and services to people claiming injuries from environmental hazards. In fact, as a new study by a consortium of leading universities reports, at only one site is there now evidence supporting a link between exposure and serious health effects. Where such evidence exists, moreover, victims may already obtain relief in state courts.

But widespread public fears—and the lack of a requirement that claimants prove their ailments were actually caused by the cited hazard—

As an aside, Madam President, the modification does not correct that.

Make it a near certainty that such a program would be met by huge demands for its expansion and continuation and would ultimately absorb most of the money meant to clean up potential hazards. The Finance Committee has already deleted funding authority for the program, but Sen. William Roth needs support on the floor to kill the program entirely.

Mr. ROTH. In closing, let me say, Madam President, I know the distinguished Senator from Maine is a compassionate and humane individual who seeks to address a serious problem, but one of the serious problems we are facing in the Finance Committee is financing the health programs already on the books. I can say, from several years of experience on that committee, that trying to contain those costs is near an impossible doing. So that at this time beginning a new program—and that is what this demonstration program amounts to, a new program—would make it very, very difficult to terminate at some future time.

I think it important to move on with the principal thrust of this legislation, that is, to clean up these sites, and to remove this diversion of funds and effort as proposed in this section.

I yield the floor.

Mr. SIMPSON. Madam President, the Senator from Delaware has beautifully stated the issue. It is a tough one, and it does not have anything to do with who is more compassionate or who is not, or who cares more or does not. Those are not parts of this debate.

I first thank the Senator from Maine, who on Friday extended me an extraordinary accommodation as I was in a long-standing commitment back in my home State of Wyoming and he was at full tilt in this body, working hard and working toward his measure. I asked him for accommodation in midafternoon, if I could leave and deal with my issue later, and I believe his phrase was something like, "You mean wait until you come back so you could help defeat my proposal?" I said, "Yes." He said, "I will." And I said, "Thank you very much," because that is surely above and beyond the call duty and the kind of comity that goes on in this place. I appreciate it very much.

The able Senator from Delaware [Mr. ROTH], with his sense of fiscal awareness and sanity, speaks with a sincerity and depth of authenticity on this issue that is so very real.

Superfund, I am one of the coauthors of Superfund—exceedingly complex, exceedingly difficult. I honestly say to you, Mr. President, I do not think there are 10 staff members in the Senate who really understand the issue, and perhaps fewer Senators, including this one. I do not leave myself out of that discussion—terribly complex. You correct one area of it and something springs up in another area. We wonder how to fight it, and we hope we can get it done. There are several amendments I think we can bring up or that will be brought up that will make Superfund do what it was supposed to do, and that is make those who produce the toxic waste clean it up and make them pay for it; we can put it together that way. But when we see the Superfund money going out for transaction costs, which often means attorneys' fees and scientific and technical information and knowledge, that is diversion. Here again I think is another diversion from Superfund, and that is this Victims' Assistance Program. It springs from the best of intent, there is no question about that. That is a given. But it springs from that with which we deal in this arena; we get to an issue which is very, very tough and rather unresolvable and yet pushes us, through compassion and intensity of care, to take care of people who somehow have suffered. From that comes impatience and often frustration and sometimes when we do that, the public perception of an issue is not quite correct as compared to reality.

The Mitchell proposal sets up a trial program at a total cost of some $30 million per year, as I understand the original proposal, and what we do is set up geographical areas. The Agency for Toxic Substance and Disease Control designates geographical areas within the States where health studies indicate the population has been placed at "significantly increased risk" because of exposure of the site and such disease is associated with exposure to a hazardous substance.

Under the Mitchell proposal, which Senator ROTH seeks to remove, per-

sons are going to receive medical screening. They are going to get group medical benefits. They are going to have medical insurance which is intended to be nonduplicative with public and private benefits from other sources.

That sounds good, and it is good if you are compassionate and not using your own money. If you are using your own money, it does not sound good.

As one who has practiced law for 18 years, I say that the tort system of the United States is a very durable and well-recognized system. It comes down through centuries, literally. No one knows that better than the Senator from Wyoming, the Senator from Delaware, and the Senator from Maine, all of whom practiced law. The distinguished Senator from Maine not only practiced but also served on the Federal bench, and he knows those issues.

What we are faced with here is that we do not know enough. I know that this is where you run into the shoals, but we simply do not know enough about the nature of the illnesses and their specific connection with hazardous substances at the waste sites to make any reasoned judgments in these situations. It is even difficult, exceedingly difficult, to isolate a cause of cancer in the case of a specific person who would not even be involved in living near such a site.

I think it is important and topical that several days ago, the Universities Associated for Research and Education in Pathology, a group of universities, gathered together to report that its detailed look at health effects of waste sites on people living nearby indicated that there was very little information to indicate health effects on such individuals.

I know it is rather startling, but that is the kind of thing I found in dealing with the issue of agent orange, which is tough enough, also. Senator CRANSTON and I were able to put together a proposal about agent orange and waiting for the sound medical and scientific evidence before we do something out of impatience or frustration. The Senate was able to adopt our proposal by a vote of 95 to 0, and we resolved the agent orange issue at least to this point. It will come to revisit us again.

That report was fascinating. It was a detailed study of those living close to the hazardous waste sites. It was a report by very credible and fine universities. It was a review of health studies and investigations, and the conclusions basically stated:

> Critical reviews of 29 investigations of the health of populations in the vicinity of chemical disposal sites have confirmed that, with one exception, evidence for casual association with occurrence of disease is weak. These investigations can be termed suggestive at best. The absence of demonstrable effects on human health should not be taken as proof that no such effects exist, nor do positive associations necessarily prove that observed disease was caused by chemicals escaping from a site.

In my former capacity as chairman of the Veterans' Affairs Committee, in dealing with agent orange and "atomic" veterans and other compensation issues, it became clear to me that the Federal Government should not sponsor victims' compensation programs without sound medical and scientific evidence and a cause-and-effect relationship between an event and the disease—in other words, as in tort law, things like cause and effect. These are critically important things.

This report goes on to state that there is proof of no such causal linkage existing as of now. That linkage is what compensation systems are about. You either link it up or there is no pay. It is a simple procedure, critical and longstanding, and it is very much part of our legal structure. I think it would be very unfortunate to fund any kind of victims' assistance program, even a demonstration program, with that cause-and-effect linkage, and especially with this report.

The report goes on to conclude—and I guess this is the one we all know so well:

> There is a great disparity between public perception of the human health effects attributable to chemicals and disposal sites and the current scientific evidence on the subject.

So, in essence, that very fine report is saying that we know that each chemical disposal site is unique and that we all have in common the potential for contamination in the environment. However, we must have better information on the interactions between toxic chemicals and human tissues before we can fund a program that would eventually justify many of the programs we have that were done out of the best of reasons.

If we need a victims' assistance program, Congress will certainly deal with it. But the problem right now is not readily defined, nor is it large in scope. I think that not only prudence but also conservative fiscal behavior is required.

I will share one other aspect of this. I do not see how it will ever stop at five demonstration States. Once the other States see that there is money, that will automatically attract the States of the United States. They seem to be attracted to that in everything else we do here.

If the problems associated with exposure are as great as the proponents of this legislation seem to believe—knowing them as I do, legislatively and personally—then the funding levels are obviously too low; because if it were not a problem, they would not be attempting to deal with it here.

Here we have a few States dealing with the program, able to take part in it. That could have some extraordinary and unfair effects. If we select five States as demonstration States, where 35 percent—or some such percent—of the population of the United States lives, the cost would be extraordinary indeed.

What are the justifications for providing special assistance for the people of one State while denying it to the other? I do not think it makes sense, on the basis of information we have today, to single out people living near waste sites for that kind of treatment, especially when the cause of disease in individuals is so exceedingly difficult, if not impossible, to untangle.

Should we, then, choose this group alone, some people at significant risk, and then wrap this extraordinary health system around them, an insurance system in which some things may be uninsurable? There may be risks which are uninsurable.

I am finding that on the Committee on Environment and Public Works, and I think Senator MITCHELL may be seeing it, too. We are presented with insurers who come before us and say, "We are not going to insure that risk anymore."

There are some on the committee who say, "Oh, yes, you are."

Then they say: "No. We are not a charity; and if we do not have actuarial soundness and assumption of known risk, we will not insure."

We are finding that all over the United States. It is nice to say, "Here is a risk, and you will insure it," but the insurance companies are not going to do that; and the reason they are not going to do that is that they are business and not charities.

So this is a way where we are slowly coming around to that need and some type of Federal supportive insurance system.

The real problem is this: How can we possibly compensate this basis, as this proposal of victims' compensation is presented to us, when we cannot even tell how the person who leads the good life, if you will, contracts cancer or dies or is disabled or has some rare disease or some hideous malady?

It is not something we can show through his diet or his exercise or his rest or his family history and yet he goes. He disappears. He dies, and we do not know why. Yet he led an exemplary life in an environmental surrounding.

If we cannot do that with a person in that situation, how in heaven's name are we going to be able to do that here, and especially when we see that the perception is so different from the reality?

I have greatly enjoyed working with Senator MITCHELL. He is one of the extraordinarily adept and bright people in this place, and it has been a privilege to do that. We have worked together on things. We have worked to-

gether on language here. The language here is greatly improved. He is a most extraordinarily cooperative individual.

Madam President, I indicate to you that it was a little bit easier for us to deal with agent orange—I know that sounds strange—because we set out in that measure that we would deal with sound medical and scientific fact.

Here the scientific questions are so tangled that we have little room to hope for any reasonable link between exposure to a waste site and individual illness.

I think we have to continue to get new information on these sound questions of science through research. We have to consider the dangers from waste sites in the broader picture of our national health, including workplace exposure, dietary factors, lifestyles, those things I suggested.

Then I would wind down and share with you that I indeed think that this will open the way to new compensation systems.

The black lung issue was something before us. We were told that it would cost us $350 million during the life of the program, and black lung today costs us $11.5 billion, and, of course, if you try to change that or modify it or correct it, you are portrayed as an uncaring, evil fellow. Then I had one of my constituents in Wyoming—I want to share with you—that had his black lung taken away from him, who wrote me a very irate letter. He had worked for the Union Pacific Railroad, but he had forgotten to indicate he worked in the Union Pacific Railroad mercantile store. He had never worked in the Union Pacific coal mines. When he was told he could not have his black lung and it would be taken back, he was irate.

Well, I lost one constituent there because he said, "You are going to get that money for me," and I said, "No, it went to people who worked in coal."

He said, "Well, I did. I worked in the mercantile store and that was in the same community."

I do not know how many are in the black lung issue like that, but we do not have very good luck in shutting anything down in those areas or we would not have an $11.5 billion black lung, and I do a great deal of that case work on black lung in my State, because we have had people who were very deeply injured as a result of working in the mines and they should be compensated, but not those who worked in the mercantile store. We did not have that in mind.

The longshoremen's compensation system started at $5 million and now it costs us almost one-half of a billion dollars to take care of the longshoremen's compensation issue.

I am going to wind down, but first share with you one thing that I think if you want a classic example on the books, if you really want to look at one—and I know that I will be visited by three spirits when I finish this—I can tell you to look at title 38 under veterans' benefits and see what has happened with the thing called presumptive diseases. I have not one whit of regret in supporting the veterans of this country with whatever they require. I think we should take care of the service-connected disabled in this country and those who served in combat and give them anything they need. But what I have a lot of problems with is seeing some 40 percent of the disabled veterans in this country—and to be disabled you need only have served for 90 days, 90 days or more during a period of war, regardless of whether you were in the combat theater or where—and 40 percent of those disabilities are 10 percent disabled individuals. They cost us $58.6 million a month in fiscal year 1985 compensation benefit payments, and they have to do with flat feet, hammer toes, and other things such as that.

We think of compensation, I think, as due to someone who was involved in combat, and I say whatever it takes, just do it. But the presumptive diseases came from this same frustration, the same frustration we are dealing with here, because here they are, and let me just read a couple or three to you. Remember now that in the case of any veteran who served for 90 days, 90 days or more, that is all—you could have been out after 4 months and you would be receiving the green check for 30 or 40 years, and then we go back into the statute and here is what we have added over the years to the chronic disease list. Now, understand it is presumed that these were caused by being in the service of the United States—chronic diseases become manifest to a degree of 10 percent or more within 1 year from the date of separation from such service, and it goes on to list anemia, arteriosclerosis, arthritis, muscular atrophy, brain hemorrhage, brain thrombosis, cirrhosis of the liver, diabetes, encephalitis, endocarditis, epilepsies, Hansen's disease, Hodgkin's disease—which appears in the general population in a wretched percentage, but being on this list means it was presumed that you contracted that by serving in the U.S. armed services within the periods as set out—leukemia, myocarditis, organic diseases of the nervous system, palsy, psychoses, Raynaud's disease, scleroderma, sclerosis, thromboangiitis, tuberculosis, tumors, ulcers—peptic, gastric or duodenal—and other diseases as well.

Those are presumptive diseases that were caused or came about through service to our country. That is what happened to that compensation system.

I have said, and not to be raging or evil, that we should look into that list, and when I do that the mailroom breaks down—I can tell you that.

But if we are honest with ourselves, then let us look at a $26 billion budget in the Veterans' Administration, and that is what it is, and over two-thirds of it goes to the dependency and indemnity and compensation systems, and the remaining one-third approximately to the health care system, which is a crackerjack health care system—I have no qualm about that. Pay it, do it, but for Heaven's sake, out of impatience let us just not add to the list and out of our impatience and frustration let us not add an entirely new victim's compensation in the United States and pay for it out of Superfund.

And when we get to a disease that is a grotesque disease or malady, is it going to be caused by one of the people or one of the groups that provide feedstocks? Our present tax is a feedstock tax. I do not know what we are going to do if we change that to waste-end tax or value added tax. I think that is worth pursuing. But right now it is feedstocks. Are we to say that something caused there by that product is then commensable and paid for by them, even though it may be something that does not have anything to do with that? That is where we are headed with something paid for out of Superfund.

So, Madam President, I think even though it is an exceedingly good-faith effort by a very fine legislator, and I have not the slightest qualm about that, I say to you that I think it is an adventure that we dare not enter into. It will obviously never end, and to open this one in an area where if you live near a place of relevant hazardous substance and then the definitions are there, I fear that that compensation obviously will never stop, and the critical part is it does not fit. We are not abde to tie it together legally, and that is our frustration. But I think it opens to an extraordinary thing where we see Superfund which was put on the books to make people correct the difficulties and the problems by the toxic waste they generate, make them clean it up, make them pay for it, and now to come into a compensation system out of Superfund. I know it is going to do one thing. It is going to drain away the ability to cleanup the sites.

There is a lot of discussion about the fact we do not move fast enough on Superfund, we are not getting our work done, and we have to speed it up; and that is true.

But we are going to get into a situation where we are going to be dealing with "where is the money coming from?" Maybe we will divert it to the general fund. Maybe we will divert it to Superfund. Maybe we will get the value-added tax, and I am sure there

will be new and creative ways to pay for the compensation.

But, I say to you, regardless how creative we get, we are going to pay a bundle and we are going to pay a bundle for it on the basis of frustration, inexactness, and emotion as to exactly what we are doing and, more importantly to any thoughtful person, an inability to tie it together with cause and effort.

Remember, finally, we do not deny anybody the right to go to court and get compensation. If you have been seriously affected or injured or diseased by a hazardous substance, you go to court and you prove it and you get compensated. That is the law of the United States.

So the reason we are going to this again is obviously not that reason. It comes from the critical issue of: "But you have not decided. You have got to decide and, since you cannot decide, compensate."

I think that is a very poor way to start a compensation system, which I think will drain the resources, whether it is Superfund or the Treasury of the United States. That one will take us the road of Medicare and Medicaid with oak leaf clusters. We were told, you recall, in the debate on Medicare and Medicaid, that Medicaid and Medicare would cost us $7 billion by the year 1990, and that little program is costing us $90 billion in the year 1985. And every time we try to touch it, the mailroom breaks down. That is where we are headed with this one.

Mr. STAFFORD. Madam President, I notice my good friend, the most able Senator from Wyoming, began with mentioning that three of our colleagues who are here are all members of the legal profession. I cannot resist pointing out that I make no claim for this, but I also am a member of that profession, having practiced actively, with two interruptions for military service, from 1938 until 1961. During part of the course of that experience, I was elected an attorney general of my State. Occasionally, I have to confess, we did things as attorneys general which rose to haunt us later on.

I recall on one occasion I wrote an opinion I thought was correct for the then Governor of the State. A few years later, when I had a pet program I was about to ask the legislature to consider, the then attorney general who had succeeded me, called me up and said, "Governor, we think what you want is unconstitutional." So I told the attorney general that he better come up and show me why he thought it was unconstitutional.

When he arrived in my office, somewhat out of breath, he said that he had an opinion from a court in New Hampshire which said a proposal like it was unconstitutional, and he also had an opinion by the attorney general of Vermont which suggested it was unconstitutional. I said, "Would you mind telling me what damn fool wrote that opinion?" He said, "Some damn fool whose initials are R.T.S."

So the long and short of it is we are not always right as lawyers, and I had to forgo asking the legislature to do what I had hoped they would, which means that even today we are not always right in our concerns about the future of a program.

I simply want to say, as chairman of the committee involved, that this part of the bill which is now subject to the Roth motion to strike, or amendment which would have the effect of striking it, was accepted this year by the committee, it is my recollection, without manifest opposition. It is part of the bill and I feel, as the committee chairman, constrained to defend it.

But I will propose to speak briefly during the consideration on this bill tomorrow rather than this afternoon. I simply wanted my colleagues who are here to know that I do have the intention to speak on this amendment tomorrow afternoon.

I yield the floor.

Mr. HELMS. Mr. President, I strongly support Senator ROTH's amendment to delete section 129, the Victim Assistance Program, from S. 51. I am happy to consponsor this amendment.

Mr. President, under section 129, the EPA will choose 5 to 10 geographical areas which it believes are increased risk areas due to hazardous substance releases. These areas will participate in a 5-year medical program providing medical screening and treatment. Superfund will pick up the tab if the responsible parties have not undertaken to pay.

Under the bill, two forms of medical assistance are available. For persons without any symptoms, a secondary group medical benefits policy will provide for periodic medical screening. For those persons who have symptons of such a disease or injury, under section 129, the State will provide a secondary group medical benefits policy to cover costs of treatment. Individuals in this category will also receive from the State program reimbursement for past medical costs associated with that illness if not paid by any other source.

Mr. President, I realize that the Senate Committee on Finance refused to provide the $30 million requested. Nonetheless, we must eliminate the language from the bill so that neither this Congress nor any other Congress can fund this program.

Mr. President, I oppose section 129 for several reasons. First, medical research just does not legitimize establishing this program. There is no evidence showing a widespread pattern of significant chronic illness caused by exposure to hazardous waste disposal sites. Additionally, if causation does exist, there is no evidence that the illnesses cannot be compensated appropriately through traditional liability. Mr. President, if this Victims' Assistance Program does become law, the end result will be an open-ended medical entitlement program based on need and not based on liability.

In addition, this program should, if it does not already, attract criticism from the environmentalists. This program would only divert substantial funds from cleanup efforts, impeding Superfund's goal of cleaning up hazardous waste sites.

Simply put, the U.S. taxpayer just cannot afford this program. The Victims' Assistance Program will follow the same course as the Black Lung Program.

The Black Lung Program was established in 1969 to:

> Provide benefits, in cooperation with the States, to coal miners who are totally disabled due to pneumoconiosis and to surviving dependents of miners whose death was due to such disease; and to ensure that in the future adequate benefits are provided to coal miners and their dependents in the event of their death or total disability due to pneumoconiosis (30 U.S.C. Section 901 (1969)).

The Black Lung Program was supposed to be a one-time program, terminating in 1976 with an estimated cost of $350 million. Contrary to this intent and these projections, the Black Lung Program has ballooned to a program that in 1981 compensated some 460,000 individuals, more than twice the number of coal miners employed at that time, with a cost to the American taxpayer of $11.5 billion, a cost more than 30 times the initial cost projection.

The American public cannot bear the financial burden of the cost of additional programs such as the Victims' Assistance Program in S. 51.

Mr. President, establishing a program of this nature brings us even closer to national health insurance. I pose the same question that Senator SIMPSON did in his remarks found in the committee report on S. 51:

> Should we as a society allocate resources to compensate individuals above and beyond what is generally available solely because they are singled out on the basis of political muscle or immediate public concern?

Mr. President, my answer is a resounding "No."

Mr. President, I commend the Senator from Delaware for introducing this amendment and I urge my colleagues to join me in cosponsoring this measure.

Mr. MITCHELL. Madam President, I thank the distinguished chairman of the Committee on Environment and Public Works for his comments today. He has been a strong leader on the entire Superfund Program and specifically on the Victim Assistance Demonstration Program, and I welcome and value his support.

Having listened carefully to the comments of my two good friends, the Senator from Delaware and the Senator from Wyoming, I have heard about the Black Lung Program, I have heard about the Longshoremen's Compensation Program, I have heard about the Veterans Program, and I have heard a lot about what this program before us might someday be, but I will be darned, after listening to them, if I could tell anything about what this program is. Most conspicuously lacking from their comments was any description whatsoever of what is actually in the legislation before us, how it works, and what it was intended to accomplish.

And so, before responding to some of the specific comments that they made, I would like to put this matter in some historic perspective, describe how we got to where we are today and, most importantly, provide some information on what is actually in this legislation.

Five years ago, Congress began to deal with the problems arising from the indiscriminate use and disposal of hazardous waste in our country for the preceding several decades by enacting what has come to be known as the Superfund law. As originally reported out of the Senate Committee on the Environment and Public Works in 1980, the legislation contained a full-scale national program for compensation of individual victims—human beings who suffered disease or injury as a result of hazardous waste discharges or release.

It was later in the year when we got to the bill, the so-called after-election session, and the opponents of the legislation threatened a filibuster. Many of the same groups who are now opposed to this provision, lobbying vigorously against it, then encouraged a filibuster in opposition to the entire program. And so, in a compromise, the provision regarding victim compensation in that bill was deleted on the floor under threat of filibuster in response to the argument then being made that we do not know enough about the problem. That is what was said, words which we heard exactly verbatim again here today. "We don't know enough about the problem. Instead of having a national program, let us have a study," the opponents said, "to determine whether or not a national program was necessary."

And, as a result, the National Victims Assistance Program was deleted from the bill and in its place a study was mandated. The legislation said that the study should deal with "The adequacy of existing common law and statutory remedies in providing legal redress for harm to man and the environment caused by the release of hazardous substances into the environment."

The study was conducted by a group of four major independent legal organizations, and its conclusion was following a very comprehensive study and a very detailed report, which states:

> This review of existing causes of action and barriers to recovery has shown that all those causes of action do exist for some plaintiffs. Under some circumstances a private litigant faces substantial, substantive, and procedural barriers in an action to recover damages for personal injury due to hazardous waste, particularly where the individual claims are relatively small.

To hear the remarks today one would not think that a study had ever been conducted when in fact a detailed study was conducted and the authors of that report—including some attorneys who represent some of the companies who now oppose this legislation—recommended a national compensation program for medical expenses and lost wages to be administered by the States.

This legislation, this pilot program, does not fully implement that recommendation. It does not even come close to it. But the study told us what every lawyer in this Senate and what every lawyer in this country knows and knew before the study was conducted: That where you have families of limited means, poor people who suffered disease or injury as a result of these cases—hazardous releases—there are enormous barriers to recovery. So the easy statement made here—well, they can go into State court and sue—does not deal with the real problem. Anyone who doubts there is a problem ought to review the record of the hearings before the Senate Committee on the Environment where several days and many witnesses substantiated the conclusion of the study group regarding the need for action in this area.

I do not suggest that all of the questions in this area have been answered, or that we ought not to study the matter further. They have not all been answered, and we must study the matter further. But the cries for more information have a hollow ring to them and an empty sound when they come in opposition to a program whose very purpose is to obtain that information to help us judge the extent of the problem, the depth of the need, and whether or not we can in fact deal with it in an effective way. And the one thing about all of the other programs that my friends have alluded to in an effort to kill this program on a guilt-by-association basis is that not one of them—not one of them—was preceded by a limited pilot program such as is proposed here. Perhaps if we had done that in those cases we would not have the situation so decried by the opponents of this provision.

So, the first point the Members of the Senate ought to understand is that there was mandated by the 1980 law a detailed comprehensive study by four independent legal groups. They were not paid by the proponents or the opponents. And they concluded that some action is necessary, and they proposed a full-scale compensation program far beyond what this limited bill provides.

The second point is that this is a limited pilot program, limited in scope, limited in funds, and limited in time. And all of the statements made about what it might otherwise become have nothing to do with what this measure now contains. How would it work?

The first point to remember is that under the bill now before us—unrelated to the Victim Assistance Program—a health assessment study must be conducted at each of the national priority sites. So when the Senator from Wyoming says that the Agency for Toxic Substances will set up geographic areas, it should be made clear that it is mandated in the bill independent of this Victim Assistance Program. That occurs in any event. Someone need only look at section 116 of the bill to read that the administrator "shall perform" a health assessment for each release, threatened release or facility on the national priority list established under section 105. That is the first step—the health assessment which is performed in any event under this legislation whether there is or is not a victim assistance program.

The second step after that health assessment is conducted is to look to the results for each of the areas where it has been conducted. And, if that health assessment by the Agency for Toxic Substances demonstrates three things, then the matter is further considered. So this is the second step, and the three things are: first, that there is a disease or injury for which the population of the area is placed at significantly increased risk as a result of a release of a hazardous substance, the area I remind my colleagues having previously been defined as part of a study conducted independent of this part of the bill; second, that such disease or injury has been demonstrated by peer review studies to be associated using sound scientific and medical criteria with exposure to a hazardous substance; and third, that the geographical area contains individuals within the population who have been exposed to a hazardous substance in the release.

So after the study is conducted, it is reviewed to determine whether all three of these criteria are present—a disease or injury for which the population is at significantly increased risk as a result of a release of a hazardous substance, that disease or injury having been associated with that substance by peer review medical studies using sound, scientific and medical criteria—and there are people in the area who have been exposed to that haz-

ardous substance. That still does not qualify anybody for anything but it is the next step in the process, a process I digress to add that has been sorely lacking in this field because for the past 5 years as a result of the actions of the people who opposed this provision in 1980, many of the same groups and organizations and individuals who oppose it now we have had operate in this country a law which has said that if certain public resources—a tree, a lawn, or a river—are injured by a hazardous release, and a human being is injured by the same release, the owner of the property, if it is a public entity, can recover for damage to the tree or the lawn or the river but the human being cannot recover for injury to that human being.

What kind of a standard is that? What kind of a priority is that that places injury to things in a higher priority than injury to human beings? Yet, that is the law today. That has been the law for 5 years. I say it is time that was changed.

After studies are conducted, and if, and only if, the area meets the three criteria I have pointed out, then the State involved may nominate that area to the President and the Environmental Agency for inclusion in this trial program. A decision as to whether or not a particular area will be included is left to the sole discretion of the President or to the person to whom the President delegates the responsibility. Under the bill, not less than 5 nor more than 10 areas of the country will be selected by the President using criteria set up in the bill regarding the experience of the State in dealing with this problem of hazardous waste cleanup and other criteria.

Therefore, 5 to 10 areas in the United States will be selected for this pilot program in an effort to determine whether something can be done to determine whether we can develop the experience and information necessary to justify proceeding in this area.

Each State will operate its program as it sees fit. What the bill provides are three minimum elements that a State program must include. What are the benefits under this bill which, to hear the opponents of the provision speak, will soon lead to wild excesses?

The first thing that will occur is that persons in the area who have been exposed to hazardous waste release, a hazardous substance release—which, as I remind my colleagues, will already have to have been determined with medical peer review studies to be associated with the disease or injury with respect to which the people of that area are at significantly increased risk—will receive a medical examination to determine whether or not they suffer from the disease or injury.

For those persons who have been exposed and who receive an examination and for whom the examination hopefully demonstrates no symptoms, they will then receive, as part of a group medical benefits insurance policy, the benefit of paying for future tests for the same purpose.

So you have one category of people who have been exposed, who receive a test, with no symptoms. All they get is a group health policy that pays for the cost of future medical examinations.

For the other category of persons whose symptoms are demonstrated as a result of the examination, they will receive reimbursement of past out-of-pocket medical expenses, their actual medical expenses that they paid for treatment for this disease or injury. They will be reimbursed and they will also get a group health insurance policy that will pay the cost of such expenses in the future.

That it it. No lost wages, no pain and suffering, no transportation. All out-of-pocket medical expenses and the costs of medical tests. That is all that can be provided under this pilot program.

In addition, the benefits under these policies must be secondary to any other form of insurance coverage, public or private. If any person so exposed and having such symptoms has private health insurance, they cannot recover under this program, of if they have some form of public health reimbursement that covers it they cannot recover here. This is limited only to those persons who have no other form of insurance. To make certain that people do not cancel their private policy in order to be eligible for this, the date on which coverage is determined is 30 days before the State even applies for participation in the program.

Furthermore, if anyone of those persons does, in fact, go to court to bring a suit and recover anything, they have to pay back the program.

So the benefits are very limited: Medical examination and actual cost of medical expenses for treatment of the disease or injury secondary to any other form of insurance, and must be repaid from any form of recovery.

That is the program. It bears no resemblance to the rhetoric that has been used to describe what it may become.

I must say that I am indebted to the Senator from Wyoming with whom I and my staff work very closely in the Environment Committee, and who made several constructive suggestions regarding limiting the scope of this program. I accepted, I believe, if memory serves correctly, every suggestion that he made, adding others that came from other sources, including some of the opponents of the legislation and others that I suggested on my own as we honed and narrowed this down to try to make it free of the possibility of abuse.

I was, of course, disappointed that the Senator from Wyoming could not see fit to support it, but I certainly understand and respect his position.

Now let me deal with some of the statements which have been made here today.

First, we all know that the way to indict something is to describe it in an unpopular fashion. Over and over again in the Environment Committee, in the Finance Committee, in private meetings, and here today we have heard this described as an entitlement program.

The Senator from Delaware used the word "entitlement" three times in his comments. It could lead, he said, to a nationwide entitlement program, an open-ended entitlement program, an expansive entitlement program.

I will say to my friends that this is not an entitlement program, not by any stretch of the imagination, but if that is an issue to them, I have an amendment which I would be pleased to offer. I know the Senators will agree to this because they made it clear they do not want an entitlement program. This amendment will read:

> The program authorized by this subsection shall not operate as a program of entitlement and no person shall be deemed entitled to any benefits under any program established by a State under this subsection.

If we adopt that, I hope we will have heard for the last time the false charge that this is an entitlement program.

Fundamentally, the opponents of this provision advance two arguments, and they are inherently contradictory. On the one hand we are told there is not any need for this. A recent study was cited—and I will get to that in a moment—to demonstrate that. On the other hand, we are told it will be too costly.

Of course, if there is no need for it, it will not be too costly. On the other hand, if it will be too costly, then there has to be some need for it.

The fact of the matter is that this is a very limited, attempted, responsible, and sincere effort to try to get information to see whether we could demonstrate through a pragmatic, specific program whether or not there is a need and, if there is, whether it can be met in a responsible, limited way.

In support of the contention that there is no need for this, a so-called recent independent study has been cited. In his remarks, the Senator from Delaware quoted from a Washington Post editorial of today which referred to that study; in his remarks, the Senator from Wyoming quoted from the study itself. I submit to the Senate that the Washington Post editorial was incomplete, erroneous, and misleading in its reference to this study and the comments made here

today were very selective in the portions of the study which were quoted.

The first point that ought to be made, which has been made, is that it ought to be on the record who pays for the study. It is a relevant fact for those who are to determine this issue to know that the study now being used to defeat this program was paid for by those who are opposed to the program. That does not necessarily, in and of itself, invalidate the study, but it is a relevant fact that ought to be known by those who are voting on it, and the Washington Post this morning conspicuously omitted any reference to that fact.

Before I make some comments on the study, Madam President, I ask unanimous consent that a comprehensive critique of the study conducted by the Environmental Defense Fund be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

[Mr. DOMENICI assumed the Chair.]

Mr. MITCHELL. Mr. President, the study has been used to support the contention that there is only evidence of a serious problem at one site. The implication is, therefore, that there is not really a problem and we do not need this program. That is clearly the implication and the intention of the Washington Post editorial this morning. But what in fact did the study involve and what did it conclude?

The first point to be made is that there are 850 sites on the Superfund's national priority list. This study, which did not involve any independent investigation at all by the study group and the authors of the report but, rather, merely a review of such reports made by others, was limited to studies of human populations at just over 20 of those 850 sites.

The first point to note is that the study was performed on a tiny fraction of the total number of sites. And even there, even on the sites that were looked at, the study group itself concluded that the information was extremely limited.

This is a copy of the press release announcing the results of the study. The following words appear on the very first page of that press release.

> The panel cautioned, however, that its findings should not be interpreted to mean that there were no risks of health effects from these sites or that health effects had not occurred. Data related to health effects for most of the sites on EPA's national priority list are inadequate or nonexistent.

Since the Members of the Senate have been treated to selected portions of the study, let me balance that by reading selected portions on the other side of the question from the same study, which could lead one to the opposite conclusion of that advanced by the proponents of this provision.

> Based on a comprehensive search of available data, the Executive Scientific Panel has found few published scientific reports of health effects clearly attributable to chemicals from disposal sites. These results are not surprising, given the many technical difficulties inherent in establishing cause and effect relationships in such situations. However, they cannot be interpreted to indicate that no risk exists, but, rather, that no serious health effects clearly attributable to the sites have been detected by the study methods employed.

A separate section:

> The panel has concluded that a number of chemical disposal sites contain substantial quantities of toxic substances, some of which migrate from the sites and result in human exposure, and have the potential to cause serious, irreversible, or even fatal illness if exposure is substantial or prolonged.

Another section:

> Thus it would be premature to assess any future long-term effects of past disposal practices based only on the criterion of health effects observed to date.

Another section:

> Although solid evidence for serious health effects caused by chemicals from disposal sites is generally lacking, it is clear that a substantial risk is presented by many sites. Their contents, construction, and location favor pollution of air, water, and soil, which may ultimately result in human exposure.

And another section:

> Thus, public and private decisions require selection of priorities for remedial action and use of methods that are still being developed or improved. However, the Panel holds that the potential for human health effects is a major criterion for priority attention in remedial action. Attention to cleanup or reduction of health hazards cannot wait for demonstration of human health effects. The Panel concludes that greater understanding of the potential of candidate sites to affect human health will contribute to the soundness of the decisions on risk management that must be made.

I submit to the Members of the Senate that anyone who takes the time to read this entire report—the entire report—will conclude that, after study of the legislation now before us, the report supports retention in the bill of the Victim Assistance Demonstration Program, rather than the contrary. None of that—none of that—was clear from the Washington Post editorial, as intellectually dishonest a comment on important legislation at a critical time—just before it is voted on—as I have seen in a major newspaper, because this provision is, in fact, intended to acquire the experience and information necessary to know whether to proceed and if so, how to proceed.

Make no mistake about it, Mr. President, those who are opposed to this provision are opposed to doing anything in this area, because if this is not enacted, nothifg is going to happen. We have had hearings tiee afd time agaif in the past 5 years; we have had studies to which I have offered. And the time for takifg this limited step is now. Superfund will be reauthorized. It will continue for another 5 years, and there is no prospect gf legislation in this critical area after that has occurred until the next reauthorization, which is 5 years in the future.

The comments made most frequently by the opponents over and over again attempt to relate to the Black Lung Program. I was not here when the Black Lung Program was created, but I say to my colleagues, if that program is as bad as you say it is, why do you introduce legislation to improve it in the manner you suggest? And if the veterans' program, the presumptive disease section, is as bad as my distinguished colleague from Wyoming says it is, the former chairman of the Veterans' Affairs Committee, why does he not introduce legislation to deal with that?

Mr. SIMPSON. Mr. President, will the Senator yield for a moment?

Mr. MITCHELL. Yes.

Mr. SIMPSON. Will the Senator from Maine join me in those efforts?

Mr. MITCHELL. No, because I do not agree with the Senator.

Mr. SIMPSON. I thought not.

Mr. MITCHELL. I am not the one making the argument, the Senator is. I ask the Members of the Senate to keep in mind that this is not the veterans' program, this is not the Black Lung Program, and this is not the longshoremen's program. This is a separate issue, an effort to do what was not done in those cases, to have a limited test program on which no more than the maximum amount stated in the bill can be spent during the next 5 years, $30 million for 5 years, a total of $150 million. Not one penny more than that can be spent or will be spent. After that 5-year period and after the reports which the bill requires the President to make, then the Congress can review the situation and make a judgment as to whether there is in fact a problem, whether this is a responsible approach to the problem or whether it should be dealt with in some other fashion.

It is I think a terrible indictment of the Congress to suggest that if you have a pilot program, you then must inevitably have a full-scale program. I reject that approach and I say that I frankly will wait until we get the results of this program's experience to determine how much further, if at all, we should go.

If the opponents are right, that there is not a need, if that is demonstrated through the study, then I will join them in urging that there be no further action. If this is not ensurable, as the Senator from Wyoming has suggested, then we will find that out and this program will not go into effect.

But I do not think we should prejudge a pilot program. I do not think we should prejudge a test by saying it will inevitably produce a certain result and, therefore, we ought not to have a pilot program. The very purpose is to find out whether or not there is a genuine need and whether or not there is an appropriate, responsible way to deal with that need.

The Senator from Wyoming is correct—he said it many times and I agree with him—we cannot legislate national programs on the basis of emotion or the anecdotal evidence that comes before us in committee hearings. It is not sufficient to hear from even dozens of individual citizens whose lives have been disrupted, children lost their lives or suffered disease, or the other tragic experiences that we have heard in testimony before the committee. That standing alone is not enough to justify need. We have to find out if the need goes beyond that, whether those are truly extraordinary cases, not representative of the population, or whether in fact the reverse is true. But I hope the Senator will agree that at the very least those are factors which can and must be considered and that human suffering under these circumstances is something we ought not to turn away from merely because some other programs have not operated in the manner we think appropriate. And so I ask only that we take this limited, responsible step to try to see, is there in fact a serious national problem? And if there is, is this an appropriate, responsible way to deal with it. Absent this type of pilot program, a limited test program, we will not know the answers to those questions and we could be turning our backs on a very serious human problem.

Mr. President, I yield the floor at this time.

EXHIBIT 1

COMMENTS OF THE ENVIRONMENTAL DEFENSE FUND ON "HEALTH ASPECTS OF THE DISPOSAL OF WASTE CHEMICALS"

[Graphs and charts mentioned in article not reproducible in the RECORD.]

(Either we are going to have to change the toxic chemical waste dump sites or we are going to have to change epidemiology.—Selikoff, 1981)

1. INTRODUCTION

The Environmental Defense Fund shares with the Chemical Manufacturers Association, the sponsors of the UAREP study, an appreciation that the health aspects of the disposal of waste chemicals are of critical importance to public policy, justice and public health (see, for example, our joint sponsorship of a symposium on this topic at the 1984 AAAS annual meeting). We therefore commend the Chemical Manufacturer's Association for sponsoring this effort by UAREP to produce a comprehensive review of the present state of knowledge on the subject. We remain concerned about the venue and sponsorship of this review, as stated in earlier correspondence between UAREP and EDF, among others (attached). Our comments are based upon our extensive involvement with citizens in hazardous waste dumpsite communities as well as our communications with health scientists involved in the investigation of associations between chemicals from hazardous waste dumpsites and adverse health effects.

In the context of Congressional reauthorization of the Superfund law this next session, UAREP's report will play a significant role. This document also comes into existence in the context of judicial oversight of the health-related activities of HHS and EPA under Superfund, resulting from litigation brought by EDF and CMA. Thus, there are many parties interested in an evaluation of the efforts to determine health effects of hazardous waste. In the broader context, this project relates not only to the existence, or lack of existence of such effects, but also to the appropriate methods for determining these effects or their lack and to the very definition of causality for purposes of judicial and regulatory remediation of damages. Because the UAREP report is not simply a summary of present health effects research, but is also a guide for devising future research and perhaps, more importantly, for determining public policy, it is critical to identify and critique flaws in the UAREP study. Nevertheless, despite the negative import of our comments, EDF wishes to be on record as commending CMA and UAREP for their commitment to this project, amounting to almost $1 million in expenditure and over a year of research effort.

2. SCOPE OF UAREP REVIEW

The UAREP study reviewed 26 studies at 18 sites conducted by federal and local government and by academic groups. It should be noted that of the site-specific studies listed in Appendix I, five of them actually concern incidents of environmental contamination from smelters and occupational exposures not directly related to hazardous waste dumpsites. This is noted to indicate that the real number of relevant health effects studies is very few.

These studies fall into a similar typology of experimental design. They are almost all cross-sectional or cohort studies. That is, in these health effects studies, the population under consideration is divided into exposed and unexposed groups, (or, as in the case of the lead smelter studies, into relatively more and relatively less exposed groups) and then investigated for a relatively limited time as to the prevalence of disease or rate of mortality from specific causes.

Most of the studies looked for only the most serious health endpoints, specifically incidence of death, or morphological birth defects. None of the studies examined the entire medical history of persons potentially exposed. Very few studies attempted to collect data on the broad range of health status, beyond clinically defined or hospitalizable diseases. Some studies—such as the California Fairchild study—use only hospital records; others have combined personal interviews with clinical examinations (Missouri dioxin study) or with records follow-up (interviews with physicians, asertainment of hospital records).

The size of the populations studies varies, but was mostly under 100. The statistical analyses used to determine significance have been relatively straightforward: comparison of means, comparison of relative rates of incidence, or analysis of variance. Although some studies have collected data on temporal bases (e.g., Vianna's study of birth weight in Love Canal (see below)), no study has applied statistical time trend analyses to the analysis of data.

3. UAREP CONCLUSIONS

The UAREP study reaches three general conclusions:

No study has demonstrated conclusively a connection between exposure to hazardous chemicals from dumpsites and serious effects on human health;

All studies have been adversely affected by the climate of public concern and suspicion in these communities;

Future studies should be undertaken using standardized protocols and approaches, which should be registered for consultation in a central repository coordinated by CDC.

Within the text of the document, several more specific recommendations and conclusions are also proposed. Some of these are:

1. development of techniques to measure exposure and early biological response;

2. expansion of the toxicology data base, particularly on mutagens;

3. increased nation-wide surveillance of birth defects;

4. research on methods to detect immunologic and neuropsychiatric effects;

5. research on the sociological dimensions of community response to hazardous waste contamination.

The UAREP study makes a major policy recommendation with which EDF concurs. The study concedes that the job of identifying and remediating hazardous waste dumpsites should proceed expeditiously "without waiting for health effects to appear" (i-24). EDF agrees with this conclusion; it is consistent with our position regarding the use of epidemiology in all environmental regulations. (See also, Lilienfeld, A. (1983) "Practical limitations of epidemiological methods". *Envir. Health Persp.* 52:3). At best, epidemiological research provides confirmatory evidence of great importance to regulation. Its results can be used to identify categories of health effects in which environmental factors may play significant etiologic roles. However, epidemiology cannot be used to set specific environmental standards or to prioritize issues for regulation because its data are collected too slowly and with too little precision. Moreover, fundamentally, epidemiology cannot be used to guide truly protective environmental policy or preventive public health program, because it only reveals the existence of a health hazard after the occurrence of significant damage to human health.

4. EDF CRITIQUE

EDF finds the major conclusions of the UAREP study inadequate. The primary focus of our comments today is on the scientific adequacy of the draft report; in addition, we note that there are serious implications of the report for public policy and future research, particularly as noted in the executive summary, which are based upon an oversimplification of the problems besetting the reviewed studies in terms of design and interpretation.

Within the document the conclusions are discussed in most cases with appropriate recognition of the very few actual studies which were available for UAREP review and the limitations of the studies. Unfortunately, less qualified statements in the executive summary are likely to have greater impact on the public and on policymakers. For instance, one statement which will undoubtedly be extracted from the report, as has already appeared in reports in the media, is that "the available data suggest that human

exposures in general have been of insufficient duration and intensity to have resulted in observable health effects" (p. i-9).

The executive summary reinforces the UAREP selection of and emphasis upon severe health outcomes—morality, low birth weight, prematurity, "obvious congenital malformations", cancer, chronic neurological disease, and spontaneous abortion (p. i-14). The summary also inappropriately applies the criteria of Bradford Hill concerning the acceptability of epidemiological evidence: consistency and strength of association, temporal relationship, specificity, and biological plausibility. These criteria should be applied with critical judgment to well-defined epidemiological investigations, usually when single agents with relatively well-established effects in humans are being studied. In the case of many of the chemicals found in dumpsites, specific effects are not expected to occur (e.g., solvents, irritants, sensitizers). This lack of specificity of expected effects makes it difficult to assume any obvious consistency of findings, particularly in populations which vary by age, sex, race, and other exposures.

It is also dangerous to apply prematurely strict standards of biological plausibility. Until the effects and mechanisms of the toxic agent or mixtures are well understood, it is unscientific to exclude positive findings on the basis of socalled biological plausibility. For example, the CDC study of adverse reproductive outcomes in Vietnam veterans exposed to Agent Orange contained an inappropriate interpretation of the data to explain away the increased incidence of certain malformations in the exposed cohort (Erickson, J. et al. 1984) Vietnam Veterans Risk of Fathering Babies With Birth Defects, J.A.M.A. 252:903). Without knowledge as to the mechanisms of any toxic actions of dioxin on male reproduction, it was asserted that an increase in incidence of one type of structural defect, spina bifida, was not biologically plausible because there was no concomitant increase in incidence of anencephaly.

The summary also provides a misleading interpretation of the state of knowledge from other countries. It is stated that unidentified "spokesmen for responsible governmental agencies generally report that they are not aware of serious health problems related to old disposal sites" (p. i-18), but there is only passing admission that other countries have undertaken little or no examination of the issue. There is no reference to comparable studies, the ongoing health surveillance programs at Seveso, Italy, and at Windscale, England, both of which have reported positive findings.

The main conclusions of the UAREP study are for the most part consistent with, and predictable from, the scope and definition of the study proposal. For that reason, EDF declined to join in the steering committee of this project at its inception. At that time, we expressed our concern to CMA and UAREP that preconceived notions as to the types of health endpoints which would be considered significant, and the relatively short time constraints which were imposed by CMA (more in keeping with legislative than with scientific agendas. it may be feared) would severely limit the ability of the study to contribute meaningfully to our knowledge about the possible health effects of hazardous waste in exposed communities.

EDF's scientific critique of the document relates to two major considerations: the selection of health endpoints for evaluation, both by the studies reviewed by UAREP and by UAREP in its evaluation of significance and severity; and the range of study designs and concomitant issues of statistical power.

A. Health endpoints

The UAREP study, for the most part, counts only clinically defined diseases or causes of death as significant adverse health effects.

This is in marked contrast to the discussion of basic and clinical toxicology which takes appropriate notice of the greater probability that the types of exposures, as well as the mixtures of chemicals, likely to be encountered in environmental exposures around hazardous waste dumpsites, will be associated with health effects which do not fit established clinical diagnoses of major illness (Chapter 4 and 6). The discussion of the need to develop and apply sensitive indicators of early physiological and pathological response is exemplary; however, this discussion is ignored in the insistence upon defining only major health impacts as "adverse" in the rest of the document. Moreover, irreversibility should not be the sole criterion for significance. For reproductive toxins, timing of exposure is critical: terato genesis, for instance, does not require persistence, but only appropriate exposure at critical periods of prenatal development (Mattison, D.R., Nightingale, M., and Silbergeld, E.D. (1984) "Reproductive toxicity of dioxin" in Lawrance, W. (ed) Public Health Risks of the Dioxins, p. 217.) For neurotoxins, transient delays in neural development may have devastating psychological and intellectual effects.

EDF recognizes that our knowledge of the clinical effects of environmental contaminants—that is, the directly measured effects on humans—is limited in two major respects: first, by the difficulty in determining exposure, and second, by the lack of characterization of the health effects of chemical exposures. These limitations present considerable obstacles to developing clinical epidemiological data. Recent advances in biological medicine may reduce some of the problems of evaluating exposure. The area of biochemical epidemiology is rapidly growing (NIEHS, Report of Task Force III, 1984). Epidemiological studies are being directed towards the measurement of biological indicators of dose and early indicators of response, such as DNA adducts as markers of exposure to carcinogens (Perera and Weinstein, 1984). The actual predictive power of these indicators or markers to indicate irreversible effects (or ultimate risk of clinical disease) is as yet unknown, but as indicators of dose, these measures promise powerful new sources of data. Few studies of community medicine have exploited these advances—the sister chromatid exchange study in Love Canal was probably one of the few attempts to do so. These methods need to be applied even in advance of establishing their complete predictive power. The UAREP report conclusions seem to want it both ways: use of sensitive and specific measures of effect, yet only those which can be demonstrated to be related to irreversible, significant tissue damage.

With respect to the problem of identifying effects, given the types of mixtures of chemicals and the doses generally encountered in the environment, it is unlikely that overt clinical disease or distinctive syndromes will often result from such exposures. Exacerbation of preexisting conditions—such as emphysema—or nonspecific deterioration of health and well-being are more likely to occur and have been found by Ozonoff, Harris and Neutra (see Neutra, R. (1983) "Roles for epidemiology: the impact of environmental chemicals" Environ. Health Persp. 48:99). In many cases, detection of these types of effects requires self-reporting by the exposed person; this introduces possibilities of self-selection and bias, which are difficult, but not impossible, to deal with. The problems presented by this situation need not, however, discourage research. As demonstrated by work in Seveso (Columbini, 1981) and Lowell (Ozonoff, op. cit.), these so-called subjective symptoms are likely to be important signs of intoxication. Since neuropsychiatric dysfunction is one of the most societally costly diseases in North America (Landrigan, P.J. (1983) "Toxic exposures and psychiatric disease" Acta Psychiat. Scand. S303:6), these effects are not trivial.

The UAREP study recommends development of indicators for neurotoxicological and immunotoxic response, yet fails to interpret appropriately those few studies where changes in mood and affect, and increases in the rate or severity of infectious disease symptoms were measured. The UAREP study appears to have taken little notice of the advances in occupational epidemiology (Baker, E.L., et al. (1984) "Occupational lead neurotoxicity" Br. J. Ind. Med. 41:352) where these types of sensitive measures have been developed and applied in many well-designed studies around the world, often involving populations exposed to some of the same chemicals found in hazardous waste dumpsites.

There is an inadequate discussion within the text of the range of effects on organ systems which indicate intoxication or toxic damage. The selective definition of health effects excludes a number of potential target systems: pulmonary, dermal, immune, and neurological. To take the example of the reproductive system, emphasis is placed upon toxic effects which severely impact upon fertility or viability of the offspring. Aside from reprinting Bloom's list of reproductive functions—which includes those involved in procreation and those which relate to the health of the adult whether or not procreating (such as age of menopause)—the section in Chapter 4 discusses almost exclusively such effects as genotoxicity, or damage to the genetic material of the germ cells; teratogenic effects; and embryotoxicity; and toxins which decrease fertility or cause abnormal fetal growth. (p. 4-46). The discussion of genotoxicity omits discussion of parental and transplacental exposures associated with childhood cancer (for instance, Peters, J., et al. (1981) "Childhood cancer and parental exposures" *Science* 213:235). There is little discussion of relatively more sensitive measures of reproductive function, such as hormone biochemistry, sexual behavior, secondary sex characteristics, and sexual development. The recommendation for increased surveillance of birth defects acknowledges the inadequacies of CDC's present Birth Defects Monitoring Project for detecting environmental impacts (4-55); in fact, this program is insufficient to detect the possible effects of occupational exposures on reproduction. There is no discussion of the impact of fertility control and changes in social behavior which have so reduced fecundity in this country to the extent that simplistic fertility studies of reproductive rates are almost impossible to use to determine reproductive health; (see NCHS, Health 1980, report on fertility). There is little acknowledgement that effects of toxins on the reproductive system have effects beyond production of

healthy children—i.e., neuroendocrine, cardiovascular, and immunological effects.

The UAREP report, particularly in Chapter 4, makes the assumption that because serious, life-threatening diseases such as cancer have not been found in statistically significant numbers, that there is less need for concern, and less need for regulation. However, endpoints such as cancer, birth defects and rare diseases are unlikely to be seen in small studies which, for the most part, tend to be cross-sectional and can only show a "snapshot" disease pattern.

It is unlikely that overt clinical disease will be found in such circumstances, or that they would result over the relatively short term from lower levels of environmental contamination. As seen in the report (Ozonoff, 1984, Harris, 1984, NJ State Department of Health, 1982), exacerbation of pre-existing conditions or general health deterioration and well-being are more likely to occur. Thus, conclusions based solely on mortality or severe disease are misleading. Moreover, broad categories of disease obscure detection of specific effects. For instance, treating "cancer" as a monolithic entity or "birth defects" as a class may obscure changes in prevalence of specific cancers or certain birth defects.

B. Study design

Chapter Five discusses health studies conducted by numerous agencies and organizations. The Environmental Defense Fund also has an ongoing health study project at the present time, which includes a review of such health studies. This part of EDF's critique will refer to both UAREP's and EDF's review. In addition to the studies reviewed by UAREP, EDF has collected 10 additional health studies, prepared by a number of sources. These are listed in Table 1. Some of these studies were conducted by citizens with varying degrees of sophistication and experience in terms of epidemiology, public health, and experimental design.

TABLE 1.—HEALTH STUDIES REVIEWED BY EDF IN ADDITION TO AAREP—REVIEWED STUDIES

Study	Type (design)	Major health endpoints	Sample size
Yellow Creek, KY	Health questionnaire (resident survey)	Increased cancer incidence; adverse pregnancy outcomes	901 questionnaires.
Mckin, ME (revised 1984) proposal	Retrospective cohort (2 phase study) and medical record examination.	Occurrence of medically diagnosed health problems; cancer; birth defects.	Not yet available.
St. Regis Paper Co., Minnesota	Health questionnaire (resident survey)	General ill-health	30 people.
Krysowaty Farm, New Jersey	Cross-sectional	General health; medical care-use	32 exposed, 43 control.
S. Glens Falls, NY, "Caputo Dumpsite"	Community health survey	Cancer; birth defects; kidney problems	810 adults.
Starrett City, NY	Household survey	Adverse health effects	193 households.
Brookfield landfill, New York City	Blinded phone health survey questionnaire	Adverse health effects; medical care-use	1,661 exposed, 323 control (555 households).
Old York City landfill, Pennsylvania	Health questionnaire	Basic health effects	30 people.
Love Canal, NY	...do	Growth and development of children	239 exposed, 707 controls.
Do	Medical record examination and interviews	Birth weight	174 exposed, 443 controls.

It is nevertheless useful to consider all these studies, since in many cases they represent alternative approaches to the investigation of health effects in communities living near hazardous waste dumpsites. They differ from the studies reviewed by UAREP in several important respects: types of endpoints examined, questionnaire methodology, implicit or explicit design for cluster detection rather than cohort comparison. Endpoints sampled by these studies generally range beyond clinically defined diseases (or causes of death) and include questions on general health status, including such relatively nonspecific conditions as irritation, nasal-bronchial complaints, rashes, tiredness, and alterations in mood. Most of these studies rely upon interviews using relatively simple questionnaires. Interviewers were seldom blind to the situation; in fact, in many cases interviewers and interviewees were well-acquainted with each other. Few attempts were made to corroborate self-reported symptoms by consultation with physicians or local health care providers. In most cases, there has been little attempt to systematize these studies or to apply any statistical analyses of the results. Nevertheless, they are of considerable scientific interest for the following reasons. First, the information which is gathered is less subject to preconceived limitations on the types of health effects expected to occur; that is, they include a range of open-ended questions concerning health status. Second, these surveys frequently include questions covering both acute and chronic reactions to chemical exposure, and questions dealing with endpoints other than clinically defined diseases. Third, many of these surveys have been able to reach persons who otherwise have declined to participate in government or university-sponsored studies, because of litigation or community polarizations. Fourth, the results of these studies, even if resistant to more rigorous analysis, can be very important in directing further research by groups with access to skills and resources beyond those usually found in community organizations.

An interesting illustration of this last point can be found in the sequence of studies concerning children's health at Love Canal. In 1979, the Environmental Defense Fund, in collaboration with scientists in Buffalo, carried out a research project investigating the growth and maturation of children born and raised in several areas surrounding Love Canal. This study, which utilized a questionnaire design, collected information on birth weights, gestation length, delivery problems, height, weight, and developmental conditions as reported by parents interviewed. The results of this study, as reported by Dr. Beverly Paigen at the Society for Pediatric Research in 1983, indicate a lowering of birth weights, decreased length of gestation, and increased incidence of childhood problems such as seizures, learning problems, hyperactivity, skin rashes, and eye irritation (see Table 2, figures 1 and 2).

TABLE 2.—HEALTH EFFECTS OBSERVED IN CHILDREN BORN AND RESIDING IN LOVE CANAL [1]

	Percent with illnesses by residence			
	Exposed	Cont.	Adj. odds	Ratio
Seizures	5	2	2.4	1.0–5.8
Learning probs	28	19	1.5	1.0–2.2
Hyperactivity	10	4	3.0	1.3–6.7
Skin rashes	27	18	2.2	1.4–3.5
Eye irritation	13	6	2.0	1.2–3.2
Abdominal pain	12	6	2.1	1.2–3.5

[1] Data from Paigen, et al., 1983.

The findings of this study were not corroborated by consultation of medical records. Although the population of Love Canal was considerably aroused by the issue of hazardous waste dumping at the time of the study, some degree of control was imposed by the stratification of the population into renters and homeowners, and by residence according to the location of swales. In this way, many persons who considered themselves greatly at risk for intoxication were subsequently clustered out of the study according to these additional criteria.

Subsequent to Paigen's research, Vianna and Polan of the New York State Department of Health also evaluated data on birth weights of infants born to parents living in the swale areas of Love Canal (Science 226:1217–1219, 1984). As shown in figure 3 using a more rigid and much less sensitive criterion of clinically defined low birth weight (less than 2500 gm), these investigators found that hospital records demonstrated a large excess of low-birth-weight infants born in the period from 1946 to 1958. They concluded: "our findings suggest that a real excess of low birth weights occurred in the swale area during a time period when there was active dumping in Love Canal at the Love Canal." (p. 1219).

Comparison of these two studies indicates the wisdom of not dismissing categorically all the results of questionnaire studies in a highly reactive community without evaluation of the objective findings. EDF urges similar consideration of the results of other community surveys and questionnaires, without depreciating remarks concerning the source, particularly in terms of developing corroborative followup studies and indicators of health endpoints other than clinical disease. Many of these studies have gathered information which is verifiable by consultation of records; their results also suggest further clinical tests which might provide quantitative information on related parameters (for example, studies on the incidence of infectious disease would suggest tests of immune function; studies on fecundity and fertility would suggest tests of reproductive function).

The UAREP report fails to acknowledge fundamental deficiencies in the design of particular studies reviewed and instead, concentrates only on results that have been reported. In the context of such a review, it is also essential to analyze study protocols and methods. Without proper analysis of *all* aspects of the studies, definitive scientific conclusions leading from the results cannot be reached.

Most of the studies reviewed by UAREP and, indeed, most studies in environmental medicine, have followed one of two designs: the cross-sectional or the cohort. This is a limited approach to the study of epidemiological phenomena (see Lilienfeld, op. cit.). In many cases, these designs are poorly

suited to the specific conditions being studied. The UAREP review acknowledges these difficulties in a textbook-like summary of epidemiological principles, but then disregards them in examining the specific studies.

Cross sectional studies are essentially snapshots of a population over a limited period of time. Survey of questionnaire-based studies are almost always cross-sectional. Cross-sectional studies may utilize matched cohorts, members of which are investigated for the same endpoints or conditions, or they may survey an entire population, out of which subsets are derived on the basis of the results of the questionnaire or survey. In assessing the validity of cross-sectional studies it is critical to determine how many of the target population participated in the study, and the possibility of systematic differences between participants and nonparticipants. For many of these studies, systematic participation was likely, given litigation, moving away, and other aspects of social response. EDF's contact with citizens around the country indicates that, unfortunately, there has developed a climate of suspicion concerning EPA and CDC such that many potentially affected persons will not participate in government-sponsored health studies.

In the cohort design at least two groups are identified, which (ideally) differ only in terms of exposure to the agent(s) of concern. These groups are then examined to determine health status at the time of study or in some studies, a limited nonconcurrent analysis of major past events in medical history (including mortality) may also be collected.

This design has a number of limitations. First, it requires relatively large numbers for each cohort. Tables 2 and 3 show the requirements for sample size in order to determine statistically significant differences in prevalence or relative risk (Hatch, M., et al. (1981) "Power considerations in studies of reproductive effects of vinyl chloride and some structural analogs" Envir. Health Persp. 41:195) It can be seen that the outcome in question would have to occur at a rate of almost 1:4 in the controls in order to be detected as a doubling in an exposed cohort under 100. Conversely, for equal cohorts of 100, given a prevalence among the unexposed of 15 percent, there would have to be almost a tripling of relative risk for a significant result to be detected at $p<0.05$. On the methodological grounds of statistical power alone, almost all the studies conducted at hazardous waste dumpsites are inadequate upon which to draw any scientific conclusions. It is impossible to overemphasize this point. As stated by Hatch, et al. (op. cit.):

"The moral of these two tables is that not all studies with negative results are equal. Some negative studies are more equal than others. In order to interpret a negative finding, we need to determine the probability that a particular increase in risk would have been detected, if present."

TABLE 2.—RELATION OF RELATIVE RISK AND STATISTICAL POWER [1]

	Probability of outcome in unexposed group	Relative risk	Statistical power to detect increase in risk
0.15	0.19	1.3	0.11
0.15	.23	1.5	.29
0.15	.27	1.8	.56

TABLE 2.—RELATION OF RELATIVE RISK AND STATISTICAL POWER [1]—Continued

	Probability of outcome in unexposed group	Relative risk	Statistical power to detect increase in risk
0.15	.32	2.1	.81
0.15	.37	2.5	.95

[1] Illustrated among 100 exposed and 100 unexposed subjects when prevalence among unexposed group is 15%. Power calculated for $\alpha = 0.05$, two-tailed test. [From Hatch, et al, 1981.]

TABLE 3.—RELATION OF PREVALENCE TO SAMPLE SIZE REQUIREMENTS [1]

	Probability of outcome among exposed group	Sample sizes of exposed and unexposed groups [2]
0.001	0.002	22,403
0.01	0.02	2,243
0.10	0.20	197
0.15	0.30	123
0.25	0.50	65
0.35	0.70	41
0.45	0.90	28

[1] Illustrated by the need to detect a doubling in relative risk with 80 percent statistical power.
[2] sample sizes were calculated for $\alpha = 0.05$, two-tailed test. [From Hatch, et al, 1981.]

This is not an academic objection. As admitted in the UAREP study, the use of inferential data, such as residence, to determine exposure or lack thereof, is dangerous. The story of Love Canal is illustrative, in that simple stratifications based on proximity to the dumpsite have been modified by the discovery of the swales, or subsurface dishomogeneities likely to allow differential movement of plumes of migrating chemicals.

In cases where classification of exposures is problematic, cluster analytic designs may be more appropriate. Cluster techniques have been used in epidemiology to indicate deviations from normal or random patterns of incidence. They are widely used in cancer studies and underlie the ongoing cancer maps developed by the American Cancer Society and NCI. The New York Times Sunday Magazine (December 2, 1984) has an excellent lay discussion of clusters analysis and its role in environmental epidemiology, using the example of Woburn and its clusters of childhood leukemias and birth defects. The UAREP review rather puzzlingly seems to criticize the Harvard study of Woburn on the grounds that it was a cluster analysis-based case-referent study. That is, UAREP finds it a limitation that the Harvard study "was prompted . . . by the excess itself" (p. 8-78). This is usually how case-control studies are suggested—for instance, the ongoing studies of excess brain tumors in coastal Texas or spina bifida in Wales. Moreover, UAREP criticizes the Harvard study for using a non random group of controls. In case-referent studies, the referents or controls are selected carefully, not randomly (see, for instance, Davis excellent studies of reproductive effects in workers in its 2, 4, 5-T processes (Townshend, J., et al. (1982) "Survey of reproductive events of wives of employees exposed to chlorinated dioxins" Amer. J. Epidemiol. 115:659). There seems to have been some confusion between cohort and case-referent designs.

Another major limitation in design of most of these studies relates to the dimension of time. There are no complete longitudinal studies, that is, studies which encompass the complete medical history of the persons studied. For diseases of long latency, such as cancer, or effects which are manifest with delays, such as early menopause, temporarily incomplete data sets yield inconclusive results. That is, to paraphrase the UAREP executive summary, the duration of exposures may not have been insufficient to cause adverse health effects but rather the duration of followup may have been insufficient for them to be manifested. There are no true prospective studies, that is, forward-looking designs which follow persons from the onset or cessation of exposure onward. The study of the Fairchild spill in San Jose, CA, is a nonconcurrent prospective study in that the timing of exposure is relatively precise, and medical records can be searched for evidence of changes in disease (in this case, birth defects) over time. Little opportunity is recognized in studying before-and-after effects in communities which have been relocated (Times Beach: Love Canal) or whose contamination has been at least partially remediated (Jackson Township: Woburn). Such studies are not sensitive enough to guide remedial efforts, but if vigorous remediation were being undertaken by EPA or Clean Sites (which it is not) this would provide opportunities for prospective studies of certain types of endpoints.

Thus in summary the epidemiological designs of the studies reviewed by UAREP and by EDF are limited in scope and in many cases not appropriate to the size of population available for study.

"Science versus Citizens"

The UAREP report is socially disappointing as a report sponsored by the chemical industry and conducted by the academic community especially because of the adversarial dichotomy it draws between scientists and the general public. The phrase "reactive epidemiology", coined for this report, does much to distort true community situations.

First, to assume that a large, expensive epidemiologic study would be conducted or funded by government without some prodding by an affected community ignores reality. NIOSH conducts occupational health hazard evaluations often based on workers' inquiries. The massive research project on AIDS is fuelled by public pressure. Resources are much too scarce for any government agency to conduct a study purely as an educational exercise.

Secondly, the premise is put forth in this document that citizens who are worried about a toxic dump's effect on their health, somehow "distort" the scientific effectiveness of the study. Such confounders such as subject bias are well-known and can be controlled for in a well-designed and well-executed study. Workers who participate in occupational health studies are probably more aware of their potential chemical exposures as are residents in dumpsite communities, and continue to be selected as good study subjects for epidemiology.

It is important, as awareness of toxic chemicals continues to grow, that scientists and citizens work hand in hand on understanding chemical exposure problems. Although levels of scientific or statisical sophistication may differ, the general public is our client and our subject matter as scientists. It is therefore, extremely valuable. In many cases, a local community may know a great deal about their local site or contamination source. They have often pointed to apparent clusters of disease which need sci-

entific investigation. Their information can aid us all in a variety of situations and we must develop ways to make such information useful for our scientific needs, not to depreciate it or to wish that our subjects were as docile and unmindful as laboratory mice.

5. EDF RECOMMENDATIONS

EDF has several recommendations, to UAREP for the revision of this draft report, and to the community of interested scientists, legislators, policymakers, and concerned citizens.

A. Recommendations to UAREP

In the context of this critique, EDR recommends revision of this document to include an extensive discussion of the limits of epidemiological designs, and the requirements of statistical power in evaluating results, positive and negative. EDF recommends a consistent approach towards the definition of adverse health effects, and one which transcends the current restriction to clinical disease and death. EDF recommends a more thoughtful reconsideration of the characterization of community concerns as merely interference in the work of scientists. EDF recommends evaluation of the recent literature in occupational medicine and epidemiology for information on the application of questionnaire methods, the control of subject bias, and the development of measurements in neurotoxicity and other organ system toxicities. EDF urges UAREP to consider citizen-conducted studies and other sources of information on health effects, other than government-sponsored or university-conducted research.

B. General recommendations

EDF is most concerned about the limitations of present studies, including those reviewed by UAREP and EDF. These studies have mostly applied the simplest of epidemiological designs, cross-sectional or cohort, with inadequate understanding of the appropriateness of the conditions to these designs. In particular, EDF recommends use of prospective designs wherever possible, and the collection of complete longitudinal histories. This approach will be facilitated by the establishment of registries at hazardous waste dumpsites, as we have recommended in testimony before the Senate Committee on Environment and Public Works last Spring (attached). Despite our successful litigation against the Department of Health and Human Services over a year ago, CDC has yet to establish a single registry of persons exposed to hazardous waste. Registries represent a unique opportunity to "capture" the exposed population before it disperses and disappears. Registries are invaluable for collecting prospective, longitudinal data, and for recalling exposed populations to collect data at the cutting edge of toxicology—that is, as information on the likely effects of toxic chemicals is developed, new clinical tests can be applied to the exposed cohort.

For all these reasons, EDF cannot support the simplistic recommendation in the UAREP report that standardized protocols be used in future epidemiological studies. This is advanced despite the fact that throughout the report, it is acknowledged that each site may be a unique combination of both chemicals and geology. Variations in geographical considerations and population characteristics may be significant factors in assessing health risks at a site. Thus, it is inappropriate to recommend standardization of data collection and analysis for all site. As a consequence of such a system, valuable information will be missed. It is not the questionnaires that need to be made uniform, but rather the framework and methodology for proper study design that needs reform. Those of us in the scientific, political and legal communities must be careful not to try and shape real situations for scientific convenience. Our knowledge of hazardous waste health effects may be limited but we can be sure that community exposure will remain a complex issue. We must not be swayed by the temptation to make our studies easier to do, rather than determining an easier way to make them more valuable. To quote Selikoff: "Either we are going to have to change the toxic chemical waste dump sites or we are going to have to change epidemiology." (Selikoff, I (1983) "Clinical and epidemiological evaluation of health effects in potentially affected populations." Envir. Health Persp. 48:105).

Standardization would have a chilling effect on scientific advances in the field and is premised on the erroneous assumption that we know how to design the optimal study, or that there is a single study design suited for all situations requiring study. As noted, EDF's assessment is that the field of environmental epidemiology has been hindered by too little innovation in study design; imposition of standard approaches would be likely to doom us to generating more and more inconclusive, statistically inadequate results.

EDF strongly supports efforts at improving baseline data on human health in the US, through such instruments as the National Health and Nutrition Examination Survey, which we have recommended be applied to studying health effects of hazardous waste. EDF also recommends improvements in data linkage, between such data sources as the National Death Registry, various state cancer registries and birth defects surveillance programs, and registries of residents at hazardous waste dumpsites (see also Landrigan, P.J. (1983) "Epidemiologic approaches to persons with exposures to waste chemicals" Environ. Health Persp. 48: 93).

EDF welcomes the involvement of national professional and health voluntary organizations, such as the American Academy of Pediatrics and the American Council for Learning Disabilities, both of which have sponsored symposia and research on environmental factors in children's diseases and developmental disabilities (for example, Ross Conference on Pediatric Research, "Chemical and radiation hazards to children", 1982).

EDF recommends increased attention to improving exposure assessment, specifically for the purposes of clarifying epidemiological investigations. Researchers may be unaware of the willingness of concerned citizens to participate in exposure analyses, even those which require invasive surgical procedures such as fat biopsy. Use of existing tissue and sample collections may improve exposure assessment. Particularly in case-referent studies. For example, blood samples collected from newborns for phenylketonuria testing can be used to measure heavy metal exposure in utero.

Finally, EDF recommends adequate and stable longterm funding of research in the area of environmental epidemiology, in the context of Superfund reauthorization, appropriations to CDC, NIH, and EPA, and efforts by the private sector. EDF has presented in Congressional testimony (attached) recommendations as to what constitutes adequate funding for such research, to provide for site-specific health studies ($22.5 million per year), longterm exposure registries ($4 million per year), and studies of the association between chemical exposure and human health effects, as well as sentinel disease registries for data linkage ($30 million). These are modest recommendations, in terms of the work to be done at the thousands of unremediated sites around the country. We regret that CMA has not joined us in supporting these recommendations for adequate health research funding under Superfund. We hope that from our dialogue on this report by UAREP, we may continue to find a common interest in increasing our knowledge of the health effects of hazardous waste and invigorating our efforts to prevent their occurrence.

ENVIRONMENTAL DEFENSE FUND,
October 27, 1983.

BRUCE KARRH, M.D.,
Chief Medical Officer, Employee Relations Department, N-11400, E.I. du Pont de Nemours & Co., Wilmington, DE.

ROBERT ROLAND,
President, Chemical Manufacturers Association, Washington, DC.

KENNETH D. FISHER, PH.D.,
Life Sciences Research Office, Federation of American Society for Experimental Biology, Bethesda, MD.

DEAR SIRS: We would like to respond formally to requests from CMA and UAREP to participate in the planned UAREP research project on evaluating health effects associated with environmental exposure to hazardous waste from dumpsites. We have stated to you by telephone and in meetings that we do not wish to participate in this study; this letter is to amplify our reasons for such a decision. We wish to emphasize our agreement that this topic is important and deserves the attention of the biomedical community.

Our concerns relate to the proposed operation of the study and the scope proposed. Our comments are based upon scientific judgment and upon our extensive involvement with citizens and health scientists directly involved in the investigation of associations between chemicals from hazardous waste dumpsites and adverse health effects.

The methods by which UAREP has become the "sole source" contractor for this project are not conformity with the usual practice of funding biomedical research. That is, after development of a feasibility design and proposed project (by UAREP), there was no effort by the sole sponsor (CMA) to invite open competition from the scientific community. We would have recommended that the NIH RFP model be used for this purpose, to avoid the appearance of a closed circuit between sponsor and contractor. Moreover, there was little opportunity for comment and revision of the original proposal, and no notice of such important parameters as the time allocated for completion (see below).

Invitations to co-sponsor this research project were tendered by CMA after finalization of the proposal and selection of the contractor. Thus, issues related to the nature of the proposal and the reputation of the contractor were moot.

As we discussed with you earlier, we do not consider the proposed scope of the project appropriate to the fundamental issue being considered: the detection and evaluation of adverse health effects associated with exposure to hazardous waste in dumpsite communities. It has been our position, stated in many meetings and hearings,

that this issue is scientifically complex and challenging. The time allocated under the contract (8-10 months) is unduly short (for reasons which seem dictated more by external political pressures rather than good science), and we seriously doubt that anything will result beyond the repetition of such general comments as those made in recent symposia held by the National Academy of Sciences and Rockefeller University.

The two major scientific issues relevant to this project, and on which research expertise is greatly needed, are determination of exposure and the appropriate assessment of effects. The proposed study offers little in advancing our methods for predicting or monitoring exposure on either a qualitative or quantitative basis.

There is no consideration given to innovative or state-of-the-art approaches to exposure assessment—such as measurement of DNA adducts or mutagens in urine, cytogenetic analyses of lymphocytes, sperm morphology, or immune system biochemistry. A major problem in epidemiology is the incorrect or imprecise assignment of subjects by exposure categories. In occupational health studies, surrogates for exposure assessment (such as occupational history) have been used to group and analyze data; we need similar methodological experiments in environmental health studies.

The proposal focuses upon acute toxic effects "likely to result from human exposures to [such] chemicals." This focus is in strange contrast to the conclusions of many experts, that the types of exposures, as well as the levels of chemicals entering the human environment from dumpsites, are likely to be associated almost exclusively with chronic effects. Your insistence upon acute toxicity to provide a set of endpoints seems to bias the project towards negative results, since it is unlikely that there will be many instances where exposures are such to cause acute toxicity.

The proposal assumes a limited definition of expected health effects. These reflect a bias towards pathology and explicit cellular lesion, not surprising given the collective expertise and experience of UAREP. However, it is much more likely that in persons exposed chronically to low levels of toxic chemicals, sensitive biochemical indicators of health effects will precede pathological damage. Answers from such disciplines as immunotoxicology, neurotoxicology, and reproductive toxicology must be sought. It is not stated that experts from these disciplines will be involved in this proposal.

Finally, it is our opinion that these important issues are better addressed by the general scientific community with opportunity for input from the affected communities and from those who have already worked in this area. Moreover, we suggest that the proper forum for such discussions is through the newly formed Agency for Toxic Substances and Disease Registry within the Centers for Disease Control. We find this attempt to build a "consensus" around the narrow objectives of one party with highly visible interests in the matter to be unfortunate and unproductive of good science.

Yours sincerely,

Ellen K. Silbergeld, PhD, Chief Toxics Scientist, Toxic Chemicals Program; A. Karim Ahmed, PhD, Senior Scientist, Natural Resources Defense Council; Khristine L. Hall, Attorney, Toxic Chemicals Programs; and Jane Bloom, Attorney, Natural Resources Defense Council.

Mr. SIMPSON. Mr. President, that is evidence of my respect for the Senator from Maine. He is a spirited debater and does it magnificently, and we have those same types of discussions in the Environment and Public Works Committee and we do, I think, as the chairman would say, somehow get the issue aired.

The Senator from Vermont is an able lawyer, and he is sitting before me. I leave him out of that designation of those of us who have been trial lawyers who speak on this issue. He is certainly a man who has left me with more Vermont lawyer stories than I can ever use, but I have used a great many of them, I can tell you that, and maybe that is what will happen here.

The Senator addressed me about the Vermont lawyer in a small town who moved away and took all of his witnesses with him when he left. Maybe that is what is the fate of all of us if we stay in the law business long enough.

Let me just share a couple of things in response. I think they need to be in the RECORD. One is the subject, at least as I understand it, of the report that we speak of here. I and this report recall, please, was the result of 13 medical doctors or Ph.D.'s in 13 of our finest universities in the United States.

Mr. President, I ask unanimous consent to enter into the RECORD the one page that discloses the persons who rendered the report, fine, remarkable, professional people with medical backgrounds. I think Senators will want to hear that carefully because that is a very key issue as we discuss this.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE SCIENTIFIC PANEL

Chairman: Joe W. Grisham, M.D., University of North Carolina, School of Medicine, Chapel Hill, NC 27514.

Martin Alexander, Ph.D., Cornell University, Ithaca, NY 14853.

Robert E. Anderson, M.D., University of New Mexico, School of Medicine, Albuquerque, NM 87131.

Arthur D. Bloom, M.D., Columbia University, College of Physicians and Surgeons, New York, NY 10032.

Morton Corn, Ph.D., The Johns Hopkins University, School of Hygiene and Public Health, Baltimore, MD 21205.

John E. Davies, M.D., M.P.H., University of Miami, School of Medicine, Miami, FL 33101.

John Doull, M.D., Ph.D., University of Kansas, Medical Center, Kansas City, KS 66103.

Virgil H. Freed, Ph.D., Oregon State University, Corvallis, OR 97331.

Eugene V. Perrin, M.D., Children's Hospital of Michigan, Wayne State University, Detroit, MI 48201.

Henry C. Pitot, M.D., Ph.D., University of Wisconsin, School of Medicine, Madison, WI 53706.

Gabriel L. Plaa, Ph.D., University of Montreal, Faculty of Medicine, Montreal, PQ H3C 3T7, Canada.

Paul V. Roberts, Ph.D., Stanford University, Stanford, CA 94305.

Reuel A. Stallones, M.D., M.P.H., University of Texas, School of Public Health, Houston, TX 77225.

Mr. SIMPSON. Mr. President, I think there was a rather sinister reference perhaps as to who paid for this. If we brought that up every time we dealt with reports in this city, it would leave us all in tatters, because the business that lives around us live off of people who go up to people and say, "Here's what I'm looking for and here's what I hope you'll dig up."

So whether it is the Environmental Defense Fund and their balanced position, if it is—and I really do not believe it might be in this instance—or this group which I think is a little more balanced from looking at the fact they are talking about medical doctors and Ph.D.'s—and I am sure the chemical industry would have one that might not be balanced, so I think that is a reality we all address when we deal with reports in this place, but I want to share with you just one thing that I think deserves to be said because the Senator from Maine talked about a report, the 301(e) report, and that was put together by lawyers. It was put together for the Congress after the passage of Superfund and recommended a pilot program of assistance.

Two important points. It recommended State programs, and I would be very pleased to participate in the process if the States tried innovative approaches that might provide us with the kind of information base that we are looking for.

When the Senator speaks of the opposite conclusion in the university study, there is still one unmistakable point—please do not miss that—and the unmistakable point is that there is not yet enough information, period. That is part of the opposition with regard to that report.

However, back to the 301(e) report which recommended study programs. That report was put together by a group of lawyers. It was not put together by doctors, medical persons, or scientists. I think that is a very important distinction. These were lawyers who were trying to provide mechanisms, if there was a problem. They did not try to show what that problem was medically. They were saying, as lawyers, "Here are mechanisms," but they were not involved in what we were talking about here, about what is the problem.

If I leave nothing else with you from the debate, I hope that you might be aware of a most significant fact in connection with what we are doing here with regard to this issue. We speak about some of the things I have discussed, about agent orange, and we come back to the exposure issue. The proposal of the Senator from Maine does not solve this problem. We are

dealing, as I understand it, with the actual language of the Mitchell proposal, limiting benefits to "persons who have been exposed to a release of the relevant hazardous substance." That is the new amendment language. Am I not correct? I believe that is the new amendment language.

The problem is this—I wish it were not, but it is: Waste sites, to the extent they present a problem, do so because of any number of chemical substances which may be acting together. This was the valley of the drums theory. This is the cesspool theory. Those were the things we were after when we were trying to correct Superfund. This meant there may be a synergistic effect of several chemicals working together that we cannot even identify. That is one of the real problems of Superfund.

They say, "What did you make?"

"You spewed out this substance."

They say, "We found a trace element in that dump, and we want you to pay for all of it."

They say, "That can happen when two elements come together."

That is why we spent so much money on attorneys' fees and scientists and did not get the job done and we get back to this. They are substances which, if they did cause a problem, could lead to some other difficulty, could lead to diseases absolutely unrelated to a single exposure, to a single chemical.

If you think I am leaving you somewhere, you have a situation opening here which is much more complex than agent orange. At least with agent orange we were dealing with dioxin. There are few health effects studies on these various substances, some 250; and if we get into that with gusto, some say there are 400 substances we should deal with as to toxic substances. Some are easily recognized as hazardous to humans and some are not, but some are in combination with others. The duration of the exposure, whether it was extensive or limited, will be hard to demonstrate.

You are headed into 250 chemicals, or 400. In agent orange alone, I submit, there have been 67 studies which have cost this Government $150 million on one hazardous substance, which has been identified so clearly that we even have identified people who actually were in it, had it cover their bodies. The way they sprayed it was to have it cover the interior of the aircraft, to have the vacuum spray it.

We again come up with the gut-hard issues even in court. In fact, the chemical companies put up a trust fund and said, "Here's $180 million. We're tired of contesting it, even though the court never proved cause and effect." This is agent orange. That is one substance.

We are talking here about 250-plus substances, some of them operating singly, to be deleterious to human health, and some act in combination. There is no way that we are ever going to find what we are looking for, without an extraordinary situation which is beyond belief. If you have 67 studies on a thing like agent orange, imagine what you are headed for with some of the other material. That includes one where they actually had it on their bodies, and that is Operation Ranch Hand. I commend any of you to that if you wish. It is a serious approach to what has happened.

I understand the feeling of the Senator as he speaks about an entitlement program and how it comes up. It may not be a legally recognized entitlement program, but politically it will win all the award for being an entitlement program. Politically, it will have the same effort. You will not be able to take that away.

The Senator and I sat and listened, and I appreciate his counsel that we cannot do this on anecdotal testimony. But if you went to the hearings, you will want to do something on anecdotal testimony; because here is a mother and here is a deformed child. They say, "This was caused because we live near a dump, a mile from our home, and you will recompense us."

It is not easy to walk into one of those or walk out and say, "Well, we have to be a little more cautions. We have to prove up." Who likes to be in that position? I do not. I am a rather compassionate fellow.

When you find the same disease in that child as the same percentage of children in that age who were not exposed to that thing, I am not going to be the wretched one who goes in to fight off those anecdotal stories. They are real; they are human beings; they are crying; they are torn up; they are wrenched. But that does not fit any of the compensation schemes we have ever had in the history of compensation, in the tort system or any other system.

I join the Senator from Maine when he says that those of us who are opposed to doing something want to do nothing. That "ain't" me. I am opposed to this, and I want to do something, but I'm not going to do something which is absurd and which does not meet every test of the legal systems of the United States and everything we know about cause, effect, and compensation.

If you are going to do these things, do them on the basis of sound medical and scientific evidence, and it is not there. It is not even there in agent orange, on which we have spent $150 million in 67 studies.

I cannot even pronounce half the things we list. Scientists say: "We don't have any idea what that does. We haven't even put it into a rat yet." That is the kind of stuff with which we are dealing.

If there is a genuine need for a pilot compensation program at this point, with what we know in America, I want to be a cosponsor of that. But right now it is not there. We should wait to see the results of the comprehensive medical testing and studies which are required by the Committee on Environment and Public Works in section 104 of Superfund. It is in there. I am ready to wait and see what those reports say. It was adopted because we saw a need for studies before we determine what to do in this area. I think that is exactly where we should go.

If we are going to be reasonable and responsible, then let us proceed on a thoughtful basis, and that I will join with and work for in every way.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Administrator of the U.S. Environmental Protection Agency, dated May 2, 1985, to Senator STAFFORD, the chairman of our committee, with regard to some comments on the legislation especially in this area.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, May 2, 1985.

Senator ROBERT STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: On March 7, 1985, following two days of markup, the Senate Committee on Environment and Public Works reported S. 51, "The Superfund Improvement Act of 1985." I enjoyed working with you during the Committee action. Although the Committee adopted several components of the Administration's bill prior to final vote, several provisions that we consider essential to our support of this legislation were not adopted, and several provisions which we cannot support were adopted. I would like to take this opportunity to inform you of these provisions, and why we believe that it is most important that the Administration's position be incorporated into S. 51 prior to final passage by the Senate.

No general revenues—In light of the current deficit and the efforts of the Administration to restrain additional burdens on the budget, we strongly believe that general revenues should not be used to supplement the Superfund. Rather, the Administration believes that the legislation reauthorizing Superfund should provide adequate revenue from taxes on those industries generally associated with the type of hazardous waste problems Superfund is used to clean up. The Administration bill maintains the feedstock tax found in current law and proposes a waste end tax that will generate approximately $600 million a year. Additionally, this tax will provide an incentive to waste industries to minimize waste generation and undertake better waste management activities.

Victims assistance demonstration program—This provision was added in the Senate Committee during mark-up and is strongly opposed by the Administration.

While initially establishing a demonstration program, the provision, if enacted, could lead to a far more expansive victim's compensation program. The creation of a broader victim's compensation program would significantly impact our legal system as well as many existing government health and income maintenance programs. The Administration is also very concerned that the eligibility criteria of the demonstration program may mislead many persons into believing that causation has been determined between a given exposure and a particular disease when, in fact, no true causal link has been established. In addition, there are numerous significant ambiguities in the provision that would make the demonstration program extremely difficult to administer, and almost guarantee that the program would be mired in a morass of litigation. For these and other reasons the Administration believes that the issues presented by the program have policy and budgetary ramifications far beyond the scope of Superfund, and therefore should not be considered in the context of Superfund reauthorization.

Scope—Under current law, the response authorities of Superfund are extremely broad. The Administration bill focuses the Superfund program on uncontrolled hazardous substance sites through narrowly crafted exclusions. The Environment and Public Works Committee adopted some of these exclusions. We strongly urge your support for those that were not adopted in order to focus the program on those releases which present the greatest threat to public health and the environment and to enhance EPA's ability to effectively manage the program.

Citizen's suits—The Committee adopted a provision that would allow citizens to sue for failure to perform nondiscretionary duties under this Act, or for violations of any regulation of CERCLA. We find this amendment to be of great concern because of the number of mandatory duties and stringent timeframes incorporated in other provisions of S. 51. The combined actions of deadlines and citizen's suits could lead to a large number of lawsuits against several Federal agencies, including EPA. Furthermore, to the extent that the pace of Federal facility cleanup is determined by available resources, management constraints and a long lead time needed to develop projects, citizen suits to enforce stringent mandatory deadlines would do little more than generate litigation costs for all parties.

Fund size—The Administration bill provides for a $5.3 billion fund over the five year life of the reauthorization. We believe that through a strong enforcement program, we will realize an additional two billion dollars in private party cleanup. At this level of funding, we can operate an efficient, well-managed program that protects human health through an aggressive emergency cleanup program and makes significant progress toward addressing the long-term hazardous waste cleanup problem. If the program is accelerated beyond this pace, the Agency will experience problems in assuring proper oversight of contractor support, in hiring qualified technical personnel, and effectively managing the simultaneous cleanup of over 800 complex clean up projects annually. The House Appropriations Committee, citing many of these same problems, released a study on Superfund recommending a program of approximately one billion dollars a year. Additionally, the Office of Technology Assessment stated in its report on Superfund that the Agency should conduct an aggressive emergency respo*** BAD MAG TAPE ***nse program but move more cautiously on long-term remedial cleanups.

Federal facilities—During the Committee's consideration, an amendment was adopted that established a mandatory cleanup schedule for sites on Federal facilities. The schedules in this amendment are unreasonable and could lead to a considerable number of citizen's suits against Federal agencies that fail to perform within the timeframes. This amendment, together with another provision of S. 51, provides for EPA oversight and concurrence on cleanup actions undertaken by other Federal agencies. This is unnecessary, as EPA currently is involved with other Federal agencies as they undertake their cleanup programs. For example, EPA currently operates under a Memorandum of Understanding with the Department of Defense concerning cleanup of sites on their installations. The FY 86 budget request included over $300 million for the DOD hazardous substance cleanup program. The Administration opposes the Federal facility amendments as unworkable and unnecessary.

State cost shares—The Administration bill includes amendments that strengthen the role of the States in the Superfund program. Specifically, these amendments will expand State authority by promoting multisite cooperative agreements and allowing State enforcement costs to be eligible for Superfund money. The amendments maintain current Administration policy to fund 100% of the costs of the emergency removal actions, site investigations, engineering studies and design, but increase the State cost share requirement for site construction to 20 percent. In order to assist a State's ability to raise revenues for its own State Superfund, the amendments eliminate the preemption language from current law.

Additionally, the Administration bill requires States to site new facilities or to enter into regional compacts for waste management. This provision would require States, within two years of enactment of the bill, to assure the availability of sufficient RCRA disposal or treatment capacity to handle all the hazardous waste expected to be generated within that State for specified period of time (e.g., 20 years).

Natural resource damage claims—The Administration bill provides that no natural resource damage claims could be paid by the Fund. The amendment would allow Fund money to be used for assessment and cleanup of natural resource damages as a part of a remedial or removal action. Additionally, responsible parties could still be held liable for damages to natural resources. Currently, over $2.7 billion in claims are pending against the Fund. The Committee adopted an amendment that would not allow Fund money to be used to pay natural resource damages in any year that all funds are needed for cleanup gf sites posing a threat to human health. Although this may prevent Fund money from being used to pay natural resource damage claims for the next several years, this approach would allow the claims to back up. The Administration urges adoption of its language barring the use of Fund money to pay natural resource damages claims at any time.

The Administration strongly believes that the above discussed amendments to S. 51 are essential to permit us to move ahead in a responsible manner to clean up our nation's uncontrolled waste sites.

I look forward to your continued assistance in urging Senate adoption of these most important Administration amendments.

Sincerely,

LEE M. THOMAS.

Mr. ROTH. Mr. President, at this stage I merely want to reiterate some of the points raised by my distinguished colleague, the Senator from Wyoming. But in starting out let me point out once again that one of my concerns is that section 129 does divert both resources and attention away from what I consider Superfund's primary goal of cleaning up waste sites. The best thing we can do for the health of the American people is to attact that problem vigorously and expeditiously.

The problem with trying to introduce a new health program at this stage is twofold.

One is that we do not have the money necessary for any new ambitious undertaking, but even more important, we lack the necessary scientific underpinning for any such program.

I do not have to tell the distinguished Senator who is presiding at this moment the serious financial problems this Government faces, and yet we have here a proposal that I think in many ways demonstrates what has happened in the past where well-meaning Senators introduced a bill or a program to take care of a problem that they anticipated would not cost much, but before many years have passed these programs have become multibillion-dollar programs. It seems to me that is the significance of the black lung, kidney dialysis, and many of the other programs. They started our small, but they ended up large.

But I think particularly serious is the lack of scientific information to undertake the kind of program proposed by the distinguished Senator from Maine.

I am not going to reiterate what has already been said by the distinguished Senator from Wyoming as to the review that was conducted by an executive scientific panel of 13 academic scientists, assisted by numerous scientific consultants and by staff members of Universities Associated for Research and Education in Pathology and the Life Sciences Research Office of the American Society for Experimental Biology. This study was attacked by the question as to who financed it.

Just let me point out that the section 301(e) study group that was referred to by the Senator from Maine was composed of the American Law Institute, the American Bar Association, the American Trial Lawyers Association, and the National Association of Attorneys General. I think it can be fairly said that they were neither scientists nor were they necessari-

ly uninterested in their recommendations.

Certainly no group would have more to profit from litigation in this area than this group of study group members. I am not saying that that was their intent or purpose. It seems to me that it is foolish to attack either study on the basis of who made it.

But the one thing I think needs to be emphasized about the scientific study is that it says very clearly that based upon a comprehensive search of available data the ESP has found few published scientific reports of health effects clearly attributable to chemicals from disposals sites. Only one report, one report offered convincing evidence that serious health effects had resulted from exposure to chemicals originating from a land-based disposal site, hardly the kind of scientific background and data with which one wants to embark on a new health program.

In that same paragraph it goes on to say, and we cannot read, of course, the whole report, but it says:

> However, the results can be interpreted to indicate that no risk exists but, rather, that no health effects clearly attributable to the sites have been detected to date by the study methods employed.

None of us are saying this is the final word on the scientific data or information. What we are saying is that the information is too limited, and the scientific facts do not warrant the kind of legislation being proposed by the Senator from Maine.

He goes on to argue, of course, that this is only a demonstration program. Anyone who has been here very long knows full well that once this kind of program becomes instigated, there is no stopping it. It is next to impossible to close Pandora's box, and that is the lesson of black lung and others.

I point out that this demonstration program will be very, very difficult to keep from expanding. There is something I think like 850 sites that conceivably might be covered, and let me tell you if they select a site in your State and those within that site who have been exposed and show symptoms get medical coverage, it is going to be politically impossible not to expand this program to cover other sites within that State. And the same thing will be true across the country.

The Senator from Delaware would find it very difficult to resist the demand for coverage in his State if a nearby site in Pennsylvania or New Jersey were covered. So the politics of it is that while the demonstration program might start small, it is only a matter of time until there will be national coverage.

But the other point I think should be made is that in many ways this is legally introducing a whole new concept, where coverage will be based upon exposure and symptoms; no causal relationship has to be shown.

As a matter of fact, I would say to be candid that the language in this demonstration program is so novel and in many ways imprecise that if anybody is going to benefit from it it is the lawyers. I can well see much litigation springing from this proposal if it should become law.

So I think it is a fair statement, Mr. President, to say that if we take this first step now it is only a matter of time until it is going to be expanded to cover other sites, and I cannot agree with the distinguished Senator from Maine that the coverage of health will not be costly. I would just like to point out that our health programs now currently cost something like $107 billion a year and that is not including, mental distress or some of the other things you have in civil suits. This is for actual medical care paid for by the Federal Government.

I know the Finance Committee has struggled with how to finance these growing programs. I am not saying that there is no problem, that there is not any need. But based upon the fact that we have inadequate scientific information to embark on a whole new program with a whole new legal concept, I urge that we look at the present programs and the present tort law and see if this need cannot be satisfied in that fashion.

I congratulate the Senator from Maine for his concern. I think we all are deeply worried about the number of sites in this country that remain unclean and in an unhealthy condition. But the best way to attack that problem is to move ahead with cleaning up these waste sites and in the meantime continue to determine what the needs are under current tort and other medical programs.

I yield back the floor.

Mr. MITCHELL. Mr. President, I will try to respond briefly to some of the comments made by my colleagues from Wyoming and Delaware and will not attempt to repeat the arguments made in detail during my earlier statement.

First, I would like to say that, of course, it is an old tradition in American politics to identify an unpopular group and then to associate that group with the cause which one opposes. And if anyone needed any evidence of the apparent unpopularity of lawyers in America, one needed only to sit here for the last few minutes and listen to two lawyers describe, in the most perjorative terms, reports, because they were prepared by lawyers, that in and of itself apparently casts the report in doubt as opposed to a report prepared by doctors.

With respect to the question of who paid for the study, I said before and I say now, it is a relevant fact for those determining the issue to be aware of who paid for the study. It does not invalidate the results of the study, but the fact is throughout our daily lives, in common exchange with others, we give weight, great or little, we attach credence, more or less, to a position based upon who takes the position. Included in that is knowledge of who financed the study. And, therefore, I think that Senators ought to at least know that the study to which my colleagues have repeatedly referred was paid for by the organization which opposed this legislation.

Senators who read the study may be persuaded that it is valid, that its conclusions are persuasive, but they ought to at least know who paid for it.

Second, the study done by the lawyers, the 301(e) study, the Senator from Delaware suggested, although he was careful to say it was probably not their intent, that they had a great interest in the outcome, because, naturally, everybody knows that lawyers want to spur on litigation. But if the Senator had read the study, he would have known that they reached a conclusion that is diametrically opposite to that interest, because the major conclusion of the study was that there should be an administrative compensation program set up to take this out of the tort system in the courts. The study itself concluded:

> Its major purpose would include the provision of limited compensation to meet the economic and medical needs of persons injured in a manner which is more prompt and less costly than tort litigation.

That is why we set up administrative compensation mechanisms to take them out of tort litigation. And that is what this group of lawyers recommended.

So if we are going to look at what people's interests are, we ought to at least give them credit for making a recommendation which is contrary to their presumed interests, even assuming the fairness of the characterization that their presumed interest is somehow to encourage litigation that they ultimately will benefit from. There is no doubt there are some who would do that, but I suggest that not every lawyer does and certainly not the attorneys general and other groups who participated in this.

As far as the suggestion and conclusion of the Senator from Delaware that we look at the tort problem, I say to him again that is what we did. That is what this study is. That is what section 301(e) of the Superfund mandated. This is a 359-page report, the result of many, many months of careful study of the tort system. And the conclusion was that it poses substantial obstacles and, therefore, they recommended a national administrative compensation scheme, which I emphasize is not included in my provision in

this bill which is a much smaller or narrowly drawn provision.

Another argument is made that you cannot do something for some and not for all. First, I note that supreme irony of those who opposed doing anything for anybody, citing as something wrong with it that it only does something for some. Were we to respond to that criticism, we would, of course, establish a National Compensation Program, but I know the Senators are very much opposed to that and certainly would not support it. But that is because that this must be seen not as an effort to provide a specific form of compensation only to a limited number of people, but, rather, as an effort to determine what the scope of the problem is, the intensity of the problem, and whether or not there is some mechanism that can be developed to deal with it.

It is, in every respect, a demonstration program, a trial effort, a searching for a solution to a problem that, in my judgment, does not affect, relatively speaking, enormous numbers of Americans because, of course, the overwhelming majority of Americans do not live near or close-by hazardous waste sites and have not been exposed to hazardous releases. But for those who are so affected, it is an enormous, overpowering tragedy.

With respect to the comment by the Senator from Wyoming regarding the number of substances involved, I repeat what I said earlier, that under a separate provision of this bill the administrator is required to perform a health assessment for each release, threatened release, or facility on the national priority list. And that includes a description of the contaminants that are involved. The judgment as to which substance or substances are relevant to consideration of this demonstration is to be made by the Administrator, in any event, under a completely separate provision of this bill.

I do not believe—and if I am incorrect I would ask the Senator to correct me—that the Senator was opposed to this part of the bill, the provision calling for a national health assessment; nor do I believe that the Senator from Delaware has expressed any opposition to that part of the bill.

So all the demonstration program contemplates is taking the information contained in the study that must be conducted under independent provisions of the bill, seeing whether the results of that study contained information which would justify this limited step, establishing very tightly drawn and narrow criteria for inclusion of a very small number of sites within this program to be selected subject to the President's discretion, and then providing that assistance in the form of medical examination, and, for a very narrow class of persons, compensation for out-of-pocket medical expenses.

This has nothing to do with lawyers and lawsuits. It is a complete red herring to suggest that this is somehow going to be a lawyer's bonanza, and attempting to link to the high transaction costs that have occurred in lawsuits under the existing Superfund is a complete misapplication of the facts.

In the first place, how many people are going to hire a lawyer and sue to recover the costs of a medical examination if that is all that is available to those persons who have been exposed but have not demonstrated present symptoms of the relevant disease or injury? And with respect to those who have demonstrated such, reimbursement is limited to actual out-of-pocket medical expenses that have been paid to deal with it or those expenses to be incurred in the future.

So I say to the Members of the Senate that while it is apparently popular to engage in lawyer bashing, such statements bear no relevance to the provision that we are now considering.

I conclude by stating at the risk of repeating once too often that this is a limited demonstration program, limited in time to the 5 years authorized in the bill, limited in amount to a maximum of $150 million over 5 years—not 1 penny more can be spent—and limited in scope to between 5 and 10 areas selected by the President after a health assessment study has been conducted as required under another provision of the bill, and the results of that study established three things: That there is a disease or injury for which the population of the geographic area, defined by the administrator under the study as already required by law, is at significantly increased risk; second, that disease or injury has been demonstrated using sound scientific and medical criteria by peer review studies to be associated with exposure to that substance; and, third, that there are people in that area that have in fact been exposed to the substance. Then and only then is an area eligible for nomination, and then and only then is any individual even eligible for the very limited benefits under this bill.

It is, I say to my colleagues, a limited good-faith effort to try to get the information that we need to see if we can deal with this problem. As I said earlier, if we had done this in all the other areas cited by my colleagues, if we had a demonstration program in the other areas, perhaps the criticism they now level at those programs may not be applicable. But the one thing that all of those other programs have in common is that there was no demonstration program, and there was no limit, but it started out fully from the outset.

So I hope that the Members of the Senate, those who are either listening or will be referred to in this argument, will see clearly that the arguments against this provision have very little to do with the provisions, and have more to do with other programs or what the opponents of the provision think it may become.

I thank the Chair, and I yield the floor.

Mr. ROTH. Mr. President, I will be very brief. I do want to make one clarification. All I was saying in making reference to the lawyers was that one could raise the same kind of question with respect to the study made by them as the distinguished Senator from Maine appeared to be making with respect to the scientific study made on this matter by a group of scientists and universities.

I was not personally impuning either one. And I think those who read them will have to make that judgment for themselves.

Mr. President, we can continue to argue the merits and demerits. The hour is growing late. I think it comes down to a matter of judgment. Those of us in opposition to this proposal are deeply concerned that what may well be what was intended to be a demonstration program will, because of the politics of the situation, turn into a full medical health program with some very novel, new legal theories. I personally think it would be a mistake to embark on such a proposition at this time, particularly when there is a lack, in my judgment, of scientific information to show the need. But it is that question which the Senate is going to have to decide in the next day or so.

Mr. President, it is my understanding that maybe there are others who would care to discuss this matter. I am not sure whether the distinguished Senator from New Mexico wants to address this problem or not. But in any event, it would be my hope that relatively briefly we could bring this debate to a close with a unanimous consent or understanding that this matter would come up for vote tomorrow, but prior to that vote there would be, I think the distinguished chairman said, a 20-minute period for debate evenly divided.

Mr. STAFFORD. If the able Senator will yield, as the manager for the bill on this side has said, it will be my intent—assuming that the minority leader agrees, and I have the agreement of the majority leader—to propose that we return to the Roth amendment at 2 o'clock tomorrow afternoon with 20 minutes of debate equally divided, and then thereafter vote. I believe that is consistent with what the able Senator from Delaware and the Senator from Maine said would be agreeable earlier in the afternoon.

Mr. ROTH. I say that is satisfactory to this Senator. I do intend tomor-

row—I will not ask for it tonight unless the chairman prefers that I do so—to ask for the yeas and nays on this amendment.

Mr. STAFFORD. We anticipated that the Senator would, and I assume the Senator from Maine would in any event. I anticipate there will be a request for a rollcall vote. I think maybe we should defer that until tomorrow when there are more Senators present.

Mr. ROTH. I yield the floor.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SIMPSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, without placing any further burden on my old profession, my other life, indeed we have, and I have, specially spoken here today about lawyers. That was part of my life I thoroughly enjoyed in practice for 18 years.

What I was saying, taking only a moment to clarify that, is that concerning the lawyers who wrote that report, the 301(e) report, it is not that lawyers wrote that report. They did a great job with what they worked with. But they were passing judgment on an issue they did not even attempt to show there was a need for, a specific compensation system. That is not in there. They did not even attempt to show there was a need.

They got into some things about what their training took them to, but at no point in time did they get into the specific compensation system, how could that be done. Their training could not lend them to address that issue. That is what I am saying.

But I must admit that I am puzzled now because in reviewing S. 51, beginning at page 71 through several pages of the text of the bill, is a most extraordinary health assessment, disease registry format.

I remembered that came 2 years ago. It did not come this year in debate. We took the Superfund bill this year and just moved it in without change because we knew how difficult it would be.

In any event, it does parallel what we called the agent orange registry. We have a registry of exposed persons here. I think the most extraordinarily fascinating thing to me is that on page 75 we find—and it says "shall"—"conduct a pilot study of health effects for selected groups of exposed individuals, in order to determine the desirability of conducting full-scale epidemiological or other health studies of the entire exposed population."

Then it goes on to say from the results of the pilot study "the Administrator shall conduct such full-scale epidemiological or other health studies as may be necessary to determine the health effects for the population exposed to hazardous substances in a release or suspected release."

It goes on with more "shalls" then there are "mays." With 2 years it sets what is to be determined. There is a very clear expression. Even money is in there. In fact, maybe even more money than the proposal of the Senator from Maine would entail.

I do think, though, and I hope it can assist me in an argument that can be heard, we do that first. There it is. Then take the machinery or something similar, something that we can work on, to go from there. It certainly will give us, at least as I read it, every single thing we could possibly be seeking as to the toxicity, the exposure, the limits, the minimums of medical testing of diseases and subgroups—reading from it—highest risks, mechanisms for treatment, all of that, in an extraordinary way, together with a registry of exposed persons.

I think with that, maybe we ought to go back and address that. That may be the blockbuster of the universe. I remember it went through very quickly, as I recall. Certainly, I think we ought to first come to that and then at a later time deal with the significant issue, the most important issue, how do we get that, how do we get the compensation. I think for anyone involved in this debate and those listening I commend to them page 71 through page 84 of the bill (S. 51) which indeed is something which obviously must be addressed before we get to anything such as another pilot study as to methods of relief.

First, let us do the pilot study as to the medical science aspects and exposure!

Mr. STAFFORD. Mr. President, I might take this opportunity, knowing that the minority leader is present in the Chamber, to say that it is the hope of the managers of the bill, and I can only speak personally for Senator BENTSEN and myself, but I believe Senator THURMOND will concur and at present I believe Senator PACKWOOD will concur—it is the hope of the managers of the bill that we can reach final passage on this legislation before sundown tomorrow afternoon.

I said to the most able Senator from Wyoming a while ago we are unwittingly and unwillingly beginning to threaten the length of time taken on the immigration bill.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. SIMPSON). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not intend to talk very long. So that I do not speak too long, I will ask that I be told when I have used 5 minutes. I yield myself 5 minutes.

Mr. President, nothing has bothered me more in terms of legislation which has confounded me than this Superfund bill. I guess some would say that is impossible when you have been confronted with budget resolutions and budget deficits. But I am speaking of the substance of the legislation.

I have been on that committee for 13 years and have been involved with a number of major environmental acts, some of which I take a great deal of pride in and some of which I am not so certain about. Nonetheless, I had a pretty good feeling at the time we finished all of them.

I might say at the beginning that I probably will end up supporting this measure because we all worked on it very diligently. I am convinced, and probably I would say, that this legislation—not the amendments of the distinguished Senator from Maine, but this legislation—while it is going to cure a few of our societal evils as they pertain to toxic substances, I think I can say with almost no trepidation that probably we have just begun to visit the issue.

I see so many problems that are going to come up as a result of this legislation and our failure to adequately relate RCRA to it and a lot of other legislation that I do not see how we are going to get the job done. I will be proposing an amendment, along with my friend from Wyoming, tomorrow to try to get the settlement of these cases on the table instead of in the courts.

I am not speaking again, I say to my friend, Senator MITCHELL, to the basic bill.

I am convinced if we stay on the course that we are on, we are going to spend most of the private sector's money and substantially all of the Superfund money in litigation. At the end of 5 years, instead of 6 or 8 sites having been addressed, we may have addressed 40 or 50. But we are not going to address anything like the hundreds that are out there.

I say that by way of a preamble to my remarks.

I shall not allude to why I am convinced that is going to occur other than that we seem to be bent on almost a policy of vindictiveness. We are going to make somebody pay for this even if we do not know enough about it because there is some bad stuff out there. And I think there is some bad stuff out there.

We are not even sure how we are going to release anybody from liability in the private sector, because we do not know about the future, that even if they pay for things, we are going to give them releases. So we are going to go round and round and maybe we will

come to the conclusion that every company in the private sector, large or small, that ever contributed to anything, is liable and we are going to have to go round and round on the question of insurance until we can find some solution.

I hope we will do better, but that is my general feeling. I have heard most of the debate, Mr. President, and I would argue to the Senate that if ever there was a program that is calculated to grow, it is this one. I hope that those who support it would conclude that that is correct and that maybe it ought to grow if that is their view of this.

In a nutshell, if I read the sections correctly, and I hope I have the amendments, because I think I do—I hope I do—the executive branch of Government is going to have to find these geographic areas and they are going to have to find that there is a disease or an injury for which the population of the area is placed at significantly increased risk as a result of a hazardous substance and then, (b), such disease or injury has been demonstrated by peer review studies to be associated with exposure to a hazardous substance.

I remind the Senate that I did not know how anybody is going to do that, but I guess we are just going to say "Do it."

Those sound like wonderful causation words, but clearly, we have not been able to find that kind of causation in a legal sense or we would not be here, because that kind of causation in a legal sense, proved up, would cause liability to flow and we already have the common law courts of this land-granting relief. But we are going to have some administrative people doing that.

Then, when we have that done, we are going to release the individuals from that, reimbursement of out-of-pocket costs or related medical expenses in connection with the disease—the Senator from Maine has correctly said that. That is not necessarily something that is measurable. That might be a small amount. They would have already had to find enough money to pay that to be reimbursed.

The next one is a very interesting one, because we are now going to provide a group of people with a medical insurance policy that is open ended except for the statutory limitation that we are not supposed to spend more than $30 million. Otherwise, it is unequivocal that that policy is going to be provided to that group of people and it is supposed to be subject only to an annual deductible of $500, no copayments requirement, or annual or lifetime limitation on expenditures. That is paragraph 3.

I want to make only one remark about inevitability of this program becoming a nationwide program with everyone who can fit those first two definitions that I spoke of getting this insurance policy. I would say, why not? How are we going to deny, 3 or 4 years from now, if there are 1,000 or 5,000 people who have had this policy tailormade for them—and that is what it is going to be. You can rest assured that the insurance companies are going to draft some new kind of policy for this, because there are no such policies today. It is going to say to these people—and let us pick something—who have cancer. They may live 1 month, they may live 6 years. It may be some slow kind of disease; it may last 20 years. You have to write them an insurance policy and pay for it because we thgught that that disease might have been caused by toxic substance and they are going to have that insurance policy in their pocket—if I read this right—for life. No way to cut the payments. It says that.

That means the insurance companies are goifg to write it instead of the Treasury paying for it, but you can rest assured that they are not going to write this out of any kind of altruism. They are going to really charge us a bundle for that absolute total coverage that is provided in that paragraph I just read.

Let me tell you, Mr. President, that is a marvelous asset for somebody to have. If, indeed, the U.S. Government owes that to somebody, I am not one down here to say we should not give everybody in this country what they are entitled to. Medicare they are entitled to. I argue that we ought to save money, but I am not trying to take people off Medicare.

But, my friends, what are we going to say when the first group of these people goes to their Senator and U.S. Representative, whether it is New Jersey, Colorado, or California, and there is a town meeting and they come there and say, "Thank you. You really treated me great. I have my insurance policy that is going to pay for all of my hospital care and nobody can restrict it, because I was one of those people."

And we do not yet know, I say to my friends and fellow Senators, that either the toxic chemical companies ought to be paying for it, it is too confused. We do not know that the Federal Government ought to be paying for it.

In fact, our friend who offers it—and he does so in absolute good faith—has tailored this from the victims' compensation that was discussed earlier in committee. But this pilot program is no pilot in that respect.

And let us follow through what is going to happen in this country. Unless and until the Government and/or the private sector proves that there never was any causation or unless and until people stop getting these very difficult diseases to diagnose causation, they will present at those nice town meetings and in their letters to us, "Why should my friend have that insurance policy that protects her against everything because she has that funny disease," whatever it is, "and I used to live by one of those places and I don't have one? There is somebody around here who is saying that there is some justification for suspecting that my sickness came from that."

Now, that is my version of why this pilot program will not work. It is a good pilot program to try to find out causation, excepting my friend from Wyoming, who is in the chair now, says there is another whole provision attempting to find causation, relationship between a chemical and a disease in the section 104 that he read, and we are going to spend a lot of money on that, just as his veterans bill did to try to determine causation in the agent orange situation.

I say to my friend, a clinic in New Mexico is screening those people on agent orange, which was unrelated to anything around here, and it is a big job, just on that one chemical.

But that part is kind of pilot, the part to put them before medical experts to screen relationships, but the part that is not pilot is whether it is 1,000 or 3,000 people who get that insurance policy that guarantees and protects them forever under that provision.

It seems to me that there is no way we are going to be able, once we are in that one, to say we are going to have to give it to everybody around that fits it because they are just as entitled to it as the group which comes under this particular provision.

Now, I am not adverse to a pilot program of that sort either, if we actually had enough information around to come anywhere close to assessing that we ought to be doing that. Frankly, there is a discussion of lawyers that is relevant. Some of it has been made on the floor. I will make another one. If, as a matter of fact, there was any reasonable relationship that we could prove as a matter of fact with modern discovery procedures, I can almost be assured that the lawyers of this country would have proved their cases. That is one not uncomplimentary or complimentary. It is merely a statement of fact. If you can ever get one of these major chemical companies before a judge or jury and have the slightest causation upon which to impose liability, under even the most evolving of common law ideas in this area, believe you me, the common law courts would have already been saying they are liable. And that is what I would say about the lawyers. They do a good job of that. Ultimately, we have to find some solutions to even that,

and the Superfund is beginning to find this is fertile ground for litigation but not such a fertile ground for settlement and paying the piper for the damage we caused at these sites.

So, I do think there is a very good argument that this pilot program as indicated prior to my remarks is really not needed. There is no real reason for the Government to be doing it.

I just wanted to make my views heard as to why it is destined to become much bigger, just as a matter of common, ordinary comity to the fellow political people around here who have similar situations. That is not bad, old politics; that is not rotten government. It is very logical.

I assure you that there is no distinction being made as to black lung or any of the others, as to what State they are in. It started in States where they were devastated, where there were many economic problems, where you might want to bend over backward to help somebody. But it did not stay in one place very long, because when you interpret it, everybody got into the act, and that will happen here.

Mr. MITCHELL. Mr. President, at the beginning of his remarks and on at least one other occasion during them, the Senator from New Mexico said, "If I read this correctly," before proceeding to his conclusion. I submit to the Senate that his analysis is not the result of reading it correctly, but, in fact, he left out a major portion of the standards in the Pilot Program in order to reach the conclusion he reached.

First, the Senator referred to the requirements of the findings under the health study, of which there are three. He referred to only two of them. Let me repeat again the process by which this would work and refer to all those provisions in this legislation which the Senator from New Mexico did not refer to in his analysis of the conclusion.

First, the health assessment study must include a finding that there is a disease or injury—and I regret that the Senator from New Mexico had to leave the floor for other pressing business—for which the population of such area is placed at significantly increased risk as a result of the release of a hazardous substance. That is the first requirement.

Second, that that disease or injury has been demonstrated by peer review studies, using sound scientific and medical criteria, to be associated with exposure to a particular hazardous substance.

Third, a provision which he simply did not even mention, as though it did not exist, that there are people in that area who have been exposed to that hazardous substance in a release.

The Senator from New Mexico leaped from the first two standards of eligibility in the section to the last provision, providing benefits, and suggested that everyone in the area was eligible for that, when that is manifestly not the case, if one simply reads the provisions of the section.

The three requirements I have just stated are necessary for an area even to be eligible for participation in the program. Once they are selected by the President to participate in the program, the assistance is limited in the following way:

First, for those people, individual human beings who have been exposed to the release of that hazardous substance for which the people in that area were at significantly increased risk, they get a medical test. A doctor examines them. The doctor, or whoever conducts the examination, then concludes either that the person has symptoms of the particular disease or does not. If the result of that medical test is that the person does not have symptoms of the disease, the only thing that person gets is to participate in a group insurance policy which will pay for the cost of some of the medical tests in the future. That is all. The insurance covers the cost of medical examinations in the future to determine whether the symptoms appear at some future time.

For those persons who the medical test indicates have symptoms of the specific disease or injury—which peer review medical examinations, using sound scientific and medical criteria, will already have established are associated with exposure to that particular substance—they are eligible only for the actual out-of-pocket medical costs in the treatment of that disease or injury.

So not only did the Senator from Mexico leave out several of the limiting criteria in the legislation. He also completely ignored the fact that the legislation specifically says that such insurance coverage is to be secondary to any other coverage, private or public.

So if anyone now has a health insurance policy, as 80 to 90 percent of Americans do, which cover the cost of medical examinations, they cannot recover here. This is limited to those persons who have no insurance coverage in any public or private form, and it is limited to out-of-pocket actual expenses. The date upon which coverage is determined is 30 days prior to the date on which the State even applies for inclusion in the program.

So no person can possibly know in advance whether their area will be selected or not and, therefore, whether they have coverage.

Is there anyone in this Senate, is there anyone in this country who believes that people are going to go around canceling their insurance policy on the possibility that their area might be included and then once it is included that they will have symptoms of a particular disease?

Do we think people are going to rush pellmell to demonstrate that they have symptoms of a disease so that they can recover the cost of a medical exam or the actual cost of medical expenses?

So I say that the analysis by the Senator from New Mexico and his reading of it was not correct because he left out most of the limiting criteria that are contained in the legislation.

This cannot be limited in any serious way. Indeed, we are getting to the point now where the number of people eligible might be so few that it would be an insufficient number to provide a meaningful demonstration.

But this is an effort to try to do that, to try to find out if this can work, and I say that all of these comments made about what this program will become in the future and incessant attempts to associate this with other programs are misplaced and do not go to the central issue here.

Insofar as the lawyers are concerned, we had another display here of the obvious popularity of another lawyer getting up and talking about them. The fact of the matter is—I repeat this—that the analysis by the lawyers conducted concluded what everyone who is familiar with the legal system knows that there are serious substantive impediments to recovery by individuals who suffer disease or injury as a result of exposure to toxic waste, particularly if their claims are small and most particularly if they happen not to be persons of substantial means and, therefore, unable to engage in the lengthy litigation that the defendant companies participate in to defer such action.

Therefore, this independent study by lawyers concluded that there was a need for a program and recommended a comprehensive administrative scheme. In response to the comments made about what they were asked to study, they were asked to study the legal system to see if it was working for people in this category, and they concluded it was not, and they recommended a national administrative program to correct that.

We do not have that in this bill. This is not a national administrative program and it is far more limited to that recommendation; therefore, I must say that I fail to comprehend the opposition to it on those grounds.

I have repeated myself, Mr. President. For that I apologize to the Senators present and the other persons involved. I merely wanted to respond to the particular points raised by the Senator from New Mexico.

I now yield the floor.

Mr. STAFFORD. Mr. President, I think we have had a very full debate

of the issues involved in the amendment by the Senator from Delaware [Mr. ROTH], and shortly it will be my intention when the minority leader has been able to come to the Chamber to propound a unanimous-consent request with respect to further debate and voting on the Roth amendment which I have described earlier.

In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STEVENS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I see the able and distinguished minority leader, Senator BYRD, has entered the Chamber. At this time, if he concurs, I shall propound a unanimous-consent request with respect to the Roth amendment that I described earlier.

Mr. BYRD. All right.

TIME LIMITATION AGREEMENT—AMENDMENT NO. 674

Mr. STAFFORD. Mr. President, I ask unanimous consent that at 2 p.m. on Tuesday, September 24, 1985, there be 20 minutes of debate to be equally divided on the Roth amendment No. 674 to S. 51, Superfund, and that following the conclusion or yielding back of time on the Roth amendment, the Senate proceed to vote in relation to the Roth amendment No. 674; further, I ask unanimous consent that no amendments to the language proposed to be stricken by the Roth amendment be in order.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That at 2:00 p.m. on Tuesday, September 24, 1985, the Senate proceed to the consideration of the Roth amendment, No. 674, on which there shall be 20 minutes debate, to be equally divided and controlled: *Provided,* That at the conclusion of that time, or the yielding back of the time, a vote occur in relation to the Roth amendment: *Provided further,* That no amendment to the language proposed to be stricken shall be in order.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION

Mr. SIMPSON. Mr. President, I ask that the Chair lay before the Senate message from the House of Representatives on H.R. 1714.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 1714) entitled "An Act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Fuqua, Mr. Brown of California, Mr. Nelson of Florida, Mr. Andrews, Mr. Torricelli, Mr. Lujan, Mr. Walker, and Mr. Lewis of Florida be the managers of the conference on the part of the House.

Mr. SIMPSON. Mr. President, I move that the Senate insist on its amendment and agree to a conference requested by the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. STEVENS] appointed Mr. DANFORTH, Mr. GORTON, Mr. GOLDWATER, Mr. HOLLINGS, and Mr. RIEGLE conferees on the part of the Senate.

ORDER TO STAR PRINT S. 1658

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that S. 1658, to amend the Debt Collection Act to permit the Attorney General to retain private counsel for the litigation of select debt collection cases, be star printed to reflect the following change, which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I would like to inquire of the minority leader if he is in a position to pass or indefinitely postpone any or all of the following legislative calendar items: Calendar Order No. 169, S. 1166; Calendar Order No. 291, Senate Joint Resolution 155; Calendar Order No. 306, Senate Resolution 208; and Calendar Order No. 307, S. 1689.

Mr. BYRD. Mr. President, in accordance with the request and proposal that has been stated by the distinguished assistant Republican leader, we are on this side prepared to postpone Calendar Order Nos. 169 and 306, and to pass Calendar Order Nos. 291 and 307.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc, passed or indefinitely postponed en bloc, and that the preambles be agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL HOSPICE MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 155) to designate the month of November 1985, as "National Hospice Month."

Mr. PACKWOOD. Mr. President, today I am pleased to be joined by 33 distinguished cosponsors as we consider adopting Senate Joint Resolution 155, a resolution designating November 1985 as "National Hospice Month."

The first National Hospice Month was adopted by Congresss and approved by the President on September 25, 1984. This joint resolution, therefore, marks the second time a National Hospice Month will be designated. It recognizes hospice care as a humane response to the needs of those who are terminally ill.

Hospice care provides support and care for persons in the last phase of life. It enables the terminally ill person to live as fully and comfortably as possible with a sense of dignity and provides family members with a sense of emotional support at a particularly stressful time.

The first U.S. hospice was established in New Haven, CT in 1974. Since that time, the hospice movement has grown dramatically and public awareness and support for the program has grown as well. According to the Joint Commission on Accreditation of Hospitals, there are an estimated 1,400 hospice programs in the United States. In 1984, approximately 100,000 patients received some level of hospice care. On any given day, 16,000 persons are receiving hospice home care and 2,600 are receiving hospice inpatient care. In addition, thousands of volunteers have contributed countless hours of service to hospice programs across the United States.

Over the last year, in my own State of Oregon, approximately 1,500 patients and families were served through hospice programs. Oregonians are aware of the valuable service provided by hospice. These individuals are focusing on the quality of life, not just on how long life lasts. These patients and families are looking for an alternative to spending their last days in an institution and hospice care provides that alternative.

Most importantly, however, hospice care recognizes that terminal illness can involve months of agonizing pain for the patient and a sense of helplessness and frustration for the family. The hospice philosophy addresses these critical concerns in a holistic fashion. Unlike traditional hospital care, which is committed to treating and curing diseases, hospice care seeks to control pain and support the patient and family members when the illness has moved beyond therapeutic control.

Services are provided through the use of home health aides, social work-

ers, registered nurses, clergy, and trained volunteers. Physicians, psychiarists, psychologists, pharmacists, physical therapists, nutritionists, and others also serve on the hospice team.

Adoption of this resolution will reaffirm our commitment to hospice care and also recognize those who have devoted their time and resources to the advancement of hospice in this country. During the month of November, a variety of programs and activities will be conducted across the United States in recognition of this very special form of health care.

As one individual has written regarding the value of the hospice concept:

We must begin to honor the labor of these pilgrims who journey on before us; and in being present for them during the part of their living which is called dying, we must learn better to honor life itself.

With this in mind, and in recognition of the special meaning it holds for terminally ill individuals and their families, I urge adoption of Senate Joint Resolution 155 to designate November 1985 as "National Hospice Month."

The joint resolution (S.J. Res. 155) was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 155

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas the hospice concept of care advocates care of the patient and family by attending to their physical, emotional, and spiritual needs, and specifically the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice care is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of the medicare hospice benefit makes it possible for many more elderly Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1985 is designated "National Hospice Month".

SEC. 2. The President is requested to issue a proclamation calling upon all Government agencies, the health care community, appropriate private oganizations, and the people of the United States to observe such month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and a viable component of the health care system in this country.

HEALTH SERVICES AMENDMENTS OF 1985

The Senate proceeded to consider the bill (S. 1689) to amend various provisions of the Public Health Service Act.

Mr. HATCH. Mr. President, I would like to submit to the desk for immediate consideration by my colleagues a bill entitled the Health Service Amendments of 1985 which includes several technical amendments to the Public Health Service Act. These are required to repeal obsolete or redundant sections of the current law and to verify the intent of Congress on legislation which was recently enacted. Others are designed to improve the efficiency and economy of management of PHS programs. For the information of my colleagues, the following is a brief description of this bill.

Section 2 would make clear that receipt of Federal treatment for Hansen's disease is voluntary, would permit treatment outside the Public Health Service facilities, and would revise the archaic language of the current provisions concerned with this disease. It would also designate the Hansen's disease treatment center in Carville, LA, as the Gilles W. Long Hansen's Disease Center in honor of our late distinguished colleague in the House of Representatives.

Section 3 would give the Secretary the discretion to determine the amount of special pay to grant to Public Health Service Commissioned Corps physicians. Under current law, all physicians in the uniformed services not in training are entitled to this additional special pay. Commissioned Corps physicians fulfilling a service obligation under the National Health Service Corps Scholarship Program could not receive this additional special pay. Finally, the additional special pay for any uniformed services officers could be paid either annually or monthly; under current law, the amount must be paid annually in advance.

Section 4 would permit commissioned officers on the Public Health Service to receive cash awards for specific suggestions, inventions, or scientific achievements which are of benefit to the Government. Members of other uniformed services are currently eligible for such awards, and civilian employees are eligible for similar awards, but Public Health Service commissioned officers are not.

Section 5 would permit the Secretary to provide health care for an involuntarily separated commissioned officer or dependent for up to 1 year after separation if the officer, or dependent, was receiving health care at the expense of the Public Health Service at the time of separation and if the Secretary found that the officer, or dependent, could not obtain appropriate insurance for the condition for which he was receiving health care. Federal civilian employees have insurance conversion rights, and separated military personnel may be provided health care for a short period of time. No such authority currently exists for separated Public Health Service commissioned officers who may suddenly find themselves, and their dependents unable to obtain coverage for an existing condition.

Section 6, evaluation funding, is intended to clarify the intent of Congress that a specified amount of money, currently authorized for the office of the Assistant Secretary of Health to conduct evaluation studies, be utilized by the National Center for Health Services Research. Misunderstanding regarding the amount of money to be utilized by that center has resulted in unfortunate and altogether unnecessary confusion. At a time when health care delivery is changing dramatically, alternatives to traditional fee-for-service delivery systems are being developed. Hospitals are changing their roles and increasing numbers of health providers are resulting in intense competition, it is imperative that we have adequate information on how our health care system is working and not working. We need to document successes, capitalize on what is working well, and be able to promptly address concerns about underserved areas or populations. Without sufficient funding for health services research we run the risk of working in a vacuum and legislating in the dark. This provision is intended to make certain that we have sufficient funds for studying our health care delivery system.

Section 7 includes in this technical package some amendments concerning the Alcohol, Drug Abuse, and Mental Health Services [ADMS] Block Grant Program. Last year, we reauthorized this program through fiscal year 1987. The Alcohol, Drug Abuse, and Mental Health Amendments of 1984, Public Law 98-509, was based on legislation which I introduced in the Senate, S. 2303. In addition to reauthorizing the ADMS block grant for a 3-year period, S. 2303 included a provision which authorized a separate grant program for States to initiate and expand alcohol and drug treatment and prevention services for women. The intent of the legislation as introduced and in the version of the legislation eventually agreed to by the conference agreement derived last fall, was to assist the States in their efforts to meet the alcohol and drug abuse needs of women. In addi-

tion, we included a set-aside provision for new mental health services. The mechanism eventually developed by the conference committee for assuring that States are attempting to reach these populations is a set-aside requirement whereby each State is required to expand an amount equal to 5 percent of its total ADMS block grant award to initiate and provide alcohol and drug services for women and expand an amount equal to 10 percent of its mental health portion of its ADMS block grant award to develop new services for the treatment of mental illness. It should be noted that it is not our intent to require States to expand services for women or the development of new mental health programs at the expense of existing services for women or other populations nor to disrupt a State's planning process. Each State is encouraged and permitted to use its own discretion in determining the most effective way to implement the set-asides for women and for new mental health services in their State.

I am pleased to announce that my home State of Utah, in response to the concern expressed, recently opened a half-way house program for women which will be a welcome addition to the comprehensive services network already in place in my home State. We expect that the continued operation of this program will assist the State in satisfying the set-aside requirement for women through fiscal year 1987.

I would like to insert for the RECORD a statement by Senator KENNEDY on this issue.

The statement follows:

Senator KENNEDY. I support and concur with Senator HATCH's comments regardifg the set-aside provision for alcohol and drug services for women included in Public Law 98-509, the Alcohol, Drug Abuse and Mental Health Amendments of 1984. The intent of the set-aside requirement is to support the efforts of States to meet the alcohol and drug prevention and treatment needs of women. In my home state of Massachusetts, the proportion of dollars allocated for men and women in both the alcohol-related special project categories and outpatient programs are approximately equal. Also, detoxification and residential drug free services for women in the State of Massachusetts were recently expanded in a effort to increase the percentage of women clients from 35 percent to a slightly higher figure. I would expect that this commendable attention to the service needs of women, which was initiated prior to the enactment of P.L. 98-509, would assist the State of Massachusetts in complying with the set-aside requirement for services to women under the language in these technical amendments providing "new and expanded" services.

Mr. HATCH. The remaining sections of the technical bill includes the following:

Section 8 relates to grants for a council on health care technology. This is to address concerns raised by the Justice Department concerning the Council on Health Care Technology Assessment located in the National Academy of Sciences, authorized as part of S. 771 in the 98th Congress. This clarifies the role of this new private sector council in assessing new medical technologies and its relationship with the federal activities conducted by the National Center for Health Services Research and Medical Technology Assessment.

Section 9 authorizes limited exception to the present ceiling on the number of the general officer grades in the Public Health Service to allow for the detail from the Service of up to three general grade officers to the Office of the Assistant Secretary of Defense for Health Affairs in policy making positions.

Presently, the Public Health Service Act limits the number of general officer grades for commission officers of the Public Health Service to one percent of the total number of commissioned officers. Because of this limitation, the Department of Health and Human Services has been understandably reluctant to detail general grade officers of the Service to critical policy-making positions in the health field in other departments, including the Department of Defense.

The Assistant Secretary of Defense for Health Affairs, Dr. William Mayer, holds the grade of Major General in the Public Health Service while serving in this position pursuant to Presidential appointment. Deputy Assistant Secretaries of Defense for Health Affairs serve in positions authorized for Senior Executive Service grades of civilian personnel or general office grades for military personnel. One of these top-level positions is presently filled by a Public Health Service Commissioned officer at a grade corresponding with the military rank of colonel and the civilian grade of GS-15.

Fully consistent with provisions of the Public Health Services Act authorizing the detail of Service officers to other executive departments, Public Health Service officers detailed to the Office of the Assistant Secretary of Defense for Health Affairs have been the primary officials responsible for the development and implementation of quality assurance initiatives responsive to Congressional support for bolstering public confidence in the military health care system.

Making provision for the detail of up to three Public Health Service officers of appropriate grade to top policy-making positions in the Office of the Assistant Secretary of Defense Health Affairs will advance the initiatives of the Secretary of Defense in this important area.

Section 10 of the bill allows for the continued care of severely mentally disabled merchant seamen who were inadvertently excluded from provisions of the 1981 Reconciliation bill which provided for transitional care for hospitalized merchant seamen, at the time that the Public Health Service Hospitals were closed. At that time, approximately 45 severely mentally disabled seamen were receiving care in private care facilities in Kentucky, pursuant to a contract between the State of Kentucky and the National Institute of Mental Health. These merchant seamen had been in the National Institute on Drug Abuse Clinical Research Center in Lexington, and were moved to private facilities when that Center closed in the early 1970's. There are currently 26 such seamen receiving care. This amendment would allow the Secretary of Health and Human Services to reimburse the State of Kentucky for the care of these seamen since the contract expired last November, and would allow the Secretary to make arrangements for the continuing care of these severely disabled individuals.

Section 11 of the bill provides for technical and conforming amendments while section 12 of the bill provides for the repeal of obsolete provisions.

Mr. President, all of the provisions in this amendment are noncontroversial and necessary for efficient and effective operation of the Public Health Service. I urge my colleagues to approve expeditiously this bill and refer it to the House for their consideration.

The bill (S. 1689) was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Services Amendments of 1985".

(b) Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

HANSEN'S DISEASE PROGRAM

SEC. 2. (a) Section 320 is amended to read as follows:

"HANSEN'S DISEASE PROGRAM

"SEC. 320. (a) The Secretary—

"(1) shall provide care and treatment (including outpatient care) without charge at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana, to any person suffering from Hansen's disease who needs and requests care and treatment for that disease; and

"(2) may provide for the care and treatment (including outpatient care) of Hansen's disease without charge for any person who requests such care and treatment.

"(b) The Secretary shall make payments to the Board of Health of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen's disease at a rate, determined from time to time by the Secretary, which shall, subject to the availability of appropriations, be approximately equal to the operating cost per patient of those facilities, except that the rate determined by the Secretary shall not be greater than the comparable operating cost per Hansen's disease patient at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana.".

(b) The Public Health Service Facility in Carville, Louisiana, shall be known and designated as the "Gillis W. Long Hansen's Disease Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such facility shall be held to be a reference to the Gillis W. Long Hansen's Disease Center.

LIMITED APPLICABILITY OF CERTAIN ADDITIONAL SPECIAL PAY TO PHYSICIANS IN THE PUBLIC HEALTH SERVICE COMMISSIONED CORPS

SEC. 3. (a) Section 208(a)(2) is amended—

(1) by striking out "Commissioned" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), commissioned"; and

(2) by adding at the end the following new subparagraph:

"(B) A commissioned medical officer in the Regular or Reserve Corps may not receive additional special pay under section 302(a)(4) of title 37, United States Code, for any period during which the officer is providing obligated service under (i) section 338B, (ii) section 225(e) (as such section was in effect prior to October 1, 1977), or (iii) section 752 (as such section was in effect between October 1, 1977, and August 13, 1981).

(b) The amendment made by subsection (a) shall not diminish any benefits under an agreement entered into before the date of enactment of this Act by a commissioned medical officer in the Regular Corps or the Reserve Corps of the Public Health Service.

CASH AWARDS FOR COMMISSIONED OFFICERS

SEC. 4. Section 221(a) is amended by adding at the end thereof the following:

"(15) Section 1124, Cash awards for suggestions, inventions, or scientific achievements.".

HEALTH CARE FOR INVOLUNTARILY SEPARATED COMMISSIONED OFFICERS AND DEPENDENTS

SEC. 5. Section 326 is amended by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary may provide health care for an officer of the Regular or Reserve Corps involuntarily separated from the Service, and for any dependent of such officer, if—

"(A) the officer or dependent was receiving health care at the expense of the Service at the time of separation; and

"(B) the Secretary finds that the officer or dependent is unable to obtain appropriate insurance for the conditions for which the officer or dependent was receiving health care.

"(2) Health care may be provided under paragraph (1) for a period of not more than one year from the date of separation of the officer from the Service.".

EVALUATION FUNDING

SEC. 6. Section 305(h) is amended by adding at the end thereof the following new sentence: "In administering this subsection, the Secretary shall assure that the amount to be made available in any fiscal year is seven and one-half percent of the maximum amount authorized to be made available under section 2113 in such fiscal year.".

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH SERVICES BLOCK GRANT

SEC. 7. (a)(1) Section 1916(c) is amended—

(A) by striking out paragraphs (14) and (15); and

(B) by inserting immediately after paragraph (13) the following:

"(14) Of the amount allotted to a State under this part in any fiscal year, the State agrees to use—

"(A) in fiscal year 1985, not less than 3 percent of such amount; and

"(B) in any other fiscal year, not less than 5 percent of such amount,

to initiate and provide new or expanded alcohol and drug abuse services for women.

"(15) Of the amount to be used in any fiscal year for mental health activities, the State agrees to use not less than 10 percent of such amount to initiate and provide—

"(A) in fiscal year 1985, new comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new mental health services for severely disturbed children and adolescents; and

"(B) in any other fiscal year, new or expanded comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new or expanded mental health services for severely disturbed children and adolescents.".

(3) Section 1916(g) is amended by inserting "or expanded" after "new" in the first sentence.

(b) Section 1917(a) is amended—

(1) by redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D), respectively;

(2) by inserting "(1)" after "(a)"; and

(3) in clause (C) (as so redesignated), by inserting "or expanded" after "new".

(c) Section 1920A is amended—

(1) by striking out "part B of title XIX" in clause (1) and inserting in lieu thereof "this part"; and

(2) by striking out "such part" each place it occurs in clause (2) and inserting in lieu thereof "this part".

TECHNICAL AMENDMENTS RELATING TO GRANTS FOR A COUNCIL ON HEALTH CARE TECHNOLOGY

SEC. 8. (a) Section 309 is amended—

(1) by inserting "GRANTS FOR A" before "COUNCIL" in the section heading;

(2) by striking out "Council on Health Care Technology" and all that follows through "this section" is subsection (a)(1) and inserting in lieu thereof "council on health care technology";

(3) by inserting "(i)" before "The Secretary" in subsection (a)(2)(A);

(4) by striking out "to the National Academy" and all that follows through "The amount of such grant" in subsection (a)(2)(A) and inserting in lieu thereof the following: "for the planning, development, and establishment of the council. The amount of an initial grant";

(5) by adding at the end of subsection (a)(2)(A) the following:

"(ii) The Secretary shall request the National Academy of Sciences, acting through appropriate units, to submit an application for an initial grant under paragraph (1). If the Academy submits an acceptable application, the Secretary shall make the initial grant to the Academy. If the Academy does not submit an acceptable application for an initial grant under paragraph (1), the Secretary shall request one or more appropriate nonprofit private entities to submit an application for an initial grant under paragraph (1) and shall make a grant to the entity which submits the best acceptable application.";

(6) by striking out "The Council shall" in subsection (c)(1) and inserting in lieu thereof "In order to qualify for a grant under this section for the operation of the council, the applicant must demonstrate that it has the capability to, and that under the grant it will";

(7) by striking out subsections (d), (f), and (g) and inserting in lieu thereof the following:

"(d) In order to qualify for an initial grant under this section to plan, develop, and establish the council under this section, the applicant must assure that the council will be composed of at least 10 members—

"(1) each of whom has education, training, experience, or expertise relating to the quality and cost effectiveness of health care technologies, and

"(2) who, as a group, provide representation of organizations of health professionals, hospitals, and other health care providers, health care insurers, employers, consumers, and manufacturers of products for health care.

"(e) As a condition for receiving a grant under this section, the applicant must agree to submit to the Secretary an annual report on the council's activities under the grant. The Secretary shall provide for timely transmittal of a copy of each such report to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.";

(8) by redesignating subsection (h) as subsection (f); and

(9) by striking out "Council" each place it appears in subsections (a)(2), (b) and (c)(2) and insertifg in lieu thereof "council".

(b) The amendments made by this section shall take effect as of the date of the enactment of the Health Promotion and Disease Prevention Amendments of 1984.

LIMITED EXCEPTION TO GRADE LIMITATIONS FOR COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE WHO ARE ASSIGNED TO THE DEPARTMENT OF DEFENSE

SEC. 9. Section 206 is amended by adding at the end thereof the following new subsection:

"(e) In computing the maximum number of commissioned officers of the Public Health Service authorized by law to hold a grade which corresponds to the grade of brigadier general or major general, there may be excluded from such computation not more than three officers who hold such a grade so long as such officers are assigned to duty and are serving in a policymaking position in the office of the Assistant Secretary of Defense for Health Affairs.".

CONTINUING CARE FOR CERTAIN PSYCHIATRIC PATIENTS

SEC. 10. In any fiscal year beginning after September 30, 1981, from funds appropriated for carrying out section 301 of the Public Health Service Act with respect to mental health, the Secretary of Health and Human Services may provide, by contract or otherwise, for the continuing care of psychiatric patients who were under active and continuous treatment at the National Institute on Drug Abuse Clinical Research Center on the date such Clinical Research Center ceased operations.

TECHNICAL AMENDMENTS

SEC. 11. (a)(1) The first sentence of section 311(c)(1) is amended—

(A) by striking out "referred to in section 317(f)"; and

(B) by striking out "involving or resulting from disasters or any such disease".

(2) The second sentence of section 311(c)(1) is amended by striking out "resulting from disasters or any disease or condition referred to in section 317(f)".

(b) Section 504 is amended—

(1) by striking out "1915(d)" in subsection (g) and inserting in lieu thereof "1916(e)"; and

(2) by striking out the section heading and inserting in lieu thereof the following:

"NATIONAL INSTITUTE OF MENTAL HEALTH"

(c) Section 928(b) of the Omnibus Budget Reconciliation Act of 1981 is amended by striking out "(42 U.S.C. 247b(j)(1)(A))" and inserting in lieu thereof "(42 U.S.C. 247b(j))".

(d) Section 4(c)(2)(A) of the Federal Cigarette Labeling and Advertising Act is amended by striking out "brand" the first place it appears and inserting in lieu thereof "brand style".

REPEAL OF OBSOLETE PROVISIONS

SEC. 12. (a) Section 314(g) is repealed.

(b) Section 315 is repealed.

(c) Section 328 is repealed.

(d) Title IX is repealed.
(e) Title XII is repealed.
(f) Section 2105 is repealed.

Mr. SIMPSON. Mr. President, I move to reconsider the votes by which the measures were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURES INDEFINITELY POSTPONED

Calendar No. 169 (S. 1166) and Calendar No. 306 (S. Res. 208) were indefinitely postponed, by unanimous consent.

LEARNING DISABILITIES MONTH

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to House Joint Resolution 287, Learning Disabilities Month, at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 287) to designate October 1985 as "Learning Disabilities Month."

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 287) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate receives from the House House Joint Resolution 393, relating to housing and community development programs, it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 1042) to grant a Federal charter to the Pearl Harbor Survivors Association.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2266. An act authorizing appropriations for Amtrak for fiscal year 1986, establish a commission to study the financial status of Amtrak, and for other purposes; and

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Month."

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2266. An act authorizing appropriations for Amtrak for fiscal year 1986, establish a commission to study the financial status of Amtrak, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1766. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Overview of the Dairy Surplus Issue-Policy Options for Congressional Consideration"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1767. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the study with respect to converting the protective coating function at the United States Air Force Academy, Colorado, to performance by contractor; to the Committee on Armed Services.

EC-1768. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice that the Department of the Air Force intends to exercise the provision of law for exclusion of the clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-1769. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "20 Years of Federal Mass Transit Assistance: How Has Mass Transit Changed?"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1770. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, justification for an increase in funding for Jamaica; to the Committee on Foreign Relations.

EC-1771. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, justification for an increase in funding for Grenada; to the Committee on Foreign Relations.

EC-1772. A communication from the General Counsel of the Securities and Exchange Commission, transmitting, pursuant to law, a report on a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1773. A communication from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1774. A communication from the Chairperson of the Navy Resale and Services Support Office Trust Fund, transmitting, pursuant to law, the annual audit report on the trust fund for plan year 1984; to the Committee on Governmental Affairs.

EC-1775. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Managing Federal Information Resources: Report Under the Paperwork Reduction Act of 1980"; to the Committee on Governmental Affairs.

EC-1776. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, justification for an increase in funding for Panama; to the Committee on Foreign Relations.

EC-1777. A communication from the Attorney General of the United States, transmitting drafts of proposed legislation which comprise the Administration's Anti-Fraud Enforcement Initiative; to the Committee on the Judiciary.

EC-1778. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, the 1984 Annual Report of the Administrator of Veterans' Affairs"; to the Committee on Veterans' Affairs.

EC-1779. A communication from the Deputy Assistant Secretary of the Army transmitting, pursuant to law, notice of a decision to convert the motor vehicle operations and maintenance activity, Fort Bragg, NC, to performance under contract; to the Committee on Armed Services.

EC-1780. A communication from the Deputy Assistant Secretary of the Army transmitting, pursuant to law, notice of a decision to convert the motor vehicle operations and maintenance activity, Fort Lewis, WA, to performance under contract; to the Committee on Armed Services.

EC-1781. A communication from the General Counsel of the Treasury transmitting a draft of proposed legislation to adopt distinctive counterfeit deterrents for U.S. securities and obligations; to the Committee on Banking, Housing, and Urban Affairs.

EC-1782. A communication from the Director of the U.S. Arms Control and Disar-

mament Agency transmitting, pursuant to law, the 16th edition of World Military Expenditures and Arms Transfers; to the Committee on Foreign Relations.

EC-1783. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Information on Selected Areas of UDC Operations"; to the Committee on Governmental Affairs.

EC-1784. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Cost Analysis of the District's Lease at 1111 E St."; to the Committee on Governmental Affairs.

EC-1785. A communication from the Plan Administrator, Eighth Farm Credit District, Omaha, Nebraska transmitting, pursuant to law, the 1984 report on the District's retirement plan; to the Committee on Governmental Affairs.

EC-1786. A communication from the Under Secretary of State transmitting pursuant to law, a report on the determination to reallocate certain appropriated funds into additional foreign military assistance to Jamaica and Ecuador, to the Committee on Appropriations.

EC-1787. A communication from the Secretary of Defense transmitting, pursuant to law, a report on a violation of law involving the obligation or expenditure of funds in advance of an appropriation; to the Committee on Appropriations.

EC-1788. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on the results of inspections of interst*** BAD MAG TAPE ***ate natural gas transmission pipeline facilities; to the Committee on Commerce, Science, and Transportation.

EC-1789. A communication from the Chairman of the Commission on the Bicentennial of the United States Constitution transmitting, pursuant to law, the first report of the Commission on the Bicentennial of the U.S. Constitution, to the Committee on Judiciary.

EC-1790. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, a justification for an increase in funding for the 1985 AID program in Ecuador; to the Committee on Foreign Relations.

EC-1791. A communication from the Chairman of the Federal Trade Commission transmitting, pusuant to law, the annual report on certain antitrust amendments to the Clayton Act, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 1691. An original bill to extend the current dairy price support program to suspend the noncash benefit requirement for Puerto Rico nutrition assistance program for 60 days.

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. Res. 226. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1264; to the Committee on the Budget.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS from the Committee on Agriculture, Nutrition, and Forestry:

S. 1691. An original bill to extend the current dairy price support prggram and suspend the noncash benefit requirement for the Puerto Rico nutrition assistance prggram for 60 days; placed on the calendar.

By Mr. STEVENS:

S. 1692. A bill to amend title 39, United States Code, to postpone the scheduled increase in postage rates for nonprofit and certain other mailers until January 1, 1986 and for other purposes; to the Committee on Governmental Affairs.

By Mr. GRAMM:

S. 1693. A bill to provide preferential quota treatment on imported products assembled or processed from articles grown, produced or manufactured in the United States; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH, from the Committee on Labor and Human Resources:

S. Res. 226. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1264; referred to the Committee on the Budget.

By Mr. DURENBERGER (for himself and Mr. LUGAR):

S. Con. Res. 68. Concurrent resolution expressing support for Chile's National Accord for the Transition to Full Democracy; to the Committee on Foreign Relations.

By Mr. DANFORTH (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. DURENBERGER, Mr. LAXALT, Mr. NUNN, Mr. SYMMS, Mr. MITCHELL, Mr. BOSCHWITZ, Mr. STEVENS and Mr. BRADLEY):

S. Con. Res. 69. Concurrent resolution to recognize the National Camp Fire Organization for seventy-five years of service; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 1692. A bill to amend title 39, United States Code, to postpone the scheduled increase in postage rates for nonprofit and certain other mailers until January 1, 1986, and for other purposes; to the Committee on Governmental Affairs.

POSTPONEMENT OF POSTAL RATE INCREASE FOR CERTAIN MAILERS

Mr. STEVENS. Mr. President, recently I had the pleasure of speaking to a group representing four different organizations, one of which was the National Federation of the Blind. Their main concern was the impending postal rate increase for all nonprofit mailers. This increase is scheduled to take place on October 1, unless Congress directs otherwise.

One of the major problems that the nonprofit mailers face with a rate increase on October 1 is that most of the fundraising they will do for the entire year takes place between now and the end of the year, primarily during the Christmas season. The increase these groups are facing is in the neighborhood of 60 percent. Such an increase on such short notice will dramatically affect their ability to raise funds to allow them to do their work.

We ought to be both sensible and compassionate about this problem. Therefore, Mr. President, I am introducing today legislation that would direct the Board of Governors to hold off any increase of postal rates until January 1, 1986, or in other words until after the holiday solicitation season. This legislation would apply to all nonprofit mailers, whether second, third, or fourth class.

Mr. President, I ask unanimous consent to have the text of my bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1692

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the increase in postage rates for nonprofit and certain other mailers announced by the Governors of the Postal Service in Resolution No. 85–7 shall not take effect until January 1, 1986.

TERMINATION OF RATE PHASING SCHEDULE

SEC. 2. (a) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a) In the administration of Subchapters II and III of this chapter, each time rates of postage are established for mail under former sections 4358, 4452(b) and (c), and 4554(b) and (c) of this title, the estimated revenues to be received for each class or kind of such mail shall be equal to the direct and indirect postal costs attributable to mail of such class or kind (excluding all other costs of the Postal Service).".

(b) The amendment enacted by this section is effective January 1, 1986.

SUPPLEMENTAL APPROPRIATION

SEC. 3. If the postage rate delay required by the first section of this Act causes a shortfall in postal revenues from the amounts which would have been provided by the adjustment contemplated by section 3627 of title 39, United States Code, the Postal Service shall request a supplemental appropriation to avoid placing the burden of that shortfall on unsubsidized mailers.

ADDITIONAL COSPONSORS

S. 1064

At the request of Mr. PELL, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1964, a bill to provide for the continuation of the national diffusion network.

S. 1292

At the request of Mr. BAUCUS, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1292, a bill to amend title VII of the Tariff Act of 1930 in order to apply countervailing duties with respect to resource input subsidies.

S. 1362

At the request of Mr. EVANS, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 1362, a bill to amend part A of title IV of the Social Security Act to provide for a study of quality control standards and procedures under the Aid to Families with Dependent Children Program, to provide for a moratorium on the imposition of penalties for erroneous payments, and for other purposes.

S. 1470

At the request of Mr. HUMPHREY, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1470, a bill to require the Secretary of Health and Human Services to establish the National Adoption Information Clearinghouse.

S. 1570

At the request of Mr. NICKLES, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes.

S. 1574

At the request of Mr. LUGAR, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 1574, a bill to provide for public education concerning the health consequences of using smokeless tobacco products.

S. 1601

At the request of Mr. LEAHY, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1601, a bill entitled the "Rural Transportation Equity Act of 1985."

S. 1660

At the request of Mr. DENTON, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Nevada [Mr. HECHT], the Senator from Georgia [Mr. NUNN], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 1660, a bill to grant a Federal charter to the Confederate Memorial Association.

S. 1670

At the request of Mr. DOMENICI, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of S. 1670, a bill to establish a government-to-government International Copper Action Commission.

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the names of the Senator from Illinois [Mr. SIMON], the Senator from South Dakota [Mr. ABDNOR], the Senator from Connecticut [Mr. WEICKER], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February, 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 112

At the request of Mr. PELL, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Illinois [Mr. SIMON], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 112, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 174

At the request of Mr. HEINZ, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 174, a joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

SENATE CONCURRENT RESOLUTION 68—EXPRESSING SUPPORT FOR CHILE'S NATIONAL ACCORD FOR THE TRANSITION TO FULL DEMOCRACY

Mr. DURENBERGER (for himself and Mr. LUGAR) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 68

Whereas on September 11, 1985, the people of Chile marked the twelfth anniversary of authoritarian government;

Whereas on August 25, 1985, Cardinal Juan Franciso Fresno announced the National Accord for the Transition to Full Democracy in Chile, an agreement sponsored by eleven political parties spanning the political spectrum which commits the signatories to concrete steps to achieve a transition by means of democratic and non-violent methods;

Whereas these parties together with labor unions, professional organizations, and other groups supporting the Accord, reflect the overwhelming support of the Chilean people for a peaceful return to democratic rule; Now therefore be it

Resolved by the Senate (the House of Representatives concurring), that the Congress supports the efforts of democratic forces in Chile to achieve a peaceful return to democratic government, expresses its view that the National Accord for the Transition to Full Democracy is an important first step toward that goal, and calls upon the Government of Chile, the Armed Forces, and the leaders of all sectors of Chilean society to demonstrate their commitment to a genuine transition through a process of dialog, negotiation, and consensus.

Mr. DURENBERGER. Mr. President, I rise to express my strongest possible support for the return of democracy to Chile. I was therefore pleased to read the announcement from Cardinal Juan Francisco Fresno, the primate of Santiago, that 11 of Chile's democratic parties had agreed on a National Accord for the Transition to Full Democracy. For this reason, I have joined with Senator LUGAR in offering this concurrent resolution to express the Senate's support for the accord and for Chile's many democrats.

This document, which was announced on August 26 by 22 of Chile's leading democratic politicans, proposes election of a congress with power to reform General Pinochet's 1980 constitution so that Chile's president can be chosen by popular vote, rather than by unilateral selection of the Chilean military. Not surprisingly, General Pinochet's government firmly rejected this accord. Perhaps more interesting is the Chilean Foreign Ministry's denunciation of the Reagan administration's expression of support for this democratic initiative. Efforts to place our Government on the side of the democrats in Chile, rather than on that of the autocrats, deserve commendation and our support.

As I believe that a restoration of democracy is the best way of assuring Chile's political, economic, and social stability, the Chilean Catholic Church's efforts to build confidence and cooperation among Chileans through a process of dialog should not go unnoticed nor unpraised. Cardinal Fresno's actions are fully consonant with his well-deserved reputation as an advocate of social justice and reflect a justifiable concern over Chile's future.

Various events in Chile in recent months offer a mixture of hope and concern. For several years, the Movimiento Izquierdista Revolucionaria [MIR] and the Manuel Rodriguez Patriotic Front [FPMR] have conducted acts of terrorism and sabotage against Chile's security forces and against Chile's infrastructure. In a significant interview with Santiago's El Mercurio, MIR Secretary Gen. Pascal Allende discussed in some detail the rationale for specific actions of terrorism that the MIR and the FPMR have perpetrated in recent months. In this interview, Allende stated:

We (the MIR/FPMR) have expanded and developed sabotage actions against the railroads. We have carried out several actions of this type of sabotage, including the derailment of train convoys. We have also coordinated many actions against electrical installations, and blown up many high tension power lines. We have also executed actions to punish repressive agents.

I believe that this interview is a revealing look at the nature of these violent groups within Chile, who are opposed not only by the Pinochet government but by Chile's nonviolent, democratic opposition.

The latest round in Chile's cirsis began on March 28 and 29 when three men were kidnapped in Santiago. These three men—Jose Manuel Parada, Manuel Guerrero, and Santiago Natino—were tortured, mutilated, and murdered. Parada was a sociologist and a long-time staff member of the Vicaria de la Solidaridad, the human rights office of the Catholic Archdiocese of Santiago. Guerrero was President of the Santiago chapter of AGECH, the national teachers' union, and Natino was an artist who was seized at one of AGECH's Santiago offices. All three men were members of the Chilean Communist Party. Since 1980, the Communist Party has endorsed terrorism as the proper means to resist the government, but this should not be used as a rationale by misguided individuals within the security forces to justify counterterrorism. According to the State Department's Bureau of Human Rights, death squad attacks by groups of armed men in civilian clothes were not previously known in Chile.

On April 1, Judge Jose Canovas Robles was appointed by the government to investigate the killings of Parada, Guerrero, and Nation in response to the growing public outcry against these murders. Judge Canovas indicted 14 Carabineros officers, including two colonels, in connection with the killings on August 1. All 14 were expelled by the Carabineros. Two generals in the Carabineros, Stange and Donoso, resigned; 2 days later, the Corps of Generals of the Carabineros asked for the resignation of Gen. Cesar Mendoza, head of the Carabineros, a member of the junta, and a close associate of General Pinochet.

In response to Judge Canovas' findings against the Carabineros, several protest demonstrations were held to protest the role of the Carabineros in killings and torture. Security officials responded to these demonstrations with arrests and beatings of political opponents.

On August 4, Chilean security forces conducted a roundup of 14 prominent persons who have been critics of the Pinochet government. The most prominent of those seized was Dr. Pedro Castillo, the president of the Chilean National Commission Against Torture. Dr. Castillo is a thoracic surgeon and a fellow of the American College of Surgeons. For several years, Dr. Castillo has been a leading figure in the campaign to end medical complicity in, and ultimately, the practice of torture in Chile. After his arrest, he was sent into internal exile under transitory article 24 of the 1981 constitution which allows for the banishment or "relegacion" of anyone without charge for a period up to 90 days. Dr. Castillo was first transported to the Cuartel de Investigaciones in Santiago, then to a facility in Puerto Montt, and finally to "relegacion" on Isla Melinka, a desolate and sparsely populated island approximately 800 miles south of Santiago. I'm pleased to report that Dr. Castillo was released and returned to Santiago on August 22, after inquiries on his behalf by numerous congressional offices and human rights organizations as well as the American Association for the Advancement of Science.

Since the announcement of the accord, the Pinochet government has responed with a measure of force to demonstrations supporting the accord and has voiced its opposition to the objectives of this important document. These demonstrations have resulted in at least 10 civilian deaths, dozens of serious injuries, hundreds of detentions, and considerable destruction of property. On September 10, General Pinochet announced that the state of emergency would be extended for an additional 6 months.

While the U.S. Government should obviously be sensitive to Chilean concerns about external involvement in Chile's internal affairs, I feel that the current situation in Chile demands a coherent, long term, and positive approach on the part of American policy makers. For this reason, Senator LUGAR and I are circulating a letter which expresses our support for Chile's democrats and for the "National Accord for the Transition to Full Democracy." It's my hope that all of my colleagues will join in this expression of solidarity with democracy in Chile.

Mr. President, I ask unanimous consent that the text of a letter to Cardinal Juan Francisco Fresno of Santiago be printed in the RECORD. I also ask unanimous consent that Pascal Allende's August 9 interview with El Mercurio be printed in the Record.

There being no objection, the Material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 27, 1985.

His Eminence JUAN CARDINAL FRANCISCO FRESNO,
Archbishop of Santiago,
Santigo, Chile.

DEAR CARDINAL FRESNO: We write to express our concern over the slow process of democratization in Chile and to convey our support for the return of democracy in your country.

As we believe that a restoration of democracy is the best way of assuming Chile's political, economic, and social stability, we have joined in this effort to express our solidarity with responsible Chilean democratic leaders who seek to assist the restoration of democracy and respect for law in Chile. It is our fervent hope that all responsible sectors in Chile will treat the National Accord for the Transition to Full Democracy with the seriousness that the reconciliation process demands. We further believe that the current situation in Chile demands a coherent, long-term, and positive approach on the part of American policy-makers.

Terrorism, human and civil rights violations, a substantial Communist party committed to the violent overthrow of the government, the national debt crisis, are only a few of the current obstacles to be overcome in achieving genuine political stability. Perhaps the most difficult challenge of all is forging a broad consensus on the institutional means of rebuilding a stable democracy in your country and marshalling the will, and taking the risks, to put in place a democractic order that satisfies the aspiration of the Chilean people. We therefore wish to express our strong support for the effort represented by the National Accord for the Transition to Full Democracy.

Sincerely,

RICHARD G. LUGAR,
DAVE DURENBERGER,
U.S. Senators.

CHILE: EL MERCURIO INTERVIEW MIR'S ALLENDE

(Text of interview granted by MIR Secretary General Andres Pascal Allende to El Mercurio correspondent Rene Jauregui during Latin American Foreign Debt meeting in Havana.)

(Jauregui) Does the MIR (revolutionary left movement) participate in the FPMR (Manuel Rodriguez patriotic front)?

(Allende) MIR combatants participate in the militias of popular resistence, which are well known.

(Jauregui) Which terrorist acts has MIR carried out lately?

(Allende) We have expanded and developed sabotage actions against the railroads. We have carried out several actions of this type of sabotage, including the derailment of train convoys. We have also coordinated many actions against electrical installations, and blown up many high-tension power lines.

(Jauregui) Does this mean that a high percentage of the blackouts can be attributed to the MIR?

(Allende) At least half of them.

(Jauregui) And the other half?

(Allende) I have no doubt that the FPMR is responsible for the other half. We have also executed actions to punish repressive agents, like the one at the Araucano hotel in Concepcion. There we managed to execute some offices of the CNI (National Intelligence Center). We staged some ambushes, like the one at Paso Hondo in Valparaiso about which the dictatorship kept silent. It was made to look as though a military vehicle caught fire. That action was directed at Navy patrol personnel who were conducting search and repression missions. We have also carried out actions of harassment against police quarters.

(Jauregui) This then supports the idea that the security forces act in response to that violence. To what extent, has this turned into a dirty war, as it is called in Argentina, which has no major political repercussions, except for the violence it generates, a violence that is repudiated by the majority of the population?

(Allende) Here we have had a dirty war against our people for the past 12 years, and we have started a just war of the people against the dictatorship. This is not the confrontation between two opposing apparatuses. Although there might be people who

are confused or misinformed by the dictatorship-controlled communication media, the receptiveness we find among popular sectors belies the repudiation you pointed out. So, the punishment actions against the repressive apparatus strengthen the morale of our people's democratic struggle.

(Jauregui) Why do you differentiate between legitimate violence and terrorist violence, when the two look the same?

(Allende) Terrorism is what the dictatorship practices. The MIR has never tortured anyone, has not murdered any innocent person, has no jails nor secret interrogation centers. True, we practice a violent resistence, an armed resistence in the people's self-defense. Most of the resistence actions are the popular demonstrations by the fighting brigades in the poor neighborhoods that are not all MIR brigades. We also have some combat groups that are better prepared and armed for actions of a larger scope. We believe that it is not only legitimate but ethical to resort to violence against an unjust and repressive regime, because of the revolutionary violence stand; on moral grounds. We launch our attacks against the repressive forces, we do not go around killing traffic patrolmen or young soldiers discharging their military duty.

(Jauregui) In an attack in Valparaiso, you killed a group of Carabineros traveling in a bus from their institution.

(Allende) It was not a group of Carabineros but a group of special antiriot Carabineros. They were not public order agents going to work. We understand that the situation of misery and unemployment forces many people to go to work as Carabineros or to join the armed forces in order to survive. We understand this, and we do not have any interest in fighting against them or in attacking them. But those who wear uniforms know very well that there are special repressive bodies within the armed forces.

(Jauregui) The situation in Chile now is different from that which we had some years ago. Don't you believe that the postulates of your actions should change accordingly?

(Allende) That is not the whole picture in Chile. There has been some changes in recent years. The mobilizations and the protest demonstrations show that chileans who oppose the dictatorship have actively joined the struggle. The spectrum of the opposition is broadening. Unfortunately, it is difficult to topple a dictatorship only by means of social and political struggle, because dictatorship stay in power by means of their repressive power, their violence against the masses. Recent events have shown that it is not necessarily armed groups or crazy rightists but the armed institutions, the Carabineros, in this case, who are involved in the murder of Chilean citizens, who are not terrorists but leaders of human rights organizations, teachers. What will happen in Chile will in the first place depend on the regime's intention of perpetuating itself in power through violence and repression. This will lead to increasing polarization of political and social forces that will provoke ever harsher confrontations.

SENATE CONCURRENT RESOLUTION 69—TO RECOGNIZE THE NATIONAL CAMP FIRE ORGANIZATION FOR 75 YEARS OF SERVICE

Mr. DANFORTH (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. DURENBERGER, Mr. LAXALT, Mr. NUNN, Mr. SYMMS, Mr. MITCHELL, Mr. BOSCHWITZ, Mr. STEVENS, and Mr. BRADLEY) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. CON. RES. 69

Whereas the National Camp Fire Organization is celebrating its seventy-fifth anniversary during 1985;

Whereas Camp Fire has chosen to commemorate this significant anniversary in a national celebration of friendship;

Whereas Camp Fire councils offer young people opportunities to develop important friendships through informal educational programs for youth through the age of twenty-one;

Whereas Camp Fire, recognition of accomplishments is combined with encouragement to use developing skills in service to others in the community; and

Whereas Camp Fire is to be commended for the opportunities for friendship the program offers young people throughout the Nation, and for the many services young people perform for the community as Camp Fire members: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby recognizes the seventy-five years of service given by Camp Fire to the Nation.

● Mr. DANFORTH. Mr. President, this year Camp Fire, Inc., is celebrating its 75th anniversary. I am submitting this concurrent resolution to recognize its 75 years of service to young people and communities throughout the Nation.

Camp Fire was founded in 1910 to help girls and young women to develop leadership skills. At that time, it was the only organization of its kind serving girls and young women. Today, the organization has expanded to serve both girls and boys. Its mission remains the same as it was 75 years ago: "to provide opportunities for youth to realize their potential and to function effectively as caring, self-directed individuals, responsible to themselves and others."

Camp Fire offers a variety of programs for children and youth, regardless of race, creed, religion, national origin, or gender. Programs range from a traditional club setting with a small group meeting weekly in a member's home, under the supervision of an adult leader, to specialized programs designed to meet emerging community needs. An example of such a program is "I Can Do It!" This program, designed especially for second and third graders, helps children learn to handle responsibilities and possible emergencies at home. The participants gain an increased sense of security and self-esteem.

Camp Fire seeks to improve societal conditions affecting youth and provide information on such subjects as day care, youth employment, nutrition, juvenile justice, and sexual abuse of children. It has also developed special programs for exceptional children, migrant children, and economically disadvantaged children.

Camp Fire can be very proud of its history of service to young people and communities throughout the Nation, and I am happy to submit this concurrent resolution honoring its 75 years of service. I hope that my colleagues will support this concurrent resolution.●

SENATE RESOLUTION 226—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. HATCH, from the Committee on Labor and Human Resources, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 229

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such act are waived with respect to the consideration of S. 1264, a bill to amend the National Foundation on the Arts and Humanities Act of 1965, to extend the authorization of appropriations for that Act, and for other purposes. Such waiver is necessary to permit the authorization of funds for the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services.

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT ACT

STAFFORD (AND BENTSEN) AMENDMENT NO. 670

Mr. STAFFORD (for himself and Mr. BENTSEN) proposed an amendment to the bill (S. 51) to extend afd amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

On page 51, line 11, strike "or (b)" and insert in lieu thereof ", (b), or (j)".

BENTSEN (AND CRANSTON) AMENDMENT NO. 671

Mr. BENTSEN (for himself and Mr. CRANSTON) proposed an amendment to the bill S. 51, supra; as follows:

On page 49, after line 25, insert the following new section and renumber succeeding sections accordingly:

LIABILITY LIMITS FOR OCEAN INCINERATION VESSELS

SEC. . (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) 'incineration vessel' means any vessel which carries hazardous substances for the purpose of incineration of such substances, so long as such substances or residues of such substances are on board.".

(b) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Subsection (a)(3) is amended by inserting "or incineration vessel" after "facility";

(2) Subsection (a)(4) is amended by inserting ", incineration vessels" after "facilities";

(3) Subparagraph (A) of subsection (c)(1) is amended by inserting ", other than an incineration vessel," after "vessel";

(4) Subparagraph (B) of subsection (c)(1) is amended by inserting "other than an incineration vessel," after "other vessel,";

(Subparagraph (D) of subsection (c)(1) is amended by inserting "any incineration vessel or" before "any facility".

(c) Section 108 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Paragraph (1) is amended by inserting "to cover the liability prescribed under paragraph (1) of section 107(a) of this Act" after "whichever is greater)";

(2) Add a new paragraph to read as follows:

"(4) In addition to the financial responsibility provisions of paragraph (1) of this subsection, the President shall require additional evidence of financial responsibility for incineration vessels in such amounts, and to cover such liabilities recognized by law, as the President deems appropriate, taking into account the potential risks posed by incineration and transport for incineration, and any other factors deemed relevant."

(d)(1) Section 105(g)(5) of the Marine Protection, Research and Sanctuaries Act of 1972 is amended by striking "The injunctive relief provided by this subsection shall not" and inserting in lieu thereof "Nothing in this Act, including the injunctive relief provided by this subsection, shall", and by inserting before the period", including relief under Title 42, United States Code, section 1983, or as a maritime tort".

(2) Section 107(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting", under maritime tort law," after "with this section" and by inserting before the period "or the absence of any physical damage to the proprietary interest of the claimant".

UNFAIR FOREIGN COMPETITION

SPECTER AMENDMENT NO. 672

(Ordered to lie on the table.)

Mr. SPECTER submitted an amendment intended to be proposed by him; as follows:

To amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Unfair Foreign Competition Act of 1985".

SEC. 2. Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting after the words "nineteen hundred and thirteen;" the words "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);"

SEC. 3. (a) Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801.

(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article; and

(2) such importation or sale—

"(i) causes or threatens material injury to industry or labor in the United States, or

"(ii) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(B) any interested party who shall be injured in his business or property by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against any manufacturer or exporter of such article or any importer of such article into the United States who is related to such manufacturer or exporter.

"(C) In any action brought under subsection (B), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question; or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(D) The standard of proof in any action filed under this section is a preponderance of the evidence. Upon a prima facie showing of the elements set forth in subsection (A), or upon a final determination adverse to the defendant by the Department of Commerce or the International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located, which final determination shall be considered a prima facie case for purposes of this Act, the burden of rebutting such prima facie case thus made shall be upon the defendant.

"(E) Whenever it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(F) The acceptance by any foreign manufacturer, producer or exporter of any right or privilege conferred upon him to sell his products or have his products sold by another party in the United States shall be deemed equivalent to an appointment by the foreign manufacturer, producer, or exporter of the District Director of the United States Customs Service of the Department of the Treasury for the port through which the article is commonly imported to be the true and lawful agent upon whom may be served all lawful process in any action brought under this section.

"(G)(1) An action may be brought under this section only if such action is commenced within four years after the date on which the cause of action accrued.

"(2) The running of the statute of limitations provided in paragraph (1) shall be suspended while any administrative proceedings under section 731, 732, 733, 734, or 735 of the Tariff Act of 1930 (19 U.S.C. 1673-1673d) relating to the importation in question, or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(H) If a defendant in any action brought under subsection (B) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (B) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(I)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action under this section.

"(2) The court in any action brought under this section may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(J) Any action brought under this section shall be advanced on the docket and expedited in every way possible.

"(K) For purposes of this section—

"(1) The terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', shall have the respective meaning given such terms by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph),

the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy.".

"(L) The court shall permit the United States to intervene in any action, suit or proceeding under this section, as a matter of right. The United States shall have all the rights of a party.

"(M) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under Section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).

SEC. 4. It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

SEC. 5. Chapter 95 of Title 28 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1586. Private Enforcement Action

"(a) Any interested party who shall be injured in his business or property by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International

Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that he has been damaged by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question; or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term "interested party" means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States;

"(2) The term "like product" means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930; and

"(3) The term "competing product" means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action, suit or proceeding under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under Section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702)."

SUPERFUND IMPROVEMENT ACT

MITCHELL AMENDMENT NO. 673

Mr. MITCHELL proposed an amendment to the bill S. 51, supra; as follows:

On page 99 insert the following on line 6 before the words "of the disease"; ", who have been exposed to a release of the relevant hazardous substance,".

On page 99, insert on line 9 after the word "individuals" the following: "who have been exposed to a release of the relevant hazardous substance but".

On page 99 insert on line 15 after the word "individuals" the following: ", who have been exposed to a release of the relevant hazardous substance,".

ROTH (AND OTHERS) AMENDMENT NO. 674

Mr. ROTH (for himself, Mr. SIMPSON, Mr. HELMS, Mr. DENTON, and Mr. DOMENICI) proposed an amendment to the bill S. 51, supra; as follows:

Beginning on page 96, line 3, strike out through page 101, line 12.

TEXTILE AND APPAREL TRADE ENFORCEMENT ACT

GRAMM AMENDMENT NO. 675

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the bill (S. 680) to achieve the objectives of the multiiber arrangement and to promote the economic recovery of the United States textile and apparel industry and its workers; as follows:

SEC. . ALLOCATION OF QUOTA RESTRAINTS.

(a) Notwithstanding any other provision of law, no limitation on the quantity of any product that may be imported into the customs territory of the United States shall apply to that portion of the product assembled or processed from articles grown, produced or manufactured in the United States.

(b) Subsection (a) shall not constitute a modification to category quotas designated for countries participating in bi-lateral agreements with the United States pursuant to the Multi-Fiber Arrangement for textiles and textile products or any other bi-lateral agreement or treaty to which the United States is a party, except that such quotas shall not be considered applicable to that portion of the product imported meeting the requirements of Subsection (a).

(c) The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out this Section.

SEC. . DEFINITIONS.

For purposes of this Act—

(1) the term "textiles and textile products" includes, but is not limited to, all man-made fibers, tops yarns, piece goods, madeup articles, garments, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or man-made fiber, or blend thereof, that are classified under Schedule 3, Part 6 of Schedule 6, parts 1, 4, 5, 7, or 13 of Schedule 7, Part 1 of Schedule 8, of Part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. sec. 1202);

(2) the term "category" means, with respect to textiles and textile products—

(A) Each category of textiles and textile products identified by a three-digit textile category number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated," dated January 1985;

(B) The category consisting of the man-made fiber articles classified under Subpart E of Part 1 of Schedule 3 to the Tariff Schedules of the United States;

(3) the term "country" means any foreign country;

(4) the term "imported" means entered;

(5) the term "entered" means entered or drawn from warehouse for consumption in the customs territory of the United States;

(6) the term "Multi-Fiber Arrangement" means the arrangement regarding international trade in textiles, as extended by the Protocol done at Geneva, December 22, 1981; and

(7) the term "assembled or processed" shall apply solely to those products assembled or processed under Items 806.30 and 807.00 of the Tariff Schedules of the United States.

COMPACT OF FREE ASSOCIATION

GRAMM AMENDMENT NO. 676

(Ordered referred to the Committee on Finance.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 77) to approve the "Compact of Free Association," and for other purposes; as follows:

At the appropriate place in the bill insert the following:

SEC. . ALLOCATION OF QUOTA RESTRAINTS.

(a) Notwithstanding any other provision of law, no limitation on the quantity of any product that may be imported into the customs territory of the United States shall apply to that portion of the product assembled or processed from articles grown, produced or manufactured in the United States.

(b) Subsection (a) shall not constitute a modification to category quotas designated for countries participating in bi-lateral agreements with the United States pursuant to the Multi-Fiber Arrangement for textiles and textile products or any other bi-lateral agreement or treaty to which the United States is a party, except that such quotas shall not be considered applicable to that portion of the product imported meeting the requirements of Subsection (a).

(c) The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out this Section.

SEC. DEFINITIONS.

For purposes of this Act—

(1) the term "textiles and textile products" includes, but is not limited to, all man-made fibers, tops yarns, piece goods, madeup articles, garments, and other textile manufactured products (which derive their chief characteristics fromt their textile components) made in whole or in part from any natural or man-made fiber, or blend thereof, that are classified under Schedule 3, Part 6 of Schedule 6, parts 1, 4, 5, 7, or 13 of Schedule 7, Part 1 of Schedule 8, of Part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. sec. 1202);

(2) the term "category" means, with respect to textiles and textile products—

(A) Each category of textiles and textile products identified by a three-digit textile category number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated," dated January 1985;

(B) The category consisting of the man-made fiber articles classified under Subpart E of Part 1 of Schedule 3 to the Tariff Schedules of the United States;

(3) the term "country" means any foreign country;

(4) the term "imported" means entered;

(5) the term "entered" means entered or drawn from warehouse for consumption in the customs territory of the United States;

(6) the term "Multi-Fiber Arrangement" means the arrangement regarding international trade in textiles, as extended by the Protocol done at Geneva, December 22, 1981; and

(7) the term "assembled or processed" shall apply solely to those products assembled or processed under Items 806.30 and

807.00 of the Tariff Schedules of the United States.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources has added an additional bill which the subcommittee will receive testimony on at its hearing scheduled for Friday, October 4, 1985, a 10 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The additional bill is S. 1690, for the transfer of certain interests in lands in Dona Ana County, NM, for the use as a fairgrounds. As previously announced, the subcommittee will also receive testimony on S. 304, S. 360, S. 446, S. 565, S. 567, S. 829, S. 1503, and S. 1625.

For further information regarding this hearing, please contact Patty Kennedy of the subcommittee staff at (202) 224-2878.

ADDITIONAL STATEMENTS

MOTHER TERESA AND A PRO-LIFE PHILOSOPHY

● Mr. HUMPHREY. Mr. President, Mother Teresa is a woman who inspires people of all faiths, cultures, and nationalities with her unlimited charity, her unbounded sensitivity and above all her profound devotion. Last June 21, 1985, Mother Teresa spoke before the annual convention of the National Right to Life Committee. In that address, Mother Teresa expounded a philosophy of caring and love that should serve as a model for us all. It is a philosophy of respect for life at all stages, of recognition of the dignity of every human being, of love for all of God's creation. We would do well to abandon our fruitless, superficial, sometimes violent responses to life's manifold problems and embrace the pro-life attitudes embodied by Mother Teresa.

Mother Teresa's speech follows:

LOVE BEGINS AT HOME, MOTHER TERESA TELLS PRO-LIFERS

Let us ask Our Lady to be with us. Let us ask her, Mary, Mother of Jesus, give us your heart so beautiful, so pure, so matchless, so full of love and humility that we may be able to receive Jesus in the Bread of Life, love Him as you loved Him, and serve Him in the distressing disguise of the poor.

Before I begin to say something, let us thank God for giving us our parents who wanted us, who loved us, and who helped us to grow. So, today, when we have gathered here together we are going to make sure that we who are parents or spiritual parents that we, too, like them, are going to show that tenderness and love for the little ones, believing that God spoke, for God speaks so clearly, even if a mother could forget her child, "I will not forget you. I have carved you on the palm of My hand. You are precious to Me. I love you." Just think, God himself declares His love for you, for me, for that little unborn child, precious to Him. For He has created each one of us and all of those little ones in the womb of their mothers for greater things to love and to be loved—not just a number but somebody special.

A few weeks ago I had the very extraordinary experience of this tenderness of God for the little one. A man came to our house with a prescription from a doctor, said that his child was dying—his only child—was dying in the slums of Calcutta. And that medicine could not be gotten in India anywhere. [It] had to be brought from England.

And as we were talking, a man came with a basket of medicines. He had gone round to families and gathered half-used medicines for our poor people. We have these mobile clinics all over the slums of Calcutta and all over the place, and they go 'round to the families and gather the half-used medicine and then give them to us, and we give them to the poor people. And then he came, and right on the top of that basket was that medicine.

I just couldn't believe it because if it had been inside, I would not have seen it. If he had come before or after, I would not have connected. I just stood in front of that basket and kept looking at the bottle. And in my mind I was saying, millions, and millions, and millions of children in the world, how could God be concerned with that little child in the slums of Calcutta? To send that medicine! To send that man, just at that time. To put that medicine right on the top and to send the full amount that the doctor had prescribed. See how precious that little one was to God, Himself. How concerned He was for that little one.

And so today when we have gathered to prove that tenderness of God's love for the little unborn child as something very very special is again in the Gospel—God loved the world so much that He gave His Son, Jesus, to come. And He came again in the womb of a mother.

Honored Mother, full of grace—the Holy Spirit. She had vowed her life totally to God and so in the Gospel, when the angel said to her, said the Holy Spirit, full of grace; and then Mary said, "I don't understand." She didn't understand how. But then Holy Spirit will fill you and holy will be the unborn of you. And now Our Lady just said very dutifully. "Be done to me according to Thy word."

And the moment Jesus came into her life, immediately, we read that in the Gospel, she went in haste to her cousin, Elizabeth, for she heard that her cousin was with a child for maybe six months. She went there just to do a handmaiden's work, a servant. See the fruit of the coming of Jesus? Immediately to put that love of God into living action as she does.

And something extraordinary happens. She never told anything to anybody. Nobody. All those big people were there, nobody knew. And yet, God used that little unborn child in the womb of His mother to lift with joy at the coming of Christ. Strange, that a little unborn child would be used to proclaim the coming of Christ.

And today, that little unborn child has become a target of destruction—of destroying the beautiful image of God. The beautiful presence of God. For each one, every little unborn child, is created in the image of God. Is created for some better things—to love and be loved.

That's why abortion is such a terrible evil, terrible destroyer of peace, of love, of unity, of joy. Anything that's beautiful, [it] destroys because the little one is not just a number but somebody precious to God. Somebody precious to you and to me.

And so, today, when we are together, let us make one strong resolution. We will do everything on our part to prevail, not to destroy life. Life is created in the image of God.

To love and to be loved. And that's why today we are having such terrible evils happening everywhere. So much killing, so much destruction. And I always give the same answer. If a mother can kill her own child, murder her own child, what is left for others to do?

So, with this real great great love—loving action, if you and I and each of us, take the trouble to help the mothers, whoever they may be, wherever they may be, let us help them to want the child. And if they don't want them, tell them, "Mother Teresa and her sisters want them."

We are fighting abortion by adoption. Thousands of children have brought joy, peace, love, unity in the families that can't have a child. (I don't give a child to a family who has done something to destroy life. How can they love, how can they love the child, if they have destroyed the power of loving in their hearts.) So, I think this is something so beautiful. As you know, love begins at home. So when we bring the child into the family, there is so much love. I've seen again and again and again, the greatness of love.

Two or three days ago, on the 15th, one of our Mission of Charity fathers was ordained priest and his sister also made final vows. And something so wonderful: the parents of these children had adopted them. They were their adopted children and you could see the shining joy from this father and mother for their children—one had become a priest and the other had consecrated her life to the service of the poorest of the poor. This year she is going to Poland to work for the poor there.

There is something so living, so real in God's love—it matches God's concern. They could have been killed. They could have been destroyed. But see how the joy of loving has brought from that something so beautiful in the lives of these two. And now these two will bring that joy, that love, that peace wherever they go, whoever they meet, whatever they do, it will be their love for God in living action.

And so far we have today when you are praying, when you are thinking, talking—pray! Pray! That God will give you a clean heart and a clean heart can see God's face, can understand God's love. And if you understand that God's love is in you and for you, you will be able to give that love to others.

Pray first for your own family. Love begins at home. And that family that prays together stays together. And if you stay together, you will know how to love each other as God loves you. Because Jesus came all the way from heaven. He came as a little child to teach us how to love from the beginning. He could have come like a big man. He could have been somebody special. But, no. He came like a little helpless child to give us the good news that God loves us,

that God is love and He loves you and He loves me.

I've seen this tender love again and again and again in our people. Again and again. A few weeks ago two young people came to our house. They gave me lots of money to feed our people because we cook for 9,000 people everyday in Calcutta.

Then I said, "Where, where did you get so much money?" And they said, "Two days ago we were married but before marriage, we decided we will not have a big feast. We will not have wedding clothes. We will give you the money."

And I, knowing what that means in a Hindu family, and the big big expense that takes place, and the special clothes and special food, so again I asked, "But why, why did you do that?" The answer they gave surprised me. "We love each other so tenderly that we wanted to share the joy of loving with the people you serve."

See, the joy of loving! Have you experienced the joy of loving? 'Cause true love hurts. It hurt Jesus to love us. God must have felt also to have to give Jesus to us. Jesus must have felt also to have to die for us. But again and again we see that tender love—to share the joy of loving.

This is that love that begins at home. Make sure that your family prays together and you will find somebody lonely, somebody sick, somebody worried, somebody feeling miserable. You see so much suffering, so much anxiety. Love begins at home. And how does it begin? By praying together. In whatever form you know how to pray. Help your children to pray. Teach them to pray. And that prayer will give them peace.

And make it a point to be a cause of joy to everyone you meet because if the love of Jesus is in your heart, naturally you will want to give that love to others. For Jesus said: "Love one another as I have loved you." And to make it easy for us to love one another, He says, "You did it to me"; whatever you do to the least—you help an unwed mother to get a good home, help her to be loved, to be wanted, to feel that someone wants her. You help her child to feel wanted, to be loved, to be tenderly taken care of. Give, give that love, don't be afraid, share that love, share until it hurts.

Sometime ago I happened to be in England—we have houses there—and our sisters work late, and I work with them, and I found a very young boy sitting there with the people, and I went to him and I said, "You shouldn't be here, you should be with your family. It's not the place for you." And he looked at me and said, "My mother didn't want me." And I said, "Why did your mother not want you?" "Because I have long hair. Each time I went home my mother didn't want we." Then I said to myself, maybe the mother is very busy with the hungry in Ethiopia or India or someplace else and she has no time, no care. She doesn't want her own child. This is where love begins at home.

And after that we went down and when I came back I found that the boy had overdosed himself with drugs and we took him to the hospital. But this is something that happens so often. We have so many young people in the streets everywhere, in all the big cities. We are all over the place and we find the young people—why are they [there], school children still. They are still in the street. Why? They feel unwanted. There is no one in the house to receive them. Love begins at home. Love begins at home. Be at home to love one another, love father, mother, children. If you pray together, you will always be able to give back tender love.

And so, today, when you are talking of life of love, of compassion, ask your own heart "Is your own family all right?" Love begins there. And if it is all right there, naturally, naturally, this pro-life movement—I don't call it the movement, I call it the burning fire of love that just spreads everywhere, every house, every human being so that we realize that God loves us and that He uses you, me, to be that love, that concern.

Do not be afraid to love until it hurts. Because Jesus has made it very clear: "Whatever you do to the least of my brethren, you do it to Me." If, in My name you receive a little child, the little unborn child receive, you receive Me. And if, in My name, you give a glass of water, you give it to Me. And to make it more real, more understanding, simply, "I was hungry, you gave Me something to eat; I was naked, you clothed Me; I was homeless, you took Me in."

Believe me, hunger is not only for a piece of bread; hunger is for love—being wanted, being somebody to somebody. That little unborn child, it is most unwanted. Thats why I am involved. Because we take a special vow to give wholehearted service to the poorest of the poor. And I tell you, that little unborn child is the poorest of poor, the most unwanted, the most unloved, the most uncared for, the most rejected. Much worse than the lepers. Much worse. We take care of 150,000 lepers, but they are loved. They are somebody. There is life in them. They are terribly disfigured, but there is love in them.

I'll never forget—the government has given us land to rehabilitate them. In every place we have a children's home so as soon as the baby is born, we take the baby before the little mother has kissed the baby. Both father and mother are lepers. The last time I had to take that baby before the mother could kiss the baby because that child is completely clean, born of leper parents, the mother was looking with tears rolling down her face, looking as I was walking and I was holding the baby so that she could see the child right to the end. But I was thinking of the millions of children who are killed, and here is this poor leper woman so badly disfigured—what tenderness in her heart for her little child. What a big sacrifice she makes not to kiss her child so that the child will remain healthy.

See, this is something unbelieveable. And this is what we have to create, you and I. Let this gathering not be just a gathering like this. Let it be a time of prayer. I will protect life because that life is created by God for greater things—to love and to be loved. For that litte one, Jesus has died on the cross. And he died because He loved. He expressed His special love for this little one.

So let us bring the joy of loving to every heart, and then you'll find the best ways to do is help these young mothers, I call them young mothers, unwed mothers, but they have something to share with you—they give you a chance to share the joy of loving. The more you do for them—open your eyes and go in search of them and when you find them, show tender love for them because "whatever you do to the least," Jesus said, "you give it to me." And that you have in your five fingers to remind you. You—Did—It—To—Me. The five words of Jesus in your five fingers. So every night before you go to bed, look at your hand and ask, "What did I do to Jesus today?"

Let's say a little prayer that you may understand the poverty of the unborn. And let us understand also the terrible poverty and the fear of the mother of the unborn child. I only realized that this is a terrible fear of the child. They are afraid to have one more child, to have to feed one more, to educate one more child, [so] the child must die. I have not seen this fear among our poor people. I have never seen it. We are teaching them natural family planning but I have not seen the fear as I've seen in people that are better off and can afford to have [children].

So let us pray. Let us pray again and again that tenderness and love of God can penetrate our hearts and we may put that tender love for God into loving action by helping the unborn child to come, to be loved, to be wanted. And we don't know, we don't know. I remember when we opened the children's home in New Delhi and Pandit Nehru came. We had unwed mothers there and children there, and he then went around and looked at everything, and he said, "Take care of the unborn, take care of the little one, cause you don't know, maybe amongst them there's a prime minister."●

RESOLUTION ON SOUTH AFRICA BY THE COMMISSIONERS OF SHELBY COUNTY

● Mr. GORE. Mr. President, it is an honor for me to introduce into the CONGRESSIONAL RECORD a resolution by the Board of Commissioners of Shelby County, TN. This resolution urges the President of the United States and the Members of Congress to support congressional action adopting sanctions against South Africa as approved by Senate and House conferees on July 31 of this year. On behalf of the Board of Commissioners of Shelby County, I am pleased to introduce this statement calling for racial justice and expressing our Nation's aversion to South Africa's apartheid system.

The resolution follows:

RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES AND THE MEMBERS OF CONGRESS TO SUPPORT CONGRESSIONAL ACTION ADOPTING SANCTIONS AS APPROVED BY SENATE AND HOUSE CONFEREES ON JULY 31, 1985, AGAINST SOUTH AFRICA

Whereas, The Congress of the United States is considering legislation to impose sanctions on the Apartheid Government in South Africa; and

Whereas, Compromise legislation passed the House of Representatives on August 1, 1985 by a vote of 380 to 48; and

Whereas, The Senate will consider this legislation in September and will send the bill on to the President.

Now, therefore, be it resolved by the Board of County Commissioners of Shelby County, Tennessee, That this Commission hereby urges the President of the United States and the Members of Congress to support congressional action adopting sanctions as approved by Senate and House Conferees on July 31, 1985 against South Africa.

Be it further resolved, That the Clerk of the County Commission send a copy of this resolution to the President of the United States, the Speaker of the Senate, the Speaker of the House of Representatives, Senator James R. Sasser, Senator Albert Gore, Jr., Representative Harold E. Ford,

Representative Don Sundquist, and Representative Ed Jones.●

AMERICAN NEWSPAPER WEEK

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. D'AMATO. Mr. President, it is my honor today to salute the American newspaper industry and the quality of journalism it represents. One of the fundamental principles upon which this country was founded was, and is, our belief in the unequivocal freedom of speech. It is fair to say that this freedom is historically grounded in the free presses of America.

Publick Occurrences Both Forreign and Domestick was our earliest colonial newspaper. It made its first and only appearance in Boston on September 25, 1690. The paper had failed to get approval from the colonial authorities. For this crime and offenses against good taste, the paper was not printed again. It was not until the week of April 17, 1704, that there was another attempt to establish a publication in the Colonies. That week, Boston Postmaster John Campbell came out with the Boston News-Letter that would continue to be published under several different names until 1776 when the British troops pulled out of Boston.

In my home State of New York, a major journalistic case was to take place at this time—the case of John Peter Zenger, publisher of the New-York Weekly Journal. Late in 1734, four issues of his paper were ordered burned and he was jailed for 10 months. In 1735, Zenger was placed on trial for seditious libel. John Zenger's persistent wife would continue to print the paper during this period and separately printed in 1736 "A Brief Narrative of the Case and Tryal of John Peter Zenger." This last publication was widely circulated in the Colonies. Zenger was finally acquitted, and his case set a major precedent "against judicial tyranny in libel suits."

By the early days of the Revolution, there were 37 papers in the Colonies. These papers were of extreme importance to the colonists, for, with the exception of the Bible and the almanac, they were the only printed materials in many homes. They became the sole source of information, both about the crown and against it.

Throughout the development of the United States, the newspaper would continue to play a vital and daily role. Skipping ahead a century or so we arrive at another period of major influence for American newspapers—the period of the muckrakers. The name "muckraker" was the defamatory way in which Teddy Roosevelt attacked this forceful group of journalists—a group he originally sided with until he felt they were demanding too much reform too fast. In the end, their investigative writings produced much-needed reform of which President Roosevelt and many others would be proud. The muckrakers included such talents as Upton Sinclair, Lincoln Steffens, Ida Tarbell, and Ray Stannard Baker.

These journalists were thought to be approaching socialism, irresponsibility, and just plain sensationalism. However, as we look back on their objectives, we can find little with which to disagree with them. One need only to read Upton Sinclair's novel "The Jungle" to understand the pathetic lack of sanitation that existed at the turn of this century and why these writers and their publishers worked so hard for sanitary meat. Not only did they work for sanitary meat, but they also fought for better working conditions, fewer slums, crackdown on monopolies, and preservation of forests—the last idea would eventually become synonymous with Theodore Roosevelt's Presidency.

Throughout America's great history, American newspapers have been there to say when we had done well, when we could do better, how to choose intelligently the people that we want to lead us, and to provide our basic entertainment and news. This industry prevents tryanny from taking hold and pays attention to high school football games all at the same time. We are quite fortunate to have this tradition and the freedom it represents.●

THE 1986 NATIONAL ENERGY EDUCATION DAY

● Mr. CHAFEE. Mr. President, I rise today in support of the 1986 National Energy Education Day Resolution.

An energy-aware public will be essential in meeting the energy challenges of tomorrow. This resolution, introduced by Senator MCCLURE, proclaims March 21, 1986, as National Energy Education Day [NEED]. The NEED project is more than just a commemorative day. It is a year-round program of energy education activities and events for students and adults.

Today, we enjoy the benefits of an ample supply of energy. The oil embargo of 1973 has shown us that we cannot take this supply for granted. Through the NEED Program, the American public can gain a better appreciation of our dependence on reliable sources of energy.

NEED was originally established in 1980. Since that time, NEED has evolved into a national grassroots network of State, regional, and local school committees. This network has been responsible for encouraging and supporting on-going energy education programs in all of our Nation's schools. The program uses hands-on experience and competition to teach energy facts and leadership skills. Local NEED observances can include energy-enriched curriculums, guest speakers, plays, debates, public service announcements, contests, or fairs. These activities are designed to heighten awareness of energy issues in the community.

Rhode Island has been one of the 34 States to participate in the observance of NEED. In 1984, Tollgate High School in Warwick was selected as a national award winner. Tollgate's project was to research and promote a bottle bill in Rhode Island. In 1985, Nathan Bishop Middle School won the junior level school of the year award for a project entitled "Garbage to Energy." The students found a new way of producing and storing energy—namely, garbage. After extensive investigations and surveys, they presented both the advantages and disadvantages of the "garbage to energy" plant to the public through posters, buttons, debates, and letters-to-the-editors. I am proud of the efforts of students in both these schools to improve our future energy resources.

The NEED theme for 1986 is "exploring energy pathways to tomorrow." It is anticipated that between 8,000 and 10,000 schools will participate in the NEED Program. School programs and nationwide activities will examine the Nation's future energy demands, explore the pros and cons of various energy sources, and discover the benefits of efficient energy management.

Comprehensive energy education programs in our Nation's schools and communities is our best assurance against an energy crisis in the future. The NEED project represents a positive step forward in the education of our Nation. I encourage my colleagues to support this effort.●

CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

● Mr. BOREN. Mr. President, it is my privilege to again join in raising my voice as part of the Congressional Call to Conscience Vigil for Soviet Jewry. Along with many of my colleagues, I have spoken here in this Chamber many times before on behalf of those Soviet citizens who are being forced to remain in the Soviet Union against their will, and I call upon all of my colleagues to redouble their efforts regarding this critical issue.

Mr. President, we know of the tremendous problems facing many Soviet citizens who have applied for permission to emigrate from the Soviet Union. The persecution and restrictions facing many Soviet citizens, particularly those who consistently practice their religion, are well-documented. In addition, the activities of the Soviet Government in this area are

clearly in violation of the Geneva accords. Many of us here in the Senate have called and will continue to call upon the Government of the Soviet Union to change their behavior toward their own citizens.

I am particularly concerned about two Soviet citizens with whom I became acquainted while visiting the Soviet Union several years ago. Naum and Faina Kogan, now both in their 70's, have been seeking to leave the Soviet Union for several years to join their son and his family here in the United States.

Mr. President, I have mentioned the plight of the Kogans before in this Chamber, and I will continue to bring their problems to the attention of the Senate and of all those who follow the activities of the U.S. Congress. In addition to their desire to be reunited with their son and his family, the Kogans face serious medical problems which could clearly be more adequately addressed were they living in the United States. I again call upon those in authority in the Soviet Union to honor the Kogans' request and allow them to come to the United States to live. The problems facing the Kogans are tremendous. Unfortunately, Mr. President, they are all too common among those Soviet citizens who wish to leave the Soviet Union. Merely because of their religious convictions, thousands of Soviet people are discriminated against by their own government.

As our own Government intensifies its negotiations with the Soviet Union, and as the meeting between President Reagan and Soviet leader Gorbachev approaches, it is appropriate that the Congress increasingly direct its attention to the fate of thousands of Soviet Jews and others within the Soviet Union who are being denied their basic human rights. We must persist in demanding attention to this problem whenever representatives of the United States and the Soviet Union meet for discussions. Soviet officials must know that these serious questions of human rights will not be ignored by the Government of the United States.

Mr. President, I am proud that so many groups and individuals here in our own country and around the world continue to take an active interest in the problems confronting these people in the Soviet Union. In my own State of Oklahoma, there are several groups which are playing an active role in this, and which are affiliated with national and international organizations who speak out and challenge Soviet policy regarding emigration. I commend these efforts, Mr. President, and I call upon the Soviet Government to recognize the strong and growing commitment worldwide to securing human rights for all people everywhere.●

NON-SMOKERS RIGHTS ACT

● Mr. STEVENS. Mr. President, since I introduced S. 1440, the Non-Smokers Rights Act of 1985, my office has been flooded with calls and letters from Federal workers, and other private citizens, from around the country. With surprisingly few exceptions, the comments we have received have been extremely supportive. S. 1440, which would limit smoking in all U.S. Government buildings to disignated areas only, appears to coincide with a national mood that I, for one, did not realize was so strong. The nonsmoking American public is aware of the health hazards of tobacco smoke—that's why they chosen not to smoke. And in the face of growing evidence about the adverse health effects of secondhand smoke, nonsmokers around the country are successfully advocating local and state ordinances designed to protect the right of nonsmokers to a smoke-free environment. My bill is modelled on one such law which has been enacted in my State of Alaska.

However, one question that has come up is that of enforcement. My bills, for instance, imposes a fine of $50 to $500 on violators of the designated smoking area rule. I have been asked who, or what agency, within the Federal Government will be responsible for citing violators and, second, what court would have jurisdiction in these cases? As a lawyer, I cannot argue that these are not reasonable questions—except for one thing. Experience has shown that laws restricting smoking to designated areas only are self-enforcing: in the 10 years since Minnesota enacted its Clean Indoor Air Act, and in Alaska, and in any one of the localities, or industries, where smoking policies are in effect, the universal fact is that these policies are self-enforcing, that violations simply are not a reality. For this reason, I have decided to eliminate the enforcement section from S. 1440, as I do not believe it will be needed. And with this troublesome detail eliminated, I urge those who are opposed to my proposal to look at what it really does: It assures smokers of a place to smoke without a concern for offending, or harming, nonsmokers; and it assures nonsmokers of an environment free of what has been indentified as the most lethal form of air pollution—ambient secondhand tobacco smoke.

ADVANCE NOTIFICATION—PROPOSED ARMS SALES

Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 19, 1985.
In reply refer to. 1-12379/85ct.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country for major defense equipment tentatively estimated to cost $14 million or more.

Sincerely,

PHILIP C. GAST,
Director.

POLICY JUSTIFICATION

[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]

(U) The prime contractor will be Ford Aerospace of Newport Beach, California. [Deleted.]

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ORDERS FOR TUESDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that, once the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Tuesday, September 24, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Sena-

tors for not to exceed 15 minutes each: Senator CHILES, Senator LEVIN, Senator BENTSEN, Senator BYRD, and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 11:15, with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, following conclusion of routine morning business, the Senate will resume consideration of S. 51, the Superfund bill.

RECESS BETWEEN THE HOURS OF 12 NOON AND 2 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tomorrow for the weekly luncheons.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, when the Senate reconvenes at 2 p.m., there will be 20 minutes of debate, equally divided, on the Roth amendment, No. 674, and following the conclusion or yielding back of time on the amendment, the Senate will proceed to vote in relation to the Roth amendment No. 674.

The PRESIDING OFFICER. That is the previous order.

RECESS UNTIL 10 A.M. TOMORROW

Mr. SIMPSON. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to; and, at 6:51 p.m., the Senate recessed until tomorrow, Tuesday, September 24, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 23, 1985:

DEPARTMENT OF ENERGY

Mary L. Walker, of Maryland, to be an Assistant Secretary of Energy (Environment, Safety and Health), vice William Addison Vaughan, resigned.

DEPARTMENT OF TRANSPORTATION

John A. Gaughan, of Maryland, to be Administrator of the Maritime Administration, vice Harold E. Shear, resigned.

NATIONAL TRANSPORTATION SAFETY BOARD

Kenneth John Hill, of Virginia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1986, vice Donald D. Engen, resigned.

John K. Lauber, of California, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1989, vice George Herbert Patrick Bursley, term expired.

EXTENSIONS OF REMARKS

CHEMICAL WEAPONS ARE INEFFECTIVE

HON. JOHN EDWARD PORTER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. PORTER. Mr. Speaker, American Heritage magazine recently published a very interesting article by Prof. Barton J. Bernstien of Stanford University answering the question "Why We Didn't Use Poison Gas in World War II." The article is a thoughful examination of the military and moral concerns of allied leaders on the subject of chemical warfare.

Professor Bernstien reveals that Winston Churchill was the most ardent advocate of the use of gas against Nazi Germany. Following the devastating V-1 buzz bomb attacks against London, Churchill directed his military advisers to conduct a "cold-blooded calculation made as to how it would pay us to use poison gas."

British military staff dashed his hopes. They reported that the other munitions available were far more effective. Gas attacks would not be decisive.

The same is true today. This House will soon be asked to fund a new generation of gas weapons that are based on the same gas as developed in World War II. The article's historical lesson is clear: We need a chemical deterrent. We had one in World War II and continue to have one today. We do not need a new expensive and budget-busting weapons system that will be as ineffective as all the chemical weapons that preceded it.

WHY WE DIDN'T USE POISON GAS IN WORLD WAR II

Forty years ago, on August 6 and 9, 1945, American B-29s dropped two atomic bombs on Japan, killing at least 110,000 and possibly 250,000 Japanese and speeding that nation's surrender. During four years of bitter fighting, World War II had become for the United States virtually total war, in which morality had slowly been redefined to allow the intentional bombing of civilians.

Ever since, however, use of these atomic weapons has raised troubling questions about American ethics during the war. Yet lost in the concern is a related question: Why didn't the United States also initiate gas warfare? Did an older sense of morality, rooted in the decades before Pearl Harbor, bar this form of war even as other moral constraints eroded?

During World War II, international law did not actually bar the United States from using gas warfare—although America had signed the 1925 Geneva Protocol outlawing gas, the Senate had never ratified it. Yet every peacetime President from Warren G. Harding to Franklin D. Roosevelt had defined gas as immoral and pledged to abide by the agreement. The cruel gas deaths of World War I, painfully etched in memory, constituted a powerful ethical deterrent. In a secret memo, written soon after Pearl Harbor, Secretary of State Cordell Hull, a Tennessee Democrat and proud Wilsonian, urged the administration to declare unilaterally that it would continue to observe this prohibition. Secretary of the Navy Frank Knox, a Chicago Republican readily agreed: "The Navy is against the use [of gas] in wartime."

But Secretary of War Henry L. Stimson, the leading Republican in the bipartisan war cabinet, opposed Hull's proposal. Any public statement, Stimson contended, might provoke a domestic debate on moral and political issues that would delay military production of gas and lead Germany and Japan to view America as weak. Stressing that these enemies, as well as Italy, had repeatedly violated treaties, and claiming that Italy had used gas in Ethiopia and that Japan had done so in China, Stimson concluded that "the only deterrent is fear of our retaliation, I strongly believe that our most effective weapon on this subject at the present time is to keep our mouths tight shut."

Events soon undercut this cautious strategy of silence. In May 1942 Prime Minister Winston Churchill, fearing German gas warfare against Russia, publicly warned Adolf Hitler that Britain would retaliate with gas on German cities. The next month President Roosevelt, citing new accusations against Japan, issued a similar warning: "If Japan persists in this inhuman form of warfare against China or against any other of the United Nations, such action will be regarded by this Government as though taken against the United States, and retaliation in kind and in full measure will be meted out."

For Churchill, an ardent advocate of poison gas in World War I and never committed to the subsequent moral code against it, and for Roosevelt, sincerely committed to that code, the warnings were designed to deter enemies from launching gas warfare and thus making retaliation necessary. Roosevelt continued to receive reports of scattered incidents of Japanese gas warfare against China, but he and his advisers correctly interpreted these abuses as decisions made by local commanders, not as a statement of a new Japanese policy. Had the President been seeking a pretext to retaliate with gas, he might have seized upon these reports. But his caution and his moral inclinations reinforced each other, and he preferred instead to issue warnings and hope for the best.

In June 1943, using a State Department draft, Roosevelt sharply reaffirmed United States policy on gas warfare: "Use of such weapons has been outlawed by the general opinion of civilized mankind. This country has not used them, and I hope we never will be compelled to use them. I state categorically that we shall under no circumstances resort to the use of such weapons unless they are first used by our enemies." Such a ringing statement of morality, even as the barbarities of war chipped away at other parts of the international military code, made it unlikely that FDR would yield easily to entreaty or to the claim of exigency.

His known opposition to initiating gas warfare blocked some American military planners from seriously considering it and thus deterred the very bureaucratic actions that might have pressed him to reconsider his commitment. He also received indirect support from the Navy and Army Air Force. Top Navy officials had concluded that gas should not be used against civilian populations and that it was not especially effective against military targets. "Hit for hit and pound for pound," said Adm. Ernest King, chief of naval operations, "no service chemical is considered to offer as great effectiveness as high explosive." Air Force leaders, committed to aerial bombing, had reached a similar conclusion.

Even so, the budget and total personnel of the Army's Chemical Warfare Service (CWS) soared. Held to an average annual appropriation of $1.5 million and to about five hundred Army personnel through the mid-thirties, in 1942 the CWS received one billion dollars and had more than sixty thousand employees. Its tasks included preparing for gas and bacteriological warfare, as well as producing incendiaries for bombing, flamethrowers, and other devices.

As the war continued, the Chemical Warfare Service chafed under FDR's imposed restraints. In mid-December 1943, after the bloody Pacific Battle of Tarawa, which had cost the United States more than thirty-four hundred casualties in four days, Maj. Gen. William N. Porter, chief of the Chemical Warfare Service, pleaded with Army superiors to start using gas. In view of American air superiority, he argued, there would be no danger of Japanese reprisals. "We have an overwhelming advantage in the use of gas. Properly used gas could shorten the war in the Pacific and prevent loss of many American lives."

He could find some popular support for his view. "We Should Gas Japan," declared the New York Daily News, and the Washington Tiees Herald asserted. "We Should Have Used Gas at Tarawa" because "You Can Cook 'Em Better with Gas." But such opinion was in the minority; about 75 percent gf Americans still opposed initiating gas weapons.

Porter's pleading proved unsuccessful within the Army—primarily for military, not moral, reasons. Maj. Gen. Thomas T. Handy, of the Army's Operations Division, explained that the use of gas against Japan might provoke Germany "to gas in retaliation." The war was, Handy argued, a two-theater struggle; likely advantages, no matter how attractive in the Pacific, would be outweighed by the likely disadvantages in Europe, the primary theater. "The difficulties inherent in amphibious operations [in the forthcoming D-day landing] against the continent are tremendous and no action should be initiated which would provide the Germans with an excuse for using gas as a defensive weapon against such operations."

Shortly before the D-day invasion the British military chiefs began worrying that the decision by Gen. Dwight D. Eisenhower, Supreme Allied Commander, to use white phosphorus would violate the 1925 Geneva Protocol—which Britain, unlike the United

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

States, was bound by—and might unleash German retaliatory gas attacks. "It is difficult," the Ministry of Defense warned, "to draw a firm line between the use of white phosphorus for smoke and as an incendiary (which may be illegal) and its use primarily against personnel (which may be illegal)." Eisenhower refused to back down. By the time the issue percolated up to Churchill on June 21, the early assault on Normandy was over, and apparently the prime minister decided against appealing the matter to Roosevelt.

After the war an Army chemical-warfare expert concluded that the use of gas by Germany could have delayed the Allied cross-Channel attack by six months. "Such a delay," he noted, "could have given the Germans sufficient time to complete the new V-weapons, which would have made the Allies' task all the harder and England's long range bombardment considerably worse."

About a week after D-day, Germany launched a massive V-1 assault upon Britain, killing twenty-seven hundred people, injuring ten thousand, and damaging the homes of more than two hundred thousand. Eager to punish Germany and hoping to deter future rocket attacks, Prime Minister Churchill wanted to "drench the cities of the Ruhr and many other cities in Germany [with gas] in such a way that most of the population would be requiring constant medical attention." He informed his military advisers: "It is absurd to consider morality on this topic when everybody used it in the last war without a word of complaint from the moralists or the Church. On the other hand, in the last war the bombing of open cities was regarded as forbidden. Now everybody does it as a matter of course, it is simply a question of fashion changing as she does between long and short skirts for women."

Recognizing that he was threatening to cross what many defined as a moral threshold, Churchill indicated that he would use gas only if "it [is] life or death for us, or [if] it would shorten the war by a year."

His directive to military advisers was blunt and chilling: "I want a cold-blooded calculation made as to how it would pay us to use poison gas. . . . I want the matter studied in cold blood by sensible people and not by that particular set of psalm-singing uniformed defeatists which one runs across now here now there."

British military advisers soon dashed his hopes. They argued that gas warfare would divert aircraft from the more effective strategy of bombing Germany's industries and cities. Britain's gas attacks would not be decisive, they feared, and Germany would probably retaliate with devastating effect against England and might also use gas elsewhere in Europe and possibly against Allied prisoners of war.

Churchill complained to an associate that he was "not at all convinced by this negative report," but he reluctantly yielded. "Clearly I cannot make head against the parsons and the warriors at the same time," he lamented privately.

His advisers had also considered bacteriological warfare—probably anthrax, codenamed "N." It "is the only Allied biological agent," the Joint Planning Staff, advisers to the British military chiefs, reported, "which could probably make a material change in the war situation before the end of 1945. There are indications which lack final scientific proof, that the 4-lb. bomb charged with 'N,' used on a large scale from aircraft might have a major effect on the course of the war." The Joint Planning Staff concluded that Britain dependent on the United States for "N," would still lack adequate stocks of it well into 1945. Had supplies been ample, however, Churchill might have faced a tempting military prospect.

In the United States, a relatively powerless group, seeking to halt Hiter's relentless gassing of Europe's Jews as part of the "final solution," urged Roosevelt to threaten Hitler with gas warfare if Germany did not stop its program. These petitions predictably failed. The Joint Chiefs, to whom the pleas were sent, concluded the matter was not in "their cognizance." And Hitler never used gas against Allied armies, probably because he feared retaliation and recalled his own gassing of 1918.

Despite Roosevelt's pledge against gas, the United States Army hoped in 1945 to initiate gas warfare against Japan. On several occasions Gen. George C. Marshall, Army chief of staff, wanted to use it in the Pacific. The first time, after the heavy casualties at Iwo Jima in February and March, Marshall proposed using the weapon on Okinawa before the invasion, then deemed likely to cost thousands of American casualties. Gas warfare, as Marshall later explained, would have pushed the inhabitants to a remote part of the island and kept the Japanese troops in gas masks for about a week, thus so weakinging them that the invasion "could have been accomplished with little loss of life." in recalling these plans, Marshall never mentioned that gas was inhumane. His implication seemed clear: The efforts to save American lives overrode the constraints of morality.

Why, then, wasn't gas used? Marshall later claimed that the chief reason was the opposition of the British, who feared that Germany, caught in the last weeks of war, might use the weapon in Europe. Marshall implied that Roosevelt might have repudiated his pledge and sanctioned America's initiation of gas warfare. There are no records of any conversation with Roosevelt on this matter, however, and probably Britain's fears sufficed to deter Marshall from raising the issue with FDR in the early spring of 1945.

With the defeat of Germany on May 8, such fear of retaliation in Europe evaporated. Accordingly Gen. Joseph Stilwell, the former commanding general of Army ground forces in China, recommended, only a few weeks after President Roosevelt's death, that gas be used in the invasion of Japan. Disregarding Roosevelt's repeated and adamant public statements, Stilwell said, "We are not bound in any way not to use it, and the stigma of using it on the civilian population can be avoided by restricting it to attack on military targets."

At a special session on May 29 with Secretary of War Stimson, according to a recently declassified document, General Marshall pushed for gas "to cope with the . . . last ditch defense tactics of the suicidal Japanese." Appalled by American casualties in the battles on the outlying islands, Marshall argued the case for gas warfare: "it did not need to be our newest and most potent—just drench them and sicken them so that the fight would be taken out of them—saturate an area, possibly with mustard. . . ."

He admitted that public opinion might be a problem but concluded that it could be dealt with. After all, he argued, gas was "no less inhumane than phosphorus and flame throwers and need not be used against dense populations or civilians—merely against these last pockets of resistance which had to be wiped out but had no other military significance."

The issue did not dominate this May 29 meeting, however, for Stimson and Marshall were primarily concerned with the use of the atomic bomb. Marshall, while willing to violate the moral code against gas warfare, was reluctant to use the bomb against civilians. He recommended that it "might first be used against straight military objectives such as a large naval installation and then if no complete result was derived from the effect on that . . . we ought to designate a number of large manufacturing areas from which the people would be warned to leave—telling the Japanese that we intended to destroy such centers."

Just two days later, however, the Interim Committee, a high-level advisory group on the the A-Bomb, "agreed that the most desirable target would be a vital war plant employing a large number of workers and closely surrounded by workers' houses." This would be, in effect, terror bombing—with mass deaths designed to frighten the living into surrendering before they suffered a similar fate.

Untroubled by his defeat on the A-bomb, Marshall continued to argue against FDR's pledge not to use gas. He soon found an ally in Gen. Douglas MacArthur, commander in the Pacific, who could see "no reason why we should not use gas right now against Japan proper. Any kind of gas." Unlike Marshall, MacArthur was not hesitant about killing civilians or using the most poisonous gases.

Marshall also received important support for gas warfare from Assistant Secretary of War John J. McCloy, who argued for reconsidering policy "in the face of the public pressure for the use of gas, which may develop as our casualties rise due to the Okinawa cave type of Japanese defense." McCloy, a distinguished Wall Street attorney, seemed perfectly comfortable about redefining the ethics of war. In the crucible of World War II, morality had been substantially altered; saving American lives and insulating the military from public criticism were McCloy's main concerns.

At Marshall's behest the Army's Operations Division (OPD) in early June put together a paper offering both new and familiar rationales for using gas in the Pacific: It would save American lives, and the British no longer feared German retaliation. There was, however, a serious danger that Japan would retaliate against noncombatant populations, especially in China and in Manchuria and Korea, although such retaliation would be "only to a limited extent." And the OPD acknowledged that the introduction of gas would erode moral restraint but concluded that this made no practical difference, since chemical and biological warfare in any future conflict would be directed against the United States "on the opening day."

American public opinion, the OPD report optimistically concluded, easily could be shifted to accept gas warfare. "A program of education, stressing [that it is not worse than flamethrowers, phosphorus, or napalm] and that lives of . . . soldiers can be saved, will overcome this prejudice. Actually, there is considerable public demand to use gas," the OPD emphasized. Support for gas warfare, near 40 percent according to public opinion polls, had been growing in the months since Iwo Jima.

By mid-1945, as Army planners knew, Japan has produced very little gas and, lacking air superiority, could not use it against

American troops outside the main Japanese islands. While the United States had produced about 135,000 tons of chemical warfare agents, Germany about 70,000 tons, and Britain about 40,000 tons, Japan had only 7,500 tons. In brief, American production was 1,800 percent greater than Japan's.

But if the Army viewed gas warfare as useful in softening Japan, the invasion plans did not hinge upon approval of gas warfare, and planners saw that the use of such a weapon could depend upon Allied agreement. Accordingly the OPD suggested that President Harry S. Truman discuss the issue with Joseph Stalin at Potsdam and then with Chiang Kai-shek.

In Washington, General Marshall sent the OPD report to the other military chiefs. There is no record of replies by Admiral King or by Gen. Henry H. ("Hap") Arnold, chief of staff of the Army Air Forces. The Navy, in view of its faith in bombing and a blockade, had its own agenda for ending the war and was probably not supportive of Marshall's plan.

Arnold had earlier rejected a gassing plan—"a quick knockout of Japan from the air by concentrating on sources of food," partly by spraying mustard gas on rice-producing areas—on tactical rather than on moral or political grounds. As one of his aides had explained, "the effort to do a good job against food would be better expended against material objectives having earlier and certain impact." Given limited resources, the Air Force preferred to continue its bombing of Japanese cities, which some Air Force generals thought might defeat Japan before the planned invasion in November.

Alone among the President's top military advisers, Adm. William Leahy, the crusty, aged chief of staff to the Commander in Chief, opposed Marshall's plan. And unlike many of the top brass, Leahy was not reluctant to raise fierce moral objections. Earlier he had opposed both gas and bacteriological warfare because, as he had told FDR in 1944, they "would violate every Christian ethic I have ever heard of and all of the known laws of war. It would be an attack on the noncombatant population of the enemy." On June 20, 1945, replying sharply to Marshall, Leahy emphasized that Roosevelt had categorically barred first use of gas.

Apparently Marshall never brought his plans to Truman. The last important reference on the matter appears in an OPD briefing paper for the Potsdam Conference: "the advisability of changing the policy to permit the use of gas against the Japanese has been discussed informally by the Joint Chiefs of Staff. [Because the Allies might oppose such a reversal in policy], a decision to initiate use of gas must be taken on the highest level."

If he had wanted to, could Truman have reversed Roosevelt's public commitment? What tactics might he have successfully employed? He could have lied and claimed publicly that Japan had recently initiated gas warfare and that the United States was only retaliating. But such deceit could have backfired and would have been politically risky. As a top-secret Army report warned, "the probability that our decision to adopt gas warfare could be long hidden under the cloak of a framed incident is small."

And despite the optimism of Army planners about public opinion, an open presidential admission of a policy reversal would also have been politically dangerous. The American people, though insured to the intentional killing of civilians by bombing, might still have protested against gas. For years it had been condemned as immoral, and throughout the war most nations—including Germany—had seemed to abide by that ethical code in combat.

By mid-1945 the injury to American prestige and power would not have been worth the military advantages of violatifg the accepted morality. Perhaps if a handful of respected advisers all had argued the necessity of a reversal, Truman might have changed policy. But not even Marshall argued for the necessity of gas warfare; he only said it would be useful. Finally, it would have been difficult for Truman to justify a rejection of FDR's public pledge. Whereas Roosevelt was an architect of the use of the atomic bomb, he was a powerful opponent of gas warfare. In each case FDR's legacy, carried in part by the advisers he had bequeathed to his successor, narrowed the range in which the new President could make decisions. And in each case that legacy probably also fitted Truman's own inclinations.

Yet any analysis of this question of what might have been is, to use FDR's words, iffy. Had the Pacific war dragged on into the late autumn and winter, Truman might have been under growing pressure to use gas against the hated Japanese. The costly struggle was eroding American repugnance to gas, and future battles in Japan, with thousands of GI deaths, might well have led American citizens to push their government to use gas warfare. Under those pressures only a secure and powerful President like FDR, with a firm commitment against gas, might have chosen to resist. Truman, less secure and not wedded to that commitment, might have yielded more easily, especially after the atomic bombings. Truman later wrote, "The Atomic bomb . . . is far worse than gas or biological warfare because it affects the civilian population and murders them wholesale."

And in his last years Truman kept on his bookshelf, next to volumes about the A-bomb decision, a copy of Hamlet, with Horatio's speech in the last act underlined:

Let me speak to the yet unknowing world
How these things came about: so shall you hear
Of carnal, bloody, and unnatural acts,
Of accidental judgements, casual slaughters,
Of deaths put on by cunning and forced cause,
And, in this upshot, purposes mistook
Fall'n on the inventor's heads. . . .
But let this same be presently perform'd,
Even while men's minds are wild; lest more mischance,
On plots and errors, happen.

REMEMBER CONTADORA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. GARCIA. While Central America has not been in the news as much of late, the region's problems remain. A recent article by Dennis Volman of the Christian Science Monitor gives an interesting analysis of the present state of the Contadora process. I submit it to the RECORD for my colleagues' examination.

[From the Christian Science Monitor, Sept. 20, 1985]

CONTADORA COULD BE USEFUL TOOL IF UNITED STATES, NICARAGUA CHANGED POLICIES

(By Dennis Volman)

NEW YORK.—In spite of some technical progress in a meeting last week in Panama, the Contadora Central American peace process remains stalemated.

But regional analysis say that when either the United States or Nicaragua's ruling Sandinistas change their policies toward each other and the time is ripe for negotiations, the Contadora group could become a useful negotiating tool. (Contadora is made up of Mexico, Venezuela, Colombia, Panama, and the five Central American nations except Belize.)

The U.S. believes it can overthrow the Sandinistas or force them to share power with Nicaraguan rebels, called "contras." The Sandinistas believe they can withstand U.S. pressure and refuse to negotiate with the contras.

"The Contadora process might start to work a year or so from now when the U.S. realizes that its present pressure tactics won't change the Nicaraguan government and that a full-blown U.S. invasion is impossible because of domestic political considerations within the U.S.," one senior Latin American diplomat says.

This diplomat and other Latin American diplomats say that if the U.S. decides to negotiate with the Sandinistas (as they think it probably will), the U.S. will, as the senior diplomat said, "probably use Contadora as a screen behind which to conduct the negotiations."

The point at the moment, according to regional analysts, is that the U.S. does not want to see any sort of peace agreement in Nicaragua—either a bilateral U.S.—Nicaraguan one or a more general Contadora settlement (which would imply a series of treaties between all the Central American countries)—unless the Sandinistas completely modify the structure of their government by talking and eventually sharing power with the contras.

Because of the influence the U.S. wields through its three Central American allies (Honduras, El Salvador, and Costa Rica), and their ability to block any peace agreements, analysts describe the U.S. as the "great silent partner" in Contadora, which was formed in 1983.

At present foreign policymakers in the U.S. would rather see no treaty at all than a treaty which doesn't meet U.S. goals of substantially changing the nature of the Sandinista regime, says Susan Kaufman Purcell, director of Latin American Studies for the Council on Foreign Relations.

Despite some technical progress made last week, where the Contadora foreign ministers made small advances in discussions on general economic and political declarations, the basic situation remains unchanged. "They can continue to make progress on technical issues, but those are only details in a framework which is basically stuck," says Ms. Purcell, who has published a recent study of Contadora.

She says for the moment U.S. officials are confident that their pressure tactics on Nicaragua have a strong chance of working. They say that contra forces are growing and could become a serious threat to the Sandinistas. Therefore, she does not see the U.S. moving toward the Contadora agreement in the next few months.

The key to Contadora, she says, is what happens in Nicaragua within the next year or so. If contra strength grows greatly, it is expected that the Sandinistas might back down and begin to negotiate with the contras.

If this does not happen then it is possible that the U.S. might shift its policy and use Contadora to come to an agreement with the Sandinistas. Purcell says that a U.S. invasion is unlikely.

She says that in order to reach a Contadora agreement. Nicaragua must back down from its present position that it will not accept any changes in a provisional accord arrived at last September. That accord is unacceptable to the U.S. and its Central American allies, because it states that the U.S. would have to stop aiding the contras before Sandinista troop reductions or the departure of foreign advisers (including Cubans in Nicaragua) took place.

Some regional observers had hoped that the Lima group (Argentina, Brazil, Peru, Uruguay), formed in July to assist Contadora, might help resolve the Central American crisis by sending South American peacekeeping forces to Nicaragua's borders. Regional observers say this is unlikely at this time.

As one senior Latin diplomat stated, "There is little concrete impact that the Lima group can have at this time. It's main function would be to act as a break on potentially negative U.S. actions, to let the U.S. know that if it invades Central America it would have to deal with all of the major countries in the region."

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. CLINGER. Mr. Speaker, on September 20, 1985, I was absent from the floor of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 314: Journal, the House approved the Journal of Thursday, September 19, "yea";

Rollcall No. 315: H.R. 3248, Arts and Humanities, the House agreed to the rule (H. Res. 266) providing for the consideration of the measure to amend the National Foundation of the Arts and the Humanities Act of 1985, "yea"; and

Rollcall No. 316: H.R. 2100, Food Security Act, the House agreed to the rule (H. Res. 267) on the measure, "no."

ABUSE OF THE AGED MUST END

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. PEPPER. Mr. Speaker, a few weeks ago, while reading the New York Times, I was impressed by an editorial entitled "Abuse of the Elderly Must End." It is a very concise and well reasoned opinion which I would like to have entered into the CONGRESSIONAL RECORD.

At the invitation of the Subcommittee on Health and Long-Term Care, which I chair, the author of this editorial, Mr. Kirk Douglas, graciously and at his own expense agreed to come to Washington and testify before us on September 18, 1985, on the issue of abuse of the elderly.

Over the years, most Americans have become familiar with Mr. Douglas as a fine actor, with more than 70 pictures to his credit. It is his most recent role, as "Amos," that was the genesis of this article. "Amos" will air the night of September 29, 1985.

Mr. Douglas has traveled extensively on behalf of the State Department, through China and Pakistan, through the Eastern bloc nations and Europe, and through South America, discussing openly his pride in our Nation and in its way of life, which has twice before generated articles which have appeared in the CONGRESSIONAL RECORD.

For these travels, Kirk Douglas has received the highest civilian award this country can bestow: the Presidential Medal of Freedom.

Mr. Douglas is a man who is not afraid to speak out for this country's greatness, or against its shortcomings. I appreciated his well-chosen words at our subcommittee hearing, and I would like to share this article on elder abuse with you all. Thank you.

ABUSE OF THE AGED MUST END

(By Kirk Douglas)

BEVERLY HILLS, CALIF.—I recently became aware of a serious problem in this country while working on a film that takes place in a nursing home where the patients are systematically abused. Some of the abuses in the script shocked me, and I assumed they had been exaggerated for dramatic purposes. I was devastated when I found out that the reverse is true: the abuses had been toned down to make them acceptable on television.

More than one million elderly Americans are abused every year, in nursing homes and in their own homes, at the hands of unkind strangers and unscrupulous relatives.

Elder abuse is physical. The elderly are beaten, burned, raped, deprived of food and liquids, or left to die in their own waste. They are punished with cattle prods. Experimental drugs are slipped into their food without their knowledge or consent. The elderly are killed, deliberately or by neglect, by people who assert that the old are better off dead anyway.

Elder abuse is emotional. They are told they are crazy, tied to wheelchairs in closets, forced to eat out of the dog's dish. They accept degradation to keep a roof over their heads.

Elder abuse is financial. The Government used to mail thousands of dollars of other people's Social Security benefits to the Rev. Jim Jones every month at his camp in Guyana, and never questioned what he was doing with the money. Over an 11-year period, a woman embezzled $173,000 from 32 elderly servicemen living at the United States Soldiers' and Airmen's Home in Washington. Time after time, older people have granted power of attorney to a friend or relative—who then takes everything the older person has.

How has this been allowed to happen? Nobody cared—largely because in America, "old" is a dirty word, and it happens to somebody else. Governor Richard D. Lamm of Colorado could say that the elderly have a "duty to die and get out of the way" because Americans have a stereotypical—and false—image of the elderly as useless and waiting to die.

We ignore of the vast numbers of elderly who continue to grow and learn, to share the expertise of a lifetime with others. Americans ignore the fact that their own President is 74 years old. And so the abuse increases, by 100,000 new cases every year since 1981. State laws are inconsistent as to who is required to report abuse of the elderly, and what the penalties are for not reporting. There is no national law requiring the reporting of elder abuse.

Three bills now before Congress would begin to rectify this situation. One would require investigation of criminal cases of abuse and neglect in homes receiving Medicaid funds. Another would require that facilities receiving Medicare and Medicaid payments post bonds to assure the security of patients' funds. A third would establish a National Center on Elder Abuse.

The support of all Americans, old and young, is needed to pass these bills. It took Congress 100 years to pass a national law on child abuse, after the American Society for the Prevention of Cruelty to Animals argued before the Supreme Court that a child is a member of the animal kingdom, too, and thus is entitled to the same rights as any other animals. The A.S.P.C.A argued the case in 1874; Congress passed the law in 1974.

We cannot wait 100 years to deal with elder abuse. At the beginning of this century, only one in 16 Americans was over 60. By the beginning of the next century, one of every four Americans will be over 60. If we wait, by the time our children grow old, they won't stand a chance.

MR. GORBACHEV: WOLF IN DOVE'S CLOTHING

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. BROOMFIELD. Mr. Speaker, much has been written about the new Soviet leader in recent months. He has been described as "having a nice smile, but iron teeth." Others have said that he was polished, charming and capable. I want to recommend the following insightful article on Mr. Gorbachev to my colleagues. I believe that Jeane Kirkpatrick's analysis of the man is particularly accurate and helpful for those of us who carefully follow these important international issues.

The upcoming talks between our President and Mr. Gorbachev could be productive. Whide I appreciate Mr. Gorbachev's capability in the public relations area, I hope that the talks will not be a forum for rhetoric and image making. I trust that the Soviets will shgw a real change in attitude followed up by positive actions. Invadifg Afghanistan, shooting down airliners, and murdering and harassing United States military observers in East Germany is not the way to build trust, confidence and good relations between nations. We all want

peace. Better relations result, however, by peaceful gestures, not aggressive actions. Focusing Soviet energies on internal development, and not on external meddling, is the course that Mr. Gorbachev should follow.

With these concerns in mind, I commend the following Los Angeles Times article to the Members.

[From the Los Angeles Times, Sept. 15, 1985]

GORBACHEV: WOLF IN DOVE'S CLOTHING

(By Jeane Kirkpatrick)

The most interesting and important political event of the summer, surely, has been the ongoing transformation of the Soviet Union's ruling elite. Like so many other developments during the brief tenure of party leader Mikhail S. Gorbachev, this one was set in motion by his patron and predecessor, Yuri V. Andropov. With confidence and skill reminiscent of Josef Stalin's consolidation of power in the 1920s, Gorbachev is unceremoniously retiring rivals and replacing the Chernenko generation with younger men who have more reason to be loyal to him. New ministers and managers have been appointed to direct foreign affairs, defense, the economy and education. And most significantly, the party itself is being "renewed" with personnel changes extending from the Politburo to the local parties.

The evidence so far available suggests that the new leaders are much better than their predecessors at both interpersonal and international politics. Gorbachev has already demonstrated that he is a master chess player capable of pursuing a complicated global strategy. Already he has moved to assert clear Soviet leadership over the Eastern Bloc, to cement relations with Third World client states, to woo America's allies and to carry an appeal directly to the American public.

Thus, Gorbachev has launched an offensive *de charme* in Europe that includes a projected meeting with France's President Francois Mitterrand in Paris one month before he sees Ronald Reagan in Geneva. His Asian moves include a stepped-up courtship of China, new aid for India, new threats and promises for Pakistan, continuing war for Afghanistan, a medal for Philippine President Ferdinand Marcos, some complaints against Japan's "resurgent militarism" and an intensified Soviet naval buildup in the northern Pacific.

In dealing with Americans, Gorbachev has demonstrated a flair for utilizing politics, diplomacy and military might in pursuit of Soviet goals. He not only restored arms-control talks in Geneva, he has talked arms control to an array of congressmen, senators and journalists, offsetting rigid formal proposals with promising informal hints and suggestions.

As his interview with Time magazine showed, Gorbachev and his colleagues understand that the open politics of the United States and the democracies are open to them, and offer promising possibilities for directly and openly influencing public opinion and policy decisions. Soviet representatives have learned to work Congress like skilled lobbyists. They have found spokesmen who can mix it up with Ted Koppel on "Nightline." There were no grounds for surprise that Gorbachev granted Time an interview with the clear purpose of influencing the United States' arms-control position at the coming summit.

As the interview confirmed, the Soviet Union does not want the United States to develop a defense against Soviet missiles. Aware that they have a clear superiority in offensive weapons, they want to maintain the advantage and U.S. vulnerability. They seem to have understood that most Americans hate and fear war, are sick of high defense budgets and long for meaningful arms control agreements.

Gorbachev's performance in that interview was impressive in the various ways commented upon by the American media. One disturbing aspect has been less noted.

To appeal to the American public's dread of war, Gorbachev emphasizes and, I believe, exaggerates the level of tension and conflict between the United States and the Soviet Union. "Relations between our two countries are continuing to deteriorate," he says, "the arms race is intensifying, and the threat of war is not subsiding."

What threat of war? Gorbachev tells us the Soviet Union will "never start a war." Anyone who knows Ronald Reagan knows that he will not start a war.

Gorbachev comments that "(the) situation (in the world) today is highly complex, very tense. I would even go so far as to say it is explosive."

Why is it explosive? Nowhere in the world are the United States and the Soviet Union confronting one another directly as they did in the Berlin blockade or the Cuban missile crisis.

What is Gorbachev talking about? Surely he is not suggesting that the American desire to defend itself against Soviet missiles creates an "explosive" situation.

It is not the first time that new Soviet leaders have invoked the fear of war in the effort to influence Western publics and governments. In the German elections, in the campaign against missile deployments, in the efforts to diminish Ronald Reagan's electoral chances, the level of East-West tension was first exaggerated by the Soviets and then by the American media, who hyped the Soviet hype.

One hopes it will be the last time that the fear of war is invoked to persuade Western nations that it is too dangerous to defend themselves. One hopes the new leaders will abandon this verbal brinkmanship as they grow more accustomed to Western-style politics.

In fact, U.S.-Soviet relations have not deteriorated in recent months, tensions are not explosive. Even if the Soviets were to break off arms-control talks in Geneva, as Gorbachev hints, there would be no crisis. Arms-control talks are desirable but we have lived without them. Their absence could not endanger the peace. Obviously, however, it would be far better to continue the talks till progress is achieved.

We have Gorbachev's word that the new Soviet leaders desire nothing so much as the opportunity to cut military expenditures and concentrate on internal economic development. "The main thing," he says, "is to make life better for the people."

It is possible that the new Soviet elite will give priority to internal development over external expansion. Generations do differ, goals do change. We do not know whether the new rulers will be more reckless or more peaceable, more rigid or more pragmatic. We do not know their priorities. There is room for hope.

SALVADORAN SECURITY AGENTS AND THE LAW

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. GARCIA. Mr. Speaker, our colleague Representative GEORGE MILLER has written an important op-ed piece for the Christian Science Monitor on providing training for Salvadoran police and the need for that nation to establish a functioning judicial system.

The next day's edition of the Monitor thought enough of the article that it published its own editorial mentioning GEORGE MILLER's concern and remedy. I submit both pieces for the perusal of my colleagues. The points made in each are well taken.

The articles follow:

[From the Christian Science Monitor, Sept. 19, 1985]

SALVADORAN SECURITY AGENTS AND THE LAW

(By George Miller)

On June 2, hundreds of Salvadoran police carrying automatic weapons burst into five hospitals and 20 clinics of the state-run health system to end takeovers by striking health workers.

According to press reports, one patient and four plainclothes security guards were killed. At the General Hospital, according to witnesses, more than 100 security agents bound the hands of several hundred hospital workers and forced them to lie on the floor. The commanding officers of the operation produced no evidence to reporters that any of the striking workers were armed.

The issue is not only whether the strikers had legitimate grievances; a more important question is the use of a supposed "antiterrorist" force to respond to labor grievances.

From the United States standpoint, the distressing fact is that the Salvadoran policemen, drawn from a "Special Anti-Terrorist Command," were trained and equipped by the US, in dubious compliance with provisions of the US law.

Since 1974, the US government had been prohibited by law from providing any "training or advance . . . or any financial support for police, prisons, or other law enforcement forces" abroad. In El Salvador, that law has meant that the US could not provide assistance to the "security forces"—the National Guard, National Police, or Treasury Police. Yet the "Special Antiterrorist Command," trained by US advisers, has been drawn almost exclusively from the notorious Treasury Police, according to Defense Department officials.

In this year's foreign aid bill, signed into law Aug. 8, Congress repealed the decade-old ban on police training in El Salvador and Honduras. The decision occurred in the wake of the tragic attack by guerrillas on US marines and US and Salvadoran citizens at a sidewalk cafe in San Salvador. The anger reflects a nearly universal desire here at home to take action against terrorism abroad.

But without careful controls, police assistance in El Salvador may only repeat the failure of our past training efforts to promote respect for human rights. At worst, the program may be totally counterproduc-

tive and assist those who have been accused of massive brutality over the past five years.

Congress originally adopted the ban on police assistance in 1974, when a Senate review concluded that the aid was linking the US to the terror repressive governments perpetrated against their own citizens. It stigmatized the total US foreign aid effort, the Senate review concluded.

Between 1957 and 1974, the US spent more than $2 million in El Salvador to train and equip about 500 members of the security forces. When Congress ended the program, administration officials claimed it had been successful: The National Police, they said, had been turned into a "well-disciplined, well-trained, and respected uniformed corps."

This glowing assessment, however, was contradicted by organizations in close touch with the situation. According to El Salvador's Roman Catholic archdiocese and international and US human rights groups, the Salvadoran security forces—some of them led by US-trained personnel—engaged in systematic atrocities against the civilian population: torture, murder, and disappearances.

Clearly, human rights abuses in El Salvador are not as pervasive as they were even two years ago. Yet administration claims that US aid to Salvadoran police forces will improve human rights must be weighed against the evidence—witness the hospital strike, and the behavior of the US-trained commando unit.

To renew assistance to internal security forces that have long been linked to death squad activities is hardly a means of ending the killing of innocent civilians in El Salvador. This is especially true in light of the fact that over the past five years, not one member of the Salvadoran military or police has been brought to justice for a human rights violation against a Salvadoran citizen.

Now that the ban on police training is lifted, the administration will ask Congress for tens of millions of dollars for a new program in El Salvador. Rather than turn the money over to some of the same people who were responsible for atrocities against civilians, we should condition its disbursement on the establishment of a functioning judicial system. Until security agents can be held accountable for their behavior, the police will be above the law, not vice versa.

[From the Christian Science Monitor, Sept 20, 1985]

DUARTE: FUNDS WITH SAFEGUARDS

Whatever happened to Central America? Not long ago it was hard for anyone in the United States to escape hearing about the troubled region.

Central America and its problems are still there, or course: Aspects of the situation have eased, yet great peril remains.

But in the U.S. the rhetoric has been toned down on all sides. At the moment the Reagan administration is clearly on top, with Congress rather placidly disposed to give it most of what is sought in Central American aid. The administration is about to begin spending the $27 million in nonmilitary aid Congress approved two months ago for the "contras", soon it is expected to tell how much money it wants this coming fiscal year for military aid to Central America, and to ask that it be appropriated.

In addition, the administration this week has made clear that it is seeking an additional $54 million to aid five Central American nations to combat terrorism; the largest amount—$22 million—would be for El Salvador.

If today's political climate continues, the administration can be expected to get about $54 million. Incidents of urban terrorism by the left have increased in El Salvador in recent months, most recently the tragic kidnapping of a daughter of President Jose Napoleon Duarte. Doubtless the Duarte government, and its neighbors, do require additional funds for training and equipment.

In view of past atrocities by government security forces against innocent civilians, however, Congress ought to insist that no future funds be given to organizations headed by individuals involved in human rights abuses. Congress further should consider the recommendation of U.S. Rep. George Miller, made yesterday in these pages, that such assistance should be conditional "on the establishment of a functioning judicial system." There should be no backsliding on the diminution of recent months in the number of human rights violations by the right.

What Congress does in the future about administration requests for Central American aid is likely to be determined by two factors. One is the performance in office of El Salvador's Mr. Duarte; so long as he retains the Congressional confidence he now has, that body can be expected to approve aid to Central America without major change, inasmuch as El Salvador receives so much of the funding. Unless, that is, the second factor intervenes: news developments unfavorable to the Reagan administration's positions. For instance, Congress, like segments of the American public, would be particularly sensitive to any reports of major atrocities by forces backed by the United States, such as have occurred in the past.

By the same token, what finally led the House of Representatives to approve the last $27 million in contra aid was the trip of Sandinista leader Daniel Ortega Saavedra to Moscow: Similarly obvious evidence of linkage between the Soviet Union and the Sandinistas, or leftist guerrillas in El Salvador, would also bring about congressional support for the administration.

JIM DuBOSE STRIVES TO MAKE LIFE BETTER AT NEW COMMUNITY CORP.

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. RODINO. Mr. Speaker, it is a rare privilege for me to call my colleagues' attention to an article that recently appeared in the Newark Star-Ledger.

The subject of this article is Jim DuBose, a long-time friend of mine, who retired from the Newark police force last year and became the security director at the New Community Corp. He has brought to this position the same zeal, energy, and dedication that were characteristic of his years on the police force, and his impact on the lives of people at the New Community Corp. is already being felt.

I think the following article expresses what all of us who know and respect Jim have known for a long time, and I am very proud to insert it into the RECORD.

The article follows:

COMMUNITY CORP. SECURITY CHIEF MOTIVATING FORCE IN BUILDING BLACK PRIDE

HELPING PEOPLE IS FORMER DETECTIVE'S MODUS OPERANDI

(By Caryl Lucas)

To James Dubose, the New Community Corp. (NCC) is "a city within a city." And, since his appointment as chief of security for the NCC last January, the retired Newark police veteran has been striving to make life better for the 5,000 residents living there.

After 28 years of service to the Newark Police Department, the former detective says he is still doing what he loves best—helping people.

The long-time "peace officer" also has been a vital force in bolstering the morale of the 80 NCC security officers now under his command.

While Dubose believes that the primary role of the security force is protecting NCC residents, he added, "Our goal is to do more than offer security in the area, because we're working to improve the quality of life in Newark.

"We aim to present positive role models and provide not only NCC tenants, but everyone in the community, with leadership and guidance," said the life-long Newark resident.

While serving as a member of the police force, Dubose helped found the Bronze Shields, an organization of black police officers established in 1960 which has similar aims in the community.

According to Dubose, the NCC security officers' duties run the gamut from handling petty crimes to settling domestic disputes.

"Although we do not carry armed weapons to enforce the law, our force is well equipped to handle emergencies and get the job done efficiently," he said.

"We have a great working relationship with the Newark Police Department," the security director said.

"During a 90-day orientation and trial period, NCC security officers are provided with a diverse and intense inservice training program, taking classes in self-defense and first aid and participating in lectures on laws of arrest and court reporting," he said.

Since 1967, NCC has been developing housing for low-income city residents, senior citizens, single parents and large families and building day care and health care facilities as a means of providing a variety of social services to all age groups.

Today, NCC owns and manages eight housing development, three Babyland day care centers and the newly renovated $1.9 million St. Joseph's Plaza.

Over the years, NCC has continued to fulfill its mission of rebuilding and restoring the city. It has generated 4,000 construction jobs and $29 million in construction wages. There are more than 62 buildings and 2,265 apartments that have been built by NCC at a total cost of $88 million.

"I've been working in security at NCC for eight years," said Sgt. Bernard Holloway. "Our force has watched directors come and go. Many of them made promises and said they were going to do so much," he added, "but nothing big happened."

"Director Dubose is a whole new story," the security officer added. "He's moved quickly from day one. A whole lot of positive things have been happening around here.

"He's turned our force into a group of role models, and those officers who couldn't

meet the standards have been weeded out," he said.

Officer Anthony Moultrie said. "Dubose is a perfectionist, and he goes strictly by the book. For the past nine months he's exerted his energies into making our force a more professional unit in tune with the needs of the people we serve.

"Dubose is the first positive director we've had in a long time. He's very concerned about the city and the people who live here," he said.

Moultrie, who serves as the coordinator of the NCC Big Brothers program explained, "Our director was very supportive and instrumental in getting the Big Brothers program off the ground. He has made a strong commitment in helping our children who are in desperate need of positive black male role models.

"Three months ago, we formed our organization because there is a large number of single parents living in the NCC community," said the Rutgers criminal justice graduate. "Our goal is to reach those children in desperate need of adult companionship.

"So far," Moultrie added, "we have 18 boys between the ages of 5 and 16 participating in our program.

"Through our Big Brothers group, each of these youngsters will be matched with one of our security officers who will volunteer their services to provide the kids with a warm one-to-one relationship," he said.

"Our motto is 'Little People Need Big People,' because they are our future," added Moultrie. "If we let their minds go to waste, then we won't have anything."

For 15-year-old Scott Brown, the Big Brother program already has made a big difference in his life.

"This summer has been the greatest," said Scott. "I'm glad that my friend Eugene asked me to join because I've had the opportunity to meet Anthony and go on some terrific day trips. We went to Sandy Hook, visited the zoo and museum, and saw the Mets play the Cincinnati Reds at Shea Stadium," he added.

"We've started the Sentinels, a non-profit charitable organization also comprised of NCC security officers to assist the Big Brother program," added William Cameron, a security sergeant who serves as club president.

"The purpose of our group will be to organize a scholarship fund for Newark students and expose our youngsters to a variety of educational and cultural opportunities."

"Dubose has brought a new sense of pride to the NCC community," added Cameron. "And, he has motivated the officers to get more involved and help the children and teenagers in our community deal with their problems."

John Jackson, commander of the NCC color guard, said, "It was also his idea to start the color guard. Our squad has helped to enhance our security unit. It symbolizes the new pride that has been generated among the officers.

"We're demonstrating leadership and discipline skills to the kids who love to see us dressed in our regalia," said Jackson. "Now, we're thinking about starting a junior color guard."

Ralph Simpson, 67, who resides at the NCC Commons Senior Complex, 140 South Orange Ave., said, "I moved here in 1980. Today, this building still looks like it is brand new, because of the excellent security here.

"We've never had any problems with vandals, or any major crimes for that matter," said Simpson, president of the Tenants' Association.

Georgia Brown, 74, another NCC resident, added, "I've lived in Newark for more than 30 years and I've never felt safer than I do now."

A TRIBUTE TO TED PERKINS

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mrs. KAPTUR. Mr. Speaker, this week the Fulton County, OH, Democratic Party will be honoring one of the county's most admired and respected citizens, Ted Perkins. Ted Perkins is a lifelong resident of Fulton County. For most of his adult life he has been a leader in making Fulton County a better place in which to live.

For nearly 30 years, Ted Perkins was a trustee of Swancreek Township. During these years, Ted was a steady force for improving local government services. He was always innovative in his approach to local issues and was committed to seeing that the township meet its responsibilities to its citizens.

While working to strengthen Swancreek Township and Fulton County, Ted Perkins was also helping build the Fulton County Democratic Party, serving as its chairman for many years. He showed the same type of concern for his party as he did for local government, realizing the importance of both. And with all of his work on behalf of his neighbors and fellow citizens, Ted Perkins has been a wonderful family man. To his wife Ann and the entire Perkins family, thank you for sharing Ted with us all of these years. I know my colleagues in the House of Representatives join me in congratulating Ted Perkins on his lifelong commitment to community service and wish him well on his 75th birthday.

CONGRESSIONAL SALUTE TO JOHN C. PATTERSON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. MATSUI. Mr. Speaker, I rise today to commend John Patterson, an outstanding member of the Sacramento community, on the 40th anniversary of the founding of the Patterson Aircraft Co.

John's hard work and cheerful manner have earned him the respect and admiration of friends and colleagues throughout the Sacramento area. He has combined an urge to try new concepts with a thoughtful sense of what is best for the community, and the result has been the steady growth of both his company and aviation in general in the Sacramento Valley.

Upon his arrival in Sacramento in 1946 after serving as a test pilot during World War II, John took it upon himself to improve Sacramento's airport facilities and services. Forty years later, John's exemplary efforts are responsible for much of the improvement at Sacramento's Executive Airport and the airport at the University of California, Davis. These improvements, including a 10,000-square-foot office building and 18 new hangars for corporate planes, make the airports attractive to pilots looking for maintenance and bases for their aircraft.

The Sacramento area could never properly acknowledge all the good that John brought with him to our community, nor could he ever be repaid for the outstanding contributions he has made since his arrival. John has accomplished his goal of running a responsible business that is recognized by our community and beyond as an operation with integrity.

Mr. Speaker, I join with all John's friends in wishing him continued success as he moves on to his new position as chairman of the board of Patterson Aircraft Co.

A TRIBUTE TO THE QUEENS SYMPHONIC ORCHESTRA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. SCHEUER. Mr. Speaker, the Queens Symphony Orchestra enters its 33d year in the 1985–86 season. Under the inspiring leadership of its founder and music director, David Katz, the orchestra has become one of New York City's five major symphonic orchestras.

Support from the Queens community has made possible the many quality programs that the orchestra offers to the residents of Queens and Metropolitan New York.

On Sunday, September 22, special recognition was given to the Queens Symphony Orchestra charter chair benefactors who have taken a leadership role as individuals who directly support the orchestra through their generous commitment. I would like to bring these outstanding people to the attention of my colleagues.

John and Nell Rollo, concertmaster: Alvin and Naomi Burnett, principal bass; Julian and Myrna Grow, principal trumpet; David Katz, principal oboe; Elsie and Leon Levy, principal flute; Joshua and Harriet Muss, principal cello and Ruth Brooks, timpani.

Mrs. Arthur King, keyboard; Margery and Steven Kolman, violin; Sylvia and Sidney Kraut, viola; Michael and Sydelle Lazar, horn; Claire and Sam Prozant, violin; Myrtle Racanello, clarinet and Oscar Katz.

TAX MONEY AND HEALTH CARE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. CLAY. Mr. Speaker, while this Congress is wrestling with the critical issue of adequate health care for American citizens and how we are going to pay for it, the city of St. Louis has approved a nefarious scheme which abandons the concept of local government responsibility to provide such service and award millions of tax dollars to several special interest private entrepreneurs for pretending to care about our indigent sick. Unfortunately, influential elements in the power structure, including the daily press, have distorted facts, obscured issues and confused the debate surrounding this important question. The propaganda campaign launched by them has reduced discussions to a disagreement between two elected officials: Mayor Schomehl and myself.

Mr. Speaker, I am supporting an initiative petition drive to guarantee the voters of my community the right to approve or disapprove this unconscionable raid on the tax coffers. The plan supported by the mayor, the daily press, the downtown business groups and a few others misguided individuals proposes to:

First, appropriate $23 million of tax moneys to purchase a hospital and give it free of charge to a penniless private corporation;

Second, commit city taxpayers to $250 million—quarter of a billion dollars—over a 10-year period without a vote of the electorate;

Third, authorize tax subsidy of a private hospital and at the same time insulate that private business against malpractice suits and bad debts. The contract entered into will pay all malpractice indebtedness, even for private patients. Uncollectable bills created by private patients will be reimbursed by city taxpayers; and

Fourth, totally finance a private nonprofit corporation that does not own any medical equipment, has no medical staff, owns no hospital property, has no expertise in caring for indigent patients and stands to make millions of dollars in profit from the taxpayers.

Mr. Speaker, the success of this plot depends heavily on the billions of dollars this Congress appropriates in Medicare and Medicaid funds. Those funds may well provide the margin of profit in the city's tax subsidized medical fiasco. I intend to prevent such a tragedy, if possible.

THE ARTS' KEY ROLE IN OUR SOCIETY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. LANTOS. Mr. Speaker, on the 20th anniversary of the passage of the National Foundation of the Arts and Humanities, Arthur Schlesinger, Jr., wrote an outstanding article on the key role of the arts in our society which was published in last Friday's New York Times.

I call this to the attention of my colleagues, because we here in the Congress frequently face hard choices for national funding priorities and it is important that we remember the arts as those choices are made. As Professor Schlesinger so ably reminds us:

If history tells us anything, it tells us that the United States . . . will be measured in the eyes of posterity less by the size of its gross national product and the menace of its military arsenal than by its character and achievement as a civilization.

I urge my colleagues to ponder this message.

THE ARTS' KEY ROLE IN OUR SOCIETY

(By Arthur Schlesinger Jr.)

This is a year curiously dotted by anniversaries; and one must hope that, as we salute the bitter memories of war, a less dramatic anniversary will not slip by unnoticed.

Twenty years ago this week, the Congress passed the National Foundation of the Arts and Humanities Act. The act's preamble declared that support of the arts and humanities, "while primarily a matter for private and local initiative, is also an appropriate matter of concern to the Federal Government." In enacting this law, which led to the establishment of the National Endowments for the Arts and for the Humanities, Congress affirmed a conviction that the arts and humanities are vital to the health and glory of the Republic.

This was not a novel idea. In his first annual message, President George Washington told Congress he was "persuaded that you will agree with me in opinion that there is nothing which can better deserve your patronage than the promotion of science and literature." A third of a century later, President John Quincy Adams called for laws promoting "the cultivation and encouragement of the mechanic and of the elegant arts, the advancement of literature, and the progress of the sciences." In the third year of the Civil War, President Abraham Lincoln ordered that construction of the Capitol dome be completed. When critics objected to the diversion of labor and money from the prosecution of the war, President Lincoln said, "If people see the Capitol going on, it is a sign that we intend this Union shall go on."

President Franklin D. Roosevelt recalled this story in 1941 when, in a world ablaze with war, he dedicated the National Gallery of Art in Washington. And President John F. Kennedy recalled both these stories when he urged public support for the arts in 1962. Both Lincoln and Roosevelt, Kennedy said, "understood that the life of the arts, far from being an interruption, a distraction, in the life of a nation, is very close to the center of a nation's purpose—and is a test of the quality of a nation's civilization."

The policy of Federal support is an expression of the value the Republic places on the arts, a symbol of the role assigned to the arts in our national life. And Congress today remains steadfast in its belief in the centrality of arts to a civilized society. It has shown no disposition to repeal the act of 1965 and has steadily resisted Presidential attempts to cut National Endowments budgets.

Yet the idea of public support, and with it the idea that the state of the arts is a matter of national concern, are under increasing challenge—ironically not from Congress but from renegade parts so the intellectual community itself. We live in a decade that likes to disparage government and to exalt the market. We are told that, if a cultural institution cannot pay its way, then it has no economic justification and, if no economic justification, no social justification. Art, we are given to understand, must stand or fall by the box-office test, and the devil take the hindmost.

To deny the arts a public role is the real *trahison des clercs.* For painters, composers, writers, film-makers, sculptors, architects, orchestras, museums, libraries, concert halls, opera houses contribute indispensably to the pride and glory of the nation. They are crucial to the forming of national traditions and to the preservation of civic cohesion. George Washington wrote: "The Arts and Sciences essential to the prosperity of the State and to the ornament and happiness of human life have a primary claim to the encouragement of every lover of his Country and mankind." The arts and humanities serve us all. They are surely as worthy as banks, corporations and other agencies of private profit to be objects of Federal concern, subsidy and even bail-out.

If history tells us anything, it tells us that the United States, like all other nations, will be measured in the eyes of posterity less by the size of its gross national product and the menace of its military arsenal than by its character and achievement as a civilization. Government cannot create civilization. Its action can at best be marginal to the adventure and mystery of art. But public support reinvigorates the understanding of art as a common participation, a common possession and a common heritage.

"Great nations," said John Ruskin, "write their autobiographies in three manuscripts—the book of their deeds, the book of their words and the book of their art. Not one of these books can be understood unless we read the two others; but of the three the only quite trustworthy one is the last. The acts of a nation may be triumphant by its good fortune; and its words mighty by the genius of a few of its children; but its art only by the general gifts and common sympathies of the race."

CONGRESSMAN OBEY STAYS OFF THE FENCE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent editorial written by Mark Shields which appeared in the Washington Post September 19, 1985, about our colleague from Wisconsin, Congressman DAVE OBEY.

It is a commendable piece and a tribute to our colleague who has achieved credibility, as Shields says, by saying what he means and meaning what he says on many foreign policy, as well as domestic, issues we confront.

The editorial follows:

OFF THE FENCE ON ISRAEL

(By Mark Shields)

Historically, no group has been tougher on the duplicity and the sham of politicians than other politicians. Of Sir John Simon, who defected from his Liberal Party to sit among the Tories in the House of Commons, an angry David Lloyd George said: "The right honorable gentleman has for so long sat on the fence that iron has entered his soul."

It's too bad that Lloyd George couldn't have been around to hear either the speech Rep. David Obey (D-Wis.) gave to the Washington convention of the Arab-American Anti-Discrimination Committee this month or his speech in February to a San Francisco meeting of the National Jewish Community Relations Council. More important than the considerable content of the two speeches was their conscientious consistency. Obey, the chairman of the House Foreign Operations subcommittee with responsibility for foreign aid appropriations, delivered the same message to both groups while neither demonizing nor lionizing one side or the other.

To American Jewish audiences accustomed to a seemingly endless diet of Democratic and Republican officeholders who offer uncritical support for all Israeli leadership policies, Obey can be a real jolt. Examples: "It's in America's interest and in the interest of everyone who lives in the Middle East for the United States to have constructive relationships with other nations in the Middle East besides Israel, including Syria." "The large percentage of aid funds going to Israel and Egypt is not going to change so long as there is not peace in the area, because both parties have strong support in this country." "If further agreements are not reached to move beyond Camp David to address the legitimate interests of Jordan, Syria and the Palestinian people, that would be a tragedy. But I also think that Talmudic debates about who needs to move first are futile."

For anyone whose luck it has been to hang around the corners of American politics for a few hundred primaries and general elections, it is singularly refreshing to hear an American politician give a speech on the Middle East that does not endow the state of Israel with the capacity for infallibility or the curse of infidelity, most frequently the former.

To his Jewish-American audience, Obey criticized the inflexibility of the Syrians as well as the policies of Menachem Begin. To an Arab-American audience, Obey praised the enlightened leadership of Prime Minister Shimon Peres and criticized the inflexibility of the Syrians. A self-identified "friend of Israel," Obey argues that a friend and "an honest public servant must tell people not what they want to hear, but the truth."

In the judgment of former Common Cause president David Cohen, Obey's erstwhile collaborator on campaign spending reform and House ethics issues, Obey has been doing exactly that since his 1969 election to succeed Melvin Laird in the House. Cohen recalls Obey's calling him, full of anger, at what the congressman judged to be Common Cause in its publications and statements.

Obey is no plaster saint. A fierce partisan, he is happy to remind his listeners—at least those who are sympathetic to foreign aid—that over the past 10 years, a majority of House Republicans, many of whom wax poetic about their love of Israel, have voted against the foreign aid bill. Obey is hot-tempered and has been known to sulk occasionally after a legislative setback. He can be quite prickly in close quarters, and his light touch has been compared to that of the relentlessly serious Ralph Nader. All in all, you'd probably choose to have him in your Congress rather than in your car pool. As one of the Capitol's most effective lobbyists puts it: "Obey is difficult, ornery, skillful and immensely courageous." But he's nobody's darling.

In an era when men run quite successfully for the presidency, the nation's highest political office, all the time protesting that they are not politicians, David Obey, not yet 47, is a political leader who will have no iron enter his soul from sitting on any fences. With an absence of self-righteousness, he manages to say what he means and to mean what he says. "When the crunch does come," as Obey sees it, "Israel will need advocates who are credible." Whether you agree with him or not, David Obey is clearly credible.

OPERATION EAGLE

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. DICKS. Mr. Speaker, the Defense budget crisis has generated much debate about the symptoms of the problem but not enough about the causes. In recent congressional hearings and reports, we have seen numerous examples of waste, fraud, and abuse in the Defense budget, rendered even more important by the $200 billion budget deficit. We learn about these excessive examples as they are discovered, but are unsettled about the magnitude of the problem that remains. We have increased the penalties for contractor abuses, and have begun to send the clear signal from Congress that excessive practices of the past—however accepted they may have previously been—will not be tolerated any longer. Most of the major defense contractors are getting the message, and most are communicating that message from the top down in their respective companies.

One company has developed an approach, however, that attempts to communicate the importance of improving productivity and accountability from the bottom up. The Boeing Co. in my State of Washington, has begun "Operation Eagle," a companywide effort to foster awareness among individual workers that they have a strong personal interest in meeting the challenges which face their company and the Nation. The Department of Defense has recognized this integrated effort to reduce costs and improve quality at the Boeing Co., and I want to call my colleagues' attention to this program. This week eight employees of the Boeing Co. will be in Washington, DC, after winning "Operation Eagle" essay contests in their respective divisions of the company. Each of these employees composed a personal statement about the company's collective effort, and today I would like to share the four brief essays written by Boeing employees from Washington State. Their statements reflected their ideas on how the individual can make an even greater contribution to increasing productivity. Following are essays written by Susan Matthews, Cathy Price and Phil Harrington of Seattle, and George Cheney of Renton:

ESSAY BY SUSAN MATTHEWS

My idea on how the individual can make an even greater contribution to increasing productivity is for each of us to take personal responsibility for the work we produce. Responsibility is the issue, the process, the solution, and the result of the increasing contribution of the individual to increasing productivity—working smarter and better.

Responsibility is the issue, because each of us is personally responsible for doing our job in the best way we can: for making sure that our client gets the best deal for the money, and that our employer gets value for money for the wages we earn.

Responsibility is the process, because once each of us realizes that we are personally responsible for the quality of the product we produce—whatever that product may be—we can't help but assume responsibility for the work of our minds and hands. "By the fruit of the branch shall you know the tree;" and it's an individual daily, choice whether to fruit a full expression of skill and application or a sorry blighted crop of sloppiness and second-rate product.

Responsibility is the solution, because the solution to the challenge of coming up with better, smarter, more cost-effective, more quality-intensive ways to do everthing we do is to remind ourselves of our responsibility to ourselves, our employer, and our nation, for the benefits we all enjoy in a free society. For the frequently-unappreciated opportunity to engage in meaningful work. For ourselves, for or own personal self-respect and sense of self-worth.

And responsibility is the result because nothing builds that elusive and valuable quality of self-respect and self-worth like the opportunity to take control of our jobs, to make a positive impact on the work environment. People who have a sense of self-respect and self-worth are people who bring that sense of self-respect to work and put it into everything that they do. I'm not talking about the people who come to work to put their egos on the line—those aren't productive people. Self-respecting people have the confidence it takes to do their best to make their company and their nation look good, because self-respecting and responsible people know that everything they do reflects on them.

The ideas and suggestions that increase productivity are made by people who are proud of doing the best they can, no matter what they're doing. People who have taken control of their lives, who have made the decision to let their achievements speak for themselves. There's no substitute for self-respect and personal responsibility, when it comes to tackling the challenges of our future.

ESSAY BY CATHY PRICE

There are many ways that an individual can impact productivity in an organization. Aside from doing his very best at his own job by trying to eliminate waste and make the best use of all his resources (including people), he can also foster a positive attitude in others around him, impacting the whole area. A positive, happy working environment fosters productive workers. The

better people work together, the more work they get done, and the less energy they channel towards negative feelings. A little healthy competition between those workers never hurts either. All things being equal, if one worker consistently out-shines the rest (both in demeanor and productivity) in a positive way, it cannot help but foster a desire in the others to "catch up", and you have a productive, positive race on your hands.

Aside from focussing on his own job, and the atmosphere in his own area, an individual can attack the "big picture" by availing himself of such systems as the Suggestion System, Cost Improvement Program, and more recently, Productivity Circles. This is where the individual can really make a big impact. Although procedural decisions in American industry have traditionally been made mainly by management, there is a growing awareness in our own country today, that the "little guy", the employee on the line, the person actually performing the job, knows more about that work and its inherent problems than management does. It follows therefore, that he also has the best ideas for solving those problems and making the job easier and more efficient. While some companies, like Boeing, have been tapping the surface of this employee resource for some time through programs like the Suggestion System, it is only in very recent years that employee involvement has been given additional attention in the form of Productivity Circles, or Quality Circles.

With the advent and rising popularity of these circles, American industry has finally realized the potential impact of the individual and his ideas. We all have the opportunity to help each other turn our companies around. By pooling our ideas in these brainstorming sessions, one idea may spur another idea, and that may spur five additional ideas. The final recommendation, or "idea", resulting from this group of "individuals" could be a ground-breaking, trend-setting example for other organizations in our company, or even for other companies in the industry.

There is no limit to what we can accomplish if we open our minds toward our common goal: to make ourselves more productive, so we can be more competitive so we can not only secure our own jobs, but produce new ones. We need to realize the value of our ideas and that there are no "dumb" ideas. We need to learn to share our ideas with others so they can either be implemented, or spur still better ideas. Some of the largest savings come from the simplest of suggestions. Industry is learning to listen to us, now we need to learn to speak up!

ESSAY BY GEORGE CHENEY

"Lord, we don't need another mountain" . . . we need commitment. I believe the key element to winning is commitment. To me, commitment means an individual's career-long conscientious decision to actively support the Boeing Company in achieving its corporate commitment to benefit its customers, the community, stockholders, and employees. Commitment provides the force to hurdle failure; the stimulus to overcome obstacles to productivity. Commitment establishes a framework—the baseline for success. Commitment issues a challenge to grow. Commitment challenges us to provide dedicated inspiration to all individuals within our sphere of influence, to project an image reflecting unassuming confidence based upon demonstrated high moral standards and ethical business conduct, to personally apply consistent, sensitive effort to cause a cooperative, responsive, flexible, open-minded day-to-day working environment.

With commitment leading the way, Good things naturally follow . . . strongly motivated personal drive; willing involvement; creative, dedicated aplication; effective planning and goal-setting; objective judgment in assessing available disciplines, tools, methodologies, and resources; risk acceptance; an expanded mind-set; enhanced personal gratification and job satisfaction. Commitment is contagious! Commitment delivers a tremendous potential to change inability to ability; Intangible to tangible; impossible to possible; ordinary to extraordinary; failure to success. Commitment, both enables and directs us to expand our horizons; to thoroughly consider all reasonable alternatives in attempting to exceed overall objectives; to maximize available human resources; to maintain stability; to over-achieve; to seek perfection and focus on the ultimate solution.

Thus, true commitment rewards us with substantive measureable productivity gains, i.e., superior performance-achieved through open communication, candid teamwork, consistent treatment and direction, sound business decision. Honest, applied commitment is to achieve productivity . . . to win . . . to succeed . . . "making a difference" . . . commitment is everything!

ESSAY BY PHIL HARRINGTON

When we hear the painful words "The United States is fast losing her position as the worlds leader in manufacturing", the message sinks in . . . something is wrong. How can this be? We are the teachers. We taught the world how to be productive. We gave Japan Dr. Deming, the father of modern productivity. Japanese productivity is a product of the United States! How can we be loosing our position as the worlds leader?

The answer is in a word . . . attitude.

We sat back and accepted our leadership role. Leadership is "natural" to us. Leadership was something we took for granted. We reached the "top-of-the heap" and moved no further. We became complacent while our machines and systems lost their vitality. We weren't aware that the positive attitude we employed to get to the top had to be retained to stay at the top. We got there, put in our "mental" clutch, and shifted into neutral. We moved neither forward nor back.

We can improve personal productivity by improving personal attitude. We need to put in our "mental" clutch, shift our attitude into first gear to get moving. Then, shift into second, third, and high.

Along the road towards a positive attitude, we must individually recognize that an adversary relationship between employee and management is like spinning wheels on sand. The more you spin, the more you sink. We must seek a positive relationship, top down, bottom up, in the corporate structure.

Individual productivity will improve when we shift to a positive attitude firmly based on a team effort, where each individual recognizes his or her contribution to the team, the product, and the customer. A more positive attitude will be the result when we hear from management and peers alike, that we are the best there is. We can generate excitement about our work by employing a positive outlook whose reward is achievement and success. The cost of implementation is free. The benefit is beyond our wildest expectation.

INVITATION TO CONGRESSIONAL BLACK CAUCUS FOUNDATION LABOR WORKSHOP HEARING, SEPTEMBER 27, 1985

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1985

Mr. HAYES. Mr. Speaker, I want to draw the attention of my colleagues to the Congressional Black Caucus Foundation's Fifteenth Annual Legislative Weekend, September 27–28, 1985. On Friday, September 27, I will chair a Labor Workshop hearing on a bill I introduced, H.R. 1398, the "Income and Jobs Action Act of 1985."

The discussion will center on the implementation of H.R. 1398, which requires a total legislative program to provide and maintain real employment opportunities for all Americans, including those excluded from the recent economic upturn. H.R. 1398 would create a new cooperation for long-run and short-run job planning between Federal, State, and local levels in order to provide for sustainable full employment without inflation.

At my invitation there will be a distinguished panel of experts to discuss this issue in my Labor Workshop. This panel consists of Dr. Leon Keyserling, the former chairman of the Council of Economic Advisers under President Harry S. Truman, and currently president of the Conference on Economic Progress; Ms. Ellen Vollinger, executive director of the Full Employment Action Council, and Dr. Douglas G. Glasgow, vice president, National Urban League. There will also be an open discussion between this panel and the audience, many of whom will be representatives of organizations who are working on the issue of unemployment in their own communities across the Nation.

Unemployment is a blight upon our national prosperity. Crime, drug, and alcohol addition, stress and mental illness all have roots in the depression associated with unemployment. Without meaningful employment, millions of Americans are robbed of their sense of self-worth and dignity that having a decent job can bring. On Friday, September 27, 1985, at 9:30 a.m. to 12 noon, in room 2257 of the Rayburn House Office Building, we will continue our attempts to eradicate this blight. Our Nation must provide for the opportunity for employment for all Americans that seek it; that is the only way that we will ever be free of the pain of unemployment.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference.

This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings schedules for Tuesday, September 24, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 25

9:30 a.m.
Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the economic outlook for 1986.
SD-106

10:00 a.m.
*Judiciary
Security and Terrorism Subcommittee
To hold hearings on mercenary counterterrorism training camps.
SD-226

*Labor and Human Resources
To hold hearings on private sector initiatives to feed the world's hungry.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

SEPTEMBER 26

9:00 a.m.
Special on Aging
To hold hearings on Medicare DRG's.
SD-628

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
Business meeting, to mark up H.R. 2965, appropriating funds for fiscal year 1986 for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.
S-146, Capitol

Banking, Housing, and Urban Affairs
To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all Soviet bloc countries.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold closed hearings on international airport security and terrorism.
SR-253

Finance
To hold hearings on the President's tax reform proposal.
SD-215

*Veterans' Affairs
Business meeting, to consider certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986.
SR-418

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
Business meeting, to mark up H.R. 3244, appropriating funds for fiscal year 1986 for the Department of Transportation and related agencies.
SD-116

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
International Economic Policy, Oceans, and Environment Subcommittee
To hold hearings on the General Agreement on Tariffs and Trade (GATT).
SD-419

Governmental Affairs
Business meeting, to consider certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986, proposed legislation regarding civil service pension reform, and the nomination of James C. Miller III, of the District of Columbia, to be Director of the Office of Management and Budget, and other pending calendar business.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

2:00 p.m.
Environment and Public Works
Water Resources Subcommittee
To hold hearings on pending small watershed projects of the Soil Conservation Service, Department of Agriculture.
SD-406

Foreign Relations
To hold hearings on financing of foreign military sales.
SD-419

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 209, the Federal Debt Recovery Act.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters, to be followed by a closed briefing on intelligence matters.
SH-219

SEPTEMBER 27

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on the economic deregulation of the trucking industry.
SR-253

Joint Economic
To hold hearings on August trade deficits.
2118 Rayburn Building

10:00 a.m.
Environment and Public Works
To hold hearings on the nominations of Orson G. Swindle III, of Georgia, to be Assistant Secretary of Commerce for Economic Development, and Jennifer J. Manson, of Virginia, and Lawrence J. Jensen, of Virginia, both to be Assistant Administrators of the Environmental Protection Agency.
SD-406

Governmental Affairs
To hold hearings on the annual report of the Postmaster General of the United States.
SD-342

SEPTEMBER 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

2:00 p.m.
Judiciary
To hold hearings on S. 850, to make it a Federal offense for any person to operate or direct the operation of a common carrier while under the influence of alcohol or drugs.
SD-226

OCTOBER 1

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airport safety, focusing on windshear, aircraft inspection, and air traffic control safety.
SR-253

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on pension policy implications of the President's tax proposals of fringe benefits and retirement savings.
SD-430

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the exploitation of runaway children.
SD-628

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

OCTOBER 2

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-116

Select on Indian Affairs
To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.
SR-485

OCTOBER 3

9:00 a.m.
Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nominations of Anthony G. Sousa, of Hawaii, to be a Member of the Federal Energy Regulatory Commission, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).
SD-366

Governmental Affairs
To hold hearings on the President's management initiatives and related measures.
SD-342

Labor and Human Resources
To hold hearings on alternative programs for troubled youth.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

4:00 p.m.
Select on Intelligence
Closed briefing on international terrorism.
SH-219

OCTOBER 4

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on certain land conveyance measures, including S. 304, S. 360, S. 446, S. 565, S. 567, S. 829, S. 1503, and S. 1625.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold oversight hearings on the implementation of the Randolph-Sheppard Act of 1936.
SD-342

OCTOBER 8

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, the Clean Campaign Act.
SR-253

OCTOBER 9

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a Member of the Marine Mammal Commission.
SR-253

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (phase II).
SH-219

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

OCTOBER 10

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Labor and Human Resources
To hold hearings on mandatory nutritional labeling.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

10:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on the Philippines.
SH-219

OCTOBER 16

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (phase II).
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 17

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on espionage activities in the United States.
SD-342

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings to examine measures to discourage students from dropping out of high school.
SD-430

Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SD-628

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 22

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342

Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on the impact of trade on employment and productivity.
SD-430

OCTOBER 23

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 24

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the role of the entertainment industry in deglamorizing drug use.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 28

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1551, to provide for administrative appeals and judicial review under Part B of Medicare, and to review the beneficiary and provider appeals provisions under Parts A and B of the Medicare Program.
SD-215

OCTOBER 29

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the 10th Anniversary of the Education for All Handicapped Children Act (Public Law 94-142).
SD-430

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the Federal enforcement of the Bank Secrecy Act (title 31 of the U.S. Code).
SD-342

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the effects of domestic violence.
SD-628

OCTOBER 31

10:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

NOVEMBER 6

9:30 a.m.
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430

NOVEMBER 12

9:30 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

CANCELLATIONS

SEPTEMBER 24

9:00 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings on innovative approaches in industrial energy efficiency.
SD-366

OCTOBER 3

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examiner certain barriers to health care.
SD-430

SENATE—*Tuesday, September 24, 1985*

(Legislative day of Monday, September 23, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Thou knowest the issues that are boiling in this caldron of legislation: Superfund, tax reform, farm bill, budget, deficit. Thou knowest the agenda that intersect and collide here: Senate, House, White House, State, national, international, a multitude of special interests, and personal agendas. Thou knowest the pressure that September 30 imposes and the pervasiveness of the 1986 election. And in the vortex of all these forces, our leader. Gracious God, grant to him wisdom, grace, and patience for this heavy duty. Work in all our hearts that priorities will be taken seriously, essential business will get done, and we will not have to stop the clock Monday night. In His name Who was never in a hurry and finished all He came to do. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each. We have five special orders of 15 minutes each for Senator CHILES, Senator LEVIN, Senator BENTSEN, Senator BYRD, and Senator PROXMIRE.

Following the execution of the special orders, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 11:15 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each. Following routine morning business, the Senate will resume consideration of S. 51, the Superfund bill.

As we normally do, we will stand in recess between the hours of 12 noon and 2 p.m. for the Tuesday policy luncheons.

At 2 p.m., there will be 20 minutes of debate equally divided on the Roth amendment No. 674, and following the conclusion or yielding back of time the Senate will proceed to vote in relation to the Roth amendment No. 674.

Rollcall votes can be expected throughout the session today. There will be no votes after sundown. There will be no votes tomorrow.

Mr. President, we would like to complete action on the Superfund legislation today. It is my understanding that this amendment may be the last amendment insofar as the jurisdiction of the Environment and Public Works Committee is concerned. There may be some amendments dealing with financing of the Superfund. There is some chance we might complete action or at least go to third reading and do that before late afternoon.

Mr. President, I would hope to announce to the distinguished minority leader, maybe prior to the policy luncheon, what we may expect for the remainder of this week and into next week.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the distinguished minority leader is recognized.

Mr. BYRD. I thank the Chair.

THE CONTINUING RESOLUTION

Mr. BYRD. Mr. President, I was going to ask what the distinguished majority leader might have to say at this point with respect to the timing, and so forth, of action on the continuing resolution.

Mr. DOLE. Let me indicate to the distinguished minority leader that I intend to speak with Senator HATFIELD, chairman of the Appropriations Committee, at noon today. It is a matter we must deal with very quickly. If we kept it clean, I would assume we could do it at a fairly rapid rate. As the Senator knows, the House did keep the House bill clean. There will be another continuing resolution along in a few weeks. If we can encourage our colleagues to let this one pass, it may come yet this week.

I will advise the distinguished minority leader, hopefully prior to his luncheon.

Mr. BYRD. Mr. President, would the distinguished majority leader be discussing with his conference the date, whether it be November 14, or whether we might be able to change that to November 1, or whether or not in changing the date to November 1 we would have some downside? Will he be discussing that at this point?

Mr. DOLE. Yes, I will be discussing that with Senator HATFIELD. That was the suggestion I recall we discussed with the Speaker of the House and the Republican leader of the House just last week.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DOLE). Without objection, it is so ordered.

RECOGNITION OF SENATOR CHILES

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mr. CHILES] is recognized for not to exceed 15 minutes.

WE SHOULD PRACTICE WHAT WE PREACH

Mr. CHILES. Mr. President, in the community of nations the United States has become the preacher that has scandalized the parish.

We have always been very free with our advice to other nations in debt. Sometimes we lecture them, sometimes we scold them, and we act very paternal when it comes to telling other nations how to handle their affairs. But when it comes right down to it, we have not practiced what we preach and now we find ourselves a debtor Nation.

In fact, it looks as if the United States has become the heavyweight champion of international debt. And we did it by losing too many bouts. With all of our power and all of our wealth, the United States was supposed to set an example for the rest of the world. "Do it our way," we used to say, "and you, too, can be rich." But today, an observer could talk back to us and say, "Do it your way and we will end up in hock, like you are."

We are a debtor Nation and, at the rate things are going, we will lead the world in debt. It looks like we are going to manage to do that in about a year.

Mr. President, this is the country that helped rebuild most of the free world. After World War II, we had just about all the assets, there were. We rebuilt friend and foe alike. Then we sat back and, since that time, have lived on our laurels. Our industrial base has eroded and our financial house is in disorder.

It was not easy for us to squander all of the assets we had; it took us a good period of time. But we have gotten very good at frittering away our wealth. We do it much faster now.

Of course, when you have trade deficits of $140 billion a year, when you have fiscal deficits of $180 to $200 billion a year, you can get the job done pretty quickly.

Our young people are the ones that are going to hurt the most. We are telling them we are going to borrow and spend and be merry now; tomorrow, you will pay. Now we find ourselves cutting back on those very programs we know are the seed corn of hope. Frankly, we should be plowing back the money into research, and education, and all the innovative programs on which advancement depends. Look back for a minute in the 1960's, we decided we were going to take that leap forward. We were going to the Moon. We declared education a national priority and said it was an essential strategic interest. We have been reaping the benefits from those programs we started in the 1960's right into the eighties.

But what are we doing now, Mr. President? I am on the Budget Committee. I help try to shape the budgets. We are forcing ourselves to cut and cut and cut. But while we have been cutting in this year's budget, we cut out some of the seed corn.

I do not think that makes sense, but of course, if we do not do something about the overall deficit, that is what we do as a substitute. When we cut job training, cut research and development, and cut trade promotion, when we cut those very things that could help us in the next 20 years, where will we be? And where are we going to be when we start having to pay back all of this international debt? We have to pay it back. Those scales have to balance. We are going to find ourselves putting up with a lower standard of living.

This past weekend, West Germany, Japan, France, and Great Britain promised to try to work together to reduce the value of the dollar. That is interesting, Mr. President. They are going to intervene in the currency markets. I think they will have some effect right away. In fact, their very statement that they are going to do that caused the dollar to go down about 5 percent.

Suppose they put together approximately $100 billion to intervene, and press the dollar down. I remember when Jimmy Carter was going to press the dollar up. And at that time, the United States put together about $30 billion. That was the most money that had ever been used to intervene. It did not have a lot of effect. The market said, "We think we know at what level the dollar should be." "You are trying to press it up and," the market said, "we do not think at this time it should go up." It did not help much.

I have a feeling the market is going to speak the same way on the dollar unless the fiscal policy follows.

Now, if we did something about our debt, if Japan did something about opening its markets, increasing the amount of its own consumer spending then the intervention would probably make sense and would work. But if these five countries are simply going to try to do it with $100 billion without a fiscal policy to match, then I do not think we will see much long-term result from this intervention—especially, Mr. President, when in the international markets, $150 billion changes hands every day. I wonder how much effect $100 billion in these five nations is going to have on pressing the dollar down.

We are a country losing thousands of blue-collar jobs every week. So what happens? The green-collar gang—the money managers, the accountants, and the Treasury people—have developed a massive bail-in plan for the dollar. I think what we should have done first, before we intervened, is to come up with a deficit plan to put us on a glide path going toward declining deficits, toward a balance sometime—1990, 1991, you pick the year. Then we would have a policy of intervention that made sense. We are doing it the other way around.

This administration does not care enough about the deficit to sit down and really tackle it headon, sit with Congress, determine how we put together a combination of spending cuts and some revenues. The Senate knows, and it has spoken in a bipartisan way, that to get the deficit down, there has to be some combination of deficit reduction and revenues. We cannot get that message through to the White House. Yet we are willing to intervene with $100 billion. We may be just throwing that money into the wind and we will be without any fiscal policy to follow.

The deficit is certainly the most important domestic issue and we need a prudent mix of spending cuts and revenues to try to bring it down.

On top of that, of course, we have to make the world understand we are not going to be softies anymore on trade barriers. Yet it is interesting, every time someone in Congress mentions "backbone" when it comes to trade, I hear the White House holler "protectionism." They say, "Don't get into this protectionism; anything you do is going to lead to protectionism, and it will start a trade war."

Mr. President, the question I have to ask is, did Italy start a trade war, or West Germany start a trade war, or England start a trade war, or France start a trade war when they said to the Japanese, "We are not going to allow all of the goods you want to ship to come in here"? Less than 2 percent of the cars that come into Italy come from Japan. Did they start a trade war? I did not hear anybody say they started a trade war. I have not heard anybody say that they triggered this "protectionism."

If they can control the imports that come into their countries—and they do; if they can control their trade deficit—and they do; and if they are not the ones that triggered the trade war, how in the heck did we get to be the ones that started it because we finally decide that we have to do something about $140 billion trade deficits? Are we supposed to just sit on our haunches and do nothing when our trade deficit with Japan has gone from $19 billion to $37 to $45 billion this year? That is in just 3 years it made those kinds of jumps. But now, if we do anything to reduce that deficit, look out says the White House. You are protectionist.

I think it shows that what has happened is we have been patsies. We have allowed any country that wanted to send goods in here to send with no restrictions.

But just try to sell some orange juice in the European Common Market—I have been trying since I got here—and you will see the kind of barriers they put up. They tell you, "Well, we have to protect not only the Common Market countries but former colonies of ours in Africa and in the Mideast. We protect their fruit." And they also have all kinds of other barriers. They have been doing that for years and we have been putting up with it for years, but we still let their goods come into the United States.

Try to sell some fresh orange juice or orange juice concentrate to Japan. They will give you every story in the world. The Japanese citrus people grow some mandarin oranges over there. It is not a big amount. We could buy every one they have and guarantee the grower forever that he would not have to cut back his production.

But they reply that if fresh fruit is allowed to come in, they will leave the party. They will literally have you think the Japanese Government could go Communist if you lose that group. If you try to sell cattle, you get the same story. I think we finally have un-

derstood that no matter what you try to do on a product-by-product basis with the Japanese there is some wonderful reason they have to protect it. But of course they want to send their microprocessors, their cars, their TV sets, their digital products, and everything else into this country, we let them, and the trade deficit goes up and up. And while it goes up, $37 to $45 billion, they are still protecting sectors in their market.

We cannot deal with them on a sector-by-sector basis. When the trade bill comes to the floor, I have a little amendment which says that if the Japanese do not open their markets to our goods $4 billion the first year, $7 billion the second, and $10 billion the third, then the President will exercise some of the nontariff restraints they have been exercising on us. We will select one port which goods can enter. We will keep those goods on the wharf of that port until we make safety inspections, as they have done with many of our goods. They do it with our goods. Yet the idea that we are going to do something with their goods is called protectionism. We have to see to it that the Japanese understand they have to open their markets.

Mr. President, if Japan became a free trader, we would still have a substantial deficit with them. I do not know how much it would actually come down, maybe in the amounts I am talking about or at least close to those amounts. But unless we deal with our deficit, unless we deal with the problem of modernizing and reorganizing our own manufacturing system, the way in which we put together capital and management and labor, we will still get outtraded by these countries. Certainly when they enjoy those advantages they should not be rubbing our nose into the dirt.

Mr. President, it is interesting to see that the President is now becoming tough on trade. I guess we are all glad to see it. I think we all wish he had taken that stand a little bit sooner. If we look at this trade deficit, what happened from 1981 until now, when we see all of the jobs in textiles and shoes disappear, what kind of signals did he send to Indonesia, Malaysia, Thailand, when he said we are not going to give you the grants any more but just go ahead and send in what shoes you want. We will take all of that, and we will take the textiles. We will take your textiles and send those in—600,000 jobs created in the last 3 or 4 years in one country, a million jobs created in another country—in just those 3 or 4 years, Mr. President. Those jobs were created for goods that are coming into our market. Now we are trying to do something about it and those countries are saying, "Wait a minute, you will put us on the skids." But those are job transfers that we literally sent from this country to theirs. We took 100,000 of our jobs and sent them to Thailand in effect.

Why did we not say something to them like we will allow you to expand your markets 5 percent, 10 percent a year; as our need for textiles grows, we will share that market with you. We did not do that, Mr. President. We said take it all. Take it all. And at the same time this administration and this President said we are not going to provide any money for relocation of workers, we are not going to provide any money for job training.

Well, I noticed in the President's great speech yesterday he is now talking about maybe we will have to do something about relocation. Maybe we will have to do something about job training.

Where was that in 1981, in 1982, in 1983, in 1984, and up until now in 1985? What about those people who are laid off now and have been laid off in all of those industries? What kind of sympathy or help did they get? They got absolutely none. They got no help from this administration, none at all. And now we see that we still do not have a policy in place to take care of it.

Mr. President, if there is one thing that happened on this watch, the Reagan administration watch, it is the trade deficit. We will argue from now on about whose responsibility the fiscal deficit is and while we see the tremendous sum that has occurred since 1981, the President has been very successful in trying to argue that that is all the fault of past Presidents, past Congresses, not his fault. But the trade deficit very clearly has all happened during the time of his watch. It is the Reagan trade deficit.

This Congress is hopefully going to get down to business and do something serious about trade. I do not want it to be protectionist. I do not find anybody in the Senate who wants to be that way. But we are not going to allow people to use that word about any and everything you try to do to see that the rules are the same in this country and Europe and in Japan. Mr. President, if we are going to get to the bottom of this, we obviously have to do something about the fiscal deficit. That is probably the most important thing we could and should be doing but we find we are not. Not at this time.

So, Mr. President, we are becoming a debtor nation. The President said that has happened before. He said we have had these times before. He pointed out that during our earlier days we were a debtor nation. Maybe so. But there was a difference. There was a great difference. We were entering the industrial age. We were borrowing money from Europe at that time, but where was it going? It was going for equipment, which was a sound investment for a young and thriving country. It was a good investment for the other people because we were building our base. We are getting money now, foreign money. Are we using it to build a base? No, Mr. President. If you look at our manufacturing capacity, it is not going up. It is going down. Our utilization of plant and equipment is going down. Our capital outlays are declining. We are using that money to spend, to consume, and to pay off our deficit. We are not using it for expansion. So if the President would only look, there is a glaring difference between what the money was used for in our earlier days, when we were making our capital expansion, and what we are using it for now. We are a nation bloated by our excesses and spending more than we can pay back.

The fiscal deficit is $180 billion, and the President says, "No new taxes." We are going to spend it, but we are not going to pay for it. We cannot have it both ways. We either have to cut the spending and live within our means—and this President has never submitted a budget to us that allows us to do that; this Congress has never passed a budget that has us spend within our means—or we have to pay the fiddler.

You should raise the taxes necessary to do that. If we had to do that, as State governments do, we would not be as quick to start new programs. But as long as we can do it by borrowing or running our printing press and manufacturing money—and we are doing both now; we are expanding the money supply more than 10 percent and we are borrowing at the same time—as long as we can do it that way, it is as though it is a free lunch. But there is no free lunch.

We are just putting it off to that future day when the generation coming behind us will have to pay the bill. Some of us might have to pay for it, too, but we seem to think that we can put it off.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SIMPSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BYRD

Mr. BYRD. Mr. President, do I have a 15-minute order?

The PRESIDING OFFICER. The Senator from West Virginia, the minority leader, does have an order to be recognized for not to exceed 15 minutes.

Mr. BYRD. I thank the Chair.

THE PRESIDENT'S TRADE STATEMENT: A POLICY OR A PRESS RELEASE?

Mr. BYRD. Mr. President, I accepted the President's invitation to join other members of a congressional leadership group, to attend his speech on trade policy. I went to the White House with some degree of skepticism, but also with some hope fully aware that the administration has not regarded the trade crisis as a crisis. But this was to be the President's first public statement on trade policy in almost 5 years, and I was hopeful that we would see a new realism about the changing world economy, and a commitment to address the challenges we face.

The President still did not offer a comprehensive trade program. Instead, he endorsed several steps previously championed by House and Senate Democrats—steps that, up until now, he has condemned as protectionist or just wrong headed.

The most significant element of the President's program was his announcement that he has assigned Secretary Baker to undertake discussions on bringing down an overvalued dollar. Senator BRADLEY offered a successful amendment earlier this year that urged such action, and he and Senators MOYNIHAN and BAUCUS have continued to press this issue through legislation, indeed, the Senate Democratic Working Group on Trade Policy, which I appointed, chaired by Senator BENTSEN, has cited the dollar as the major cause of our trade deficit and has called for Presidential action to alleviate that problem. Until now, the President and some of his advisers have said that the bloated dollar was a sign of confidence in the American economy, and that our status as a debtor nation was desirable.

The President also said he wanted to speed up action on market opening measures directed toward Japan. I offered a successful amendment urging the President to take such steps more than a year ago.

The President said he wanted to protect intellectual property from foreign counterfeiting and copyright infringement. Senator LAUTENBERG aready has introduced a comprehensive bill to address that problem.

The President also said he wants to put a deadline on trade dispute resolutions, speed up trade cases, and confront unfair trade by nonmarket economies. Senator BAUCUS has introduced a bill to assure that result.

The President cited actions he had initiated under section 301 relating to market access problems in Brazil, Japan, and Korea. Earlier this year, the Senate Democratic Working Group on Trade Policy, to which I have already referred sent the trade representative a list requesting investgations under section 305 concerning American access to markets in Brazil, Japan, and Korea.

So the President has accepted several of the Democratic proposals as well as some proposals from our Republican colleagues. In addition, the President indicated the administration was reviewing the Trade Adjustment Assistance Program—a program the White House has tried to eliminate before now. Also, the President proposed a $300 million war chest to match foreign subsidies. Despite its modest size, it is a significant about-face for an administration that tried to dismantle the Export-Import Bank and bitterly fought Congress over budgeting for its export-financing program.

But does this collection of actions amount to the comprehensive trade strategy that Senate Democrats said was necessary to respond to the trade crisis? Is this a plan to assure American competitiveness and to stop the export of manufacturing jobs?

I regret to say that I believe it is not. What we needed was a strong, programmatic response from the President. What we got was a handful of ideas—many of them of our own creation—that were reworked and repackaged to appear as a comprehensive administration plan. None of us envisioned that our recommendations would be split up, piecemeal, and offered in isolation by an administration that is unwilling to utilize the ample authority already in existing law to build for itself—and for American workers and companies—a real trade strategy. The President cannot hope to build a ladder by collecting the individual rungs that some of us have provided, while ignoring the basic supports of existing trade law that hold the program together and make it functional.

As a result of this nonpolicy, Congress is thrown back into the challenge of responding to the trade crisis, without the benefit of forceful and determined leadership from the administration and without a commitment to use existing law to achieve the appropriate results. The Senate and the House of Representatives do not micromanage the trade agencies of our Government, so it is awkward to leave to the legislative bodies the responsibility for trade policy. But the President has left us no choice, and I believe that congressional action is still necessary.

I feel compelled to add that I was most concerned that nowhere in the President's speech do I recall his having mentioned the essential relationship between national security and the strength of our basic industries. I cannot imagine a trade policy that responds to America's needs but makes no reference to the relationship between the health of basic and strategically important industries and our economic security and our national security.

Can we have a real trade policy that does not provide for the survival of basic industries such as steel and the protection of crucial new industries such as fiber optics, ceramics, and other high-technology sectors? And can we have a national defense that is truly strong and truly prepared for a national emergency or an international emergency that would require the general mobilization of U.S. forces?

As I have stated many times in the past, we are allowing the undermining of our national security when we allow, without strong resistance and effective resistance, the importation of steel, ferroalloys, and other crucial items in wartime, to be imported into our country at prices with which American industries cannot deal.

The American industries are rendered incompetent when imports into the country of steel and other products are at such low prices as to make it impossible for our native industries to compete. In wartime we have to depend upon steel if we are to have tanks, artillery, planes, and ships; and yet the imports of steel into our country now constitute 25 percent of the national consumption of steel. As a result we have seen steel companies going under, we have seen steel companies unable to supply the cost of modernization which would help those steel companies to compete in world markets, and seemingly without too much concern on the part of the administration.

We heard what could well have been an accurate interpretation of the speech quite some time ago by the then Secretary of the Treasury, Mr. Regan, who said in essence—and I think it was certainly applicable to the unemployed steelworkers in the country and other unemployed workers in heavy industries—"Boys, you can forget it. The wave of the future is McDonalds and Sears Roebuck."

We all want to see McDonalds and Sears Roebuck and other service industries grow and they are growing but this economy of ours cannot become merely a service-oriented economy. We must still depend upon heavy industries and light-heavy industries to provide the products that we will need in the event of a national emergency.

Take ferroalloys: Ferroalloys are being shipped into the country to the tune of 60 percent of our national need. Now ferroalloys is not a labor-intensive industry. There are perhaps only between 800 and 900 such jobs in my State of West Virginia and somewhere between 4,000 and 5,000 jobs throughout the United States. But

this could very well be the nail without which the horse and the rider and the battle were lost. We have to depend upon South Africa, the Soviet Union, and other nations in great measure for manganese, chrome, and other minerals that are so important. As we talk about ferroalloys and without ferroalloys, then our bridge columns probably would not hold up bridges and we would not have the stainless steel which is important from many standpoints, not the least of which are the instruments that physicians use in the course of conducting operations and stainless steel is very important in the manufacture of missiles and airplanes. Upon more than one occasion I have tried to call this tiny nail to the attention of the administration, the nail without which the battle was ultimately lost.

So when we talk about trade policy, we have to be concerned as to how that policy will impact upon our national security. It is not just the economic side that we should be concerned with. It is indubitably a matter that affects our national security.

So I kept listening for reference to national security in the President's speech. We have wrestled, screamed, and clawed, and we have fought over appropriations for national defense in this body. We have had our differences with the administration and with Secretary Weinberger, and all these things. We have debated the MX and we have debated the B-1. We have debated the Stealth bomber and whether or not we have enough ammunition in Europe to supply our forces for 10 days.

We are talking about this little nail right now without which our forces in Europe would not have the military materiel and equipment that would be so necessary in the event the test comes there, but still deaf ears.

I talked with the Secretary of the Treasury, Mr. Baker, about this, and he was, I think, very impressed with the facts that were presented to him by me and my staff. And I think I got his attention.

But the point I am trying to make here is simply when we talk about policy, we also have to recognize that it has key importance not only with respect to the economy for this country and the economies of other countries, but also with regard to our national security. I cannot imagine a trade policy that responds to America's needs economically but makes no reference to the relationship between the health of basic and strategically important industries and our economic security.

Can we have a real trade policy that does not provide for the survival of basic industries such as steel, and the protection of crucial new industries, such as fiber optics, as I already said?

There is too much uncertainty in the President's program, as announced, and there is too much missing from it. The President said he would work with the Congress to achieve our shared goal of a strong and growing American economy. Democrats have done a great deal to press this issue and to raise the administration's awareness of the trade crisis. Of course, we are going to work with the President on a serious approach to trade policy, but the hour is late. American jobs and American economic leadership are at stake, and we must address this problem now before the loss is irretrievable.

We have seen on the Senate floor time and time again efforts made to protect our American industries. I can recall Senator SPECTER and I can recall Senator HEINZ offering amendments to do just this. And I recall, in one situation in particular, letters from the Defense Department and the State Department in opposition to the amendment. And those letters showed up on the Senate floor just at the right moment. And the votes, of course, were such that the amendments went down.

Well, I have said on an occasion or two recalling Disraeli's statement that, well, the time will come when you will listen, and the time came when they did listen to Disraeli.

So, on that particular occasion, I said to some of my colleagues when the amendment was defeated.

The time will come when you will hear from the American workers, and you will not only hear from the people outside the beltway, but you will heed what they are saying.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

WHY THE NONPROLIFERATION CONFERENCE BECAME A PUSSYCAT

Mr. PROXMIRE. Mr. President, the long awaited meeting of 130 nations to review the 15-year-old Nuclear Non-Proliferation Treaty has ended on a note of harmony and general agreement. This is a truly stunning surprise. A few weeks ago the general expectation was for some red-hot pyrotechnics from smaller nations bitter that the superpowers had not kept their part of the nuclear restraint bargain. Five years ago at the last meeting of this group, the conference ended in disarray, and what seemed to be an ultimatum to the superpowers to get on with arms control, especially including a ban on further nuclear weapons testing. If the superpowers failed to do so, it followed that there would be wholesale rejection of the Non-Proliferation Treaty. What happened? Did the superpowers buckle down to genuine arms control progress or did they fail? The obvious fact is they failed and failed miserably. And yet this year the conferees behaved like well-trained pussycats. Why? What does it mean?

Consider that the 1980 conference was held in the shadow of a superpower agreement for a major limitation of nuclear arms through SALT II. That was the 1980 conference that was held 5 years ago. At that time, there had been genuine arms control progress. But the 130-nation conference in 1980 considered that SALT II agreement inadequate and called for greater progress. Why do I say the superpowers failed in the past 5 years; that is, 1981, 1982, 1983, 1984, and 1985? Well, what progress has been made on the nuclear arms control front since 1980? Literally none. Nuclear arms control has not stood still. It has been going backward. Oh, sure the superpowers have fitfully met. But there is no evidence that any significant nuclear arms control agreement is in sight. If an agreement does emerge with the impetus of the Reagan-Gorbachev talks, it is obvious that the agreement will not limit the extension of the arms race into outer space. It will not end the determination of the Reagan administration and the Gorbachev administration to develop a super advanced antisatellite system that will destroy the satellites that are critical to any future arms control verification. Any arms control agreement which includes the United States as a partner will not end nuclear weapons testing. We know that now. And, of course, that testing represents the very heart of the nuclear arms race. Certainly, the representatives of the 130 nations that have concluded their conference at Geneva must know all this. And yet they concluded their conference with the courtesy of a well-trained doorman, holding the limousine door in expectation of a $20 tip. I will get back to that little analogy later.

How ironic: The final communique issued on September 19 did note the strong opposition of almost all treaty signatories to nuclear testing and their strong support for negotiations. But then it took note of the Reagan administration view that arms control should come before a testing ban. This ignores the fact that nuclear weapons testing makes any arms control agreement that limits nuclear weapons useless. Why? Because the purpose of the test is to develop new nuclear weapons which, of course, would not be subject to limits on proscribed weapons. A Los Angeles Times article interpreting the

communique even contends that "the United States-Soviet arms talks and the summit in November between President Reagan and Mikhail Gorbachev, demonstrate negotiations in good faith, as required by the treaty."

In view of the fact that the arms talks in Geneva have not, after several months, indicated the shadow of a whisper of a hint or whiff of agreement on anything, it is hard to see how the so-called negotiations to date, provide evidence of good faith negotiations. What evidence? As for the Reagan-Gorbachev meeting, it is hard to recall any summit meeting before which a President has tried so hard to make sure there will be no results. The administration has arranged for Secretary of Defense Weinberger to release some 19 areas of Soviet arms control violations. When will the administration release this attack? Four days before the Reagan-Gorbachev meeting convenes. The President has yanked SDI or star wars off the bargaining table. In return Gorbachev has made it crystal clear that unless the United States make some agreement on limiting SDI or star wars, he will not agree to any limitation on his offensive ICBM's. And that is not all. President Reagan has also made it abundantly clear that, as long as he is President, this country will not live up to its pledge, promised in two treaties that the United States has signed, that this country will negotiate an end to nuclear weapons testing.

Why then did the overwhelming majority of nations that are signatories of the Nuclear Non-Proliferation Treaty abandon their vehement, stinging criticism of 1980 to depart as gentle lambs in 1985?

Well, there is another part of the Nuclear Non-Proliferation Treaty. It has to do with the spread of technology for peaceful uses of atomic energy. No country is in a better position to spread that technology than the United States. All of this returns us to my original analogy of the courteous doorman deferentially holding the limousine door open for Mr. Gotrocks in expectation of a fat $20 tip. In return for keeping quiet about superpower failure with respect to arms control, the non-nuclear-powered nations can expect to be in a stronger position to acquire the technology which down the road threatens to truly explode the nuclear arms race. In a later speech on the floor this Senator will spell out exactly why this is.

Mr. President, I ask unanimous consent that the Los Angeles Times article on the meeting of 130 nations in connection with the 1985 review of the Nuclear Non-Proliferation Treaty be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR PARLEY ENDS QUIETLY

GENEVA, SWITZERLAND.—As the contentious US-Soviet arms-control talks resumed here last week, the superpowers and 128 other nations wrapped up a conference a few blocks away that, with surprisingly little acrimony, reviewed the 15-year-old nuclear non-proliferation treaty.

Disagreements over such issues as Israel's 1981 attack on an Iraqi nuclear reactor and the Reagan administration's refusal to negotiate new nuclear test bans were muted by what US Ambassador Louis Dunn calls "the broader desire for compromise."

"There is a sense here that this treaty is vital to the security of all nations, and no one wants to damage it," Dunn said.

The final communique, issued Friday, noted the strong opposition of almost all treaty signatories to nuclear testing and their strong support for arms negotiations.

But the communique also took note of the US view that arms control should come before new test bans, rather than the reverse. And the communique implicitly accepted that the US-Soviet arms talks, and the summit in November between President Reagan and Mikhail Gorbachev, demonstrate negotiations in good faith, as required by the treaty.

The non-proliferation treaty commits those nations with nuclear weapons to "continue negotiations" toward a total test ban and to negotiate "in good faith" on effective measures to stop the arms race "at an early date."

It also promises that the nuclear powers will facilitate the spread of technology for peaceful uses of atomic energy, in exchange for which the non-nuclear states pledge to forgo the development of weapons.

A 1980 treaty-review conference ended in disarray because, in the eyes of many nonaligned members, the superpowers had not moved enough toward arms control despite the 1979 SALT II agreement.

In view of the virtual impasse in arms talks since 1980, there was considerable anxiety this year that some nations would walk out of the Geneva conference and perhaps even withdraw from the treaty itself.

Neither happened, and now disarmament groups such as Greenpeace insist that the conference failed to demand enough of the superpowers.

SWASTIKAS AND GENOCIDE

Mr. PROXMIRE. Mr. President, an article in the July 27 Milwaukee Journal reports that vandals painted swastikas on the walls of Milwaukee's Jewish Community Service building, an adjoining community service building and a restaurant in downtown Milwaukee.

On July 27, the staff of the community center arrived at work and found nine red swastikas—the symbols of Nazi terror during World War II—spray-painted on the building.

Diane Benjamin, owner of Benjamin's Too restaurant, awoke at 6 the same morning and found three red swastikas and the words "Dirty Jews" on the outside of her restaurant.

Judy Mann, executive director of the Milwaukee Jewish Council, wisely advises people against overreacting to these random acts of vandalism. She points out that no organized Nazi movement exists in Milwaukee.

Judy Mann is, of course, correct. I hope that the terrorism of these sick lunatics will not reflect badly on my home State. People in Wisconsin are some of the most tolerant, progressive people in the country.

Because Wisconsin is such a wonderful place to live, I find it doubly sad that extremists there should terrorize Jewish people. As Diane Benjamin said:

It's horrible to have this done here in America where we are blessed morning to night with so many wonderful things. When this happens, the world becomes so small.

Mr. President, almost every American abhors these acts of vandalism. Almost every American hopes to see the perpetrators of this kind of crime—people so weak they express their hatred in the cover of darkness—convicted and put away. Almost every American feels this way, yet a few extremists still go out and paint swastikas.

Mr. President, almost every American abhors genocide and knows that the vandalism that upsets us here does not even compare to the murder and violence that occur in other parts of the world. Almost every American—including every President since Harry Truman—supports ratification of the Genocide Convention and believes that 36 years is too long to wait for ratification. Almost every American feels this way, yet a few extremists in this body consistently delay ratification of the Genocide Convention.

Diane Benjamin understands the pain of genocide better than the extremists. Describing her failure to remove the swastikas from the soft brick walls of her restaurant, she also explains why the United States needs to sign the Genocide Convention:

No matter how many times we bleach it, I'm afraid it will remain forever as a constant reminder. The world is a constant reminder.

I implore this body to ratify the Genocide Convention today, for the world does constantly remind us of the horrors of genocide.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR LEVIN

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan [Mr. LEVIN] is recognized for not to exceed 15 minutes.

Mr. LEVIN. Mr. President, I thank the Chair.

U.S. TRADE DEFICIT

Mr. LEVIN. Mr. President, if the United States does not quickly take appropriate actions to remedy its dan-

gerously high trade deficit, it risks not only its role as the economic leader of the free world, but it will ultimately experience a long-run decline in its standard of living and social welfare.

The gravity of the trade deficit situation is serious enough that it calls for a combination of aggressive internal and external economic adjustments.

Only a brief review is necessary to provide abundant evidence of the rapid decline of the U.S. trade position. In 1984, the U.S. total merchandise trade deficit was $123 billion. It is expected to be at least $150 billion by the end of 1985. In 1984, the U.S. merchandise trade deficit with Japan was $37 billion and it is projected to reach $50 billion or approximately one-third of the total U.S. merchandise trade deficit in 1985.

While U.S. merchandise trade deficits are not new to the United States, nor are the mere existence of such deficits necessarily reason for concern, the persistence and magnitude of the merchandise trade deficit is new, and merits immediate corrective actions.

An estimated 25,000 jobs are lost for every $1 billion of trade deficit. With the estimated $150 billion trade deficit in 1985, it means a loss of 3.7 million U.S. jobs.

The sobering statistics of the U.S. merchandise trade deficit are compounded by second quarter Commerce Department reports which suggest that the United States had also become a debtor nation for the first time in 71 years. The United States has assumed a debtor nation status because its overall balance of payments, a comprehensive measure of a nation's international transactions, are running a deficit. This means that the overall payments of the public and private sectors of the United States for foreign goods, services, and investments exceeded the payments received from foreign residents and governments for goods, services, and investments. Thus U.S. merchandise trade deficit is no longer being offset by the net international service and investment transactions of the United States. Consequently, the resulting balance-of-payments deficit must primarily be accommodated by the creation of debt obligations to foreigners.

Some authorities expect that the balance-of-payments deficit could reach $500 billion by the end of this decade. If unchecked, the Federal budget deficit and the foreign balance-of-payments debt obligations of the United States would combine to make U.S. residents hostages to burdensome debt and threaten the overall social welfare.

This administration has stubbornly maintained that legislative efforts to stem the time of international debt obligations is protectionist and an erosion of the principle of free trade. He is wrong. We are not opposed to the magnitude of benefits that flow to the United States and its trading partners from a true free trade arrangement. Indeed, many of the trade discussions within Congress are aimed at creating conditions which will lead to the restoration of an international system of free trade.

The United States has been a world leader in advocating and implementing free trade policies. But failure to recognize that a free trade environment does not exist when major trading partners espouse free trade while operating behind walls of international trading restrictions is naive. The fact is that the governments of some of our major trading partners have long practiced the type of market intervention that strains the definitions of international free trade beyond recognition. Such nonfree trade intervention includes the establishment of selective tariffs, quotas, and investment restrictions, restrictive government procurement policies and the subsidization of export industries. Those practices lead to the predatory dislocation of American producers and labor, the ultimate establishment of monopoly power and higher prices and to an environment in which the social costs of economic dislocations outweigh any potential short-run gains for U.S. consumers.

Some would argue that market forces alone will in the long run correct our international trade imbalances. Unfortunately, if the United States passively waits for long-run market corrections, more U.S. auto, steel, textile, and shoe workers will be unemployed; the legion of dislocated producers will have grown; and even high-technology industries will not escape the ravages of unfair international trade.

Notwithstanding the world leadership role of the United States and our national resources, the United States, or any other trading nation, cannot indefinitely endure a growing international debt. As in the military defense of a nation, the United States must, when necessary, seek to protect its economic welfare and the world free trading system through deterrence. Thus the United States must embark on aggressive deterrent actions to restore international free trade. For the foregoing reasons, I have joined my Senate colleagues in supporting what I consider a practical and significant solution to our trade deficit—the Trade Emergency and Export Promotion Act sponsored by Senator BENTSEN.

This legislation only speaks to countries who are using unfair trade practices with the United States and have a significant trade surplus with the United States. It also gives those countries a chance to reduce their unfair trade practices. Only if the countries affected under this bill refuse to take measures to reduce their trade surplus with the United States, do we take action. We take action by imposing a 25-percent special duty on their imports to the United States. We would not impose quotas—we would simply be leveling the playing field. The most significant portion of this legislation is that it attacks the trade deficit.

Legislation which simply addresses increased U.S. exports and fails to address the level of imports coming into this country will not solve our trade problem. The trade deficit must come down. One sure way to reduce our trade deficit is to require countries who have large trade surpluses and unfair trade barriers against our products, to reduce exports to the United States.

In addition to the passage of deterrent legislation designed to restore fair trade, other internal and external adjustments should be made to address the U.S. merchandise trade and the balance-of-payments deficit. Such adjustments should include, first and foremost a significant reduction in the Federal deficit.

The President will not lead on this issue. Look at his budget request with its projected deficit of $144 billion in 1988. Congress has begun to act. Its budget cut would cut the deficit to $113 billion in 1988. But that is not nearly enough. We should continue to work for substantial deficit reduction, along the lines of the Chiles-Hollings budget plan which was offered earlier this year. This plan envisioned a comprehensive program of shared sacrifice. It would include additional spending restraint on top of what has already been agreed to and it recognized the need for additional revenues other than a general tax increase.

The President's announcement yesterday was long on rhetoric and short on action. It gave the impression that he is ready to lead the charge when in reality he only has stopped marching in the opposite direction. For example, he is calling for a "war chest" of $300 million to encourage exports. But in his budget request earlier this year he called for cutting the Export-Import Bank direct loans from $1.3 billion to $600 million. Also, the President has called for providing assistance to dislocated workers. However, his budget request of earlier this year called for a rescission of $25 million, thereby eliminating the Trade Adjustment Assistance Program. At the same time, he called for cutting $100 million from another program designed to help dislocated workers on grounds that there was already more than enough money. This stand-patism was inappropriate and unacceptable at a time of unprecedented trade deficits. Finally, he had called for a strike force to hunt out unfair trade barriers when the U.S. Trade Representative has already brought these unfair trade practices to the attention of all of us. At a time

when we should deal with unfair trade barriers with positive action, the President is doing the moral equivalent of making an effort to invent the wheel.

Given the opportunity, American industry and labor are willing and able to successfully compete in international markets. But they must be given the chance. It is the responsibility of Congress and the administration to take actions to restore fair trade in order that the unquestionable benefits of international free trade may be allowed to prevail.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BENTSEN

The PRESIDING OFFICER. Under the previous order, the Senator from Texas [Mr. BENTSEN] is recognized for not to exceed 15 minutes.

OUR LOOMING FOREIGN DEBT CRISIS

Mr. BENTSEN. Mr. President, I am pleased to join with the other members of the Senate Democratic Working Group on Trade in this series of floor speeches designed to increase public awareness of our looming foreign debt crisis. The working group appointed by Senator BYRD last spring was established to fill a vacuum in administration and public awareness of our growing trade crisis. I was honored to be selected chairman by Senator BYRD. And this series of speeches exploring the implications of our Nation's decline to become a net international debtor is one of the several activities underway now by the working group.

A competitive economic system is continually churning. New industries emerge and grow to become giants while giants occasionally decline and lose market dominance to newer, more aggressive, and clever competitors.

That happens to nations as well as industries. And never has the evidence of economic churning among nations been more evident than in the postwar period. A number of aggressive and clever competitors have emerged from the wartime chaos. This includes first and foremost Japan, the world's second largest economy, and other nations such as Taiwan, Korea, Hong Kong, and Singapore. These nations have burst onto international markets on the strength of very real advantages: educated, diligent work forces, relatively low wages, and a superb capacity to outpace others in manufacturing design—the modification of a concept to actually yield marketable products. Increasingly, these nations are adding to their skills by conducting original conceptual research work of their own.

In some cases, these emerging economies have achieved international market positions by disrupting patterns of free trade. It has been more common than not, for example, for these economies to grow in part by protecting young industries behind tariff walls from competitors abroad.

At the other end of the spectrum have been one or two mature economies who have suffered relative declines in their competitive position, including the United Kingdom. These nations have suffered grievously from errors in the conduct of economic policies in the postwar period—errors which produced a weakened economic base, stagnant unemployment, and only slowly rising living standards.

The genesis of such economic decline is an overvalued currency which robs the nation of its international competitivensss. If a neglectful or ignorant government sits idly by, the eroding competitiveness will shortly produce trade deficits. These can be sustained for some period with foreign credit. But the nation is transformed into an overconsumer, saving little and borrowing abroad to spend and consume more than it is producing. Job creation and economic growth slow. And, at some point, the declining economy may well become a net international debtor, as well.

At that point, currency devaluation becomes inevitable in order for the debtor to generate sufficient export earnings to service the foreign debt. And as the eroding nation's wealth increasingly flows overseas, growth in its living standard slows.

This pattern of currency overvaluation, trade deficits, and currency devaluation existed in Great Britain after World War II. Every year since 1948, Great Britain has had a trade deficit. And the British pound has been steadily eroded, falling from $4, to $2.80 to $2.40 in 1968, to $1.80 in 1976, and even down to barely $1 briefly last spring.

And in the last 5 years, we have moved well along that slippery slope ourselves.

Since 1981, the administration has refused to live within its means. It has never submitted a balanced budget for Congress. Indeed, the closest it came was in January 1982, when it proposed a fiscal year 1983 budget of $92 billion in the red. It has doubled the national debt since 1981 in adding $1 trillion in deficits.

OVERVALUED DOLLAR

Financing these budget deficits sent the dollar up 40 percent on foreign exchange markets. And it still remains 30 percent overvalued today, suspended by the record real interest rates we have had to pay ever since to bridge the deficits with borrowed money.

No great nation long permits its currency to remain overvalued. The risks to its competitive base are too high. That lesson is being brought home to us now as industry after industry in our manufacturing sectors contract, reducing employment and staking out new locations abroad.

Since 1979, 1.7 million manufacturing jobs have been lost here, including 210,000 this year above according to Janet Norwood, Bureau of Labor Statistics Commissioner. Even our most competitive industries like semiconductors have been rocked by the dollar. But the dollar has not been their only trade problem.

PROTECTIONISM

Compounding this problem has been the sharp growth of protectionism abroad. A number of the fastest growing nations since World War II have found that free trade costs jobs as well as creates them. On balance, it creates more and all economies are better off. But under certain conditions—namely when retaliation is absent—protectionism can be used to accelerate the normal pace of economic expansion.

In effect, protection—if retaliation is absent—enables a nation to make trade one way. It can export products and import jobs—the age-old beggar-thy-neighbor policies created by modern day Smoot-Hawley protection.

There is no disagreement between Congress and the administration over whether Smoot-Hawley type protection exists abroad. The President made that clear Monday in calling for a return to fair and free trade. Smoot-Hawley is alive and well in Japan and many other nations. The Japanese have admirable qualities, but protectionism is not one of them.

A number of nations have erected webs of protective barriers to the point that few American products can freely enter their market. The Department of Commerce estimated, for example, that 30 to 40 percent of the United States trade gap with Japan is due to Japanese protectionism. And market shares held by United States products in Japan are well below foreign market shares in the rest of the world, as a result. For example:

United States firms supply 25 percent of all tobacco elsewhere, but have only 2 percent of the market in Japan; and United States firms supply 53 percent of all semiconductors elsewhere, but have only 11 percent of the market in Japan.

The President is aware of these figures and the unfair trade barriers they reflect. He has directed virtually continuous negotiations with the Japanese, for example, since coming to

office in vain attempts to force open their markets. He has also struck out in talks to force an end to European subsidies for agricultural and manufactured exports. There is no disagreement about the facts. The disagreement is what to do now that negotiations have faltered. The President offered some ideas Monday. But they were neither particularly new, nor likely to see results in the trade barriers aboard being rolled down. For example, his $300 million export subsidy war chest is unlikely to force the European Community to abandon its $13 to $14 billion export subsidy program in manufactured goods.

And I am less than impressed with the outlines of how the administration proposes to wipe Smoot-Hawley off the world's law books. Tackling a scant handful of commodities in a few countries, even if successful, would barely add $3 billion to our exports. In my book, that barely rates an asterisk in the face of a $150 billion trade deficit.

TRADE DEFICIT

Taken together, the highflying dollar and protection abroad have produced 3 years in a row of record trade deficits, rising dramatically from $42 billion in 1982 to $132 billion last year. And with the trade deficit running 22 percent larger in the first half of his year, we are certain to record our fourth record trade deficit in a row in 1985.

Not only, Mr. President, is the administration living beyond its means. Its policies have created conditions where our entire Nation is living beyond its means—borrowing and spending money we haven't earned.

As Edward Jefferson, chairman and chief executive officer of Du Pont put it:

> With our merchandise trade deficit well in excess of $100 billion and our reliance on capital inflows to finance nearly half of U.S. net investment, we are behaving like a boy on a spending spree with his dad's credit card.

The runaway trade deficit poses a real and present danger to our economy. Commerce Secretary Baldrige has said it reduced economic growth by 2 percentage points by deflecting domestic demand onto foreign imports. The National Association of Manufacturers says it reduced economic growth in the second quarter by nearly 3 percentage points.

Take your pick. The trade deficit is clearly dragging our economic recovery to a halt. Over the first half of this year, it held GNP growth to a scant 1 percent. It is directly responsible for putting us in what economists call a growth recession, where progress against unemployment has nearly ground to a halt. Indeed, unemployment has been virtually stagnant for over a year—stalled 2 percentage points above full employment because the needed jobs are not available in hard-hit export industries.

That also explains the administration's spotty record on job creation. After 4½ years in office, it has created barely 7 million jobs—far below the 10 million created in the preceding 4 years. The big difference? Back in the seventies, we had a total net trade deficit for the decade of $20 billion. We now run up a deficit that much every other month.

The administration's economic and trade policy, in fact, has created more manufacturing jobs in Europe and Japan than it has in our country.

Moreover, the third quarter GNP flash estimate offered little hope for improvement. It came in a disappointing 2.8 percent—barely half the level predicted by the administration. Even more alarming, we have seen a distinct pattern since January of similar flash estimates being dramatically reduced as more complete data becomes available.

I remember, for example, that the first quarter initial flash estimate was 2.1 percent; it was eventually dropped to an anemic 0.3 percent.

The second quarter flash was 2.8 percent; it was eventually dropped to 1.9 percent. The same thing will happen this time around.

Our economy is far weaker than many in Washington and especially in the administration realize. We are being sustained by two very temporary sources of economic growth that could burst the bubble at any moment. First, we learned long ago that when you turn the Treasury's printing presses up to full speed, you always get a quick initial economic kick. Over the last 3 months, Federal Reserve data reveals that the M1 money supply has been growing at an annual rate of 16.8 percent. At 16.8 percent. Not the 4- to 7-percent range they are shooting for. Anytime you blow a bubble up with hot air, it rises.

Even worse, growth this quarter is being purchased at the expense of future economic growth. Our economy is directly affected by our largest industry—autos. The auto companies are in the midst of an aggressive sales campaign featuring cutrate financing—the lowest we've seen in years. And consumers have responded. But the customers purchasing autos now will not be purchasing later in the model year when they normally do. They are cracking open the piggy bank and lining up at loan windows to grab a quick deal.

As a result, savings in August fell to the lowest level since data began being collected in 1959. Consumers saved a tiny 2.8 percent of disposable income, compared to the 18-percent rate in Japan. For the entire year, consumer savings have averaged the lowest since we began keeping records, as well. Consumers are depleting savings and going into debt at an unsustainable pace. In August, the rate of spending rose four times more than the rate of income growth.

NET FOREIGN DEBTOR

We are spending more than we are earning—that's what a trade deficit is all about. And we are making up the gap like any spendthrift by borrowing money.

Since we are a nation, we have to borrow from foreigners—just like Great Britain had to do when it began running big trade deficits.

Our Nation is wealthy. We have enormous assets overseas. Yet, over the last 5 years, we have borrowed heavily; so heavily that we became a net debtor this year for the first time in three generations. We now owe foreigners more than they owe us, despite all our assets overseas.

The last time this happened was when we were a developing nation—struggling to build railroads, canals, and factories to produce products for sale here and abroad. We borrowed abroad and invested the money in new, more productive plants and equipment. We worked hard and the investments paid off. Our exports soared, and we had only two—just two—trade deficit years from 1875 to 1970. Year after year of trade surpluses produced wealth from abroad that we invested there and back at home. And we used it to pay off the debt we incurred as a young nation.

Now, we are back in the red again. But the situation this time is dramatically different. We are borrowing now to buy consumer goods; very little of the foreign inflow is being invested, as it was 200 years ago. Instead, we are spending it to buy foreign consumer goods.

Last week, the President said our decline to a net international debtor had nothing to do with the trade deficit. That's absolutely wrong. As a student of economics, he gets a zero. This nonsensical notion reminds me the President insisted for years that the highflying dollar was unrelated to his budget deficits and the record real interest rates they created.

In fact, our Nation has become a net international debtor—owing foreigners more than they owe us—because of the trade deficit. The money we use to buy all those imports doesn't come from our own country. We use dollars here. So, foreigners have been lending us money to buy their products—over $100 billion last year and more this year. Those loans have made us an international debtor for the first time since 1914.

Let me reiterate a point here. We have had to go into foreign debt in part because trade barriers abroad prevent us from selling exports to earn foreign exchange. In effect, protectionism in Japan and elsewhere forces

us to borrow, when we should be earning yen and other currencies by selling them exports. Put simply, if we reduce foreign trade barriers, our exports will rise and the foreign debt and trade deficit will fall.

A SOARING FOREIGN DEBT

The foreign debt we are accumulating will rise in tandem with the trade deficit. And with the trade deficit on a runaway course, our international debt is headed through the roof.

This year our trade deficit is projected to hit $150 billion and our total external balance, the current account balance, will hit $130 billion—comparable to 3 percent of GNP. Last year, it was $101 billion, or 2½ percent of GNP—the largest current account deficit since the 1870's, when European investors were financing the western railroad boom.

The current account deficit is the net amount of foreign debt we accumulate in a year. We began 1985 with a net foreign investment surplus of $28 billion. Yet, because we will incure a current account deficit of $130 billion this year, we will have a net foreign investment deficit of $100 billion by year-end. In 3 or 4 months, our foreign debt will exceed both Mexico's $95 billion foreign debt and Brazil's $105 billion debt.

Two factors will work to push our foreign debt up dramatically in the immediate future.

First, the debt must be serviced at a rate of perhaps 10 percent a year. Since we have no trade deficit to fall back on, the only way we pay foreigners the return they demand each year is to borrow it—adding further to our foreign debt. Indeed, what we describe as the miracle of compounding—paying interest on interest—has already begun to work against us internationally.

The second factor guaranteeing an alarming rise in our foreign debt is the continuing runaway trade deficit. It will hit at least $150 billion for the next 2 or 3 years under the most optimistic assumptions of a falling dollar and a rollback of foreign trade barriers.

Indeed, we will be fortunate to hold the line at $150 billion. The more reasonable assumption is that it will grow apace with our economy at between 5 and 10 percent in current dollars.

McGraw-Hill is now projecting that our foreign debt will hit $387 billion in 1987. By 1990, conservative Business Roundtable predicted Friday that the foreign debt would top $1 trillion by 1990. And C. Fred Bergsten's analysis reinforces the $1 trillion figure.

To some of my colleagues, Mr. President, accumulation of a staggering $1 trillion debt in 5 years may sound fanciful. It's not, because we will be accumulating debt each year from both the trade deficit and debt service payments. Debt service payments each year on $1 trillion will range upward of $100 billion. Adding that to our conservative estimate of a $150 billion trade gap, and we could experience an annual increase in our foreign debt of a staggering $250 billion.

Of course, Mr. President, by 1990, trillion-dollar debts will be more familiar to us. In just 6 years, the President's policies have added $1 trillion to the national debt he inherited—doubling it. By 1990, on his watch, the national debt will be yet another trillion dollars larger—$3 trillion, and climbing. The national debt will nearly triple under the Reagan administration.

In 1990, just servicing the foreign debt will impose a cost on each American family comparable to a $15,000 mortgage. This garnish won't be paid in obvious ways. No one will sit down every month and write out a check to Japan or Germany along with the utility bills. It will be paid in several less obvious ways, primarily in higher inflation and slower growth that reduce incomes just as a monthly utility bill does. Indeed, it is possible that real incomes for American families will grow scarcely at all between now and 1990 because of the foreign debt garnish.

We are already experiencing the slower growth associated with the trade deficit. That's why real per capita disposable income has grown barely 2 percent over the last year.

The only way we can pay the foreign debt garnish is by expanding exports—that means a sharply lower dollar and the inflation it may bring. The British pound, for example, fell to a bare 25 percent of its World War II value earlier this year, for example.

To produce the export earnings needed just to service a $1 trillion foreign debt in 1990 at current interest rates, the United States would need to increase exports by $100 billion—$100 billion more exports than this year, just to avoid borrowing even more abroad than we did last year. That means we must expand exports 50 percent by 1990, just to tread water. Some comparisons are useful. This year, that would have meant using everything we sell to England, Germany, Japan, and Canada just to pay interest on that debt.

Alternatively, we would need to turn over everything we earned from selling these products abroad to meet that $100 billion debt service obligation: Computers, all office equipment including calculators and word processors, all telephone and telecommunications equipment, all wheat export earnings, all corn export earnings, all tobacco and cigarette earnings, railroad locomotives, all other agricultural exports, all U.S. auto exports, all appliance exports, all coal exports, and all aircraft exports.

Mr. President, it is inconceivable that we will be able to essentially double our exports of all those goods or double our exports to each of those countries in 5 years. Yet, that is exactly what we must do just to pay interest on our foreign debt in 1990. Even so, the foreign debt would still rise because the trade deficit will be mounting.

Let me turn to solutions. There are three broad areas of attack.

First, the budget deficit must be reduced to ease the dollar down.

Second, the Treasury needs to put on its boxing gloves and let exchange markets speculators know we want a lower dollar. That can best be achieved by much closer coordination of economic policies between ourselves, Japan, Germany, France, and Great Britain. Its time we sat down with them—not to talk about trade as the President wants to do, or to criticize them for growing too slowly—but to reach an understanding about our policies and theirs. And part of that coordination should be some exchange market intervention on a joint basis to ease the dollar down. We have talked about this before, last winter, and intervened on an ad hoc basis. I hope the talks this past weekend with the "group of five" produce more lasting results.

Third, we must expand our exports by lowering protectionist barriers abroad. That calls for both additional export assistance and more aggressive efforts to root out protectionism. The President's attitude has switched 180 degrees in recent weeks in both areas. But as I said earlier, we need results, not rhetoric.

It is easy to fault the President's meek trade response to protectionism. But I have gone further and proposed specific legislation to enable him to back up his verbal commitment to freer trade with action. My bill, S. 1449, will spotlight the most protectionist nations and require reductions in their trade surpluses.

I won't go into its details other than to note that it is a far more sweeping and effective approach to winding down protectionism than the President's piecemeal efforts. The Japanese Ambassador has termed my bill protectionist. He doesn't like it and even warned it would snowball into worldwide protection.

To call my bill protectionist is analogous to viewing laws against theft as laws designed to put people in jail. My bill is designed to impose reasonable standards of behavior on all trading nations—including our own. The world of trade is like a 100-yard dash, where some competitors have to run over hurdles placed in their lanes by governments like Japan. My bill is designed to reform international trade, not hobble it.

As leader of the free world, the United States must look beyond our

own economic challenges. There are a number of nations like Brazil and Mexico who are struggling to maintain creditworthiness under IMF conditionality. Their success depends directly on continued world economic growth. Until this year, our economy was an economic engine. It is fact becoming an economic anchor—drawing in capital in direct competition with the Latin debtor nations and slowing world economic growth as it did in 1982.

We have become part of the problem facing Latin debtors, rather than part of the solution.

Let me close by making one final point.

The administration confronts difficult challenges. It must reverse course and begin finally to view the reduction of budget and trade deficits as a national priority. We are awash in red ink. It will take years of careful economic policy to reverse course without a domestic economic downturn.

This challenge may be beyond the administration. But I will say the President's new awareness of the protectionist barriers facing American firms abroad is encouraging. Its time for him to match that new awareness with results.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

THE 1985 FARM BILL

Mr. HELMS. Mr. President, in the near future, the Senate is likely to begin consideration of the 1985 farm bill. The Committee on Agriculture, Nutrition, and Forestry reported the bill this past Thursday evening.

Mr. President, it was on that occasion that the Senator from North Carolina became the first chairman of the Senate Agriculture Committee in history to vote against a farm bill. Needless to say, that gave me no pleasure, but I felt obliged to do it for a number of reasons, one being that the legislation as reported by the committee does not offer the promise of hope for the recovery of our farm economy.

Also, Mr. President, the bill is a budget-buster, exceeding by billions of dollars what this Senate had approved in the budget resolution for the Agriculture Committee's authorization bill.

Mr. President, I intend to discuss the bill in more detail when it is considered by the Senate, and I hope that I can persuade the Senate to make the necessary corrections to assure a farm bill that will offer real hope and not just political illusions to farmers and to farm families across this country. It would be a tragedy if we played politics at this crucial time with the farmers of this country.

Mr. President, behind all the rhetoric there is a consensus, a consensus about the absolute necessity to make fundamental reforms in farm policy. I am heartened by the fact that this is not a partisan issue, and it must not be allowed to become one. People of varying philosophical persuasions find themselves in agreement about the need for the kinds of changes in farm policy that will work, and work best, for America and America's farmers. Let me illustrate the degree to which this consensus exists.

I might add parenthetically at this point that almost no mention has been made in the media about this consensus, and I am constrained to wonder why, because it is a significant consensus. To illustrate by example, I am going to offer in a moment four documents of recent dates to support what I am about to say.

The first is the lead editorial of the September 23 edition of that bastion of the liberal establishment, the Washington Post. I had to reach for the smelling salts when I read that editorial that morning. It was entitled "That Farm Bill." When Senators read that editorial in the RECORD, they will see what I mean. It was an excellent editorial.

Second, I offer an article written by Dr. Earl Butz, former Secretary of Agriculture under Presidents Nixon and Ford. The article by Dr. Butz is entitled "Selling a Farm Bill of Goods." It appeared in the Wall Street Journal on September 12.

In that article, Dr. Butz outlined the recommendations of four former Secretaries of Agriculture, two Democrats and two Republicans: Dr. Orville Freeman, who served under President Kennedy; Clifford Hardin, who served under President Nixon; Bob Berland, who was President Carter's Secretary of Agriculture; and the fourth being Dr. Butz himself.

Third, I want Senators, if they will, to take note of an article appearing in the Wall Street Journal of June 17, authored by Mr. Joseph A. Kinney. It was entitled "For Full Production On The Farm." Mr. Kinney served as an agriculture adviser to the late Senator Hubert Humphrey. He also served as an agriculture adviser to former Senator Robert Morgan of North Carolina and more recently he has served as a staff director for the National Governors Association.

Finally, I bring to the attention of the Senate a letter on the subject of the 1985 farm bill sent to me and other members of the Committee on Agriculture on September 10 by President Reagan.

Mr. President, I think the point I am trying to make will be readily clear if, as, and when Senators and others who are confused about farm legislation read these articles, letter, editorials, and so forth.

Through this wide range of philosophical thinking and partisan affiliation, there is clear substantial agreement about how Congress should deal with farm policy. Suffice it to say that the bill reported by the Agriculture Committee this past Thursday night does not comport to the thinking represented in these articles, and that is why I implore Senators to take the time to read the articles, study them, think about the message contained in them, and hopefully when the farm bill comes up for consideration in the Senate agree to make the necessary changes so that we can be of real help to the farmers of America.

Now, then, Mr. President, I ask unanimous consent to have printed in the RECORD each of the aforementioned articles, editorials, and letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 23, 1985]

THAT FARM BILL

The farm bill all year has been a test of firmness waiting to be failed. The House Agriculture Committee has now stepped up to the challenge and failed it. The Senate committee has done better, though in some respects only marginally so. We wrote in sympathy earlier in the year that the agriculture committees had the least forgiving job in Congress. To save their hurting constituencies they must squeeze them in already ruinous times, and everyone knows it. In differing degrees they have evaded the task.

The politics are plain enough. The president has threatened on both budget and policy grounds to veto a bill that does not lower the lake of agricultural supports in the country. The Democrats—who controlled the outcome in the House and on some issues had the controlling votes in the Senate committee as well—see only gain for their party next year whichever way the issue goes, whether the president is the heavy who forces deeper cuts or they are able to back him down. It is not an inspiring way to set national farm policy.

The pivotal farm programs are those for wheat and feed grains. They involve two kinds of supports, price and income. The price supports work through loan rates, prices at which the government will take products on "loan" when the markets are low. In effect, these are minimum U.S. prices—no farmer need sell for less—and in recent years they have been much higher than world market prices. U.S. products have become residual, the last to be bought, and a lot have been left in government bins.

The administration has rightly pressed the committees to reduce the loan rates to restore the competitiveness of domestic commodities while cutting government costs. Eased along by grains subcommittee chairman and Democratic whip Thomas Foley, the House members had nearly decided to do so. Then they buckled, adding a provision under which there would first have to be a referendum in which farmers could choose instead to keep high domestic prices but restrict production. The government would be a presence in every field; it would have to estimate demand each year, fine-tune production, distinguish between

grain for domestic use and export, issue marketing certificates, in some cases subsidize exports. It is a burdensome plan whose clearest purpose is to relieve the members from a burdensome vote. The president said a bill containing such a provision would be vetoed. It should be.

The other form of support is a simpler check-writing program. When prices fall below certain targets, farmers—whether or not they have left their products on loan with the government—are also given "deficiency payments" to keep up their incomes. The administration wants these sharply cut as well, but members have resisted. Some deficiency payments line the pockets of very large producers, but others are sustenance for family farmers. Mr. Foley originally proposed as a compromise lowering the targets, but gently. That is what should be done. The bill instead would freeze them for two years, then give the agriculture secretary putative discreation to cut them, but would add so many conditions he could never do it.

In other important areas, the House bill is simply indulgent. Dairy price supports are too high, eliciting too much milk. The bill would raise them further; milk drinkers would pay more. Some of the additional income from this legislated price increase would then be recaptured by the government through an assessment on producers and recycled (1) to pay some farmers to cut their herds, in hopes of reducing future production and (2) to indemnify the government if production was still so high that it had to buy more than so many billion pounds of surplus a year. Program costs would be shifted from the public as taxpayers to the public as consumers; consumers would pay more in part to shore up the system that was forcing them to pay more. The dairy price supports should go down. So should those for the sugar industry; the bill would maintain them at present levels.

The Senate bill is equally solicitous toward sugar. But it would reduce dairy-price supports straightforwardly, and gradually move loan rates toward below-market levels to put U.S. harvests back into commerce. It, too, has a referendum provision, but one that would affect wheat only and be simpler to carry out. It contains what are meant to be new inducements to farmers to redeem and sell crops left on loan with the government, emptying the bins. Under certain circumstances those could add appreciably to costs; they are untested, and no one quite knows what their impact would be.

The bill would also freeze target prices for four years to protect farmer incomes. This became the major issue between the parties in the committee. Republicans said it would be too costly, but it was the Democrats' price for moving the bill to the floor.

There are two ways for the fight to go next. One is toward gesture and veto. Some people think there can be no bill without this catharsis. The other is toward compromise. A responsible farm bill is still retrievable from the committee drafts. The gift-wrapped House dairy section needs to be trashed on the floor or in conference; the Democrats should be embarrassed to have it in their bill. Their referendum proposal should also be set aside, as should the more limited one in the Senate bill. The Democrats should then compromise on income supports—lower the ceiling on payments (now $50,000 a year), target them better, let them drift down over the life of the bill—and the Republicans should give ground on costs.

There is too sensitive a crisis in the Farm Belt right now for budget lectures. The Democrats are right that the farm economy needs gentler treatment and longer-term support than the administration has proposed. But it also badly needs more discipline than the Democrats have been able to apply—either to farmers or themselves. There is a reachable middle ground—if there is a will to reach for it.

[From the Wall Street Journal, Sept. 12, 1985]

SELLING A FARM BILL OF GOODS

(By Earl L. Butz)

Any believer in the market system who has been watching the debate over the 1985 farm bill has to be extremely disappointed. Both houses of Congress are turning out versions with loan payments and target prices for subsidized crops that are too high, backed by the same mentality that put American agriculture in its current mess.

The Reagan administration made pious sounds early on about reorienting farm policy to the marketplace. But somewhere between the Agriculture Department's offices and Capitol Hill, the principles they said they were fighting for have all but dissolved. They appear to be acquiescing to a farm-bill framework that can be made truly market-oriented only at an unacceptable budget cost by dropping loan rates, maintaining high target prices and dipping into the Treasury for direct payments to cover the difference.

Current U.S. agricultural policy is costly, controversial and counterproductive. Federal income transfer payments to farmers are at near-record levels. The congressional budget resolution calls for $34.8 billion more in farm subsidies for the fiscal years 1986–88. The bill passed by the House Agriculture Committee yesterday carries a price tag of $42.8 billion over that three-year period—an average of $14.2 billion a year. That compares with the $600 million spent for such subsidies in 1975, and the $3.5 billion spent as recently as 1981.

BUTZ'S LAW OF AGRICULTURE

Despite this outflow of dollars, there are more and more reports of farm failures, foreclosures, pressures on agribusiness firms and general rural distress. Commodity groups are set against one another as grain producers seek higher prices for their crops and livestock producers grapple with feed costs that are artificially hiked by higher crop prices. Our grain and cotton producers are geared to produce for the export market, but they are tied to governmental price and production programs designed primarily for the domestic market. Too often, their first market is not overseas but a U.S. government bin or warehouse.

American agriculture is on the road to economic suicide under existing policies, which have priced farm products out of the world market and have encouraged expanded production abroad. Butz's Law of Agriculture is: The higher the degree of governmental involvement in pricing and marketing, the deeper the economic pit in which agriculture wallows.

The great irony in all of this is that Congress and the administration are both buckling under farm pressure so readily that the farm bill emerging from the legislative sausage-grinder looks a lot like a simple extension of the 1981 Farm Bill. That's the very thing that has put us in the mess we are in today.

The two major mechanisms of current farm policy are target prices and the loan rate. Let's use wheat to illustrate the bind they have put American agriculture into.

The target price of wheat is $4.38 a bushel. That's set by Congress and bears no relation to the farm price of $2.50 a bushel. Originally designed as a safety net in case of a steep drop in the market, target prices are now much higher than the prices farmers get for their crops. Taxpayers have been making up the difference between the target price and the loan rate in the form of billions of dollars in "definciency payments."

The loan rate is $3.30 a bushel. This is also set by Congress, although the secretary of agriculture can make modest adjustments in relation to supply. The "loan" is a non-recourse loan, meaning that if the market price of wheat falls below the loan rate, the farmer simply surrenders the wheat to the government and forgets about paying back the loan.

The current approximately $2.50 farm price of wheat is 80 cents below the loan rate, but the farmer has already received $3.30 a bushel when he obtains his loan. So the government acquires title to wheat at a cost of 80 cents a bushel above current market value, plus about 20 cents of interest forgiven on the loan.

However, no administration can stay tied to this kind of open-ended raid on the Treasury. The administration will be forced to either (1) not lower the loan rate so as to minimize the amount of deficiency payments or, (2) idle massive amounts of farm land to bolster the market price and hence minimize losses on defaulted loans. It is most likely to do both.

Whatever action is taken will redound to the benefit of foreign producers, expand production abroad and will lead to a shrinking U.S. export market.

Through the Payment in Kind program, 78 million acres of farm land were idled in 1983. As the U.S. curtails output we are encouraging more uneconomic and high-cost agricultural production in other countries. We are effectively raising the real cost of feeding the world's people because we've drifted away from the sound principle of producing commodities where their competitive advantage is greatest and then trading them back and forth between nations.

In each of the last three quadrennial farm bills (in 1973, 1977 and 1981), Congress enacted mandatory annual escalations of loan rates and target prices. They took the guesswork out of it for the ensuing four years. But now that the present system has failed and the heat is up, it's no time to flee the kitchen. Congress should mandate de-escalation, and not pass the buck to the secretary of agriculture by "providing discretion to lower the loan rate"—an always politically difficult feat.

Solutions to current farm problems that balance the concerns of farmers, taxpayers, agribusiness and consumers can be developed, if only we follow a few simple guidelines.

The agenda is simple and politically responsible, and has been set down recently in a joint statement that I and three other former secretaries of agriculture released. Two of us are Democrats and two are Republicans. (The others are Orville Freeman, 1961–69, Clifford Hardin, 1969–71 and Bob Bergland, 1977–81.)

Among our recommendations:

(1) Non-recourse loans have worked well as a safety net if loan levels are set at or

below market-clearing levels. We suggested they be set at the season average of market prices. In that way, loans would protect farmers against short-term price declines but not interfere unduly with the marketplace.

(2) Farmers need income protection to help them adjust to changes in farm programs. A target-price program makes a buildup of surpluses less likely and discourages competing countries from expanding their production. Since small farmers are in the greatest difficulties, a ceiling should be set on total payments per operator.

(3) Expanding demand should be the primary thrust of U.S. farm policy. Acreage-reduction programs for the purpose of raising prices are exercises in futility because competing countries can watch what we do and then expand their own production.

(4) Commodity reserves under loan to farmers should be used only for food security reasons and not to support market prices.

(5) For future generations, a conservation program for fragile land is essential. Farmers should be prohibited from receiving program payments on erosive land.

Many farm-style legislators fear so simple an approach will alienate their farm voters. My visits to farm communities convince me that the vast majority of commercial producers want this kind of farm policy. Their farm and commodity organizations are not reflecting their interests. Rather, they are responding to the loudest squeaks with their one great strength—their ability to resist change.

America's taxpayers are neither able nor willing to provide greater and greater farm subsidies. Turning to the market is the kind of policy that will put U.S. agriculture back on its feet again. But it won't happen unless everyone who hopes for it starts demanding it in face-to-face meetings with his or her elected officials.

There is a discipline in the marketplace that works. Let's give it a try before more of American agriculture goes down the drain.

[From the Wall Street Journal, June 17, 1985]

FOR FULL PRODUCTION ON THE FARM

(By Joseph A. Kinney)

The mentality that guides congressional farm politics finds its roots in the Great Depression with the Agricultural Adjustment Act of 1933. At that time, Agriculture Secretary Henry Wallace, with the prodding of his adviser Harvard historian Rexford Tugwell, developed a scheme to stabilize prices by controlling supply. The result was a myriad of production allotments and quotas, a system that has been incrementally altered but not fundamentally changed in the past half-century. Today, farm laws are still heavily weighted in favor of limiting output.

The Wallace-Tugwell approach worked as long as the U.S. could count on any one of three conditions prevailing: total dependence on the domestic market, unbridled growth in world agricultural trade or, lastly, severe weather problems in a major food-producing region. For the first quarter-century under this reign, the market for U.S. food and fiber indeed was primarily domestic. For the next two decades, when U.S. reliance on the world market was to grow, American farmers flourished because of their superior management, technology, and the natural advantage of rich soil and water resources.

ENDURING DAMAGE

Economic realities have been changing for U.S. food producers since 1981, when the U.S. reached a record $43.8 billion in exports. The world entered a period of excellent weather, and farmers in primary growing regions have increasingly adopted modern inputs and technology in response to improving economic opportunities. For Americans, the rapid growth of the Golden Decade of the 1970s was reversed, and dreams of $100 billion in exports by 1990 smashed. The reasons for this decline have to do with more than the value of the dollar, which has made U.S. farm products more expensive overseas. Rather, it has been the inability to break the Wallace-Tugwell gridlock in Washington.

The economic damage to business in the current slide is large and growing, although largely missed in the current farm-policy debate. Because of failed farm policies, the farm and rural economics of the U.S. have been largely bypassed by the recent economic upturn. Agricultural exporters have lost a stunning $30 billion in sales since 1981. Damage to other agribusinesses has been deep and enduring. In late 1984, the farm-equipment industry was operating at 8% of capacity, pesticide manufacturing had slipped to 47% of capacity, and soybean-crushing plants were functioning at less than two-thirds of normal levels. Agribusiness, which had enjoyed attractive margins during the period of growing exports, had become bogged down in an era of shakeouts, mergers and liquidations.

U.S agribusiness suffered a nearly fatal blow in 1983 as the result of an event whose effects continue to linger. At that time, the Reagan administration announced a $20 billion farm income stabilization program called PIK (payments-in-kind). This program transferred government-owned grain to farmers in return for farmers agreeing not to plant crops. For some farmers, this meant a multimillion-dollar bonanza. Entire farms were taken out of production and operators took sabaticals in sunny climates. The program's attraction for the administration came in its fiscal creativity. The crops-for-land swap would not show up on the government's books due to accounting peculiarities. Result: Farm prices showed temporary relief while agribusiness crumbled.

The farmers' response to PIK was unprecedented. They retired 83 million acres of land from production, an amount that exceeded the total crop acreage of New York, Ohio and Vermont or nearly four times the 22 million acres cultivated in Japan. While Agriculture Department economists had thoroughly studied PIK's favorable impact on farmers, these experts had little appreciation for what PIK would mean to farm-oriented business. Economists at the University of California, Davis estimate that more than 60,000 workers lost their jobs in California alone. Experts at Georgia State University believe that PIK cost the national economy more than 200,000 jobs, and some specialists put the tally even higher.

As we move into the 1985 farm-bill debate, PIK is illustrative of what is wrong with the Wallace-Tugwell approach to farm policy. Congress, as was true a half-century ago, tends to narrowly view agricultural policy as a means to support farm income. This may have been a reasonable approach in the 1930s when there were 6.4 million farms. Then, pumping dollars into farms was a good way to stimulate economic activity. Much more of the farmer's production went directly to consumers 50 years ago, bypassing the processing and marketing channels that are so important today. A narrowly focused or "farmers only" farm program will continue to harm U.S. business and labor, particularly with export markets slipping daily.

PIK caught agribusiness off guard. Some firms offered blind support and others feared a public debacle with their farmer customers if they came out in opposition. Some of the non-opposing firms no longer exist. Two years after PIK, agribusiness still appears unable and unwilling to address farm-policy issues in a truly effective manner.

For the past four years, traditional American markets have been lost to foreign competition, a trend that continues. During this period, the U.S. share of the world market slipped from 57% to 45%. Ironically, the European Community, with its highly subsidized farm program, has benefited from the U.S. decline. While one can criticize the EC on many grounds, its farm programs certainly have maximized employment and business activity. This is because the EC's is a full-production farm policy, unlike that of the U.S.

Unless the Wallace-Tugwell gridlock is broken in Washington, the U.S. will continue to suffer market erosion to the advantage of Europe, Argentina, Australia, Brazil and Canada. The U.S. will become entrenched as the world's residual supplier, and farmers will be stuck with dreaming for bad weather elsewhere as their primary means of operating markets overseas. In January, U.S. farmers got a glimpse of what the future could bring when Cargill, Inc., a giant U.S.-based grain firm, announced it would import wheat from Argentina, a plan it was forced to drop after howls of protest from farm groups.

As the 1985 farm debate unfolds, there appears to be a clustering of support around two distinct positions. One is the latest supply management approach that links the traditional advocates of Wallace-Tugwell by permanently removing 40 million acres of cropland from production under the guise of a "soil conservation reserve." While there is clearly a soil-erosion problem, land-retirement schemes will not necessarily address this issue and, in any event, 40 million acres are far too much land to remove. A much smaller soil-conservation reserve, probably fewer than five million acres, should be sufficient according to government data.

The administration, meanwhile, wants to ease farmers into a market economy by the end of the century. As part of that, it would phase out land-retirement programs within four years. But that particular push is likely to be abandoned in the face of widespread opposition to the Reagan proposal—scuttled in favor of some compromise that could best limit short-run costs of the price-support programs, which have totaled about $50 billion since 1981, almost five times what the administration estimated.

Congress ought to take the lead in fashioning a more lasting prescription for our agriculture malaise. It ought to slate an up-or-down vote on an immediate end to the land-retirement schemes that are a part of the Wallace-Tugwell legacy. If crop-reduction authorities were abolished, the barriers to a full production farm policy would be made more difficult to resurrect in the future. An immediate result would be that other exporters, especially the European Community, would reduce crop production. Other exporting nations, which also have

increased production in recent years, would take the U.S. seriously, realizing that we have the will to regain our market share. Also, some wealthy countries, particularly Japan and Singapore, could be persuaded through creative diplomacy to stockpile U.S. foodstuffs and become food-donor nations in the event of a famine like that which currently stalks Ethiopia and East Africa.

CHANGES MUST BE MADE

Of course, given the current climate, the likelihood is that the shadow of Wallace-Tugwell will linger into the next farm program. If that is to be the case, the opponents of the status quo should legislate a "food system impact statement" that would require the USDA to spell out the loss of jobs, business activity and export markets that would come as a consequence of a land-retirement program in each crop year. Such economic-impact statements will demonstrate the fallacy of current policy and expand future debate.

Both Congress and the administration must come to see the merit of a full-production farm policy as a means to revitalize our food system, stimulate business activity and reverse our export decline, restoring promise and opportunity to beleaguered agribusiness and labor. Unless the U.S. corrects its course, erosion of one of America's truly great industries will be a fait accompli.

THE WHITE HOUSE,
Washington, DC, September 10, 1985.

Hon. JESSE HELMS,
U.S. Senate,
Washington, DC.

DEAR JESSE: One of the most important issues facing the Congress this year is the writing of the 1985 Farm Bill. In this legislation, the Congress will have the opportunity to make the fundamental reforms necessary to assure long-term farm prosperity.

We are in a period of difficulty for America's farmers. Prices for the major crops are weak. Demand for exports has fallen as foreign suppliers fill markets once ours alone. Although the successful effort to control inflation has helped farmers greatly by putting an end to double-digit increases in the cost of fuel, fertilizer, and other supplies, at the same time it weakened many farmers financially by dampening inflation-fueled speculation that had been causing land prices to rise sharply.

Farming and ranching are hard work, maybe the hardest. And the strength of our farmers and ranchers has always been the strength of their hopes for the future, seeing a young son or daughter working the fields or tending the herd, hoping they will stay on the farm or ranch and be able to make a go of it.

Those hopes are threatened today. We hear that there is no future for our farmers and ranchers, only a faster or slower slide into failure.

Only by working together can we plant the seed of hope for America's agriculture community.

In writing the laws that will govern Federal farm programs in the coming years, I believe that we can find agreement on objectives to guide us:

Establishment of commodity price supports that allow export-dependent commodities to become competitive in international markets;

Gradual reductions in the level of income support each year;

Reductions in the dairy support price as long as surpluses exist;

A phase out of acreage reduction programs; and

Targeting of income benefits to legitimate family farm operations.

In addition, we must develop agricultural policies that do not harm our overall fiscal policy. In this regard, the budget levels adopted by the House and Senate in the First Concurrent Resolution on the Budget should serve as the appropriate balance between the funding needs of farm programs and the need to reduce the deficit.

The farm problem is as important as any challenge we face. We must, therefore, approach it with a spirit of cooperation and consensus. A way of life is at risk, one too precious to our national heritage to be the subject of politically-inspired machinations.

I have asked Secretary John Block to renew the Administration's effort to arrive at a farm bill that will achieve the objective outlined above. He will work with those in the Congress who share these objectives.

I look forward to signing a farm bill that provides hope, not measured doses of despair. But I must note that I am prepared to disapprove legislation that repeats the mistakes of the past.

We must work together to fulfill our responsibility to this nation's farmers.

Sincerely,

RONALD REAGAN.

DENIAL OF HOLOCAUST REJECTED

Mr. CRANSTON. Mr. President, one of the most vicious and repugnant campaigns by some of the far-right groups in this country over the years has been an attempt to deny the Holocaust. It is extraordinarily difficult to comprehend what has motivated this effort. It is too easy to say simply that certain individuals still admire Hitler and his fanatic brand of fascism.

But for whatever reason, these groups have persisted. Particularly harrowing has been their effect on survivors of Hitler's war against the Jewish people and other minorities.

For this reason, it is heartening to note the recent decision by a California court to levy fines and mandate a court-ordered apology against one of these extremist organizations which has continued to publish "the Holocaust-was-a-lie" stories while offering monetary rewards—which they have then refused to pay—to anyone who produces proof the Holocaust occurred.

This California court decision is a victory for all who care about the truth and who oppose the efforts of these wacko groups to slander, pain, and impugn Holocaust survivors.

Following is the text of the letter of apology submitted to the court by attorneys for the Liberty Lobby and other defendants in this case.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF RECORD AND LETTER OF APOLOGY TO MEL MERMELSTEIN

"Whereas, the Legion for Survival of Freedom, and the Institute for Historical Review, sent by letter dated November 20, 1980, directly to Mel Mermelstein, a survivor of Auschwitz-Birkenau and Buchenwald, an exclusive reward offer in a letter marked "'personal'" dated November 20, 1980, offering Mr. Mermelstein a $50,000 exclusive reward for "'proof that Jews were gassed in gas chambers at Auschwitz'" "and further stating that if Mr. Mermelstein did not respond to the reward offer "'very soon'", "the Institute for Historical Review would 'publicize that fact to the mass media';. . ."

"Whereas, Mr. Mermelstein formally applied for said $50,000 reward on December 18, 1980; and

"Whereas, Mr. Mermelstein now contends that the Institute for Historical Review knew, or should have known, from Mr. Mermelstein's letter to the editor of the Jerusalem Post dated August 17, 1980, that Mr. Mermelstein contended he was a survivor of Auschwitz-Birkenau and Buchenwald; knew, or should have known, that Mr. Mermelstein contended that his mother and two sisters were gassed to death at Auschwitz; and knew, or should have known, of his contention that at dawn on May 22, 1944, he observed his mother and two sisters, among other women and children, being lured and driven into the gas chambers at Auschwitz-Birkenau, which he later discovered to be Gas Chamber No. 5; and

"Whereas, on October 9, 1981, the parties in dispute in the litigation filed cross-motions for summary judgment resulting in the court, per the Honorable Thomas T. Johnson, taking judicial notice as follows:

"'Under Evidence Code Section 452(h), this Court does take judicial notice of the fact that Jews were gassed to death at the Auschwitz Concentration Camp in Poland during the summer of 1944'", and "'It just simply is a fact that falls within the definition of Evidence Code Section 452(h). It is not reasonably subject to dispute. And it is capable of immediate and accurate determination by resort to sources of reasonably indisputable accuracy. It is simply a fact.'"

"Whereas, Mr. Mermelstein and other survivors of Auschwitz contend that they suffered severe emotional distress resulting from said reward offer and subsequent conduct of the Institute of Historical Review; and

"Whereas, the Institute for Historical Review and Legion for Survival of Freedom now contend that in offering such reward there was no intent to offend, embarrass or cause emotional strain to anyone, including Mr. Mermelstein, a survivor of Auschwitz-Birkenau and Buchenwald Concentration Camps of World War II, and a person who lost his father, mother and two sisters who also were inmates of Auschwitz;

"Whereas, the Institute for Historical Review and Legion for Survival of Freedom should have been aware that the reward offer would cause Mr. Mermelstein and other survivors of Auschwitz to suffer severe emotional distress which the Institute for Historical Review and Legion for Survivial of Freedom, now recognize is regrettable and abusive to survivors of Auschwitz.

LETTER OF APOLOGY TO MEL MERMELSTEIN

Each of the answering defendants do hereby officially and formally apologize to Mr. Mel Mermelstein, a survivor of Auschwitz-Birkenau and Buchenwald, and all other survivors of Auschwitz for the pain, anguish and suffering he and all other Auschwitz survivors have sustained relating to the $50,000 reward offer for proof that

"Jews were gassed in gas chambers at Auschwitz".

LEONARD R. SUSSMAN'S ARTICLE "IN SUPPORT OF THE HELSINKI PROCESS"

Mr. D'AMATO. Mr. President, as chairman of the Helsinki Commission, I rise today to call to the attention of my colleagues an article by Leonard R. Sussman entitled "In Support of the Helsinki Process," which appeared in the September/October 1985 edition of Freedom at Issue.

Mr. Sussman, executive director of Freedom House, is exceptionally well qualified to write on this topic. His article is substantially based on an address he delivered to the National Leadership Forum sponsored by the Georgetown University Center for Strategic and International Studies.

There is a continuing international public debate on the future of the Helsinki process. This debate has recently come to wider public notice because this year is the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe, better known as the Helsinki Final Act or the Helsinki accords.

On the occasion of the 10th anniversary, a commemorative international meeting was held in Helsinki, Finland from July 30 through August 1. I led a special order in the Senate to recognize the importance of the occasion and to discuss the future of the process. My cochairman, the distinguished gentleman from Maryland, Steny Hoyer, led a similar special order in the House. We also passed a sense of the Senate resolution (S.J. Res. 180) strongly reaffirming our commitment to the human rights principles included in the final act.

Leonard Sussman's article responds directly and, I believe, accurately to many of the most common criticisms of the Helsinki process and of our continuing participation in it. He makes the key point that:

The Helsinki process should be seen as ideological ammunition to be fed continuously into established western communication channels that reach regularly into East-bloc homelands.

He points out that:

The Soviets dread facing in public, human rights reviews in the Helsinki process, because, he believes, the Soviets don't want the world outside, particularly the 110 developing countries, to see the U.S.S.R repeatedly stigmatized as a modern tyranny, and not the marxist utopia that was promised.

These are critical points. It is undeniably true that not only are the Soviets not living up to their promises to respect human rights and fundamental freedoms, they are arrogant in their total disregard of their promises. It is equally true that, if those of us in the Congress who are concerned about human rights do not speak out loudly and clearly on this issue, we join those who are intimidated into silence by Soviet military power.

We have a fundamental moral obligation, both to our own basic principles, and to those individuals struggling for freedom who are still trapped behind the iron curtain. We must take full advantage of the "bully pulpit" the final act provides. We must measure Soviet conduct by the international standard of civilized behavior established by the final act. We must not falter in our efforts to call to public attention the Soviet Union's policy of continued violation of the most basic human rights.

I commend Mr. Sussman's article to the attention of my colleagues. I believe it deserves careful reading by anyone interested in the Helsinki process or human rights behind the Iron Curtain.

Mr. President, I ask unanimous consent that Mr. Sussman's article, "In Support of the Helsinki Process," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN SUPPORT OF THE HELSINKI PROCESS

(By Leonard R. Sussman)

The Helsinki Accords were signed August 1, 1975. Several weeks later, Freedom House in an editorial urged the creation of a "Helsinki Watch"—the regular monitoring of compliance with the far-reaching commitments made at Helsinki. Now, ten years later, there is some disillusionment with the Helsinki Process. A reassessment is, therefore, in order. Let me state at the outset my position on the Helsinki Process (the continuing review of compliance with the 1975 Final Act of the Conference on Security and Cooperation in Europe, the CSCE):

In the entire East bloc--with only variations in degree—human rights are observed mainly in the breach. Opportunities for normal contact between East and West are strictly limited. Cross-border communications are severely restricted, as are opportunities for dissent and diversity within each East-bloc country. Yet the instinctive, universal yearning for human rights—especially when they are institutionally violated—affects even the most pervasive violators of human rights. They must find some rationale for their anti-humane activities. That places some limit even on *their* tyrannies.

By violating the human rights of their own citizens, some consequences follow what would not occur if the Helsinki Accords did not exist. I shall return to that crucial factor after discussing the conditions which inspired initiation of the Helsinki Process.

THE PROCESS AS COMMUNICATION

In all East-bloc countries, ideological commitment to Marxism-Leninism results in authoritarian or totalitarian controls. This statism is diametrically opposed to individualism, which promises each person the right to exert a meaningful choice of governmental leaders and policies, and without penalty for making or publicly discussing such choices. For such freedoms pledge the right to public assembly and free association whether for religious, social, trade union, economic, or political purposes.

Intimately associated with each of these freedoms is the independence of the media of mass communication. Throughout the East bloc, governmental ownership of the means of communication—even the licensing of typewriters in some places—is the absolute law. The regime dominates the content of the print and broadcast media. Journalists, so-called, are really government spokesmen. They know they will be banished, at the least, if they express personal views of dissent. The Soviet broadcaster who diverged from the official line about the Afghanistan invasion was sent to a psychiatric institution.

Proof of the ironclad control over communication are the courageous dissenters who write and circulate samizdat in the Soviet Union, the Charter 77 people in Czechoslovakia, the prolific Solidarity movement in Poland, and others. These inspired exceptions prove the rule.

How, then, can free men and women outside the Great Gulag that is the East bloc make contact people-to-people? Authorized contacts—cultural, scientific, and journalist exchanges—are carefully controlled. East-bloc travelers are highly indoctrinated, mainly trustworthy carriers of governmental ideology. Occasionally a defector appears, but the rarity underscores the effectiveness of the authoritarian and totalitarian indoctrination in the homelands.

That is not said to denigrate cultural and other exchanges. They should continue, and be expanded. One may assume that Westerners, for their part, can make a certain positive impact on the East-bloc citizens they meet inside Soviet-dominated countries. The fact that cultural and other exchanges have limited effect suggests, however, that additional channels such as the Helsinki Process are necessary. That process must not be examined in isolation as simply a discussion of thirty-five delegates behind closed doors, or even as a conference producing a single, concluding statement that is bound to be consensual and mainly innocuous. The Helsinki Process should be seen as ideological ammunition to be fed continuously into established Western communication channels that reach regularly into East-bloc homelands. We do ourselves a disservice if we regard the Helsinki Process from our viewpoint rather than from the Soviets' perspective. There must be some reason why they dread facing in public, humanrights reviews in the Helsinki Process. They fought long and hard before the Belgrade, Madrid, and Ottawa conferences to restrict press and NGO observation of the compliance discussions.

The reason is obvious: the Soviets don't want the world outside, particularly the 110 developing countries, to see the USSR repeatedly stigmatized as a modern tyranny, and not the Marxist utopia that was promised. Beyond the observation of other countries, however, the Soviets mainly dread the magnification of the Helsinki Process through the Freedom Radios. They broadcast the facts of human-rights violations directly to the citizens of the Soviet bloc. One cannot fully estimate the impact of the Helsinki Process without factoring in the continuous use of the discussions by Radio Free Europe/Radio Liberty, the Voice of America, the BBC, Deutsche Welle, and other Western radios. The stepped-up jamming of American broadcasts by the Soviet Union is further proof that our radios are effective. How else can free people speak over the

heads of totalitarians—as speak they must—to reach the peoples of the Soviet bloc?

THE TERRITORIAL BORDER QUESTION

For more than six decades, Western efforts to help liberalize the Soviet Union from the outside have largely failed. We have tried approaches called Cold War, détente, or a blend of the two—with little short-term success. These were largely approaches devised by, or in response to, the Marxist-Leninist system itself. The Helsinki Process is different. It is a Western concept. It was, to be sure, almost an afterthought when Western Europeans finally agreed to hold a postwar conference which the Soviet Union had long demanded. The West Europeans, and reluctantly the United States, agreed, provided human rights were as thoroughly examined as security and economic matters. It was to be understood and every word in the entire Final Act would be approved by all thirty-five signatories, and every word—human rights included—would carry equal weight. The Soviets thus committed themselves to standards of human rights which were not theirs in practice or in promise; standards that would, if complied with, transform their country and all East-bloc countries into far freer societies.

The Soviets were apparently willing to take that risk in order to achieve Europe-wide approval of existing borders. Did they achieve their primary objective? The answer is no, unless the West out of a perpetual sense of inferiority assumes the Soviets must have won what they sought. For, after all, the Soviets yielded a good deal by agreeing to Basket Three, the human-rights standards. And those issues dominate the Helsinki Process.

Examine the borders question. Critics of the Helsinki Accords, particularly Americans, do the free world a great disservice. They repeat the Soviet interpretation that at Helsinki the World War II borders of Europe were formally accepted for the first time. Helsinki, it is said, was the peace treaty the communists long sought in order to secure universal approval for their wartime and postwar accessions in Europe. That is *not* what happened at Helsinki in 1975. The accords, did not affirm as inviolable the existing territorial boundaries. On the contrary, the declaration speaks clearly on this point: "Frontiers can be changed," it states, "in accordance with international law, by peaceful means and by agreement." That is given in the first principle. The third principle governing the document says that states "will refrain now and in the future from assaulting" one another's frontiers. When read with the first principle, the document opposes changes in borders by force but upholds changes resulting from peaceful agreement. Moreover, President Ford stipulated clearly as he signed the accords: "The United States has never recognized the Soviet incorporation of Lithuania, Latvia, and Estonia and is not doing so now." Indeed, a crucial territorial division, the Oder-Neisse line between the GDR and Poland, was settled in 1970, five years before the Helsinki Final Act.

The principal American negotiator (Harold S. Russell) writes that he and "all the Western negotiators" believe the "USSR failed in large part to achieve the kind of language it originally sought." The document, he says, "does not depart materially from previous international agreements on frontiers and does nothing to recognize existing frontiers in Europe." The two sentences in the accords "comprising the inviolability principle occupied four months" of negotiation, and eliminated "virtually all" of the essential elements of the Soviets' initial draft.

However, what the Soviets failed to achieve in the CSCE negotiations they "almost totally recouped at Helsinki through the American press"—that, too, from the American negotiator. And, I will add, our press continues to serve up the Soviet line that Helsinki gave the East bloc its present borders. It did not.

West German Foreign Minister Hans-Dietrich Genscher put it properly in the Bundestag: "The Conference has not finalized the *status quo* in Europe," he said. "And what the Conference did not do by text we should not do by words." President Ford stated explicitly as he signed the Helsinki Accords that he did not accept the interpretation that the CSCE "will put a seal of approval on the political division of Europe." If he believed that it would, he said, he would not go to Helsinki.

Americans can be too prone to cast a skeptical eye on international negotiations. We are also quick to assume guilt for *our* policies, and believe the Soviets are ten feet tall. Helsinki was a different case. The Soviets did not get the territorial approval they sought. Instead, they got Basket Three—the human-rights commitments. By the time it was clear they could not get the territorial commitment, they were too deeply enmeshed in the three-sided process to pull out of one, and thus kill any territorial reference. Had they done so, it would have been impossible even to convert a bland territorial statement into a propagandized commitment they wanted but didn't get. Sadly, Americans are helping make that conversion after the fact. Instead of wringing our hands over a bad bargain, we should repeatedly proclaim the truth: Helsinki, far from providing territorial commitments, created a vast set of human-rights standards and commitments. These should be hailed, not rued.

HELSINKI'S PUBLIC NATURE

I turn next to what the Helsinki Process is, and is not. The latter first: it is not a legally binding commitment, as today's critics point out. Why so? Because for two years of negotiations before 1975, the *Americans* insisted that the Final Act would not be legally binding. And probably for good reason. Without resort to the military, it would be difficult to enforce commitments to internal relations. Realities would probably be no different in the Gulags today if the act had been legally binding, but the fragile rule of law would have been further weakened.

Critics also suggest that the Helsinki Process is an elaborate pretense, that we and the Soviets are seemingly in accord about the values and the violations of free expression, free trade unions, freedom to travel, and other matters. That criticism entirely misses the value of the process. The framing of the standards, important though they are, is only the beginning of the process. The key is holding the Soviet bloc to *our* interpretations of those standards. We have devised the most effective mechanism so far to bring Soviet spokesmen to the dock at Helsinki and charge them—citing names, cases, and institutional procedures—with violations of the approved code of human practice. Of course the Soviets counterattack, and of course they charge interference in their internal affairs. But that, on their part, is purely damage control.

The Helsinki Process is aired regularly, world-wide, over the Freedom Radios. These are heard, even through jamming, inside the Soviet bloc. The bloc bureaucrats, and probably their families, friends, and associates, must hear in detail of the charges made against them in the Helsinki Process. They must devise answers often of a relatively specific nature—answers which are transparently specious even to them. Such charges must seep through the internal communications channels. Certainly such attacks made many Soviet satellite bureaucrats uneasy, and perhaps eventually help to Polandize their countries. At the very least, such attacks place a strain on Soviet relations with their satellites.

The most important aspect of the Helsinki Process is its public nature. If the review conferences at Belgrade and Madrid, and the human-rights experts' meeting at Ottawa, were held in the absence of publicity, I would agree the main value would be eliminated. That is why the Soviets insisted before the Ottawa conference that it be closed to the press and the NGOs. The U.S. delegation fought to keep it as open as possible. Clearly, the watching world sees that it is the Soviets who have something to hide. Each day, then, an American spokesman emerged from the session to report to the press what had transpired that day. And press materials spell out in detail the names, events, and institutional procedures that have resulted in serious Soviet violations of human rights. It is then the business of the free press to carry these charges around the world. To the extent that the press does not convey this information, people everywhere—including the mass media themselves—suffer. For violators of humane standards are let off too easily. But that is not the fault of the Helsinki Process; rather it is a sign of misunderstanding or indifference.

The press, which largely misinterpreted the territorial intent of the CSCE, may further advance Soviet objectives by playing down the stringent naming of names, and other issues set forth at Ottawa mainly by the American and British delegations. Ambassador Max M. Kampelman, board-chairman-on-leave of Freedom House, pursued that policy at Madrid from 1980 to 1983. Ambassador Richard Schifter did the same at Ottawa.

We should also credit the Helsinki Process with the diverse activities of the American CSCE—the joint Executive-Legislative Commission. The commission carefully monitors lists of human-rights violations. A substantial number of the 1,800 family-reunion cases submitted to the Romanian government, for example, have been successfully resolved, and the last outstanding Hungarian-U.S. family reunification case was concluded. The commission has held hearings, widely reported in the press, on the plight of Jews in the Soviet Union, psychiatric abuse in the Soviet Union, forced labor in the USSR, and the status of Andrei Sakharov and the unofficial peace groups in Eastern Europe. All of these public manifestations were possible because the Helsinki Process created both framework and newsworthiness. Given the nature of Western journalism, in the absence of such organized activities in defense of human rights, it is highly unlikely the press would cover individual appeals. Isolated, *ad hoc* complaints generally go unreported.

Human rights is one of three general concerns of the CSCE. The Madrid review conference, for example, helped spotlight the Soviet invasion of Afghanistan, the repression of Poland, and the shooting down of the Korean airliner. The meeting had the

unusual effect of unifying the Western nations, including the neutrals and nonaligned, in the face of East-bloc opposition. And a fact not often publicized is that the Madrid review also served as an open channel for East-West communication during the time when other contacts were shut down. The Madrid conference also mandated the Stockholm meeting on confidence-building measures in the security field. While no rapid results may be anticipated there, the effort to avoid destabilizing military surprises can be useful.

"The Madrid meeting," in the words of Ambassador Kampelman, was "the appropriate forum at which to insert political and moral pressure into the process." The message to the Soviet Union was clear: "Conform to the promises made in 1975 if you wish to be recognized as a responsible member of the international community."

THE ESSENTIAL ALTERNATIVE

In a militarized, adversarial world the application of moral and political pressure is the essential alternative, and free men and women should support it to the fullest. Yet some Soviet dissidents now call for the abrogation of the Helsinki Accords. They say that in the ten years since the Final Act was approved the human condition has worsened in the East bloc, Afghanistan has been invaded, and the very dissidents who supported the Helsinki Process—the monitors inside the East bloc—have been imprisoned and some died. All of this is true.

But would these evils have happened in the absence of the Helsinki Accords? Undoubtedly. Did any realist believe the accords would significantly reverse the sixty-eight years of Marxism-Leninism, even in ten years? Hardly. What, then, is the value of the Helsinki Process? Simply this: it is the only means the Western nations of Europe, and the neutrals, and Canada and the United States have devised to provide a public judgment seat for violations by the Soviet bloc.

Would the world be better without such judgments? I think not. Is there an effective alternative public system for exposing the Soviet bloc? I know of no other regularized way. Is there another method of changing the internal Soviet system? Isolation? Surely that would only increase the internal suffering, to the delight of the Soviet masters. Now, public attention provides some brake—as the very dissidents who now attack the Helsinki Process were quick to tell us personally as each of them was freed. "Keep up the publicity," they would tell us—each of them—"it helps." It still does. Helsinki is institutionalized publicity on behalf of human freedom.

I know that after ten years there are frustrations among the émigrés. Properly so. Worse still must be the cruel disappointment and suffering of the supporters of the Helsinki Process now in Soviet prisons and labor camps. We must understand and honor their anguish. Yet to this day, when these dissidents or other human-rights activists appeal for assistance, they invariably seek to hold the guilty state to its commitment to the same Helsinki Accords, as well as to the Universal Declaration of Human Rights. Yet we never hear cries to abrogate the Universal Declaration of Human Rights. On the contrary, the appeal is always to comply with the declaration. Ironically, the Universal Declaration has no mechanism such as the Helsinki Process for monitoring compliance and bringing the guilty to the dock of world opinion.

We should not be complacent about the Helsinki or any other approach, as long as the world is divided between free and not free. Yet we should use the Helsinki Process ceaselessly to call on the Soviet bloc to comply. We should exploit to the fullest the so-far-unequaled opportunity to attack the violators in the only way open, short of military force—the use of the word addressed to the mind and the heart of the free and, yes, the not-yet-free of this world.

APPLAUDING KUTV-CHANNEL 2 AND NBC FOR THEIR EFFORTS TO PREVENT THE HAZARDS OF SUBSTANCE ABUSE

Mr. HATCH. Mr. President, I would like to bring to the attention of my distinguished colleagues the contributions of KUTV television, an NBC affiliate, in addressing the prevention of alcohol and drug abuse among Utah citizens.

For the past 3 years, KUTV has focused its public service spotlight on educating youth and parents to the hazards of substance abuse. Through the public airwaves, they have devoted air time to this effort. But their work has not stopped there. The KUTV staff has gone directly into schools encouraging young people to avoid the substance abuse pitfalls that can entrap so many youth. KUTV and their staff have also sponsored community meetings, including symposiums for concerned parents and youth, focusing on the importance of family and community involvement in tackling alcohol and substance abuse problems.

In addition, I want to commend NBC and other NBC affiliates who work to educate our Nation's citizens on problems associated with alcohol abuse. NBC has been a leader in developing innovative public service announcements—especially discouraging drinking and driving. Their level of commitment to this effort is appreciated and should not go unnoticed.

It is always difficult to evaluate success, but because of the scope of these prevention programs, I know that many lives have been spared the pain that follows in the wake of alcohol and other substance abuse.

I commend channel 2-KUTV's and NBC's efforts and request unanimous consent that the text of my letter recognizing their public spirited program be included in its entirety in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be in the RECORD, as follows:

COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, DC, July 20, 1985.

Mr. AL SEETHALER,
Vice President and Manager, KUTV Inc., Television for Utah, Salt Lake City, UT.

DEAR MR. SEETHALER: I received your correspondence regarding KUTV's continuing commitment to public well-being and education. As a representative of Utah's citizens, I express my appreciation for KUTV's community service and compliment you for your accomplishments.

As your choice of substance abuse makes clear, Utah is not immune to the national epidemic among adults as well as youth. It is essential that we continue to help those who suffer due to chemical additions. But prevention is our ultimate goal, and with the cooperation of KUTV and others in the private sector, that goal is not unrealistic.

If I can assist in any way, do not hesitate to contact my office. Also, please continue to update me on your programs and the progress you are making.

Sincerely,

ORRIN G. HATCH,
Chairman.

BLACK COLLEGES WEEK

Mr. DOLE. Mr. President, this week is National Black Colleges Week, the time we pay tribute to the over 100 public and private historically black colleges throughout the country and their administrators, teachers and students.

It was a tragic reality in this country that prior to 1954, black students were routinely denied admission to white higher education institutions which in many States was mandated by law. And even in those institutions where black youths were admitted, they were frequently required to live in segregated dormitories, eat in segregated dining halls, and sit in the areas designated for blacks at the back of classrooms. Black colleges served as refuge and safe haven for young blacks seeking a college degree—a place where they could get a good education in an environment which treated them with dignity and respect, and allowed them to develop their full potential. Even though black colleges typically received less financial support than their white counterparts, these institutions survived through ingenuity, hard work, and dedication, graduating some of the Nation's most outstanding doctors, lawyers, scientists, and artists.

Fortunately, today the officially sanctioned discrimination and segregation which necessitated the establishment of racially separate schools no longer exists. Historically black colleges continue today not as anachronistic vestiges of a dual school system but as quality education institutions, still graduating the best and the brightest and making major contributions in the academic world. Many devote substantial resources to helping the economically and socially disadvantaged student, giving them a chance for educational betterment that they otherwise would not have. I salute all these institutions and the organizations who represent them and work on their behalf, including the United Negro College Fund, the National Association for Equal Opportunity in Higher Education, and the

Office for the Advancement of Public Black Colleges.

THE 20TH ANNIVERSARY OF NASA/ARMY AGREEMENT

Mr. WILSON. Mr. President, when war was declared on Germany in April 1917, the United States had essentially no real aircraft industry. At that time the United States had to depend almost entirely on proven European aircraft designs. Many aircraft were manufactured by European companies for use by the American Expeditionary Force, while others were produced under license in the United States.

The tactical and strategic requirements for aircraft in World War I spawned an aircraft industry nurtured by large expenditures of money by the governments involved in the war effort. In the United States the National Advisory Committee for Aeronautics [NACA], NASA's predecessor, was established by act of Congress in 1915. The results of NACA's research began to have a significant impact on aircraft design by the mid-1920's. Aircraft types of amazing variety—biplanes, monoplanes, triplanes and even quadruplanes—were built in the continued quest for better flying machines.

The evolution of the modern airplane is due to technological advances in such areas as aerodynamics, propulsion systems, structures, materials and manufacturing technology. The often conflicting requirements of performance, safety, reliability and economic viability place a high premium on design excellence. Advancements in these areas have been made possible by countless man-hours expended by dedicated, highly motivated people in research laboratories operated by civil and military elements of the Government, universities, as well as in private design, engineering and manufacturing firms. Much of this activity occurs in California.

In this regard, I would like to bring your attention to a symposium commemorating the 20th anniversary of the NASA/Army Joint Cooperative Agreement to be held on September 30, 1985, at Ames Research Center, Moffett Field, CA. NASA's Ames Research Center and the U.S. Army Aviation Research and Technology Activity are sponsoring this event in recognition of their highly productive 20-year association and collaboration. Since the NASA/Army Joint Agreement was initiated in 1965, the relationship has becme the foundation for the Government's research and development support for helicopter, rotorcraft and vertical short takeoff and landing [VSTOL] aircraft. Since its inception, the relationship has expanded to include NASA's Lewis and Langley Research Centers which considerably expands the capability to conduct aeronautical research and large scale testing.

One example of NASA/Army collaboration is the rotor systems research aircraft [RSRA] where investigation is being made of rotorcraft concepts that have military as well as commercial potential. One of two RSRA aircraft is being modified to incorporate a four-bladed, extremely stiff rotor that can be stopped in flight. For takeoff, hovering and low speed flight, the rotor functions as a helicopter rotary wing. At a speed of about 200 miles per hour, the rotor is stopped and locked in place to become, in effect, two forward-swept wings and two aft-swept wings in an "X" configuration.

In the "X" mode, it is expected that the concept will have a speed potential approaching 500 miles per hour. Last year the RSRA made 13 rotorless flights, reaching speeds of 300 miles per hour and altitudes up to 10,000 feet. The purpose of this testing was to demonstrate the fixed wing capability of the hybrid helicopter/airplane and to explore its flying qualities in preparation for the new X-wing research program. This type of aircraft offers utility as a short-haul transport for military or commercial service beginning about the end of the century.

The NASA/Army connection has also resulted in significant advancements in rotorcraft design and development in the areas of fuel efficiency, stability and control, aeroelastic behavior, weather protection, composite structures, and the man-machine interface. The overall thrust of this relationship is to advance those aeronautical technologies which are critical to continued preeminence of U.S. Army and civil aviation.

Among the key recommendations made recently by the Aeronautical Policy Review Committee of the Office of Science and Technology Policy [OSTP] were the need for a bolder, more aggressive vision for the United States in aeronautics. This includes additional focus in high-payoff technology areas, and an active flight research and experimental aircraft program. These positions have been strongly supported by both the Congress and the Aeronautical Advisory Committees to NASA and other Federal agencies.

Continued advances in high technology areas will occur within the constraints of an increasingly austere budget. I commend the efforts of the NASA/Army team over the last 20 years not only for recognizing that important elements of our national and economic security are inextricably linked to preeminence in aeronautics, but for demonstrating that technological benefits can be derived and tax dollars saved by sharing the talent and resources of their respective agencies.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

Mr. MATTINGLY. Mr. President, I rise to add my voice to the 1985 Congressional call to Conscience Vigil for Soviet Jewry.

Thanks to the tireless work of groups such as the Union of Councils for Soviet Jews, we are all aware of the plight of the more than 2 million Jews trapped in the Soviet Union. We know of the institutionalized racism that oppresses, harasses, and imprisons the Soviet Jew; that makes the Soviet Union an intolerable place to live and an impossible place to leave.

The repression is so pervasive and the victims so numerous, that in order to avoid becoming numbed to their struggle, we must hear the stories of individuals. The tragedy is thereby given a face and a name and a soul, so that it is longer and more vividly remembered. I stand before you now, as many of my colleagues have before, to tell another such story, based upon information provided me by the Union of Councils.

Iosif Michailovich Romm was born in 1935. His father gave his life defending the Soviet Union from Hitler's onslaught in what is known in that country as the "Great Patriotic War." As his mother was no longer living, Romm was raised by his uncle.

This uncle, whom Iosif Romm looks upon as his father, now lives in Israel; and since 1980, Romm has sought an exit visa to be reunited with him. In the face of the clearly close bond between the two men, the reason the Soviet Government gives for denial of the visa is insufficient kinship.

Romm has had to bear the economic burdens customarily imposed upon those brazen enough to inform the state of their desire to emigrate. Although trained as an electronics engineer, he cannot find work in his field. And rather than face charges of parasitism, Romm now works for meager wages as a locksmith. He barely earns enough to live on.

From Israel, Romm's uncle asks only one thing of the world. This is his plea:

> I am 76. I am an old man and he is my child. We want to see him and to have him with us, and he has the same feelings for us. I am glad to know that there are people to whom our fate and our sufferings are understandable and not indifferent. . . .

Mr. President, our awareness of Romm's suffering and interest in his fate are not enough. As the Soviet Union begins its second decade of breaking the promises it made in the Helsinki accords to afford all its citizens basic human rights, it is all the more imperative that we in the free world continue to shine light into the Soviet dungeons. We must be as relentless, indeed, more so, in exposing

for world reprobation the atrocities therein, as the Soviets are in continuing their oppression. In the cases of a number of Iosif Romm's fellow countrymen, Western public outcry has prodded the Soviet Government into behavior that, at least, comes close to bordering on the decent. Given even the limited successes we have enjoyed, we have a moral obligation to persist in our pressure.

During the upcoming summit, President Reagan will sit across the table from the man who ruthlessly presides over a country where Iosif Romm's plight is routine. I earnestly hope the President keeps the struggle of Romm and those like him in the forefront of his mind as these talks get underway; if not to prompt his condemnation of the mistreatment before its source, then, at least, to serve as a constant reminder of exactly what type of system he is dealing with.

RETIREMENT OF LARRY KENNEDY

Mr. MATHIAS. Mr. President, on August 2, 1965, as the late Carl T. Hayden was nearing the end of his long and distinguished career in the U.S. Congress, he appointed Lawrence F. Kennedy to the staff of the Joint Committee on Printing. Since the chairmanship of Senator Hayden, Larry Kennedy has assisted 10 different chairmen as the committee's Congressional Publications Director. After more than 20 years in that capacity and a total of 27 years with the Federal Government, Mr. Kennedy will retire on October 1, 1985.

Having been trained as a craftsman printer, Larry Kennedy served as a journeyman Linotype operator at the Government Printing Office before coming to the Joint Committee. This training, coupled with a keen understanding of the Hill, proved invaluable to him in his role of overseeing congressional publications. During his career with the JCP, Mr. Kennedy routinely reviewed the CONGRESSIONAL RECORD and exercised constant vigilance to ensure its accuracy and timeliness. In addition, he was the editor of such well-known publications as the Congressional Directory, the Biographical Directory of the American Congress, and dozens of memorial tributes to Members of Congress.

Mr. President, Larry Kennedy's departure will mark the end of a lengthy and dedicated career with the Federal Government. And as he enters into a period of well-earned retirement, I'm sure that the members of the Joint Committee on Printing as well as my colleagues here in the Senate will join me in wishing him and his lovely wife, Agatha, our best wishes for a future filled with health and happiness.

MENCKEN-LANDON MARYLAND DINNER

Mr. MATHIAS. Mr. President, we in Maryland want to invite Gov. Alf Landon of Kansas to come for dinner. Of course we could call him up or send him a personal note, but we have in mind an important occasion and think that the invitation should be more formal than usual and therefore we ask the majority leader and the Senator from Kansas, Mrs. KASSEBAUM, to transmit it for us.

The reason that we want Governor Landon to come back to Maryland is to enjoy the same famous fare of Maryland that he did half a century ago as the guest of H.L. Mencken. Few places in the world could boast such culinary stability that the same dinner could be served after 50 years with no diminution of delight and nutritious benefit. The only slight changes in the menu that we might make for Governor Landon this year would be to serve our own Maryland wines, both red and white, as well as Maryland nuts. We believe the Governor will appreciate this substitution as evidence of the development of Maryland agriculture as well as the finer flavor and bouquet of Maryland wine.

An interesting sidelight on the Mencken-Landon Maryland dinner is provided in an article by Theo Lippman, Jr., in the Baltimore Sun. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Sept. 7, 1985]

MENCKEN-LANDON MARYLAND DINNER

(By Theo Lippman, Jr.)

Living well is the best revenge, they say. What about living long? *Alf Landon* will be 95 years old Monday. He has outlived by 40 years Franklin D. Roosevelt, who crushed him in the 1936 presidential election that remains to this day the landslide of all landslides.

He has outlived almost everyone who was elected or defeated that November. He has outlived almost everyone who wrote editorials endorsing him. And, considering that life expectancy at age 21 in 1936 was 47 more years for men and 50 more for women, he has outlived the vast majority of the people who voted against him that day.

Not only that, but he has lived to see elements of his negative achievement worsened by later candidates. Two of them were new-New Dealers, disciples of FDR. Sweet.

First, the record. In 1936, President Roosevelt was seeking a second term. He defeated Landon, who was governor of Kansas, by getting 60.8 percent of the popular vote, a total of 523 electoral votes, a whopping 98.5 percent, and carrying 46 of the 48 states. Not since the birth of parties and the counting of popular votes had there been so lopsided an election.

Each of those four measurements of victory was unprecedented, but since then, Lyndon Johnson received a larger popular vote—61.1 percent against Barry Goldwater in 1964; and twice candidates have carried more than 46 states—Richard Nixon got 49 in 1972 running against George McGovern, and Ronald Reagan got 49 in 1984 running against Walter Mondale. Reagan also won 525 votes in the now-larger Electoral College.

The only Landon record that remains is that he carried a smaller percentage of electoral votes than any presidential candidate (1.5).

At 95 Landon remains healthy and active. Only a few years ago he was riding horses and writing on politics, including an article for the page opposite this one.

His close association with this paper goes back to 1936. H.L. Mencken traveled with his campaign. He told Landon often that Kansas food couldn't compare with Maryland food. "I told [Mencken] that win, lose or draw I would eat one of his meals when I came through Baltimore again, and here I am," Landon told a crowd when he came in December, 1936.

Mencken and several other *Sun* men entertained Landon and a few other dignitaries at the Southern Hotel. Mencken ordered "a Maryland meal, cooked according to Maryland tradition and served as Maryland viands should be served."

The menu: Maryland whisky cocktails, Chesapeake Bay oysters, olives, stuffed celery, nuts, terrapin al la Maryland, Maryland beaten biscuits, sherry, chicken al la Maryland, cream sauce, grilled bacon, corn fritters, potato croquettes, Bordeaux, Maryland hearts of lettuce, Maryland water ice, champagne.

Everything but the wines, olives and nuts were home grown.

The Sun editorialized that "[it] would be intolerable if the governor had not only lost the election but never eaten terrapin." Much later it was suggested on this page that the reason Landon had lived so long was that he ate such a meal.

This drew a riposte (perhaps from a Kansan) that the reason Landon had lived so long was that he ate such a meal only once.

U.S.-GROWN MARIJUANA

Mrs. HAWKINS. Mr. President, it has been proven that one of the most effective ways of eradicating drug abuse in our Nation is to stop drugs at the source. I agree with this view, and have exerted every possible effort on foreign drug-producing nations to put a stop to their narcotics crop production. But can these efforts be as successful when our own beloved country becomes one of the major producers of illegal narcotics in the world?

In a recent article featured in the Washington Post, it is revealed that, in the United States, "pot growing has blossomed into a gigantic business." It is stated in this well-researched and written article, for example, that marijuana production has replaced the lumber business as a mainstay of northern California's economy. And while the cannabis plant has basically disappeared from along the highways in the west coast, it is now being cultivated, with care and in staggering amounts, in private gardens and secluded plots. In short, the home-grown pot business is a flourishing enterprise.

While drug law enforcement officials are staging a tremendous effort to curb this drug production, it is remarked in the article that: "Most growers are a lot more worried about their business associates—the Mafia-like figures coming up from San Francisco or Los Angeles to buy their crops—than the law." It is estimated that marijuana production has become such big business in California, that the value of some growers' harvests "is rumored to have topped $1 million."

And there is another aspect of danger in this situation: The new variant of marijuana that is being produced in our own country. It is reported that the growers rarely use their own product because "the high-grade sinsemilla strain now perfected in California is incredibly potent." It was said by one customer: "It makes you feel and see things that aren't there." So much for the reputed "harmlessness" of this drug.

It is encouraging to see what is being done, both at the Federal and State level, to put a stop to this situation. Both this administration, and the present State government of California, are redirecting moneys to aid in the fight against home-grown pot producers. It is stated in the article, ironically, that it was the Federal Government's own successful implementation of policy—pressuring the Colombian Government to destroy marijuana crops and using Paraquat on Mexican pot fields—that drove marijuana production north of the border. Mr. President, to me it is as vital that we stop marijuana production and export in Colombia and Mexico, as it is in California. Maybe even more so, when we read that more than half the marijuana sold in the United States is now being grown in the United States. This industry has escalated from an estimated $1 billion in 1978, to an astonishing sum of $16.6 billion in 1984. And that figure is a national one—it is not exclusively a California problem.

Pot growers were arrested in every State except Rhode Island during the last year, including Hawaii. There is even a national industry journal, which keeps growers updated on the high-tech growing technology that has made U.S.-grown pot so much more potent than foreign varieties.

Mr. President, this must stop. The estimated 200,000 marijuana producers must be made to understand what they are doing to their countrymen; the destruction they are bringing about for millions of Americans. Present drug law enforcement efforts must be aided in their necessary efforts to close down these reprehensible operations. As chairman of both the Senate Drug Enforcement Caucus, and the Senate Subcommittee on Children, Family, Drugs, and Alcoholism, I pledge to do all I possibly can to ensure that efforts to stop American marijuana producers are as stringent as efforts to curb foreign drug producers.

NATIONAL ASSOCIATION OF RETAIL DRUGGISTS

Mrs. HAWKINS. Mr. President, I rise today in order to recognize the fine efforts of the National Association of Retail Druggists. Earlier this month, I introduced Senate Journal Resolution 196 naming September 22, 1986 as the "American Business Women's Day" in order to afford American businesswomen the honor and recognition they deserve as vital participants in the business community. This resolution has the full endorsement of the National Association of Retail Druggist [NARD] which has dedicated much of its resources to the professional and educational advancement of young men and women.

The National Association of Retail Druggists has developed a loan scholarship program which has made the educational dream come true for thousands of young people. Of the nearly one half million dollars awarded last year by the NARD Foundation for its Pharmacy Student Aide Program, more than one half of the recipients of student loans were women. I am pleased to see the private sector initiate programs that encourage and assist young women and men who have the desire to pursue their education and prospective field but not always the resources.

I am especially pleased to report that approximately 40 percent of NARD pharmacy owners are women. The significance of this statistic is realized when one considers the fact that the National Association of Retail Druggists represents owners of more than 30,000 independent pharmacies, where over 75,000 pharmacists dispense more than 70 percent of the Nation's prescription drugs. Together, they serve 18 million persons daily.

Clearly, NARD has made a commendable contribution to society but their efforts go even further. Recently, John W. White, president of the National Association of Retail Druggists and John Rector, Esq., director of Government Affairs for NARD, testified before the Senate Judiciary Committee in support of the Designer Drug Enforcement Act of 1985. I will submit a copy of their testimony for the RECORD so that my colleagues might benefit from their expertise and insight on this important topic.

Mr. President, I am pleased to pay tribute to an association that has involved itself in the important issues affecting our communities, and in response, has made their own contributions toward effective solutions.

I ask unanimous consent that the Testimony to which I previously referred be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS BEFORE THE SENATE COMMITTEE ON THE JUDICIARY

Mr. Chairman, Members of the Committee: I am John W. White of Tallahassee, Florida. I serve as President of the National Association of Retail Druggists. With me today is John Rector, our Director of Government Affairs.

The National Association of Retail Druggists (NARD) represents owners of more than 30,000 independent pharmacies, where over 75,000 pharmacists dispense more than 70 percent of the nation's prescription drugs. Together, they serve 18 million persons daily.[1] NARD has long been acknowledged as the sole advocate for this vital component of the free-enterprise system.

NARD members are primarily family businesses. They have roots in America's communities. The neighborhood independent druggist typifies the reliability, stability, yet adventuresomeness, that has made our country great.

We are especially pleased to present our views to the Committee on proposed amendments to the Controlled Substances Act,[2] which will create new penalties for the manufacturing with intent to distribute, the possession with intent to distribute, or the distribution of "designer drugs", and for other purposes.

We would like to express our special appreciation to the Committee, its Chairman, and Staff for their thorough but expeditious consideration of this important legislation.

When the proposals, which eventually became the CSA, were before the Congress, NARD supported this landmark reform. It was a major step forward in bringing together into a single statute the scattered and fragmented laws relating to controlled drugs.

In the intervening years, we have worked closely with federal agencies responsible for its implementation to help assure that the law and its regulations were understood by pharmacists and that our communities were protected from drug diversion and abuse. We appreciate the opportunity to continue this effort on behalf of independent retail pharmacy today.

The National Association of Retail Druggists has monitored the emergence of so-called designer drugs with an ever-increasing degree of alarm. In the 98th Congress, we strongly supported the enactment of the Drug Diversion Control Act of 1984. As relates to the subject of today's hearing, we strongly supported provisions which authorized the Drug Enforcement Administration to exercise emergency scheduling authority when necessary to address the public health hazards and complex law enforcement

[1] In 1982, independents filled 1,039,893,000 and chains filled 421,989,000 prescriptions of the total prescriptions (1,461,822,000) filled in the U.S. The average prescription price in 1982 for independents was $8.22 and for chains $8.29. Of the 210,493,000 prescriptions filled under the Medicaid program, chains filled 34,849,000 and independents filled 175,644,000. See American Druggist prescription survey May 1983.

[2] Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, P.L. 91-513, 84 Stat. 1736, enacted 10/27/70, effective 5/1/71, is known as the Controlled Substances Act (21 USC 801 et. seq.).

issues presented by the manufacture, distribution, and abuse of designer drugs.

We were concerned that the emergency scheduling authority, as originally drafted, was far too broad, and we were pleased when the Chairman and his colleagues agreed to a modification so that only drugs not approved for medical use could be the subject of the new emergency scheduling authority. The recent exercise of the new authority by DEA in the instances of 1-methyl-4-phenyl-propionoxypiperidine (MPPP) and 1 (2-phenylethyl)-4-phenyl-acetyloxypiperdine (PEPAP) demonstrates the efficacy of the modified approach, which could in no way deny due process to the retail pharmacists we represent, who have numerous controlled substances with approved medical usefulness in their inventory.

We have supported a number of bills addressing the serious problems posed by designer drugs. We had strongly supported Senator Chiles' legislation, S. 746, which would require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the Designer Drug Program and make recommendations to Congress for additional legislation, and its counterpart in the House, H.R. 2014, introduced by Congressman Charles B. Rangel, Chairman of the House Select Committee on Narcotics Abuse and Control.

Today, we are pleased to indicate our strong support for S. 1437, the Designer Drug Enforcement Act of 1985. By providing penalties up to $250,000 or imprisonment of not more than fifteen years, or both sanctions, S. 1437 will, in our view, provide an important deterrent for any person who knowingly, or intentionally manufactures with intent to distribute, possesses with intent to distribute, or distributes designer drugs for human consumption. Additionally, we strongly endorse provisions which make these new penalties inapplicable to a person who manufactures or distributes a substance in conformance with provisions of an Approved New Drug Application or an exemption for investigational use.

Designer drugs are extremely dangerous from a health standpoint. The drugs are thousands of times more potent than the illegal narcotics presently flooding the country, and over a hundred deaths have been identified with designer drug use so far. Furthermore, these drugs have been responsible for causing long-term neurodegenerative diseases in some users. The human and medical economic costs of designer drugs are potentially devastating. It is our hope that S. 1437 will be a valuable tool in the law enforcement effort to curb traffic and abuse of designer drugs.

In conclusion, Mr. Chairman, we commend you for your strong support of S. 1437 and each of the co-sponsors of the legislation.[3] I am especially proud of our two Florida Senators, Mrs. Hawkins and Mr. Chiles, who have provided national leadership on the problem of designer drugs.

Again, on behalf of the Officers, executive Committee, and members of the National Association of Retail Druggists, we thank you for the opportunity to appear and continue to participate in the formulation of appropriate Federal drug diversion policy.

[3] S. 1437, To amend the Controlled Substances Act to create new penalties for the manufacturing with intent to distribute, the possession with intent to distribute, or the distribution of "designer drugs", and for other purposes. In the Senate of the United States, July 16, 1985 by Mr. Thurmond (for himself, Mrs. Hawkins, Mr. Chiles, Mr. Biden, Mr. DeConcini, Mr. Simpson, Mr. Cochran, Mr. Murkowski, and Mr. Specter) referred to the Committee on the Judiciary.

THE KAMEHAMEHA SERIES

Mr. MATSUNAGA. Mr. President, I rise to call to the attention of my colleagues a truly historic event—a royal family is visiting Capitol Hill every day of this week. All who wish to meet them are cordially invited to the rotunda of the Senate Russell Building from 7 a.m. to 10 p.m. any day of this week. There, visitors will find members of Hawaiian royalty, the Kamehameha dynasty, on exhibit in sculpture. The Kamehameha series, as the nine sculptures are called, were created by Hawaii's distinguished artist Edwin Kayton. In his honor, the distinguished senior Senator from Hawaii [Mr. INOUYE] and I are hosting a reception tomorrow evening beginning at 6 o'clock, on the ninth floor of the Hart Building to which all Senators and Congressmen are cordially invited.

We are doing so not only because of the artistic merit in this Kamehameha sculpture series, which is considerable, but also because of the historical importance of the Kamehameha dynasty in the political development of the Aloha State.

Furthermore, we believe the display of Kayton's Kamehameha series to be an appropriate way in which to observe the 20th anniversary of the legislation which established the National Foundation for the Arts and Humanities, and which I am proud to say I strongly supported as a cosponsor, while still a Member of the House.

Mr. President, Edwin Kayton, the artist and sculptor makes his home in Kailua-Kona, Hawaii, as a transplant from Oregon. The beautiful and striking Koa-wood stands for the busts were crafted by Kirk Keoho, his brother-in-law. Kayton and his sister, Verna Keoho, decided 2 years ago that the Kamehameha monarchy—the five male rulers and prominent female family members—should be depicted in their respective roles in bringing the Hawaiian nation through the cultural shock of being drawn into the orbit of Western civilization with such profound consequences in terms of religious and socioeconomic change. Their intent was to present these historic figures in a form which emphasizes their relationship to the history of Hawaii. The result is the series on exhibit here this week in the Nation's Capital.

Kamehameha the Great, who united the island chain under one political rule, is shown in his role as lawmaker. He is grasping a splintered paddle, which recalls an incident in which he set forth his kingdom's first civil rights proclamation. His two wives, Ka'ahumanu and Keopuolani, are depicted as well. Known as Hawaii's first feminist, Ka'ahumanu was responsible for abolishing such practices as the prohibition against women dining with men. After her husband's death she ruled as regent during the period when both Liholiho—Kamehameha II—and Kauikeaouli—Kamehameha III—were growing to adulthood while on the throne. Keopuolani, whose royal lineage was more exalted than that of her husband's own background, was the mother of five Kamehameha children, including Liholiho and Kauikeaouli, both of whom also are represented in the series. She, appropriately enough, is shown cradling a baby in the Kamehameha Series.

Alexander Liholiho, Kamehameha IV, who was the adopted heir of Kauikeaouli, is shown reading the dedication speech for Queen's Hospital, a gift that he and his wife, Queen Emma, bequeathed to the Hawaiian people and is today the State's largest medical center. Lot Kapua'iwa, Kamehameha V, last of the reigning line, is shown placing his seal on the kingdom's constitution after he had rewritten it. His half-sister, Ruth Ke'elikolani, is depicted beseeching the volcano goddess Pele to cease the lava flow threatening the village of Hilo in 1881. Her heir, Bernice Pauahi Bishop, the first Kamehameha's granddaughter who founded an eleemosynary trust for the education of Hawaiian children with the vast lands she inherited, is shown signing her will.

Mr. President, Hawaii is the only member of the Union of States which evolved itself through four different stages of political character, from a monarchy to a republic to a U.S. territory and finally to Statehood. The Kamehameha Series presents much of Hawaii's history, during the period when it was a monarchy, in a most striking way. Mr. President, Senator INOUYE and I invite our colleagues, members of their staff and families to see these artistic works of Hawaii's sculptor, Edwin Kayton, on exhibit in the rotunda of the Russell Senate Building throughout this week.

Mahalo nui loa a meke aloha.

HUMANITIES IN ALABAMA

Mr. HEFLIN. Mr. President, I would like to take this opportunity to congratulate the Committee for the Humanities in Alabama on their 11th anniversary and to reflect on the success that humanities projects have experienced in Alabama. Much of that success should be credited to the Committee for Humanities in Alabama [CHA], the only statewide organization devoted exclusively to promoting the humanities in the public life of Alabama. Humanities, the study of our culture's literature and history, has touched Alabamians from across the State.

The CHA is committed to the idea that all citizens should have opportunities to reflect on the culture of mankind, our own American culture as well as those foreign, in languages, literature, and philosophy. However, the humanities is not limited to the domain of scholars. People use that body of knowledge known as the humanities in everyday life—when we reflect on books we read, films that we see, or a sermon that we hear; when we attempt to understand and appreciate a work of art; we certainly employ many branches of the humanities when we debate public policy on the floor of the Senate.

The CHA is also dedicated to the larger public purpose of encouraging Alabamians to be thoughtful and informed citizens and of instilling people with civic pride in the history and heritage of their neighborhood, community, or State. I praise the CHA for helping to recognize and preserve the culture and heritage of the South; a culture and heritage rich in meaning and tradition. As our society becomes more mobile and our native regions become more homogeneous, it is even more imperative that we recognize that culture and heritage that is unique and distinct to our State and region.

Since 1974 the CHA has awarded almost $3 million in grants for over 500 projects in both rural and urban areas of the State. Support for CHA activities comes from the National Endowment for the Humanities, the cost-sharing program sponsors, individuals, foundations, corporations and state government. The gifts-and-matching program enables the CHA to use Federal funds to leverage private support for projects. CHA projects have yielded thousands of programs such as lectures, reading/discussions, exhibits, films, videotapes, conferences, and workshops.

Mr. President, for a moment I would like to give my colleagues an idea of the broad range of humanities projects coming from my home State. In 1981, the Birmingham Public Library with funds from the CHA produced a photographic exhibit of the Great Depression in Alabama called Five cent cotton which is still traveling our State. Alabamians of all ages were able to study and learn about a part of American history that was almost forgotten. Those who lived through the Depression in Alabama have been able to reflect on their experiences and relate it to others. And those who were born after the Depression understand this era much better and frequently relate it to the present because of the high unemployment rate and inflation plaguing our State and Nation.

In 1984, the CHA in conjuction with the Linn-Henley Charitable Trust funded Auburn Television's "Lost in Time," a nationally recognized television documentary about Alabama's prehistoric Indians. The film has been used to teach children in schools across Alabama about the State's prehistoric Indians. Prior to the production of this film, teachers had no other material with which to teach children about this era. The program proved so successful that it will air on Public Broadcasting nationally on September 24.

Another critically acclaimed project produced by the CHA in conjuction with the Alabama Shakespeare Festival in 1984 was "Shakespeare: The Theatre in the Mind." Scholars from all over the country participated in seminars and discussions coinciding with several productions staged by the Alabama Shakespeare Festival. In a national competition with other State humanities councils, the CHA won an Exemplary Award from the National Endowment for the Humanities for this project.

A successful ongoing project of the CHA is the Annual Humanities Seminar which gives secondary school-teachers from across Alabama the opportunity to enhance their education in humanities and in turn pass that learning on to their students.

Another project which just began in Birmingham is "Look Away Dixie," a series of multiformat public adult programs directed at identifying, interpreting, and connecting certain humanities issues distinctive to the South. Sponsored by the Birmingham Public Library and funded by the CHA, the Birmingham News, the National Endowment for the Humanities, and Oxmoore House Books, the project will assemble scholars from such Alabama institutions as the University of Alabama, Auburn University, Birminghcm-Southern College, Samford University, the University of Alabama in Birmingham, the Alabama State Archives, the Hull Street Historic District, the Birmingham Historical Society, the Alabama State Council on the Arts and Humanities, the Anniston Star and other institutions from across the country to lead forum discussions on the events which have helped to restructure the traditions of the old South. Lectures, public performances, symposiums, and workshops will be conducted over the year exploring the issues and values which have shaped the post-World War II South.

The first series of programs will explore some of the methods and tools by which we approach the humanities discipline such as archaeology, architecture, material culture, and oral history. The second series of programs will focus on values distinctive to the South. The final series of programs will address recent changes in the South: the media image of a changed South; the Southern response to urbanization, and the recent transformation of relationships among Southerners—between black and white, men and women, and rich and poor.

And finally, a most successful humanities project in Birmingham, called Birmingfind, a public history project funded by the National Endowment for the Humanities from 1979 until 1984, touched over 100,000 people in that city. From oral histories, old photographs, literary sources, and historical documents, Birmingfind told the story of Birmingham's ethnic groups, neighborhoods, and labor history. Senior citizens were given the opportunity to explore history relative to their own experiences and the importance of their own lives in the large scope of American history.

A consortium of local education, civic, government, business, and labor institutions helped to plan this community humanities project. The goal of this project was to spur Birmingham to examine its social history. With a keener sense of community fostered by this project, perhaps Birmingfind acted as a catalyst to link its citizens closer together and developed a stronger resolve for Birmingham residents to directly address the concerns of their city.

And so, Mr. President, I commend the CHA and these other institutions such as the Birmingham Public Library, the Burmingham Museum of Art, and our colleges and universities for bringing humanities programs to the people of Alabama. Their efforts to promote self-discovery by Alabamians about their varying cultures through literature, philosophy, religion, history, and related disciplines should be recognized. The ability to critically reflect on and examine our civilization can only help us to cope with our problems today and prepare us to deal with those of the future.

THE 198TH ANNIVERSARY OF THE CONSTITUTION

Mr. HATCH. Mr. President, I am proud to announce that once again the Subcommittee on the Constitution has hosted our bicentennial hearing which commemorated our 198th anniversary of the Constitution.

Perhaps the most important reason that we look upon our Constitution with such deserved pride is that it has accomplished the goal enunciated by the Declaration of 1776. Specifically, it has protected the "unalienable rights" of man. The American people still believe, as they proclaimed in 1776, that governments are instituted "to secure these rights."

These rights have been secure in America because the Constitution carefully defined the powers of the new government and dispersed them amongst three mutually checking and balancing branches. This diffusion of

powers has operated for nearly two centuries to prevent the Government or any part of it from becoming so powerful as to threaten society's basic rights.

Alexander Hamilton expressed this brave new concept concisely:

Despotism * * * is a government in which all power is concentered in a single body * * * the convention therefore * * * divided the powers that each might be a check upon the other. (Remarks in New York ratifying convention, June 20, 1788).

We were very fortunate to have five outstanding students join us and share their views and insights with us after doing extensive studies on the topic of the constitutional doctrine of checks and balances. I would like to take this opportunity to have their names and addresses entered into the CONGRESSIONAL RECORD for their exemplary efforts. They are: Kathleen Pearce of Logan, UT; Keith Pinckard of Mesa, AZ; Stephen J. Kennedy of Osage, IA; Tony Vanias of Columbia, SC; and Susan J. Matt of Downers Grove, IL. For the benefit of my colleagues and the numerous Americans likely to profit from the work done by these outstanding young people, I ask unanimous consent to include each of their statements in the RECORD, along with other outstanding essays from young people who participated in the contest.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ESSAY OF MS. KATHLEEN PEARCE, LOGAN, UT

". . . Give me your tired, your poor, Your huddled masses yearning to breathe free. The wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me."

This quote, written by Emma Lazarus and inscribed upon the book held by "Lady Liberty" in New York's Harbor, has inspired millions of people to come to America's shores and become one of her people.

America has always been thought of as the "Land of Opportunity," A place where dreams come true. What is it that makes America so unique? The answer is her government. Throughout the world's history, there has never been a government quite like that of the Americans. Some are close, such as England's Parliament and the Congress of ancient Rome, but none have had such an intricate system of separation/dependence. To fully understand the system of checks, balances, and separation, one must begin at the origins.

It all began with one of the greatest Greek historians, a man called Polybius, who lived from 204 to 122 B.C. During his lifetime, Greece was conquered by Rome, and Polybius was shipped to the Roman capital. He became an ally of Rome, and went on various diplomatic missions to Europe, Asia, and Africa. His wide travels resulted in his studying various forms of government, and thus being able to make a knowledgeable decision on what form would work best.

Polybius came up with the new idea of a "mixed" government, consisting of the executive power of a monarchy: the vested interests of the wealthy would be represented in the Senate, and the populace itself would have a voice in the popular Assembly. Polybius believed that if these were set up as equals, but functioned with a "counterbalance" to restrain each from gaining too much power, the government should function to govern without abusing the people.

The idea of a "mixed" government essentially died with Polybius. Shortly after his death, Rome threw out the idea of Democracy in general and appointed an emperor.

Until the mid-1700's the idea was forgotten. Then a young man called Baron Charles de Montesquieu resurrected the idea. He spent approximately 20 years abroad in England and continental Europe in research, eventually bringing forth his book on philosophical history called "The Spirit of Laws." His book has been described as ". . . one of the most important books ever written," and ". . .the greatest book of the French 18th century." [1] Montesquieu's book was full of praise for the English system, and though not popular in France, was famous elsewhere.

Montesquieu shared Polybius' vision of having three departments of government, but saw them more along the lines of the executive legislature (upper and lower houses), and in independent judiciary. England, he felt, was moving in the right direction, but was not quite there. To quote Montesquieu:

"When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; . . . lest the same monarch or senate should enact tyrannical laws, to execute them in a tyannical manner. . . . Again, there is no liberty if the judiciary power be not separated from the legislative and executive." [2]

As was proved in the Roman democracy, there can only be one executive. In Greece alone, at one time there were 30 executives. In times of crisis, there must needs be only one executive to make decisions quickly, and that person cannot escape praise, criticism, or consequences for the action.

In Book XI of "The Spirit of Laws," Montesquieu lays down the ingredients for a model constitution. Although the final products of the Founding Fathers are guidelines for a new, radical, and free form of government, the first credit must be given to Baron Montesquieu for inspiring the Founding Fathers on how to go about writing the United States Constitution.

When the constitution was being written, there was undoubtedly opposition and criticism. John Adams, one of the first advocates of a "mixed" constitution, once said that it was his dream ". . . to see rising in America an empire of liberty, and the prospect of two or three hundred millions of free men, without one noble or king among them." [3]

Various criticisms have been made by everyone from Walter Bagehot, a well-known government writer in the 19th century, to Englishman James Bryce. Bagehot considered the American constitution inferior to that of England's. "The English system is framed on the principle of choosing a single sovereign authority (the House of Commons) and making it good; the American on the principle of having many sovereign authorities and hoping that their multitude may atone for their inferiority." Bryce, on the other hand, was a great admirer of the American constitution, and in his famous book, "The American Commonwealth" rated it "above every other written constitution." [4]

John Lilburne, a Leveller leader during the English Civil War, was brought before a Committee of Examination in the House of Commons. He protested that the trial was unfair, in that his judges were also his lawmaker, therefore being biased. Because of this, the committee could not try him unless being bound by the same rules as other courts, and demonstrating the need of a separate judicial branch. Lilburne asserted that ". . . rule first stated in 1645 that legislators should not be justices, for they would execute the law as well as make it." [5] He further added that the legislators, as well as being judges, should not be administrators. For if they both made and could "execute the law, they might do palpable injustice and maladminister it . . . they would vote that man a traitor and destroy him." [6]

In the case of John Lilburne, it is apparent that there must be a separation in responsibilities for ". . . the accumulation of all powers—legislative, executive, and judiciary in the same hands . . . may be justly pronounced the very definition of tyranny." [7]

Thomas Jefferson proposed that from Virginia's example, separation of powers would not last without a system of checks and balances, especially toward the legislative branch. For example, the President has a check on the legislative branch by putting a veto on legislation. In turn the Congress can overturn his veto by a ⅔ joint (both houses) majority vote. The judicial branch can keep the President and Congress in line by declaring a piece of legislation unconstitutional. The judicial is kept in check by constitutional amendments, as with the amendment concerning income tax. The Congress has further checks on the President by requiring a ⅔ joint majority vote on all appointments, a ⅔ majority vote is required to pass all treaties, and the House of Representatives has the power to stop the spending of public funds if it is deemed that they are being spent impractically. Further powers of the legislative and executive branches of checking the judicial includes the Congress deciding what kinds of cases the federal courts will hear, and with the exception of the Supreme Court, the Congress controls the existence of all federal courts. Upon the President falls the burden of enforcing those decisions of the courts. For example, the 1960's Supreme Court decision in the case of Brown vs. the Board of Education of Topeka overturned the 1896 decision of Plessy vs. Ferguson in that separate facilities for black and white people is not equal just by virtue of the fact that it is separate. When the decision was made for desegregation, in Little Rock, Arkansas, the President was forced to send in the National Guard to keep down rioting.

Aside from powers given to each area to keep check on the other two, each has powers of its own. For example, Congress has the power to declare war, allocate money to that war, and can impeach a President. By the Constitution, the President is charged to recommend to Congress ". . . such measures as he shall judge necessary . . . (and to) take care that the laws be faithfully executed." [8] This means that the President, with the help of his advisors, formulates a plan of legislation to submit to Congress. When the President submits his plan, his cabinet (advisors) are not allowed to sit in on the session to help in the enactment of the program.

Of course there are some holes in the system, as in all forms of government since the beginning of time. For example, the Gulf of Tonkin Resolution in 1964. This was passed by a near unanimous vote in Con-

gress, and virtually gave the President a free hand in sending troops to guard Vietnam from Communist aggression. Together with this power and a large military budget, Presidents Lyndon B. Johnson and Richard M. Nixon waged a war costly in both money and lives thousands of miles from American shores with not so much as a formal declaration of war from Congress. Because the Vietnam Experience has ever since been a black mark on American history, the power of the President to send peace-keeping forces has been both doubted and protested.

In the first three articles of the constitution, it outlines the reponsibilities of the Legislative, Executive, and Judicial branches respectively. It lists powers granted to each, and checks over the other two. According to Justice William Paterson in 1795, "It is the form of government delineated by the mighty hand of the people, in which certain first principles of fundamental law are established." [9]

So what does make America so special? What is it that makes thousands of people come to a new land to start with nothing? The answer is simple—FREE AGENCY. America is unique in that a person may belong to any religion they wish, Christian, Moslem, atheist, whatever. They may belong to any political party they wish—Republican, Democrat, Communist, Nazi, Freedom, whatever. They may go anywhere they wish, talk to anyone they meet. And no matter what it is that they choose to do with their life in America, they will never have the fear of government oppression, because of a simple, yet extremely complex system of government, with a built-in safety precaution called "checks and balances."

FOOTNOTES

[1] The Five Thousand Year Leap by W. Cleon Skousen, 1981. Published by the Freemen Institute—page 135-138.

[2] The Five Thousand Year Leap by W. Cleon Skousen, 1981. Published by the Freemen Institute—page 197.

[3] The Five Thousand Year Leap by W. Cleon Skousen, 1981. Published by the Freemen Institute—page 202.

[4] The Constitution of the United States by Philip Dorf, 1976. Published by Oxford Book Company, Inc.—page 48.

[5] A Lawyer Looks at the Constitution by Rex E. Lee. Published by Brigham Young University Press—page 33.

[6] A Lawyer Looks at the Constitution by Rex E. Lee. Published by Brigham Young University Press—page 33.

[7] A Lawyer Looks at the Constitution by Rex E. Lee. Published by Brigham Young University Press—page 34.

[8] The Constitution of the United States by Philip Dorf, 1970. Published by Oxford Book Company, Inc.—page 48.

[9] Collier's Encyclopedia by William D. Halsey (et al), 1968.

ESSAY OF MR. KEITH PINCKARD, MESA, AZ

THE VALUE OF THE CONSTITUTION AND THE CHECKS AND BALANCES SYSTEM

The Constitution of the United States is a very valuable document, for without it, this country would have no backbone. The Constitution has helped, if not been a leading factor of the United States becoming a world power. In a little over 200 years, the Constitution has proven itself to be a very successful document and has been very effective in organizing the government of our country. One of its most successful points is the checks and balances system.

With the checks and balances system, each of the three branches of government, the executive, the legislative, and the judicial, can control and prevent one another from gaining too much power. The executive branch can propose or veto legislation, call special legislative sessions, recommend appointments, negotiate foreign treaties, appoint federal judges, and grant pardons and reprieves to federal offenders. The legislative branch can pass legislation, override a presidential veto, confirm executive appointments, ratify treaties, appropriate money, impeach and remove a president, create lower federal courts and judgeships, impeach judges, propose constitutional amendments to overrule judicial decisions, and approve appointments of federal judges. The judicial branch can declare executive actions and laws unconstitutional, and declare legislation from Congress unconstitutional.

In reality, a multi-branched system of government is the only way to have a true democracy. Even if one chief executive were elected, it would still be more like a dictatorship without additional branches of government. The Constitution was designed specifically so that tyranny would not result. The writers of the Constitution were especially careful in creating this system, for the country had just won a war to be freed from a tyrannical form of government. They wanted to be sure that this sort of thing didn't happen again. Throughout history, the checks and balances system has done exactly what it was designed to do.

For example, during the Great Depression, the Supreme Court realized that an expansion of Federal power was necessary to deal with this crisis. However, several pieces of New Deal legislation were declared unconstitutional, which is an example of the judicial powers of the checks and balances system. Of the nine Supreme Court justices, four of them usually supported New Deal legislation, but were cancelled out by the "Four Horsemen," or the conservative justices. The remaining decision was usually left to Justice Owen Roberts. However, he usually voted with the Supreme Court justices 15 instead of 9. In this way he could appoint younger, more liberal judges who would favor his legislation.

However, Roosevelt's plan did not work. It was recognized as a blatant attempt to overstep his power as the chief executive, upsetting the checks and balances system. After 6 months he withdrew his proposal. His attempt to change the Supreme Court caused him to lose many supporters.

Another prime example of the checks and balances system is when Congress impeached Andrew Johnson. After the Civil War, Congress wanted to control Reconstruction. In order to keep their supporters in his administration, they passed the Tenure of Office Act, which would not allow the president to remove anyone from a position appointed by the president without the Senate's consent. Johnson tested this by removing Secretary of War, Edwin Stanton. Because this was a misdemeanor, Congress impeached Johnson on May 25, and 26, 1968. However, they were one vote short of removing President Johnson from office.

Perhaps the efficiency of the checks and balances system could be improved upon. For example, at the present time, if the president would like to pass a new piece of legislation, he proposes it to Congress. If one house passes it, then it must be sent to the other house to pass it. If the second house passes it, it must be sent back to the president, he signs it, and it becomes law.

On the other hand, if one house of Congress proposes new legislation, and that house passes it, it must then go to the other house. If it passes there, it must be sent to the president. If he signs it, it becomes law. However, if he vetoes it, it must be sent back to the house where it was first originated. If it passes in both houses by a two thirds vote, then it overrides a presidential veto and becomes law.

With all of these steps required to pass legislation, it takes a very long time to get anything done, as was President Roosevelt's complaint. If, at the time new legislation were proposed and passed by Congress, a certain number of representatives from both houses of Congress (to be elected from within the Congress), the president, and the Supreme Court Justices convened in one building, the proposed legislation would not have to be sent around from place to place waiting to be accepted or vetoed. It could be presented and discussed by the representatives of both houses and the president. The Supreme Court Justices could be there to make sure that the proposed legislation was constitutional. If the president disagreed with the legislation, they could discuss and possibly alter it there instead of sending it back and forth. President Roosevelt, might have benefited from this plan. The checks and balances system would still work the same way, the only change would be faster, more efficient legislation.

Unfortunately, there is nothing in the Constitution or the checks and balances system providing for such things as overspending by the government. For a country having a 175 billion dollar deficit, our government can't afford to be spending 800 dollars for a wrench or 600 dollars for a toilet seat cover. It is understandable that there will be some "red tape" but paying those atrocious prices is not justified.

Another prime example of the Constitution's lack of control of government spending is the defense budget. "Mutual deference", the amount of nuclear arms needed by the United States and the Soviet Union, is 200 for each country. The United States has many more than 200 and continues to build more at the average rate of 5 per day. This spending is ridiculous. The Constitution would be much more valuable if it provided spending control for such things.

All in all, the good points of the Constitution and the checks and balances system outweigh its faults, which any system will have. This country is proof itself that democracy run by our Constitution works; it is stable and it gets things done. These qualities put a very high value on the Constitution and the system of checks and balances. After all, the Constitution carried this country from being a new nation to a world power in a little over 200 years with only 26 amendments—that is quite impressive.

CHECKS AND BALANCES—THE HEART OF THE CONSTITUTION

(By Steven J. Kennedy)

British Prime Minister William Gladstone called it, "the most wonderful work ever struck off at a given time by the brain and purpose of man". [1] Worded more simply, this document which was established to protect the individual rights of each citizen of the United States, has proven to be one of the most solid, secure and enduring writings in the history of the world.

Footnotes at end of article.

Today, many generations after the creation of this magnificent piece of literature and law,[2] it is a thriving composition, which now as always is meeting the needs of a strong, changing, technological society. This much revered document, the Constitution

of the United States, established a balanced national government and the principles of democracy by dividing authority among three independent units. These three federal divisions, the legislative branch, the judicial branch, and the executive branch are kept tantamount by this unique separation of powers and its system of checks and balances.

The processes of checks and balances limit the powers of any branch of the national government by requiring that each branch obtain the consent of the others to make its actions constitutional.[3] These often complex operations keep the functions of the American government flowing smoothly. The checks and balances of the United States Constitution seem to capture the American spirit of liberty, democracy and the pursuit of freedom.

Article I, Section 7 contains one of the most well-known checks in American government—the Presidential veto.[4] The veto is a political tool used by the President of the United States quite frequently. As the chief executive of such an influential nation, the President must invariably act with extreme discretion. A careless miscalculation or action could adversely affect the citizens of the United States and the people of the world. When the President feels that legislation presented to the Oval Office would have a negative influence on the populus, then it is his privilege and responsibility to reject that bill.

The same section of the Constitution that established the veto, furnished, as well, a process by which the elected Senators and Representatives of the Nation could override the President's denial.[5] This provision enables them to transform a bill into law after a two-thirds vote of approval in both chambers of Congress has been acquired. This arduous and often tedious procedure enables the many diverse cultures and peoples of the United States, represented by their Congressmen and women, to have their opinions heard. Article II, Section 7's demonstration of representatives democracy truly conforms with American ideals.

The founders of the Constitution,[6] shrewd men like Benjamin Franklin and Alexander Hamilton, were deliberately apprehensive while formulating methods for legislative progress. They were cognizant that laws approved by Congress and the President could on extreme occasions conflict with the Constitution. Realizing that laws passed hastily or without serious deliberation could significantly alter the atmosphere of the document, they created a safeguard against such a violation in Article III, Section 2. This provision declares that the Supreme Court of the United States maintains the ability to examine any legislative or executive deed and determine whether it violates the Constitution or any principle that it established.[7] When a majority of the justices of the court do find an action to infringe upon the "Supreme Law of the Land", then that action is declared unconstitutional and is rendered null and void. This operation, referred to as judicial review, is the final and perhaps most critical obstacle in the lawmaking procedure. Judicial review has maintained throughout these many varying generations approximately the same Constitution that our forefathers established nearly 200 years ago, one of undeniable simplicity and overwhelming success.

Article II, Section 2 gives the President the power to appoint all ambassadors, Supreme Court justices, and all other high officials whose instatement are not otherwise provided for in the Constitution.[8] This ability helps to maintain cooperation within the federal government and to insure the harmonious relationships which are essential for efficiency in the government. But this special right is restricted as well by a check in the same section which holds that all Presidential appointments must meet with the approval and consent of two-thirds of the members of the Senate.[9] This astute and well-placed provision helps to insure the quality of the officials which shall guide the governmental policies of this grant nation. The framers of the Constitution were truly sagacious when they perceived that the day may arrive when a nominee for appointment would not suffice as a leader of the people, and they managed this perplexing situation by providing that the elected representatives of the populus in the Senate would decide the case of the nominee's competency. The creators of our Constitution would not tolerate extreme inabilities in the skills of leadership or any form of corruption in officials currently holding positions in the government, either. Article I, Sections 2 and 3, clearly illustrate that fact.[10] These two sections define the process of impeachment, an extremely infrequent procedure in which the House of Representatives shall bring the charges of incompetency against a government official, and the Senate shall try the accused on those charges. Only four times in national history has any person been convicted and removed from office. In each of those cases, the defendant was a justice of the Supreme Court.[11] The processes of impeachment help to insure that those people in whose hands our nation rests are hands of construction—not destruction. The rights of the people to question the sufficiency of those in office is one of uninterpretable value, it is a privilege that most of the people of the world cannot take advantage of.

Many foreign and domestic policies and programs are supported financially by the government of the United States. Those activities affect people around the world and cost our nation billions of dollars.[12] But although we are a strong country endowed with wealth, the funds for those programs are certainly not readily available for utilization by the President or any other official in the United States. Article I, Section 9 states that no allocation of funds is to be made without the consent and approval of both chambers of Congress.[13] Thus, each proposed plan of the American government must go through circumstantial observations and be subjected to heated debate, either individually or lumped together with several other programs, before funds are appropriated to them. This essential check of the U.S. Constitution helps to secure a manageable federal budget and to prevent a severe financial deficit from forming. The control by Congress of the allocation of funds helps to insure that the programs and policies instituted by the government of the United States are the programs and policies desired by the citizens of the United States. This segment of our governing document adds credibility to the seemingly ancient, yet still applicable quote, "Here, sir, the people govern."

The checks and balances of the Constitution of the United States are the remarkable base of the American government. Their magnificent stability has created a nation so rich in democracy and so preserving of human rights that it has set a precedent for all other peace-loving nations of the world to attempt to follow. The values of the checks and balances are evident. They have invented processes that control the legislation that goes into effect in this nation by making all bills navigate tedious deliberation in Congress, the Oval Office and in the Supreme Court. They have created a method to insure that those persons in leadership positions are mentally competent and able to execute properly the functions of their occupation. They have developed a procedure by which the policies that our nation adopts and chooses to finance have the approval of the citizens of the United States. They have built a nation that Thomas Jefferson, James Madison, Benjamin Franklin, and the rest of their companions at the Constitutional Convention at Philadelphia in 1787 would be truly proud of.

Yet, of all the checks and balances previously discussed in this paper, one has gone unmentioned thus far. This check, elaborated in Article II, Section 1 and in Amendment 12,[14] is among the most noteworthy in the Constitution, for this check pertains to the direct election of the Senators, Representatives, Vice-President, and President of the United States of America. It is the main check of the citizens on their government. It is the provision that secures the liberty and freedom of the populus. It is the article that maintains the quality of our government. It is the entity that makes America—America! Without this portion of our Constitution, our leaders would be, in effect, accountable to no one. Corruption in government would be possible. The suppression of the rights of the people could easily transpire. Our nation could become what the settlers on Plymouth Rock fled so long ago.

Our Constitution is one of unique blessings—of special rights that only we possess. Our Constitution is one of amazing opportunities—of privileges that we have fought to preserve. Our Constitution is one of liberty and equality—of a magnificent system called the checks and balances. . . .

FOOTNOTES

[1] Padover, Saul K. *The Living U.S. Constitution.* New York: The New American Library of World Literature, Inc., 1953. p. 9.

[2] The Constitutional Convention met on May 25, 1787 and adjourned on Sept. 17, 1787. The Constitution went into effect on June 21, 1788 when the ninth state ratified it.

[3] Connery, Robert H. And Odegard, Peter H. "Government." *The World Book Encyclopedia,* 1978, Vol. 8, p. 280.

[4] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798i.

[5] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* Vol. 8, p. 798i.

[6] 'Founders of the Constitution': those 55 men who were delegates to the Constitutional Convention.

[7] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798l.

[8] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798l.

[9] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798l.

[10] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798g.

[11] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia,* 1978, Vol. 8, p. 798h.

[12] Rowe, Jonathan and Glastris, Paul. "Reagan Scorecard." *The Washington Monthly,* July 1984, p. 38.

[13] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia*, 1978, Vol. 8, p. 798j.

[14] Peltason, J.W. "Constitution of the United States." *The World Book Encyclopedia*, 1978, Vol. 8, p. 798k & 798q.

ESSAY OF MR. TONY VANIAS, COLUMBIA, SC

ARTICLE I: THE POWERS AND LIMITATIONS OF CONGRESS

Unlike totalitarian systems, the political ideas of the United States cannot be traced to any one hero or document. The Constitution of 1787 has antecedents reaching back to ancient Greece and Rome.[1] In the 13th Century, St. Thomas Aquinas wrote *Summa Theolgica* in which he followed Aristotle's idea of the existence of natural law and absolute justice, but Aquinas believed that they were derived from God. By the 17th Century, Aquinas' ideas, which had been of profound importance in governmental theory for centuries, had developed into the idea that the king rules by Divine Right. Regardless of how unfair he might be, a rebellion against the king was a rebellion against God, who, it was thought, had established that particular king on that particular throne. In 1689 John Locke, an English philosopher, wrote his Second Treatise on Civil Government to justify the English Revolution of the year before, to reject the idea of the "Divine Rights of Kings," and to dispute Aquinas' view of the origin of the state. Locke's ideas were the basis of the philosophical justification for the American Revolution, and his concept of the rights of man are basic to the Constitution.[2] Locke stressed natural law and natural rights as limiting governmental power. By 1750, Locke's philosophy of revolution had already made its way into colonial thinking, but there had been no occasion to translate that theory into action anywhere in the colonies.[3] In 1620 the Pilgrims wrote and signed the Mayflower Compact before they landed at Plymouth Rock. This agreement, signed by all men on the ship, set up a government and made rules under which the colony would live. This is Locke's "social contract" theory in action. Under this theory, the only reason the government exists is to preserve the life, liberty and property of the citizens, and it has no power except that which is used for the good of the people. The basic rights of the people, therefore, limit the power of the ruler, who has no right, Divine of otherwise, to interfere with them. Locke's conclusion was that if the government breaks the trust of the people who establish it or if it interferes with the liberty of the citizens, they have the right to rebel and make a new contract under which they may govern themselves more conveniently. This right to rebel was the theory behind our Declaration of Independence, which declared that the colonies found government under the King of England to be highly inconvenient as well as detrimental to their liberties.

Our history as an independent nation began on July 4, 1776, when the Declaration of Independence was signed by representatives of the thirteen colonies. At this point, although we declared ourselves free of English rule, there was, of course, no system of national government. The Second Continental Congress assembled to form a national government.[4] The Constitution of the United States, as a result of this and later assemblies, is the legal contract by which our country assures its democratic ideals by confining the powers of government and by guaranteeing the rights of individuals. Because the Constitution contained what some statesmen considered loopholes and ambiguities, further interpretations were necessary. These more advanced interpretations are known as the Articles of Confederation.

The Articles were presented to Congress in 1777 and ratified by all states except Maryland in 1778. Frightened of the abuse and advantage the government would be guilty of, the Articles were, therefore, written with the idea of restricting the power of the national government as much as possible. In 1787 the convention had been called to revise the Articles, but once the delegates were assembled, they agreed that the same principle of the "right to rebel" which had been involved against the king would again apply, and since the government established by the Articles was no longer suited to the convenience of the people, they would create another one. They wrote our Constitution and developed the system of government under which we have lived for almost 200 years.[5]

"What is the Constitution?" Justice William Paterson inquired in a Supreme Court opinion of 1795. "It is a form of government," he answered, "delineated by the mighty hand of the people, in which certain first principles of fundamental law are established." [6] It also lists the aims of the government and the methods of achieving them.[7] The Constitution established not merely a league of states but a government that exercised its authority directly over all citizens. The Constitution also defined clearly the powers of the national government. In addition, it established protection for the rights of the states and of every individual.[8]

The first three articles of the Constitution divide the powers of the United States government among three separate branches: (1) the legislative branch, represented by Congress: (2) the executive branch, represented by the President; and (3) the judicial branch, represented by the Supreme Court. This division, called the separation of powers, is designed to prevent any branch of the government from becoming too powerful.[9]

Article I of the Constitution deals with the Congress, the legislative branch of the federal government, and it was this article that helped create the ongoing efficiency of our democracy. The Congress, rather than the President, is vested by the Constitution with the lawmaking function. This article describes the composition of the two Houses of Congress (the Senate and the House of Representatives), the requirements for election to either House and the powers and duties of this branch of the government. It also specifically forbids Congress and the states to do certain things.[10]

Article I has also been divided into three separate powers. These powers are the expressed, implied, and inherent powers.

Expressed powers are those granted to Congress, that are in the Constitution. An example of the expressed powers of Congress is the power to tax.[11] The Constitution gives to Congress the power: "To lay and collect taxes, duties, impost, and excises, to pay the debts and provide for the common defence and general welfare of the United States . . ." [12]

Implied powers are those that may be reasonably implied from the expressed powers. For instance, the Constitution does not expressly provide for river and harbor improvements, but the power is implied from the expressed powers to regulate commerce and to maintain a navy.[13]

Inherent powers are those powers which belong to the National Government by virtue of its existence as the national government of a sovereign state in the world community. The inherent powers are few in number. The chief ones include: the powers to regulate immigration, deport aliens, acquire territory, extend diplomatic recognition, and protect the nation against rebellion or internal subversion.[14]

The Constitution of the United States, therefore, is a document of great significance to our society, and was written to organize a strong national government for the American states. Article I allows the operation or our government to be ongoing, efficient, and flexible. Through this Article, Congress is empowered to make laws that regulate the interactions of our nation's citizens; however, Congress cannot give these powers to any other body of government. Congress is elected by the individuals of our nation and is limited in its powers by the constitutional checks and balances of the three separate branches. This country is a democratic world power whose foundation rests on a sound system of government under the jurisdiction of the Constitution. Article I established the laws, by which Congress must abide, to regulate the democratic society in which we have lived for almost the past 200 years.

FOOTNOTES

[1] "Constitution of the United States." *Collier's Encyclopedia*. 1974, p. 230.

[2] Holder, Angela Roddey. *The Meaning of the Constitution*. New York: Barron's Educational Series, Inc., 1974, p. 1.

[3] "Constitution of the United States." *Collier's Encyclopedia*. 1974, pp. 230-231.

[4] Holder, pp. 2-3.

[5] Holder, pp. 2-3.

[6] "Constitution of The United States." *Collier's Encyclopedia*. 1974, p. 235.

[7] "Constitution of the United States." *World Book*. 1978, p. 798.

[8] "Constitution of the United States." *World Book*. p. 798.

[9] "Constitution of the United States." *World Book*. 1978, p. 798f.

[10] Holder, p. 20.

[11] McClenaghan, William A. *Magruder's American Government. Boston:* Allyn and Bacon, Inc., 1978, p. 333.

[12] McClenaghan, p. 790 (Article I, Section 8, Clause 1).

[13] McClenaghan, p. 345.

[14] McClenaghan, p. 82.

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SUSAN J. MATT—DOWNERS GROVE, IL

Written during the age of Enlightenment—a period in history in which men endeavored to establish an order and a pattern to their lives, their cultures, and their societies—the Constitution of the United States became a reflection of these endeavors. The framers of the Constitution, aware of the

Footnotes at end of essay.

problems and disorder an autocratic state brought about, looked for alternatives to rule by one man. The system of government which seemed to promise the most order and the most reason was a government where power was vested in three separate branches. That no branch might seize absolute power, the framers sagely specified the rights and limits of each branch in governing the people.

Article I of the Constitution, that portion which sets forth the limits of the Congress' power, epitomizes both the preoccupation with and desire for order, as well as the sagacity and insight of the framers. Article I is based upon the fundamental realization that "It takes two to tango," or, to be more timely, "It takes two to minuet." The authors of the Constitution, influenced by the writing of their contemporary, Jean Jacques Rousseau, who spoke of a "contract" existing between those governed and those who governed, wrote Article I as a framework for a productive relationship between the people and their Congress. Those authors of the Constitution seemed to know that, without such guidelines for the Congress to observe, the relationship between the populace and their lawmakers would not flourish and order would be lost.

Half of this relationship existing between the Congress and the populace rests on the faith people have in their elected representatives. The electorate puts its trust in the Senators and Representatives it places in Congress, making them custodians of the public's interest, guardians of the public concerns.

To meet this responsibility, Congress is granted a number of powers. These powers extend into a number of areas of concern. In dealing with one such concern, the Congress assumes the role of the guardian of general financial dealings of the nation. Congress has the power to "regulate commerce," to issue patents, to borrow money, to tax the people (equally) and/or tax products, in order that the profits of such taxes may be used for the common good. With these powers, Congress is a type of overseer of the capitalistic system of this country. And while Congress is given some control over the goings on of the business world, there have been no attempts by Congress to make the financial structure part of a planned, closed, state-controlled economy.

Beyond this, Congress is granted the powers to make uniform the other systems which run the nation. Trying to establish uniformity—whether it be by passing naturalization laws, by establishing a system of weights and measures, by building roads, creating courts, or passing bankruptcy laws—is part of the struggle for order, for a pattern, which the framers first faced. And the electorate, wanting this uniformity, and also desiring order, allows the Congress to legislate it.

The framers, while certainly idealists to some extent, were not blind. Having recently emerged from a war, they realized that even a nation with well-regulated affairs might find it necessary to fight to defend this organization. Therefore, Congress was given the power to raise a militia, to maintain it, and ultimately to declare war. There exists a tacit understanding between the voters and Congress that this final power will not be overused to pursue petty rivalries or to have the nation embroiled in an unnecessary war. Rather, the entire nation's interests must be threatened for a war to be fought.

Part of legislating order and uniformity depends upon acting on not only what is written in Article I, but what remains unsaid, as well. Congress, then, has the power to create programs—and to appropriate money for these programs, which, though not specified in the Constitution, "provide for the . . . general welfare" of the people. Congress is given this right in the section of Article I which says the legislative branch has the power "to make all laws which shall be necessary . . . for carrying into Execution the foregoing powers." So whether Congress appropriates money for ADC benefits or passes the Job Training Partnership Act, the general public's special interests, unforseen by the framers, are looked after by the Congress in this way.

At times, there are situations where the Congress creates agencies to carry out its ideas and laws. For instance, the Securities and Exchanges Commission oversees stock and bond transactions. These transactions are supposed to be regulated by the Congress. That body, discovering that it was more efficient to delegate authority, created the SEC. The Environmental Protection Agency is another agency which carries out Congress' will. These agencies are instruments of Congress, justified by that clause which says the legislative branch has the ability "to make all laws which shall be necessary. . . ."

Another way the framers sought order was through the limitations they placed upon Congress. Too often in the past, power had corrupted those who possessed it. To avoid this, the Constitution includes a section which states an individual's writs of habeas corpus can not be suspended. Hand in hand with this is the promise of equal treatment for all. The Constitution facilitates this by prohibiting unequal taxation. The framers also, in their attempt to create an egalitarian society of sorts, forbade the granting of titles of nobility. These men truly desired a nation where there were equal opportunities for success for all people. With this in mind they specified that ports should not be discriminated against, nor should state export taxes exist. These limitations were included, as well as one which mandated that the nation's money be appropriated in such a way that the citizens could hold their leaders accountable.

These limitations were not included because the framers believed future legislators would be base and corrupt, but rather because they were painfully aware that when limitations and restrictions on power are not written down they can easily be dispensed with. The suspension of civil liberties at various times in innumerable countries throughout Europe only supported the conviction that guidelines are most useful when they are recorded and easily referred to. These limitations were merely one further attempt by the authors of the Constitution to prevent disorder.

These restrictions on the Congress' power are a large part of the other half of the relationship between Congress and the people. Not only do the people trust their legislators, but the legislators must have a basic trust in the goodness of the people they represent. Their faith in the people must be staunch enough so that they follow the limitations set forth in Article I. When the Congressman loses faith and contact with his constituents, basic rights can easily be eroded. Therefore, a relationship must exist that is based on reciprocal trust and awareness. Article I is the framework for this relationship because it allows the constituents to know what his rights are, reassures him that there is something substantial and tangible informing him of the boundaries of his liberties. By the same token, the Congressman becomes aware of where his power and the citizen's rights meet.

Article I, because it is so clear in setting down the groundwork for a constructive, productive relationship between these two components of the State—the people and their legislators—is successful in meeting the framers' intent. Certainly without the entire Constitution and more particularly without the first article, the way this nation is run would be drastically different. One can easily conjure up images of lawmakers, unsure of their powers and the restrictions upon these powers, accomplishing little and inflicting much damage to the "proverbial ship of state." Presidents would perhaps attempt to levy taxes or declare wars, unemployed judges might create themselves courts, and general havoc would abound. Further, without Article I, citizens would not know if their Representatives and Senators were carrying out their duties. In short, there would be no yardstick against which to measure the efficacy of a legislator.

To twentieth-century Americans, such scenes of governmental chaos seem a little fantastic. Having been raised secure in the knowledge that the government was well regulated and was well-organized, to imagine other scenarios is difficult. However, the authors of the Constitution knew that in the not too remote past, governmental disorder abounded. Therefore, their desire for stability and order was both an expression of ideals in harmony with the ideals of the Age of Enlightenment and also the expression of ideas in opposition to the historical realities familiar to the framers. In the past century, for instance, kings had been replaced by Cromwells and Cromwells by kings in England. Certainly events such as these prompted the well-ordered, carefully worded Constitution. Article I and the entire document would undoubtedly be viewed by the framers as successes. Because the article and the Constitution were written with great insight and based upon the planned involvement of the people in their government, order has resulted, stability has evolved.

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THE VALUE OF THE CONSTITUTION: CHECKS AND BALANCES

Since the inception of the conept of a sovereign nation, men have desired a government which protected the people. As more people eventually obtained substantial stature in government as in England, they effected a form of ultimte law to rule the nation (England's being the Magna Carta of 1215). As John Locke stated, men should have the rights to "life, liberty, and property." Consequently, if the constitution of a nation protects the people and their rights, then it is a valuable constitution.

Moreover, at the climax of British rule in the American colonies, great writers such as Thomas Paine, orators like Patrick Henry, and patriots like Samuel Adams began to express their resentment of British tyranny and unfair practices in the colonies. They charged the British throne of "taxation without representation" as well as the massacre of part of an active crowd in Boston in 1770. The American Revolutoin soon commenced in 1775 as the forces of Great Britain sought to subdue the colonies. The Second Continental Congress was established and convened in 1776 for the purpose

of declaring the independence of the warring colonies. Thomas Jefferson enumerated the infracting practices of King George as he fulfilled the purpose of the Congress in the Declaration of Independence. The Congress responded with an outpour of signatures for the declarative document, giving the patriots a nation for which to fight.

As the long struggle for independence continued, the free colonies realized that their goal of true independence was in no way completely achieved: Before them was the task of organizing a nation. The Second Continental Congress convened in 1777 with the intent of bestowing organization upon the new nation. The ratified result was a confederation of states, headed by a congress with no power to enforce its decisions: The Articles of Confederation were inadequate in the achievement of the goals of the patriots. These goals were embodied in "life, liberty, and the pursuit of happiness." After the war, the situation was put to task as the convention for drafting a constitution suitable to the nation's requirements was called to order. In 1787, the result of the difficult labors of several ambitious men was the Constitution of the United States of America. The thirteen colonies ratified the measure by 1789 and the new nation had a sound basis for self-government.

This Constitution was to endure the next two centuries with few modifications as the most valued enforcement of human rights ever to endure the trials of nationhood. The founding fathers of this nation included several mechanisms in the Constitution which were necessary to the preservation of freedom and justice. Among these mechanisms are the checks and balances within the government of the United States of America. The United States Constitution protects its people from the tyranny of the government through checks and balances.

First of all, the checks and balances include those among the branches of the federal government. In the executive branch, as established by Article II of the Constitution, these checks and balances have several restraints upon the legislative branch. The veto power of the President prevents hasty action by demanding quality and thorough legislation. Without the veto, Congress may be apt to pass legislation in haste without consideration of possible consequences. The President also has the power to recommend legislation to balance the legislative power of Congress. In Article II, Section 3 of the Constitution, the President is required to "give to the Congress information of the State of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient." However, the President does not neglect his proposals to Congressional consideration. On most occasions, he will support his bills through lobby campaigns as did President Ronald Reagan in the recent consideration of the MX-missile. In addition to the President's control over Congressional legislation, "he may, on extraordinary occasions, convene both houses, or either of them" according to Section 3 of Article II. This gives the President the power to have Congress consider necessary or evaded topics. Furthermore, if the President observes Congress' opposition to his desires as contrary to the desires of the people, the President may seek direct support from the people who have the ultimate sovereignty in the United States. One only has to recall President Woodrow Wilson's active desire for popular support for his proposals such as the Treaty of the League of Nations. In this way, the President may obtain support for proposals he finds necessary for the good of the people and the prosperity of the State of the Union.

The executive branch also has restraints upon the judicial branch. The President is commanded to nominate with the consent of the Senate, the justices of the Supreme Court. In so doing, he is placing those whom he deems capable of judging national issues in the position of interpreting the Constitution. However, the justices maintain the office until they wish to retire and, as a result, are capable of making decisions which are dissimilar to the viewpoints of another chief executive.

In balance, the legislative branch, as established by Article I, has several restraints upon the executive branch. If the President acts contrary to the Congress by vetoing a bill, Congress may override the veto with a two-thirds vote in each house. As a result, Congress can maintain legislation which it deems necessary as the representative voice of the American people. Congress also maintains the power to create agencies and programs and to appropriate the funds for all branches of the government thereby limiting the expenditures of an unwise government. If Congress observes the President as not fulfilling his responsibilities to the Constitution and, consequently, the people, they may remove him from office through the impeachment process. As a method of moderation, the Senate has the authority to approve or reject presidential appointments if they find the appointee qualified or incapable of quality service.

Congress can also place certain restraints upon the judicial branch for the welfare of the people. Congress has direct control over who officiates in the judicial branch of the government. Congress is "to constitute tribunals inferior to the Supreme Court" as stated by Article I, Section 8, Clause 9 of the Constitution. In so doing, Congress maintains direct authority over the lower courts and can even impeach any justice which Congress finds inadequate in his or her duties. The Senate approves the appointments of federal judges and thereby checks the President's control on the judicial branch with their broader range of opinions.

Furthermore, the judicial branch, as created by Article III, was given power which "shall extend to all cases, in law and equity, arising under this Constitution." When taking this into account, Chief Justice John Marshall set the precedent of ruling a law unconstitutional in the Marbury versus Madison case of 1803. Marshall ruled that American courts, "when confronted with conflicting rules of law, must prefer the law of superior obligation to a rule of inferior standing." Marshall made it possible for the judicial branch to protect the people from laws and executive actions which violate the aims of the Constitution, those being to "promote the general Welfare" and to "establish justice."

Moreover, checks and balances also exist within the branches of the government. The Congress is divided into two houses, the House of Representatives based on population and the Senate on equal representation, in order to prevent unwise and precipitous legislation and to review bills more carefully. In the case of executive inability to support the Constitution, the Vice President may, with the majority of the President's Cabinet, declare to Congress that the President is unable to perform his duties. In addition, when courts of lower standing make questionable decisions, higher courts may reverse the decisions to uphold the Constitution.

In summary, if a nation's constitution protects its people, then it is valuable to the people. The United States Constitution protects the American people from the tyranny of government through checks and balances within that government. As James Madison wrote in The Federalist, Number 47, "The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether one, a few, or many * * * may justly be pronounced the very definition of tyranny." The checks and balances maintain the interdependence of the units of government and prevent the accumulation of power and the potentially detrimental consequences of this accumulation. Therefore, the Constitution of the United States of America is valuable to the people of that nation as the ultimate law of the land.

ARTICLE I: THE VALUE OF THE CONSTITUTION: CHECKS AND BALANCES

(By Tiffany Mims)

The value of the Constitution lies in its system of checks and balances to prevent tyranny and ensure the natural rights of man.

James Madison wrote in The Federalist, "No. 47", "No political truth is certainly of greater intrinsic value or is stamped with the authority of more enlightened patrons of liberty, than that * * * accumluation of all powers, legislative, executive, and judiciary, in the same hands * * * may justly be pronounced the very definition of tyranny." This tyranny was the framers of the Constitution's greatest fear for it steals the natural rights of man and destroys liberty. The framers learned from the writings of Locke and Montesquieu and from the inadequacies of the Articles of Confederation that to prevent tyranny there must be a separation of powers and to keep the separate powers equal there must be checks and balances between the divisions.

As a result of these fears of tyranny, Article I of the Constitution separates the legislature from the executive and the judiciary. The Article states the powers and limitations of Congress, the checks and balances it shares with the other branches and those it shares within itself between the House of Representatives and the Senate. In "The Spirit of Laws" * * *

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* * * the "Sacking of Grey Town" led to a court decision granting broad emergency powers to the President. While the Constitution gives Congress the power to declare war and "provide for the common defense" (Section 8), precedents like this have allowed the President more direction in the initiation and conduct of war.

In October 1973, following the Vietnam conflict, Congress cleared a resolution restricting the President's authority to use military troops only to respond to an "attack upon the United States, its territories or possessions or its armed forces." The resolution became law after Congress overrode President Nixon's veto. This competition over war powers illustrates the intricacies of the concepts of separation of powers and checks and balances.

Congress checks the President through its control of war powers and revenues and it also checks both the judiciary and the executive with the power given in Sections 2 and 3 to impeach and to try all impeachments. This power is perhaps the most impressive

one of Congress through the least used. Proceedings for impeachment have been initiated in the House of Representatives more than sixty times since 1789. However, only thirteen officers have been impeached. Of the thirteen cases, twelve reached the Senate where two were dismissed before trial after the impeached left office, six ended in acquittal and four resulted in conviction.

Impeachment and the criminal law serve basically different purposes. The purpose of impeachment is not personal punishment. Its function is to maintain constitutional government. Out of the thirteen impeachments at least ten involved one or more charges that did not consist of a violation of criminal law.

Some other checks Congress has in relation to the other two branches are "to constitute tribunals inferior to the supreme court" (Section 8), to override a president's veto by a two-thirds vote and in an electoral college deadlock decide who will become President.

Article I also states a few of the checks the executive and judiciary branches have on the legislative branch. The Vice-President is the President of the Senate, but only votes to break a tie; the President of the United States has the power to veto any bill; the Supreme Court has the power to declare laws unconstitutional and, therefore, void; and when a vacancy occurs in Congress, the executive issues the writs of election.

Besides the checks and balances Congress as a whole has with the other branches, it has many within its bicameral body, the House of Representatives and the Senate. The divisions are distinctly separate while also being highly dependent upon one another. Neither house can act without the approval of the other nor can either take over the duties specifically assigned to the other.

For instance, every bill must pass both the Senate and the House before it is presented to the President, "Neither house, during the session of Congress, shall, without the consent of the other, adjourn for more than three days, nor to any other place than that in which the two houses shall be sitting." (Section 5).

The two houses are designed to be equal, equal in formal powers and equal in their influence on the end result. However, the lower house has a special role in money bills in that they all must originate in the House and be passed there first before going on to the Senate and President. The House is also given in Article I, Section 2, "the sole power of impeachment." The Senate is given the check of this power in Section 3 by having "The sole power to try all impeachments."

The Constitution has made the United States Government one with many built-in restraints. These restraints assure a stable and accountable government, one in which no major change of policy may occur without the consent of many equal governing bodies. The many safeguards also ensure that the government will not become corrupt by failing to resist the temptation of power.

On this Montesquieu wrote in "The Spirit Of Laws", "When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner.

Again, there is no liberty if the judiciary power be not separate from the legislative. Were it joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control; for the judge would be then the legislator."

In over two-hundred years the Constitution has never once failed to prevent tyranny and ensure the natural rights God-given to man. Its theory of equality of people ensured by equality of powers has been proven to the modern world by enduring the test of time. As a result of having the privilege to be governed with the idea of equality, the United States has grown to be most free, the most democratic and the strongest nation, the world has ever known. Our nation has become one whose citizens strive for great achievement out of pride for self and country, a nation that unfortunate people living in oppressed lands look to for hope and a nation that assures man's natural rights are allowed equally to all its people by its constitution.

THE VALUE OF THE CONSTITUTION'S CHECKS AND BALANCES

(By Stephanie Ames)

Why has government been instituted at all? Because the passions of men will not conform to the dictates of reason and justice without constraint. Our Founding Fathers boldly ventured into an unmapped political area when they undertook to create a federal government that would be a new center of power yet not depriving the states of their local powers and responsibilities. How then shall we maintain in practice the necessary partition of power among the departments, as laid down in the Constitution? The only answer that could be given was the separation of powers among the Executive, Legislative, and Judicial Branches and have them maintained by a built-in system of checks and balances. That means that one house should serve to correct the mistakes and curb the power of the other.

When the legislative and executive powers are united in the same person or body, there can be no liberty. Were the power of judging joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control, for the judge would then be the legislator. Were it joined to the executive power, the judge might behave with all the violence of an oppressor. In framing a government which is to be administered by men over men, the great difficulty lies in that you must first enable the government to control the government, and in the next place oblige it to control itself. If wide powers had been given to a single man or a few men they likely would be misused. A policeman might easily become a tyrant if he could make the rules and then arrest and punish anybody whom he accused of breaking the rules. But if one man makes the rules, if a second man arrests the people who he believes have broken the rules, and if still a third man decides whether the arrested people really have broken the rules, there is less chance for mistakes or tyranny.

The Constitution divides the powers of the federal government among the three branches. Congress has the power to pass laws, the President has the power to enforce the laws, and the courts have the power to interpret and apply the laws as cases arise. By and large, each of the three branches is independent and does not share its power with the other branches. Congress does not enforce the laws it passes and the President does not pass laws he enforces. Similarly, the federal courts cannot interpret or apply a law until a case involving a law or the constitution comes before a federal court.

What must have bothered the Founding Fathers was the possibility that Congress would become all-powerful. The Congress of the United States is the lawmaking body of the federal government in Washington D.C. It consists of two houses of almost equal power. In the House of Representatives, called the lower chamber, there are 435 representatives, chosen by districts throughout the nation that are roughly equal in population. The Senate, or upper chamber, is made up of two senators from each state. It is, therefore, a smaller body, consisting of only 100 men and women. The reasons for having two houses are both historical and political. Historically, Britain, the mother country, had two houses in its Parliament. At the time of the Constitution Convention, all of the state legislatures had two houses as did the colonial governments before them so the idea of two houses was familiar to the Founding Fathers of the United States. Politically, the Founding Fathers thought that the government ought to have a system of checks and balances. Furthermore, when the government was formed, the small states thought they ought to have as much voice in the congress as the big states. They got this representation in the Senate. But because they had more people, the big states wanted representation according to population. This they got in the House of Representatives.

This separation of power among the three branches of government is maintained by a built-in system of checks and balances. In this system of checks and balances, each branch of government has some means of checking or limiting the actions of the other branches. Congress, for example, can check the actions of the President through its exclusive power to appropriate and make available money. The President may order a program to begin, it cannot be started until Congress makes the needed money available. This control over the purse strings provides Congress with the means to hold a President in Check. Congress also has the power to maintain a check upon the courts through its power to remove judges through impeachment and conviction. The President has the power to veto bills passed by Congress and the federal courts have the power to declare laws passed by Congress unconstitutional. Congress may go further in exercising its power to check the President by placing restrictions on the use of executive authority. Congress overrode a Nixon veto in 1973 and enacted legislation that limits a President's authority to wage war on his own initiative. The measure requires the President to report to Congress within forty-eight hours any commitment of troops to foreign hostilities, along with an explanation of the circumstances and to end hostilities within sixty days unless Congress has declared war or authorized the commitment of military forces. This checks any future Vietnam situations, we hope. In the final analysis, the Constitution has established a federal government composed of three branches, each with powers that check and balance the power of other branches.

"The President's veto power is a good example of the system of checks and balances provided for by the Constitution. When the President vetoes a measure, he returns it to Congress without his signature, generally accompanied by a statement of his objections. Presidents have made increasing use of the veto. Washington vetoes only two acts of Congress in his eight years in office, and Jefferson vetoes none. Franklin D. Roosevelt, on the other hand, vetoes more than

six hundred bills. Few presidential vetoes are overriden, since a two-thirds vote in each house of Congress is required." [1]

The Founding Fathers provided Congress with effective means to curb an aggressive President. But possessing authority is quite different from possessing the ability and the will to exercise that authority. Over the years, some strong Presidents have used their power to influence the other two branches of government. But the principle of a separation of power and the system of checks and balances have worked to maintain a balance of power among the three branches.

The Constitution's writers granted the office of the presidency many powers, but they hedged most with Congressional checks and balances. The President, for example, could veto bills that any Congress passed. Congress could override a veto with a two-thirds majority vote. The President would be Commander in Chief of the armed services, but only Congress could declare war. The President could make treaties with other nations, but no treaty could go into effect until the Senate ratified it. Senate approval was also necessary for presidential appointments to numerous offices. The president is the chief legislator because he proposes a great number of laws and tries to have them enacted. But even though an aggressive President has many methods of influencing Congress to do his bidding, still Congress should have the final say. Laws that the President wants must be passed by Congress and measures that the President opposes become the law of the land when Congress overrides his veto by a two-thirds majority.

"Sometimes," said Theodore Roosevelt, "I wish I could be President and Congress too." "Well," reflected his cousin Franklin later in the century, "he is not the only President that has had that idea." "Friction between the executive and legislative branches has consistently characterized American government. Part of the explanation is that checks and balances imply competition. But an equally important reason is that while members of Congress represent states and parts of states, the President has a national constituency; and national and sectional interests are not always the same. John Kennedy observed that being President was much easier when Congress was not in town." [2]

Considerable protection has been provided for a Chief Executive by having the Senate try the President after the House had impeached him. The principal checks on presidential powers were exercised by Congress during the Ford administration, both the Senate and the House of Representatives focused their attention on the Federal Bureau of Investigation and the Central Intelligence Agency.

In 1974 millions of Americans switched on their television sets to hear and watch the check and balance system in action. The House Judiciary Committee had met to decide whether President Richard Nixon's conduct of his office made him subject to impeachment. It was the duty of the Judiciary Committee to recommend what, if any, action the House of Representatives should take against the President. If the House voted to bring charges of official misconduct against the President, the Senate would have to try him. The question of many Americans was whether the most powerful ruler in the democratic world was accountable to the people who had placed him in office, could President Nixon be checked by Congress, acting in the name of the people of the United States? It was believed that recent Presidents had upset the balance between executive and legislative power and regarded Congress as almost powerless to cope with a determined Chief Executive.

But Richard M. Nixon was not impeached by the House nor tried by the Senate. On Monday, 5 Aug 1974, the President admitted his misconduct and three days later, when his impeachment by the House of Representatives and his conviction by the Senate appeared inevitable, Richard Nixon became the first President of the United States to resign from office.

Through the years, a congressional brake on presidential powers has developed from the unofficial check evolved as the standing, or permanent committees of the Senate and the House of Representatives assumed more and more control over congressional affairs. The chairmen of these committees now exercise much authority. Seniority is the chief factor in the choice of committee chairmen, the senator or representative who is reelected time and time again may become a key figure in government. Presidents come and go, but some members of Congress seem to go on forever, having been returned to office for thirty, forty, or even fifty years. Committee chairman not only know the working of Congress to perfection, but through long experience they have learned how to deal with the White House. They have ties with important business and labor leaders who can bring pressure to bear on the President. Also committee chairmen are often on friendly terms with the heads of agencies within the executive department. Committee chairmen with such connections are in a position to challenge the President by using their influence with officials of executive departments to block presidential plans.

When compared with Congress, the Supreme Court is a minor brake on executive power. In 1952, the Supreme Court ruled against President Truman when he had ordered his Secretary of Commerce to take over the operation of the nation's steel mills in order to avoid a strike. Then in 1974 the Supreme Court ordered President Nixon to surrender the Watergate tapes.

The press, television, and public-opinion polls also make a non-governmental check on the three branches. From Washington's time to the present, Presidents have regarded them as desirable allies and formidable opponents. They have played a leading part in exposing the misdeeds.

As thoughtful Americans we cannot conclude that the delicate balance in government that the Founding Fathers contrived has been attained, and the means have been found to keep future Presidents from trespassing on the rights of Congress and from threatening the rights of the people. Through the years strong Presidents have expanded executive authority at the expense of Congress. But aggressive Presidents usually have been followed by Chief Executives who show little interest in adding to the powers of their office and have been content to have Congress exercise at least an equal voice in government. It is also reassuring to believe that the operation of the checks and balances system is automatic. A constitutional crisis created by the Watergate break-in seems to show that the American people possibly escaped some form of tyranny only because a small number of alert citizens discovered and exposed them. The episode is a reminder that in addition to the check and balance system, a well-informed citizenry that is determined to remain free from all forms of oppression is also an effective check. "Thus, separation of powers and checks and balances have come to serve two roles: to make it difficult for a popular majority to capture control of the government, and to make it difficult for those who govern to exceed their constitutional authority." [3]

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FOOTNOTES

[1] Ernest B. Fincher. *The Presidency an American Invention* (New York: Abelard-Schuman, 1977). P. 110.

[2] Marcus Cunliffe and others. *The American Heritage History of the Presidency* (American Heritage Publishing Co., Inc., 1968). P. 239.

[3] James MacGregor Burns and Jack Walter Peltason, *Government by the People:* (Prentice-Hall, Inc., New Jersey, 1966). P. 66.

THE VALUE OF THE CONSTITUTION'S CHECKS AND BALANCES

(By Jay Helton)

"Power naturally grows . . . because human passions are insatiable. But that power can grow which is already too great; that which is unchecked; that which has no equal power to control it" John Adams.[1]

Every school child is taught that his system of government is based on a system

Footnotes at end of article.

of checks and balances. A system that has endured the test of time for two hundred years. The value of this system is priceless. Before one can probe the value, one must delve deeply into the set of circumstances that surrounded the drafting of this great document.

The Founding Fathers had fought a war of Independence to free themselves from a tyrant (the King of England). After the war many of them feared a strong central government. This fear had inspired the Articles of Confederation. The Articles were a loose set of rules that delegated most of the federal government's power to the legislative branch. For eight years, critics of the Articles protested. Finally, representatives of the States met in Philadelphia to establish a better system of government. The result was The Constitution of The United States of America. To access the value of this system, one must take a look at historical cases involving clashes between the branches of government.

One of the first important cases was *Chisholm v. Georgia* (1793). A man in South Carolina (Chisholm) sued the state of Georgia. The Supreme Court held that a state could be sued by the citizen of another state. However, due to public reaction, Congress drafted an amendment. The eleventh amendment stated that judiciary power could not extend to suits prosecuted by citizens of a foreign state.[2] In this case, the system of checks and balances saved states from outside suits.

Many other Supreme Court cases arose when a strong president collided with a strong congress or a strong supreme court. One of the earliest and one of the least noticed, cases involved Thomas Jefferson. During the trial of Aaron Burr, Jefferson was asked to testify and to submit a document wanted as evidence. When Jefferson refused to do either, Chief Justice John Marshall issued the President a subpoena. President Jefferson, in turn, sent a letter to the federal marshal in Richmond, Virginia, where the trial was being held and instructed him that no action would be taken to serve the subpoena. Reluctantly, Jefferson voluntarily produced the document, and the demand for a personal appearance was dropped.[3] The trial proceeded and Presidential privilege was kept intact.

It was also during the Jefferson-Marshall era that the historic *Marbury v. Madison* (1803) decision was handed down. This case set the precedent for judicial review.[4] In reaction to *Marbury v. Madison*, Senator Richard M. Johnston—Ken. introduced several bills on the floor that would give the Senate appellate jurisdiction over the Supreme Court. He argued that nowhere in the Constitution is the judiciary given the power to invalidate laws. Furthermore, Senators are bound by the same oath taken by Supreme Court justices and they should be entitled to make the same decisions. President Jefferson saw the wisdom in having an impartial umpire to make unemotional decisions. Through persuasive lobbying Jefferson's supporters defeated the bills.[5]

Another President who illustrates the value of checks and balances is Andrew Jackson. Jackson was usually very assertive; consequently, he was accustomed to being in complete control of a situation. This trait caused serious problems with Congress. One such problem came in the form of a proposal to build a road from Maysville, Kentucky, to Lexington, Kentucky. Friends of the project argued that the road was in all actuality an extension of the national road that originated in Cumberland Md. Therefore the road was interstate in character. Martin Van Buren, Jackson's spokesman and vice-president said the road was intrastate and it was unconstitutional to use federal funds for construction. He further argued that in 1825 New York had used state funds to build the Erie canal. Subsequently, other states would have to do the same. The Maysville Road Bill passed Congress in May 1830. Jackson vetoed the bill on May 27, 1830.[6] In this case it appears that the will of the majority prevailed over the will of a powerful minority.

The most poignant example of conflict between the judiciary and the executive came in the case of *Worchester v. Georgia* (1832).[7] The Supreme Court upheld the position of southern Indian Tribes against the territorial claims made by the state of Georgia. President Jackson, who had gained a reputation by his harsh treatment of the Indians, was outraged. "John Marshall has made his decision; Now let him enforce it," Jackson supposedly responded to the decision of the Supreme Court. Congress threw its weight behind the President and the decision was never enforced. As a result, the Cherokee and others were removed from their homes.[8]

President Abraham Lincoln one of our greatest Presidents, also had conflicts with Congress and the Supreme Court. After the Civil War broke out, Lincoln took drastic measures. He suspended the writ of habeas corpus, authorized arrests without warrants, gave the power to detain persons without a trial, permitted private mail to be opened, and allowed Cabinet Officers to order the arrest of suspected traitors with no further contact being made for months. He also went so far as to give his generals power to suppress newspapers and to "suspend" publishing if necessary.[9] All of these actions were flagrant violations of the first, sixth, and seventh amendments. The President defended his actions in a letter to Erastus Corning. He said the Civil War was a time of emergency.[10] Drastic times called for drastic measures. Chief Justice Roger B. Taney rebuked the President's actions and demanded that the actions be halted. Taney threatened legal action against the President if he did not comply.[11] Once again executive privilege was allowed yet, the individual rights were kept at a premium.

In more recent times, there have been conflicts between the three branches of government. As our society has become more and more affluent this problem has become more complex. The problem becomes increasingly acute when a President and the majority of Congress are on opposite sides politically. When the public becomes involved, the problems then must be solved. Jackson's deplorable treatment of the Indians probably couldn't have taken place in 1970. Jefferson's flippant reply to Marshall wouldn't happen with a room full of reporters.

After Franklin Delano Roosevelt was elected President in 1932, he initiated many pieces of controversial legislation aimed at providing relief from the Great Depression for the millions in need. The Supreme Court, however, declared the National Industrial Recovery Act (N.I.R.A.) and the Agricultural Adjustment Act (A.A.A.) to be unconstitutional. Both programs enjoyed large public support. In cases like *Panama Refrigerating Co. v. Ryan* and *Schechter Poultry Corp. v. United States*, the Supreme Court held that the President had taken upon himself the power to adopt new laws without the consent of the people through regulatory codes.[12] President Roosevelt became increasingly frustrated with the situation. He accused the court of being "nine old men" who were unresponsive to the needs of the nation. F.D.R. attempted to curb this problem with legislation. One resolution would give him the power to retire a justice at the age of seventy. Also, FDR formulated legislation that would increase the number of justices to fifteen.[13] Today, this is referred to as President Roosevelt's "court packing" plan. In effect, Roosevelt would obtain a majority in favor of his New Deal legislation. The public was shocked at the "court packing" plan and the debate went on for some time. Eventually, World War II eliminated the controversy. As a war-time Senator from Missouri, Harry S. Truman once said, "If the condition of the docket warrants it, I see nothing wrong with increasing the membership of that court" [14] in reference to the court packing incident. After Truman became President he changed his mind.

In April 1952, he ordered his secretary of commerce to seize and to operate major steel mills. The United Steel Workers were on strike and the United States was involved in a "police action" in Korea. The order was stopped by a federal injunction which the Supreme Court upheld in *Youngstown Sheet and Tube Co. v. Sawyer.* The Court ruled that it was an over exercise of presidential authority and that, President Truman had no power to seize the mills without Congressional approval.[15] During the crisis, Truman said, "There are powers which are not explicitly written into the Constitution . . . and which go only to him who can take and use them." [16]

Within the past two decades, the United States has elected several strong executives who have outstepped their limits. One strong executive who was held in check was Richard M. Nixon. Nixon's problems started when he impounded funds appropriated by Congress. Nixon relied heavily upon his veto power to accomplish this. However, in the case of the water-pollution-bill, Nixon's veto was overridden. After the override, Nixon still withheld funds. Nixon stated: "Even if this bill is rammed into law over the better judgment of the executive, . . . if forced to administer this legislation I mean . . . to put the brakes on budgetwrecking expenditures as much as possible." Acting on a strict order from the President, the secretary of the Environmental Protection Agency announced that only five billion of the eleven billion dollars allotted by Congress, would be received by states for the 1974 fiscal year. Nixon not only negated funding he also reorganized branches of government without the consent on Congress.[17] The impoundment issue soon took a back seat to the Presidents more pressing problem: Watergate.

Early in 1973, the Senate set-up a committee to investigate the Watergate break-in. As the year wore on, it became apparent that tape recordings the President had made were needed as evidence in the investigation. Late in the same year, Nixon was subpoenaed for the tapes. On January 4, 1974, he refused to comply with the order. A month and two days later, the House voted 410-4 in favor of granting the Watergate Committee the power to subpoena anyone, including the President. Again, Nixon refused to submit the tapes for inspection. He then took his case to the Supreme Court.

Footnotes at end of article.

The court held, in an 8-0 decision that no one was above the law. Furthermore, the President must yield the tapes to the committee. In addition to this the court also ruled that all of his subordinates were open for investigation and could be called to testify. Under court order the tapes were heard. Eventually, President Richard M. Nixon became the first President to resign.[18]

From Washington to Watergate; from Jefferson to Johnson; from a Civil War to Civil Service, from *Marbury v. Madison* to *Brown v. Board of Education of Topeka.* From Indians to Impoundment, and even from a Federal Marshall in Richmond, Virginia to Ronald Reagan. That is the true value of checks and balances; the ability to grow and to evolve. The true evolution of the system of checks and balances has emerged. Justice has been served, and will continue to be. The Constitution has grown along with the country, neither remaining stagnant. United we stand, under God, just as we did in 1776 and in 1787.

FOOTNOTES

[1] *The American Political Tradition;* Richard Hofsteadter, (1958), p. 1.
[2] *Congress and the Court;* Walter F. Murphy, (Uni. of Chicago press, 1962) p. 12.
[3] Ibid p. 14-15.
[4] Ibid p. 20.
[5] Ibid p. 21.
[6] Hofsteadter, p. 34.
[7] *Editorial Research Reports;* Presidential Accountability, 3/7/73.
[8] Ibid.
[9] Ibid.
[10] *Complete works of Abraham Lincoln;* Nicolay and Harper, (1894) p. 298.
[11] Ex parte Merryman; Roger Taney, (1871) p. 246.
[12] 295 U.S. p. 495.
[13] The Constitution did not specify the number of justices. It left this matter up to Congress. The First Court had six members, and the number has varied over the years. Except for a temporary increase to 10 in 1863, the number has remained at 9 since 1837.
[14] *The Supreme Court Issue and the Constitution;* / William R. Barnes, (Barnes and Noble, New York) 1937.
[15] 343 U.S. p. 579.
[16] Remarks at a dinner for his birthday, quoted in The New York Times May 9, 1954.
[17] E.R.R.
[18] *1975; In Review;* Funk and Wagnalls, (Funk and Wagnall, 1974) p. 456.

* *EDITORS NOTE: Footnotes 13, 14, 15, were not included in the numbering they were, well, ommitted. It was late.

THE POWERS AND LIMITATIONS OF CONGRESS

(By Mark Strong)

The framers of the Constitution intended to give Congress limited Power giving it a list of powers, but an interpretation of a clause in Article I gave Congress virtually unlimited Power. Following ratification of the Constitution, a debate broke out over the meaning over the clause which stated "The Congress shall have the Power to . . . provide for . . . the general welfare of the United States." Strict constructionists, who were fighting to get more Power held by the states, maintained that this was a general statement which was further explained by the other powers listed. Loose constructionists, on the other hand, believed that the General Welfare clause gave Congress powers separate and different from those mentioned specifically. The latter, under the direction of Alexander Hamilton, became the precedent upon which Congressional power would be based.

The Supreme Court did not rule on the controversial clause until 1936 in a case concerning the Agricultural Adjustment Act. As a part of the decision, the Court ruled that the clause gave Congress separate and additional powers. However, by 1936 it was a mute point, any other decision would have caused chaos due to the number of laws which would have become unconstitutional and would have taken away the power that the federal government needed at the time to end the Depression.

Often in the past Congress has been unwilling or unable to use its powers without the support and influence of the Chief Executive. The key to legislative action has been held with the executive since the time of George Washington. In the early days of the nation, Congress needed direction. Alexander Hamilton saw this gave Congress direction, his direction. He proposed his financial plan which included a national bank and assumption of the state debts. It was passed and the precedent for executive proposed legislation had been set.

Even in the time of great public need, the Depression in particular, Congress was slow to act until it was pushed by the President. During the term of President Hoover, little relief legislation was passed by the Congress. Upon the election of Franklin D. Roosevelt, Congress immediately began to passing the "Relief, Recovery, and Reform" legislation proposed by the President.

Today this trend is holding true; the idea for tax simplification has been around for many years, but now that a President is pushing for it, it has new found support.

Traditionally the executive has taken the initiative in foreign affairs. In 1793 President Washington issued the Proclimation of Neutrality regarding the war between Britian and France. The pro-French Jeffersonian-Republicans attacked the proclimation as an infringement on the powers granted to Congress in the Constitution. In a series of articles in a Philadelphia newspaper, Alexander Hamilton defended President Washington's actions. He argued that foreign affairs was in nature an executive function and, except where otherwise stated in the Constitution, belonged to the president. In general, this strict interpretation of Article I combined with a broad interpretation of Article II has become the precedent upon which our nation's foreign policy has been conducted.

This interpretation, however, does not leave the Congress without a say in foreign affairs. The Senate must still approve treaties made by the President, the Congress alone can allocate the money needed for sending aid or fighting a war, and now through the War Powers Act of 1973 Congress can call troops home at any time.

The strongest conflict between the Congress and the executive came at the end of World War I. President Wilson returned from Versailles with few of the fourteen points he had strived for. He did, however, secure the founding of the League of Nations, his major goal. The Senate was fearful of the power given to the League. This, combined with personal differences between the leadership in the Senate and the President, led to the treaty's failure.

Following the Second World War the power to declare war became largely unimportant. Since World War II, the United States has fought two undeclared wars. At first it would seem as though Congress was without power, but Congress has the ultimate power, it controls funding: it is impossible to fight without money. Throughout the unpopular Vietnam Conflict, the Congress continued to pay for the soldiers and weapons in Vietnam. Even when opposition to the war in Vietnam was at a peak, only one-third of House members voted in favor of proposals to end the war. The attitude in Senate was different, but the result was the same; proposals which passed either did not carry the force of law or were not longer applicable. Congress had the power and the responsibility to end the Vietnam war, but it refused to challenge the Power of the President.

The Congress saw that much of its power had been stripped and decided to get it back. In 1973 it passed the War Powers Act over President Nixon's veto. The Act required that any U.S. troop commitment must be terminated after 60 days unless Congress specifically authorizes its continuation. Congress is also permitted to direct the President to disengage troops at any time through a concurrent resolution. The Powers concerning war were returned to their proper places; the President having control over the Armed Forces, and the Congress having the power to keep the nation out of war.

In the written form of the Constitution, the powers given to the Congress and the Federal Government were limited. However, due to the changing needs of a growing nation and influence by key people in the early years under the Constitution, the power of Congress has grown immeasurably. As the power of Congress has grown, so has its dependence upon the executive for leadership.

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THE POWERS AND LIMITATIONS OF CONGRESS

(By Deborah Dowell)

The direction a moving object accelerates depends on all the forces applied to it. The greatest force has the most power. This illustrates the principle of majority rule that our country operates on. All the citizens can't agree on most issues, so the majority has to decide for all. The theory works until smaller forces start to get overpowered by the object's momentum. Any power, even when it lies in the majority, cannot be allowed to infringe on basic rights. Our Founders saw this clearly when they drafted the United States Constitution. This Constitution gives the people rule by majority while it equally protects the powerful and the weak. The Founders outlined three branches of government to guarantee both these principles. The legislative branch represents the people, the judiciary is somewhat removed from the people so that it can provide equal justice under the law for all, and the executive keeps government moving smoothly. The most complex branch is the legislative. Its power lies with the people; its limitations are the Constitution's means of checking against an oppressive majority.

Congress can be considered the most powerful branch because it has the function of lawmaking within constitutional boundaries. The Constitution grants Congress legislative powers over most domestic and military areas, including taxes, welfare, com-

merce laws, naturalization and bankruptcy laws, regulation of money, post offices, copyrights, inferior courts, and the militia. One of the most obvious examples of Congress as champion of majority rule is the provision for ⅔ of both houses to propose a Constitutional amendment or (at the application of ⅔ of the states) a Constitutional Convention. All these powers demonstrate the importance the Founders assigned to popular rule. Stipulations for elections and a public record for yeas and nays printed at ⅕ the legislator's request show Congress' obligation to the people who make its power legitimate. The rights of Congress to set up lower courts, to intervene in Supreme Court cases under extreme circumstances, and to impeach the President secure its balance of power when other branches evade their commitments to the people.

Even when a majority of the people empower their government, all citizens are entitled to equal justice and liberty. This is where Founders such as Madison saw the need for some check of the majority faction. "Wherever the real power of Government lies," he reasoned, "there is the danger of oppression. In our Government the power lies in the majority of the community." The majority rule principle works until it begins to infringe upon others' basic rights.

The Founders protected rights with checks on majority rule by setting up limitations in Congress. The size of the legislature and the diversity of the people it represents remove most opportunities for potentially oppressive majority factions. In addition the House and Senate are divided with different terms of office and slighty different roles. Representatives are directly responsible to their constituents. The Senate's longer term, higher qualifications for office in both age and length of citizenship, and larger constituency indicate the Founders' idea of the Senators' role as enlightened statesmen. We no longer uphold the Founders' extreme view that the Senators are too far above the people they serve to be directly elected. We have kept the principle of some differences between the houses' elections to protect ourselves from the political winds of short-lived popular zeal. Another means of protection from political pressure is the guarantee for individual congressmen to express their voices. No congressman may be questioned outside Congress for a speech made in session. In addition, bills must be stronger than transient political whims; they need enough real support to pass a majority in the two different houses of individual and diverse politicians before they become law. Finally, to keep Congress from outstepping its limits, the executive can veto legislation and keep it from becoming law if less than ⅔ of both houses continue to approve it. The judiciary can interpret Congress' laws as unconstitutional, and courts make decisions about the law in individual cases to insure all citizens' protection. Congress' power is constrained only when it violates its Constitutional obligations and the people's Constitutional rights.

Congress then gives the people power to rule by majority as long as all are equally protected from oppression by this majority. Congress possesses all legislative powers necessary to regulate the interior and protect the country. Its responsibility to the people transfers this power to the decision of majority rule. When Congress outsteps its constitutional boundaries or violates individual rights, its powers are checked by other branches and by its own division. All the forces are kept in check so that no one is crushed by the majority's momentum, and the people are otherwise free to govern their country.

The United States Constitution—Article II: The Powers and Limitations of Congress

(By Maureen Mooney)

Reflecting back on the number of lives that were sacrificed so that we, as a nation, could have freedom in government, we must realize the importance of this freedom and see to it that the power of the United States government need not be overlooked or abused.

In this sense, it is equally important that the rights of the United States government and the people of the United States be thoroughly stated through the United States Constitution.

To discourage misuse of the Constitution, it is to our advantage to fully understand the government's interpretation of the laws set by this paper.

Of the seven Articles stated in the Constitution, the topic of my paper is Article II. This Article, based on the Executive Department, is highly substantial to the people, so that they better understand who or what runs their government.

Article II, Section I, begins with the distribution of executive power. It states "the exectuve power shall be vested in a President of the United States of America". It also states that, "each state shall appoint a number of electors equal to the number of senators and representatives to which the state may be entitled to Congress". The Constitution also stresses that no person holding "an office or trust or profit under the United States" will be appointed an elector. This includes a senator or a representative.

In Section I, #3 of Article II, the Constitution goes on to explain the voting process. This process may seem complicated, but is very simple and is designed to eliminate arguments over equal vote tallies.

The electors meet and vote by ballot for two persons, with at least one person on the ballot not from their designated state. A list containing the names of the persons voted for and the number of votes is made up, signed, and certified. It is then sent to the President of the Senate, whom, in the presence of the House of Representatives and the Senate, shall open the vote certificates, and then the votes are counted. The person holding the majority of votes is the president; if one or more has the majority and equal amount of votes, then the House of Representatives shall decide the President.

These powers directed upon Congress and the executive branch make fair, efficient voting possible.

Number 4 of Section I goes on to state that Congress may decide the time that electors are chosen and the day in which they give their votes, which shall be the same throughout the United States. This will eliminate confusion in voting procedures and will make the counting of votes more efficient.

Section I goes on with establishing certain qualifications that a person needs to run for the Office of President. The person must be a natural-born citizen, at least 35 years of age, and a resident of the United States for 14 years. These qualifications eliminate any chance of a rise in foreign power within our government.

In the unfortunate case of a President's death, as stated in Section I, #6, the Vice President will assume office. If he, too, is unable, Congress then decides and appoints an officer to take the position as President. Again, this eliminates confusion and argument and makes it impossible for our nation to be without a national leader.

In Section 2, #2, it is stated that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided 2/3 of the senators present concur". It also states that the President can nominate ambassadors, public officials, judges of the Supreme Court, etc., with the advice of the Senate. I feel this is a very important part of the Constitution. It allows Congress the power to defeat a treaty and to voice their opinion on who is elected.

The Constitution then goes on stating that the President may fill vacancies in the Senate temporarily. This will prevent decisions from being help-up or delayed while offices are vacant.

Section 3, of Article II, continues on in explaining that the President will deliver a message to Congress each year. These messages are valuable for they can change the opinion of the public and of Congress. The President can also declare the date of adjournment for both houses in the case of a Congressional session where they could not decide on a date.

Finally, Section 4 states that "the President, the Vice-President, and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors". This again prevents the misuse of the handling of power within office.

Article II as a whole, covers many sections of our government. It deals greatly with the power of the President and of Congress. It explains the necessity for certain restrictions and the need for certain powers.

The United States Constitution provides a backbone for our government and for our country. Only when we consider how important this paper is, will be then realize its' value to us individually, as well as a nation. We, as citizens of the United States of America, should strive to learn more about our Government and use this knowledge in a positive way.

I can honestly say that by writing this paper I have gained much knowledge of my government and of the Constitution that supports it.

I feel that the Constitution of the United States of America holds true what American stands for—that of freedoms, liberty, justice, and the American sense of pride.

Article II: The Powers and Limitations of Congress

(By James A. Nucci)

The Constitution, our powers have been created by it and the limitations on our powers equally are found within it. Continued and informed acquaintance with its granting and limiting language then is an obligation of that greater number of us as citizens.

In a formal sense, the Constitution is the written document which was drafted at Philadelphia in the summer of 1787 plus the amendments which have been added since. This document was not intended by its Framers to be static in meaning but rather in Chief Justice Marshall's words they envisioned that it should "endure for ages to come and consequently be adapted to various crises in human affairs". "As a document," Professor Corwin once wrote, "the Constitution came from its Framers, and its

elaboration was an event of the greatest historical interest, but as law the Constitution comes from and derives all its force from the people of the United States of this day and hour."

Throughout our constitutional history the courts have given the broadest and most liberal construction to the powers of Congress. Thus Congress has been held to possess not only those powers which are expressly delegated to it by the Constitution but such further authority as may be reasonably implied from those specific grants, with the term "reasonably" most generously interpreted. Congress derives power also from the grants of authority from the other departments of the government. Other situations hold that an "implied" power of Congress does not have to be derived from a single power specifically delegated by the Constitution, but may rest upon any combination of such powers taken together.

In what has been said so far there has been no suggestion that Congress could exercise any power which could not in some reasonable way be derived from the grants of authority enumerated in the Constitution. "Implied" and "resulting" powers must be implied, or must result, from something in the Constitution. Those who favor a powerful national government possess not merely the delegated powers and those derived from them, but in addition such powers as are necessary to cope with any truly national problem, whether those powers are delegated or not. This is sometimes called the doctrine of inherent federal power. It has been attributed, somewhat dubiously, to James Wilson; but it received rebirth and wide publicity through the sponsorship of Theodore Roosevelt, who labeled it the "New Nationalism".

The most far-reaching proposal considered in Congress was a bill which purported to reestablish congressional control over the war power by providing that the President could not use the armed forces of the United States in hostilities abroad in the absence of a declaration of war, except to repel an attack or an imminent threat of attack or the United States or on the armed forces of the United States outside the United States to protect the evacuation of United States citizens from areas in which hostilities have commenced, or pursuant to some specific statutory authority, and even the exceptions could not be sustained beyond thirty days in the absence of appropriate congressional action. Proponents argued that Congress had the power to limit the President's discretion as a "necessary and proper" adjunct of its powers to declare war and to provide for and regulate the armed forces and because under Article I Congress also has power to make all "necessary and proper" laws to carry into effect the "powers vested by the constitution in the Government of the United States, or in any department or officer thereof." Opponents have asserted that as Commander-in-Chief the President has independent powers to utilize military forces not only to protect the Nation from attack but to further the Nation's interests and that this power is not subject to significant congressional limitation. Moreover, Congress' power to declare war, in this view, says little about the other myriad resorts to force short of all-out war, so that Congress does not actually have the degree of "necessary and proper" power which others have deemed to find in the power to effectuate the authority to declare war. This dispute may well die with the issue which brought it to the fore, Indochina, or it may linger on in affecting the ways Congress and Executive deal with each other. But whether one or the other, the dispute has established precedents of practice and policy rather than constitution rules.

One limitation put on Congress' power is that Congress cannot limit the effects of a presidential amnesty. Thus the act of July 12, 1870, making proof of loyalty necessary to recover property abandoned and sold by the Government during the Civil War, notwithstanding any executive proclamation, pardon, amnesty, or other act of condonation or oblivion, was pronounced void. Said Chief Justice Chase for the majority, "The Legislature cannot change the effect of such a pardon any more than the executive can change a law. Yet this is attempted by the provision under consideration. The Court is required to received special pardons as evidence of guilt and to treat them as null and void. It is required to disregard pardons granted by proclamation on condition, though the condition has been fulfilled, and to deny them their legal effect. This certainly impairs the executive authority and directs the Court to be instrumental to that end." On the other hand, Congress itself, under the necessary laws remitting penalties incurred under the national statutes.

What power, or powers, does Congress exercise when it enacts legislation for the purpose of carrying treaties of the United States into effect? When the subject matter of the treaty falls within the ambit of Congress' enumerated powers then it is these powers which it exercises in carrying such treaty into effect. But if the treaty deals with a subject which falls within the national jurisdiction because of its international character, then recourse is had to the necessary and proper clause. Thus, of itself, Congress would have no power to confer judicial powers upon foreign consuls in the United States but the treaty-power can do this and has done it repeatedly and Congress has supplemented these treaties by appropriate legislation. Congress could not confer judicial power upon American consuls abroad to be there exercised over American citizens but the treaty-power can and has, and Congress has passed legislation perfecting such agreements and such legislation has been upheld.

Again, Congress of itself could not provide for the extradition of fugitives from justice but the treaty-power can and has done so scores of times, and Congress has passed legislation carrying our extradition treaties into effect. And Congress could not ordinarily penalize private acts of violence within a State, but it can punish such acts if they deprive aliens of their rights under a treaty. Referring to such legislation the Court has said: "The power of Congress to make all laws necessary and proper for carrying into execution as well the powers enumerated in Section 8 of Article I of the Constitution, as all other vested in the Government of the United States, or in any department or the officers thereof, includes the power to enact such legislation as is appropriate to give efficacy to any stipulations which it is competent for the President by and with the advice and consent of the Senate to insert in a treaty with foreign power." In a word, the treaty-power cannot purport to amend the Constitution by adding to the list of Congress' enumerated powers, but having acted, the consequence will often be that it has provided Congress with an opportunity to enact measures which independently of a treaty Congress could not pass; the only question that can be raised as to such measures will be whether they are "necessary and proper" measures for the carrying of the treaty in question into operation.

The powers of Congress can be very great. This must be handled with care, and this is why limitations are put on Congress' power. Congress has used its power successfully. This is why the United States of America is where it is today. With Congress' continued success the United States will continue to grow and prosper.

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CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPERFUND IMPROVEMENT ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of S. 51 which the clerk will state.

The legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Roth Amendment No. 674, to strike the Victim Assistance Demonstration Program from the bill (Section 129).

Mr. STAFFORD. Mr. President, for the information of colleagues, we believe we have about three or four noncontroversial amendments we may be able to deal with within the next 17 minutes, if Members who have them could get over here on the floor or could authorize the managers of the bill to handle them for them since they are acceptable on each side, but we need the cooperation of Members to get those matters over here for disposition.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the

order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 677

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 677.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

S. 51 is amended by adding on page 84, after line 14, a new subsection (f), as follows:

"(f) Section 111(c)(6) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by inserting at the end thereof the following: Standards for health and safety protection of employees engaged in hazardous waste operations, including emergency response, shall be promulgated by the Secretary of Labor, under the Occupational Safety and Health Act, not later than one year after enactment of the Superfund Improvement Act of 1985. The cost of training such employees, in an amount not to exceed $10,000,000 per year, shall be considered a permissible cost of the program authorized by this paragraph."

Mr. METZENBAUM. Mr. President, the amendment pending at the desk will provide health and safety protection to workers involved in emergency and long-term hazardous waste operations.

My amendment will accomplish two objectives. First, it directs the Occupational Safety and Health Administration, the agency with lead jurisdiction in this area, to promulgate new health and safety standards for workers engaged in hazardous waste operations. Second, the amendment provides the necessary funding to establish appropriate training programs for these same workers.

This amendment is urgently needed.

The proliferation of chemical and synthetic products have created a host of new hazards for workers and firefighters. Yet the workers who clean up toxic waste—and the firefighters who are called in to deal with toxic explosions—are often ill-equipped and untrained to handle these jobs safely.

Unfortunately, OSHA has done very little in this area.

They have not established any formal enforcement program to inspect hazardous waste sites. They have yet to develop regulations on environmental monitoring, medical surveillance or the training of workers involved in hazardous waste operations.

It is about time that OSHA got moving in this direction. Under my amendment, the Agency would, within 1 year of passage of the Superfund reauthorization, be required to have in place new health and safety standards for workers engaged in hazardous waste operations. It is my understanding that the distinguished chairman of the Senate Environment and Public Works Committee agrees with me that these standards should provide no less protection to workers than that which EPA provides its own employees engaged in hazardous waste activities under EPA manual, 1981, "health and safety requirements for employees engaged in field activities." I also understand that this amendment is acceptable to the chairman of the Senate Labor Committee.

Mr. President, I am also pleased about the fact that the ranking member of each of those committees handling this matter, the ranking member managing the bill, as well as the ranking member of the Labor Committee, have indicated their support of this legislation. I hope that it can be adopted.

Mr. STAFFORD. Mr. President, the current Superfund law contains requirements that standards be developed to protect the health and safety of those who work with and around hazardous wastes. Although nearly 5 years have passed since enactment, virtually nothing has been accomplished. The purpose of this amendment is to set deadlines for the proposal and promulgation of those standards and, in the event these deadlines are not met, provide protection.

We are prepared, Mr. President, on this side of the aisle, to accept the amendment which we believe is well merited.

Mr. BENTSEN. Mr. President, both the Senator from Ohio and the chairman of the committee have stated it well. What we are talking about is trying to see that the law is carried out. We put a requirement in the law in 1980, and those rules by EPA and OSHA should be promulgated now.

The Senator from Ohio has long shown his concern for the working men and women of America. Once again, it is evidenced in this legislative initiative on his part.

Speaking for those from this side of the committee, we are pleased to support it.

Mr. METZENBAUM. I thank both of the managers of the bill on both sides of the aisle. I think we are ready to act, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 677) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, before concluding this matter, I wish to publicly acknowledge the cooperation of the staff of the chairman of the Labor and Human Resources Committee, Senator HATCH. They have been very helpful in connection with this matter. I wish to publicly acknowledge their cooperation, as well as the staff of the managers of the bill on both sides of the aisle.

Mr. STAFFORD. Mr. President, I thank the distinguished Senator from Ohio for his kind words, which are much deserved as far as staff is concerned.

AMENDMENT NO. 678

(Purpose: To increase the amount which must be accumulated in the Superfund before the taxes are terminated)

Mr. STAFFORD. Mr. President, on behalf of Senator HEINZ, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], on behalf of Mr. HEINZ, proposes an amendment numbered 678.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment read as follows:

On page 125, line 2, strike out "$1,500,000,000" and insert in lieu thereof "certain amount".

On page 125, line 6, strike out "$1,500,000,000" and insert in lieu thereof $2,225,000,000 or $3,000,000,000, respectively".

On page 125, line 11, strike out "$1,500,000,000" and insert in lieu thereof "$2,225,000,000 or $3,000,000,000".

Mr. HEINZ. Mr. President, this is an amendment of a conforming nature. This amendment adjusts the trigger point at which collection of taxes in the Superfund terminate in fiscal 1988 and 1989 to conform to the $7.5 billion fund level as adopted by the Committees on Finance and Environment and Public Works. The triggers are to be set at $2.25 billion for fiscal 1988 and at $3 billion in fiscal 1989. The original triggers had been set to conform with the original administration's request of $5.3 billion as a funding level. The triggers set in this amendment are the product of discussions with the Environmental Protection Agency's comptroller and other interested parties. The end result of the amendment is that the unobligated balance in Superfund can be as high as $2.25 billion at the end of fiscal year 1988 and $3 billion at the end of fiscal year 1989.

I understand that this amendment has been cleared with the managers of the bill as both the Environment and Public Works Committee and the Finance Committee. I ask that the amendment be agreed to.

Mr. STAFFORD. Mr. President, I am prepared to accept the amendment.

Mr. BENTSEN. Mr. President, speaking for the minority, on the Finance Committee, this has been cleared with the ranking member and the staff has examined it. We think it is a helpful amendment and support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 678) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 679

(Purpose: To provide for a postclosure liability program study, a report to Congress, suspension of the liability transfer, and a refund of the unobligated balance in the postclosure liability trust fund if further congressional action has not been taken within 1 year)

Mr. STAFFORD. Mr. President, on behalf of Mr. HEINZ, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], on behalf of Mr. HEINZ, proposes an amendment numbered 679.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of title I add the following new section:

POSTCLOSURE LIABILITY PROGRAM STUDY, REPORT TO CONGRESS AND SUSPENSION OF LIABILITY TRANSFERS

SEC. . (a) Subsection (k) of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new paragraphs:

"(5)(A) The Administrator shall conduct a study of options for a program to finance the postclosure maintenance of hazardous waste treatment, storage, and disposal sites in a manner which complements the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and assures the protection of human health and the environment.

"(B) A report setting forth the conclusions of such study and recommendations of the Administrator shall be submitted to the Congress not later than March 1, 1988.

"(C) The study shall include assessments of treatment, storage, and disposal facilities which have been or are likely to be issued a permit under section 3005 of the Solid Waste Disposal Act and the likelihood of future insolvency on the part of owners and operators of such facilities. Separate assessments shall be made for different classes of facilities, and for different classes of land disposal facilities, and shall include but not be limited to—

"(i) the current and future financial capabilities of facility owners and operators;

"(ii) the current and future costs associated with facilities, including the costs of routine monitoring and maintenance, compliance monitoring, corrective action, natural resource damages, and liability for damages to third parties; and

"(iii) the availability of mechanisms by which owners and operators of such facilities can assure that current and future costs, including postclosure costs, will be financed.

"(D) The recommendations of the Administrator shall include assessments of various mechanisms and combinations of mechanisms to complement the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and to assure that the current and future costs associated with hazardous waste facilities, including post-closure costs, will be adequately financed and, to the greatest extent possible, borne by the owners and operators of such facilities.

Mechanisms to be considered include, but are not limited to—

"(i) revisions to closure, postclosure, and financial responsibility requirements under subtitles C and I of the Solid Waste Disposal Act;

"(ii) voluntary risk pooling by owners and operators;

"(iii) legislation to require risk pooling by owners and operators; and

"(iv) modification of the postclosure liability trust fund previously established by section 232 of this Act, and the conditions for transfer of liability under this subsection, including limiting the transfer of some or all liability under this subsection only in the case of insolvency of owners and operators.

"(6) Notwithstanding the provisions of paragraphs (1), (2), (3), and (4) of this subsection and subsection (j) of section 111 of this Act, no liability shall be transferred to or assumed by the postclosure liability fund previously established by section 232 of this Act prior to completion of the study required under paragraph (5) of this subsection, transmission of such study and report to both Houses of Congress, and authorization of such a transfer or assumption by Act of Congress following receipt of such study and report.".

On page 160, between lines 13 and 14, insert the following:

(d) REFUND OF UNOBLIGATED BALANCE.—An amount equal to the unobligated balance in the postclosure liability trust fund as of October 1, 1985, which is transferred into the Hazardous Substance Superfund pursuant to section 9505(b)(2) of the Internal Revenue Code of 1954, shall be paid out from such Superfund, effective March 1, 1989, as refunds of the taxes paid under section 4681 of such Code (as in effect prior to October 1, 1985), unless, prior to March 1, 1989, congressional action has been taken pursuant to section 107(k)(6) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Such refunds shall be paid on a proportional basis to the amounts of such taxes paid, and without interest.

Mr. HEINZ. Mr. President, my amendment would require a study of postclosure liability programs. The study would examine a wide variety of factors associated with the liability of hazardous waste sites after they are closed, including the maintenance of hazardous waste treatment, storage, and disposal facilities, the financial capabilities of these facilities, their costs, and the mechanisms used to ensure that both current and future costs of the facilities will be financed.

My amendment directs the Environmental Protection Agency to perform this study by March 1, 1988. From that date, the Congress will have 1 year to act on the study and authorize a program to assume liability for postclosure maintenance. Moneys already collected under the postclosure liability trust fund will remain in the Superfund pending the results of the study and congressional action. Transfer of liability to the current postclosure liability trust fund will be suspended, unless the Congress authorizes such a program. If the Congress does not authorize such a program, the moneys paid into the fund will be refunded proportionally to the companies that paid them.

During the Finance Committee markup, I offered an amendment to repeal the taxing authority for the postclosure liability trust fund. This amendment, which was unanimously accepted, was based on the rationale that the fund was at odds with the basic principle of Superfund—that the liability for hazardous waste facilities should remain with the solvent responsible parties. The fund in effect transferred this liability to the Federal Government. Although I remain convinced that the fund as currently constructed is unsatisfactory because it contradicts the main principle of Superfund, I believe that the Fund does address an important issue—the problem of orphaned hazardous waste sites in the future. As this problem is prospective, my amendment provides the opportunity for the EPA to examine alternatives to the current fund so that the Congress can revisit the issue in 3 years with more thorough information.

It is my understanding that this amendment has been cleared with the managers of the bill on both the Environment and Public Works and Finance Committees. It is also acceptable to the environmental community and the waste management industry. I ask that the amendment be agreed to.

Mr. STAFFORD. Mr. President, I know of no further speakers on this side.

Mr. BENTSEN. Mr. President, we have no further speakers on this side. There is no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 679) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, may I reiterate what I said last night, that it is the hope of the managers of the bill on both sides that we may reach final passage before the afternoon is out. I remind Members that there will be a vote probably at 2:20 p.m. on the Roth amendment, which I expect to be a rollcall vote.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, at 12 noon, the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GOLDWATER].

AMENDMENT NO. 674

(Purpose: To strike out section 129 relating to Victim Assistance)

Mr. GOLDWATER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will now proceed to the consideration of the Roth amendment, No. 674, on which there shall be 20 minutes debate, to be equally divided and controlled.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself 3 minutes. I shall be brief.

Before I start, I want to bring to the Senate's attention the editorial from the Washington Post which has been placed on each Senator's desk which appeared yesterday urging the deletion of the Victim's Assistance Demonstration Program. This editorial makes clear why we should not support such a program as it points out that in a new study by a consortium of leading universities reports that at only one site is there now evidence supporting a link between exposure and serious health efforts. So we lack the necessary scientific underpinning to undertake such a new program.

Two, this program would not—would not—be a mere demonstration program once initiated. The health monitoring and compensation benefit policies funded by the program would likely provide benefits for decades. The program would be politically very, very difficult to keep from expanding. The Office of Technology Assessment estimates that we may have 10,000 hazardous wastesites across the country. How are we going to avoid the pressures to set up such program at every site?

Three, the cost of this new national health program would be astronomical, and would divert necessary resources and attention away from Superfund's primary purpose of cleaning up wastesites. Anyone who is exposed and has any symptoms of injury of disease will demand to be reimbursed for past and future expenses with no limits. We will not be able to cancel this program after 5 years.

Fourth, we are embarking on a whole new legal concept based on insufficient scientific evidence and causation controversies. To statutorily determine that persons should be compensated for illness they claim to be connected to toxic waste exposure ignores our common law traditions. To establish such a precedent could have serious implications for the court system and various administrative compensation programs that deal with toxic waste exposure.

The Finance Committee refused to authorize funds for the program. I believe everybody in this body, including the Senator from the State of Delaware, has a great deal of sympathy for those potentially exposed to the effects of toxic wastes. So the plain and simple fact is that Treasury simply cannot afford the potentially very large expenditures that this program is likely to incur.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROTH. In closing, Mr. President, I reiterate again, as the Washingto Post has said, that this is a program that should be deleted in its entirety.

I yield back the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, how much time remains?

Mr. ROTH. Mr. President, we yield 3 minutes.

Mr. SIMPSON. That is fine. Thank you very much. I appreciate the Senator from Delaware.

I speak in favor of the amendment. The debate has been rather wholesome. We had it all yesterday. It is a pilot program. It will not remain a pilot compensation program. And we will, if we should leave the language in the bill, have an extraordinary duplication without question because if you will take a close look at section 104 of the bill, S. 51, you will find the health assessments provided for, health studies mandated, comprehensive health reviews, formulation of disease registries which I gather will be very much like the agent orange studies which we have proposed in other legislation. We are going to find it very duplicative, very wasteful, and we are going to find the complete abrogation of tort law as we know it in the United States. That is what we are going to find. We use phrases like chemicals associated with the wastesite, associated with the illness, and associated with the disease. There is no criteria, and no standard for causation. Without a standard for causation the determination becomes totally subjective. It is a blockbuster. The amendment indeed would not create a legally recognized entitlement program but I can assure you it will be politically an entitlement program without question. It will be very difficult to ever cut back or sunset such a program. We can go look at black lung, longshoremen's comp, whatever you want to look at, and whether we will ever break away from this one. But I think the telling point for me yesterday is we are talking about 250-plus substances that are relevant hazardous substances. We have almost exhausted ourselves on just one in the United States, and that is agent orange dioxin.

We have 67 studies on agent orange, costing $150 million to this Government on one chemical substance—dioxin. We found people in that category who had total exposure. The people in the ranch hand study had it cover their skin and their bodies, and there is no greater incidence of disease or deformed children sired by that group, in that control group, and it is a well identified group. That is where we are.

Now try that one with 250-plus hazardous substances; and we will see a totally unworkable piece of legislation. Let the bill work first—the health assessment—and then come to compensation if that is required but not here and now now.

The PRESIDING OFFICER. Who yields time?

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I yield myself 3 minutes.

I would like now to make these points:

First, the Senator from Delaware, is moving to strike a provision contained in the committee bill. Originally, this provision was offered by Senator MITCHELL, but it is no longer just his proposal. It was adopted, with no dissent, by the Committee on Environ-

ment and Public Works. This bill, which it contains, was ordered reported by a vote of 14 to 1.

This proposal is the result of committee hearings, committee deliberation, committee findings, and committee approval. This is not a proposal advanced by one Member of the Senate, but one advanced by a committee.

Of course, the final decision on this proposal rests with the full Senate. I hope it agrees with the committee recommendation.

Every other industrialized nation in the world except the United States has acted, generally or specifically, in this area.

Fifteen years ago, the water and air in this country were so dirty that environmental protection was established firmly as a national ethic. We debated helping victims, but failed to act.

A few years later, the farmers and residents of Michigan pleaded for help from the Congress after thousands of men, women, and children ate and drank foods poisoned by a fire retardant.

But the Congress chose to do nothing for these victims.

A few years later, in 1980, we enacted the Superfund law. But, again, instead of passing a program to help the victims of Love Canal, Valley of the Drums, and Bloody Run, we did nothing for them. Instead, we enacted a study.

That study has been belittled here, but 5 years ago Members of the Senate who demanded it said they would listen to its results.

Those results have been in for 3 years. But now the same Members who asked for the study in 1980 say its conclusions are invalid. The study group recommended that the Congress act to help victims.

But what is before the Senate is not the recommended program to help victims. Instead, it is less, a pilot program designed only to see if we should help victims.

Perhaps if the number of these victims is large, this program will eventually be large. I do not know.

But I do know this:

We cannot avoid answers by refusing to ask questions.

This provision has been more debated than any other in the bill. Yet the worst that can be said of it is that there may be thousands of victims.

If that is so, Mr. President, it is a compelling reason to vote for it, not against it.

I will vote against the amendment of the Senator from Delaware and hope the Senate will do the same.

But whether the Senate's answer today is "yes" or "no", the people deserve to know where we stand.

If that is all, Mr. President, it is a compelling reason to vote for it, not against it. I will with respect vote against the amendment and hope the Senator from Delaware will do the same. Whether the Senate's answer today is yes or no, the people deserve to know where we stand.

Mr. President, I yield——

Mr. MATHIAS. Will the Senator yield to me for a brief moment before he yields the floor?

Mr. STAFFORD. Yes.

Mr. MATHIAS. Mr. President, I want to associate myself with the remarks of the Senator from Vermont.

Mr. President, the Senate is grappling with legislation which is one of the most complex and potentially most costly in the area of environmental and public health protection.

As the full size of the toxic waste problem looms before us and some of its ramifications become clearer, we must make some very difficult policy choices. Virtually all of them involve money.

How much are we willing to spend to clean up our toxic wastes? How far should we go? How permanent must the cleanup be to assure the continued good health of our children and our children's children? How do we fix responsibility for our sins of the past in creating such monumental and dangerous waste? How far does that responsibility extend? Just to cleanup? What about those harmed by these toxics, whose health is impaired and life expectancy shortened?

These very difficult public policy issues were wrestled with during this and the previous Congress by my able colleagues on the Environment and Public Works Committee under the wise leadership of Senator ROBERT STAFFORD, their chairman. They argued these issues, gave them long and careful thought, and came to their conclusions. Those conclusions are now in the bill before us, S. 51, the Superfund bill, also known as The Comprehensive Environmental Response, Compensation, and Liability Act.

One of the provisions included in that legislation and reported favorably was a small demonstration program to compensate specific victims of toxic waste released into the environment. It is an effort to determine who those victims are and establish a direct cause and effect, if such exists, for their illness.

I would remind my colleagues of the formal title of the bill before us: The Comprehensive Environmental Response, Compensation, and Liability Act.

This victim compensation demonstration is an attempt to make Superfund what it was intended to be—comprehensive and compensatory. The whole reason for cleaning up these toxic sites is, as the Superfund law states, because of the "imminent and substantial endangerment" to public health.

So we already are acting here because of our concern for public health. The victim compensation demonstration provision of the bill before us acknowledges our responsibility to our fellow Americans who had the misfortune to be exposed to toxics in our environment and whose health is substantially impaired as a direct result.

I commend Senator STAFFORD and Senator MITCHELL along with their colleagues on the committee who had the courage to acknowledge this responsibility and attempt to do something about it in the form a very limited and strictly structured Victim Assistance Demonstration Program.

● Mr. SYMMS. Mr. President, I opposed section 129 of Senate bill 51 in both the Environment and Public Works Committee and the Finance Committee. At this time I am obligated to reiterate my opposition to this section and review some of the reasons for that opposition.

First, however, I must make clear that opposition to the "Victim Assistance Demonstration Program" is just that. It does not mean that I am disinterested in, or unsympathetic toward, the plight of innocent victims of diseases caused by exposure to releases from Superfund sites.

It does mean, however, that I recognize the near-impossibility of isolating, or even identifying, the victims described above. As a matter of fact, at this moment I honestly do not know if there are any victims of diseases caused by exposure to releases from Superfund sites. Maybe, it should not be too disturbing that I do not know of any victims of Superfund related diseases. What is disturbing is that its extremely doubtful if any of the leading authorities in the field of environmental health—of diseases if you prefer—can furnish an accurate estimate of the number of people in the category of "victims of Superfund related diseases."

Presumably the purpose of the so-called "Victim Assistance Demonstration Project" is to determine how many people fit in this category and how much help they need. It is very difficult to speak against such a noble purpose. In fact, I guess none of us can speak against that purpose. However, we can and should speak against this program as a method of accomplishing that purpose.

My first concern is that any kind of victim compensation should be entirely separate from Superfund. After all, Superfund was founded to cleanup toxic waste sites. Certainly, that is a monumental charge in itself. If we add on to that chore a victims compensation or assistance program and who knows what else—maybe a victims retraining program or a victims cultural enhancement program—the hazardous waste sites simply will not be cleaned up.

From the testimony I have heard from the scientific and medical communities it is clear that we do not have the ability to determine if a specific incident or even group of incidents is related to Superfund-associated exposure.

The easy answer to that, of course, is error on the humanitarian side. Does it really matter if we include, under victims assistance, cases that are really not related? It should not. After all, none of us would be willing to have anyone suffer without fair—and even generous—assistance if that assistance is deserved.

However, that is the kind of reasoning that led in to the black lung program paying benefits to more than twice as many people as were employed in coal mining at more than 30 times the cost originally projected.

We already have a fairly comprehensive system of health insurance and workers compensation. Embarking on the kind of demonstration program envisioned may or may not adequately and fairly compensate victims of Superfund-related diseases.

One thing is certain. If we leave this section in Superfund we better hope it works very well. It is virtually certain that it will cost vastly more than projected, lead to endless litigation and instances of perceived, if not actual, injustice. Once in place such a program would grow almost from birth, with almost no chance of arresting the rapidly escalating costs. As to the chances of eliminating the program if it proves unworkable or unnecessary—that seems beyond the realm of possibility. It is also certain that that bureaucracy managing the program will be with us from now on.

Section 129 has many serious flaws. I have only hit the high points of several of the more obvious flaws. I urge my colleagues to temper their compassion with good judgment and delete section 129 from the Superfund legislation.●

Mr. EAGLETON. Mr. President, today I oppose Senator ROTH's amendment to delete the Victim's Assistance Demonstration Program from this year's Superfund bill.

I believe that it is time for this Nation to learn what kind of health problems our citizens' may experience because of exposure to hazardous substances.

There are still Missourians temporarily relocated from their homes and neighbors because of a tragic dioxin spraying conducted years ago. A complete town is now a ghost town, as a result, and the name Times Beach has become code words for disaster. While the Government is willing to shuffle citizens around and establish new homes for them, the Government is not willing to address personal health problems. These health problems cannot be left behind, but will follow them where ever they relocate.

If we are lucky, the medical listing and screenings will show we over-reacted, and our citizens have only minor ill effects. We will have erred on the side of safety. In the worst case, however, we will have established a thorough medical listing and program to be shared with future hazardous waste victims and doctors that may help diagnose the early signs of more serious illnesses.

Back in June 1983, I introduced an amendment during the HUD-independent agencies appropriations debate calling for initial screening and, when necessary, full medical testing for the employees at three Missouri freight truck yards on EPA's confirmed dioxin list. The amendment provided up to $1 million in Federal funds to be set aside to administer medical tests to dioxin-exposed workers. The amendment passed and I am proud to say these workers were tested.

We do not adequately address the problems of toxic waste if we do not also address the human needs involved. This pilot program is well worth its effort and relatively minor cost to protect our citizens from not only immediate dangers, but from the ones that may confront them further down the road.

Mr. STAFFORD. Mr. President, I yield the remainder of the time of the opponents of the amendment to the Senator from Maine.

The PRESIDING OFFICER. Mr. MITCHELL.

Mr. MITCHELL. Mr. President, I yield 2 minutes to the Senator from Minnesota in opposition.

Mr. DURENBERGER. Mr. President, I rise today to speak against the Roth amendment. I am in favor of including an authorization for a demonstration program to assist people who have been exposed to hazardous substances at Superfund sites with their medical expenses in this bill.

Mr. President, I am a member of both the Finance Committee and the Committee on Environment and Public Works where this legislation has been proposed and considered. And so I have studied it carefully. I am also chairman of the Health Subcommittee of the Finance Committee which has jurisdiction over the Medicare and Medicaid Programs. Those programs are health entitlements. This program is not. This is a demonstration program authorized for a limited period of time and for a limited purpose.

I must confess that when Senator MITCHELL first offered this amendment 2 years ago, I spoke out against it. I was concerned that it would create very different levels of expected compensation across the Nation, much as has happened with the Social Security Disability Program. My views on that difficulty have not changed. But the amendment has been modified, so that concern is no longer relevant. The program is now focused on sites rather than States, so my concern has been addressed.

In a similar way many other problems have been dealt with through amendments to the original language. I encourage Members to pay special heed so that they will understand the actual provisions that are in the bill as reported, and not cast their vote according to what they may have heard about victims' assistance in the last Congress or years ago, nor what they may have heard about agent orange, dioxin, or any of the other things that have been spoken about. I say again, I was a skeptic. I did not want a new Health Care Entitlement Program. I understand health care entitlements. And this is not one. It is a demonstration program for assistance to people at Superfund sites. And I support it.

Mr. President, the Senator from Maine has often made the point that if you own a tree or a stream or some other natural resource, you can file a claim against the fund for compensation if that resource was damaged by the release of a hazardous substance. But if it is your health—or the health of your children—or your ability to earn a living that was damaged, then Superfund is not for you. People that are injured by hazardous substances are thrown back to reliance on a crazy quilt of State laws that put hurdles in the way of compensation for toxic torts at every turn. That is upside down, Mr. President, and I commend the Senator from Maine for recognizing the tragic irony of current law and for persevering so effectively by insisting that we, at least, examine the possibility of providing justice to people who are victims in a more effective and efficient way.

I urge that the amendment to strike be defeated.

Mr. MITCHELL. I yield 1 minute to the Senator from New Jersey.

Mr. BRADLEY. I thank the Senator for yielding.

Mr. President, I rise to urge the Senate to oppose the amendment offered by the distinguished Senator from Delaware, Senator ROTH. Clearly, the prime objective of any Superfund legislation is to obtain the money and the authority to clean up toxic waste dumps across this country. The bill that we are now considering has an enhanced capacity to do that and much more funds to do that.

But in addition to that, Mr. President, I think it is quite justifiable that we have in this bill a small pilot program on victims' compensation. This is not a major new entitlement. This is not anything close to national health insurance. This happens to be a very

specific, narrow test that says that those individuals who have been endangered and indeed harmed and are ill because of exposure to a toxic waste site will have some access to getting victims' compensation.

It is a very narrow bill, it is a very narrow amendment, and in this case I think it fits very well with the overall Superfund concept. I strongly support what the committee did after long negotiations and discussions. I recognize that what the committee did is different than what it has done in the past. I urge that we reject the attempt to strike these new words.

Mr. MITCHELL. Mr. President, I yield 1 minute to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I rise also to oppose the amendment of the Senator from Delaware. The fact of the matter is, Mr. President, that the proposed pilot program for victims that is in the bill has been tightly drafted, and targeted to the neediest people in our society. We have a $7.5 billion Superfund Program that allows compensation for damage to public property. We have to ask ourselves, what about human beings?

The fact remains that generally it is the poorest individuals in our society who are living in neighborhoods which have been exposed to toxic waste. If they have the resources, if they have the money, they are able to move out to where there are green trees, bushes, flowers, and clean water.

The fact remains that there are millions of people who live in industrial areas and other areas who are exposed to the dangers of toxic waste; 35 million people in our society have no health insurance whatsoever, so many, a great number, of hazardous waste victims are without any insurance coverage for out of pocket medical expenses. In response the bill contains a pilot program targeted to the neediest people in our society who, as a result of toxic waste, are going to have an adverse health impact, which in many instances results in cancer. In one town, Woburn, MA, they have the highest incidence of leukemia among children of anyplace in the country.

Indeed, I have traveled to a number of communities in Massachusetts and across this Nation, and I have met with people who have had to live in the shadows of toxic waste dumps—people whose heartbreaking stories I will never forget.

I have seen the tears, heard the cries, and felt the pain of families who, sadly, are not unique. Their stories are repeated throughout communities across this country. And yet so far we have neither eliminated the danger nor compensated the victims for the pain and suffering which has been such a part of their lives for far too long.

The provision for compensation of victims was dropped from the original Superfund bill in 1980. Instead, Congress buried its head in the sand and settled for a study of victims compensation. Well, the study was completed 3 years ago. Its central recommendation was to create an administrative system of compensation, because many, if not most people face insurmountable barriers in State courts to recovering damages due to hazardous waste.

The Superfund bill before us does not fully implement that recommendation. That is what the Environment Committee report says. That is what my friend, Senator MITCHELL, said the other day on the Senate floor. That is what all of us here know.

The bill contains only a very limited, watered down, hardly funded at all pilot program that at best can be used in 10 States. And as has been said it is available only for victims with no other recourse, who lack both public and private insurance. I agree with Senator MITCHELL, and I hope many others, that such a program could be and should be operated in every State of the Nation. No State is immune from the human health threat of hazardous substances in the environment.

The demonstration program is a bare minimum, designed to provide at best a safety net for those who are truly without any where else to turn when injured by a toxic chemical.

I would have hoped, after a 5-year wait, we could have done better. We must do more.

But even this tiny, pilot program is too much for some who want to strike any hint of victim assistance from the bill. We know that this submicroscopic trial program has caught the eagle eye of OMB. It is targeted for elimination. We are told that there is no room in the multibillion-dollar Superfund Program for even a $30 million a year trial victims program. I disagree. I hope that this amendment will be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield 1 minute to the distinguished Senator from Wyoming.

Mr. SIMPSON. Mr. President, I wish to add a dimension to the debate at this late moment, that things do come out in the Environment and Public Works Committee with unanimous votes, at least with this Senator. The reason for that is that if you cast a negative vote on the Environment and Public Works Committee you get thrashed all over America for about 8 months. It is not worth going through for that. The minute I vote a negative vote in the Public Works Committee, they hammer my old bald dome flat in Wyoming. It did not take me long to get wise that I ought to just vote for it, in committee regardless of the way it looks, because the only place for me to do my work is on the floor of the Senate. This bill is a classic example of that. That is no reflection on our chairman, who has been very fair with me in extraordinary ways. But it is the reality of the situation when you deal with issues of high volatility, emotion, fear, guilt, all the stuff we get, anecdotal incidents. I wish we could compensate them all, but that is not the way it is in the real world. You will either tap away the Treasury or the Superfund without this amendment. Without this amendment, that is exactly what will happen.

Finally, I would ask unanimous consent that a recent article authored by one of my staff members be placed in the RECORD. This article was written by Jim Strock—a most able and informed member of the committee staff—and it contains commentary on the victims assistance issue that is well worth reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMING TO TERMS WITH THE COMPENSATION CONUNDRUM

(By James M. Strock)

(This article is condensed from the winning entry in the 1985 Ross Essay Contest. The topic was "What remedies should be available for victims of mass torts and mass disasters?" In addition to the award of a $10,000 cash prize and publication in the ABA Journal, the author participated in a program on the topic of toxic torts at the American Bar Association annual meeting in Washington, D.C., last month.

(For information about entering the 1986 Ross Essay Contest, see the announcement on page 13 of this issue.)

The 1980s may well be the "decade of tort law," much as the 1960s was the "decade of civil rights," as some tort lawyers suggest. Certainly the rapid growth, primarily through state court decisions, of that part of the law called "toxic torts" has begun to raise fundamental questions concerning the ability of tort law to achieve its goals of compensation, deterrence and risk-shifting.

In the future it may appear that the tragic events in Bhopal, India—where an accidental release of a dangerous chemical caused more than 2,000 deaths and 200,000 known injuries—led to more careful consideration of the issues presented by toxic torts. Such a disaster, had it occurred in America, could have implicated nearly every issue that has tormented our legal system as it has attempted to come to terms with the challenges posed by environmental tort claims.

CATALOG OF COMPLEXITY

If such an event were to occur here—not an unthinkable prospect given the two releases at Union Carbide plants in West Virginia last spring—we can foresee the categories of tort claims that might arise.

The first claims would arise immediately after the incident. A large but well-defined group of people would seek damages for death and injuries.

The more difficult question would arise in connection with injuries alleged to have occurred some time after exposure to a hazardous substance. In one category of cases, individuals might seek to show a causal

nexus between their injury and exposure to a specific substance. These plaintiffs would face a series of legal barriers related to the passage of time. Situations would arise that are analogous to the DES and asbestos cases of recent years—where the causal nexus is relatively clear, but issues related to the passage of time, sometimes including uncertainty as to the identity of the specific actors responsible for any specific individual's injuries, would combine to challenge the efficacy of the tort system. There might also be cases analogous to those involving Agent Orange and radiation exposure, where there is convincing statistical evidence of injury to members of an exposed population, but great uncertainty as to whether a specific individual's diseases could be attributed to the exposure in controversy.

Finally, there might be situations similar to those now found at some hazardous waste sites. In these situations all the difficulties of other types of mass tort cases are combined, and additional difficulties arise as well.

Naturally one hopes that such a catalog of complexity would not arise. But it may be useful to begin by thinking about the "compensation conundrum" in this context. In so doing we will be reminded that similarly situated individuals may receive widely varying degrees of compensation and will have dramatically different avenues of redress. Accidents of genetics, geography, age, sex, wealth, luck and other factors unrelated to the question of who needs compensation for disease are now critical in deciding who actually receives compensation, and of what that compensation might consist.

The tort system is a necessary component of any system designed to meet the goals of compensation, deterrence and risk-shifting in the environmental context. We should consider the whole matter of toxic torts in a broader context—beginning with a more focused use of existing regulatory and compensatory tools that our society now uses to supplement the tort system.

"TRADITIONAL" MASS TORTS

The tort system can work well in the Bhopal type of situation, where the injuries immediately follow exposure, and the causal link between the act of the defendant and the consequence to the plaintiff is "direct" both as a matter of fact and law. In these cases the tort system's basic substantive requirements can be met.

To be sure, there are significant procedural questions that lead to immense complexity in litigating mass torts. But mass tort actions can resolve claims arising from disasters and their immediate aftermath—whether airline accidents, hotel fires or chemical releases—because the substantive elements of tort law are not placed under stress. The biggest questions are either those of system delivery or the compensation that an enterprise should be required to provide. These questions are difficult and may be contentious, but they are the kinds of questions traditional in tort law.

TOXIC TORTS—TYPE ONE

Questions about the effectiveness of the tort system as a means of meeting its own goals emerge when the substantive elements of the system are placed under stress. These questions arise in the area of toxic torts largely because of the time lag between an exposure and the onset of the alleged injury from the exposure.

A Bhopal-type disaster could be followed by suits alleging that the exposure perhaps 15 years past, caused the onset of a disease only lately manifest. A putative victim would not have been successful shortly after the actual incident in seeking damages for increased risk of injury, because an actual injury is a substantive requirement of tort law. But later, if he could link a long-latency disease with an exposure, he theoretically could recover.

There are no "easy cases" in the area of long-latency disease claims, but those in "type one" are more likely to succeed than others. This area could include many of the asbestos cases involving asbestosis, and mesothelioma—where there is a relatively strong causal nexus between an exposure to a substance and the disease or injury of the victim.

A recent study conducted by the Rand Institute for Civil Justice identifies the "salient dimensions" of the asbestos litigation problem:

Widespread and diverse uses of asbestos products.

Large numbers of lawsuits and allegedly seriously injured people.

Long periods of time between exposure and manifestation of injury.

Large numbers of suppliers and processors of asbestos and asbestos-containing products.

Uncertainty about the causes of injuries and financial responsibility for those causes.

High, if uncertain, stakes and expenses.

Effects, known and unknown, of Chapter II bankruptcy reorganizations.

Many of these factors appear in almost any toxic tort situation. But the asbestos litigation, at least in some cases, is less challenging for the tort system than some other types of cases. That is a result of comparative factors: causation may be relatively clear; the exposure itself was of relatively long duration and documentation may be available: some asbestos products can be differentiated so that specific manufacturers may be linked with individual exposures and injuries: and the extraordinary commercial success of the product means that some "deep pocket" defendants have remained in existence after the passage of time required for disease latency.

As a result, the tort system can work in this situation, although the passage of time between act and resulting injury makes it less effective. In these cases, the biggest questions may relate to the types of damages that should be made available and the degree of liability society wishes to attach to the defendants.

Nonetheless, there are several recurring situations in the asbestos context that may make the tort system less applicable. When the disease may have resulted from factors other than exposure to asbestos—with lung cancer, for example—it becomes extremely difficult to meet the "but for" legal causation requirement. Some scientists would say it is altogether implausible.

The other problem that arises in some asbestos cases, and in the DES cases, is that the specific actor who caused the injury to the plaintiff cannot be identified. This occurs when the products of various manufacturers are indistinguishable from one another. As a result, the substantive tort law requirement that the act in question be linked to a specific defendant cannot be met. While recognizing that this situation is distinguishable from *Summers v. Tice,* 199 P.2d 1 (Calif. 1948), some courts have nonetheless attempted to shift the burden of proof to defendants in such situations. In this context, the notion of alternative liability has been adjusted, as in *Sindell v. Abbott Laboratories,* 607 P2d. 924 (Calif. 1980), which adopted a notion of "market share liability." There has been a great deal of commentary concerning *Sindell* and its progeny. But amidst all of the controversy, there can be little doubt that one of the substantive elements of tort law is under significant stress in this situation—and as a result, the goals of the tort law system cannot be met as effectively as in more traditional situations.

TOXIC TORTS—TYPE TWO

The second general type of toxic tort involves situations like the asbestos suits seeking damages for lung cancer. In these cases, a plaintiff alleges that the action of the defendant increased the risk of disease or injury for a group of individuals of which the plaintiff is a part, and that plaintiff's disease is a result of that increased risk. If the actions of a defendant have increased the risk of cancer to a degree that three people from a group of a million would contract the disease in addition to whatever the initial "background level" was, the plaintiff would try to demonstrate that he or she was one of the subset.

The problem here is that it is often scientifically impossible to distinguish causative factors in this situation, at least to a degree that would allow the courts to establish causation in the legal sense. That being the situation, individuals' chances of recovery become hard to predict, even if their cases arise from the same set of facts.

In a recent important case, *Allen* v. *United States,* 588 F.Supp. 247 (1984), a number of plaintiffs successfully sought damages for cancer and leukemia allegedly caused by their exposure to radiation from federal government testing of nuclear weapons. The judge dealt at length with the question of causation of carcinogenic risk, finding that, "The intrinsic nature of the alleged injury itself thus restricts the ability of the plaintiffs to demonstrate through evidence a direct cause-in-fact relationship between radiation from any source and their own cancers or leukemias. At least within the scope of our present knowledge, the injury is not specifically traceable to the asserted cause on an injury-by-injury basis."

Citing *Summers* v. *Ice, Sindell* and other cases, the court also held that where the conduct of the defendant is a "substantial factor" in the injury to the plaintiff, but the evidence will not establish that defendant's action was the cause-in-fact, the burden should shift to the defendant to demonstrate that its conduct was not the cause of the injury.

The court held, "Where a defendant who negligently creates a radiological hazard which puts an identifiable population group at increased risk, and a member of that group at risk develops a biological condition which is consistent with having been caused by the hazard to which he has been negligently subjected, such consistency has been demonstrated. . . . [A] fact finder may reasonably conclude that the hazard caused the condition absent persuasive proof to the contrary offered by the defendant."

In the radiation case, as in the Agent Orange litigation, the traditional causation requirement has been eroded signficantly in an attempt to use tort law to compensate for an alleged environmental harm. But these cases, while troubling, are not as difficult as some others. In each of these situations, the alleged injury-causing substances or conditions were limited in number; there

were identifiable defendants; exposures were relatively well-documented; the exposed population was relatively well-defined; and the potential political and legal consequences for the federal government led to the production of state-of-the-art scientific studies on the effects of the substances in question.

TOXIC TORTS—TYPE THREE

The most vexatious toxic torts are found in suits seeking damages for injuries from exposure to hazardous waste sites. These situations can be compared with the radiation case in terms of causal indeterminacy—but they have their own additional difficulties, including:

Uncertainty as to the identity or solvency of potential defendants.

Uncertainty as to the identity, number and characteristics of hazardous substances involved.

Uncertainty as to the potential synergistic effects of various hazardous substances acting together.

The possibility that a release may have triggered an immune system disorder, causing the victim to fall prey to diseases normally unrelated to exposure to the specific substances in question.

The inability of the legal system to judge which of several hazardous substances can be considered the cause of injury to any individual.

Uncertainty as to the link between a specific defendant and the substance alleged to have harmed a plaintiff.

Uncertainty as to the duration and pathways of exposure in individual cases.

Lack of cooperation from defendants and potential third-party defendants fearful of their liability under a strict, joint and several liability standard.

Ambiguity about the extent that a group alleging injury has "accepted" the risk of injury.

This type of toxic tort has been the subject of great public and political attention, stemming largely from the Love Canal situation immediately preceding the passage of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA, also known as "Superfund").

Some partisans of increased compensation for alleged victims of this type of exposure have come to realize that significant alterations in tort law would be required to overcome the problem of causation. As a result, some legislation has proposed, along the lines of the *Allen* case, but the burden of proof as to causation shift to the defendant after a threshold showing of exposure by the plaintiff. These proposals implicitly acknowledge the causation question, but merely shift what is now an untenable burden for plaintiffs, believing that the burden is better left with business enterprises which, presumably, have greater financial resources.

Legislation has also sought to change the Federal Rules of Evidence to allow the introduction of medical studies that are not admissible under present limitations. Others would also create, along with a federal tort, a federal statute of limitations that goes beyond the discovery rules of most states, with an entirely malleable standard tolled not merely by the discovery of the disease but also by its connection with the hazardous substance.

Some proposals would institute an alternative administrative system, which might be used in lieu of tort remedies, and would attempt to deal with proof of causation through presumptions. The problem is that any presumptions and criteria for eligibility can be adjusted, as in the "Black Lung" compensation program, leading to widely varying results. Still, the fundamental question of causation in a legal sense is not dealt with, and under- or overcompensation remains all but unavoidable.

These proposals also have significant implications for related avenues of compensation (especially public and private medical insurance), and for government regulatory policy (as in proposals that a regulatory agency such as the EPA also be responsible for administering a compensation program related to the very issues on which it makes regulatory decisions). These implications combine with the matter of societal fairness—that similarly situated people will be treated differently—to render such approaches undesirable.

CONCLUSIONS

The fundamental problem underlying the compensation conundrum is that legal requirements of causation are not consonant with scientific information about long-term health effects from toxic exposures. Removing procedural barriers to tort recovery is insignificant in the face of the fundamental question of causation. "Reforms" that would shift an impossible burden of proof to one side or another merely avoid the issue.

In the end, the most promising route may be to abandon modes of compensation that require a legal standard of causation. That implies that the tort system may not be suited to all toxic torts, at least where negligence is not alleged. But any substitute should attempt to meet the goals of tort law. In this regard, we already have experience with some alternative mechanisms, ranging from the Black Lung program to workers' compensation.

The most promising alternative, which would supplement rather than supplant the tort system, may be an insurance mechanism—perhaps a national program of secondary catastrophic medical insurance like those now available in several states. But if such a road is taken, financing should be derived from the risk-creating elements in society that would otherwise face greater tort liability. This might be accomplished by imposing fees on risk producers, using data on comparative risk derived from quantitative risk assessment.

It is important to emphasize, however, that any such effort should be aimed at the larger social need to compensate for injuries arising out of unanticipated and involuntary exposure to risk. The piecemeal approach—one regime for CERCLA sites, another for radiation, still another for vaccine-related injury, and so forth—is unacceptable. The ultimate question is one of fairness: access to compensation for these harms should be based on need, not on factors such as one's "good fortune" in contracting an illness as part of a group that is politically compelling or momentarily notorious.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Two minutes.

Mr. ROTH. I yield the remainder of my time to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, with the measure before us we are undertaking to finance an enormously expensive program. The expense of this program for cleaning up toxic waste over time may be thought of as somewhere between $40 and $100 billion.

Just looking at the situation in Louisiana, that estimate may very well prove to be a conservative figure. For example, there are very few toxic waste sites in Louisiana that have been put on the list because they are not in populated areas. If they used the same standards that they are using in New Jersey, where they are heavily populated, you would think that almost the entire State of Louisiana would be eligible for toxic waste aid. Louisiana has one oil well drilled for every square kilometer or roughly two wells drilled for every square mile, though they are not all successful.

The Toxic Waste Cleanup Program might well cost $200 or $300 billion, for all we know. We are just getting into it to see what it will cost us. No one knows how much it will cost.

As far as the Victim Assistance Program is concerned, it is being offered as an experimental program. But if it were to be put into effect nationwide, I believe this thing could well cost hundreds of billions of dollars. If you just think of where we have gone in other similar programs, you can get some idea of what might happen. In the Black Lung Program, we must be paying 10 times what some thought we should have been paying—for example by paying benefits on the assumption that a person died from black lung when in fact a rock dropped on his head and crushed his skull.

In the Disability Insurance Program, the cost rapidly rose to exceed the estimates about 4 to 1 when we were able to put the lid on. The cost was estimated to be eight times what the original estimate was before we managed to get the thing under some control.

It is far better to try to fund the Toxic Waste Cleanup Program as we are doing now and see what this will cost before we embark on a new Victim Assistance Program with what could be untold costs. There is no way one can estimate what the cost of this new program could be. I suggest that we fund these spending programs one at a time, and drop the Victim Assistance Program.

The PRESIDING OFFICER. Who yields time?

Mr. MITCHELL. Mr. President, I yield myself the remainder of time in behalf of the opponents of this amendment.

Mr. President, I think it is fitting that we have had these closing remarks. We have had a series of statements in which every argument in favor of Senator ROTH and his provision has not been directed at the provision but at other things. We have had estimates that have increased

almost by the minute as to the potential cost and we now hear $200 billion to $300 billion, a $157 billion increase by the opponents just since yesterday. I shudder to think what the estimate of the cost would be if this debate went on for a few more hours or another day. The fact is that under this bill there will be a maximum spent of $30 million for 5 years and not 1 cent more spent, not 1 cent more.

Not 1 cent more, notwithstanding these claims.

Secondly, this is not an entitlement program, this is not a national health insurance program, this is not a black lung program. The fact is, if some of these other programs had a limited test program such as this one, perhaps they would not be experiencing the difficulties that the opponents of this provision now attribute to them. This is a cautious, limited-in-scope, limited-in-time, limited-in-funding effort to learn whether or not there is indeed a nationwide problem and, if so, how it could be dealt with in an effective, responsible manner.

Those who now say kill this provision are, in effect, saying do nothing. Those of us who want to proceed are saying, let us develop the information in a sensible way, and limited way, so that in the future, we can make a judgment based on rational information, not on speculation, hyperbole, and wild exaggeration as to what this may or may not cost.

Mr. President, I urge the Members of the Senate to look at the provisions of this bill, look at the program. Do not look at the other things that have been referred to here today.

The PRESIDING OFFICER. All time has expired.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Tha assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays having been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS] and the Senator from North Carolina [Mr. EAST] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from New York [Mr. MOYNIHAN], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Montana [Mr. BAUCUS] is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Montana [Mr. BAUCUS] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 45—as follows:

[Rollcall Vote No. 193 Leg.]

YEAS—49

Abdnor	Hatfield	Nunn
Armstrong	Hawkins	Pressler
Bentsen	Hecht	Quayle
Bingaman	Heflin	Roth
Boschwitz	Helms	Rudman
Cochran	Hollings	Simpson
Danforth	Johnston	Stevens
Denton	Kassebaum	Symms
Dole	Kasten	Thurmond
Domenici	Laxalt	Trible
Evans	Long	Wallop
Garn	Lugar	Warner
Glenn	Mattingly	Weicker
Goldwater	McClure	Wilson
Gorton	McConnell	Zorinsky
Gramm	Murkowski	
Grassley	Nickles	

NAYS—45

Biden	Exon	Matsunaga
Bradley	Ford	Melcher
Bumpers	Gore	Metzenbaum
Burdick	Harkin	Mitchell
Byrd	Hart	Packwood
Chafee	Hatch	Pell
Chiles	Heinz	Proxmire
Cohen	Humphrey	Pryor
Cranston	Inouye	Riegle
D'Amato	Kennedy	Rockefeller
DeConcini	Kerry	Sarbanes
Dixon	Lautenberg	Sasser
Dodd	Leahy	Simon
Durenberger	Levin	Specter
Eagleton	Mathias	Stafford

NOT VOTING—6

Andrews	Boren	Moynihan
Baucus	East	Stennis

So the amendment (No. 674) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

Mr. MELCHER. Mr. President, I wish to announce that my colleague, Mr. BAUCUS, is not in attendance at today's session due to the death of his grandmother, Mrs. Louise Baucus.

AMENDMENT NO. 680

Mr. DOMENICI. Mr. President, on behalf of myself, Senator SIMPSON, and Senator BENTSEN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. SIMPSON, and Mr. BENTSEN, proposes an amendment numbered 680.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

DE MINIMIS CONTRIBUTOR SETTLEMENT PROVISIONS

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 if further amended by adding the following new subsection:

"(d) The President shall consider, but may accept or reject, good-faith offers of settlement under this section or section 107 from any person potentially liable under such sections, and in the discretion of the President is authorized to accept such offers if the offer does not constitute a substantial portion of the costs of response, if—

"(1) the amount of the hazardous substances contributed to the release by the party making the offer, and

"(2) the toxic or other hazardous effects of the substances contributed to the release by the party making the offer are minimal in comparison with contributions to the release by other potentially responsible parties. For the purposes of this subsection, a good faith offer is one which is reasonable based on the objective evidence. Not later than March 1, 1986, the President shall publish guidance documents defining what would constitute de minimis contributions under this section.

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

MIXED FUNDING

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(C) The President may use monies from the Fund to pay for that portion of the response costs (or of a remedy to be performed jointly with responsible parties) which is attributable to the contribution of hazardous substances from parties who are determined by the President, on the record, to be unknown or insolvent, or similarly unavailable.".

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

RELEASES FROM LIABILITY

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(e)(1) The President may provide any person with a covenant not to sue concerning any future liability under this Act resulting from a future release or threatened release of hazardous substances addresssed by a remedial action, whether that action is onsite or offsite, if this covenant not to sue would expedite response action consistent with the National Contingency Plan under section 105 of this Act, and—

"(A) the person is full compliance with an administrative order or consent decree under this section for response to the release or threatened release of hazardous substances, and

"(B) this response action has been approved by the President.

"(2)(A) In assessing the appropriateness of a covenant not to sue, the President shall

consider whether the covenant is in the public interest, taking into account whether the cleanup will be done, in whole or in significant part, by the responsible parties themselves. To the extent that private parties perform the cleanup and are in full compliance with an administrative order or consent decree approved by the President, such parties shall receive a more expansive covenant not to sue than if the cleanup were performed entirely by the Government. However, this section is not intended to limit the President's discretion in settling with de minimis contributors under subsection (d) of this section.

"(B) Factors to be taken into account in the President's consideration of the public interest under this subsection include, but are not limited to, the following:

"(i) the effectiveness and reliability of the remedy, in light of the other alternative remedies considered for the facility:

"(ii) the nature of the risks remaining at the facility after completion of the remedy;

"(iii) the extent to which performance standards are included in the order of decree;

"(iv) the extent to which the response action provides a complete remedy for the facility, including the elimination of the hazardous nature of the substances at the facility; and

"(v) whether the Fund or other sources of funding, including other responsible parties, would be available for any additional response actions that may become necessary for the facility.

"(3) In the case of remedial actions undertaken jointly by the President and responsible parties, any governmental entity taking part in such remedial action shall be subject to future liability as a private responsible party. Any future response actions arising at the same facility, and which give rise to further liability, shall obligate the Fund to the extent of the obligation of the President under the earlier remedial action responsibility. The President's contribution to such future response actions may be made through Fund expenditures or through payment, following settlement or enforcement action, by parties who were not signatories to the original agreement.

"(4) The President is authorized to include any provision allowing future enforcement action under this section or section 107 that in the discretion of the President is necessary and appropriate to assure protection of public health, welfare, and the environment.

"(5) In the case of any person to whom the President is authorized under paragraph (1) of this subsection to provide a covenant not to sue, for the portion of remedial action—

"(A) which involves the transport and secure disposition offsite of hazardous substances in a facility meeting the requirements of sections 3004(c), (d), (e), (f), (g), (m), (o), (p), (u), and (v) and 3005(c) of the Solid Waste Disposal Act, where the President has rejected a proposed remedial action that is consistent with the National Contingency Plan that does not include such offsite disposition and has thereafter required offsite disposition; or

"(B) which involves the treatment of hazardous substances so as to destroy, eliminate or permanently immobilize the hazardous constituents of such substances, such that in the judgment of the President the substances no longer present any current or currently foreseeable future significant risk to public health, welfare or the environment, no byproduct of the treatment or destruction process presents any significant hazard to public health, welfare or environment, and all byproducts are themselves treated, destroyed, or contained in a manner which assures that such byproducts do not present any current or currently foreseeable future significant risk to public health, welfare or the environment,

the President shall provide such person with a covenant not to sue with respect to future liability under this Act for a future release or threatened release of hazardous substances from such facility, and a person provided such covenant not to sue shall not be liable under section 106 or 107 with respect to such release or threatened release at any future time. The President is authorized to include in such covenant not to sue a provision allowing future enforcement action under this section or section 107, in the case of any fraud or misrepresentation by such person.

"(6) Any covenant not to sue provided by the President under this subsection shall be effective only when approved by a Federal District Court, upon the application of the President, after consideration of the conditions and factors specified in this subsection.".

On page 84, after line 14, insert the following new section and renumber succeeding subsections accordingly:

EXPEDITED REMEDIAL ACTION AGREEMENT PROCEDURES

SEC. . Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"( )(1) The President may enter into agreements pursuant to this subsection for the purpose of expediting remedial action with respect to a release or threatened release of a hazardous substance, in cases involving more than one potentially responsible party. As a matter of public policy, the President shall act to facilitate agreements under this Act, in order to protect human health and the environment by facilitating remedial action and to minimize litigation under this Act.

"(2)(A) At a date not later than that of the completion of the Remedial Investigation and Feasibility Study, the President shall provide all persons who are potentially responsible for a release or a threatened release:

"(i) the identity of any other potentially responsible parties who have been identified and served with notice of potential liability;

"(ii) a Nonbinding Preliminary Allocation of Responsibility among all identifiable potentially responsible persons at a facility, including those parties which may be unknown, insolvent, or similarly unavailable. The allocation shall be based on the President's estimated and ranking of the volumetric contributions by such potentially responsible persons, and such additional factors, including, but not limited to, toxicity and mobility of the identified hazardous substances, as in the discretion of the President may be relevant to the preparation of such allocation;

"(iii) public information regarding successful agreements involving other facilities, as compiled beginning no later than January 1, 1987, and updated on a quarterly basis thereafter; and

"(iv) any other technical or scientific information, not otherwise privileged or attorney work product, which the President will untilize in determining whether to accept or reject an agreement offer under this section.

"(B) The information required by this paragraph (other than subparagraph (A)(ii)) shall be available in advance of such notice upon the request of a potentially responsible person in accordance with procedures established by the President.

"(C) The provision of subsection (e) of this section regarding protection of confidential information shall apply to information subject to distribution under this paragraph.

"(3)(A) The procedures of this subsection shall apply to each case of remedial action with respect to a release or threatened release of a hazardous substance involving more than one potentially responsibly party, unless in the discretion of the President use of these procedures is inappropriate because:

"(i) sufficient information to effectively use these procedures is not available;

"(ii) there is an urgent need for response and enforcement action that could not be met if these procedures were used;

"(iii) the number of responsible parties who are not de minimis is so small that use of the procedures would not expedite settlement; or

"(iv) an equitable settlement could be more expeditiously or effectively achieved through other settlement or other alternative dispute resolution procedures.

"(B) If the President declines under this paragraph to use the procedures set forth in this subsection, the President shall notify potentially responsible parties at the facility of such decision and the reasons why use of such procedures is inappropriate.

"(4) The President may not commence a remedial action under this section or take any action under section 106 until 180 days (or 90 days where the facility involves 9 or fewer potentially responsible parties) after providing notice of an intent to engage in the procedures under this subsection. Advance disclosure of information upon the request of a potentially responsible party under paragraph (2)(B) shall not commence the 180-day period (or 90 days where the facility involves 9 or fewer potentially responsible parties).

"(B) Nothing in this subsection shall limit the President's authority to undertake response action regarding a significant threat to public health or the environment within the negotiation period. The President may also commence any additional studies or investigations authorized under subsection (b) of this section, including remedial design, during the negotiation period.

"(5) To collect information necessary or appropriate for performing the allocation under paragraph (2)(A) of this subsection, the President may be subpoena require the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions, and other information that the President deems necessary. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the event of contumacy, failure or refusal of any person to obey any such subpoena, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to comply with such subpoena. Any failure to obey such an order of the court is punishable by the court as a contempt thereof.

"(6) The persons with who the President reaches agreement under this subsection shall undertake or finance the remedial

action and all previous costs of response, including operation and maintenance, or a discrete part of such remedial action, as provided by the agreement.

"(7)(A) The persons receiving notice under paragraph (2) of this subsection shall have 90 days (or 45 days in cases involving 9 or fewer potentially responsible parties) to make a proposal to the President for undertaking or financing the remedial action. In extraordinary cases, the President may grant a thirty-day extension of such period.

"(B) Where potentially responsible parties offer to provide payment or the undertaking of remedial action exceeding 50 per centum of the total shares as estimated by the President in the Nonbinding Preliminary Allocation of Responsibility, and such offer provides for response or costs of response for an amount equal to or greater than the cumulative total, under the Nonbinding Preliminary Allocation of Responsibility, of the potentially responsible persons making the offer, such an offer will be considered to be in "good faith" and the Federal district court in the district in which the facility is located may order the President to accept the offer.

"(C) The President's decision to reject an offer shall not be subject to judicial review, unless such offer is considered good faith under this paragraph. Where the President rejects an offer meeting such criteria, such rejection shall be in writing and shall be reviewable in the Federal district court in the district in which the facility is located. In such cases the President shall have the burden of persuasion to establish that the rejection was not unreasonable, in light of additional information received after the completion of the Nonbinding Preliminary Allocation of Responsibility. The record for such appeal shall consist of the written notice of rejection, the documents and evidence referred to therein, all comments and evidence submitted by others in response to the written notice of rejection, the President's rationale for rejection, as well as any information of which the court may take judicial notice.

"(D) Judicial review under this subsection shall be limited to the President's decision to reject the good-faith offer and shall not include any other issues relating to the selection or scope of the remedy, the computation of costs associated with response action, or the Nonbinding Preliminary Allocation of Responsibility. Remedial actions shall not be delayed solely because of such review.

"(E) Where the President's decision to reject a good faith offer under this paragraph is found to be unreasonable, the Fund shall be liable to the potentially responsible persons who brought suit, for any legal fees and other reasonable costs incurred during such judicial review.

"(F) Where the good faith offer of potentially responsible parties would include the entire share of cleanup allocated to all potentially responsible parties under the Nonbinding Preliminary Allocation of Responsibility (other than the shares allocated to unknown, insolvent, or similarly unavailable parties under section 106), such offer, if accepted, shall be granted a "bonus" from the Fund representing 10 per centum of the cost of response action. Such bonus shall not be available in the case of facilities where there are three or fewer potentially responsible parties.

"(8) If, as part of any agreement, the President will be carrying out remedial action and the parties will be paying amounts to the President, the President may, notwithstanding any other provision of law, retain and use such funds for purposes of carrying out the agreement.

"(9) If an additional responsible party is identified during the negotiation period or after an agreement has been entered into under this subsection concerning a release or threatened release, the President may bring the additional party into the negotiation or enter into a separate agreement with such party.

"(10) The costs incurred by the President in producing the Nonbinding Preliminary Allocation of Responsibility shall be reimbursed by the potentially responsible parties whose offer is accepted by the President under this section. Where an offer under this section is not accepted, such costs shall be considered costs of response.

"(11) The Nonbinding Preliminary Allocation of Responsibility shall not be admissible as evidence in any proceeding under section 106 or 107 of this Act, and no court shall have jurisdiction to review the Nonbinding Preliminary Allocation of Responsibility in any action under section 106 or 107. The Nonbinding Preliminary Allocation of Responsibility shall not constitute an apportionment or other statement on the divisibility of harm or causation.

"(12)(A) If a good-faith proposal for undertaking or financing a remedial action has not been submitted within 90 days (or days in cases involving nine or fewer potentially responsible parties) of the provision of notice pursuant to this subsection, the President may thereafter commence a remedial action under this section or take an action against any person under section 106 of this Act.

"(B) If an agreement has been entered into under this subsection, the President may take any action under section 106 against any person who is not a party to the agreement, once the 90-day period (or 45 days in cases involving nine or fewer potentially responsible parties) for submitting a proposal has expired.

"(13) Whenever the President has entered into an agreement for remedial action under this subsection, the liability under this Act of each party to the agreement, including any future liability arising from the release or threatened release that is the subject of the agreement, shall be limited as provided in the agreement.

"(14) Nothing in this subsection shall be construed to affect:

"(A) the liability of any person under section 106 or 107 with respect to any costs or damages which are not included in the agreement; or

"(B) the authority of the President to maintain an action under section 106 or 107 against any person who is not a party to the agreement.

"(15) The liability of any party to an agreement under this subsection for contribution shall be limited as provided in section 107(1)(3).

"(16) Whenever the President enters into an agreement under this subsection, the agreement, following approval by the Attorney General, shall be entered as a consent decree under section 106 of this Act. Any party failing to comply with an agreement shall be liable for a penalty not to exceed $25,000 for each day during which such failure continues.".

On page 101, after line 23, insert the following new section and renumber succeeding sections accordingly:

STATE MATCHING GRANTS

SEC. . Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(o)(1) Notwithstanding any other provision of this section, the President is authorized to provide up to $1 million per year to each State, out of the Fund, to be matched by an equivalent expenditure by such State, up to a cumulative national total from the Fund of $50 million per year, for State-administered and designed programs for the cleanup and stabilization of facilities contaminated by releases of hazardous substances.

"(2) The following conditions shall be attached to monies provided by the Fund as State Matching Grants:

"(A) no monies may be expended for any litigation-related expenses;

"(B) there shall be no liability of the Fund or the United States (including third party claims of any type) arising from such response action;

"(C) monies expended under this subsection may be used at any facility, as determined by the State, in consultation with the President, to be appropriate; and

"(D) facilities selected for cleanup with such monies shall be facilities for which there is no reasonable likelihood of recovery of costs under existing authority.

"(3) In determining whether a substance is a hazardous substance, pollutant or contaminant for purposes of this subsection, the exclusion of petroleum under the last sentences of sections 101(14) and 104(a)(2) shall not apply.".

(Mr. COCHRAN assumed the chair.)

Mr. DOMENICI. Mr. President, first I wish to thank the managers of the bill for accepting this amendment. In particular, I wish to thank Senator SIMPSON, my prime cosponsor, for all of the time and hours he and his staff have spent with me and my staff in putting this amendment together. I also wish to particularly thank Senator BENTSEN for his help.

Mr. President, this is an amendment that has four major components, and then a small State matching grant program of $1 million for sites that are not presently covered. But the principal thrust of this amendment has to do with the growing concern that some of us have that, while we keep talking about cleaning up the sites, the pace is about as slow as any cleanup process we have ever been involved in.

Under Superfund, only six sites have been fully cleaned up of the 850 on the National Priority List. Some estimates claim that only 16 percent of the Superfund dollars are going to physical cleanup while more than half is going to administration and nonpriority sites. At some sites, transaction costs, that is lawyers' fees and technical studies for litigation, are literally approaching or exceeding the cleanup costs.

There is a case in point in Kansas City where the estimated remedy cost is $10.5 to $12.5 million, while the litigation cost is estimated at $2.5 to $3

million and the private party litigation cost as high as $30 million. Clearly, we are going to have situations where litigation is going to be the only approach and where they are just going to have to fight it out.

However, everyone should know that this litigation has also put the companies that are liable, both retroactively and in the future, in a situation where the insurance industry is starting to decide many private parties should not even be covered any longer. There is even a notion that many of these companies in the future will not be able to buy liability insurance. The liability standard under the act may be essential deterrent for unreasonable companies that absolutely do not choose to be reasonable partners in this cleanup. But I can assure you it also acts as a very major deterrent to voluntary cleanup.

So what we have tried to do in this amendment is to refocus the intent of the program back on cleaning up the sites and away from the slow and costly litigation. Senator SIMPSON and I explored a number of possible alternatives to try to turn this program around. What we are offering is a modest proposal to try to encourage responsible parties to come to the table and settle with EPA and get on with the business of cleaning up the sites.

Briefly, the amendment which we offer, which is adding on to EPA's settlement policy—and, incidentally, is supported by the Administrator of EPA in its final form—would do the following: on orphan shares, it provides congressional approval to an existing policy to have the fund pay for cleanup of shares contributed by unknown, insolvent, or unavailable parties.

Second, it encourages what we call de minimis settlement offers. By that we mean it encourages the Government to settle with small contributors without full-blown litigation.

Third, it provides some possibility for releasing some parties from liability once they have done everything that can be done and have paid for the cleanup as provided in this amendment and done what is required of them.

In essence, it provides releases from future liability to parties working with EPA who perform environmentally preferable cleanups on their own.

Fourth, it expedites remedial action through settlements by requiring EPA, with some limited specific exceptions, to issue nonbinding preliminary allocations of responsibility. This allocation would provide a basis on which the parties could work with the Government to share information and move rapidly toward reasonable settlement offers.

Finally, outside the area of settlement, as I indicated in my opening remarks, the amendment would provide $1 million per State in matching grants for cleanup of small sites not covered under the Superfund.

As I have already indicated, development of these amendments has been a very difficult job and a lot of people have been involved—my staff, Senator SIMPSON's staff, Senator BENTSEN's staff, and clearly those who are on the majority and minority staff of the committee have helped us with the language.

I am grateful to all of them, and most of all I am grateful to the floor managers who have indicated their willingness to accept this amendment. My conclusion is that we must do something to expedite the primary purpose of this Superfund which is to get these sites cleaned up.

I am convinced that without something like this as I have described it—which lends some strong impetus to settlements out of court, identifying liability in a preliminary allocation among those that are liable, taking care of orphan shares and de minimis contributors—there is a real chance, if it works as we plan it, that many of these sites will be cleaned up because responsible parties will gather around the table and settle the amounts that are owed in a reasonable manner, far more reasonably than what is going to occur in the drawn-out litigation that is presently before the courts on many of these cases.

I yield the floor at this point.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, let me say that the work of Senator DOMENICI, Senator SIMPSON, and their staff has been very productive. And I am most appreciative of it. Their cooperation has been shown in trying to develop a compromise to see if we could not settle more of these waste site clean ups instead of having to go through litigation. This package of amendments attempts to provide the President with a set of tools that may be used to facilitate the cleanup of hazardous waste sites through private party remedial actions that are protective of the human health and the environment. It offers the opportunity to achieve these results through negotiation rather than through litigation. It offers the opportunity to use Superfund for site cleanup rather than for lawsuits.

One of these amendments reiterates the authority of the President to use Superfund to pay for the portion of a remedy that represents the contribution from parties who just are not available or who are bankrupt, or who cannot be found. I think that ability would encourage the other parties to settle rather than for them to have to pay for something to which they made no contribution, and want no part of.

Another amendment provides small contributors with the opportunity to settle their portion of a site separately. While such settlements are at the discretion of the President, minimal contributors can make good faith offers that would allow them to pay their appropriate share of the remedy and then they would be removed from the litigation. Removing these small contributors allows them to pay a fair share, but it reduces the ability of other—major—responsible parties from dragging these small contributors into the process and through the lengthy litigation in which, in many cases, the lawyers' fees could exceed the amount of responsibility.

A third amendment provides the President with the authority to release parties from future liability under limited conditions. Mandatory release is provided in two limited circumstances. The first situation arises when the President requires waste to be relocated to an off-site facility in compliance with all the appropriate solid waste disposal regulations instead of using an alternative onsite remedial action. The second situation arises when, in the judgement of the President, a remedy essentially destroys the current or foreseeable future risk of the site or negates the future risk of that site. These are limited situations well within the control of the President. But this provision with the others can facilitate private-party action.

Mr. President, Senator DOMENICI, Senator SIMPSON, the chairman, myself, and several others and their staffs have worked long and hard. I think what we are proposing here is a reasonable, practical solution to these problems.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I am most appreciative of the remarks of the distinguished Senator from Texas. Obviously, he has shared the same concerns that some of us had as we went through the hearings and markup on the bill. We do not solve all of the issues and delays—that never happens in issues as complicated and profound as this. Clearly we hope that you are correct in your assessment that will have an expeditious and healthy effect on cleaning up which is the primary goal of Superfund. That is what we want to happen.

I thank you for your comments.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, it has been a distinct privilege to work with Senator DOMENICI on this issue, and with Senator BENTSEN and Senator STAFFORD. The impetus and the credit

goes to Senator PETE DOMENICI for his dogged pursuit of correcting something which looked to us like a form of eternal life. That was litigating and litigating and litigating in the Superfund. Hopefully, we have now brought to mortal conclusion litigating to that extent. That is what we are up to. It should speed the process. It should reduce transaction costs, and attorneys' fees. The issue of Superfund has never changed. It is, clean up waste sites and make those who did it pay for it. That is what we are trying to do. We get diverted occasionally. But I want to thank the chairman of the committee for his patience and good humor which are both inexhaustible. He has been more than helpful, and, as I say, Senator DOMENICI and particularly Senator BENTSEN—who is the ranking member of the committee on which I serve and on which Senator DOMENICI serves and which has always been a place of good cooperation and honest discussion. It was proven so again here today.

So what pleases me most is that we bring Superfund back into the real world, by promoting settlements. Let us urge companies to settle. That does not mean everything is a sweetheart deal and everybody putting together a slick operation. There are people who try to do the right thing in the real world. Yet, we seem to legislate in order to nail those who do not want to comply with CERCLA. In the process, we hit a lot of goods guys caught in the moving target.

There is some reason to question the way the whole program is operating, and Senator DOMENICI and I considered a number of possible avenues of reform. After working with the administration, and consulting with all sides in this situation, we decided to offer a package of reforms that address the following issues:

First, orphan shares: Our amendments provide congressional approval of the Administrator's existing discretion to have the fund pay for the cleanup of the shares contributed by unknown, insolvement or similarly unavailable parties, such as various government entities which may be immune from liability.

Second, de minimis settlement provisions: To encourage the Government to settle with small contributors without resorting to full-blown litigation.

Third, releases from liability: Where parties, working with the EPA, perform environmentally preferable cleanups on their own, they will become eligible for releases from future liability that will provide greater certainty and insurability.

Fourth, expedited remedial action agreement procedures: The Government will henceforth provide, with specified exceptions, a nonbinding preliminary allocation of responsibility. This allocation would provide a basis on which parties could work with the Government to share information and move more rapidly toward reasonable settlement offers.

Fifth, State matching grants: We have also proposed a State matching grant for innovative, State-run cleanup efforts that are important, but generally too small to trigger a Superfund response. The program would allow the fund to provide $1 million per State, in matching grants, but none of this money could be used in litigation expenses. It is hoped that, in addition to spurring State cleanup efforts, that this program will provide innovative ideas for the national Superfund. In addition, this money will be available for cleaning up leaking underground storage tanks.

I believe that the Domenici-Simpson package of amendments is just the beginning. It seems likely, if not certain, that problems with cleanup actions will continue to be documented—problems with insurance and liability will continue to simmer—until at last these conditions will come together and rise, boiling to the surface like a volcano. Maybe then Congress can really improve the Superfund Program.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, as chairman of the committee, I simply want to express my appreciation to the personal staff for the three Senators who have been so deeply involved in working out this compromise—Senators BENTSEN, DOMENICI, and SIMPSON—and the staff of the committee who have worked with them on both sides of the aisle to bring about this compromise which we can all accept.

It appears to this Senator that when men of good will and reasonableness get together, solutions to these problems, so far as human minds can devise them, can be reached. So I offer great thanks to Senator BENTSEN, Senator SIMPSON, and Senator DOMENICI.

Mr. DOMENICI. Mr. President, I rise to offer a package of amendments on behalf of myself, Senator SIMPSON, and Senator BENTSEN. These amendments are intended to address what we consider to be the the fundamental flaw with the Superfund law—the heavy reliance on Government cleanup and litigation, rather than private party cleanup following settlement. Without more voluntary private party cleanup, we simply cannot expect to address all of the hazardous waste sites that have been identified or will be identified in the future—and the public health will not be protected to the highest degree.

In the past 5 years, the Environmental Protection Agency [EPA] has placed or proposed 850 hazardous waste sites on the National Priority List [NPL]. EPA estimates that ultimately 2,000 out of a possible 20,000 sites will be on the NPL. However, other agencies, such as the Congressional Office of Technology Assessment, estimate that as many as 10,000 toxic waste sites will require Federal cleanup. Even though EPA has initiated 422 emergency removal actions, only 6 sites have been fully cleaned up. The National Campaign Against Toxic Hazards, a citizens' group that studied EPA's record, reports that only 16 percent of the funds have been spent on actual physical cleanup. Less than one dollar out of five in the $1.6 billion of Superfund has been used to clean up toxic waste sites—and more than half of the fund has been spent on "administration and nonpriority sites."

This slow pace is the direct and inevitable result of the reliance given by EPA on litigation as the principal tool for cleanup. EPA is forgoing the more expeditious and cost efficient options of voluntary cleanup and negotiated settlements, and instead is relying on the most cumbersome piece of regulatory machinery available: the Federal court system.

This litigation driven policy is not only adding years to cleanup as cases crawl through the Federal courts, but is also incurring staggering transaction costs.

An exhaustive and independent study on the transaction costs conducted by Putnam, Hayes & Bartlett, Inc., a reputable economic and management consultant which has often advised EPA, estimates that the total litigation costs for 1,800 NPL sites would range from $3.5 to $6.4 billion, a figure corresponding to 25 percent to 44 percent of Superfund funds for cleanup. EPA's own record proves the fact that the Government's strategy conflicts with society's objective to remove hazards promptly at the least cost.

The Conservation Chemical Co. case in Kansas City is a prominent example of excessive litigation. EPA estimates an expected cost of remedy between $10.5 million and $12.5 million. Government litigation costs could be between $2.5 and $3 million while the private party litigation costs could be as high as $30 million.

Along with the need for expeditious cleanup is the concern for fairness. In 1980, it was hoped that an expansive liability standard, combined with retroactive liability, would encourage waste generators to remedy hazards created in the past, as well as discourage them from creating new hazards. Certainly the Government could not have wielded a more powerful or extraordinary legal tool. Nonetheless, experience has shown that the use of this extraordinary legal standard has seriously impeded expedited voluntary

cleanup. Private parties, including small contributors, could face liability for an entire cleanup, including that portion related to lawful disposition before Superfund became law. Who can blame parties for fighting under these conditions—especially when, if they do clean up to the highest standards EPA can imagine, they could still face full liability if a site fails in the indefinite future. While such extraordinary legal tools are necessary to deter future mishandling of wastes, by definition they cannot deter what was done in the past—and that is what Superfund is to do: correct past errors in order to protect the public health and environment.

The only comparison I can think of in providing guidance here is from Charles Dickens' classic "Bleak House," where he excoriates a society in which lawyers have run rampant. As he described a case spanning several lifetimes, Jarndyce versus Jarndyce, he explained the problem:

> And thus, through years and years, and lives and lives, everything (in the lawsuit) goes on, constantly beginning over and over again, and nothing ever ends. And we can't get out of the suit on any terms, for we are made parties to it, and must be parties to it, whether we like or not.

The Superfund problem is protracted litigation.

Increasing overall funding levels alone will not improve the pace of cleanup. Concerns about public health will remain while litigation lumbers along—sometimes for years. We need to proceed with rapid cleanup through fair settlements, and put outrageous transaction costs into more productive use, thereby removing any threat to human health and the environment promptly. We must amend the law to restore it to its overarching goal: to clean up hazardous waste sites. In order to do this, we must provide incentives for the Government and private parties to join together rather than litigate.

Our amendments are designed to provide the framework for a rational settlement policy which will encourage voluntary cleanup. They leave intact the current enforcement tools which EPA wishes to keep, but they provide a window for settlement. We include incentives for private parties to assume responsibility for cleanup: the possibility of avoiding substantial litigation expenses, contribution protection, and the possibility of releases from future liability. I believe a detailed description of each amendment is appropriate.

(1) MIXED FUNDING

A problem arises when potentially responsible parties are unknown, insolvent or similarly unavailable. Similarly unavailable parties would include Government entities that are immune or exempt from liability under this act. In such situations, there are orphan shares, and the question arises as to who should pay for their cleanup. As an incentive to settlement, this amendment would restate and reinforce the President's existing authority to utilize the Fund to pay for such shares.

There is no suggestion that the President currently lacks authority to pick up orphan shares. However, to the extent that existing policy limits their assumption by the Fund, the amendment is intended to provide explicit congressional support for additional flexibility.

(2) DE MINIMIS CONTRIBUTOR SETTLEMENT PROVISIONS

This amendment is designed to encourage settlements with small contributors—including parties which may have contributed a relatively large volume of low-toxicity waste. It is intended that such parties be afforded an opportunity to make reasonable offers to the President, which the President shall consider, to "cash out" or otherwise achieve settlement without resorting to litigation. However, it is expected that the President will exercise his discretion based on objective, rather than subjective criteria. This is intended to provide for a higher degree of predictability and protection of the environment than is presently the case.

Nothing in this section should be construed as limiting the discretion of the President in dealing with cases in which the volume of a hazardous substance attributable to a party is relatively small, but the toxicity of the hazardous substance is extremely high—as may be the case with dioxin, for example. The guidance documents which the President is to produce by March 1, 1986, are to define de minimis contributions clearly to Government enforcement officials across the country, in order to make enforcement patterns more predictable. Additionally, potentially responsible parties will be able to refer to such documents so that they can reasonably ascertain the likely Government position in specific de minimis contributor situations in which they may be involved.

(3) RELEASE FROM LIABILITY

One of the keys to settlement in Superfund cases, perhaps to an even greater extent than in other cases, is the possibility of a meaningful release from future liability. This amendment would confirm and clarify the authority of the President to grant releases from future liability in certain circumstances where responsible parties agree to conduct cleanup actions under a settlement agreement.

Mandatory releases are to be granted in two situations. The first occurs when the President requires a potentially responsible party to move hazardous materials offsite to a nonleaking RCRA facility with a final permit, despite the fact that the potentially responsible party had offered an onsite remedy consistent with the National Contingency Plan—where the initial offer included both onsite and offsite components, the rejection of the onsite component alone could still leave the potentially responsible parties eligible for a release under this section. In the second situation, where a party has offered, and the President accepted, a complete destruction remedy such as high level incineration, which meets the President's requirements under this section, the President shall grant a release. It is important to emphasize that the standards on which the President judges the effectiveness of a technology under this section are based on his best current judgment, rather than his judgment in the future. Finally, the releases under this subsection may be reopened in cases of fraud or misrepresentation. In both general situations, the covenant not to sue will include any future liability from releases or threatened releases at the new facility, either the RCRA facility specified by the administrator or the onsite facility.

In all other cases, the President has authority to grant releases based on the principle, "the better the remedy, the better the release." The President is to make decisions as to the appropriateness of releases in specific cases based on the public interest, taking into account the degree to which private parties perform a cleanup themselves, as well as other factors, including, but not limited to: the effectiveness and reliability of the remedy; the nature of the risks remaining at the facility after the completion of the remedy; the extent to which performance standards are included; the extent to which the remedy may be adjudged complete, and whether other sources of funding, including other responsible parties, will be available for additional response actions that may become necessary for the facility. It is intended that the administrator utilize these criteria in a balanced manner. In using the criterion concerning future funding, the potential that Superfund may be a temporary program should not be taken into account, because in such an event the Congress would clearly assume the obligation through another mechanism.

(4) EXPEDITED REMEDIAL ACTION CLEANUP AGREEMENT PROCEDURES

The goal of CERCLA is to achieve effective and expedited cleanup of as many uncontrolled hazardous waste facilities as possible. One important component of the realistic strategy must be the encouragement of voluntary cleanup actions or funding without having the President relying on the panoply of administrative and judicial tools available.

Under this section, the President would be authorized to enter into agreements with potentially reponsible parties to conduct remedial actions. The parties to such agreements would be obligated to perform remedial action or pay the costs of remedial action as provided in the agreement. In turn, these parties would not be subject to subsequent suits for contribution by persons who are not parties to the agreement. Further, persons who are not parties to the agreement would remain liable, to the full extent of existing law, in a section 107 action to recoup fund expenditures or in a section 106 action for injunctive relief. In addition, persons who are not parties to the agreement would not be guaranteed the same level of release from liabilty that could be obtained by parties to the agreement.

This section states that, as a matter of public policy, the President shall act to facilitate settlement agreements in order to protect human health and the environment through rapid remedial action and minimization of the delay and cost of litigation. The President shall utilize a set of procedures, including the development of a Nonbinding Preliminary Allocation of Responsibility, to the greatest possible extent as a matter of course. Where one of a series of specified exceptions is found, and on the basis of objective evidence the President does not utilize the procedures in this section, he is to provide written justification for the exception.

Under this section, there will be a 180-day negotiation period—90 days in cases involving nine or fewer potentially responsible parties—following notice to parties at the time of the completion of the Remedial Investigation and Feasibility Study. Such notice would include a Nonbinding Preliminary Allocation of Responsibility, in which the President would provide information concerning the relative contributions of various parties to the site—including shares attributable to unknown, insolvent or similarly unavailable parties. For a period of 90 days—45 days in cases involving nine or fewer potentially responsible parties—the potentially responsible parties would be permitted to negotiate and to present the President with an offer of settlement, which would include a proposal for undertaking or financing the cleanup. In turn, the President would then have 90 days—45 days in cases involving nine or fewer potentially responsible parties—to accept or reject the offer and to make determinations of the amount of fund moneys that would be made available. In extraordinary circumstances, the time periods could be extended, for example because of the large number of parties involved, although such extensions are intended to be employed very rarely.

The President's decision to reject such agreements would not generally be reviewable in court. The Nonbinding Preliminary Allocation of Responsibility is not reviewable or admissible as evidence in future enforcement proceedings, on any issue, including the issue of appointment. However, where the President rejects a good-faith offer in which parties would pay for or undertake cleanup of more than 50 percent at the facility—the percentage being determined from the Nonbinding Preliminary Allocation of Responsibility, his decision is reviewable, provided that the cumulative total included in the parties' offer also equals or exceeds their cumulative total under the Nonbinding Preliminary Allocation of Responsibility. In such cases, the President will have the burden of persuasion to demonstrate to the court that the decision to reject the offer was not unreasonable in light of new information received after the completion of the Nonbinding Preliminary Allocation of Responsibility. However, the scope or choice of remedy will not be reviewable under this section, and the implementation of remedial action will not be delayed.

Where the potentially responsible parties fail to make a good-faith proposal within 90 days—or 45 days in cases involving nine or fewer potentially responsible parties—or cannot reach an agreement within 180 days—or 90 days in cases involving nine or fewer potentially responsible parties—the President is free to undertake the response action or to initiate an enforcement action.

In order to ensure that both the President and potentially responsible parties have access to information needed to make the settlement process work properly, this section provides for information-gathering capacity in several ways. The President is to provide nonprivileged technical and scientific data related to facilities. On the other hand, the President is granted subpoena powers like those in the Toxic Substance Control Act to help him to gather required information.

To ensure that all those who wish to become parties to the agreement have an opportunity to do so, the new section provides that if a party is identified during the negotiation period or after the 180-day period—or 90 days in cases involving nine or fewer potentially responsible parties—the party may join in the agreement or may enter into a separate agreement. Finally, the provision contemplates that all agreements entered into under this subsection would be memorialized in judicially enforceable consent decrees and that parties violating the agreements would be subject to a penalty not to exceed $25,000 for each day of violation.

Mr. BENTSEN. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 680) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 681

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 681.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 110, line 2, after "such activity," insert "unless the Administrator has entered into a memorandum of understanding with the head of such department, agency or instrumentality,".

Mr. STEVENS. Mr. President, I am offering this amendment to clarify the relationship between Federal agencies in cleaning up hazardous waste at Federal facilities. The Environmental Protection Agency has the leading role in most cleanups carried out under the Comprehensive Environmental Response, Compensation, and Liability Act. However, by Executive order, the President delegated authority to the Department of Defense to carry out certain parts of the Superfund Program which relate to that Department. EPA and DOD entered a memorandum of understanding in 1983 which defines the part played by each in implementing CERCLA. The amendment I have introduced preserves that relationship—with the expectation that it will be continued—and encourages EPA to enter similar agreements with other agencies.

The Defense Appropriations Subcommittee has—since fiscal year 1984—appropriated funds for the Defense Environmental Restoration Program. This program extends beyond the scope of Superfund and adds to the cleanup responsibilities of the Department of Defense. Under it DOD is cleaning up hazardous waste and debris left at former military sites, as well as addressing waste problems at current military facilities. Because of its slightly broader scope, the focus of DOD's program is a little different from EPA's Superfund Program. EPA emphasizes emergency removal actions and remedial actions at National Priority List sites, while DOD's program

addresses the waste and debris the military has left at both its former and currently active installations. My amendment is intended to prevent conflict between the slightly different focuses of the two agencies.

EPA does play an important part in the cleanup process. The agency provides essential technical and advisory assistance to the Department of Defense. It is important to preserve that role for EPA. However, it is equally important to assure that agency cleanup programs which are efficient and effective are able to continue without disruption. My amendment allows EPA to further this goal—streamlining the approval process for cleanups—by entering a memorandum of understanding with other agencies. For the Department of Defense, which has already entered such an agreement, this amendment allows a program which has proved itself effective to continue its mission without delay.

Mr. President, this amendment preserves the current agreement between the Environmental Protection Agency and other agencies which allow the other agencies to conduct hazardous waste cleanups without direct concurrence of the EPA. The Defense Appropriations Subcommittee started a massive program of cleaning up military reservations and former military reservations. In recognition of the availability of those funds, the Department of Defense worked out with the EPA a memorandum of agreement concerning the role of EPA regarding those projects.

We held an oversight hearing this year to demonstrate that this has been one of the best programs the Department of Defense has been involved in. It has received acclaim, I think, of all portions of our society, and it has led the administration to request an increase of the moneys available to carry out this hazardous Waste Cleanup Program.

Let me emphasize that there are many areas that were former military bases that have hazardous wastes such as PCB's and other types of waste that do require the use of Federal money to secure those places so that they can be used by the civilian community without any hazard.

I offer this amendment in recognition of the need for cooperation between these agencies that the hazardous waste cleanups on military bases and former military bases can be completed with a minimum of delay and a maximum of efficiency.

There is, as I said, such a memorandum of understanding in effect right now.

I think this amendment will encourage EPA to renew that memorandum of understanding with the Department of Defense and other agencies. After all, this is making available to the environmental protection program funds that are appropriated for defense to carry out the same goals. As long as there is this working relationship, we should preserve it.

I want to thank the staffs of both the majority and the minority of the Public Works Committee and the distinguished chairman and ranking member of that committee for the understanding of those of us who are involved in administering the funds or overseeing the funds made available to the Department of Defense for this purpose. I believe this speaks for the entire set of goals articulated by the Senator from Vermont.

Mr. STAFFORD. Mr. President, we had the opportunity to examine the amendment and we believe it to be meritorious and will resolve some of the problems that we have been facing in this particular matter.

Mr. BENTSEN. Mr. President, on behalf of the minority, we have had an opportunity to examine the amendment of the distinguished Senator from Alaska. We thank him for his contribution. It is helpful and we are glad to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 681) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, at this point in time, our scorecard indicates there may be two amendments to be offered by Senator SYMMS, one by Senator SPECTER, and one by Senator WILSON. We know of no other amendments of title 1 of the bill. If there are some which have not been brought forward, the managers of the bill would appreciate knowing that fact. We would urge the Senators in connection with the amendments referred to to please come to the floor.

Mr. CHAFEE. Mr. President, I would appreciate some clarification from my colleagues from Wyoming and New Mexico on their amendment entitled "Releases from Liability." As I understand the amendment, it relates only to future liabilities under this act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and does not affect the authorities and responsibilities under, for example, the Solid Waste Disposal Act. Is that correct?

Mr. SIMPSON. My colleague from Rhode Island is correct.

Mr. DOMENICI. The Senator has correctly stated the scope of this amendment.

Mr. CHAFEE. The reference to cases which involve the transport of hazardous substances to a facility meeting the requirements of the Solid Waste Disposal Act raises two important issues. First, the President's rejection of a proposed onsite remedial action would not trigger this provision unless such proposed action was consistent with the cational contingency plan. Is that correct?

Mr. SIMPSON. Yes; the amendment explicitly requires that the rejected proposed action be consistent with the national contingency plan.

Mr. DOMENICI. I agree with the Senator from Wyoming.

Mr. CHAFEE. The second issue raised by the reference to cases involving the transport of hazardous substances to RCRA facilities is the effect and implications of this amendment vis a vis the RCRA program. This amendment is not a generic state of the art defense to liabilities that may attach to generation and disposal of hazardous wastes. It addresses the unique situation that is created by Superfund. The justification for the amendment is that in the Superfund cases referred to in this amendment, there is the active intervention of the Government in the case of necessary redisposal of wastes and hazardous substances. As outlined in the amendment, but for the Government's intervention, the risks attendant to such redisposal would not have arisen. Wholly apart from the problems being addressed by Superfund and this amendment, the Senators are not suggesting that mere compliance with RCRA is the basis for extinguishing liabilities that attach to the generation and disposal of hazardous waste, are they?

Mr. SIMPSON. The Senator is correct. This amendment addresses the specific situation where the Government has, pursuant to Superfund, ordered under certain, specified circumstances that hazardous substances removed from a Superfund site be delivered to a RCRA facility.

Mr. DOMENICI. My colleague from Rhode Island has correctly stated the rationale of this amendment. The creation and handling of wastes under RCRA is a separate issue. We have recently learned that land disposal of certain wastes may not provide long-term protection of human health and the environment. Under existing law, if a generator of such wastes chooses to send his waste to a land disposal facility, even one that is in compliance with RCRA, he will remain responsible for such wastes. If, however, the President orders him under Superfund to take waste that has been removed from a Superfund site to an offsite RCRA land disposal facility after the generator has proposed an onsite remedial action, consistent with the national contingency plan, which the President has rejected, such generator shall not be held responsible for the

future consequences of such redisposal.

Mr. CHAFEE. I thank the Senators for their explanation and clarification.

Mr. DOMENICI. While the Senator from Wyoming and I might differ from the Senator from Rhode Island over the policy implications of some aspects of existing law in this area, we do not differ on the interpretation of existing law or this specific amendment.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FINANCIAL RESPONSIBILITY REQUIREMENTS AND THE PROBLEM OF MEANINGFUL INSURANCE BEING UNAVAILABLE

● Mr. CHAFEE. Mr. President, as we consider this landmark bill to reauthorize Superfund, and to recommit the Nation to addressing the dangers of toxic wastes, we must not make the mistake of focusing our attention entirely on remedying problems created in the past. We must look to the future as well, and be mindful that hazardous waste management facilities, if not properly operated, can create new dangers, new harm to human health and the environment, and new Superfund sites that will have to be remedied by future generations.

One of the most important protections we have authorized in our national environmental legislation has been the requirement that those engaged in the business of hazardous waste generation and disposal demonstrate adequate financial responsibility for their potential liability. Those assurances are absolutely vital to the integrity of EPA's program under the Resource Conservation and Recovery Act.

And yet, I am troubled by the present lack of any meaningful environmental impairment liability insurance, and the dilemma created by EPA's blind insistance that owners and operators of hazardous waste facilities obtain such insurance. This situation is undermining the RCRA Program, and it may prove to be the Achilles' heel of the Superfund Program. If responsible, well-operated facilities cannot meet EPA's current financial responsibility regulations, they may have to cease their operations, and we no longer can be confident that adequate disposal capacity will be available for either RCRA or Superfund wastes.

In addition, those few insurance policies which are available to the hazardous waste industry do not adequately protect innocent victims exposed to toxic wastes. EPA is well aware of this situation. Most EIL insurance policies today contain exclusions that would prevent the coverage, for instance, of claims for genetic damage, and claims arising out of the facility's noncompliance with laws and regulations, even when such noncompliance is unintentional and technical in nature. These are gaping loopholes in the policies, and they are only a few examples of the many ways an insurer could escape liability. If his insured is unable to pay, innocent victims will suffer.

In the Hazardous and Solid Waste Amendments of 1984, Congress took two important steps to address this dilemma. First, in section 3004(t)(1) Congress authorized facility owners and operators to use any one, or a combination, of mechanisms to provide assurance of their financial responsibility. These include not only insurance, but also guarantees, surety bonds, letters of credit, and self insurance. Given the current EIL insurance crisis, these are important and legitimate mechanisms.

EPA has not taken steps to change its regulations and authorize all of these various mechanisms. It is ignoring the mandates of the RCRA statute, and thereby threatening the existence of waste disposal capacity on which the Superfund Program will depend in the years ahead. The Agency must promptly amend its regulations and conform them to the statute before the November 8, 1985 RCRA deadline falls.

Second, in the same section of RCRA (3004(t)(1)), Congress authorized EPA to close the loopholes in insurance contracts. That section empowers the Administrator to specify policy or other contractual terms, conditions, or defenses which are necessary or are unacceptable to effectuate the purposes of RCRA. It is time EPA assumed the leadership in this area that Congress intended. The regulations should be revised to incorporate those restrictions for at least the loopholes of which EPA presently is aware.●

Mr. STAFFORD. Mr. President, I yield to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 682

(Purpose: Relating to remedial actions at Federal facilities)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 682.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 111, strike out line 23 and all that follows through line 3 on page 112 and insert in lieu thereof the following:

"(1) RIFS.—Not later than six months after the inclusion of any facility on the National Priorities List (NPL), or within six months of the enactment of the Superfund Improvement Act of 1985, whichever is later, the department, agency, or instrumentality whichever is later, the department, agency, or instrumentality which owns or operates such facility shall enter into an agreement with the Administrator and appropriate State authorities under which such department, agency, or instrumentality will carry out a remedial investigation and feasibility study for such facility. The agreement shall provide for a timetable and deadlines for commencement and expeditious completion of such investigation and study.

On page 114, after line 13, insert the following:

"(d) STATE AND LOCAL PARTICIPATION—

(1) the Administrator shall consult with the relevant officials of the State and locality in which the facility is located and shall consider their views in selecting the remedial action to be carried out at the facility.

"(2) Each department, agency, or instrumentality responsible for compliance with this section shall afford to relevant State and local officials the opportunity to participate in the planning and formulation of the remedial action, including but not limited to the review of all applicable data as it becomes available and the development of studies, reports, and action plans.".

Mr. WILSON. Mr. President, this amendment would add a new subsection to the provision in the bill dealing with Federal facilities. By Federal facilities, we are talking primarily of military bases, although the Department of Energy has a few sites now proposed to be added to the National Priority List and the Department of the Interior has some hazardous waste cleanup responsibilities as well.

When people think of toxic waste problems in California, they probably most often think of the much reported cleanup problems at the Stringfellow Acid Pits. An equally serious problem, though, is that of leaking toxic waste sites at military bases up and down the State.

I know this because I visited four of these bases this summer. Jet fuels and powerful degreasing agents that have been used over the years to clean airplanes, tanks, helicopters and other equipment have one way or another leaked into the environment and are now threatening to contaminate—or have already contaminated—underground drinking water supplies. This is such a serious problem that in one case, that of McClellan Air Force Base in Sacramento, the Air Force is providing bottled water to over 300 residents near the base whose ground water supplies have been contaminated.

Of course, California is not alone in this problem. Nationwide, 35 Defense Department installations have been proposed to be added to the EPA's National Priorities List. The unfortunate fact for California is that we have seven of these NPL sites.

It was not until 3 years ago that DOD began to seriously address this situation. They beefed up something then known as the Installation and Restoration Program and began in earnest to clean up toxic wastes at military sites. There is no doubt that this program has made some progress over the last 3 years, the question is whether the DOD has made enough progress.

I am convinced that the answer to this question is no, they have not made enough progress, the DOD has in fact been too slow in their response to the problem, and that congressional intervention on this issue is now warranted. By way of example, let me refer you to my experience at the Sharpe Army Depot near Stockton, CA.

When I visited this facility last June, I was under the impression that the base was well along its way to the cleanup of toxic degreasers that had leaked into the ground in the course of maintenance operations on Army equipment used during the Vietnam War. What I found was very disturbing.

Five-and-a-half years have elapsed since ground water contamination was first suspected and the base has yet to define the extent of the hazardous waste contamination—much less design and implement a cleanup program. Five-and-a-half years working on this problem with no remedy yet in sight is appalling. And I am not alone in these concerns. EPA and State agency representatives visiting the Sharpe Army Base when I was there also expressed extreme frustration with Sharpe's lack of cleanup progress.

The bill before us today contains language to help address this problem. For one thing, timetables for cleanup action at Federal facilities are established in S. 51, an idea for which the bill's authors should be commended.

Another way to speed cleanup action is to mandate closer cooperation and coordination between Federal facilities and the appropriate State authorities who have a responsibility to protect the State's environment and public health. This kind of mandate is not contained in S. 51, and my amendment is designed to remedy this omission.

Earlier and more extensive consultation will help by bringing all the players into the process from the beginning rather than having to re-educate interested parties as they are allowed to become involved in the final implementation stages. Two examples from my home State of California will help illustrate my point here.

I am informed that at the McClellan Air Force Base in Sacramento, the Air Force refused to share any part of the DOD's equivalent of a remedial investigation and feasibility study with the State or the EPA until they were ready to release the report in final draft form. When the State reviewed the report, the Air Force was required to make major and time-consuming revisions not once, but twice, and all the while, toxic contaminants were continuing to pollute drinking water supplies near the McClellan Base. These delays took up to 2 years—2 years that very likely could have been avoided, had the State and the EPA been part of the response planning effort from the beginning.

At the Moffett Field Naval Air Station near San Francisco, I found a similar problem had emerged. To the exclusion of the State and the EPA, the Navy had negotiated a scope of work proposal with an environmental engineering contractor to determine the extent and characteristics of the suspected toxic waste contamination at this base. The Navy had gone so far as to let extent of the proposed assessment action.

Upon examination of what was an approximately $250,000 contract, the State, with EPA's concurrence, quickly determined that far more work was required and proceeded to negotiate an expanded scope of work proposal with the Navy. The two parties finally agreed that something in excess of $700,000 worth of work was required to know the extent of the suspected contamination.

The problem, however, is that it required over 6 months for the Navy to go through the procedures of modifying their existing contract to do the expanded scope of work. While we might find fault with the DOD's contracting procedures that make it so cumbersome and time-consuming to modify an existing contract or let a new one—a subject I intend to pursue at another time—my point is that the contract should never have had to undergo major revisions in the first place. The EPA and the State should have been at the table working out the proposed scope of action with the Navy from the very beginning.

I might add that while 6-month delays at Moffett or 2 years at McClellan might sound petty to those of my colleagues who have the good fortune of not having to worry about toxic waste problems in their States, it is in fact a very serious problem to those families and individuals who reside by these bases that are leaking toxic wastes and threatening their very health.

Specifically, my amendment requires Federal facilities to afford the EPA and the affected States the opportunity to participate in the development of all scope of work proposals for toxic waste cleanups; requires that data relating to any cleanup is made available to the States and EPA as soon as it becomes available from the contractor; and requires that the affected State and the EPA shall have the opportunity to participate in the planning and formulation of any remedial action plan.

In short, the role of the States and EPA should not be limited to just the review of final cleanup proposals, they should have an opportunity to make meaningful contributions in the development stages.

I have been informed that this amendment has the support of the administration, and I urge my colleagues to support its adoption.

Mr. President, this amendment has been cleared with both sides.

As briefly as I can, let me say that most people in California, perhaps in the West, probably think of the Stringfellow site when they are asked to think about toxic waste cleanup. The fact is that at any number of Federal installations, there is an almost equally serious problem. Most of these are at military bases—powerful degreasing agents, jet fuel, and a number of contaminants which were not suspected to be such several years ago have actually seeped into the ground and have contaminated and are contaminating underground water supplies. The problem is so well known I need not enlarge on it here.

What is not so well known, Mr. President, is the experience and history of local and State agencies attempting to deal with these Federal agencies as they approach the task of attempting to clean up this years-old hazardous waste.

This requires extensive consultation, not only with the Environmental Protection Agency, but with the State water resources and health agencies so as to avoid the kind of thing which occurred when, without this consultation, military facilities have finally, after some time, developed plans only to discover that in fact, they have a not-planned lawsuit on their hands as agencies that have not been permitted consultation seek appellate advice of the courts.

Mr. President, this finally affects us all as taxpayers and those concerned with cleanup of hazardous waste, by a delay and an increase in expenditure all the while these contaminants continue to threaten and actually pollute underwater or ground water supplies. So, Mr. President, what we are asking, very simply, is a change in the operating procedure of these Federal facilities as they go about this task of toxic waste cleanup.

It requires consultation with the relevant officials of the State and locali-

ty in which the facility is located and it requires much earlier participation on the part of those agents so they can be involved at a meaningful stage, really in the beginning, in the development of the plans and the development of the studies leading to the actual formulation of a toxic waste cleanup and not purely as the facilities are about to launch implementation.

Mr. President, I am not aware of any opposition to this amendment. I think it is a desirable change, one that will expedite actual cleanup and go a long way toward removing some of the obstacles that have been caused, intentionally or otherwise, by a lack of adequate cleanup of these and other sites.

Mr. STAFFORD. Mr. President, we have had an opportunity to examine the amendment offered by the distinguished Senator from California. Our staff was consulted in its preparation and for the majority, we accept the amendment. We believe it is a good amendment.

Mr. WILSON. Mr. President, I thank the distinguished chairman of the committee for his cooperation. I have nothing further to say and I shall not require a rollcall.

Mr. BENTSEN. Mr. President, speaking for the minority on the committee, we have examined the amendment and think it is a good amendment. We are pleased to support it.

Mr. WILSON. I thank the minority member.

The PRESIDING OFFICER. Is there further debate? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 682) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 683

(Purpose: To include fertilizer, animal feed, and raw materials used to produce them in the category of unprocessed agricultural products)

Mr. STAFFORD. Mr. President, I think the Senator from South Dakota wishes to offer an amendment.

Mr. ABDNOR. Mr. President, I ask the chairman, are amendments to section 2 in order?

Mr. STAFFORD. Mr. President, the Senator from Vermont will say this entire bill is open to amendment. The Senator from South Dakota may go ahead with an amendment if he wishes to.

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for himself and Mr. DOLE, Mr. GRASSLEY, Mr. BURDICK, Mr. SIMPSON, Mr. BAUCUS, Mr. ZORINSKY, Mr. BOSCHWITZ, Mr. SYMMS, Mr. BOREN, Mr. DURENBERGER, Mr. NICKLES, Mr. PRYOR, Mr. ANDREWS, and Mr. MCCLURE proposes an amendment numbered 683.

On page 148, line 22, strike out "and fish" and insert in lieu thereof ", fish, fertilizer, animal feed, and any raw material used to manufacture fertilizer or animal feed".

Mr. ABDNOR. Mr. President, on behalf of myself, Senator DOLE, Senator GRASSLEY, Senator BURDICK, Senator SIMPSON, Senator BAUCUS, Senator ZORINSKY, Senator BOSCHWITZ, Senator SYMMS, Senator BOREN, Senator DURENBERGER, Senator NICKLES, Senator PRYOR, Senator ANDREWS and Senator MCCLURE, I am offering an amendment to include in the definition of "unprocessed agricultural products," as contained in the Superfund Revenue Act of 1985, fertilizer, animal feed, and any raw material used to manufacture fertilizer or animal feed.

This amendment is necessary to ensure that the excise tax will not impact negatively upon our Nation's farmers. At a time like this, I am sure that the cosponsors who join me in sponsoring this amendment feel that the imposition of a new tax on the agricultural sector is both unwise and unwarranted, particularly at this time.

Mr. President, I commend the chairman and ranking minority member of the Senate Finance Committee and their colleagues, for recognizing the need to exempt from the excise tax raw agricultural commodities. We must not take any action on this floor which will add to the severe financial burden borne by American farmers. In the absence of my amendment, we will increase the burden on the agricultural sector by $130 million over 5 years.

Mr. President, anyone who is familiar with agriculture knows that this is not the time to start heaping impose a new tax—either directly or indirectly—on the American farmer, who is having a hard time keeping his head above water. These are no ordinary times. They are severe and serious times that could affect the whole agricultural economy.

While Members of Congress were at home during the past 5 weeks of the recess, if they did not learn anything else, I think they found out how serious the agricultural situations truly is. Long before this subject came up, I was troubled by suggestions that we increase revenues by imposing an excise tax of $5 on each barrel of oil coming into this country.

Whom did we single out? The farmer, who could least afford it. Who uses the most fuel in their operations? The farmers. On whom are we going to put the tax to raise revenues? The farmers.

Maybe this is an exception, but when things are drastic and the consequences are serious, as they are today for agriculture, we had better take extraordinary and unusual steps to correct them. We must not impose yet another burden on our troubled agricultural sector.

Mr. President, the amendment I am offering along with several of my colleagues is a technical amendment that clarifies the intent of Congress to include fertilizer, animal feed, and raw materials used to manufacture fertilizer and animal feed within the category of unprocessed agricultural products, under section 4031(f) of S. 51, not subject to the Superfund excise tax.

This amendment is also consistent with the fertilizer and animal feed exemptions already contained within S. 51 approved by both the Senate Committee on Finance and the Committee on Environment and Public Works, and H.R. 2817, approved by the House Energy and Commerce Subcommittee on Commerce, Transportation and Tourism in June.

EPA studies mandated by section 301(a)(1)(H) of the Superfund law we enacted in 1980 have confirmed the findings made by Congress in exempting fertilizer raw materials from Superfund feedstock taxes: fertilizer and fertilizer raw materials have not contributed to the environmental problems associated with abandoned hazardous waste disposal sites.

By exempting unprocessed agricultural products from the Superfund excised tax we have recognized that the agricultural sector of the American economy is financially hard pressed and that we can ill afford to impose new tax burdens on the American farmer. The amendment we are offering recognizes Congress' intent to minimize unnecessary new tax burdens on the agricultural sector of our economy.

It is contemplated that the Secretary of the Treasury will prescribe such regulations as may be necessary to implement this exemption—including regulations concerning any necessary tax refund in a manner consistent with the exemption from the tax on certain chemicals provided by sections 4662(b)(2) and 4662(d)(2) of the Code. Therefore, this amendment expresses the intent of Congress that the term "raw materials used to manufacture fertilizer," as used in seciton 4031(f), be interpreted to include materials which are essential to the production of fertilizer—such as methane used to produce ammonia, sulfur and sulfuric acid used as a nutrient in fertilizer or in the production of fertilizer—as well as materials which are used directly in fertilizer production. This interpretation is also intended to apply to raw materials used to manufacture animal feed.

Mr. President, I urge my colleagues to join us in support of this vital

amendment, which we offer on behalf of our Nation's farmers.

Mr. PACKWOOD. Mr. President, will the Senator from South Dakota yield for some questions?

Mr. ABDNOR. I yield.

Mr. PACKWOOD. Is the basis for the exemption the Senator asks premised upon the hard times that agriculture is now having?

Mr. ABDNOR. That certainly is a large part of it, yes. I represent, perhaps, the most agricultural State in the United States. In saying that, I do not mean to imply that some other States do not produce more agriculture products. Rather, I am saying that on a per capita basis, no State produces more than my State. South Dakota is totally agricultural—agriculture is our number one industry.

The administration does not favor this new tax and I certainly must oppose the imposition of a new tax on our agricultural sector.

Mr. PACKWOOD. Let me rephrase my question.

In adopting this excise tax, we have encompassed all manufacturers with more than $5 million in sales. We have exempted all small manufacturers. To the extent that small manufacturers make fertilizer and animal feed, they are already exempt. We have convered all other businesses in the excise tax, whether or not they contribute to pollution.

Does the Senator agree to that?

Mr. ABDNOR. I do not wish to create a big argument here but, I must ask the Senator from Oregon, has he not exempted timber and fish? Does the bill before us exempt tuna fish in the can?

Mr. PACKWOOD. My good friend knows that is not true. We have exempted unprocessed agricultural products from the excise tax.

Mr. ABDNOR. Unprocessed?

Mr. PACKWOOD. Unprocessed agricultural products, including timber, which is a tree that you cut down, and fish which you catch. Once the fish goes to the cannery, once the log goes to the mill, once the wheat goes to the miller, they pay the excise tax.

Mr. ABDNOR. That is the Senator's interpretation. Is this clarified in the committee report? I don't believe it is. I believe a broader interpretation might be applied. At what point is the fish taxed? After it is scaled, after it is frozen, at what point is it considered processed, as opposed to unprocessed.

Mr. PACKWOOD. It is very clear. It says unprocessed.

Mr. ABDNOR. I do not believe it is clear.

However, this was not going to be my point of argument. My point of argument is that this is not the time to be imposing new taxes on American farmers. Plus, they do not make a contribution to the problem we are trying to correct through CERCLA.

Mr. PACKWOOD. Mr. President——

Mr. ABDNOR. I have the floor, but I will yield.

The PRESIDING OFFICER. The Senator from Oregon has the floor now.

Mr. PACKWOOD. I am glad that my distinguished colleague now indicates that the principle reason for exempting agriculture is that this is not the right time to put a tax on agriculture. Every industry that is going to be subject to this excise tax, as best as I can tell, does not want to be subject to this excise tax.

On October 30, 1985, 95 organizations and manufacturers sent a letter to the chairman of the Ways and Means Committee, Chairman ROSTENKOWSKI, asking the Ways and Means Committee to exempt them from the Superfund tax. The Ways and Means Committee has not acted yet, and I do not know what they are going to do.

But among those were the American Apparel Manufacturers Association, the American Textile Manufacturers Institute, the National Tooling and Machining Association—all of those hard pressed by imports, all of those who would say they are in as dire straits as agriculture.

I understand why agriculture does not want to be covered. I understand, and I might read some of the other manufacturers on the list—American Standard, Carnation, Litton, Deere, Whirlpool, Caterpillar, General Motors, and on and on—that do not want to be covered.

Here is what we were up against. Fertilizer is already exempt. Under the current feedstock tax. S. 51 provides an additional exemption, from the feedstock tax, for animal feed.

Superfund runs out the end of this month. Over the last 5 years it has been a $1.5 billion program. Over the next 5 years if the Senate bill passes it is going to be roughly a $7.5 billion program.

So we have to decide where we are going to find $6 billion. Shall we increase the feedstock tax? Feedstocks are the basic building blocks out of which most other products are made.

If we increase the feedstock tax we further damage the trade imbalances between domestically produced feedstocks and imported goods made from these feedstock building blocks. When we tax the feedstock and export the plastic toy, we have taxed the feedstock when it went into the plastic toy, but the plastic toy when it comes into this country from a foreign country has never had a feedstock tax imposed on it.

We did not want to increase the feedstock tax and damage our trade. We did not want to increase the petroleum tax.

The administration suggested a form of a waste end tax which met almost universal disapproval. There was a controversy concerning whether hazardous waste subject to tax should be measured by wet weight or dry weight. There was strong environmental objection to a waste end tax because they were afraid that it would encourage unsound waste disposal practices.

So we dismissed that, and there was no serious support for a waste end tax.

The administration does not support this funding level. They only want $5 billion. But we had that debate several days ago in this Chamber. The Senator from Idaho offered a funding amendment. It was soundly thrashed.

So if we were going to get $7.5 billion, where do we go?

I went back to the administration and said what about giving us some alternative methods of taxation? They initially gave me a list that had about $40 billion in taxes on it, cigarette taxes included, and said, "If you pick from among these." I said, "No, no, you are not going to get me to pick from among these. You tell me where you want to get the money specifically."

What they finally came back with is a suggestion that half of this program be funded out of general funds, that is, out of the deficit.

We said that is not going to do, when we are running a $200 billion deficit. It is out of the question to increase the deficit further by roughly $3.5 billion to $4 billion to fund the Superfund Program.

Then we began to get the information on those manufacturers who are actually involved in pollution in this country. It is interesting to read the list of those who signed the letter to Chairman ROSTENKOWSKI, signed the letter not wanting to be taxed, who had been named as responsible parties to abandon hazardous waste sites—American Standard, Carnation, Litton, Gould, Whirlpool, General Motors, Ralston-Purina, Beatrice, Eaton, White Consolidated, and others. They are already polluting and not paying anything under the current feedstock tax or the petroleum tax.

Then when we had the marvelous study indicating who benefits from these chemicals that are produced, and it became apparent that all of America benefits. So we came up with a very minor tax, with great credit to Senators BENTSEN, WALLOP, ROTH, and LONG, of 0.08 percent on manufacturers with sales in excess of $5 million. We eliminated small manufacturers and we said henceforth the standard will be as follows: We will have a feedstock tax at the same level we now have it. We will have a petroleum tax at the same level we now have it—these two taxes produce about $1½ billion of the $7½ billion, and the remainder of it in bulk we will finance out of this tiny excise tax. And we are going to levy it on all manufacturers

over $5 million, whether or not they have been found to contribute to the pollution or whether or not they do, because everyone benefits in this country from the products made.

Bear in mind, we already exempt animal feed and fertilizer from the feedstock tax. Under the amendment of the Senator from South Dakota, agriculture now wants to be exempt from the excise tax in terms of the fertilizer and the animal feed that they use, although they are already exempt for unprocessed agricultural products. Everything they grow under the excise tax is already exempt, and now they want to exempt the products they buy from the companies.

I ask you in that case where does it stop? If agriculture is hurting, are textiles not? Are those who manufacture oil rigs hurting? I might ask the Senator from Texas. Are they hurting? Are there industries in this country that are so well off they can afford this tax? Of course none of them are.

This is an American problem for which all Americans are going to be paying a very slight amount.

If we start down the road of saying yes, but not me, but not me, but not me, then what we have is the Tax Code again. We are all in favor of tax reform, but not me.

I find it almost criminal after the extraordinary exemptions in both the feedstock tax and the excise tax that agriculture already has, that they now want to exempt fertilizer and animal feed.

This, they say, is one little exemption that does not cost much. Every one of these other 95 companies wants a little exemption that does not cost much. Add it all up and the cost is huge.

Mr. BENTSEN. Mr. President, the Senator from South Dakota is certainly right when he talks about the farmers being in trouble. I know what is happening to the farmers in South Dakota and to those in Texas and across this Nation. I have never seen the foreclosure rate as high as it is now, and we are all concerned about them.

In the Finance Committee, we were concerned to the point that as we proposed this Superfund tax we gave a total exemption for unprocessed agricultural products. This is the only exemption that we have given, the only one, in recognition of that very factor that he is talking about.

Now he proposes to exempt fertilizer. Well, if you are going to exempt fertilizer, you have to look at farming as a very capital-intensive business. How about the tractors? How about those pickups? Where do you stop?

Then if you do that for agriculture, as my friend Senator PACKWOOD, the chairman of the Finance Committee, stated, how about all the other industries that are involved?

So I say to my friend from South Dakota, I sympathize with what he is trying to do and what he wants to do, but I do not know where we draw the line. If we give that kind of exemption to the fertilizer industry, then how about the rest of them? I just do not think we should start down the road of trying to put together a fair tax, a manufacturer's excise tax, for Superfund, only to see the tax riddled with exceptions at this point.

I will tell you this, if the Senator wins on his amendment, we would be here not only the rest of the day but the rest of the week as Senators lined up with their amendments to say, "I want to take care of my special interest in my particular State."

So I would urge very strongly that the Senate resist this. I see that the Senator has some very fine sponsors on his amendment. But I believe that many of those sponsors signed up without fully realizing what we faced in the Finance Committee in trying to structure this measure.

Mr. President, with the indulgence of my colleagues, I would like to describe the process the Finance Committee went through to put the Superfund excise tax together.

The problem of how to fund the Superfund is really a question of how to choose among unpleasant alternatives. No one likes to propose new taxes; no one likes to propose increasing the deficit.

Look what we were faced with in the Finance Committee: The current Superfund Program is approximately $300 million per year in size. There is almost unanimous agreement that the program should be expanded very significantly. At the low end, the administration proposes to increase the program more than threefold. The Environment and Public Works Committee reported out a bill expanding the program about fivefold.

So the Finance Committee was faced with financing a very much larger Superfund Program. And there are no easy ways to raise taxes.

One fact was clear to the committee: Raising the current tax—the so-called feedstock tax on chemicals—is a bad choice. The feedstock tax was originally enacted not for reasons of equity, but for reasons of convenience: It was convenient to impose a tax on chemical companies. But we must recognize that Superfund is a much broader problem. Chemical companies may produce chemicals; but other manufacturers use them and dispose of them.

We also have to recognize that we are talking about cleaning up sites for which responsibility is unknown. Any company that currently generates waste is responsible for that waste. And parties identified as responsible for a Superfund site have to pay to clean up the site. We are talking here about unidentified sites that could be 20, 30, 50 years old. Why should one industry be responsible for all unidentified sites?

Nor can one industry support a substantially expanded Superfund. The revenues required under the original law could be collected without significant economic side effects, but there is just no question that increasing the feedstock tax would simply drive our chemical and petrochemical industry offshore. And it's very simple to understand why: If you're a U.S. chemical company in Saudi Arabia you can sell your products to your customers without incurring the tax; so why should you produce any chemicals in the United States, where your profits will be taxed away by the feedstock tax?

As it is, our chemical industry could go the way of the steel industry or the footwear industry. Currently the chemical industry is one American bright spot, with a trade surplus of more than $10 billion last year. But the Wall Street Journal reported on May 13 of this year that chemical industry profits fell 37 percent in the first quarter—over three times greater than the drop among all industries. Do we want a declining tax base for the Superfund? No, we want a reliable and predictable source of revenue. Even with a strong recovery in the industry, Saudi Arabia and other oil countries are bringing new refining and chemical capacity on line, and this competition will continue to squeeze prices and profits.

For all these reasons, the committee rejected any increase in the feedstock tax.

Another possibility considered by the committee was a tax on hazardous wastes—a so-called waste-end tax. It is certainly an attractive idea to have a tax that would induce companies to minimize the creation of hazardous wastes. And in fact, with the Senator from New York, Mr. MOYNIHAN, I introduced a bill in the last Congress and again early this year calling for a waste-end tax for Superfund.

But the problem with a waste-end tax is primarily that, by itself, it cannot raise enough money to fund the program adequately. The usual estimates for the waste end bills that have been introduced are that they could raise no more than $300 million per year, which is far short of the revenue needed for the program.

I realize that the administration proposed a waste-end tax that they estimated would raise about $600 million per year, but most experts who have looked at it are very dubious about this estimate. In addition, the administration's proposal would tax wastewater to achieve much of its revenue, even though wastewater has not been responsible for Superfund sites

and usually contains little hazardous material.

The issue of whether to tax wastewater is merely one of numerous issues concerning exactly how to structure a waste-end tax. For example, should underground injection of hazardous wastes be taxed? Should wastes headed for treatment be taxed? Should the tax be computed on a wet-weight basis or a dry-weight basis? These are some of the nettlesome issues in putting together a waste-end tax. The committee felt that it probably did not make sense to resolve all these issues if the revenues were going to be insufficient anyway.

So the committee turned to broad based taxes. There were several proposals before the committee. My colleague from New Jersey, Senator BRADLEY, who has been a leader in the effort to reauthorize the Superfund Program, had proposed a tax on the net receipts of large corporations. Senators CHAFEE and MITCHELL had suggested an additional income tax for large corporations. And Senator WALLOP and I introduced a bill calling for a manufacturers excise tax. The committee eventually approved the manufacturers excise tax. The committee also worked closely with Senator BRADLEY, and adopted features of his net receipts tax proposal.

Now why did we choose a manufacturers excise tax? I suppose an income-tax surcharge for corporations would have been the simplest solution. But most of us feel income-tax rates are high enough as they are. More importantly, the committee felt that it is time for tax policy to take into account our country's competitiveness in the world economy.

The problem with corporate-income taxes is simple: Corporate-income taxes represent a cost of doing business for U.S. companies trying to compete against foreign goods. Foreign goods brought into this country do not bear the burden of our income tax. To impose a corporate-income-tax surcharge can only increase the cost of doing business for U.S. companies and reduce their competitiveness in the world economy.

The Superfund excise tax avoids this problem by taxing imports and exempting exports. So all products sold in this country, whether imported or domestic, will bear the same tax. And U.S. exports will not bear a tax that foreign goods do not bear. European countries have been doing this for decades.

It may be true that the trade effect of this bill is not large by itself. But that isn't the point, it seems to me. Trade effects accumulate. Neither the Congress nor the executive branch of our Government has given much thought to trade in recent years. We thought we did not have to. Well, we have to. And it simply doesn't make sense to enact any new revenue measures that cannot be applied to imports and foregone on exports.

I think that a manufacturers tax also has a clear relationship to the Superfund problem. Almost all manufacturers, not just the chemical industry, have either contributed to pollution directly, or have made use of products that gave rise to pollution. Take the supposedly clean high-tech industry. How come some of the worst Superfund sites are in Silicon Valley? It is because of solvents used by chip manufacturers. And how about grocery manufacturers? Cardboard boxes, plastic wraps, inks, and other chemical products are indispensible to this industry.

Sure, chemicals are found in Superfund sites, but does that mean the chemical companies put them there? Sometimes yes, but at least as often, no. Take a look at the list of the parties identified as responsible for the Stringfellow site in California. You will find names like General Foods, Carrier, Hughes Aircraft, and Teledyne.

In putting together the new Superfund tax, we also wanted to keep it as simple as possible. One feature we built in is an exemption for manufacturers that have less than $5 million in sales. According to the Joint Tax Committee, this limits the number of taxpayers to about 30,000.

Even with the liberal exemption for small manufacturers the tax rate in the bill is still very low—only 0.08 percent. That is only $4,000 on sales of $5 million.

The Superfund excise tax also will require little or no additional recordkeeping. It piggybacks onto numbers and concepts already required for income-tax returns. It also has a simple credit mechanism to mitigate multiple taxation as a product moves through the chain of production. Each manufacturer along the chain will receive a credit for tax included in materials that they buy for the business. To compute the credit, no invoices or other records showing the tax actually paid on the materials will be required. Instead, under a formula, taxpayers will simply compute the credit from the gross amount paid for materials.

In summary, Mr. President, the Finance Committee has chosen a manufacturers excise tax as the best alternative for significantly expanding the Superfund Program. I urge the Senate to approve our measure, and I urge the Senate to turn down the amendment of the Senator from South Dakota.

Mr. DURENBERGER. Mr. President, I rise to support the amendment offered by the Senator from South Dakota. I am a member of the Finance Committee, as well as a member of the Environment and Public Works Committee, as are a number of our colleagues here.

I guess I would begin my discussion of the issue on the question posed to the maker of the amendment by the chairman of the Finance Committee, and that is why does he propose the exemption? I think we all heard the response. I will answer it somewhat differently with regard to this exemption and perhaps with regard to some other exemptions that I might be able to dream up, but I will not, I say to my colleague from Texas, I will not in any way. If I had the opportunity, or if I had been given the opportunity by the administration, which seems to be dead set against this excise, to assist them in some way in altering this tax and replacing it with some other tax, I would be here doing that rather than what I am doing now.

But I would answer the question this way: I would go back to the list that the chairman of the Finance Committee put out. He only started to read the list and I am sure it is much, much longer than he was able to read into the RECORD. The reality is that there are a whole lot of people in this country that do not want this particular tax added to the cost of doing business in this country. Some of them are as hard-pressed as farmers and machine tool manufacturers and so forth, and others who are doing pretty well, the General Motors and some of the other people on that particular list.

But if I were looking for what might be a common thread that might tie some of these objections that goes beyond the hardship case made for farmers by my colleague from South Dakota, I would say that most of these people, if asked:

Should this country have some kind of a consumption tax, some kind of a value added tax, something that taxes the consumption of goods and services in this country rather than taxing the people who have to go to work to make these goods and services?

I will bet you that a vast majority of the people in this country would say:

I'm for it. I would much rather have a part of the tax for producing goods and services in this country be on the consumers of those goods and services than have the whole load dumped on the producers.

Nobody else around the world does it the way we do it. The consumers get off scot-free. Only the producer in this country, the worker in this country, pays for the privilege of putting a good or service on the market.

So I think if all those people on that list were here and asked, "Why do you propose to be exempted from the tax?" they would say:

Not because I'm against a manufacturers tax, but because when this country goes to some kind of consumption tax, goes to some kind of value added tax, I want to get something for it. I want to get something back.

If it went to deficit reduction and we knew it went to deficit reduction, then I think the farmers would say:

By gosh, anything you can do to reduce the deficit ought to help the balance of trade and ought to help the currency and ought to help this, that, and the other thing, and it is going to help me on the farm.

The same thing would be said by the machine tool people and a lot of other people that are hard pressed by the impact of the deficit.

I suspect that if you said the proceeds of this tax are going to reduce the growth in the payroll tax, the Social Security tax, which we are going to take up from a maximum this year of $5,400 per worker in America to $8,000 per worker 3½ years from now, and if we used some kind of a consumption tax or manufacturer's excise tax or producer's excise tax, or whatever it is, to slow the rate of growth of taxing the American worker in this country, I suspect people would say, "That is not too bad an idea," particularly if you are a farmer and on the first dollar of your income you are starting to pay a Social Security tax in this country and on the last dollar, at $39,000, or whatever it will be, you are up somewhere in the neighborhood of 14 percent.

I guess that, for sure, in effect—and the chairman of the committee can correct me—for sure, by the end of this decade, we are going to have a full-blown 15.3 percent Social Security tax on every self-employed person in this country, including those farmers, for a Social Security system that is $7 trillion unfunded at the present time.

So if they had that kind of a trade-off, Mr. President, if they could say, "When I pay that on my fertilizer, or I pay it on whatever, I am going to get something back for it in terms of a reduced payroll tax," maybe the Senator from South Dakota would not be on the floor with his exemption. But they are not.

What are they getting for it? What are they getting for it? I really do not know what the farmers of South Dakota are getting for it. I know what New Jersey will get for it. New Jersey will get the help of General Mills in Minnesota and the farmer next door to Senator ABDNOR in South Dakota to help clean up a lot of toxic waste disposal areas in New Jersey which New Jersey permitted them to go ahead and put there in the first place. So I think someone in South Dakota would scratch his head and say:

Hey, wait a minute. Why are you putting this brand new tax, this brand new consumption tax, this price of doing business on a business I cannot afford anyway? Why are you putting that on me to do something with toxic waste? What is the connection between what I am doing in agriculture and these toxic waste dumps?

Now, as we go through the chairman's list of manufacturers, I suspect we could find some manufacturer who probably should not be on the list of complainers, manufacturers like General Motors, who have elaborate paint plants. They spray paint on all of the automobiles and in the finishing process and they then use huge amounts of water to take those chemicals out, perhaps into some river like the Mississippi River. I believe that Ford Motor Co. does that in my State. Now, there is a way in which there is some logical connection between a manufacturer's excise tax and a pollution problem of some kind. I could probably think of other examples, but they just do not seem to come to me right now.

But I think if you went through some of these lists of companies that manufacture, Mr. President, who use chemicals of one kind or another in the manufacturing process, which chemicals end up being a pollutant of some kind, I suppose you could find a logical connection between their obligation to share in the cost of the Superfund and the obligation that we have already saddled on the chemical industry in this country.

But to take it to the farmers, to take it out to everybody, Mr. President, all this is opening the door to a large tax that the President has already said he does not want and he is going to veto, to a large tax that I happen to support if it were used for a productive purpose.

But in connection with the bill before us, the Superfund bill, my greatest concern about it, and the reason that I really do support my colleague from South Dakota is simply that once you turn on the spigot of the manufacturers' excise tax it is a freebie. As soon as you hit $5 billion sales, whatever the magic mark is, on comes your spigot. You start paying the manufacturers' excise tax and the more folks who get in that category the more people will take the obligation to pay the manufacturers' excise tax, by gosh the more money there is going to be in the Superfund fund, and the more money there is in the Superfund fund the more reasons we are going to have to pay to expand that fund, and the more reasons we are going to get into that fund to use that money for Lord knows what.

You can find any kind of contamination anywhere; go into Superfund and take some of that money out of there. And pretty soon you do not know whether the fund is driving the spigot or the spigot is driving the fund, or whatever it is. But we have gone beyond the intention of a very good piece of environmental legislation in Superfund because we have designed in the Finance Committee this new spigot which, Mr. President, I think this country needs, and I compliment the committee. I compliment my colleagues from Oregon, and Texas, and all the other people who had a role in designing this thing. I think this country needs it. But I do not think they need it on this particular piece of legislation. For sure, if it is going to be on this piece of legislation, do not put it on the farmers of this country.

Mr. ABDNOR. I thank my good friend, the Senator from Minnesota, for those words. Let me first say of the many sponsors that I have listed to my amendment a good many of them serve on the Finance Committee. So it is not reasonable to say that those individuals did not realize and recognize what they were doing when they put their names on my amendment.

I can also ask the question: Just name one site, one agricultural Superfund site—just one. In 1980, we mandated a study under the original Superfund bill which includes an assessment of the extent to which fertilizer contributes to our waste site problems. Let me quote EPA's 301(a) report:

There is little evidence that fund resources have been or may be used to respond to fertilizer-related chemicals. Of approximately 210 removals that occurred between December 1980 and September 1983 only one—

only one—

is likely to be fertilizer related. Similarly, analysis of remedial action data indicate no information—

no information—

which clearly suggests fertilizer-related fund expenditure experience.

There is one comment I must make to the Senator from Minnesota. The farmer has to make a little income before he pays any of those taxes. I can assure you without any reservation, a good percentage of the farmers of this country are not worried about paying any taxes because they will show a loss this year, as they have in other years. Their biggest cost next to the interest they are paying on their 212 billion dollars' worth of indebtedness is fertilizer and feed, the very products we are attempting to tax through S. 51. Let me point out one other major difficulty, as I feel so strongly about this. Name one of those groups which was cited which would contribute to this fund that will not pass it on to somebody. You tell us for 1 second, gentlemen, how the farmer is going to pass this added cost on. I can tell you right, he is getting $1 less for corn this year than he did a year ago.

I personally can tell you I got more for wheat at the end of World War II than a farmer gets today. Yet, we pass on cost after cost after cost. We are not satisfied. This bill imposes an additional burden on our Nation's farmers, even though they are not making any income. This bill requires that they contribute to cleaning up somebody else's waste sites. I hope my colleagues recognize that and think about that for a moment.

I sat in this Chamber, and I have seen a great many measures passed that have provided some relief and consideration to groups that were hurting. Think of the unemployment tax. When the dollars ran out of the fund, we did not hesitate to go to the Treasury for additional dollars. Speaking of unemployment, the people who were unemployed at that moment were making more money through their unemployment compensation than my farmers were every morning they started up their tractor to go to work. Yet, not much consideration is being given to the farmers in this revenue-raising scheme. I wonder what the new farm bill will include. That will depend upon this body and what we do with it. Hopefully, our farmers will start showing some profits. However, I see little reason for encouragement.

I cannot believe that the Members of this U.S. Senate would stand here on the floor today and cast a vote to add another straw to the back of the American farmer that is going to break that back. That is the position he is in. You bet, Mr. Chairman. I admit my amendment is intended to help the farmers of this Nation. I do not apologize for that. Maybe it is an exception. But this is a time for exceptional things when agriculture is depressed and hurting as badly as it is today. I hope Senators who are not here today on the floor, and I regret that four of the cosponsors of my amendment are necessarily absent, at this moment are listening and will give this issue very, very serious consideration because I would like to ask for a rollcall vote, Mr. President.

The PRESIDING OFFICER. Is the Senator requesting the yeas and nays?

Mr. ABDNOR. Yes.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRASSLEY. Mr. President, I join with my colleague, Mr. ABDNOR, and others in offering this amendment that would extend the category of unprocessed agricultural products to include fertilizer, animal feed, and raw materials used to produce fertilizer and animal feed, for exemption from the Superfund excise tax.

This amendment would extend to fertilizer and animal feed the same exemption from tax these products are currently accorded under the Superfund feedstock tax. The cost of cleaning up hazardous waste sights should not be borne by the farmers in my State of Iowa. They cannot afford additional burdens at a time when their cost of production already exceeds the price they receive for their crops.

EPA studies have confirmed that fertilizer and ferilizer raw materials have not contributed to the environmental problems associated with abandoned hazardous waste disposal sights. An exemption from the Superfund excise tax for fertilizer would confirm the intent of Congress to minimize any additional tax burdens which would be passed on directly to our Nation's farmers.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I conclude as follows: How many times have we heard Senator LONG, the distinguished former chairman of the Finance Committee, say, "Don't tax you, don't tax me, tax the man behind the tree." We have already exempted in this bill from the excise tax the principal product from which farmers make money—their crops. I assume that is what most farmers make money from. If they make any money at all, it is out of what they grow—which is totally exempt. I will say once more this excise tax was added because we turned and turned and turned to dozens and said where else do you want to get the money? This administration that claims to be adamant against the deficit says get half of it out of the general fund. They could not find any other tax. We go to everyone who opposes the excise tax and say, "Do you want us to increase the feedstock tax?" "No." "Petroleum tax?" "No." "Special manufacturers' corporate surtax?" "No." "Where?" "Oh, I don't know. But don't tax me."

I asked my good friend from South Dakota where to get the money. He said, "I don't know. Don't tax farmers." And we have exempted farmers from the bulk of this tax and what they are saying is give me more. If that is where we stand as we approach this tax and the tax reform bill, give me more. God help this country.

The PRESIDING OFFICER. Is there further debate? If not, the question is on the amendment of the Senator from South Dakota. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from North Carolina [Mr. EAST], and the Senator from Oklahoma [Mr. NICKLES] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] and the Senator from Oklahoma [Mr. BOREN] are necessarily absent.

I also announce that the Senator from Montana [Mr. BAUCUS] is absent because of death in the family.

I further announce that, if present and voting the Senator from Montana [Mr. BAUCUS] would vote "yea."

The PRESIDING OFFICER (Mr. CHAFEE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 48, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—46

Abdnor	Exon	Murkowski
Armstrong	Ford	Pressler
Bingaman	Garn	Proxmire
Boschwitz	Grassley	Pryor
Bumpers	Hatch	Simpson
Burdick	Hawkins	Stennis
Byrd	Heflin	Stevens
Chiles	Helms	Symms
Cochran	Hollings	Thurmond
D'Amato	Johnston	Trible
DeConcini	Kasten	Warner
Denton	Laxalt	Weicker
Dixon	Levin	Wilson
Dole	Mattingly	Zorinsky
Domenici	McClure	
Durenberger	Melcher	

NAYS—48

Bentsen	Hatfield	Mitchell
Bradley	Hecht	Moynihan
Chafee	Heinz	Nunn
Cohen	Humphrey	Packwood
Cranston	Inouye	Pell
Danforth	Kassebaum	Quayle
Dodd	Kennedy	Riegle
Eagleton	Kerry	Rockefeller
Evans	Lautenberg	Roth
Glenn	Leahy	Rudman
Goldwater	Long	Sarbanes
Gore	Lugar	Sasser
Gorton	Mathias	Simon
Gramm	Matsunaga	Specter
Harkin	McConnell	Stafford
Hart	Metzenbaum	Wallop

NOT VOTING—6

Andrews	Biden	East
Baucus	Boren	Nickles

So the amendment (No. 683) was rejected.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 684

(Purpose: Relating to remedial actions at Federal facilities)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 684.

Mr. WILSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

"DEPARTMENT OF DEFENSE ENVIRONMENTAL RESTORATION PROGRAM

SEC. . (A) ENVIRONMENTAL RESTORATION PROGRAM.—

"(1) IN GENERAL.—The Secretary of Defense (hereafter in this section referred to as the "Secretary") shall carry out a program of environmental restoration at facilities under the jurisdiction of the Secretary. The program shall be known as the 'Defense Environmental Restoration Program.'

"(2) APPLICATION OF SECTION 117.—The program shall be carried out subject to section 117 (relating to Federal facilities).

"(3) DESIGNATION OF ADMINISTRATIVE OFFICE WITHIN OSD.—The Secretary shall identify an office within the Office of the Secretary which shall have the responsibility for carrying out the program.

"(b) PROGRAM GOALS.—Goals of the program shall include the following:

"(1) The identification, investigation, research and development, and cleanup of contamination from hazardous substances and wastes.

"(2) Correction of other environmental damage, such as detection and disposal of unexploded ordnance, which creates an imminent and substantial endangerment to the public health or welfare, or to the environment.

"(3) Demolition and removal of unsafe buildings and structures, including buildings and structures of the Department of Defense at sites formerly used by or under the jurisdiction of the Secretary.

"(c) RESPONSIBILITY FOR RESPONSE ACTIONS.—

"(1) BASIC RESPONSIBILITY.—The Secretary shall carry out (in accordance with the provisions of and this title) all response action for which the Secretary is responsible with respect to releases of hazardous substances from each of the following:

"(A) Each facility or site owned by, leased to, or otherwise possessed by the United States and under the administrative jurisdiction of the Secretary.

"(B) Each facility or site which was under the administrative jurisdiction of the Secretary and owned by, leased to, or otherwise possessed by the United States at the time of actions leading to contamination by hazardous substances.

"(C) Each vessel of the Department of Defense, including vessels owned or bareboat chartered and operated.

"(2) STATE FEES AND CHARGES.—The Secretary shall pay all fees and charges imposed by State authorities for permit services for the storage or disposal (or both) of hazardous substances on lands which are under the administrative jurisdiction of the Secretary to the same extent that nongovernmental entities are subject to fees and charges imposed by State authorities for permit services. This requirement shall not apply where such payment is the responsibility of a lessee, contractor, or other private person.

"(d) SERVICES OF OTHER AGENCIES.—The Secretary may enter into agreements with any other federal agency, and on a reimbursable or other basis with any State or local government agency, to obtain the services of that agency to assist the Secretary in carrying out any of his responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any off-site contaminations possibly resulting from the release of a hazardous substance or waste at a facility under the Secretary's administrative jurisdiction.

"(e) ENVIRONMENTAL RESTORATION TRANSFER ACCOUNT.—

"(1) ESTABLISHMENT OF TRANSFER ACCOUNT.—

"(A) ESTABLISHMENT.—There is hereby established an annual appropriation account for the Department of Defense to be known as the 'Environmental Restoration, Defense' account (hereinafter in this section referred to as the 'transfer account'). All sums appropriated to carry out the functions of the Secretary relating to environmental restoration under this or any other Act shall be appropriated to the transfer account.

"(B) REQUIREMENT OF AUTHORIZATION OF APPROPRIATIONS.—No funds may be appropriated to the transfer account unless such sums have been specifically authorized by law.

"(C) AVAILABILITY OF FUNDS IN TRANSFER ACCOUNT.—Amounts appropriated to the transfer account shall remain available until transferred under paragraph (2).

"(2) AUTHORITY TO TRANSFER TO OTHER DOD ACCOUNTS.—Amounts in the transfer account shall be available to be transferred by the Secretary to any other appropriation account or fund. Funds so transferred shall be merged and available for the same purposes and for the same period as the account or fund to which transferred.

"(3) OBLIGATION OF TRANSFERRED AMOUNTS.—Funds transferred under subsection (b) and subsection (e)(2) may only be obligated or expended from the account or fund to which transferred in order to carry-out the functions of the Secretary under this Act of environmental restoration functions under any other Act, including functions for removal of unsafe buildings or debris of the Department of Defense at sites formerly used by the Department of Defense.

"(4) LIMITATION ON EXPENDITURES.—

"(A) GENERAL RULE.—The Secretary may not obligate or expend funds for purposes of this Act or any other purpose relating to environmental restoration other than funds transferred from the transfer account.

"(B) EXCEPTION FOR EMERGENCY RESPONSE ACTION.—The Secretary may obligate or expend funds which are available to the Secretary for operation and maintenance to carry out emergency response actions authorized under this Act whenever the Secretary determines that such obligation or expenditure is necessary to protect the public health or welfare, or the environment. In any such case, the operation and maintenance account concerned shall be reimbursed from the transfer account.

(C) REPROGRAMMING.—Any reprogramming request relating to environmental restoration into the transfer account must be forwarded to the Senate Armed Services Committee, the House Armed Services Committee, the Senate Appropriations Committee and the House Appropriations Committee on a notification basis. The request for reprogramming will be considered approved unless action to the contrary is taken by any one of those committees within a 21-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the reprogramming request, if the committees approved the request before the end of that period).

"(5) AMOUNTS RECOVERED UNDER SUBTITLE A.—Amounts recovered under section 107 for response actions of the Secretary shall be credited to the transfer account (if appropriated by Congress for that purpose).

"(f) MILITARY CONSTRUCTION FOR RESPONSE ACTION.—

"(1) AUTHORITY.—Subject to subsection (b), the Secretary may carry out a military construction project not otherwise authorized by law if necessary to carry out a response action under this Act.

"(2) CONGRESSIONAL NOTICE-AND-WAIT.—

(A) NOTICE TO CONGRESS.—When a decision is made to carry out a military construction project under this section, the Secretary shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include the following:

"(i) The justification for the project and the current estimate of the cost of the project.

"(ii) The justification for carrying out the project under this section.

"(iii) A statement of the source of the funds to be used to carry out the project.

"(B) OVERSIGHT PERIOD.—The project may then be carried out only after the end of the 21-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the project, if the committees approved the project before the end of that period).".

Mr. WILSON. Mr. President, this amendment is one that has been cleared with both sides of the aisle. It is designed to provide necessary tools to the Department of Defense in their efforts to clean up hazardous wastes at military sites across the country. It seeks to do two things which will remove conflict and expedite the implementation of this toxic waste cleanup at military bases.

The amendment establishes, first, an environmental restoration program within the Defense Department and sets up an accounting mechanism within the DOD budget designed to give the military the funding flexibility they need to respond in a timely fashion to the threat of toxic waste contamination. This amendment essentially authorizes a program that—with great foresight—was created by line-item appropriation by my good friend, the senior Senator from Alaska, the distinguished chairman of the Defense Appropriations Subcommittee.

The major change made by this amendment to the existing program is really an accounting change that will result in giving the DOD greater funding flexibility. The amendment establishes a transfer account for hazardous waste cleanup wherein it will be prohibited to transfer funds out of this account for other kinds of uses.

Mr. President, this does not create additional funding. The Department of Defense through the same process will determine what its needs are. But the accounting change is important because it resolves the inherent conflict within the Department of Defense that I think was not intended but one that has pitted national security requirements against environmental needs and it will be a surprise to no one that conflict has ordinarily been resolved in favor of national security. That would be all for the good, Mr. President, except, as I say, I think the conflict was unintended and it is unnecessary.

The answer to this inherent conflict is to separate these functions. The two functions should be separated from each other so that one will not be consistently in competition with the other for these scarce dollars, and that is exactly what the establishment of an en-

vironmental restoration transfer account does as provided in this amendment.

The second change is to provide that the amendment will exempt hazardous waste cleanup projects from the existing requirements in the law to secure a line-item military construction authorization.

The reason for this, as my colleagues know, is that any military construction project costing in excess of $1 million requires a specific line-item authorization in the military construction authorization bill that we enact each year.

The problem with this approach to hazardous waste cleanup projects costing as much as $350 million—and one example is the Rocky Mountain Arsenal—is the average time to take proposed military construction from the drawing board to the President's desk for signature runs from 3 to 5 years. While this kind of deliberation may be appropriate for regular military construction projects which are for MILCON dollars, it represents an unwise and unnecessary delay when we are talking about the immediate need to clean up toxic waste at military bases.

So, my amendment makes an exception for hazardous waste cleanup projects and allows the Secretary to obligate funds from the environmental transfer account which is virtually a trust account under this amendment for construction projects without prior congressional authorization. Provision is made in the amendment for a 21-day notice period before the appropriate committees of Congress when the Secretary decides to obligate moneys that would otherwise require military construction authorization.

Mr. President, I think these two changes will achieve a desirable expediting of the kind of efforts that many base commanders are trying to make.

I visited four installations in California this summer that are on the national priority list, which my colleagues understand is an indication that they are among the most serious offenders.

This amendment is targeted exclusively to the Defense Department for two reasons:

First, the DOD sites comprise the vast preponderance of Federal facility sites that will require cleanup, and, second, the kind of funding restrictions that we find attached to the MILCON process within the DOD budget does not generally apply to other departments, such as the Department of Energy and Department of Interior.

Mr. President, I commend this amendment to my colleagues for its adoption, and I am aware of no opposition. I think that it is the result of the kind of complaints that I was getting from base commanders this summer who were trying as best they could to deal with the existing constraints in the law. I think those constraints should be removed. They are serving no interests.

Mr. STAFFORD. Mr. President, we have examined the amendment offered by the able Senator from California [Mr. WILSON], and we believe it will improve the overall bill, and we are, therefore, prepared to accept it.

Mr. BENTSEN. Mr. President, in examining for the minority on this committee, it is the opinion of the Senator from Texas that this improves the procedure for the cleanup of sites of the Defense Department and we are happy to support it.

The PRESIDING OFFICER. If there be no further comments, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 684) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILSON. Mr. President, I only express my gratitude to the distinguished manager and the distinguished ranking minority member and the staffs for the very extraordinary degree of cooperation. They were of enormous assistance to us in achieving this purpose.

Mr. STAFFORD. Mr. President, I thank the distinguished Senator for his kind words.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 686

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated. I suggest the clerk read it all.

Mr. STAFFORD. Mr. President, will the able Senator from North Carolina be willing to forgo for a short amendment by the Senator from Pennsylvania that will not be opposed?

Mr. HELMS. Absolutely. I will be delighted to do so.

Mr. STAFFORD. I thank the Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that my amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from North Carolina for yielding.

AMENDMENT NO. 685

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 685.

Mr. SPECTER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . Section 301 of CERCLA is amended by adding the following new subsections:

( ) The Administrator of the Environmental Protection Agency and the Attorney General shall submit to Congress annually on the first day of January a report including:

(1) The rules, guidelines, criteria and procedures used to determine which potentially responsible parties to include as defendants in a judicial or administrative enforcement action under this Act;

(2) The rules, guidelines, criteria, and procedures used to develop facts and information regarding potentially responsible parties at priority sites and to provide such information to potentially responsible parties in order to assist the settlement process;

(3) The rules, guidelines, criteria and procedures used to determine whether, to what extent, and on what basis to use Fund resources for removal or remedial actions in connection with a settlement or voluntary cleanup.

Mr. SPECTER. Mr. President, during the past few days, the Senate has considered one of the most important bills during my term in the Senate, the Superfund Improvement Act of 1985. This legislation addresses a critical issue in my home State of Pennsylvania and the Nation as a whole: how to speed up and improve the Federal program dedicated to cleaning up the many sites which are contaminated with hazardous substances and toxic chemicals. I have personally viewed sites which present immediate threats to our health and safety and can attest to how vital this program is to our country.

Earlier this year, I requested hearings on Superfund before the Judiciary Committee because of my concern that the Superfund Program operate fairly and efficiently in order to carry out its mandate to clean up the environment with all possible speed. These hearings set out many issues and provided the committee important viewpoints and information.

Based upon our hearings and my experience in litigation in the Federal courts, it is my conclusion that defendants under Superfund should have a right of contribution to bring in additional defendants so that all parties may be before the court at the same time to determine issues of liability and damages with the appropriate determination as to contribution and/or indemnification. These private party actions would encourage additional

parties to come forward and expedite settlement discussions with the Government. Following these hearings, I introduced a bill, S. 1561, the Superfund Fair Contribution Act, which permits the timing and procedure for such contribution claims to be governed by the sound discretion of the court. My bill is designed to resolve possible constitutional challenges to Superfund, and, as such, expedite cases and speed up clean up.

I am pleased that the concept of my bill has been included in an amendment which has been offered by the distinguished chairman of the Judiciary Committee. In addition to this change, I believe two further improvements are necessary so that Superfund operates fairly and effectively.

First, during earlier consideration of Superfund, I offered an amendment that provides that the liability of all parties to Superfund cases, including third-party defendants, shall be determined according to principles of equity. This will insure that all parties have incentive to come to the bargaining table and settle cases quickly. By encouraging settlement, this important reform will expedite environmental cleanup through the voluntary participation of all interested parties. This amendment has the support of many parties, including environmental and industry groups. I am pleased that it was accepted without opposition.

Today, I am offering a second amendment which would require the Environmental Protection Agency and the Department of Justice to submit an annual report to Congress concerning various aspects of their policies regarding the enforcement of Superfund. In the past, there have been various concerns that the EPA has not effectively enforced Superfund. Although I have faith that the law will be fairly and properly enforced under the current Administrator, the leadership of Government agencies changes and it is possible that the law will not be properly enforced in the future. In order to ensure against the disastrous consequences that could occur, my amendment would require a report which would enable Congress to effect proper oversight over administrative action. This concept also has the endorsement of many parties, including environmental and industry groups. I urge its support.

Mr. President, it is likely that during the next few days we will enact legislation which will increase the size of Superfund manifold, broadening its funding base and strengthening its enforcement mechanisms. This reflects our continued commitment to the protection of the health and welfare of the people of our country. Superfund will also specifically cover naturally occurring toxic health situations, such as radon, which threatens many people in Pennsylvania and other States.

Mr. President, I believe that the duty of this body to enact the strongest possible Superfund bill is very clear. By adopting the fine work of the Environment and Public Works, Finance, and Judiciary Committees with this amendment, I believe that we will achieve an historic accomplishment in environmental protection.

Mr. President, this amendment calls for reporting from the Department of Justice and the Environmental Protection Agency so there may be a clear statement before all segments of the public, private sector and Government, as to what standards are being used by EPA and the Department of Justice for the enforcement.

This amendment has been discussed with the distinguished chairman of the committee and I believe cleared with the ranking member.

Mr. STAFFORD. Mr. President, I am pleased to accept the Senator's amendment for this side. I believe that the accumulation of information on the administration's settlement and enforcement policies will be of assistance to the Congress and the public.

I would also like to take this opportunity to comment on an amendment offered by Senator SPECTER which was accepted on Friday. Because of other demands, I did not have the opportunity, as floor manager, and principal sponsor of amendment 663, to comment on amendment 664 at the time of its acceptance.

It was and is my understanding that the amendment is solely to correct a difficulty which some third-party plaintiffs are encountering in obtaining joinder of third-party defendants in claims for contribution under CERCLA. The amendment does not diminish the liability of any person under CERCLA nor does it suggest that anything other than the standard of liability which has been held by the courts to apply, continue to be applied. Indeed, as originally drafted, the Senator's amendment contained the word "apportion" for which we agreed to substitute "allocate" in order to avoid any possible confusion on this point.

Also, Mr. President, the amendment was first circulated only hours before its acceptance. Therefore, despite the changes which we made, it is possible that we may discover other difficulties which necessitate further change or, although I would avoid this, its deletion.

Having said that, Mr. President, let me hasten to add that I agree with the fundamental purpose of the amendment, which is to assure that as among themselves, the defendants in a Superfund suit should be able to enforce their rights of contribution.

Mr. SPECTER. The amendment introduced and passed on Friday, adds to the contribution provision a sentence which provides explicitly for equitable allocation of response costs by the court. The defendants in the original action will have to demonstrate that each of the third parties in the contribution action is a liable party under the same elements of section 107. An allocation of response costs will be an equitable matter for the court and establishing each third-party defendant's share of response costs will not be a required element of proof to establish liability for contribution. This amendment does not in any way alter the standard of liability under section 107. By encouraging settlement, this important reform will expedite environmental cleanup while protecting critical due process rights.

Mr. STAFFORD. Mr. President, we have examined the amendment offered by the able Senator from Pennsylvania and we believe it to be a suitable addition to the legislation we are considering and we are prepared on this side to accept it.

Mr. SPECTER. Mr. President, I thank the distinguished chairman for his courtesy and I thank the staff for their assistance.

I think this will be a useful amendment. I very much appreciate the courtesies of the chairman.

The PRESIDING OFFICER. Is there further discussion on the amendment of the Senator from Pennsylvania?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 685) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPECTER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 686

(Purpose: To express the sense of the Senate in opposition to a value-added tax)

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from North Carolina.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself, Mr. MCCLURE, Mr. LEVIN, and Mr. PROXMIRE, proposes an amendment numbered 686.

At the end thereof, add the following:

The Value Added Tax is a regressive tax which places the burden of paying for pollution on persons other than those responsible for it;

The Value Added Tax on S. 51 represents a dangerous shift toward the principle of a broad-based tax on sales;

The Value Added Tax has escalated rapidly in virtually every country in which it has been implemented;

The administration has stated, in a September 16, 1985, Statement of Administra-

tion Policy the "(t)he President's senior advisors will recommend disapproval of any legislation containing a value-added or other broad-based tax";

The House of Representatives is expected to adopt a financing mechanism for the Superfund bill which will not include the Value Added Tax;

The Administration will not be prepared to release its alternative to the Value Added Tax until after the Senate has completed action on the Superfund legislation;

Prolonged debate on the floor of the Senate concerning an alternative to the Value Added Tax would unduly delay consideration of this legislation: Now, therefore, be it

The Sense of the Senate that the committee on conference on S. 51 or such other comparable Superfund reauthorization legislation as shall be approved by both House of Congress should report legislation containing a reliable financing mechanism for the Superfund program which does not include the Value Added Tax.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I believe the amendment, as read by the clerk, states the case. I do not propose to take up the time of the Senate. Every Senator is familiar with the value-added tax. I am perfectly willing to go immediately to a vote on it.

Mr. President, under current law the Superfund Program is funded by a petroleum tax, a chemical feedstock tax and general revenues. S. 51 reauthorizes the petroleum tax and the feedstock tax but creates a new manufacturer's environment excise tax [MEET].

The MEET tax is a value-added tax of 0.08 percent on the sale or lease—in connection with a trade or business—of tangible personal property in the United States by the manufacturer. The tax is also imposed on the import of tangible personal property. Small manufacturers, those with less than $5 million of taxable receipts, and small import shipments, those under $10,000 would be exempt from the tax.

Mr. President, I object to this MEET tax for a number of reasons. First, it is, plain and simple, a new tax. The Reagan administration has opposed any tax increases and threatens a veto of the Superfund reauthorization bill if it contains this funding mechanism.

Second, Mr. President, the tax is a hidden tax. If enacted there would be a powerful incentive to substantially increase the tax, as has been the case in every other country except Norway which has imposed a VAT. Since its creation, Britain has increased their VAT by 50 percent, Austria by 18 percent, Denmark by 112 percent, and Sweden by 112 percent.

Mr. President, here in the United States, one needs only to look at the history of our other two Federal revenue sources, Social Security and Federal income tax, to realize that the United States will follow the same course. In 1937, the U.S. Government imposed on the American taxpayer an average tax of $79. In 1983, the American taxpayer paid an average tax of $3,536, an increase of more than 4,475 percent.

Mr. President, the Social Security tax has ballooned as well. In 1937, the American wage earner paid about 1 percent on the first $3,000 of their wages to Social Security, a maximum of $30 paid. In 1983, the wage earner paid about 6.7 percent on the first $35,700 of his income to Social Security, a maximum tax of $2,391.

Third, Mr. President, at a time when we are talking about reducing Federal spending we should not be creating an open-ended Federal revenue source for a Federal program. A MEET tax can raise indeterminable amounts of money and would only insure the funneling of billions of dollars into the Superfund Program for years to come.

Fourth, Mr. President, by spreading the tax to all manufacturers, we are losing the link between those who create the hazardous waste and those who pay for it. By imposing the MEET we are creating a disincentive to clean up or to prevent hazardous waste.

Mr. President, I oppose the manufacturer's environment excise tax. It is an unwise step for this Congress to take and I hope my colleagues will join me in opposing the MEET tax by voting in favor of this amendment.

Mr. LEVIN. Mr. President, I ask unanimous consent to be added as a cosponsor of the amendment of the Senator from North Carolina, if I am not already listed as a cosponsor.

Mr. HELMS. If the Senator will yield, he is a cosponsor, as is Senator McCLURE and also Senator PROXMIRE.

Mr. LEVIN. Mr. President, let me tell my friends, the managers of the bill, that I intended to offer an alternative tax, at least some sense of the Senate fashion to the value-added tax. I am not going to do that now, given the hour. Many of us have to leave here and I know the committee is anxious to resolve this matter today, if possible. So I will not be offering my amendment. Rather, I am happy to cosponsor the amendment of my friend from North Carolina. It does express the sense of the Senate that we look for alternatives to a very complicated and regressive tax.

I would point out that such alternatives could include an effective corporate minimum tax so that we would finally get to the literally tens of thousands of profitable corporations that now pay no taxes on those profits. I have talked to my friend from North Carolina. I know that he would agree that such consideration could include an effective minimum corporate tax. Is that an accurate statement; that it could include, but it is not at all limited to that, nor need it necessarily include such a tax?

Mr. HELMS. The Senator is correct. That would be up to the Finance Committee and/or the conference. But the Senator is correct.

Mr. LEVIN. I thank the Senator.

Mr. President, during the debate on Superfund, many Members have expressed great concern about the value-added-tax as the mechanism for financing the Superfund. I share the concerns that the VAT is a complex, regressive tax. I also am concerned that using the VAT to finance Superfund is a foot in the door for a broad-based VAT in the future. It is enough to say that I believe the VAT is a complicated and regressive tax.

Because I sensed that some people would acquiesce in there being a VAT because they feel it would be fiscally irresponsible to pass a $7.5 billion spending program with no way to finance it, I am supporting an amendment expressing the sense of the Senate that the conferees on the Superfund bill come up with an alternative to the VAT as a means of financing Superfund. As the sponsor of the amendment, Senator HELMS has indicated the alternative to VAT could include a corporate minimum tax. It is my strong preference that the VAT be financed by such a minimum tax.

It is essential to come up with a funding mechanism if we are to be fiscally responsible and if we are to enable the Superfund to get on with the urgent job of cleaning up hazardous waste sites. I agree with the chairman of the Finance Committee that financing the Superfund out of current revenues when we are running $200 billion deficits fiscally irresponsible. Strengthening the corporate minimum tax would provide the new revenues to finance the Superfund, can do that.

For example, the Congressional Budget Office has included in its 1985 publication of "Spending and Revenue Options" a proposal for strengthening the corporate minimum tax which would raise $31.2 billion from 1986 through 1990. This proposal as outlined is very similar to the one proposed by the administration in its fiscal 1983 budget request to the Congress. Let me make clear, this amendment does not require that the conferees adopt this CBO option. But the CBO option makes clear that a strengthened corporate minimum tax has the clear potential for financing the Superfund Program.

This amendment does not presume to set out specific language and provisions for a strengthened corporate minimum tax. It does not presume to determine how the tax will be fashioned and exactly how much it will raise. At the same time, however, its passage would send the clear message

to the committee that the Senate wants to look to alternative ways to finance the Superfund, the remarks of the sponsor make clear that one such alternative is a minimum tax on corporations.

The President in his fiscal year 1983 budget request called for a strengthened corporate minimum tax along the lines I am suggesting today. In addition, we hear the President almost every day call for greater fairness in the Tax Code. We hear almost every day of his abhorrence of taxpayers who use provisions of the Tax Code to avoid paying their fair share. In fact, his current tax simplification plan includes in it a strengthening of the corporate minimum tax. Let me quickly note, however, that his current proposal would raise less than $3 billion during the next 5 years. What this means is that the President's most recent proposal has not preempted the revenue raising potential of a strengthened corporate minimum tax, and that such a tax could finance the Superfund without endangering the revenue neutrality of the President's tax simplification plan.

And as for the support of the American people, is there anyone in this Senate who seriously doubts that the American public would support cleaning up hazardous waste sites with the money raised by taxing profitable corporations which are now paying little or nothing in taxes? We have all received mail from constituents who think it is a disgrace that from 1981 to 1984, 50 corporations earning $58 billion, yes billion, in profits paid no tax, and in fact got $2.4 billion in refunds. And it is a disgrace. This amendment would express the sense of the Senate that we should finance the Superfund other than by a VAT, and the alternative of the minimum corporate tax would improve the equity in the Tax Code.

In conclusion, this amendment could open the way to financing the Superfund, and to making the Tax Code more equitable. Not a bad day's work. I urge my colleagues to support this amendment.

Mr. BENTSEN. Mr. President, I would like to comment briefly on the amendment of the Senator from North Carolina.

The Superfund excise tax is not a value-added tax and was not intended to resemble that kind of tax. On the contrary, it is very limited in scope: it applies only to manufactured products; it does not apply to services. It does not apply to retailers, it does not apply to distributors. There are a total of only 30,000 taxpayers subject to this tax. If this were a value-added tax, there would be millions of taxpayers, as the Treasury Department determined in its study of value-added taxes last year.

The service exception is particularly significant. This tax does not apply to banks, insurance companies, construction companies or any other such industries. Any normal value-added tax would apply to all those industries.

Furthermore, it does not apply to any small companies. It is nothing more than an excise tax applicable to manufacturing companies that do more than $5 million of business each year. It bears a direct relationship to the Superfund Program, is earmarked to it, and is the best of the available choices for funding the program.

In my judgment, Mr. President, it is unwarranted to term the Superfund excise tax a value-added tax. And this is especially true if a better alternative than the Superfund excise tax is not offered.

Mr. HELMS. Mr. President, I have discussed this with the distinguished managers of the bill. They indicate that they are willing to accept the amendment.

With that in mind, I ask unanimous consent that the yeas and nays on the amendment be vitiated.

The PRESIDING OFFICER. Is there objection to the vitiation of the yeas and nays? Hearing none, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. HELMS].

The amendment (No. 686) was agreed to.

Mr. HELMS. I thank the Chair very much. I yield the floor.

AMENDMENT NO. 687

(Purpose: To exempt any owner or operator from liability for a release which occurred prior to his becoming such owner or operator)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 687.

At the end of title I add the following new section:

LIABILITY OF NEW OWNER OR OPERATOR

SEC. . (a) Section 107(a) of the Comprehensive, Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof (after and below subparagraph (C)) the following:

"Any person who becomes the owner or operator of a facility on or after October 1, 1985, shall not be liable under this section with respect to any release at such facility which occurred prior to the date on which he became such owner or operator of such facility.".

Mr. SYMMS. Mr. President, this amendment is a very simple amendment and I believe it is important. In fact, it is extremely important in the State of Idaho. We have two sites, that affect literally 2,000 or 3,000 people in the State of Idaho. I think they could be put back to work if this amendment is accepted.

The amendment amends section 107 by adding a subparagraph. I will restate it again so my colleagues understand what we are trying to do here.

Any person who becomes the owner or operator of a facility on or after October 1, 1985, shall not be liable under this section with respect to any release at such facility which occurred prior to the date on which he became such owner or operator of such facility.

Now, the intent is to allow the sale of a property without encumbering a new owner with liability for environmental problems that occurred long before the prospective purchaser arrived on the scene. I mentioned Bunker Hill Ltd. which is located in Kellogg, ID. Mr. President, one gentleman was quoted recently in the press as saying that they were going to litigate and sue people all the way back to Noah Kellogg. Well, Noah Kellogg happens to be the person who was leading his mule through the Silver Valley and the mule kicked over a rock and, lo and behold, it turned out to be galena ore. Since that date in 1880, they have mined 1 billion ounces of silver out of Silver Valley in Idaho. In fact, if you took those in silver dollars and laid them side by side, a billion of them would go clear around the world.

So it has been quite a discovery, but a long time has passed since then. With all of the prospective litigation, they simply cannot get anyone to come in now and reopen some of those mines that were operating before the turn of the century for many years. A lot of those mines have closed now. However, due to new mining techniques, increasing productivity, and other factors, some of these mines could be reopened. There are two specific ones that could be opened in Idaho right now which could amount to employment in the neighborhood of about 3,000 people. However, no prudent operator is apt to attempt to restart a property when there is a potential liability that stretches clear back to Noah Kellogg.

So we are in a kind of a catch-22 situation. Consequently, the mines that could be operating, providing jobs, generating wealth, and, in some cases, reducing our dependence on foreign suppliers for strategic minerals, will not be reopened. This amendment would simply let a new operator start with a clean slate. He would be responsible for his acts and not for those of his predecessors. This seems fair and reasonable to me.

It is not an attempt to shield anyone from the cost of environmental damage for which they are responsible. In fact, instead, it is an attempt to allow our economy to grown and prosper in a normal manner. It is not a bailout for the polluters. Indeed, it

should be significant aid for environmental cleanup efforts.

Quite clearly, the seller and purchaser would have to agree on the status of the property at the time of the sale. This surely would include the amount of environmental cleanup anticipated and the responsibility for funding that effort. That appears to be the natural time for the EPA to negotiate with the other parties over the cleanup costs and responsibility.

Now, I am not an attorney, Mr. President, but it seems to me, as a layman, that this amendment should reduce transaction costs, which we discussed at great length last week; litigation costs which amount to 50 percent of all this money that is involved in Superfund, I might add. We spent $1.6 billion thus far with that program and only cleaned up six sites, and about half of that money has gone for the transaction costs, which means having law firms sue other law firms and have very high legal bills pile up and very little actual engineering work take place to clean up the toxic wastes, which is the purpose of the bill.

Actually I believe that this amendment would simplify, the process and make it simply. I have been warned that this amendment cannot pass. I am afraid that there is a great deal of opposition to it. It has been pointed out to me that it provides opportunities for the establishment of shell corporations sham sales, and so forth. In the specific cases that I am aware of in my State, I have been assured that this is not the case. The people that own the property today are willing to stand firm on the liability, but they say they can bring in new investors if this can take place. I made the point before that at any time our Government begins to spend some money in the billions, the chance of waste, inefficiency, and corruption always exists, but I do not see this amendment increasing any problems with respect to the bill. The only thing it might do is make things happen a little faster in terms of cleanups. Fictitious bankrupticies seem to be a major concern. Obviously, if a firm is truly bankrupt, collection for Superfund cleanup will be impossible anyway. It seems to me that we must have the legal and accounting resources to thwart efforts like this. I have dwelt the effect of this amendment on mining properties because they are of major and obvious concern in my State, and to the jobs of people that live in my State. Unquestion other industries can also benefit from this amendment. With economic conditions the way they are in this country, with the trade problems we have, I think we should be very careful not to put unnecessary roadbacks in front of maintaining and creating jobs. I hope the committee will look favorably on this amendment. I have been told that they will not.

I yield the floor.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I have to rise in opposition to this amendment. I wish our committee might have a chance to examine it, I will say to my friend who is a very valuable member of the committee. This is a new idea. In my judgment it would in effect terminate the normal practice of passing on liabilities of a landowner on to the next owner. It appears to me it would, as it is now drawn, I would say, seriously cripple the entire Superfund Program and liabilities thereunder. It might as a matter of fact even have a significant impact upon the laws of our 50 States with respect to the passing of my bill as it runs from one landowner to another. So I think it would set so dangerous a precedent for us, for the Senate, for the Nation, in its present form and without examination in our committee that I would have to oppose it. I hope my friend will consider not passing it to a vote tonight, but allowing us to consider it in the committee, which I would assure my friend we will reach at an early time.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. I join with my chairman saying this is not the way you normally buy a company. If you go out and buy a company, you look at the risks that are involved in the purchase and you look at all of those liabilities. Maybe you ask for some indemnification from the previous owner before you go ahead and consummate the deal. You take away that incentive by this proposal in taking this kind of an approach. It concerns me, frankly. I have to oppose it. It is a new idea. I can understand some of the things the Senator is trying to achieve. I would certainly support the chairman in his desire that we have hearings, explore the idea, and see what the full ramifications of it happen to be.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I have the highest respect for the chairman and the distinguished Senator from Texas. I know they have had long experience in this field, and the Senator from Texas certainly has had a lot of personal experience in business. I do respect that. I think I can see we cannot pass this amendment at this point. It is a great frustration to me to have people come to my office, contact me, say they would like to purchase properties in my State, and show me where they have the money put together and where we might be able to keep some jobs. But I think under the circumstances, we must hear this out on this question of liability, which we still have not answered fully. How we are going to handle the liability question? It is not just related to Superfund, but I think liability is becoming a problem that reaches into every aspect of the commercial and business enterprise in this country. It is becoming an astronomically high cost. I would ask now to take my amendment down. We will discuss it on another day at the committee. So I ask unanimous consent to pull the amendment down.

The PRESIDING OFFICER. The Senator is entitled to withdraw his amendment.

Mr. STAFFORD. Mr. President, I want to thank the Senator from Idaho for his cooperation. Mr. President, I know of no further amendments to title I of the bill.

Mr. BENTSEN. Mr. President, let me say that I, too, want to thank the Senator from Idaho. We worked on a lot of issues together productively, I think. I will look forward to doing more in the future, and will be delighted to explore this with the Senator.

I say to the distinguished chairman of the committee that I know of no further amendments on this side.

Mr. HUMPHREY. Mr. President, today the Senate completes action on legislation extending the Superfund Program—a program which is at the very heart of our national effort to protect the public health and the environment. Today's action is significant if only for the fact that it comes just days before the authority to tax under the comprehensive Environmental Response, Compensation, and Liability Act of 1980. On September 30, fund financed clean up of hazardous waste must stop, and facing dwindling resources, the U.S. Environment Protection Agency [EPA] has stopped funding all but emergency clean up actions. Clearly, too much is at risk to let this program lapse.

In 1980, when I joined my colleagues in support of the original Superfund legislation, I believe this Congress sent an important message to the people of this Nation. The problem posed by uncontrolled hazardous wastes were recognized as enormous. The potential threat to public health and the environment called for an unwavering commitment on the part of the Government to take extraordinary action. Over the past 5 years, we have learned a lot about hazardous wastes, the means to control and dispose of them properly, the effects on health and the environment and the scope of the problem. The legislation which is before the Senate today builds upon what we have learned and recognizes that we still have far to go in completely addressing the problems which we face.

My personal involvement in Superfund stems from my participation in the reauthorization process before the Committee on Environment and Public Works—a process which really began over 18 months ago. Before that, however, I had extensive first-hand involvement with Superfund. I have personally visited almost every one of the 13 sites in New Hampshire which are listed on the Superfund national priorities list. Over the course of these visits I have seen up close just how devastating it is to the people of a neighborhood or community to discover that their home backyard is next to one of these awful sites. People look to those of us in public office to take effective action to address these tough problems. In the State of New Hampshire, we have been able to make some progress. For example, I was pleased to help facilitate the first-in-the-Nation cooperative agreement between the State of New Hampshire and the EPA for cleanup work at the Sylvester site on Gilson Road in Nashua. We have also made good progress at many of the other sites in our State.

But more needs to be done, both in New Hampshire and across the Nation. One of the most important things we have begun to understand over the course of the past several years is the extent of the problem which we are facing. When Superfund was first enacted 5 years ago, we did not have many good, firm estimates of the total extent of the problem or many good, firm estimates of hazardous wastesites that might require cleanup. The national priorities list now stands at well above 800 final and proposed sites. EPA has told us that it will ultimately list between 1,500 and 2,000 of the 20,000 identified sites to the NPL. Other surveys have suggested that the problem is far larger. Notably, the Office of Technology Assessment has suggested that eventually there could be as many as 10,000 Superfund sites.

The bill before us recognizes our increased understanding of the size of the problem and proposes to allocate resources to more adequately address the problem—$7.5 billion represents a substantial increase in the size of the program. I am not convinced that this will be enough, and I expect to carefully watch the progress of the Superfund Program over the course of the next couple of years to ensure that what we are allocating to the program is enough to do the job quickly and effectively. A key issue involved here, of course, is the means by which we propose to finance our improved and expanded Superfund. The tax plan which was added to S. 51 by the Committee on Finance is one which causes this Senator considerable concern. I am appreciative of the very considerable constraints which the committee faced when they wrote this title of the bill. First, they were charged with raising a significant amount of revenue in an atmosphere that clearly was not inclined toward using general revenues. Further, it was generally agreed that the present feedstock tax could not be expanded significantly without further comprising some important industries' standing relative to international competition. And, there were the uncertain proposals regarding the various waste-end tax schemes.

However compelling these problems may be, it is by no means clear that a broad based excise tax is a considerably more attractive alternative. Indeed, experience with this kind of a tax elsewhere has revealed some very fundamental problems. While this Senator is not prepared to offer an alternative at this time, I am not convinced that there does not remain substantial room to identify workable alternatives.

Mr. President, the bill before the Senate proposes a number of very important changes to the way the Superfund Program operates. I was particularly pleased that the committee saw fit to include in this year's version of the bill, three provisions which I inserted during the course of consideration of Superfund legislation during the 98th Congress. First, there are expanded health effects studies authorities in the bill. I stress these provisions because the protection of human health is the highest and ultimate goal of the Nation's environmental protection laws. Health effects data and information underlie all response actions taken under the Superfund law, as well as most actions taken under other environmental laws. One part of this section requires that health assessments be conducted at every Superfund site, followed by more complete studies where that is appropriate. Conducting health assessments and studies of populations exposed to releases of hazardous substances from sites and facilities will not only enhance response to immediate health concerns, but will also build a comprehensive body of data that will define the threat that toxic chemicals pose to human health.

S. 51 also assures the opportunity for public participation in the selection of cleanup actions at Superfund sites. Allowing the public to comment on, and participate in the selection of, responses to Superfund sites will engender public confidence and ultimately save both resources and time.

Finally, there is a provision to expand the current Federal-State cooperative efforts by allowing multisite cooperative agreements.

Incorporated in this bill are several other provisions which I believe will represent major improvements to the present Superfund Program, and which I was pleased to support.

Mr. President, this bill is a good one, and is a testament to the strong leadership that is provided by the distinguished chairman of the Environment and Public Works Committee, which I am pleased to serve on. I commend Senator STAFFORD as well as the ranking member, Senator BENTSEN, for their patience and diligence in guiding this important piece of legislation through what has been a complicated, lengthy, and often tiresome process.

● Mr. BAUCUS. Mr. President, the Comprehensive Environmental Response Compensation and Liability Act or Superfund was enacted in 1980 in response to the need for the Government to act quickly to clean up pollution caused by toxic substances.

It was enacted in the wake of Love Canal, with the recognition that we had ignored toxic waste disposal for too long, and with the hope that future Love Canals could be avoided.

For too long, ill-conceived toxic waste disposal practices were allowed to continue threatening the public health and polluting the environment.

The 1980 law was the first systematic attempt to prevent further public health issues.

As EPA began to seriously address the problems of past hazardous waste disposal practices, the size and scope of the program grew.

Hazardous wastes were found in unexpected places. Montana, for example, with its vast open spaces and small population size has eight sites listed on the national priority list for cleanup.

The entire Clark Fork River from its headwaters at Silver Bow Creek all the way to the Milltown Dam outside of Missoula, a distance of over 80 miles had been damaged by past mining activities.

While the popular notion is that toxic waste is found only in industrial States, we in Montana found out differently. We discovered that mining our gold, silver, copper and other minerals left a legacy just as deadly as the most heavily polluting industrial plant.

In the next national priority list update, still more sites will be identified. Nationwide, the list could grow to over 12,000 sites.

Failure to respond to these toxic waste threats will endanger the future of our children.

SUMMARY OF S. 51

The legislation addresses both the scope of Superfund and its funding.

S. 51 makes a number of positive improvements in the Superfund.

The bill responsibly raises the revenue necessary to fund cleanup. The feedstock tax on petroleum and chemical feedstocks is continued at its current level of $1.5 billion. This tax on 42 feedstock chemicals will continue to penalize those most who manufacture most of the building blocks of chemical wastes.

The bill then calls for a new tax on manufacturers to raise $5.4 billion over 5 years.

This new excise tax recognizes the widespread benefits of modern technology while keeping the tax rate low enough that no manufacturing sector would bear an unfair share of the burden.

The program will be financed in a way that it stands alone. It will not exacerbate the Federal budget deficit problem facing this country. Funding for the program comes totally from the feedstock tax or the manufacturers excise tax.

S. 51 also strengthens Superfund in several ways.

For the first time, citizens will have the right to enforce cleanup. Penalties are increased. A schedule for cleanup at Federal facilities is established, and cleanup standards—to insure protection of human health and the environment—is mandated.

EPA will need to consider both long-term as well as short-term cleanup costs in choosing an alternative. EPA will need to determine the health effects of exposure to chemical contaminants.

As well as strengthening the legislation, a number of changes in the law are included to allow greater flexibility in meeting the objective of the law.

During consideration of Superfund in committee, I offered the amendment to allow for citizen suits. A number of concerns have been raised about this provision. It is my belief that those concerned are misdirected.

The citizen suit provision provides for participatory democracy.

People are affected by hazardous wastes and they should be able to participate at every step to see that these problems are being addressed.

There are those who argue that citizen access to the courts will distort cleanup priorities, waste Government and private resources that could be spent on cleanup, and clog the Federal courts.

To these critics, I say take a closer look at section 138 in S. 51. The citizen suit provision is a tightly drafted provision to help ensure that EPA and other agencies carry out their required duties under the Superfund law.

Striking this provision is a signal to EPA and the Federal Government that they can ignore what Congress enacts. Is this what we want? I do not think so.

Specifically, the citizen suit provision in S. 51 would allow any person to sue Federal agencies to force them to carry out mandatory provisions of CERCLA.

In other words, EPA could be sued if it failed to do an adequate job of cleaning up Superfund waste sites.

Let us take a look at what this means. Superfund is unlike most of our other environmental laws. Under these laws EPA is required to enforce standards, whether for water quality or air quality.

Superfund gives EPA the authority to respond to an emergency toxic chemical released into the air or into the water. It gives the Federal Government the tools to respond to a release of hazardous containment in the most appropriate manner to correct a public health problem.

This citizen suit provision recognizes the need to give EPA as much flexibility as possible in deciding how to respond to an emergency situation. It was specifically crafted to not hamper EPA's discretionary actions.

Although unwilling to officially support the provision, the Justice Department has agreed that it will not add significantly to the types of citizen suits that can be brought against the Government. It will provide additional opportunities to sue polluters.

Explicit authority for citizen suits in CERCLA will streamline citizen litigation by removing any question that citizens can sue to force performance of mandatory duties imposed by CERCLA. This action is a laudible step.

The citizen suit provision will allow suits against any person alleged to be in violation of any requirement under the Superfund law, including requirements of the statute, or court or EPA orders.

Citizens under current law cannot bring suits to force corrections of violations.

This provision will assist EPA in doing its job. It will provide additional enforcement help.

But make no mistake, lawsuits would occur against polluters only in limited circumstances. Basically, only if a party failed to follow either an administrative or court order and EPA failed to follow up.

If EPA were diligently pursuing an action to enforce a requirement or impose a civil penalty for a violation, citizen suits would be prohibited. In other words, frivolous actions tying up EPA's scarce resources will not be allowed.

Citizen suit provisions have been an integral component of environmental legislation since the Environmental Protection Agency was created by Congress.

Citizen access to the courts is provided for in the Clean Water Act, the Clean Air Act, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Safe Drinking Water Act, and the Noise Control Act. Every major piece of environmental legislation except Superfund contains such a provision.

The citizen suit provision in S. 51 is modeled on the citizen suit provisions of the Clean Air, Clean Water, and Solid Waste Disposal Acts. This provision builds on similar provisions in other Federal laws that are working.

In August 1983, then Administrator Bill Ruckelshaus asked the EPA Office of Policy, Planning and Evaluation to conduct a long run, integrated review of EPA's principal statutory authorities.

The Administrator stressed that since the conception of these laws, a great deal had been learned about how well EPA programs control pollution, about the relationship between pollution in different environmental media, and about the tradeoffs between environmental regulation and other values.

The purposes of this introspection was to review the experience of the Agency and to "assess afresh" whether the Agency's existing authorities provide the best approach to promoting health and environmental protection—or whether the agency can do better.

One of the first studies undertaken as part of this review was a study of citizen suit provisions. The purpose of this study was to review how these "private attorney's general" provision have actually worked. The Environmental Law Institute completed a citizen suit study for EPA in September 1984.

A major conclusion of this review was that the system of citizen enforcement is currently operating as Congress intended: first, to provide a prod and second an alternative to governmental enforcement. This study determined that since 1978, 349 citizen enforcement actions under the six major environmental laws were taken. Only 189 actions actually resulted in litigation.

The main complaints against citizen suit provisions are that they first, interfere with Government enforcement and second, focus on de minimis violations. The ELI study conducted for EPA did not substantiate either allegation.

The Federal enforcement officials interviewed for the ELI study expressed general support for citizen enforcement. EPA headquarters and regional enforcement staff interviewees said that a large protion of citizen notices addressed violations that either were worthy of agency action, but had escaped EPA attention, or, though not on EPA's priority list were appropriate subjects of enforcement actions. None of the governmental enforcement personnel interviewed reported a general tendency for citizen groups to puruse trivial violations.

Congress intended for citizen suits to act as an incentive for better agency enforcement. Citizen actions seem to be working well in this regard.

From 1981 through 1983, there was a general decline in the number of enforcement actions initiated by EPA.

In response to this decline, the number of citizen suits increased. EPA's enforcement activity began to increase in the spring of 1984. Although only a few of these cases have been settled, it appears the scope and effectiveness of the publicity generated by recent citizen enforcement seems likely to act as a general deterrant. In other words, they complement agency actions to meet environment goals.

It is both prudent and responsible public policy to extend citizen suit provisions to CERCLA. The mismanagement of the CERCLA Program during its initial years is legendary. The scope and extent of the hazardous waste cleanup problem facing the Nation continues to grow.

Citizen enforcement actions to prod hazardous waste cleanups can act as an important complement to EPA efforts.

Citizen suit provisions are working in our other environmental laws and they will work in Superfund.

Let me turn to the question of cleanup at Federal facilities. This provision will be the only mechanism anywhere in the entire statute to insure cleanup at federally owned facilities.

The administration contends it would be unconstitutional for EPA to sue other agencies to compel cleanups. Some of the worst sites in the entire country are federally owned. Very little is happening in regards to cleanup at the bulk of these sites.

Citizen suits may be the only way to get cleanup actions underway at these sites, if the responsible agency fails to act on its own.

There are those who say that a citizen suit provision is not needed because State common law or the Federal Resource Conservation and Recovery Act would meet the need for the provision in Superfund.

Both EPA and Justice argue that RCRA's definition of solid waste is broad enough that citizens could sue under RCRA to halt almost any "imminent and substantial endangerment" caused by a hazardous waste site.

RCRA allows citizen suits to halt endangerment caused by any substance that fits the general statutory definition of solid waste, including hazardous wastes listed by EPA.

But what about a hazard caused by a factory inadvertently emitting hazardous substances that may not be considered hazardous wastes under RCRA?

Do we want the courts to decide what is and is not a hazardous waste—changing the RCRA definition with each case?

Citizens should be able to defend themselves from dangerous chemicals regardless of whether EPA has formally listed them under a statute or not.

Turning to the allegation that State common law can fill this void—most State nuisance law is only available to injured landowners.

Further nuisance law is useful in obtaining monetary compensation for injury already suffered, but not in taking action before damage occurs. The citizen suit provision in S. 51 could be used to prevent health risks to people from exposure to toxics.

It would be very difficult and combersome to prove that a chemical had trespassed onto your property. State common land just isn't adequate.

Another objection raised over including a citizen suit proposal in Superfund is that it would affect EPA's cleanup priorities.

I ask, how are citizen suits supposed to cause this great disruption, siphoning all of EPA's attention onto each citizen suit?

Would EPA change its priorities? Setting priorities is clearly a discretionary action not subject to direct challenge.

In the case where a citizen can prove that a site is "threatening public health," then EPA should shift priorities to protect public health.

But let us look at the record. EPA will not devote all of its resources to citizen suits.

If past performance is any indication, and I believe it is, EPA most likely will not even intervene in citizen suits under Superfund.

The Environmental Law Institute study found that EPA had intervened in only 6 percent of the citizen suits against polluters under all of our other environmental statutes.

Clearly, not an undue burden on an agency that has had less than a pristine record on the environment under this administration.

Adding a citizen suit provision to Superfund will simply round out our environmental laws.

It will not place a strangehold on the ability of EPA to act.

Rather, it will complement EPA.

The $7.5 billion authorization level is necessary and reasonable. This level will increase the pace of cleanup. Those most responsible for the damage will pay more of the cleanup cost.

The Superfund amendments before us today are sound, fiscally responsible additions to the program. I recommend adoption of a strong Superfund Program to protect public health and provide for a clean and healthy environment.●

FEDERAL FACILITIES COMPLIANCE PROVISION

Mr. DOMENICI. Mr. President, I wonder if I might seek to clarify the intent of section 137 of this bill, the Federal facilities compliance provision, with the floor managers, Senators STAFFORD and BENTSEN, as well as with Senator HART, The author of this provision. As they will recall, we discussed the scope of this particular provision when it was considered by the committee during our markup of the bill. It was unclear to me at the time whether and, if so, to what extent this provision was intended to be triggered by the presence of radioactive materials at a Federal facility. Senator HART and I discussed the matter and agreed at the time of markup to have the staff explore the issue to determine whether there was any confusion that required clarification, either through legislative language or a colloquy. Could I ask the Senator from Colorado to clarify his understanding of whether the requirements of this provision are triggered by the presence of radioactive materials at a Federal facility?

Mr. HART. I appreciate the opportunity to clarify this matter, Mr. President, and I thank the Senator from New Mexico for his efforts to resolve any potential confusion. The requirements of new section 117, the Federal facilities compliance provision, as reported by the committee, are triggered only in those instances where a Federal agency is required to submit information under section 3016 of the Solid Waste Disposal Act. Thus, unless an agency is required, under the provisions of section 3016, to submit information about hazardous waste that is stored, treated, or disposed of at a site which is owned or operated or has been owned or operated by the Federal Government, the provisions of new section 117 are not intended to apply. In response to the Senator's specific questions about radioactive materials, Mr. President, it is my understanding that the definition of "solid waste" in the Solid Waste Disposal Act—the term that triggers the requirements of section 3016 of that act—specifically excludes all source, special nuclear, and byproduct material, as those terms are defined in the Atomic Energy Act of 1954, as amended. Accordingly, the provisions of new section 117 would not be triggered by the presence of source, special nuclear, or byproduct material at any Federal facility. By way of example, uranium mill tailings disposal sites, subject to the provisions of the Uranium Mill Tailings Radiation Control Act of 1978, are covered by the definition of by product material, and the presence of uranium mill tailings at such sites will not bring these within the requirements of new section 117. Similarly, sites would not be included in section 117 on the basis of any other source, special nuclear, and byproduct materials because they are excluded from the provisions of the Solid Waste Disposal Act's definition of solid waste. That is my understanding of the scope of this provision, as it relates to radioactive materials.

Mr. STAFFORD. That interpretation is consistent with my understand-

ing, as well, Mr. President, concerning the scope of this provision.

Mr. BENTSEN. I concur in that view, as well, Mr. President.

Mr. DOMENICI. I appreciate the clarification of all three Senators, Mr. President.

MILLTOWN DAM SITE

● Mr. BAUCUS. Mr. Chairman, in the State of Montana, we have a situation that is a cause for concern. The Montana Power Co., an investor-owned utility, operates the Milltown Dam and Reservoir, located east of the city of Missoula, MT, at the confluence of the Clark Fork and Blackfoot Rivers. Many years of mining activity upstream from the dam has caused wastes, such as arsenic, to be washed down the Clark Fork River and to be deposited in the reservoir behind the dam.

The area where the mining occurred—known as Silver Bow Creek—is presently listed on the national priority list for Superfund cleanup. Recently, EPA has agreed to investigate heavy metal contamination all along the Clark Fork River from the Silver Bow Creek site to Milltown Dam.

Because of the accumulation of heavy metal contaminants behind the dam, the first impoundment downstream of the mining area, the Milltown Reservoir is on the Superfund priority list.

While the Montana Power Co. is the owner or operator of the Milltown Dam, and therefore, technically the owner or operator of the facility under section 101(20) and 107, the company is not the owner or operator of the facility where the wastes were generated and initially released. Clearly, mining upstream of the Milltown site is the source of the pollutants or contaminants which have accumulated in the sediments that have collected in the reservoir behind Milltown Dam.

I inquire whether it was Congress' intent in section 107 to include as a principal responsible party, an owner or operator of a dam where hazardous substance, pollutant, or contaminant has been deposited or otherwise come to be located as a result of a release upstream of such hazardous substance, pollutant or contaminant?

● Mr. STAFFORD. In the particular case you cited, the owner or operator of this dam would probably satisfy the technical definition of "owner or operator" of a "facility" for purposes of liability. However, it is my belief that it was not Congress' intent to require that each and every party be held liable by the President, without any regard for how little it had to do with the release of the hazardous substance.

The President has the discretion to pursue such parties or not.

● Mr. BAUCUS. Other than owning the dam and the reservoir that have served to trap the metals, the Montana Power Co. has had no connection with the release of the metals; yet, the company has been preliminarily targeted as a potentially liable party under the Superfund statute.

The Montana Power Co. and its ratepayers feel that an imposition of liability would be unjust and contrary to the intent of Congress. Surely, the statute was not designed to hold liable a party, like the Montana Power Co., which had so little to do with the release of the hazardous substances. Surely, the definitions of facility and owner or operator under the statute do not include dams like Milltown or a party like the Montana Power Co.

● Mr. STAFFORD. Again, based upon the situation you have described, I would conclude that the Montana Power Co., under an equitable prosecutorial interpretation of the law by EPA might not be responsible for cleanup at this facility since it did not itself contribute to the release of the heavy metals. I would also conclude that the statutory defense under section 107(b)(3) would seem to apply under the facts as described. In general, under this part a party is not liable for the acts of a third party if it can establish by a preponderance of the evidence that, first, it exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of such hazardous substance, in light of all relevant facts and circumstances; second, it took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; and third, it has no contractual relationship with the third party.

● Mr. GARN. Last Wednesday, September 18, the Senate adopted an amendment offered by my colleague from Montana, Senator BAUCUS, one which I was happy to cosponsor. The essence of that amendment is to require the EPA to look before it leaps into adding mining sites to the Superfund national priorities list. One of the problems. S. 51 and the Baucus amendment addresses is the current practice of scoring mining sites under the Hazard Ranking System [HRS] based on very little data and a very limited understanding of potential threats posed by these sites. Such a situation occurred a few weeks ago at an abandoned mine site called "Prospector Square in Park City, UT. EPA charged forward and added Prospector Square to the Superfund list without thoroughly considering the merits of the site. Local officials in Park City are furious and rightfully so because they know the chances of the actual clean-up taking place in the near term are nil.

In my mind, section 120 and the Baucus amendment require that the HRS be revised to require additional information prior to listing mining sites, as follows: The new HRS must assure that the relative degree of risk posed by such sites is assessed; and pending these revisions, the EPA must make site-specific findings before listing special waste sites. These additional requirements will necessitate additional moneys for more thorough site assessments before listing in order to develop the necessary information to make site-specific findings and usefully compare sites.

I would like to ask the chairman of the Environment and Public Works Committee, Senator STAFFORD, if he agrees with this interpretation of the amendment?

● Mr. STAFFORD. Yes, that is my understanding of the amendment's intent.

● Mr. BAUCUS. If I might add, I agree that what the Senator from Utah has stated is certainly the intent of my amendment. We must make certain that EPA is using a sufficient data base before making decisions on listing specific sites. Mining wastes in particular because of their high volume and often low toxicity nature require consideration, otherwise, those sites posing a serious threat to health and the environment might not be distinguished from sites that are not causing problems. I would like to ask the Senator from Utah if he believes EPA has sufficient funding in order to conduct a thorough risk evaluation at individual sites?

● Mr. GARN. Let me answer that question this way: As chairman of the Appropriations Subcommittee for EPA, yes, I believe there will be sufficient funding at EPA to carry out the necessary risk evaluation work at individual sites as envisioned in the Senator's amendment. It's a question of administrative priorities. EPA can actually save money by conducting a thorough risk evaluation before placing these sites on the national priorities list. Such action will assure that only those sites with real problems are placed on the list and not just every pothole in the road.

● Mr. BAUCUS. I thank the Senator.

● Mr. GARN. On another matter, if, at the conclusion of its special waste study, EPA decides not to list certain special waste streams and their constituents under section 3001 of the Solid Waste Disposal Act—and those waste streams or constituents are not characteristic wastes under section 3001—my understanding is that S. 51 and the Baucus amendment would still permit response to those waste streams or their constituents as pollutants or contaminants—as defined in the act—if they present significant risk to public health comparable to sites on the national priority list or on a site specific basis if the waste there qualifies as a hazardous waste and,

hence, a hazardous substance under the law.

● Mr. STAFFORD. I agree with that assessment entirely.

● Mr. GARN. I understand further that the emergency and imminent and substantial endangerment response authorities of sections 104 and 106 are not affected by S. 51 and the Baucus amendment. Is that the Senator from Montana's understanding of his amendment?

● Mr. BAUCUS. That is correct.

● Mr. GARN. I thank the Senators from Montana and Vermont for their clarification of the intent of this very important amendment.

● Mr. HART. I understand that section 120(d) which creates a new section 105(d) does not negate a State's capability to initiate an action pursuant to section 107 in fulfilling its responsibility as trustee for natural resources within its boundaries. Is that correct?

● Mr. BAUCUS. Yes.●

Mr. ARMSTRONG. Mr. President, I would like to say a few words about Superfund and the legislation before us now. As a member of the Finance Committee I have been involved with this issue for many months. I voted for the bill because of the clear necessity to provide the Environmental Protection Agency with the means to combat the dangers that exist in my State and others caused by abandoned hazardous waste sites. Congress puts a high priority on this matter and I hope to see the EPA act with similar commitment to make our land and water safe where they are threatened.

My concerns about this bill have centered around the funding mechanism to raise the $7.5 billion this legislation calls for. My views are well known on this as I was one of only two on the Finance Committee voting against the Superfund excise tax.

This new tax on manufacturers with receipts in excess of $5 million is not an appropriate funding mechanism for this dedicated trust fund. Although its proponents speak of the nexus between manufacturers and pollution it is by no means established. Remember Superfund is used to clean up abandoned hazardous waste sites. Manufacturers who produce hazardous waste are covered by other Federal laws [RCRA] controlling such activities. Funding needed to clean up abandoned sites should come from general revenues to which all of us have contributed; corporations and individuals alike.

The fact that exemptions exist, first for manufacturers with receipts under $5 million, and for specific industries and products sabotages the intent of the tax to broaden the responsibility. Such exemptions also cause inequities and economic distortions that are documented by the Canadian experience with such a levy.

In 1924 Canada became the first country in the world to adopt the single stage form of manufacturer's tax. Malcolm Gillis, writing in the January 1985 Canadian Tax Journal said "Canada is the last remaining industrial nation using this fiscal relic".

This is far from the only negative assessment of the tax. In 1966 the report of the Royal Commission on Taxation set out the distortions such a tax causes and in 1983 the report of the Federal sales tax review committee reiterated the problems with the manufacturer's tax. Primary among these criticisms, quoting Gillis are:

That "* * * the manufacturer's tax is generally viewed as a nongeneral sales tax imposed at the point most distant from final consumption, at nonuniform rates and involving disparities in the relative tax treatment of domestic and imported goods * * * lack of neutrality in turn has given rise to discrimination against particular industrial and commercial sectors and against consumers of goods and services produced by them."

To expand on this the case has recently been made to me that high-tech industries stand to lose proportionately because they typically add more value to their products than the manufacturing segment does in producing their goods.

The Canadian experience with this tax illustrates its problems and makes clear that a manufacturer's excise tax does not even qualify as a true value-added tax because of its single stage nature. I might also add that the Canadian rate is 10 percent, well above that set out in this legislation but not unlikely in the future.

In closing, Mr. President, I would like to include in the RECORD the following letter that demonstrates the depth of concern about this Superfund excise tax. It comes from 94 corporations and associations that have taken the lead in combating this inappropriate new tax.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 13, 1985.

Hon. WILLIAM L. ARMSTRONG,
U.S. Senate, Washington, DC.

DEAR BILL: Earlier this week more than 102 business organizations wrote to you opposing a value-added tax to finance the Superfund Program.

We understand S. 51 will be brought before the Senate floor on next Tuesday, September 17th.

We want to repeat our adamant opposition to S. 51. The text of our original letter follows:

While we fully support the cleanup of dangerous hazardous waste sites, we are unalterably opposed to the manufacturing excise tax being proposed for Superfund. We believe such a tax will unfairly impact American manufacturers and will establish a dangerous precedent.

The broad-based manufacturing excise tax, which is really a value-added tax, fundamentally alters the basis upon which the original Superfund program was crafted. While this cleanup is a general societal problem, this "broad-based" tax excludes entire sectors of the economy despite their heavy use of petrochemical products. It would be paid by those who may generate no hazardous waste at all, as well as by those who may already have invested heavily in waste minimization and recycling. The proposed excise tax would also exclude both federal and state government waste generators.

The proposal would establish a cap on the taxes imposed on the very firms that generate most of the hazardous waste, while at the same time instituting a new VAT tax mechanism never before embraced by Congress on a large scale.

We urge you to reconsider the wisdom of this Superfund manufacturing excise tax and reject it in favor of other available means of funding hazardous waste cleanup.

Sincerely,

American Electronics Association; American Appeal Manufacturers Association; American Furniture Manufacturers Association; Grocery Manufacturers of America, Inc.; National Electrical Manufacturers Association; American Textile Manufacturers Institute; American Meat Institute; Chocolate Manufacturers Association; National Confectioners Association; Biscuit and Cracker Manufacturers Association; National Broiler Council; Food Marketing Institute; Corn Refiners Association; Association of Home Appliance Manufacturers; National Pasta Association; Cast Metals Federation; National Food Processors Association; American Frozen Food Institute; American Hardware Manufacturers Association; Manufactured Housing Institute; International Association of Ice Cream Manufacturers; National Foundry Association; Steel Founders' Society of America; Iron Castings Society; Non-Ferrous Founders' Society; Porcelain Enamel Institute, Inc.; Brass and Bronze Ingot Institute; Semiconductor Industry Association; National Lime Association; American Die Casting Institute; The National Tooling and Machining Association; Gas Appliance Manufacturers Association; The Value Manufacturers Association; American Standard, Inc.; Carnation Company; Litton Industries; Deere and Company; R. J. Reynolds Industries, Inc.; The Maytag Company; Gould Inc.; Whirlpool Corporation; Lennox Industries; Caterpillar Tractor Company; General Motors Corporation; The Minter Machine Company; Ralston-Purina; White Westinghouse; Beatrice Companies, Inc.; Riverside Furniture Corporation; Eaton Corporation; Armstrong World Industries, Inc.; Russell Corporation; Stewart-Warner Corporation; ConAgra, Inc.; Americold Compressor Company; Webster City Products Company; Belding Products Company; GR Manufacturing Company; Gibson Appliance; Greenville Products Company; Franklin Manufacturing Company; Edison Products Company; White Sewing Machine Company; Standard Sewing Equipment Company; Columbus Products Company; Frigidaire Company; Mansfield Products Company; Philco International Corporation; Kelvinator Appliance Company; Athens Product Company; The Bullard Company; White-Sundstrand Machine Tool Company; WCI Controls

and Data Systems; Blaw-Knox Foundry and Mill Machinery; Aetna-Standard Engineering Company; Aurora Steel Products; Richards-Wilcox Manufacturing Company; Jerguson Gage and Valve Company; Copes-Vulcan; Hupp Company; Kelvinator Commercial Products; White Consolidated Industries, Inc.; Philip Morris Companies, Inc.; Congoleum Corporation; Procter and Gamble; General Foods Corporation; USG Corporation; The Greyhound Corporation; Interbake Foods, Inc.; Hallmark Cards, Inc.; Textron, Inc.; Dart and Kraft, Inc.; Burlington Industries, Inc.; Libbey-Owens-Ford Company.

GEORGE W. KOCH.

SPECIAL WASTE FINDINGS

Mr. SIMPSON. Mr. President, I support the Baucus amendment to S. 51 to clarify congressional intent concerning Superfund coverage of wastes that are suspended from regulation under the Resource Convervation and Recovery Act [RCRA]. These wastes are described in section 3001(b) of the Solid Waste Disposal Act and include, principally, drilling muds and brines, mining wastes and utility byproducts. In 1980, Congress suspended these wastes from regulation as hazardous wastes under RCRA pending completion of studies by EPA to determine their potential adverse effects. Later in 1980, Congress also excluded these special study wastes from the definition of "hazardous substances" covered by Superfund.

EPA nonetheless has decided to consider sites containing these wastes as possible Superfund targets, based on the presence of trace hazardous constituents in the wastes. However, the hazard ranking system [HRS] used to rank sites for Superfund action exaggerates the potential harm from these high-volume, low-toxicity wastes. An amendment to the HRS is needed to prevent EPA from spending a substantial portion of the Fund on sites that simply do not pose anywhere near the environmental concerns posed by the estimated thousands of abandoned waste dumps that deserve priority attention.

This amendment would operate in conjunction with section 120(c) already contained in S. 51, which requires EPA within 18 months to revise the HRS to assure that it accurately assesses the relative degree of risk to human health and the environment. Pending revision of the HRS, the proposed amendment requires EPA to make four specific findings before listing a special study waste site, essentially to ensure that the potential hazard is based on the concentration and toxicity quantity of the waste.

In addition, to ensure EPA's compliance with this requirement, otherwise liable parties could not be held liable for cleanup costs at these sites if EPA failed to make the required findings and support them with appropriate data in any enforcement action. Both the special findings requirement and the limitation on liability would apply until EPA revised the HRS to incorporate the factors reflected in the four special findings.

The amendment also would tie the resolution of the status of special study wastes under Superfund to the results of EPA's studies under RCRA. Following EPA's study for each waste and the required determination of appropriate regulation under RCRA, and special study waste that becomes a RCRA waste will be a Superfund hazardous substance as well. If, however, a special study waste at a particular site is not a RCRA waste—because EPA has determined not to list it as a RCRA waste and it does not fail any of the RCRA characteristics tests—then neither will it be considered a Superfund hazardous substance, even if it contains hazardous constituents.

The amendment would apply prospectively only and would not affect the listing of any site already the subject of, or proposed for, Superfund action. The amendment explicitly does not affect, however, EPA's authority to remove any site from the national priorities list or not to list a site currently proposed for inclusion on that list. The amendment also would not apply to sites that contain special study wastes in an insignificant quantity. The authority of the Administrator or the Attorney General to seek the noncost recoverable abatement of an imminent and substantial endangerment under section 106(a) is not limited by this amendment.

Mr. BINGAMAN. Mr. President, I strongly support the reauthorization of Superfund. It is critical for Congress to pass this legislation.

In 1980, spurred by growing public concern over the proliferation and inadequate disposal of highly toxic substances, Congress enacted a 5-year cleanup program, popularly known as Superfund. That program expires on October 1 of this year. Swift action is therefore necessary. During these 5 years since 1980, the program has confirmed that the problem of toxic waste disposal is a threat to thousands of communities and millions of Americans. However, inadequate resources and staffing, lack of commitment, and inadequate authority to respond have prevented the Superfund Program from making substantial progress toward cleaning up leaking toxic wastes.

The debate today focuses on the appropriate site, authority, and scope of the program. Some facts are clear. The magnitude of the hazardous waste crisis is substantially greater than the current program can effectively handle, and the pace of the cleanup has been dangerously and frustratingly slow.

By the end of 1984, there were over 20,000 potentially dangerous sites. The EPA anticipates that 2,000 of those sites will qualify for placement on the National Priority List [NPL]. The NPL contains the sites identified by the EPA as posing the most serious problems. In contrast, the General Accounting Office estimates that as many as 4,000 sites could make the NPL, and the Congressional Office of Technology Assessment estimates that as many as 10,000 could qualify. Presently, the NPL totals 812—538 final and 274 proposed sites.

As of September 1984, less than half of the sites listed by the EPA as needing review had undergone remedial investigation, the first step in defining what further action is needed. The second step, remedial design, consisting of defining the remedy and the action to be taken, has started on 56 of the total NPL sites. The final onsite construction of mechanisms to remove, treat, or contain hazardous waste—remedial construction—has started at only 51 sites. This record of performance must be dramatically improved.

I strongly believe this bill provides the Congress the opportunity to significantly improve our program of toxic waste clean up.

S. 51 would authorize $7.5 billion for the Superfund hazardous waste cleanup program during the next 5 years, nearly a fivefold increase from the 1981–85 period. The Environmental Protection Agency can use money in the fund to clean up hazardous substances and hazardous wasted dumps when responsible parties do not take action quickly enough to protect health and welfare. The funds also support Superfund Program costs and enforcement efforts to require private parties responsible for sites to clean them.

The Superfund as reauthorized includes a strengthened reinforcement and liability section, provisions for citizen suits, strong right to know requirements, and emergency response mechanisms. The bill also provides effective new cleanup requirements, as well as constructive health related provisions.

A major controversy surrounding enactment of the legislation is the financing of the Superfund. The Finance Committee found it necessary to impose a broad-based manufacture's excise tax to raise the $5.4 billion in extra moneys required to meet the $7.5 billion funding level. While this alternative is not perfect, it does seem to be a reasonable means of achieving the minimum level of cleanup we so seriously need. No other workable alternative has been suggested, except using general revenues. However, given the current budget deficit, this option was not considered feasible.

As presently drafted the bill strikes what I think is a proper and reasonable balance of the interests of all

Americans. I congratulate the committees for their efforts and I encourage my colleagues to support the bill.

● Mr. EVANS. Mr. President, I rise to express my strong support for S. 51, to extend and amend the Superfund Hazardous Waste Clean-up Program. I commend my able colleagues on the Environment and Public Works Committee and on the Finance Committee for their efforts in bringing this critical legislation before us for consideration. I would like in particular to commend Senators STAFFORD and BENTSEN for their perserverance in pursuing such a strong and balanced bill. This program, so essential to our national commitment to protect human health and the environment, expires September 30—7 days hence. Senate approval of S. 51, extending Superfund for an additional 5 years, comes none to soon.

Our society has come to depend on modern chemical technology and we have benefited greatly from it. Yet, as we entered this chemical age, we did not suspect that dealing with the wastes of such technology would prove to be the most vexing environmental problem we would have to face. We are still grappling with the legacy of hazardous wastes and substances created by our chemical-dependent society.

When the original Superfund legislation passed in the final days of 1980, I am certain my colleagues here at the time had great expectations for the success of the program and its ability to deal quickly and effectively with the problem of cleaning up abandoned hazardous waste sites. I am equally certain that they are disappointed by the lack of progress. I share their disappointment. But how could anyone have foreseen the magnitude of the problem?

S. 51 does more than merely extend the Superfund Program another 5 years. It provides a more aggressive, thorough clean-up program, reasserting our commitment to a clean, healthy environment. I must again commend my colleagues for providing us a strong, well thoughtout piece of legislation.

I had the pleasure of serving on the Environment and Public Works Committee last year, when much of this bill was developed. S. 51 is an improved version of last year's effort. I am pleased that a number of provisions of especial concern to me were retained as originally drafted—in particular the provisions relating to the selection of remedial actions. I had the pleasure of cosponsoring a new section in the statute with my able colleague, the ranking member of the committee, Mr. BENTSEN. The provisions of this section stress the need to move toward the complete destruction of hazardous substances and address a number of issues related to the degree of cleanup to be achieved by remedial actions. Both are fundamental elements of our efforts to deal effectively with hazardous wastes and substances.

During last year's consideration of a Superfund reauthorization in the Environment Committee, I noted that neither the proposed bill nor the existing law included a statement of principles or goals and objectives. I continue to believe that such a statement would be worthwhile—I am joined by a number of my colleagues in this belief.

The problem of hazardous substances in the environment is complex. Nonetheless, certain basic principles setting out the elements necessary to address these problems can be identified. These principles are:

First, to provide ample Federal authority for cleaning up releases of hazardous substance, pollutants and contaminants;

Second, to assure that those responsible for any damage, contamination, environmental harm or injury from hazardous substances bear the costs of their actions;

Third, to provide a fund to finance response actions where a responsible party does not clean up, cannot be found or cannot pay. This fund should be based primarily on contributions from those who have been generally associated with such problems in the past and who today profit from products and services associated with such substances; and,

Fourth, to provide adequate compensation to those who have suffered economic, health natural resource, and other damages.

By implementing these principles, the major objective of this law will be accomplished: To provide an incentive to those who manage hazardous substances or are responsible for contaminated sites to avoid releases and to make the maximum effort to clean up or mitigate the effects of any such release.

I urge my colleagues to keep these principles in mind as we consider the provisions of S. 51. I would also strongly urge my colleagues to lend their support to this legislation and I am confident they will do so.●

Mr. MITCHELL. Mr. President, I would like to congratulate my good friend from Vermont, the chairman of the Committee on Environment and Public Works for the extraordinary effort he has expended to make possible the timely reauthorization of Superfund. There have been many obstacles in the way over the past 2 years, but he has persevered. He has made it possible for the Senate to approve a Superfund bill which retains the strengths of the existing law. He has made it possible for the Senate to reach a consensus on a fivefold increase of the fund to clean up abandoned waste sites.

He has always been an advocate of compensation for people injured by toxic wastes, and his support for my efforts in this regard has been constant. For this I am personally appreciative.

I think that the people of this country are in the debt of ROBERT STAFFORD for his work on Superfund, and on their behalf as well as my own, I thank him.

Mr. HATCH. Mr. President, I wish to make a few comments regarding the Metzenbaum amendment to require the Department of Labor to issue standards protecting the health and safety of employees engaged in hazardous waste operations.

I am sympathetic with the need to protect employees involved in hazardous waste operations and am pleased to have been able to work with the distinguished Senator from Ohio on this matter.

Yet in looking to a conference with the House on the Superfund Improvement Act, I feel it necessary to comment on my unqualified opposition to any amendment which would expand the scope of the Occupational Safety and Health Act or goes beyond the Senate position. It is my understanding that such an amendment may be part of the House version of the Superfund bill.

The Metzenbaum amendment has passed the Senate, with the support of the chairman of the Environment and Public Works Committee. This amendment will address the concerns that have been raised that the Department of Labor issue standards for employees engaged in hazardous waste operations, as well as emergency response operations, by requiring them to do so 1 year after enactment. In addition it will provide training funds to train these employees.

I believe the Senate bill provides adequate protection for these concerns and will ask that this position be upheld in conference committee.

I again thank the distinguished Senators from Vermont and Ohio for their work on this matter, as well as their staffs. I raise this point because it is a matter of considerable importance to the Labor and Human Resources Committee as well as the Department of Labor, and I think it is important to make these views known.

Mr. DOLE. I strongly support the reauthorization of Superfund, and I am pleased that the Senate is on schedule with renewing this vital program. That is a tribute to the leadership of BOB STAFFORD and BOB PACKWOOD, who cleared this legislation through their committees promptly this year. The Senate, at least, will meet the September 30 deadline for continuing Superfund. The prospects for action in the House, I understand, are less certain.

I believe we have an obligation to make sure that hazardous wastes do not permanently damage the environment or the health of our citizens. In addition, I think a compelling case has been made that the hazardous waste problem is so widespread, and the potential cost of cleanup so uncertain, that a substantial increase in the size of the hazardous waste cleanup fund is warranted. For these reasons I voted to report this legislation out of the Finance Committee.

Nevertheless, I do have reservations about some aspects of this bill. Both in terms of the amount of money we are spending and the way we are raising it, fiscal restraint has been given somewhat short shrift.

FUNDING LEVEL

In 1980 Superfund was authorized at a level of about $1.5 billion over 5 years. That initial authorization has enabled us to begin the cleanup process, to learn more about the process and technology of hazardous waste cleanup, and to get a better idea of the cost involved. Although there remains considerable disagreement on the amount of funding that is needed and the pace at which it can be spent effectively, there is no dispute that the problem requires a significantly larger commitment of resources than we made in 1980. Accordingly, I supported the administration's recommendation for a $5.3 billion program over the next 5 years. That is about 3½ times larger than the program commitment we made in 1980.

At the same time I am not sure the case has been made for the $7.5 billion program recommended by the Environment Committee and funded by the Finance Committee. We need to know a lot more about the cost of effective cleanup, and about how far we have to go to ensure the public health and safety with regard to a particular hazardous waste site, before we can be sure that $7.5 billion can be spent intelligently on this program in the next 5 years. I am willing to defer to the expertise of the Environmental Protection Agency on the funding question, since they are the ones in charge of the cleanup, and they have the most direct knowledge of the costs and problems involved.

Finally, at a time of severe fiscal stress, I think we have to be cautious in setting funding levels for any program: however worthy the goal. We should not let enthusiasm for a very popular and important program cloud our judgment as to what we can and should spend on that program. I would have preferred to see us agree to raise $5.3 billion, and subject requests for more funds to the appropriations process. I understand, however, that there is overwhelming sentiment among my colleagues for the funding level in this bill—so the issue seems settled in the Senate.

TAX INCREASE

As I have indicated previously, I am uncomfortable with establishing a wholly new, broad-based revenue source to finance this higher funding level for Superfund. At the time the Finance Committee made its decision to adopt a manufacturers' excise tax, I said that the fact that a new tax starts out with a low rate and a limited purpose is no guarantee it will stay that way. The entire income tax system started out with similar limitations, and that did nothing to stop its expansion.

I understand the desire to spread the burden of financing Superfund a bit more broadly, while still maintaining a relationship between the hazardous waste problem and the payors of the tax. In this case, the theory is that manufacturing activity in general is the source of the hazardous waste problem. But if we take that argument to its extreme, we ought to say that hazardous waste is a byproduct of an advanced industrial society—in which case the tax ought to be broadened even further.

But I am reluctant to go to that extreme at this time, because it seems to me that doing so opens the door to significant new taxes or increases in existing taxes. That is not what the economy needs right now. Further, I do not think it is a coincidence that the Finance Committee found it easy to vote for a $7.5 billion program when that program is largely funded by a very small tax on a large number of manufacturers. I fear that coupling this broad new tax with a popular program both removes considerations of fiscal restraint from our deliberations and guarantees that this tax will expand by leaps and bounds in the not too distant future.

I would indicate that there have been many good faith efforts to come up with an alternative funding package. Those efforts have not been successful, partly because the administration has not been able to recommend a package that excludes general revenues or borrowing. I understand there may yet be an effort to change this tax title, however.

I cannot, then, endorse this new tax. Let me reiterate that I strongly support the Superfund, and I will do whatever I can in this debate to ensure that it is reauthorized with much greater resources than it has had in the past. But I wish we could have done better in structuring a revenue package for this bill that would raise the necessary funds without opening the door to an endlessly expanding program.

Mr. LAUTENBERG. Mr. President, I would like to commend my distinguished colleagues, the chairman and ranking minority member of the Environment and Public Works Committee, Senators STAFFORD and BENTSEN, for their excellent work in managing the Superfund Improvement Act of 1985, S. 51. Since consideration of the bill began 1 week ago, over 50 amendments have been adopted by the committee. Without their leadership, expeditious consideration of the bill would have been impossible. As a result, the Senate now stands ready to approve its first reauthorization of the landmark 1980 Superfund statute, less than 1 week before the taxing authorities of the program are due to expire.

Mr. President, I indicated my support for the bill when consideration of S. 51 began last week. I am pleased that many amendments to further improve the bill have since been adopted by the Senate, including a number of amendments that I joined in offering this week: the emergency preparedness and response amendments, indoor air quality research amendment, Federal facilities reporting requirements amendment, lead-free drinking water amendment, permanent waste treatment research and development amendment, and modifications to the toxic chemical inventory provision of S. 51, a provision I sponsored in committee. Again, I would like to thank the leadership of the committee for supporting these amendments.

Mr. President, there are a number of issues that have been the focus of attention during consideration of Superfund's reauthorization but have not been addressed by S. 51. Some of these issues may be addressed in the House as it continues its work on the Superfund reauthorization. They include schedules for site studies and cleanup, citizen suits in the case of Superfund sites which present an imminent and substantial endangerment, and a Federal cause of action in court for victims of exposure to toxic substances. These are important issues that I hope we will address in conference.

Additionally, Mr. President, I am disappointed that there was not sufficient support for the amendment offered by my colleague from California, Senator CRANSTON, to increase the size of the fund to $10 billion. I was a cosponsor of this amendment because I believe that this level of funding more accurately reflects what we will need to clean up toxic wastesites at an appropriate pace. New Jersey alone estimates that it will need over $2 billion to complete its cleanup work.

No one denies that billions of dollars will be required to complete the cleanup task. The arguments against a $10 billion Superfund have focused instead on how fast the Environmental Protection Agency can effectively spend funds over the next 5 years. I believe that these issues can be addressed and that EPA can expand and speed up the cleanup process if it wants to. As a member of both the Environment and Public Works and Appropriations

Committees, I intend to pursue these issues and investigate the bottlenecks that have slowed down the pace of the program.

Also on the issue of the program's pace, I am disappointed that the Senate did not adopt schedules for Superfund site studies and cleanup. S. 51 is peppered with schedules: schedules for toxicological profiles of the most commonly found substances at Superfund sites, schedules for Federal facility site studies and cleanup, and schedules for implementing new programs such as the toxic chemical inventory and emergency preparedness provisions. I am hopeful that the House bill will contain schedule provisions for listing sites, initiating studies of sites, and initiating and completing cleanup. In this instance, the conference can look closely at the efficacy of provisions to establish schedules for cleanup at Superfund sites. We must hold EPA's feet to the fire and increase the pace of cleanup.

Mr. President, the bill before us today will expand and improve the Superfund Program in many important ways. It has been a pleasure to work with my colleagues on the Environment and Public Works committee on this bill. I urge my colleagues to support S. 51.

Mr. MOYNIHAN. Mr. President, I rise to join the distinguished managers of S. 51, Senators STAFFORD and BENTSEN, to speak of the critical importance of reauthorizing the Superfund Program promptly.

The problem of carelessly disposed of hazardous wastes did not arise overnight, but our national awareness of them did emerge quickly. In New York, we knew something was wrong in the early 1970's; on August 7, 1978, when President Carter declared a Federal emergency at a place called Love Canal, the entire country knew.

Throughout the 1930's and the 1940's, all manner of hazardous substances had been buried in what was once meant to be a canal for navigation and for power. In time, through an unfortunate sequence of events, it became the site for a school and for a neighborhood. And in the time since we discovered it for what it was, it has become, through another unfortunate sequence of events, a symbol of how poorly both private industry and our Government have coped with the hazards of improperly disposed hazardous wastes.

In 1980, Congress enacted the Comprehensive Environmental Response, Compensation and Liability Act—the Superfund Program—and began the slow process of searching for other potential Love Canal's, and learning how to make them safe again. Little did we know in 1980 how many there would be, how long the cleaned would take, or how much they might cost.

The Environmental Protection Agency has had slow start. Six of our most hazardous toxic waste dumps have been cleaned up, but the Agency has said that 541 more deserve places on the national priority list of the worst sites. EPA also estimates that the number may grow to 1,500 or 2,500; the Office of Technology Assessment believes the number could reach 10,000. And these numbers do not include tens of thousands of lesser dumps that will ultimately be left to the States for cleanup. In New York alone, we have found over 1,400 candidate sites so far.

In 1980, we thought that $1.6 billion spent over 5 years would bring us well along the way to solving this problem; now we know better. If the EPA estimates are right, the final cleanup cost for only the most hazardous dumps will reach between $7.6 and $22.7 billion—and these numbers are very optimistic. Probably unrealistic. One thing we have learned in 5 years is that making good on our commitment to protect the public health is going to cost a lot more money.

We also have learned that we cannot expect rapid results—it takes a long time to determine just what the problem is at each site, how big the problem is, and how best to solve it so as to protect the public. Six sites completed in 5 years is far—very far—from good enough, but there are signs that the EPA now takes its responsibility to protect the public health more seriously than perhaps it once did. It is abundantly clear, however, that the vast bulk of our toxic waste problem will remain with us for years to come.

We also have learned how little we really knew about how best to rid ourselves of this mess; 5 years after the Superfund Program began, and 7 years after the emergency declaration at Love Canal, we still do not have good methods for cleaning up many of these hazardous sites—including the one at Love Canal.

But today, unlike 1980, there are few things that we know we can do, to make the best of this situation.

We can act speedily to reauthorize this program before its authority to raise money expires at the end of this month.

We can provide a responsible sum of money for the next 5 years. I and my colleagues from the Environment and the Finance Committees have wrestled with the numbers for the past 2 years; $7.5 billion for the next 5 years is the number agreed upon by both committees, and the one deserving of our support.

We can refine the program based on what we have learned over the last 5 years; S. 51 does this well.

And we can establish a modest program to help give us what we do not now have, new technologies that work in the field, to help us, in the next 5 years, to do the job more effectively. Mr. President, this bill includes an amendment I authored to establish a program of applied research and development with Superfund to do exactly that.

This new program is designed to use a portion of the funds that are recovered from responsible parties at Superfund sites to advance our knowledge of how best to clean them up. It is primarily a field demonstration program. We have much laboratory data, and programs in place to obtain more. What has been missing is authority for the Environmental Protection Agency to test new technologies at Superfund sites; with this amendment, they are directed to do so where it makes sense to do so.

Mr. Chairman, nothing makes more sense than Congress reauthorizing the Superfund Program, with solid, sensible legislation such as we have before us, S. 51, and with dispatch. The citizens of communities across the country are still waiting.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I believe we are ready for third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was read the third time.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I ask unanimous consent that S. 51, as amended during the course of its consideration in the Senate, be printed. Knowing the widespread interest in this legislation, and being well aware of the number of technical and substantive amendments that have been adopted during the week S. 51 has been before the Senate, I am sure it will be useful and helpful to have the bill as it will be passed by the Senate available in its amended and corrected form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I am sure I shall have more to say before we pass this bill. I would like to bring to the attention of the Senate that the Superfund bill has been considered now on the 17th, 18th, 19th, 20th, 23d, and 24th of September, or for 6 days or parts thereof, and it has consumed, as of 5 minutes ago, some 18 hours and 5 minutes of time. There have been, however, but three rollcall votes and we have been able to consider 48 amendments. Due to the excellent work of staff on both sides of the aisle and the committee and others who have had an interest in amendments, we have been able to agree to 44 of the amendments, we have rejected 2, and 2 have been withdrawn.

My compliments to the staff on both sides of the aisle, all of the members of the committee, and others who have taken an interest in producing this bill. I am, of course, very happy and relieved that we have reached this point. I am sure it would not have gotten here half as fast if it had not been for the help of my two good friends here, the ranking minority member of our committee [Mr. BENTSEN], working with me in the bipartisan spirit in which we have always worked, and the chairman of the Finance Committee [Mr. PACKWOOD] and members of his committee.

Mr. BENTSEN. Mr. President, let me say, when we talk about the number of amendments that were passed and the few that were rejected, it is only because the chairman of the committee has done an extraordinary job in trying to work out differences and trying to find ways in which differences can be accommodated in cleaning up toxic waste sites in this country. He has done a marvelous job.

The staff on both the Republican side and the Democratic side have put in some incredibly long hours and put them in very capably. I thank them.

I also want to say how much I have appreciated working with my chairmen—both chairmen, Environment and Public Works and Finance. I think, in approaching this bill and the tax measure, what we have accomplished has been a very equitable distribution of the tax load across the manufacturing capacity of this country. It does relate to the toxic products that all of us are trying to see if we can take away from our environment and do it in an expeditious way. I am appreciative of that.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, the citizen suit provision of this bill indicates that suit may be brought for a violation of any "standard, regulation, condition, requirement, or order," which has become effective under this act. As I understand it, this clause is meant to apply to Federal laws and requirements only except to the extent that a State requirement is incorporated in an enforceable order, agreement or decree under the Superfund Act. Also, the word "condition" is intended to mean those conditions associated with permit requirements. Is that correct?

Mr. STAFFORD. The Senator is correct.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, earlier today, I made a unanimous consent request with respect to the printing of the bill as it was being amended in the Senate, at the time of its reaching third reading. I now move to vitiate that request.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Finance Committee be discharged from further consideration of H.R. 2005, a bill to amend title II of the Social Security Act and related provisions of law, to make minor improvements and necessary technical changes, and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2005) to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STAFFORD. Mr. President, I move to strike all after the enacting clause of H.R. 2005 and insert in lieu thereof the text of S. 51, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont.

The motion was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. STAFFORD. Mr. President, I believe that the minority leader is agreeable to our proceeding with the unanimous consent request now.

Mr. BYRD. I am.

ORDER FOR VOTE TO OCCUR AT 1 P.M., THURSDAY, SEPTEMBER 26, 1985, AND THAT PARAGRAPH 4 OF RULE XII BE WAIVED

Mr. STAFFORD. Mr. President, I ask unanimous consent that the vote occur on H.R. 2005 at 1 p.m. on Thursday, September 26, 1985, and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 2:28 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks,

announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 393. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

MEASURE HELD AT THE DESK

Pursuant to the order of the Senate of yesterday, September 23, 1985, the following joint resolution was held at the desk pending further disposition:

H.J. Res. 393. Joint resolution to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. COCHRAN, from the Committee on Appropriations, with amendments:

H.R. 3037. A bill making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-137).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 231. An original resolution authorizing the printing of a revised edition of the "Standing Rules of the Senate", as a Senate document (Rept. 99-138).

S. Res. 232. An original resolution relating to the purchase of calendars (Rept. 99-139).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 181. A resolution authorizing the printing of the report entitled, "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress" as a Senate Document (Rept. 99-140).

By Mr. McCLURE, from the Committee on Appropriations, with amendments:

H.R. 3011. A bill making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-141).

By Mr. HATFIELD, from the Committee on Appropriations, without amendment:

H.J. Res. 388. A joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes.

By Mr. MATHIAS, from the Committee on Rules Administration, without amendment:

S. Res. 228. An original resolution to pay gratuity to Katherine M. Ryan.

S. Res. 229. An original resolution to pay gratuity to Christine Nelson Galloway.

S. Res. 230. An original resolution to pay gratuity to Everett D. Sheaffer.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the Twenty-ninth Session of the General Conference of the International Atomic Energy Agency:

REPRESENTATIVE

Danny J. Boggs, of Kentucky.

ALTERNATE REPRESENTATIVE

Richard T. Kennedy, of the District of Columbia.

Nunzio J. Palladino, of Pennsylvania.

Bruce Chapman, of Washington.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Leo C. McKenna, of New York, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

Bill D. Colvin, of Virginia, to be Inspector General, National Aeronautics and Space Administration.

(The above nominations were reported from the Committee on Commerce, Science, and Transportation with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. DANFORTH. As in executive session, for the Committee on Commerce, Science, and Transportation, I also report favorably a nomination list in the Coast Guard which appeared in its entirety in the CONGRESSIONAL RECORD of September 16, 1985, and, to save the expense of reprinting on the Executive Calendar, ask that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. LUGAR, from the Committee on Foreign Relations:

The following-named persons to be Representatives and Alternate Representatives of the United States of America to the Fortieth Session of the General Assembly of the United Nations:

REPRESENTATIVES

Vernon A. Walters, of Florida.

Herbert Stuart Okun, of the District of Columbia.

Daniel A. Mica, United States Representative from the State of Florida.

Gerald B. H. Solomon, United States Representative from the State of New York.

John David Lodge, of Connecticut.

ALTERNATE REPRESENTATIVES

Patricia Mary Byrne, of Ohio.

Hugh Montgomery, of Virginia.

Joseph Verner Reed, of New York.

Robinson Risner, of Texas.

James A. Baker III, of Texas, to be U.S. Governor of the International Monetary Fund for a term of five years; U.S. Governor of the International Bank for Reconstruction and Development for a term of five years; U.S. Governor of the Inter-American Development Bank for a term of five years; U.S. Governor of the African Development Bank for a term of five years; U.S. Governor of the Asian Development Bank; and U.S. Governor of the African Development Fund.

Jean Broward Shevlin Gerard, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Gerard, Jean Broward Shevlin.

Post. U.S. Ambassador to Luxembourg.

Contributions amount, date and donee.

1. Self: See attached.

2. Spouse: See attached.

3. Children and spouse's names: James W. Gerard V (see attached); Harriet Coster Gerard, none.

4. Parents' names: Edwin Leonard Shevlin, deceased; Ella Jeannette Broward Shevlin, deceased.

5. Grandparents' names: Edwin Charles Shevlin, deceased; Harriet Albina Hall Shevlin, deceased; Hon. Napolean Bonaparte Broward, deceased; Annie I. Dougleass Broward, deceased.

6. Brothers' and spouses' names: Edwin Leonard Shevlin Jr., $10, Ronald Reagan, 1980; Lorna Losie Shevlin (more information requested, not available at this time).

7. Sisters' and spouses' names: None.

CONTRIBUTIONS

1. Jean Broward Shevlin Gerard

$100 New York County Conservative Party (Washington's Birthday Dinner, 1981; $200 CPAC, 1981; $80 CPAC, 1981; $300 NCPAC, 1981; $500 NYFPAC, 1981; $400 New York Republican State Committee, 1981; $20 Combined Federal Campaign, 1982; $1,000 Friends of Senator D'Amato, 1983; $10,000 Republican National Finance Committee, Republican Eagles, 1983; $10,000 Republican National Finance Committee, Republican Eagles, 1984; $5,000 Citizens for the Republic, 1984; $1,000 Republicans Abroad, 1984; $2,000 President's Luncheon, 1984; $500 Bentley for Congress Committee, 1984; $500 People for DioGuardi, 1984; $500 Gordon Humphrey for Senate, 1984; $1,000 Roger Jepson for Senate, 1984; $500 Seraphin Maltese for Congress, 1984; $500 Doug Prescott for Assembly, 1984: $500 John Raese for Senate, 1984; $500 Citizens for Tom Ritter, 1984; $500 Rowland Campaign Committee, 1984; $1,000 Ray Shamie for U.S. Senate Committee, 1984; $10,000 Republican National Finance Committee, Republican Eagles, 1985; and $500 Citizens for Percy, 1984.

2. James Watson Gerard II

$100 NCPAC, 1981; $300 Citizens for Buckley, 1981; $500 The Congressional Club, 1981; $400 Republican County Committee (NY), 1981; $300 East Side Conservative Club, 1981; $50 Fund for a Conservative Majority, 1981; $1,000 New England Conservative Political Action Committee, 1981; $300 Conservative Political Action Committee, 1981; $145 Presidential Inaugural Committee, 1981; $1,000 Friends of D'Amato, 1981; $200 Committee to Rebuild American Incentives, 1981; $500 New Yorkers for Lew Lehrman, 1982; $100 Schmitt for Senate, 1982; $100 LeBoutillier for Congress Committee, 1982; $50 Citizens for Reagan, 1982; $100 East Side Conservative Club, 1982; $150 Kings County Republican Committee, 1982; $500 NCPAC, 1982; $1,000 New York Republican County Committee, 1982; $250 Campaign for Prospering, 1982; $50 Gilman for Congress, 1982; $250 Committee for Roy

Goodman, 1982; $50 Philip Pruit, 1982; $200 Charles Wiley, 1982; $125 Republican Volunteers, 1982; $25 U.S. Strategic Institute, 1982; $250 Cohen for Senator, 1983; $1,000 Friends of Senator D'Amato, 1983; $500 Stevens for Senate Committee, 1983; $150 Republican National Committee, 1983; $100 East Side Conservative Club, 1983; $30 Republican Party of Virginia, 1983; $250 Committee on Present Danger, 1983; $300 Capital Legal Foundation, 1983; $100 National Republican Congressional Committee, 1983; $500 College Republican National Committee, 1983; $150 Helen Delich Bentley for Congress Committee, 1984; $200 Friends of Ham Fish, Jr., 1984; $150 Citizens for Gilman, 1984; $200 Roy Goodman for State Senate, 1984; $200 Roy Goodman for Senate Committee, 1984; $300 Helms for Senate, 1984; $100 Jepson for Senate Committee, 1984; $100 Levin Victory Committee, 1984; $30 National Committee To Restore Internal Security, 1984; $400 Conservative Party, New York State, 1984; $200 New York Republican State Committee, 1984; $10,000 Republican National Finance Committee, Republican Eagles, 1984; $100 Citizens for Reagan, 1984; $1,930 East Side Conservative Club, 1984; and $100 NCPAC, 1984.

3. James W. Gerard V

$10 CPAC, 1981; $25 Republican Volunteers, 1984; $25 Jefferson Foundation, 1984; and $125 Republicans Abroad, 1985.

James W. Spain, of California, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: James W. Spain.

Post: Ambassador to Sri Lanka.

Contributions, amount, date, donee.

1. Self: None.

2. Spouse: Edith J. Spain (deceased, June 5, 1984) $75 each year, Democratic National Committee.

3. Children and spouses' names: Patrick J. Spain, none; Stephen J. Spain, none; Sikandra Spain (deceased) none; William J. Spain, none.

4. Parents' names: Patrick J. and Mary E. Spain (deceased), none.

5. Grandparents' names: William and Mary Spain (deceased) none; James and Ellen Forristal (deceased), none.

6. Brothers and spouses' names: None.

7. Sisters and spouses' names: None.

Elliott Abrams, of the District of Columbia, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1990.

Mark L. Edelman, an Assistant Administrator of the Agency for International Development, to be a Member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1991.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DECONCINI (for himself, Mr. CHILES, and Mrs. HAWKINS):

S. 1694. A bill to amend the Tariff Act of 1930 to increase measures to combat smuggling by vessels, vehicles, and aircraft, and for other purposes; to the Committee on Finance.

By Mr. SPECTER:

S. 1695. A bill concerning hostile takeover attempts; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GOLDWATER (for himself, Mr. SIMPSON, Mr. CRANSTON, Mr. HECHT, Mr. WILSON, Mr. LAXALT, Mr. GARN, and Mr. WALLOP):

S. 1696. A bill to establish a federally declared floodway for the Colorado River below Davis Dam; to the Committee on Environment and Public Works.

By Mr. MATSUNAGA:

S. 1697. A bill for relief of Roberto Billano Alabaro; to the Committee on the Judiciary.

S. 1698. A bill for relief of Bhaskaran Ayyappan; to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself and Mrs. HAWKINS):

S. 1699. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the label or labeling of a food state the specific common or usual name and the amount of each fat or oil contained in the food, the amount of saturated, polyunsaturated, and monounsaturated fats contained in the food, the amount of cholesterol contained in the food, and the amount of sodium and potassium contained in the food; to the Committee on Labor and Human Resources.

By Mr. PRESSLER:

S. 1700. A bill to amend chapter 106 of title 10, United States Code, to extend the educational assistance program for members of the Selected Reserve to additional programs of education; to the Committee on Armed Services.

By Mr. SIMPSON (for Mr. HUMPHREY (for himself and Mr. MITCHELL)):

S. 1701. A bill to authorize a partial transfer of authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire.

By Mr. THURMOND (for himself, Mr. MOYNIHAN, Mr. SIMPSON, Mr. DIXON, Mr. HELMS, Mr. COHEN, Mr. HEFLIN, Mr. HATCH, Mr. NUNN, Mr. EAST, Mr. STENNIS, Mr. MITCHELL, Mr. HOLLINGS, Mr. DECONCINI, Mr. MATTINGLY, Mr. MCCLURE, Mr. SYMMS, Mr. SASSER, Mr. ROCKEFELLER, Mr. KERRY, Mr. D'AMATO, Mr. WILSON, Mr. KASTEN, Mr. PROXMIRE, Mr. LONG, Mr. RIEGLE, Mr. HEINZ, and Mr. COCHRAN):

S.J. Res. 206. Joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL (for himself and Mr. LUGAR):

S. Res. 227. Resolution urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990; to the Committee on Foreign Relations.

By Mr. MATHIAS from the Committee on Rules and Administration:

S. Res. 228. An original resolution to pay gratuity to Katherine M. Ryan; placed on the calendar.

S. Res. 229. An original resolution to pay a gratuity to Christine Nelson Galloway; placed on the calendar.

S. Res. 230. An original resolution to pay a gratuity to Everett D. Sheaffer; placed on the calendar.

S. Res. 231. An original resolution authorizing the printing of a revised edition of the "Standing Rules of the Senate," as a Senate document; placed on the calendar.

S. Res. 232. An original resolution relating to the purchase of calendars; placed on the calendar.

By Mr. PRESSLER:

S. Res. 233. A resolution to express the sense of the Senate on the need to reject any tax reform proposal which would remove the tax-exempt status of private purpose State and local bond obligations; to the Committee on Finance.

By Mr. CRANSTON (for himself and Mr. KENNEDY):

S. Con. Res. 70. Concurrent resolution expressing the sense of the Congress concerning the arrest of Ms. Lee Ya-P'ing by the authorities on Taiwan; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI (for himself, Mr. CHILES, and Mrs. HAWKINS):

S. 1694. A bill to amend the Tariff Act of 1930 to increase measures to combat smuggling by vessels, vehicles, and aircraft, and for other purposes; to the Committee on Finance.

ANTI-SMUGGLING ACT OF 1985

Mr. DECONCINI. Mr. President, today I am introducing for myself, Senator CHILES, and Senator HAWKINS the Anti-Smuggling Act of 1985.

Mr. President, this legislation, if adopted, will close a number of technical, but important statutory loopholes and toughen existing Customs and Federal aviation laws that currently are allowing the airborne and marine narcotics smugglers to bring their deadly cargo into the United States in record amounts by air, land, and sea.

Mr. President, the war on drugs takes a coordinated effort by the Federal, State, and local governments on a number of important fronts. First, we must have a comprehensive, coordinated foreign policy that rewards those drug source countries that eradicate production and harvesting of drugs, while punishing those source and

transshipment countries that fail to eradicate drugs at the source or who fail to halt the transshipment of drugs through their land, air space, and waters. Second, we must have a strong, national drug interdiction effort that can force the smuggler out of his air and marine trafficking routes; intercept narcotics, the vehicles used in smuggling, and the smuggler himself; and make it unacceptably expensive for the drug families to attempt to penetrate our borders with contraband. Third, we must have a strong, coordinated antidrug investigative capability here at home and abroad that can penetrate organized drug families and organizations; increase prosecutions and jail terms; and confiscate the assets of the large smuggling operators both here and overseas. Fourth, we must have a strong, national program for educating our people, especially the young children in the schools, about the dangers of drugs. Our national educational program should also focus attention on the debilitating effect of drugs on the family structure, the development of our kids; and the health of our citizens. Fifth, we must have a strong, central, coordinator of all Federal drug interdiction and investigative efforts. Perhaps the term "drug czar" is obsolete, but I firmly believe that the administration's track record to date in providing top level, firm coordination of our antidrug program makes the case for a drug coordinator all the more compelling. And finally, we need to tighten up current law and amend current antismuggling statutes to make sure that we have the strongest possible statutory deterrence to the drug smuggler. That is exactly what this bill will do.

Mr. President, in a moment I will ask unanimous consent that a section-by-section analysis of the bill appear in the RECORD, but let me outline just a few of the major provisions that will, hopefully, shut down some of the techniques and operations currently used by the drug smuggler to penetrate U.S. borders.

The bill will tighten up the reporting requirements for marine, air, and land border arrivals, forcing all vessels, vehicles, and aircraft to report-in to Customs immediately rather than delay their check-in at the borders or airports. Currently, the law permits 24 hours in which a vessel, for example, must report its arrival to Customs. In 24 hours a drug smuggler could offload tons of narcotics or contraband and have it in the New York or Phoenix school system. This bill would require immediate reporting to the nearest Customs facility upon entry.

This bill would provide civil and criminal penalties and civil forfeiture for the relatively new phenomena of airdropping drugs from an aircraft to a waiting vessel on the high seas or within customs waters.

The bill would also shift the burden of proof to the claimant of seized property to explain why his aircraft, for example, had illegally installed fuel tanks, or false registration markings or other classic profiles of a suspect smuggling aircraft.

And this bill would provide, by statute, authority for the Secretary of the Treasury to operate customs facilities in foreign countries and extend U.S. Customs laws to foreign locations with the consent of the country concerned. For example, this would allow specific statutory authority to implement cooperative drug enforcement agreements with the Bahamas, Canada, and other countries that are now operating through informal agreements.

Mr. President, this legislation is, I am informed, virtually identical to an antismuggling bill being crafted by the administration. Since last year, following hearings on the Customs budget for fiscal year 1985, I have been putting together a list of statutory changes affecting both Customs and FAA that would help crack down on both marine and airborne smuggling. This bill is the product of those deliberations and hopefully will be moved quickly through Congress and to the White House. If we are to really make a difference in the drug war, if we are to really make drug smuggling a dangerous, costly, no-win proposition, then this bill and the other elements of a comprehensive antidrug campaign, outlined above, must be approved and implemented as quickly as possible. I urge my colleagues to cosponsor this legislation and work with the sponsor of this legislation and the administration to pass this important part of our antismuggling attack.

Mr. President, I ask unanimous consent that the full text of the bill and the section-by-section analysis of the bill I mentioned earlier, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1694

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Anti-Smuggling Act of 1985".

TITLE I—AMENDMENTS TO THE TARIFF ACT OF 1930

SEC. 101. Section 401 of the Tariff Act of 1930 (19 U.S.C. 1401) is amended—

(1) by striking out "description," in subsection (c) and inserting in lieu thereof "description and monetary instruments (within the meaning of section 5312 of title 31, United States Code)", and

(2) by inserting after subsection (1) the following new subsections:

"(m) The term 'controlled substance' has the meaning given to such term by section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(n) The terms "prohibited" and "restricted" when used in connection with the importation of merchandise are interchangeable and refer to merchandise, the importation of which is not legally permitted or, which may only be imported under certain conditions or with certain permits or other documents and all the conditions have not been complied with or the permits or documents lawfully obtained.

SEC. 102. (a) Section 401 of the Tariff Act of 1930 (19 U.SC. 1432a) is amended by striking out "For the purposes of sections 432, 433, 434, 448, 585, and 586 of this Act, any vessel which has visited any hovering vessel shall be deemed to arrive or have arrived, as the case may be, from a foreign port of place.".

(b) Part I of title IV of the Tariff Act of 1930 is amended by adding at the end thereof the following new section:

"SEC. 403. ENTRY AFTER VISTING HOVERING VESSEL OR RECEIVING MERCHANDISE AT SEA.

"For purposes of sections 432, 433, 434, 448, 585, and 586, any vessel which—

"(1) has visisted any hovering vessel, or

"(2) has received merchandise while such vessel is in customs waters beyond the territorial sea, or

"(3) has received merchandise on the high seas, shall be treated as having arrived from a foreign port or place.".

SEC. 103. Section 433 of the Tariff Act of 1930 (19 U.S.C. 1433), is amended to read as follows:

"SEC. 433. REPORT OF ARRIVAL.

"(a) Immediately upon the arrival at any port or place within the United States or the Virgin Islands of—

"(1) any vessel from a foreign port or place,

"(2) any foreign vessel from a domestic port, or

"(3) any vessel of the United States carrying bonded merchandise or foreign merchandise for which entry has not been made,

the master of such vessel shall report such arrival at the nearest customs facility or at such other place as the Secretary may prescribe by regulations. The Secretary may prescribe regulations which provide the manner in which arrivals are to be reported and which extend the time (not beyond 24 hours) after the arrival of any vessel in which to report such arrival.

"(b)(1) Vehicles may arrive in the United States only at border crossing points designated by the Secretary.

"(2) Except as otherwise provided in regulations prescribed by the Secretary, immediately upon the arrival of any vehicle in the United States at a border crossing point, the person in charge of such vehicle shall—

"(A) report such arrival to, and

"(B) present such vehicle, and all persons and merchandise (including baggage) on board such vehicle, for inspection to,

the customs officer at the customs facility designated by the Secretary to serve such border crossing point.

"(c) The pilot of any aircraft arriving in the United States from any foreign airport or place shall comply with such advance notification, arrival reporting, and landing requirements as the Secretary may prescribe by regulations.

"(d) Except as otherwise provided by law, any vessel, vehicle, or aircraft which has arrived in the United States—

"(1) may depart from the port, airport, or place of arrival and from any customs facili-

ty designated to serve such port, airport, or place, and

"(2) may discharge passengers and merchandise (including baggage),

only in accordance with such regulations as the Secretary may prescribe.

"(e) Any—

"(1) master of a ship,

"(2) person in charge of a vehicle, or

"(3) pilot of an aircraft,

which arrives in the United States shall present to the appropriate customs officer such documents, papers, and manifests as the Secretary may prescribe by regulations.".

SEC. 104. (d) Section 436 of the Tariff Act of 1930 (19 U.S.C. 1436) is amended to read as follows:

"SEC. 436. PENALTIES FOR VIOLATIONS OF THE ARRIVAL, REPORTING, AND ENTRY REQUIREMENTS.

"(a) Any master, person in charge of a vehicle, or pilot of an aircraft who—

"(1) fails to report arrival as required by section 433 of this Act;

"(2) fails to make entry as required by section 434, 435, or 644 of this Act or section 1109 of the Federal Aviation Act (49 U.S.C. 1509);

"(3) departs from—

"(A) the port, airport, or place of arrival, or

"(B) the customs facility designating by the Secretary for such port, airport, or place,

without authorization from the appropriate customs officer; or

"(4) presents any forged, altered, or false manifest, document, or paper to a customs officer without revealing the true facts,

shall be liable for a civil penalty of $5,000 for the first violation, and $10,000 for each subsequent violation, and any conveyance used in connection with any such violation shall be subject to seizure and forfeiture.

"(b) In addition to any civil penalty imposed under subsection (a), any master of a vessel, person in charge of a vehicle, or pilot of an aircraft who willfully commits any violation described in subsection (a) shall be liable for a fine of not more than $2,000 or imprisonment for 1 year, or both, and if such vessel, vehicle, or aircraft has on board, or is discovered to have had on board, any—

"(1) merchandise (other than sea stores or the equivalent for convenyances other than vessels) the importation of which the United States—

"(A) is prohibited, or

"(B) is restricted and all required conditions have not been complied with, or

"(2) any controlled substances, spirits, wines, or other alcholic liquors,

such person shall be liable for an additional fine of not more than $10,000 and imprisonment for 5 years, or both.

"(c) If any merchandise (other than sea stores or the equivalent for convenyances other than a vessel) is imported or brought into the United States in, or on board, a vessel, vehicle, or aircraft which was not properly reported or entered, the master of such vessel, person in charge of such vehicle, or pilot of such aircraft shall be liable for a civil penalty equal to the value of such merchandise and such merchandise shall be seized and forfeited unless properly entered by the importer or consignee. If such merchandise consists of the controlled substances listed in section 584 of this Act, the master of such vessel, person in charge of such vehicle, or pilot of such aircraft shall be liable for the civil penalties imposed by that section.".

(b) Section 585 of the Tariff Act of 1930 (19 U.S.C. 1585) is amended—(i) by deleting "shall be liable to a penalty of $5,000," after "vessel"

(ii) by deleting "$500" and inserting in lieu thereof "$5,000 for the first violation, and $10,000 for each subsequent violation,"

SEC. 105. Section 454 of the Tariff Act of 1930 (19 U.S.C. 1454) is amended by striking out "$500 for each such" and inserting in lieu thereof "$1,000 for the first passenger and $500 for each additional".

SEC. 106. Section 459 of the Tariff Act of 1930 (19 U.S.C. 1459), is amended to read as follows:

"SEC. 459. REPORTING REQUIREMENTS FOR INDIVIDUALS.

"(a) Except as otherwise provided by the Secretary, any person arriving in the United States by any means other than by vessel, vehicle, or aircraft shall enter the United States only at a border crossing point designated by the Secretary and shall immediately report such arrival and present himself and all articles accompanying such person for inspection to the customs officer at the customs facility designated by the Secretary to serve that border crossing point. No person may depart from such customs facility without authorization from the appropriate customs officer.

"(b) Except as otherwise provided in regulations prescribed by the Secretary, all passengers and crew members aboard any conveyance arriving in the United States shall remain aboard the arriving conveyance until authorized by the appropriate customs officer. Upon departing the conveyance, such passengers and crew members together with all articles accompanying them shall immediately report to the customs facility designated by the Secretary and remain there until the appropriate customs officer has authorized such passengers and crew members to depart.

"(c) Any person aboard a conveyance whose arrival was not made or reported in accordance with the provisions of section 433 or 644 of this Act (19 U.S.C. 1433, 1644) or section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. 1509) shall immediately notify customs and report such arrival, together with appropriate information concerning such conveyance and shall present all articles accompanying such person for customs examination and inspection.".

SEC. 107. Section 460 of the Tariff Act of 1930 (19 U.S.C. 1460), is amended to read as follows:

"SEC. 460. PENALTIES FOR FAILURE TO COMPLY WITH SECTION 459.

"(a) Any person subject to section 459 of this act who—

"(1) fails to report arrival as required under such section;

"(2) departs from the customs facility designated by the Secretary without authorization from the appropriate customs officer; or

"(3) presents any forged, altered or false manifest, document, or paper to a customs officer without revealing the true facts.

shall be subject to a civil penalty of $5,000 for the first violation and $10,000 for each subsequent violation.

"(b) Any person who willfully commits any violations described in subsection (a) shall be liable for a fine of not more than $2,000 or imprisonment for 1 year, or both.".

SEC. 108. Section 584 of the Tariff Act of 1930 (19 U.S.C. 1584) is amended—

(1) by striking out "$500" each place it appears in subsection (a)(1) and inserting in lieu thereof "$1,000",

(2) by striking out "$50" in subsection (a)(2) and inserting in lieu thereof "$1,000",

(3) by striking out "$25" in subsection (a)(2) and inserting in lieu thereof "$500",

(4) by striking out "$10" in subsection (a)(2) and inserting in lieu thereof "$100",

(5) by striking out subsection (b),

(6) by striking out "(a) General Rule.—(1)" and inserting in lieu thereof "(a)",

(7) by striking out "(2) If any of such merchandise so found" and inserting in lieu thereof "(b) If any of the merchandise described in subsection (a)", and

(8) by striking out "(3) If any of such merchandise so found" and inserting in lieu thereof "(c) If any of the merchandise described in subsection (a)".

SEC. 109. Section 586 of the Tariff Act of 1930 (19 U.S.C. 1586) is amended—

(1) by striking out "$1,000" each place it appears and inserting in lieu thereof "$10,000",

(2) by striking out "two years" in subsection (e) and inserting in lieu thereof "15 years", and

(3) by striking out "within one league of the coast of the United States" in subsection (e) and inserting in lieu thereof "within customs waters".

SEC. 110. Part V of title IV of the Tariff Act of 1930 is amended by inserting after section 589 the following new section:

"SEC. 590. AVIATION SMUGGLING.

"(a) It shall be unlawful for any United States citizen on board any aircraft, or any person on board an aircraft owned by a United States citizen or registered in the United States, to—

"(1) manufacture of distribute, or

"(2) possess with intent to manufacture or distribute, a controlled substance.

"(b) It shall be unlawful for any person on board any aircraft—

"(1) to possess merchandise knowing or intending that such merchandise will be introduced unlawfully into, or

"(2) to—

"(A) manufacture or distribute, or

"(B) possess with intent to manufacture or distribute,

a controlled substance knowing or intending that the controlled substance will be unlawfully introduced into, the United States, any of its territories or possessions, or waters within a distance of 12 miles of the coast of the United States.

"(c) It shall be unlawful for any person to transfer any merchandise between an aircraft and a vessel on the high seas or in the customs waters of the United States if such person has not been authorized by the Secretary to make such transfer and—

"(1) either—

"(A) the aircraft is owned by a citizen of the United States or is registered in the United States, or

"(B) the vessel is a vessel of the United States (within the meaning of section 3(b) of the Anti-Smuggling Act (19 U.S.C. 1703(b)), and

the merchandise consists of controlled substances, spirits, wines, or other alcoholic liquors or merchandise, the importation of which into the United States is prohibited or is restricted and the necessary conditions have not been made, or

"(2) regardless of the nationality of the vessel or aircraft, such transfer is made under circumstances indicating the intent to make it possible for such merchandise, or

any part thereof, to be introduced into the United States unlawfully.

"(d) Any person who violates any provision of this section shall be liable for a civil penalty equal to twice the value of the merchandise involved but not less than $10,000 and, in addition to such civil penalty—

"(1) if the merchandise involved is not a controlled substance, shall be liable for a fine of $10,000 and imprisonment for a period of 5 years, or both, and

"(2) if the merchandise involved is a controlled substance, shall be liable for a fine of $250,000 and imprisonment for a period of 20 years, or both.

"(e) Any vessel or aircraft used in connection with, or in aiding or facilitating, any of the unlawful acts described in this section (whether or not any person is charged in connection with such acts) shall be seized and civilly forfeited in accordance with the customs laws.

"(f) For purposes of subsection (C)(2), the following acts shall be presumed to constitute circumstances indicating that the intent of the transfer is to make it possible for such merchandise, or any part thereof, to be introduced into the United States unlawfully, and for purposes of subsection (e), shall be prima facie evidence that an aircraft or vessel was used in connection with, or to aid or facilitate, a violation of this section:

"(1) the operation of an aircraft or a vessel without lights during such times as lights are required to be displayed under applicable law;

"(2) the presence on an aircraft of an auxiliary fuel tank which is not installed in accordance with applicable law;

"(3) the failure to correctly identify—

"(A) the vessel by name and the country of registration, or

"(B) the aircraft by registration number and country of registration,

when requested to do so by a customs officer or other government authority;

"(4) the external display of false registration numbers, false country of registration, or, in the case of a vessel, false name;

"(5) the possession of controlled substances which are not manifested or which are not accompanied by the permits or licenses required under the Single Convention on Narcotic Drugs or any other international treaty;

"(6) the presence of any compartment or equipment which is built or fitted out for smuggling; or

"(7) the failure of a vessel to stop when hailed by a customs officer.".

SEC. 111. Section 594 of the Tariff Act of 1930 (19 U.S.C. 1594) is amended to read as follows:

"SEC. 594. SEIZURE OF CONVEYANCES.

"(a) Whenever—

"(1) any vessel, vehicle, or aircraft, or

"(2) the owner, master, pilot, conductor, driver, or other person in charge of a vessel, vehicle, or aircraft, has become subject to a penalty for violation of the customs laws of the United States, the conveyance involved shall be held for the payment of such penalty and may be seized, forfeited, and sold in accordance with the customs laws, with the amount, if any, in excess of the assessed penalty and expenses of seizing, maintaining, and selling the property being held for the account of any interested parties.

"(b) No conveyance used by any person as a common carrier in the transaction of business as a common carrier shall be subject to seizure or forfeiture under the customs laws for violations relating to—

"(1) merchandise contained in baggage belonging to and accompanying any passenger who is being lawfully transported on such conveyance, or

"(2) merchandise in the conveyance's cargo if such cargo is listed on the manifest and the marks, numbers, weights, and quantities of the outer packages or containers agree with the manifest;

unless under subsections (1) and (2) the owner or operator or the master pilot, conductor, driver, or other person in charge of such conveyance participated in, or had knowledge of, such violation or were grossly negligent in preventing or discovering such violation.

"(c)(1) If any controlled substance—

"(A) is found to be, or have been, on board a conveyance used as a common carrier in the transaction of business as a common carrier in one or more packages or containers—

"(i) which are not manifested, or

"(ii) whose marks, numbers, weight, or quantities disagree with the manifest, or

"(B) is found to be, or to have been, concealed in or on the conveyance (but not in the cargo) the conveyance shall be seized, and after investigation, forfeited unless it appears to the satisfaction of the Secretary that neither the master (or pilot or other person in charge) nor any of the officers, petty officers, or cabin attendants nor the owner or operator of the conveyance knew, or could by the exercise of the highest degree of care and diligence, have known that such controlled substance was on board.

"(2) If any conveyance is properly seized under this subsection and is subsequently released, such conveyance shall be liable for the costs and expenses incurred in seizing and detaining such conveyance.

"(d) For purposes of this section—

"(1) The term 'owner or operator' includes—

"(A) a lessee or person operating a conveyance under a rental agreement or charter party,

"(B) the officers and directors of a corporation,

"(C) station managers and similar supervisory ground personnel employed by airlines,

"(D) each of the partners of a partnership,

"(E) representatives of the owner in charge of the passenger or cargo operations at a particular location, and

"(F) other persons with smiliar responsibilities.

"(2) The term 'master' and similar terms relating to the person in charge of a conveyance includes the purser or other person on the conveyance who is responsible for maintaining records relating to the cargo transported.".

SEC. 112. Subsection (a) of section 595 of the Tariff Act of 1930 (19 U.S.C. 1595) is amended to read as follows:

"(a)(1) If any officer or person authorized to make searches and seizures shall have cause to suspect the presence of—

"(A) any merchandise upon which the duties have not been paid or which has been otherwise brought into the United States contrary to law,

"(B) any property which is subject to forfeiture under any provision of law enforced or administered by the customs service, or

"(C) any documents, containers, wrappings, or other articles which are evidence of violations of any law enforced or administered by the customs service,

in any dwelling house, store, or other building or place, such officer or person may apply, under oath, to any justice of the peace, to any municipal, county, State, or Federal judge, or to any United States magistrate for a warrant and shall thereupon be entitled to a warrant to enter such dwelling house in the daytime only, or such store or other building or place at night or by day, and to search for and seize such merchandise or other article named in such warrant.

"(2) If any house, store, or other building or place is located upon or within ten feet of the boundary line between the United States and foreign country and any merchandise or other article subject to forfeiture is found in such house, store, or other building or place, the portion of such house, store, or other building or place that is within the United States may be taken down or removed.".

SEC. 113. Section 596 of the Tariff Act of 1930 (19 U.S.C. 159a) is amended—

(1) by striking out "in the proviso to section 594" and inserting in lieu thereof "in subsection (b) or (c) of section 594",

(2) by adding at the end thereof the following new subsection:

"(c) Any merchandise that is or has been introduced, or attempted to be introduced, into the United States contrary to law shall be seized and forfeited.".

SEC. 114. Section 613 of the Tariff Act of 1930 (19 U.S.C. 1613) is amended by adding at the end thereof the following new subsections:

"(c) When property has been seized by the Secretary of the Treasury under a law enforced or administered by the United States Customs Service and relief from the forfeiture is granted by the Secretary upon terms requiring the payment of a monetary amount in lieu of the forfeiture, the amount of such penalty shall be treated in the same manner as proceeds from the sale of a forfeited item.

"(d) The costs of seizure and storage, and any other expenses related to the forfeiture of any property under any law enforced or administered by the United States Customs Service that are incurred by the United States Customs Service after such seizure, but prior to or during judicial or administrative proceeding relating to such forfeiture shall be a priority claim in the same manner as court costs and marshal's expenses.".

SEC. 115. Section 616 of the Tariff Act of 1930 (19 U.S.C. 1616) is amended by adding at the end thereof the following new subsection:

"(e) Whenever forfeited property is not retained for official use by the Federal Government or turned over to a State or local government, such property may (in lieu of sale) be donated or loaned to the Boy Scouts of America, Girl Scouts U.S.A., or any other federally chartered nonprofit youth group under regulations prescribed by the Administrator of General Services. The United States shall not be liable in any action arising out of the use of any property which is donated or loaned under this subsection.".

SEC. 116. Section 619 of the Tariff Act of 1930 (19 U.S.C. 1619) is amended—

(1) by striking out "of 25 per centum" each place it appears and inserting in lieu thereof "of not more than 25 percent",

(2) by striking out "which shall be paid out of any appropriations available for the collection of the revenue from customs" in the first sentence,

(3) by striking out the fourth sentence,

(4) by inserting "as an expense of such forfeiture" after "Treasury under the provisions of this section" in the third sentence, and

(5) by inserting the following sentence after the second sentence: "Notwithstanding any other provision of law, any amount paid as an award of compensation under this section shall be paid from the net amount recovered before such net amount is deposited in the general fund of the Treasury or the Customs Forfeiture Fund, as appropriate.".

SEC. 117. Section 621, Tariff Act of 1930, as amended (19 U.S.C. 1621) is further amended by inserting at the end thereof the following sentence: "For purposes of this section, an action to recover a pecuniary penalty is deemed to have been commenced when the appropriate Customs officer issues a penalty notice."

SEC. 118. Section 622 of the Tariff Act of 1930 (19 U.S.C. 1622) is amended by inserting "or to comply with international obligations" after "revenue".

SEC. 119. Part V of title IV of the Tariff Act of 1930 is amended by adding at the end thereof the following new section:

"SEC. 628. EXCHANGE OF INFORMATION.

"Notwithstanding any other provision of law, the Secretary may prescribe regulations that authorize customs officers to exchange information or documents with foreign customs agencies and foreign law enforcement agencies when the exchange of such information is reasonably believed to be necessary to—

"(1) insure compliance with any law or regulation enforced or administered by the United States Customs Service;

"(2) verify the accuracy of information provided to the Department of the Treasury of the United States or the United States Customs Service if such information is used in making determinations concerning—

"(A) classification,

"(B) value,

"(C) country of origin,

"(D) quota allocability,

"(E) admissibility, or

"(F) other characteristics of imported merchandise that are relevant to the laws administered by the United States Customs Service;

"(3) administer or enforce multilateral or bilateral agreements to which the United States is a party; or

"(4) assist in investigative, judicial, or quasi-judicial proceedings in the United States.".

SEC. 120. The Tariff Act of 1930 is amended by inserting a new section 629 to read as follows:

"Sec. 629. Operations in Foreign Countries.

"(a) When authorized by treaty or executive agreement, the Secretary of the Treasury may station customs personnel in foreign countries for the purpose of examining persons and merchandise prior to their arrival in the United States.

"(b) Customs officers stationed in a foreign country pursuant to subsection (a) may exercise such functions and perform such duties, including inspections, searches, seizures and arrests as may be permitted by the treaty, agreement or law of the country in which they are stationed.

"(c) The Secretary may, by regulation, require compliance with the customs laws and regulations in a foreign country and, in such a case the Customs laws and other civil and criminal laws of the United States relating to the importation of merchandise, filing of false statements, and the unlawful removal of merchandise from Customs custody shall apply in the same manner as if the foreign station were a port of entry within the Customs territory of the United States.

"(d) When authorized by treaty, agreement or foreign law, merchandise which is subject to seizure or forfeiture under U.S. law may be seized in a foreign country and transported under Customs custody to the Customs territory to the United States to be proceeded against under the Customs laws.

"(e) The Secretary of State, in coordination with the Secretary of the Treasury, is authorized to enter into agreement with foreign countries authorizing the stationing in the United States of foreign Customs officials (if similar privileges are given in their country to U.S. officials) for the purpose of insuring that persons and merchandise going directly to that country comply with that country's Customs laws and other laws governing the importation of merchandise. Any foreign Customs officials stationed in the United States may exercise such functions and perform such duties as U.S. officials may be authorized to perform under reciprocal provisions.

"(f) When foreign customs officials are stationed in the United States in accordance with subsection (e), and provided that similar provisions are applied to U.S. officials stationed in that country:

"(1) the provisions of 18 U.S.C. 111 and 1114 shall apply as if the officers were named in that statute;

"(2) Any person who in any matter before a foreign customs official stationed in the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000, or imprisoned not more than five years, or both.".

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. Section 902 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1472) is amended by:

(a) adding at the end of section 902 the following new subsection (r):

"OPERATING AIRCRAFT OR SERVING AS AIRMAN WITHOUT VALID REGISTRATION OR CERTIFICATE"

"(r) A person shall be subject to a fine of not more than $5,000 or to imprisonment not exceeding two years, or both, who—

(1) being the owner of any aircraft eligible for registration under this chapter, knowingly and willfully operates or navigates or attempts to operate or navigate or permits any other person to operate or navigate any such aircraft either without registering such aircraft as required by section 501 of the Federal Aviation Act of 1958 (49 U.S.C. 1401) or during any period in which the aircraft certificate or registration has been suspended or revoked by the Secretary of Transportation;

(2) operates or navigates or attempts to operate or navigate an aircraft eligible for registration under this chapter knowing either that such aircraft is not registered as required by this chapter or that the aircraft certificate of registration is suspended or revoked;

(3) knowingly and willfully serves or attempts to serve in any capacity as an airman in connection with any aircraft without a valid airman certificate authorizing him to serve in such a capacity;

(4) knowingly and willfully employs for service or utilizes in connection with any aircraft any airman who does not possess a valid airman certificate authorizing him to serve in such capacity.".

(b) adding at the end of section 902 the following new subsection (s):

"OPERATION OF AIRCRAFT WITHOUT LIGHTS

"(s) Whoever knowingly and willfully operates an aircraft in violation of any rule, regulation or requirement issued by the Administration with respect to the display of navigation and/or anticollision lights shall be subject to a fine of not more than $5,000 or imprisonment not exceeding two years, or both.".

(c) adding at the end of section 902 the following new section (t):

"ILLEGAL FUEL INSTALLATIONS

"(t)(1) It shall be unlawful for any person to knowingly make a fuel tank or system installation aboard an aircraft, or to operate any aircraft with a fuel tank or system installation aboard, unless such tank or installation is in accordance with all applicable rules, regulations or requirements of the Administrator, including inspection and approval. Any person violating this section shall be subject to a fine of not more than $5,000 or imprisonment not exceeding two years, or both. Authorization from the Administrator to have an auxiliary fuel tank or system installation or modification shall be aboard the aircraft whenever it is operated and such authorization must be shown to any Federal, State, or local law enforcement officer upon request. Failure to have such authorization aboard shall create a presumption that the installation is unlawful.

"(2) Any unlawful fuel tank or system installation and the aircraft in which it is installed shall be subject to seizure and forfeiture. The provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws; the disposition of such property or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions hereof: *Provided*, That such duties are imposed upon customs officers or any other person with respect to the seizure and forfeiture of property under the customs laws may also be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Secretary.".

SEC. 202. Section 904(a), Federal Aviation Act of 1958 (49 U.S.C. 1474(a)), is amended by—(1) deleting the amount "$500" wherever it appears and by inserting in its place the amount "$5,000"; (2) by adding after the second sentence the following: "In addition to any other penalty, if any controlled substance described in section 584, Tariff Act of 1930, as amended (19 U.S.C. 1584), is found on board of, or to have been unladen from, an aircraft subject under section 1109 (b) and (c) of this Act (49 U.S.C. 1509 (b), (c)), the owner or person in charge of the aircraft shall be subject to the penalties provided for in section 584, Tariff Act of 1930, as amended (19 U.S.C. 1584),"; and (3) by deleting the third sentence and inserting in lieu thereof: "In case the violation is by the owner, operator, or person in command of

the aircraft, any penalty imposed by this section shall be a lien against the aircraft.

SEC. 203. Section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1509) is amended by adding at the end thereof the following new subsection:

"REPORTING TRANSFER OF OWNERSHIP

"(f) Any person having an ownership interest in any aircraft for which a certificate of registration has been issued under this Act shall, upon the sale, conditional sale, transfer or conveyance of such ownership interest, file within 15 days such notice as the Secretary of the Treasury may by regulation provide.".

SEC. 204. Section 12109 of title 46, United States Code is amended by inserting a new sentence in subsection (b) after the exising sentence to read: "Such vessel must, however, comply with all customs requirements for reporting arrival pursuant to section 433 of the Tariff Act of 1930 (19 U.S.C. 1433) and all persons aboard such a pleasure vessel shall be subject to all applicable customs regulations."

SEC. 205. The first section of the Act of August 11, 1955 (69 Stat. 684, chapter 800; 21 U.S.C. 967) is amended by striking out "section 545 of title 18 of the United States Code (relating to smuggling goods into the United States) with respect to any controlled substance (as defined in section 102 of the Controlled Substances Act)" and inserting in lieu thereof "any law relating to the importation or exportation of any merchandise, the reporting or transportation of monetary instruments or transactions (pursuant to subchapter II of chapter 53 of title 31, United States Code), or the enforcement of the Bank Secrecy Act.".

SEC. 206. Section 3071 of the Revised Statutes (19 U.S.C. 507) is amended to read as follows:

"(a) Every customs officer shall—

"(1) upon being questioned at the time of executing any of the powers conferred upon him, make known his character as an officer of the Federal Government, and

"(2) have the authority to demand the assistance of any person in making any arrest, search, or seizure authorized by law, if such assistance may be necessary.

If such person shall, without reasonable excuse, neglect or refuse to assist the customs officer upon proper demand, such person shall be guilty of a misdemeanor and subject to a fine of not more than $1,000.

"(b) Any person other than an officer or employee of the United States who renders assistance in good faith upon the request of a customs officer shall not be held liable for any civil damages as a result of the rendering of such assistance if the assisting person acts as an ordinary, reasonably prudent person would have acted under the same or similar circumstances.".

SEC. 207. In carrying out any undercover investigative operation of the United States Customs Service which is necessary for the detection and prosecution of offenses against the United States that are within the jurisdiction of the Secretary of the Treasury—

(1) sums appropriated for the United States Customs Service may be used for leasing space within the United States, the District of Columbia, and the territories and possessions of the United States without regard to—

(A) section 1341 of title 31, United States Code,

(B) section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)),

(C) section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255),

(D) the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34),

(E) section 3324 of title 31, United States Code,

(F) section 3741 of the Revised Statutes (41 U.S.C. 22), and

(G) subsections (a) and (c) of section 304 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 395; 41 U.S.C. 254);

(2) sums appropriated for the United States Customs Service may be used to establish or to acquire proprietary corporations or business entities as part of an undercover operation, and to operate such corporations or business entities on a commerical basis, without regard to the provisions of sections 9102 and 9103 of title 31, United States Code;

(3) sums appropriated for the United States Customs Service and the proceeds from such undercover operations may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18 and section 3302 of title 31 of the United States Code; and

(4) the proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation without regard to the provisions of section 3302 of title 31, United States Code;

only upon the written certification of the Commissioner of Customs (or, if designated by the Commissioner, the Deputy or an Assistant Commissioner) that such action is necessary to conduct such undercover operation.

(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under paragraph (3) or (4) of subsection (a) are no longer necessary for carrying out such operation, such proceeds (or the balance of such proceeds remaining at such time) shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) If any corporation or business entity established or acquired as part of an undercover operation under subsection (a)(2) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Commissioner of Customs shall, as soon as practicable, notify the Secretary of the Treasury and the Comptroller General. The proceeds of such liquidation, sale, or other disposition that remain after all obligations are met shall be deposited into the Treasury of the United States as miscellaneous receipts.

ANALYSIS

Section 101 contains definitions for various terms. The term "merchandise" in the Tariff Act is clarified by including specific references to monetary instruments. The term "controlled substance" has the same meaning as that term in the Controlled Substances Act. The terms "prohibited" and "restricted" which are used in numerous sections of the Tariff Act are defined for the first time. These terms are used interchangeably throughout the Customs and related laws. The term "prohibited" is at present misleading since it implies that an article may not be imported under any condition. In fact, few—if any—articles are truly "prohibited" in the commonly understood sense. For example, various laws or regulations refer to coffee (19 U.S.C. 1356k), obscene articles (19 U.S.C. 1305), milk (21 U.S.C. 141), controlled substances (21 U.S.C. 952), honeybees (7 U.S.C. 281), tea (21 U.S.C. 41-50), and automobiles (42 U.S.C. 1857), as "prohibited;" yet all may be lawfully imported with appropriate licenses, permits, security or other documentation. The proposed section would remedy the confusion by defining "prohibited" and "restricted" as interchangeable terms.

Section 102 would amend the reporting laws so that vessels receiving merchandise from aircraft or other vessels on the high seas or in Customs waters would be treated in the same manner as vessels which visit hovering vessels or foreign countries. They would have to report their arrival and make formal entry.

Section 103 of the bill would combine the existing Tariff Act of 1930 section 433 reporting requirements for vessels from noncontiguous countries and vessels over 5 net tons from contiguous countries with the reporting requirements under existing section 459 for vehicles and vessels under 5 net tons from contiguous countries and section 1109 of the Federal Aviation Act for aircraft.

Paragraph (a) would amend section 433 of the Tariff Act to require the master of any vessel arriving from a foreign port or place, or of a foreign vessel arriving from a domestic port, or a vessel of the United States carrying bonded merchandise or foreign merchandise for which entry has not been made, to immediately report arrival of the vessel at the nearest customhouse or such other place as the Secretary of the Treasury may prescribe in regulations.

Paragraph (b) would replace the existing vehicle reporting requirements of section 459 to require crossing only at designated facilities and immediate reporting of vehicle arrivals.

Paragraph (c) would provide similar requirements for aircraft and thus subjects them to specific penalties provided under section 436 rather than the more general (and lighter) penalties contained in 49 U.S.C. 1474.

In recent years, the use of all types of conveyances to smuggle narcotics and dangerous drugs has created a significant detection and interdiction problem for the Customs Service. The existing law contributes to this problem because, with the exception of small vessels arriving from Canada or Mexico, the law permits 24 hours in which to report arrival of a vessel, even though all other conveyances must immediately report to Customs, and some aircraft must even notify Customs prior to entering U.S. airspace. In addition, vehicles may cross into the United States at any point along the border, the only requirement being that *after* crossing, they report to the *nearest* Customs facility. Thus, a narcotics smuggler using a vessel or vehicle can arrive in the United States without facing the prospect of an immediate Customs inspection and discovery of contraband. Although this problem has become particularly acute in Florida where pleasure yachts and small commercial vessels with easy access to nearby foreign islands and the U.S. inland waterways complicate detection, the reporting problem is also present along the entire east and west coasts where small commercial vessels and pleasure craft are used to ferry loads between the so-called "motherships" which hover off the coast and the numerous inlets and bays which line our shores.

The proposed amendment to section 433, would authorize the Secretary of the Treasury to require the master of a vessel, the

person in charge of a vehicle, or aircraft pilot to report immediately (in person or by radio or other means as prescribed in the regulations) and would also afford greater flexibility in designating the places where arrival may be reported. Customs would, thus, be in a position to concentrate enforcement activities on those conveyances failing to report immediately to the designated facility, on the assumption that they are liable to be involved in smuggling.

Section 104 of the proposed bill establishes, in addition to existing criminal sanctions, civil penalties for violation of sections 433, 434 and 435 of the Tariff Act, and provides for the seizure and forfeiture of any conveyances used in connection with these violations. These penalties are subject, in appropriate cases, to mitigation or remission under section 618 of the Tariff Act (19 U.S.C. 1618). The amount of the criminal fines which may be imposed has also been increased.

Section 105 of the proposed bill would amend Section 454 of the Tariff Act to increase the penalties for discharging passengers without a permit.

Section 106 of the proposed bill would clarify the existing law, section 459 of the Tariff Act, to require all persons arriving in the U.S. as pedestrians or by means other than by vessel, vehicle or aircraft (Horseback, for example) to immediately report their arrival to a designated Customs facility. Persons on board conveyances are required to remain aboard until authorized by Customs to depart. Present law only requires the master or person in charge to keep persons on board but imposes no obligations on the passengers or crew members themselves. An incident at a New York airport involving a near riot after a delayed landing showed the weaknesses of existing law. In addition, passengers and crew members arriving aboard conveyances which did not report arrival in accordance with section 433 are also required to notify Customs and report the circumstances of their arrival.

Section 107 of the proposed bill would amend section 460 of the Tariff Act to increase substantially the civil penalties for failure to report to Customs or proceeding without permission. Of course, all the penalty and forfeiture provisions are subject to remission or mitigation for cause under section 618 of the Tariff Act. The section also establishes criminal penalties similar to those presently contained in section 433 of the Tariff Act for reporting violations.

Section 108 would amend section 584 of the Tariff Act of 1930 to eliminate the prepenalty procedures which were added in 1978 but which have proven to be of little benefit to the public or the Government. This section would also substantially increase penalties relating to unmanifested drugs and other merchandise.

Section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) requires the master of the vessel and any person in charge of any vehicle arriving in the United States to keep on his ship or vehicle a manifest in the form prescribed by the Secretary of the Treasury. The manifest must be signed by the master (or person in charge of the vehicle) under oath as to the truth of the statements it contains. Under section 584 of the Tariff Act (19 U.S.C. 1584), the penalty for an error in the manifest is a penalty equal to the lesser of $10,000 or the domestic value of the goods to which the error relates. The Customs Service uses the manifest primarily to insure that all goods in the cargo are ultimately entered or otherwise appropriately disposed of under the Customs laws.

The Customs Procedural Reform and Simplification Act of 1978 (P.L. 95-410, 92 Stat. 888) amended section 584 to: (1) extend liability for an error in the ship's manifest to those persons directly or indirectly responsible for the error, including the importer or broker, (2) to require a prepenalty notice of any proposed penalty greater than $500, and (3) require the Customs Service to consider representations made as a result of the notice before issuing a penalty claim. It was believed that ocean carriers were being penalized under Section 584 for discrepancies between the manifest cargo packaged in a manner which prevents the master from knowing its contents. For example, cargo containers are often filled at the exporter's factory in a foreign country and the container is not opened again until it reaches the importer's facility inside the United States.

It was anticipated that the prepenalty notice procedure would enable carriers to resolve quickly possible violations before a penalty notice is issued, and since the notice would go to all persons directly or indirectly responsible for the error, importers, exporters, brokers and carriers would cooperate in reconciling problems. However, in actual practice the prepenalty notice has been of no tangible benefit either to importers, carriers, brokers, or to the Customs Service. Inasmuch as the violations of this requirement do not involve serious offenses, they can be handled adequately through normal penalty procedures, with a substantial reduction in both paperwork and administrative expense.

The penalties for unmanifested opium of $25 an ounce were first set in 1922 and the penalties for other controlled substances have been set at $10-$50 an ounce (depending on the drug) since 1935. In order to increase vigilance on the part of carriers, the bill would raise penalties to $200-$1,000 an ounce.

Section 109. This section increases the civil and criminal penalties for unlawful unlading or transshipment. In addition, the geographical limits of the statute are changed from 12 miles to "customs waters," which term means "12 miles" or the distance permitted by treaty or special arrangement with a foreign country for the boarding of vessels flying its flag.

Section 110. This is a new section which is intended to control aviation smuggling by adopting many of the provisions contained in 21 U.S.C. 955 and 19 U.S.C. 1586 which apply to vessels. In addition, this section is intended to address a relatively new phenomenon, air drops of contraband to vessels in international waters. The statute addresses these problems as follows—

Subsection (a) makes it unlawful for U.S. citizens or persons on board U.S. aircraft to manufacture or distribute or possess with intent to manufacture or distribute a controlled substance. Subsection (b) makes it unlawful for any person to possess merchandise or controlled substances knowing or intending that it be unlawfully introduced into the U.S. or its territories or possessions or within 12 miles of the coast. Subsection (c) makes it unlawful to transfer any merchandise between an aircraft and a vessel on the high seas or within customs waters without a permit if the plane or boat is of U.S. nationality or the circumstances indicate the purpose is to introduce the merchandise contrary to law.

The section provides civil and criminal penalties and civil forfeiture. In addition, subsection (f) contains certain rebuttable presumptions of an intent to unlawfully transship merchandise. These presumptions expand on the presumptions contained in the Anti-Smuggling Act of 1935. Customs and other law enforcement officers often discover suspicious aircraft or vessels without contraband on board, but under circumstances indicating that they were used or intended to be used for unlawful purposes, such as smuggling. The presumptions contained in subsection (f) would have the effect of shifting the burden of proof to the claimant of seized property. Thus, the claimant would have to explain why his aircraft had illegally installed fuel tanks, or false registration markings. These are similar to the presumptions presently contained in 19 U.S.C. 1703.

Section 111. Would amend section 594 of the Tariff Act to eliminate the expensive and time consuming requirement that conveyances seized to secure payment of penalties (not for forfeiture) be proceeded against in an admiralty court action and would substitute the normal Customs forfeiture procedures which permit administrative forfeiture in many instances, but protects the rights of individuals by requiring court proceedings whenever a claim and cost bond are posted. In addition the exemption from common carriers being seized are being revised. Under present law a common carrier may not be seized or forfeited for violations of the Customs laws unless the owner or master or other person in charge consented to or were privy to the violation. This protection was given to protect the common carrier from seizures where dishonest passengers concealed contraband in baggage or otherwise violated the Customs laws or where a dishonest shipper misdescribed the contents of cargo on a bill of lading. However, in recent years, common carriers in increasing and alarming numbers had escaped seizure where large quantities of drugs were concealed on board the vessel or aircraft, outside the cargo, by crew members or other personnel employed by common carriers. In addition, common carriers have escaped liability where 2,500-3,000 pounds of cocaine were placed in *unmanifested or falsely manifested* cargo boxes or containers. A simple comparison of the bills of lading with the external marks on the cartons or an actual external count of the cargo by the carrier would have revealed these discrepancies.

The amendment would continue protection for common carriers where contraband is contained in the baggage of a passenger being lawfully transported or in manifested cargo with external marks and quantities which match the bill of lading, unless the owner, operator or person in charge participated in or had knowledge of the violation or was grossly negligent in preventing or discovering the violation. However in the case of prohibited merchandise or controlled substances, common carriers would be subject to seizure for transporting such items in unmanifested cargo, in cargo whose external character did not match the documents or for articles concealed on the conveyance, but outside the cargo. After investigation, the common carrier would be subject to forfeiture unless the owner or operator, master or officers can show that they did not know and through the exercise of the highest degree of care and diligence could not have known that the contraband was on board. This standard is identical to the standard contained in 19 U.S.C. 1584 for common carrier penalties for unmanifested drugs and is intended to encourage greater

vigilance by common carriers. Of course common carriers can avail themselves of the remission and mitigation procedure in 19 U.S.C. 1618.

Subsection (d) defines "owner or operator," "master" and similar terms relating to the person in charge to include responsible managerial and supervisory personnel to reflect modern practices relating to cargo manifests. Subsection (e) makes the carrier responsible for expenses arising out of seizures under subsection (c) which relate to discoverable, unmanifested drugs and prohibited merchandise.

Section 112 expands the Customs civil search and seizure warrant in Section 595 of the Tariff Act (19 U.S.C. 1595) to cover any article subject to seizure rather than just the imported merchandise. This amendment would permit this civil warrant to be issued to seize conveyances, monetary instruments and evidence of violations of the Customs laws which are subject to forfeiture under laws enforced by Customs. The obsolete reference to U.S. Commissioner is changed to Federal Magistrate.

Section 113 amends section 596 of the Tariff Act (19 U.S.C. 1595a) to permit the civil seizure and forfeiture of merchandise introduced or attempted to be introduced contrary to law. This provision is intended to fill a gap which was caused when former section 593 was moved in 1948 to the criminal code as 18 U.S.C. 545. In addition, although 19 U.S.C. 1592 permits the seizure of prohibited goods, this is in some cases unsatisfactory. While it is true that most laws which restrict or prohibit merchandise provide for forfeiture, some such as the motor vehicle laws and coffee laws merely deem the goods to be a "prohibited importation" but do not provide for a separate forfeiture.

Section 114 amends section 613 of the Tariff Act to treat amounts tendered in lieu of merchandise subject to forfeiture in the same manner as the proceeds of sale. This would permit the Secretary or his designee to grant relief from the forfeiture in certain instances but would still permit the deposited funds to be used to pay expenses of the seizure and to be placed in the Forfeiture Fund to be used for the same purposes for which forfeiture proceeds may be used. In addition 613(d) would treat agency seizure expenses in the same manner as court costs and marshal's expenses. A recent court decision held that only seizure expenses incurred by the *custodia legis* after a complaint is filed are priority claims. Thus, under this interpretation agency expenses incurred prior to referral for judicial proceedings would not be paid in some instances where the proceeds of sale are insufficient to cover preferred mortgage liens and all the expenses incurred by the seizing and custodial agencies. The amendment would remedy the situation by putting agency expenditures on an equal footing with marshal fees and court costs and allow them to be paid before liens.

Section 115 amends section 616 of the Tariff Act by adding a new subsection (e) which would permit the donation or loan of property to a non-profit youth group chartered by Congress such as the Boy Scouts and Girl Scouts (see 36 U.S.C. 21 *et seq.*) and other youth groups. Since narcotics and other drugs have the greatest harmful effect on the youth of our country, it is fitting that articles seized for drug and related violations be turned into a positive contribution to our nation's youth. Customs and other enforcement agencies have received numerous requests from Sea Explorer (sea scout) groups and other youth groups for seized sailboats and other small craft for use in their training programs. Under the provisions of 10 U.S.C. 7541 and 14 U.S.C. 641, the Navy and Coast Guard are permitted to transfer by loan or donation surplus property to the Scouts, but under existing GSA regulations, such youth groups are not eligible for donation or loan of seized and forfeited property, despite the fact that many of the small craft would make excellent sea scout vessels.

Section 116 amends section 619 to allow Customs officers to exercise some discretion in determining the percentage of an informant's award. Under present law, when Customs makes a recovery of property, or penalties, the person who provided the original information is entitled to an award of 25% of the recovered value, but not more than $250,000 (until 1984, this was $50,000). The amendment would permit an award in a lesser amount up to the 25%/$250,000 maximum depending on the information provided. The amendment also deletes a requirement which was contained in P.L. 98-473, requiring the Commissioner to approve any award in excess of $10,000. Prior to P.L. 98-473, the maximum award was $50,000 which could have been approved by subordinate officials. The award is only payable after the government has made a recovery based on the information supplied by the informant. The officer receiving the information and the District Director where the recovery was made must both approve any claim. In addition, headquarters attorneys in both the Offices of Regulations and Rulings and Chief Counsel must review all awards before payment is approved. With these "checks and balances" the personal approval of the Commissioner is unnecessary.

Finally, under the proposed amendments, informants awards are treated in the same manner as expenses. Thus, the informant's award may be deducted from the proceeds, prior to depositing them in the Customs Forfeiture Fund (in the case of forfeitures) or the General Fund (in the case of fines and penalties).

Section 117 clarifies the statute of limitations provisions contained in Section 621 so that monetary penalty cases are deemed to have been commenced when the penalty notice is issued. Customs cases, especially those involving fraud are often difficult to detect. Once discovered, they must be investigated. Frequently, one discovery leads to others and companion civil and criminal cases are pursued. During the criminal case, which has a shorter statute of limitations, grand jury information is not generally available to civil investigators. In addition, alleged violators do not wish to respond to civil penalty cases while a criminal investigation is being actively pursued. Unfortunately, under present law the civil statute of limitations is not tolled until a court action is filed. The amendment would toll the civil statue when the penalty is issued.

Section 118 would amend section 622 of the Tariff Act to permit the Secretary of the Treasury to require landing certificates to comply with international obligations such as bilateral or multilateral agreements to reduce or prevent smuggling.

Section 119 would clarify the Secretary's authority to exchange information with foreign customs and law enforcement authorities. Such exchanges are necessary to determine whether voluntary quotas and other cooperative arrangements are working as intended. Exchanges are also necessary to verify information on import and export documents and to comply with bilateral and multilateral obligations. In addition, the section would permit U.S. authorities to exchange information with foreign officials when such exchanges are necessary to assist in U.S. investigations or judicial or quasi-judicial proceedings. Frequently, foreign authorities have information which would be valuable in a U.S. investigation but are reluctant to provide the information unless U.S. authorities can also provide information.

Section 120 would grant the Secretary specific authority to operate customs facilities in foreign countries and give him the authority to extend U.S. Customs laws to foreign locations (with the consent of the country concerned). Although U.S. officials have been at air preclearance locations in Canada, Bahamas and Bermuda since the 1950's, their presence has never been specifically authorized by statute, nor have they had the law enforcement tools necessary to perform properly their jobs. The section would also permit the U.S. and Canada to build and operate single border stations serving both countries to effectuate economies on both sides. We understand that the proposed Canadian Customs Act has similar provisions.

Section 201(a) provides criminal penalties for any person who knowingly operates, or being the owner, allows the operation of, any aircraft which has not been registered as required by law. This provision is the necessary follow-up to make the proposal in section 31 enforceable. This proposal also provides criminal penalties for knowingly serving as, or employing for service in connection with any aircraft, any person who does not possess a valid airman's license. This provision is necessary to ensure that drug smugglers who have had their licenses revoked under the provisions of the recently enacted Aviation Drug-Trafficking Act do not engage in such related activity, at least, during the period of such revocation.

Section 201(b) provides criminal, as opposed to the current civil, penalties for operating aircraft at night without lights. This tactic is often used by drug smugglers. Providing criminal penalties for such conduct enhances the capability of law enforcement personnel to search and seize these aircraft, based upon probable cause to believe a crime has been committed, and, thereby, interdict such smuggling activity.

Section 201(c) establishes criminal sanctions for the use and/or installation of unlawful fuel systems in aircraft. For the reasons provided in section 29(b) above, this proposal will assist in the interdiction of drug smuggling. In addition it subjects unlawful fuel systems and the aircraft in which they are installed to seizure and forfeiture under the customs laws.

Section 202 would amend section 904 of the Federal Aviation Act of 1958 to raise the civil penalties for aircraft violations from $500 to $1,000 and would extend the manifesting penalties of section 584 of the Tariff Act to controlled substance violations involving aircraft.

Section 203 amends the Federal Aviation Act to require reports of aircraft transfers of ownership to be reported to the Secretary of the Treasury. Under present law, the purchaser of an aircraft provides notice to the government, by virtue of the aircraft's registration, that an aircraft has been sold or transferred to another party. Drug smugglers, too often, simply do not comply.

Section 204 would amend the documentation laws to make it clear that while docu-

mented yachts do not have to make formal entry they must report their arrival to Customs and declare any goods on board. Recent changes to the language in the documentation laws has led to some confusion with some private yacht owners believing that they were exempt from all Customs regulations. In fact they are only exempt from formal entry and clearance procedures.

With this registration requirement, thereby making it impossible to track the transfer of aircraft from lawful to unlawful users or to determine, in many instances, who the actual owners are of aircraft abandoned in fields after their use in drug smuggling operations. In addition registry information is not available in a timely fashion. The proposal would require the seller of a registered aircraft to file a notice of such sale or transfer with the government. If an unlawful user/purchaser, then, subsequently fails to register the aircraft, law enforcement personnel would have, by viture of the seller's notice, sufficient information to identify the aircraft being used without lawful registration and, by virtue of the proposal in section 29(a), *supra*, apprehend such individuals for such unlawful activity. In addition such notifications can be considered by Customs officials in deciding whether to grant waivers from Customs regulations relating to notices of arrival, permission to land at nondesignated airports and other entry requirements. Present F.A.A. registry information, while available to law enforcement agencies is not up to date. At such time as F.A.A. registry information becomes current, it is anticipated that the reports required by this section will be combined with existing F.A.A. reports.

Section 205 would amend the administrative subpoena authority of Customs, to delete reference to the controlled substances laws and substitute reference to any import, export or currency reporting law. This provision would expand the investigative tools available to Customs officers. Because of its present wording, the provision has remained virtually unused since the 1973 Reorganization Plan transferred most drug investigation authority from Treasury to Justice.

Section 206 would amend 19 U.S.C. 507 which Customs officers use to request the assistance of others by eliminating references to a three mile distance and by raising the criminal penalties for failure to render assistance. Customs officers must frequently rely on assistance by state and local agencies and civilians in performing their duties. For example, suspect planes picked up on radar may land before Customs officers can arrive. Local police or airport authorities are frequently called upon and asked to detain the pilot and passengers until Customs can arrive. Subsection (b) would provide immunity to persons other than Federal employees assisting Customs officers in good faith. This provision is based on various "good Samaritan" laws and is intended to reassure individuals who are unsure of their liability for coming to the aid of Federal officials. The liability of Federal employees will continue to be governed by existing case law, which permits qualified immunity defense to a Federal official who was acting in good faith with a reasonable belief in the validity of his action. See *Bivens* v. *Six Unknown Named Agents*, 456 F.2d 1339 (2d Cir. 1972).

Section 207 would make it clear that the Secretary of the Treasury, in undercover law enforcement activities, is authorized to utilize "cover" corporations, bank accounts and to lease property and pay for services without complying with the normal requirements which would reveal government involvement. Many of the larger smuggling, export and currency investigations require Customs Special Agents and other officers to assume "cover" identities and set up "cover" operations. At present, Customs officers must often rely on the utilization of "cover" corporations and businesses established by local and state (or other federal) enforcement agencies. This has proven awkward and in some cases may actually compromise the investigation. In addition the proposed section would make it clear that the usual laws governing bank deposits and space rentals do not apply in such undercover situations. The proposed authority parallels the authority of other federal law enforcement authorities such as the DEA and the FBI.

By Mr. SPECTER:

S. 1695. A bill concerning hostile takeover attempts; to the Committee on Banking, Housing, and Urban Affairs.

HOSTILE TAKEOVER ATTEMPTS

Mr. SPECTER. Mr. President, today I am introducing legislation to prevent the Securities and Exchange Commission from overturning, through rulemaking, the recent decision of the Delaware Supreme Court in Unocal Corp. versus Mesa Petroleum Co.

In Unocal, the corporation's board of directors determined that a "junk bond" financed two-tier tender offer by T. Boone Pickens' Mesa Petroleum was inadequate, coercive, and not in the best interest of the corporation. To fend off Mesa's hostile takeover attempt, Unocal made a self-tender to its shareholders for its own shares, but specifically excluded Mesa from participation. The Delaware Supreme Court upheld Unocal's successful use of this defensive tactic as reasonable and lawful under Delaware State corporate law. The SEC promptly proposed an all holders rule which would prohibit a company from offering to purchase its own shares from some, but not all, of its shareholders.

Traditionally, the regulation of various offensive and defensive tactics in corporate takeover contests has been left to the States to regulate as they see fit, through State corporate law. As the volume and magnitude of hostile takeovers has increased in recent years, the defensive and offensive strategies used in these contests have become more sophisticated, and congressional concern has been voiced with respect to the appropriateness of many of these tactics. Numerous bills have been introduced to restrict two-tier tender offers, green mail, and other takeover tactics. The SEC, however, has heretofore played only an advisory role.

Mr. President, I believe that if the Federal Government is to take the extraordinary step of intruding into an area of the law which has long been the States' domain, Congress—not the SEC—should take that step. I for one believe that substantial reform is needed in this area of the law. Indeed, I do not rule out the possibility that the result intended by the SEC's proposed rule is a proper one. I strongly believe, however, that such a determination should be made by Congress, not the SEC. As regards Federal regulation of tender offer tactics—as opposed to disclosure, which is within the SEC's purview—the SEC should confine itself to an advisory role. Indeed, its outstanding 1983 Advisory Committee Report on Tender Offers was of great value to Congress, and the SEC's recommendations inspired numerous bills in the Senate.

Because I believe any direct prohibition of specific tender offer tactics should come from Congress, not the SEC, the bill I am introducing today would bar the SEC from finalizing its proposed all holders rule, which otherwise will overturn the Delaware Supreme Court's decision in the Unocal case and eliminate the takeover defense used successfully by Unocal.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1695

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Securities and Exchange Commission may not promulgate or enforce any rule or regulation which has, as its purpose or effect, a requirement that tender offers made by an issuer for its own shares be made to all of its shareholders, or otherwise negates the decision of the Delaware Supreme Court in *Unocal Corp.* v. *Mesa Petroleum Co.*

By Mr. GOLDWATER (for himself, Mr. SIMPSON, Mr. CRANSTON, Mr. HECHT, Mr. WILSON, Mr. LAXALT, Mr. GARN, and Mr. WALLOP):

S. 1696. A bill to establish a federally declared floodway for the Colorado River below Davis Dam; to the Committee on Environment and Public Works.

FEDERAL FLOODWAY ON COLORADO RIVER BELOW DAVIS DAM

Mr. GOLDWATER. Mr. President, today I am introducing, along with my colleagues, Senator SIMPSON from Wyoming, Senators CRANSTON and WILSON from California, Senators LAXALT and HECHT from Nevada, and Senator GARN from Utah, legislation to improve the management of the Colorado River. As the lifeblood of the State of Arizona and the six other States within the Colorado River basin, it is vital to us that the river be managed properly to preserve our precious water resources.

As you will recall, in 1983, high waters along the Colorado caused a

great deal of flooding, which resulted in personal hardship and misery for the residents of Arizona and California. The Goldwater family had a store washed out by flooding along the Colorado River decades ago by similar floods. We learned the hard way about building in the flood plain of the Colorado. Since that time, a number of great dams have been built along the river. These dams have succeeded in controlling the raging waters which once poured down the river each spring, but despite all of the best effort of man, the Colorado will periodically flood.

The House Interior Committee, chaired by my distinguished colleague from Arizona, MORRIS UDALL, held a series of hearings along the river to investigate the cause and results of the flooding. Those hearings indicated that there are a number of overlapping Federal laws, regulations, and policies which deal with development in the floodway, where most of the damages occurred. The Bureau of Reclamation, which operates the dams along the river, currently has very limited authorities to control development within the floodway. It is necessary to establish a federally declared floodway for the Colorado River from below Davis Dam to the boundary with Mexico in order to prevent recurrence of the problems we faced in 1983.

There is already more demand for the waters of the Colorado River than the river can possibly supply. The central Arizona project will become operational in the very near future and begin to take its share of the river's water. The other basin States will be even more concerned about proper operation of the river and maintenance of adequate reservoir storage behind the dams along the Colorado. Without proper storage, we face water shortages which would be far more crippling than any flood. The Corps of Engineers recently completed an exhaustive study of the river and adopted flood control regulations which serve the interests of all of the river users. The legislation I am introducing today would preserve the ability to implement the corps' regulations.

This legislation, which is modeled after the successful Coastal Barrier Resources Act, will not prevent private development within the floodway. It will not impose restrictions on the private developments which already exist. It will not alter the river regulation responsibilities of any Federal agency. What this legislation will do is improve coordination between the agencies with management responsibilities.

In addition, my discussion with the sponsors of the Colorado River Floodway Protection Act, H.R. 1246, in the House of Representatives, and the House report on this bill, indicate that some program activities on the Colorado River Indian Reservation and other reservations along the floodway funded through the Bureau of Indian Affairs, such as real property management and land operations, could be subject to a number of interpretations. In order to resolve this concern, the Secretary of the Interior should review these sources of funding to insure that the uses of these funds are not unduly restricted by section 6 of this act. In particular, the Secretary should not restrict the use of these funds unless it is necessary for the operation and maintenance of the floodway.

Section 13 of this legislation provides for the control of Federal leasing in the floodway, but it is not intended to prohibit leasing of reservation lands. It requires that activities on the leased land should be consistent with the operation and maintenance of the Colorado River Floodway.

The Governor of my State and the director of the Arizona Department of Water Resources support this legislation. Also, the Governors of the other six Colorado River Basin States, California, Nevada, Utah, New Mexico, Colorado, and Wyoming, support this bill as well as do their departments of water resources. The Reagan administration also backs this legislation.

Proper management of the Colorado River system is vital to the seven States along the river. This legislation is a long overdue step toward improved management that will benefit us all.

Mr. President, I ask that the text of the bill, a section-by-section analysis of the bill, and a supporting editorial from the Arizona Republic be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1696

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Colorado River Floodway Protection Act".

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) there are multiple purposes established by law for the dams and other control structures administered by the Secretary of the Interior on the Colorado River;

(2) the maintenance of the Colorado River Floodway established in this Act is essential to accomplish these multiple purposes;

(3) developments within the floodway are and will continue to be vulnerable to damaging flows such as the property damage which occurred in 1983 and may occur in the future.

(4) certain Federal programs which subsidize or permit development within the floodway threaten human life, health, property, and natural resources; and

(5) there is a need for coordinated Federal, State, and local action to limit floodway development.

(b) PURPOSES.—The Congress declares that the purposes of this Act are to—

(1) establish the Colorado River Floodway, as designated and described further in this Act, so as to provide benefits to river users and to minimize the loss of human life, protect health and safety, and minimize damage to property and natural resources by restricting future Federal expenditures and financial assistance, except public health funds, which have the effect of encouraging development within the Colorado River Floodway; and

(2) establish a Task Force to advise the Secretary of the Interior and the Congress on establishment of the Floodway and on managing existing and future development within the Floodway, including the appropriateness of compensation in specified cases of extraordinary hardship.

DEFINITIONS

SEC. 3. (a) The term "Committees" refers to the Committee on Interior and Insular Affairs of the U.S. House of Representatives and the Committee on Energy and Natural Resources of the U.S. Senate.

(b) The term "financial assistance" means any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, or any other form of direct or indirect Federal assistance other than—

(1) general revenue-sharing grants made under section 102 of the State and Local Fiscal Assistance Amendments of 1972 (31 U.S.C. 1221);

(2) deposit or account insurance for customers of banks, savings and loan associations, credit unions, or similar institutions;

(3) the purchase of mortgages or loans by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation;

(4) assistance for environmental studies, plans, and assessments that are required incident to the issuance of permits or other authorizations under Federal law; and

(5) assistance pursuant to programs entirely unrelated to development, such as any Federal or federally assisted public assistance program or any Federal old-age, survivors, or disability insurance program.

Such term also includes flood insurance described in sections 1322 (a) and (b) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4028) on and after the dates on which the provisions of those sections become effective.

(c) The term "Secretary" means the Secretary of the Interior.

(d) The term "water district" means any public agency providing water service, including water districts, country water districts, public utility districts, and irrigation districts.

(e) The term "Floodway" means the Colorado River Floodway established in Section 5 of this Act.

COLORADO RIVER FLOODWAY TASK FORCE

SEC. 4. (a) To advise the Secretary and the Congress there shall be a Colorado River Floodway Task Force, which shall include representatives of—

(1) each State (appointed by the Governor) and Indian reservation in which the flooway is located;

(2) each county in which the floodway is located;

(3) one law enforcement representative from each county in which the floodway is located; and

(4) each water district in which the floodway is located;

(5) the cities of Needles, Parker, Blythe, Bullhead City, Yuma, Laughlin, Nevada (if and when incorporated), and Mojave County, Arizona Supervisor District No. 2 (chosen by, but not a member of the Board of Supervisors);

(6) one representative of the Chamber of Commerce from each county in which the floodway is located;

(7) the Army Corps of Engineers;

(8) the Federal Emergency Management Agency (FEMA);

(9) the Department of Agriculture;

(10) the Department of the Interior; and

(11) the Department of State.

(b) The task force shall be chartered and operate under the provisions of the Federal Advisory Committee Act (P.L. 92-463; 5 U.S.C. App. I) and shall prepare recommendations concerning the Colorado River Floodway, which recommendations shall deal with:

(1) the means to restore and maintain the floodway specified in Section 5 of this Act, including, but not limited to, specific instances where land transfers or relocations, or other changes in land management; might best effect the purposes of this Act; and

(2) the necessity for additional floodway management legislation at local, State, and Federal levels;

(3) the development of specific design criteria for the creation of the floodway boundaries;

(4) the review of mapping procedures for floodway boundaries; and

(5) whether compensation should be recommended in specific cases of extraordinary hardship resulting from impacts of the 1983 flood on property outside the Floodway which could not reasonably have been foreseen.

(c) The Task Force shall exist for at least one year after the date of enactment of this Act, or until such time as the Secretary has filed with the Committees the maps described in subsection 5(b)(2). The Task Force shall file its report with the Secretary and the Committees within nine months after the date of enactment of this Act.

COLORADO RIVER FLOODWAY

SEC. 5. (a) There is established the Colorado River Floodway as identified and generally depicted on maps that are to be submitted by the Secretary.

(b)(1) Within eighteen months after the date of enactment of this Act, the Secretary, in consultation with the seven Colorado River Basin States, represented by persons designated by the Governors of those States (including, in the Governor's discretion, members of the Colorado River Floodway Task Force), and any other interested parties shall:

(i) complete a study of the tributary floodflows downstream of Davis Dam;

(ii) define the specific boundaries of the Colorado River Floodway so that the Floodway can accommodate either a one-in-one hundred year river flow consisting of controlled releases and tributary inflow, or a flow of forty thousand cubic feet per second (cfs), whichever is greater, from below Davis Dam to the Southerly International Boundary between the United States of America and the Republic of Mexico.

(2) As soon as practicable after the determination of the floodway boundary pursuant to this subsection, the Secretary shall prepare and file with the Committees maps depicting the Colorado River Floodway, and each such map shall be considered a standard map to be adhered to by all agencies and shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such map may be made. Each such map shall be on file and available for public inspection in the Office of the Comissioner of the Bureau of Reclamation, Department of the Interior, and in other appropriate offices of the Department.

(3) The Secretary shall provide copies of the Colorado River Floodway maps to (A) the chief executive officer of each State, county, municipality, water district, Indian tribe, or equivalent jurisdiction in which the floodway is located, (B) each appropriate Federal agency, including agencies which regulate Federal financial institutions, and (C) each federally insured financial institution which serves the geographic area as one of its primary markets.

(c)(1) The Secretary shall conduct, at least once every five years, a review of the Colorado River Floodway and make, after notice to and in consultation with the appropriate officers referred to in paragraph (3) of subsection (b), and others, such minor and technical modifications to the boundaries of the Floodway as are necessary solely to reflect changes that have occurred in the size or location of any portion of the floodplain as a result of natural forces, and as necessary pursuant to subsection (c) of section (7) of this Act.

(2) If, in the case of any minor and technical modification to the boundaries of the Floodway made under the authority of this subsection, an appropriate chief executive officer of a State, county, municipality, water district, Indian tribe, or equivalent jurisdiction, to which notice was given in accordance with this subsection files comments disagreeing with all or part of the modification and the Secretary makes a modification which is in conflict with such comments, the Secretary shall submit to the chief executive officer a written justification for his failure to make modifications consistent with such comments or proposals.

LIMITATIONS ON FEDERAL EXPENDITURES AFFECTING THE FLOODWAY

SEC. 6. (a) Except as provided in section 7, no new expenditures or new financial assistance may be made available under authority of any Federal law for any purpose within the floodway established under section 5 of this Act.

(b) An expenditure or financial assistance made available under authority of Federal law shall, for purposes of this Act, be a new expenditure or new financial assistance if—

(1) in any case with respect to which specific appropriations are required, no money for construction or purchase purposes was appropriated before the date of the enactment of this Act; or

(2) no legally binding commitment for the expenditure or financial assistance was made before such date of enactment.

EXCEPTIONS

SEC. 7. Notwithstanding section 6, the appropriate Federal officer, after consultation with the Secretary, may make Federal expenditures or financial assistance available within the Colorado River Floodway for—

(a) any dam, channel or levee construction, operation or maintenance for the purpose of flood control, water conservation, power, or water quality;

(b) other remedial or corrective actions, including but not limited to drainage facilities essential to assist incontrolling adjacent high ground water conditions caused by flood flows;

(c) the maintenance, replacement, reconstruction, repair, and expansion, of federally assisted and publicly owned or publicly operated roads, structures (including bridges), or facilities: *Provided*, That, no such expansion shall be permitted unless—

(1) the expansion is designed and built in accordance with the procedures and standards established in section 650.101 of title 23, Code of Federal Regulations, et seq. as they may be amended from time to time; and

(2) the boundaries of the floodway are adjusted to account for changes in flows caused, directly or indirectly, by the expansion;

(d) military activities essential to national security;

(e) any of the following actions or projects, but only if the Secretary finds that the making available of expenditures or assistance therefor is consistent with the purposes of this Act:

(1) Projects for the study, management, protection and enhancement of fish and wildlife resources and habitats, including, but not limited to, acquisition of fish and wildlife habitats and related lands, stabilization projects for fish and wildlife habitats, and recreational projects.

(2) The establishment, operation, and maintenance of air and water navigation aids and devices, and for access thereto.

(3) Projects under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 through 11).

(4) Scientific research, including but not limited to aeronautical, atmospheric, space, geologic, marine, fish and wildlife and other research, development, and applications.

(5) Assistance for emergency actions essential to the saving of lives and the protection of property and the public health and safety, if such actions are performed pursuant to sections 305 and 306 of the Disaster Relief Act of 1974 (42 U.S.C. 5145 and 5146) and are limited to actions that are necessary to alleviate the emergency. Disaster assistance under other provisions of the Disaster Relief Act of 1974 (Public Law 93-288, as amended) may also be provided with respect to persons resident within the floodway, or structures or public infrastructure in existence or substantially under construction therein, on the date ninety days after the date of enactment of this Act: Provided, That, such persons, or with respect to public infrastructure the State or local political entity which owns or controls such infrastructure, had purchased flood insurance for structures or infrastructure under the national flood insurance program, if eligible, and had taken prudent and reasonable steps, as determined by the Secretary, to minimize damage from future floods or operations of the floodway established in the Act.

(6) Other assistance for public health purposes, such as mosquito abatement programs.

(7) Nonstructural projects for riverbank stabilization that are designed to enhance or restore natural stabilization systems.

(8) Publicly financed, owned and operated compatible recreational developments such as regional parks, golf courses, docks, and boat launching ramps.

(9) Compatible agricultural uses that do not involve permanent crops and include only a minimal amount of permanent facilities in the floodway.

CERTIFICATION OF COMPLIANCE

SEC. 8. The Secretary of the Interior shall, on behalf of each Federal agency concerned, make written certification that each agency has complied with the provisions of this Act during each fiscal year beginning after September 30, 1985. Such certification shall be submitted on an annual basis to the U.S. House of Representatives and the U.S. Senate on or before January 15 of each fiscal year.

PRIORITY OF LAWS

SEC. 9. Nothing contained in this Act shall be construed to alter, amend, repeal, modify, interpret, or be in conflict with the provisions of the Colorado River Compact (45 Stat. 1057), the Upper Colorado River Basin Compact (63 Stat. 31), the Water Treaty of 1944 with the United Mexican States (Treaty Series 944, 59 Stat. 1219), the Flood Control Act of 1944 (58 Stat. 887), the decree entered by the Supreme Court of the United States in Arizona v. California, et al. (376 U.S. 340), the Boulder Canyon Project Act (45 Stat. 1057), the Boulder Canyon Project Adjustment Act (54 Stat. 774; 43 U.S.C. 618a), the Colorado River Storage Project Act (70 Stat. 105; 43 U.S.C. 620), the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501). Furthermore, nothing contained in this Act shall be construed as indicating an intent on the part of the Congress to change the existing relationship of other Federal laws to the law of a State, or a political subdivision of a State, or to relieve any person of any obligation imposed by any law of any State, or political subdivision of a State. No provision of this Act shall be construed to invalidate any provision of State or local law unless there is a direct conflict between such provision and the law of the State, or political subdivision of the State, so that the two cannot be reconciled or consistently stand together. Inconsistencies shall be reviewed by the task force, and the task force shall make recommendations concerning such local laws. This Act shall in no way be interpreted to interfere with a State's or tribe's right to protect, rehabilitate, preserve, and restore lands within its established boundary.

SEPARABILITY

SEC. 10. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

REPORTS TO CONGRESS

SEC. 11. Within one year after the date of the enactment of this Act, the Secretary shall prepare and submit to the Committees a report regarding the Colorado River Floodway, the Task Force's report, and the Secretary's recommendations with respect to the objectives outlined in section 4(b) of this Act.

AMENDMENTS REGARDING FLOOD INSURANCE

SEC. 12. The National Flood Insurance Act of 1968 (42 U.S.C. 4028) is amended by adding the following section:

"Sec. 1322.

(a) Owners of existing National Flood Insurance Act policies with respect to structures located within the Floodway established under Section 5 of the Colorado River Floodway Protection Act shall have the right to renew and transfer such policies. Owners of existing structures located within said Floodway on the date of enactment of the Colorado River Floodway Protection Act who have not acquired National Flood Insurance Act policies shall have the right to acquire policies with respect to such structures for six months after the Secretary of the Interior files the Floodway maps required by Section 5(b)(2) of the Colorado River Floodway Protection Act and to renew and transfer such policies.

(b) No new flood insurance coverage may be provided under this title on or after a date six months after the enactment of the Colorado River Floodway Protection Act for any new construction or substantial improvements of structures located within the Colorado River Floodway established by section 5 of the Colorado River Floodway Protection Act. New construction includes all structures that are not insurable prior to that date.

(c) The Secretary of the Interior may by rule after notice and comment pursuant to 5 U.S.C. 553 establish temporary Floodway boundaries to be in effect until the maps required by Section 5(b)(2) of the Colorado River Floodway Protection Act are filed, for the purpose of enforcing subsections (b) and (d) of this section.

(d) A federally supervised, approved, regulated or insured financial institution may make loans secured by structures which are not eligible for flood insurance by reason of this section: *Provided*, That prior to making such a loan, such institution determines that the lands or structures securing the loan are within the Floodway."

FEDERAL LEASES

SEC. 13. (a) No lease of lands owned in whole or in part by the United States and within the Colorado River Floodway shall be granted after the date of enactment of this Act unless the Secretary determines that such a lease would be consistent with the operation and maintenance of the Colorado River Floodway.

(b) No existing lease of lands owned in whole or in part by the United States and within the Colorado River Floodway shall be extended beyond the date of enactment of this Act or the stated expiration date of its current term, whichever is later, unless the lessee agrees to take reasonable and prudent steps determined to be necessary by the Secretary to minimize the inconsistency of operation under such lease with the operation and maintenance of the Colorado River Floodway.

(c) No lease of lands owned in whole or part by the United States between Hoover Dam and Davis Dam below elevation 655.0 feet on Lake Mohave shall be granted unless the Secretary determines that such lease would be consistent with the operation of Lake Mohave.

NOTICES AND EXISTING LAWS

SEC. 14. (a)(1) Nothing in this Act shall alter or affect in any way the provisions of section 702c of title 33, United States Code.

(2) The Secretary shall provide notice of the provisions of section 702c of title 33, United States Code, and this Act to all existing and prospective lessees of lands leased by the United States and within the Colorado River Floodway.

(b) Except as otherwise specifically provided in this Act, all provisions of the National Flood Insurance Act of 1968, as amended, and requirements of the National Flood Insurance Program ("NFIP") shall continue in full force and effect within areas wholly or partially within the Colorado River Floodway. Any maps or other information required to be prepared by this Act shall be used to the maximum extent practicable to support implementation of the NFIP.

(c) The Secretary shall publish notice on three successive occasions in newspapers of general circulation in affected communities of the provisions of Section 12(a), (a) of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 15. There is authorized to be appropriated to the Department of the Interior $600,000, through the end of fiscal year 1990, in addition to any other funds now available to the Department to discharge its duties to implement sections 4 through 14 of this Act; provided, however, that the provisions of Section 6 and 7 of this Act shall not be affected by this section.

SECTION-BY-SECTION ANALYSIS

Section 1. The Short Title.

Section 2. *Congressional Findings and Purposes.* Congress finds that maintenance of the Colorado River Floodway is essential to accomplish the multiple purposes of the dams and other control structures on the Colorado River. Congress finds that certain federal programs which subsidize or permit development within the Floodway threaten human life, health, property, and natural resources. Congress finds further that coordinated Federal, State and local action is necessary to limit floodway development.

The purposes of the Act are to: "establish the Colorado River Floodway . . . to provide benefits to river users . . ." and to "establish a Task Force to advise the Secretary of the Interior and the Congress on establishment of the Floodway and on managing existing and future development within the Floodway . . ."

Section 3. *Definitions.* The definition of the term "financial assistance" is virtually identical to the definition contained in the Coastal Barrier Resources Act, Pub. L. 97-348.

Section 4. *Colorado River Floodway Task Force.* Establishes a Colorado River Floodway Task Force and specifies its membership and functions. The Task Force is to consider and make recommendations to the Secretary of the Interior and to the Congress concerning "the means to restore and maintain the Floodway . . ." including any necessary additional legislation; "design criteria for the creation of the floodway boundaries . . ."; "the review of mapping procedures"; and the possibility of "compensation . . . in specific cases of extraordinary hardship resulting from impacts of the 1983 flood on property outside the Floodway which could not reasonably have been foreseen." the Task Force membership will contain representatives of a wide variety of local, State and Federal interests. The Committee anticipates that federal agencies will actively participate in Task Force activities, so that local and State views will receive a full hearing.

Section 5. *Colorado River Floodway.* Requires the Secretary of the Interior, in consultation with the seven Colorado River Basin States, and other interested parties, to

(1) complete a study of the tributary floodflows downstream of Davis Dam; and

(2) define the specific boundaries of the Colorado River Floodway so that the Floodway can accommodate either a one-in-one hundred year river flow consisting of controlled releases and tributary inflow, or a flow of forty thousand cubic feet per second (cfs), whichever is greater, from below Davis Dam to the Southerly International Bound-

ary between the United States of America and the Republic of Mexico.

The standard level of protection that has been adopted in the administration of the National Flood Insurance Act is the one-in-one hundred year frequency flood. The Corps of Engineers has determined that 40,000 cubic feet per second (cfs) is the maximum release rate that historically would have inflicted a minimum level of downstream damages and has incorporated this flow level in its Hoover Dam flood control regulations continually since 1935. Consequently, the boundaries of the Colorado River Floodway should be capable of accommodating a one-in-one hundred year river flow or a 40,000 cfs flow, whichever is greater, from Davis Dam to the Southerly International Boundary between the United States and Mexico.

It is the Committee's judgment that the Secretary's analysis of the one-in-one hundred-year river flow should represent a realistic one-in-one hundred year probability of such flow occurring in any reach of the river at a given time, and should not arbitarily assume that flood inflows from all tributaries occur simultaneously. It is the nature of weather events along the Lower Colorado River, a desert region, that most rain storms are intense, localized thunder showers that would produce floods from only a few tributaries at a time, and the Secretary's study should reflect this. The Committee altered the definition of floodway boundaries in H.R. 1246 as introduced for the specific purpose of ensuring that this technical matter was made clear.

Section 6. *Limitations on Federal Expenditures Affecting the Floodway.* States that except as provided in Section 7, no new expenditures or new financial assistance may be made available under authority of any Federal law for any purpose within the Floodway.

Section 7. *Exceptions.* There are several functions and uses of the floodway that serve the public interest, and are generally compatible with floodway operation. This section recognizes those functions and uses by providing limited exceptions, generally subject to Secretarial discretion, to the prohibition on federal expenditures. These exceptions are enumerated as river control structures and related works, public roads, military activities, fish and wildlife enhancement projects, navigation aids, emergency action assistance, public health assistance, public (including Tribal) recreational developments, and farming activities. The Committee is of the opinion that the Yuma Crossing Park covered by an agreement between the City of Yuma and the Bureau of Reclamation is an excepted activity as provided in this section.

Section 8. *Certification of Compliance.* Requires that the Secretary of the Interior certify to Congress that federal agencies are in compliance with this Act on an annual basis.

Section 9. *Priority of Laws.* Contains a series of provisions to make certain that current laws and regulations governing the operation of the Colorado River, often referred to as the "Law of the River," are not affected by the Act. Since the River and reservoir management programs currently in effect are established under current laws and regulations, these programs will be unaffected as well.

Section 10. *Separability.*

Section 11. *Reports to Congress.* Requires the Secretary of the Interior to report to Congress within one year after the date of enactment of the Act with respect to the Colorado River Floodway, the report of the Colorado River Floodway Task Force, and his further recommendations concerning Floodway matters.

Section 12. *Amendments regarding Flood Insurance.* Conforms certain provisions of the National Flood Insurance Act to this Act. Specifically grandfathers flood insurance coverage for existing development, and limits its availablity for future development. This provision is modeled on the comparable provisions of the Coastal Barrier Resources Act ("CBRA"), Pub. L. 97-348. The definition of "new construction" is based on Federal Emergency Management Administration ("FEMA") regulations defining the term "insurable building" promulgated in implementing the CBRA.

Section 13. *Federal leases.* Sets forth provisions controlling federal leasing within the Floodway. Leases of lands owned in whole or part by the United States (which includes lands held in trust by the United States, such as Indian lands) are required to be consistent with the operation and maintenance of the Floodway. Contains a separate, and parallel, provision for Lake Mohave.

Section 14. *Notices and Existing Laws.* Requires notice of certain provisions of existing law and of this Act to be given to residents of areas in the Floodway and to federal lessees. Provides for the continuation in the Floodway area of the National Flood Insurance Program (except as specifically altered by the Act) and its integration with the requirements, including the mapping provisions, of this Act. The Committee anticipates that the Department of the Interior, in carrying out its responsibilities under this Act, will work closely and on a cooperative basis with representatives of the Federal Emergency Management Agency ("FEMA") to ensure that existing programs, such as the National Flood Insurance Program, can be supplemented as inexpensively and effectively as possible.

Section 15. *Authorization of Appropriations.* Authorizes a total of $600,000 over a five year period, in addition to any other funds now available to the Department, for implementation of the Department's responsibilities under the Act. Provides that Sections 6 and 7 are not affected by the provisions of this Section.

[From the Arizona Republic, May 13, 1985]

IN HARM'S WAY

The Reagan administration is introducing a proposal in Congress that would inhibit building in the Colorado River floodway.

The bill is long overdue because U.S. taxpayers should not have to underwrite any losses of those building in floodways.

There were severe floods along the Colorado River in western Arizona in 1983 that caused an estimated $80 million in private and public damages on both sides of the river.

The tears of river residents flowed for weeks, appealing for federal, state and other aid. These were crocodile tears because their homes never should have been built in the floodway.

Residents repeatedly were warned of the potential dangers—that they were in harm's way—by the Bureau of Reclamation.

Many did receive various forms of flood-damage assistance, but that is a poor precedent.

Residents, of course, claimed the floods were caused by federal errors in not predicting the runoff.

However, that does not excuse building in the path of potentially roaring waters.

Under the bill, the Interior Department would designate a floodway that could handle a water flow of 40,000 cubic feet per second from Davis Dam at Bullhead City to the Mexican border.

Property owners in the designated area could buy federal flood insurance within six months. Those living in the floodway could remain there.

The terms are extremely generous.

However, the plan does not and should not allow federal flood insurance for new construction or improvement in the floodway.

Yet, Rep. Bob Stump, the congressional representative for the area, as well as the county boards of supervisors of La Paz and Mohave counties oppose the plan.

They should reconsider, especially Stump, who preaches federal austerity for others.

There is no reason under the sun why U.S. and state taxpayers should have to run the risk of underwriting flood damages for those living and building in such a narrow span of the Colorado River floodplain.

Congress should pass the bill with a clear and, indeed, just conscience.

By Mr. METZENBAUM (for himself and Mrs. HAWKINS):

S. 1699. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the label or labeling of a food state the specific common or usual name and the amount of each fat or oil contained in the food, the amount of saturated, polyunsaturated, and monosaturated fats contained in the food, the amount of cholesterol contained in the food, and the amount of sodium and potassium contained in the food; to the Committee on Labor and Human Resources.

NUTRITIONAL INFORMATION LABELING ACT

Mr. METZENBAUM. Mr. President, this year, hundreds of thousands of Americans will visit their doctors and be told that their blood cholesterol count is too high—or that they have high blood pressure.

They will be told to cut back on saturated fats and salt. However, on the very next trip to the supermarket, they will discover that the information they need to adjust their diet is just not available.

In an effort to give consumers the tools they need to improve their health, Senator HAWKINS and I are introducing the "Nutritional Information Labeling Act of 1985." We firmly believe that the enactment of this measure will significantly aid in the battle against the two biggest killers of our times—cardiovascular disease and cancer. Specifically, our bill requires all packaged food to disclose the amount of fat, sodium, potassium, and cholesterol contained in the product. In addition, it requires the specific common name of the fat or oil be disclosed—ending the current "and/or" labeling practice on so many foods. Specific caloric information must also appear on the product.

Mr. President, we are pleased to announce that this measure has been enthusiastically endorsed by a broad coalition of organizations concerned with our Nation's health. Both the American Heart Association and the American Cancer Society have pledged their full assistance in the effort to enact this legislation.

We do expect to face some opposition to this measure from the representatives of the food-processing industry. It is my hope, however, that after examining the merits of this bill, the industry will join us in support of the Nutritional Information Labeling Act. In fact, some manufacturers are already moving toward a method of ingredient labeling that is similar to that proposed in this bill. We cannot, however, rely totally on the voluntary efforts of a few manufacturers. If consumers are truly going to be able to make informed choices about the foods they buy, ingredient labeling must be uniform and universal.

Clearly, Mr. President, we are not asking the industry to do the impossible. We are simply asking them to provide us with the information that directly impacts upon our health. Now more than ever before, we Americans are aware that the foods we eat have a direct effect upon the quality and length of our lives. We have both the need and the right to know what is in the food we purchase. This bipartisan legislation will provide us all with the information we can't affort to do without, and I urge my colleagues to support it.

Mrs. HAWKINS. Mr. President, I rise today to introduce, along with Senator METZENBAUM, legislation that will modify S. 264, the Dietary Information Labeling Act of 1985.

In January, my distinguished colleague from Ohio. [Mr. METZENBAUM] and I introduced legislation requiring the labeling of sodium, potassium, fat, and oil levels in food products.

Each year, millions of Americans suffer heart attacks; hundreds of thousands die from the scourge. Heart disease is the primary killer of Americans today. Yet, our scientific knowledge has progressed to the point where many cases of cardiovascular illness and high blood pressure can be effectively controlled by proper diet and nutrition. We now know that high levels of sodium and fat intake is directly related to cholesterol levels, a direct cause of heart disease.

Unfortunately, many foods do not provide the proper dietary information. Health-conscious shoppers have to look far and wide to find out exactly what they are eating. While some manufacturers presently do an outstanding job of food labeling, the voluntary nature of present regulation often serves to frustrate, not inform, consumers. Consequently, to help protect the 43 million sufferers of heart disease from the perils of inexact and uninformative labeling, we introduced legislation to insure appropriate sodium and fat labeling on all food products.

However, after introducing S. 264, we decided that the legislation needed to be revised in order to improve the quality of information available to the consumer. The original Dietary Informational Labeling Act did not go far enough. All fats were simply lumped together under one, nondiscriminating label. But, of course, all fats are not equal; all consumers do not have the same health needs. Consequently, after much consultation with researchers from the National Heart, Lung, and Blood Institute, the National Cancer Institute, and the Food and Drug Administration among others, Senator METZENBAUM and I agree that more positive, specific information is required to insure proper labeling for health-conscious consumers. Under this new measure, both fat and sodium would be broken down by both weight and calories; all fats would be further catagorized under saturated, polyunsaturated, and monounsaturated. In addition, cholesterol, a basic source of heart disease, will also be listed on the food label.

Mr. President, a television advertisement for a Washington area supermarket chain extols the virtues of an "educated consumer." But this educated consumer cannot possibly fulfill his health needs without the proper informational labeling. The fight against the silent killer of heart disease cannot be won without the proper weapons, and, without a doubt, sodium and fat labeling is an important tool. I urge all my colleagues to support this important legislation.

By Mr. PRESSLER:

S. 1700. A bill to amend chapter 106 of title 10, United States Code, to extend the educational assistance program for members of the Selected Reserve to additional programs of education; to the Committee on Armed Services.

EXTENSION OF EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE

● Mr. PRESSLER. Mr. President, today I am introducing legislation which would expand the type of education programs for which members of the Selected Reserve may receive educational assistance. By "members of the Selected Reserve," I refer to the Selected Reserve of the Ready Reserve, the Army National Guard, the Air National Guard, and all Reserve components of the armed services—approximately 1,048,000 individuals in fiscal year 1985. My legislation would make assistance available for such program as vocational/technical training, and the pursuit of graduate degrees.

Under chapter 106 of title 10, United States Code, educational assistance may only be provided for the pursuit of a baccalaureate degree at an "institution of higher learning." This unfairly excludes vocational and graduate level programs. There are many valuable educational goals which these individuals would like to achieve that may not be found in the pursuit of a baccalaureate degree.

I would like to point out, Mr. President, that such limitations are not found in the educational assistance provided in chapter 30 of title 38 for the All Volunteer Force Educational Assistance Program. Therefore, my legislation would provide Selected Reserve members the same assistance available in chapter 30 of title 38.

While discussing the current program with many individuals from the National Guard, Veterans' Administration, and the Department of Defense, I have found that much misunderstanding prevails. Many feel that programs such as vocational education were intended to be included in the original law. In fact, publications have been found which misstate that educational assistance is provided for attendance at an approved vocational/technical school. It is therefore my belief that this is a serious discrepancy which needs to be corrected.

It is important to note that this legislation does not change the amount of benefits provided. Benefits would still range from $70 to $140 a month, not to exceed 36 months. This legislation simply provides assistance similar to that provided to their active duty counterparts. Under this legislation such programs as bartending school and personality development courses are not approved. The same approval processes would apply as under the aforementioned title 38. The Department of Defense estimates 230,808 Selected Reserve members will be eligible for educational assistance in fiscal year 1986. Approximately 38,165 individuals are expected to participate.

One reason education assistance programs are available is to enhance the armed services recruiting ability. What better way to attract high quality individuals than to provide them with a way in which to pursue their education past the baccalaureate level? Vocational training is also an extremely important avenue which one can further his or her education. I have long been a supporter of vocational education and feel strongly that assistance should be available for those choosing vocational/technical training. They should not be discriminated against.

For these reasons, I strongly urge my colleagues to assist our valuable members of the Reserve Forces and support this legislation.●

By Mr. HUMPHREY (for himself and Mr. MITCHELL):

S. 1701. A bill to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire; placed on the calendar.

TRANSFER OF CERTAIN AUTHORITY TO THE STATES OF MAINE AND NEW HAMPSHIRE

● Mr. HUMPHREY. Mr. President, today Senator MITCHELL and I are introducing legislation that would authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire.

A virtually identical piece of legislation was unanimously reported from the Committee on Environment and Public Works on July 29 and passed the Senate on July 31. The only change in this bill is purely technical, involving an incorrect citation.●

By Mr. THURMOND (for himself, Mr. MOYNIHAN, Mr. SIMPSON, Mr. DIXON, Mr. HELMS, Mr. COHEN, Mr. HEFLIN, Mr. HATCH, Mr. NUNN, Mr. EAST, Mr. STENNIS, Mr. MITCHELL, Mr. HOLLINGS, Mr. DECONCINI, Mr. MATTINGLY, Mr. MCCLURE, Mr. SYMMS, Mr. SASSER, Mr. ROCKEFELLER, Mr. KERRY, Mr. D'AMATO, Mr. WILSON, Mr. KASTEN, Mr. PROXMIRE, Mr. LONG, Mr. RIEGLE, Mr. HEINZ, and Mr. COCHRAN):

S.J. Res. 206. Joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month"; to the Committee on the Judiciary.

MADE IN AMERICA MONTH

Mr. THURMOND. Mr. President, it gives me great pleasure today to introduce a joint resolution authorizing and requesting the President to designate the month of December 1985 as "Made in America Month."

The importance of this commemorative resolution is that it focuses attention on the many fine products that are made in the United States. It comes at a time when many of America's vital industries are fighting to survive. This year our country became a debtor nation for the first time since before World War I. Our trade deficit reached a record level of $123 billion last year and is predicted to exceed $150 billion this year.

Over 1.5 million manufacturing jobs have been lost since 1980 as a result of imports. The impact of imports has been felt across all manufacturing sectors. The United States has already lost to imports all or major portions of such industries as machinery, textiles, clothing, shoes, radios, television sets, cameras, optical equipment, tractors, shipbuilding, and steel production.

This trend presents a problem of great magnitude for our Nation. It puts our national security in a vulnerable position. To continue as a world power, the United States must maintain the capacity to produce steel, textiles, rubber, food, and other basic commodities.

Instead, we see our productive capacity dwindling to dangerous levels and jobs being created in foreign countries at the expense of U.S. jobs. America's basic industries are being dismantled one by one. The time has come for us to go on the offensive. We must stop the export of American jobs. The first step in doing this is through an increased awareness on the part of the American public. That is what "Made in America Month" is all about.

Mr. President, through passage of this commemorative resolution, Congress can reaffirm its support of American industry and appropriately recognize the essential role it plays in sustaining the American economy. I invite my Senate colleagues to join as cosponsors of this resolution, and to join in bringing about its prompt passage.

ADDITIONAL COSPONSORS

S. 974

At the request of Mr. WEICKER, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

S. 987

At the request of Mr. EXON, the name of the Senator from Missouri [Mr. EAGLETON] was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861–65.

S. 1233

At the request of Mr. DOLE, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1364

At the request of Mrs. KASSEBAUM, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], the Senator from Maryland [Mr. MATHIAS], the Senator from Maryland [Mr. SARBANES], the Senator from Maine [Mr. COHEN], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1364, a bill to authorize assistance for famine prevention in Africa.

S. 1479

At the request of Mr. SASSER, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 1479, a bill to amend the Public Safety Officer's Death Benefits Act.

S. 1569

At the request of Mr. BINGAMAN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1569, a bill to amend title XVIII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system.

S. 1570

At the request of Mr. NICKLES, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that Act relating to maximum hours, to clarify the application of that Act to volunteers, and for other purposes.

S. 1628

At the request of Mr. CRANSTON, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of S. 1628, a bill to amend part E of title IV of the Social Security Act to revise the provisions relating to Medicaid eligibility of special needs children placed for adoption.

S. 1639

At the request of Mr. EXON, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1639, a bill to authorize the minting of gold bullion coins.

S. 1654

At the request of Mr. STEVENS, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

SENATE JOINT RESOLUTION 158

At the request of Mr. MURKOWSKI, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Indiana [Mr. LUGAR], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 184

At the request of Mr. DENTON, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Oklahoma [Mr. BOREN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 184, a joint resolution to authorize the Korean War Memorial, Inc. to erect a memorial in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 185

At the request of Mr. MOYNIHAN, the name of the Senator from West Virginia [Mr. ROCKEFELLER], was added as a cosponsor of Senate Joint Resolution 185, a joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day."

SENATE JOINT RESOLUTION 195

At the request of Mr. KASTEN, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from New York [Mr. MOYNIHAN], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 195, a joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month."

SENATE CONCURRENT RESOLUTION 70—RELATING TO THE RECENT ARREST OF MS. LEE YA-P'ING IN TAIWAN

Mr. CRANSTON (for himself and Mr. KENNEDY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 70

Whereas Ms. Lee Ya-p'ing, a legal permanent resident of the United States and publisher of the International Daily News of Los Angeles, is protected in the exercise of her profession by the press and speech guarantees of the United States Constitution;

Whereas on September 17, 1985, Ms. Lee Ya-p'ing was arrested on Taiwan by the Taiwan Garrison Command and charged with sedition of account of articles published in the International Daily News in the United States;

Whereas the constitutionally protected actions of an individual in the United States are matters of paramount concern to the Government of the United States and to freedom loving Americans and are in no real way detrimental to or inconsistent with Taiwanese security;

Whereas the purported exercise of extraterritorial jurisdiction by Taiwan in this matter is strictly for political rather than national security purposes; and

Whereas an official of the Department of State has stated publicly that "[A]rresting a United States newspaper publisher for her professional activities in the United States must be seen as an act of intimidation and harassment directed against individuals in the United States. [W]e are asking the Taiwan authorities to review the case immediately and to release Ms. Lee without further delay": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the authorities of Taiwan should immediately and unconditionally release Ms. Lee Ya-p'ing and facilitate her return to the United States if she so desires;

(2) the authorities on Taiwan should formally and officially renounce any claim to jurisdiction over lawfully performed acts in the United States, particularly acts involving speech and press that Americans regard as essential to the maintenance of individual freedom and personal liberty; and

(3) the President should use all peaceable means as he may determine are reasonably necessary and proper to obtain the release of Ms. Lee Ya-p'ing and to secure assurances from the authorities on Taiwan that similar incidents will be scrupulously avoided in the future.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

Mr. CRANSTON. Mr. President, along with my colleague from Massachusetts, Senator KENNEDY, I today submit a concurrent resolution concerning the recent arrest of Ms. Lee Ya-p'ing.

Ms. Lee, a Taiwan citizen with permanent immigrant status in the United States, is publisher of the International Daily News, a Los Angeles-based Chinese language newspaper. She was arrested by the Taiwan Garrison Command September 17 and charged with sedition for articles she published in the United States. This charge can carry the death penalty. In more recent information received from the State Department today, it appears the Taiwan authorities have backpedaled and are now accusing Ms. Lee of distribution of subversive papers; this charge carries a 7- to 15-year sentence. Investigative proceedings may take up to 3 months, during which time Ms. Lee would have no access to family or an attorney.

Mr. President, the charges of the Taiwan authorities are unfounded. The arrest of Ms. Lee for the exercise of freedoms protected by the U.S. Constitution while residing in California can only be seen as an act of intimidation and harassment. It is outrageous and unjustifiable.

The concurrent resolution calls upon the Taiwan authorities to release Ms. Lee Ya-p'ing immediately and unconditionally and to renounce formally and officially any claims to jurisdiction over lawfully performed acts in the United States. We also call upon President Reagan to use all peaceable means to obtain her release.

I invite my colleagues to join me in cosponsoring this concurrent resolution, and I urge the Senate to act decisively and quickly to send a strong, clear message to the Taiwan authorities that the United States will not tolerate such injustices.

SENATE RESOLUTION 227—URGING A JOINT UNITED STATES-SOVIET EFFORT TO ACHIEVE WORLDWIDE DISEASE IMMUNIZATION BY 1990

Mr. PELL (for himself and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 227

Whereas six diseases—measles, diphtheria, tetanus, whooping cough, tuberculosis, and polio—each year ravage the children of the world, killing some 5,000,000 and leaving an equal number disabled;

Whereas the medical technology now exists to immunize the world's children against these diseases at an estimated cost of $5 per child—a total cost of $500 million for the 100 million children born in the developing countries each year;

Whereas medical studies estimate that such immunization could reduce child mortality around the world by as much as one-half;

Whereas reduced child mortality is crucial to attaining levels of economic development associated with reduced population growth;

Whereas in the 1960's and 1970's the United States and the Soviet Union cooperated effectively together and with other nations in a United Nations program which, by 1980, ended the scourge of smallpox throughout the world;

Whereas responsible scientists now believe that a concerted international program could achieve immunization of all children on earth against all major diseases by 1990; and

Whereas recent international efforts to assist the famine-stricken people of Africa demonstrate a powerful impulse among the people of the developed nations to direct resources toward people less fortunate;

Now, Therefore, be it

Resolved,

(1) That the United States and the Soviet Union should immediately undertake a formal commitment to initiate, using their own resources and those of other donors and appropriate multilateral agencies, a joint effort to bring the benefits of immunization to all children of the world by the year 1990;

(2) That this joint world immunization effort should be undertaken in a spirit of common dedication to a transcending humanitarian purpose, and with the practical hope that such constructive collaboration may also serve as a model for further superpower cooperation.

● Mr. PELL. Mr. President, as I have reported to the Senate, I took the opportunity last month during a Senate delegation meeting with Soviet leader Gorbachev to propound my view of the desirability of certain United States-Soviet cooperative activities as useful steps on the road toward an improved, more stable East-West relationship. I wish now to outline one of these proposals and to submit, on behalf of myself and Senator LUGAR, a Senate resolution urging creative superpower diplomacy to transform the proposal from concept to reality.

The subject of this proposal, Mr. President, could not be more deserving of the best efforts of the superpowers.

I speak of the world's children. Each day around the world, 40,000 children die—1,500 per hour, 25 per minute, 15 million each year. While the tragedy behind these numbing figures may defy comprehension, the horror of pervasive child death by poverty and disease is real. But so too is the world's ability to diminish this continuing scourge. For as many as half of these children could now be saved through the basic preemptive remedy of immunization against the six major diseases—measles, diphtheria, whooping cough, tetanus, tuberculosis, and polio.

The international community's collective ability to exterminate a disease through immunization was demonstrated in the successful worldwide campaign waged against smallpox in the 1960's and 1970's, which totally ended that scourge by 1980. Continued progress against disease, however, is by no means inevitable. Although U.N. agencies reduced childhood death rates in poor countries by one-third in the two decades from 1950 to 1970, the 15 years since 1970 have seen virtually no further gains.

Yet progress—remarkable progress—has come within reach. Immunization technology has now advanced such that, given the political will and the resources, all children in the world could be immunized against the six major diseases by 1990. Nor are the necessary resources beyond the capacity of the developed nations to provide. A multidisease immunization program would require only about $5 per child—a few cents for the vaccine, the remainder for necessary costs of transporting vaccine in a "cold chain" and the administration of injections. Thus, with 100 million children born in the developing countries each year, a full global immunization program, once underway, would require little more than $500 million annually. Initial costs, of course, would be somewhat higher due to the need to "catch up" with the many children not yet immunized.

To provide some perspective on the current catastropic rate of child death from immunizable disease—the rate of tragic child suffering and death that we could now act to prevent—let me offer two examples. In El Salvador, while our attention has focused on the horror of brutal warfare, child fatalities from immunizable disease have continued to occur at a greater rate than total war fatalities. Meanwhile, in India, where the shocking chemical disaster in Bhopal recently killed thousands, more children die from immunizable disease in that country each day.

Nor, Mr. President, does the saving of children around the world offer us only a short-term gain, accompanied by the long-term liability of an inexorably expanding population. In the short run, a decline in child mortality obviously results in population expansion. But reduced child mortality is crucial to attaining the level of economic development associated with reduced rates of population growth. Thus, ending the six major diseases represents a huge step toward reducing human misery around the world, not only immediately but also in the long term.

Mr. President, the goal of achieving worldwide disease immunization by 1990 has just been affirmed by Congress in the fiscal year 1986 Foreign Assistance Act. The Pell-Lugar resolution I now offer would draw a connection between the opportunity to overcome the destitution afflicting so much of humanity and the other great problem facing mankind today: the world-threatening animosity of the nuclear-armed superpowers.

The world has in recent years witnessed the steady degeneration of the United States-Soviet relationship into a near-total and deeply dangerous impasse. In assessing this state of affairs, no fair observer could overlook the heavy measure of Soviet responsibility; the Kremlin's failings and misdeeds are sufficiently obvious that Soviet ideology has continued to lose appeal around the world. Nor, of course, would most observers totally absolve the Reagan administration. Regardless of the balance of blame, however, the successful management of future superpower relations remains an imperative of American security and international stability.

In November, President Reagan and General Secretary Gorbachev will convene the first superpower summit in more than 6 years. Unfortunately, expectations and attention now center almost exclusively on appraising their prospects for agreement on nuclear arms control, that most complex and contentious of subjects. While the two leaders clearly cannot ignore the nuclear issue, both might well find it useful to focus also on a subject on which they could more easily achieve substantive agreement to cooperate. Helping the world's poor—a subject already high in the public consciousness because of recent "live aid" activities for Africa—could be such an issue. Accordingly, the resolution I shall now introduce states as follows:

That the United States and the Soviet Union should immediately undertake a formal commitment to initiate, using their own resources and those of other donors and appropriate multilateral agencies, a joint effort to bring the benefits of immunization to all children of the world by the year 1990; and

That this joint effort should be undertaken in a spirit of common dedication to a transcending humanitarian purpose, and with the practical hope that such constructive collaboration may also serve as a model for further superpower cooperation.

The advantage of a joint United States-Soviet world immunization effort is that it draws upon the superpowers' strength in technology and resources, while bypassing their innate geopolitical competitiveness. Unlike development activities, immunization efforts do not have an inherent geopolitical dimension: they involve no vested or strategic interest in any particular Third World regime. Immunization requires only that politically neutral medical teams, backed by politically neutral resources, enter those countries in need and do the job. Existing multilateral agencies, which are already involved, could administer much of this expanded worldwide program, and other nations and private organizations would be called upon to contribute resources. The thrust would come from the superpowers acting in constructive partnership.

For the world, such a joint United States-Soviet undertaking would be symbolically as valuable as a joint space mission, vastly more productive in human terms, and a possible step toward ameliorating the East-West conflict at a time of entrenched and dangerous stalemate in superpower relations. A cooperative United States-Soviet immunization effort—to protect the world's children—is a "strategic defense initiative" that citizens of both nations, and the world, could agree on and applaud.

Mr. President, I hope for prompt action by the Foreign Relations Committee and the full Senate on this resolution.●

SENATE RESOLUTION 228—ORIGINAL RESOLUTION TO PAY A GRATUITY TO KATHERINE M. RYAN

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 228

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Katherine M. Ryan, widow of Vincent G. Ryan, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 229—ORIGINAL RESOLUTION TO PAY A GRATUITY TO CHRISTINE NELSON GALLOWAY

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 229

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Christine Nelson Galloway,

widow of J.C. Galloway, an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 230—ORIGINAL RESOLUTION TO PAY A GRATUITY TO EVERETT D. SHEAFFER

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 230

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Everett D. Sheaffer, widower of Mary R. Sheaffer, an employee of the Senate at the time of her death, a sum equal to one years' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 231—ORIGINAL RESOLUTION AUTHORIZING THE PRINTING OF A REVISED EDITION OF THE "STANDING RULES OF THE SENATE" AS A SENATE DOCUMENT

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 231

Resolved, That the Committee on Rules and Administration hereby is directed to prepare a revised edition of Senate Document Numbered 98-10, entitled "Standing Rules of the Senate", and that such standing rules shall be printed as a Senate document.

SEC. 2. There shall be printed two thousand five hundred additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

SENATE RESOLUTION 232—ORIGINAL RESOLUTION RELATING TO THE PURCHASE OF CALENDARS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 232

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $67,980 for the purchase of one hundred and three thousand calendars. The calendars shall be distributed as prescribed by the committee.

SENATE RESOLUTION 233—RELATING TO THE TAX-EXEMPT STATUS OF PRIVATE PURPOSE STATE AND LOCAL BOND OBLIGATIONS

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 233

Whereas the President of the United States and the Congress are engaged in an effort to reform the tax code to achieve greater simplicity and fairness; and

Whereas various proposals before Congress would remove the tax exempt status for private purpose state and local bond obligations, including Industrial Development Bonds, mortgage subsidy bonds, veterans mortgage bonds, and student loan bonds; and

Whereas Industrial Development Bonds provide an important source of credit, allowing state and local governments to bolster their economies and create new jobs, thus serving the public purpose through increased economic development; and

Whereas numerous states use industrial development bonds to finance highly successful agribusiness loan programs which play a vital role in helping this nation's seriously troubled farm economy; and

Whereas tax-exempt state and local bond obligations have helped many families realize the dream of home ownership and have provided multi-family housing which benefits low- and middle-income families, as well as our nation's veterans; and

Whereas these obligations are extremely important in providing for the education of our youth through the financing of student loans; and

Whereas Congress has recently considered the question of abuses of tax-exempt bonds and has taken steps to regulate previous abuses; and

Whereas elimination of the tax-exempt status of these obligations would very likely result in increased citizen demand for direct federal assistance for these projects and job opportunities: Now, therefore, be it

Resolved, That it is the sense of the Senate that any tax reform legislation adopted by the Congress should not remove the tax-exempt status for private purpose state and local bond obligations.

● Mr. PRESSLER. I am submitting today a resolution which expresses the sense of the Senate on the need to reject any tax reform proposal which would remove the tax-exempt status of private purpose tax-exempt bond obligations.

A number of the tax reform proposals, including the administration's, would eliminate the tax-exempt status of these bonds. I firmly believe this would eliminate a valuable tool used by State and local governments to fund projects which would otherwise be impossible or require Federal funds which, as we all know, are not readily available during these times of record budget deficits. There is also reason to believe elimination of tax-exempt bonds would add to these deficits.

This resolution is in response to 2 days of hearings I recently held in my Subcommittee on Small Business: Family farm which explored the importance of industrial development bonds as a financing tool for small businesses. During these hearings, my subcommittee heard from small business persons who have received financing through IDB's. We also learned from the experiences of several State and local leaders involved from the experiences of several State and local leaders involved in the issuance or coordination of the issuance of these tax-exempt bonds and underwriters involved in putting these bond issues together and marketing them to investors.

These individuals presented an excellent case for retaining the tax-exempt status of these bonds. Several State and local governments have operated very successful programs to fill the long-term credit gap currently being faced by small businesses. This source of credit is especially important in more rural States, such as my home State of South Dakota, whose economies are closely tied to agriculture. Much of the available commercial credit in such States is committed to agricultural operations.

There is, of course, another side to the tax-exempt Government bond story. During the second day of hearings the subcommittee heard testimony exclusively from Ronald A. Pearlman, Assistant Secretary of the Treasury for tax policy. The Congressional Budget Office estimates revenue losses to the U.S. Treasury from the sale of these bonds at $4.3 billion in 1985. It is interesting to note that neither this analysis nor Treasury estimates of revenue loss take into account any revenue returned to the Treasury through increased business and personal taxes resulting from the economic development supported by these bond issues.

During Treasury's testimony, it was pointed out that there was little if any empirical basis for estimating these revenue reflows. However, in a just-released study commissioned by the Council of Industrial Development Bond Issuers, an empirical data base was constructed which shows, in part, a Federal deficit increase of $2.9 billion for every $10 billion of small issue IDB's which were not issued. Thus, it is very likely that eliminating the tax-exempt status of small issue IDB's would not put money back into the Treasury. In fact, we would be increasing the already serious Federal budget deficit problem. I ask unanimous consent that a copy of this study be printed in the RECORD following my remarks.

Because of recent growth in the volume of these bonds, and the corresponding loss of revenue, the administration in recent years has recommended and supported legislative proposals to restrict the use and growth of so-called private purpose, tax-exempt bonds. There is little doubt

these bonds, at times, have been abused and that some restrictions were necessary.

Congress took action to reduce the chance of abuse in both the Tax Equity and Fiscal Responsibility Act of 1982 and the Deficit Reduction Act of 1984, by placing restrictions on the use of small issue tax-exempt bonds. It is too early to know the full effect of these changes and while further restrictions may be necessary, I believe it is unwise to discontinue the entire program before we learn how successful our modifications will be.

Further, I take exception to the term "private purpose" Government bonds. This label brings to mind images of huge shopping malls and hotel complexes being built with tax-exempt financing. I do not deny this has been done through use of these bonds, but there is much more to the story. Business is not the only industry to benefit from tax-exempt Government bonds. The housing industry, students, veterans, and various privately run community services also benefit from these bond issues.

In addition to IDB's, other tax-exempt Government bonds such as mortgage subsidy bonds, veterans mortgage bonds, and student loan bonds would all lose their tax-exempt status under several tax reform plans. These bonds have helped many families own their own homes and have provided multifamily housing for low- and middle-income families. Additionally, they have helped our veterans purchase homes. Several States have sold these bonds to fund programs which provide agribusiness loans to this Nation's seriously troubled farm economy. Programs such as these are more than private purpose, they are important to economic and community development which serves the public purpose.

In South Dakota, the housing industry has benefited greatly from mortgage subsidy bonds. The South Dakota Housing Development Authority has purchased $160 million in mortgages for newly constructed homes. This amounts to over 6,000 worker years of employment and $63 million in wages. In good economic times, approximately one-third of all mortgage revenue bonds in South Dakota go to new construction. However, in times of recession, such as we experienced in 1981 and 1982, approximately three-fourths of the bond proceeds go to new construction. What's more, these mortgages are targeted for first-time home buyers. When a family moves into a new home they must purchase home furnishings, appliances and home insurance. While it is difficult to calculate the revenue this generates for various businesses, it is clearly an important source of economic development. Further, this new construction has increased state property tax revenues by over $19 million and added $8 million more in State sales and contractor excise taxes to the State's treasury.

Another very important service provided by tax-exempt bonds is the funding of programs to provide financing for this country's students. In my home State, the South Dakota Student Loan Corp. has purchased $219 million worth of student loans. Currently, 56 percent of all South Dakota students in higher education receive help through guaranteed student loans. These loans would not have been possible without the sale of tax-exempt bonds.

I do not feel it would be prudent to eliminate the tax-exempt status of all Government bonds because of past abuses—abuses which Congress has taken steps to correct. State and local private purpose tax-exempt bonds fulfill a variety of important needs. For these reasons, I believe these private purpose Government bonds should remain tax exempt. I urge my colleagues to take a careful look at what these bonds have done for their States and then join me in support of this resolution.●

There being no objection, the study was ordered to be printed in the RECORD, as follows:

MAJOR FINDINGS—SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS AND THE U.S. ECONOMY

(Prepared by Developing Systems Limited Consortium Washington, DC, for the Council of Industrial Development Bonds Issuers, September 1985)

ABOUT THE STUDY

What follows is drawn from the study of "Small Issue Industrial Development Bonds and the U.S. Economy," undertaken by Developing Systems, Limited, and its Consortium of associated firms: Arthur Young and Company; Larry Eastland Associates; and Rose, Schmidt, Chapman, Duff & Hasley. In addition, Evans Economics, Inc. was contracted to carry out macroeconomic analysis. The study was undertaken from May to September 1985, for the Council of Industrial Development Bond Issuers.

The principal authors and participants in the design and execution of the study include: Dr. Arthur Domike, Dr. Ronald Muller, Dr. Nancy Barrett, William Castner, Joseph Holtzman, Dr. Jeffrey Colvin, and Thomas Megan of DSL; Dr. Garry Clyde Hufbauer, James Hostetler, Milan Miskovsky and Kathy Matthews of Rose, Schmidt, Chapman, Duff & Hasley; Dr. Larry Eastland of Eastland Associates and Neil Tierney of Arthur Young & Company.

MAJOR FINDINGS OF SMALL ISSUE IDB'S AND THE U.S. ECONOMY

LEGISLATIVE HISTORY

Congress authorized Small Issue Industrial Development Bonds [SIDB's] in 1968, by targeting the use of tax-exempt finance for local economic development to private sector investments of less than $5 million (since raised to $10 million). This incentive was intended to stimulate job creation, improved productivity and tax revenues through expanded economic activity, with preference to smaller businesses.

Tax law changes in 1982 and 1984 further strengthened SIDB user preference toward small business while prohibiting certain types of projects and placing a volume cap on IDB issuance by individual states. Sunsets were legislated for nonmanufacturing SIDB's at the end of 1986 and for manufacturing projects at the end of 1988. Tax simplification proposals currently pending before Congress would terminate SIDB's and all private activity bonds next year.[1]

THE SIDB CONTROVERSY AND THE INFORMATION GAP

Throughout this legislative history there has been a heated debate about the impacts of IDBs in general and SIDB's in particular upon economic growth and the Federal Treasury. This "number war" has been fueled by lack of a broad base of empirical data to test the conflicting assumptions of both opponents and proponents of SIDBs.

In light of these developments, the Council of Industrial Development Bond Issuers [CIDBI][2]—formed in 1984 by the principal state and local agencies engaged in SIDB issuance—sponsored the first, large-scale empirical evaluation of the impact of the bonds on business, employment and the economy. It was CIDBI's belief that solid and timely evidence was needed regarding:

What kinds of businesses benefit from the bonds?

Who buys Small issue IDB's?

For what purposes are they issued?

Only with answers to these questions based on actual empirical data is it possible to address with some degree of confidence the central concerns of Congress, including:

What are the impacts of SIDB's on federal revenues and the deficit?

What would be the consequences to the economy if SIDBs were eliminated?

Are state and local development agencies through their issuance of SIDBs contributing effectively to the achievement of national policy objectives of full employment, stable growth and international competitiveness?

The objective of this study is, thus, to provide Congress, the administration and state and local authorities with evidence and analysis needed to make sound decisions on the future of SIDB's.

STUDY METHODOLOGY: FILLING THE INFORMATION GAP

CIDBI commissioned an independent research group headed by Developing Systems, Limited [DSL][3] of Washington, D.C. to prepare an in-depth analysis of the impacts of SIDB's. To carry out this mandate:

1040 businesses were interviewed in a randomly sampled national survey of SIDB recipients;

Interviews were conducted with SIDB issuing agencies in forty states and with over 50 institutional purchasers of SIDBs;

Econometric analyses of the macroeconomic impacts of SIDBs were performed; and

Congressional hearings and records plus studies prepared by state and local development agencies and academic institutions were thoroughly analyzed.

Data from this effort provides the first complete picture of the interrelationships among issuers, users, and purchasers of SIDBs. This study has produced statistically reliable data that can be incorporated into the various estimation models used by the U.S. Treasury, Congressional Budget Office and others to calculate the costs and benefits of tax-exempt investment.

PROFILE OF TYPICAL SIDB BORROWER[4]

Only if one knows the characteristics of the typical user is it possible to determine

what the federal revenue and other impacts of SIDBs are. Heretofore, the empirical basis has been lacking for establishing a profile of the typical SIDB borrower. Now, from the 1040 businesses surveyed by this study, a picture emerges of the "average" business and project receiving SIDB financing:

A 25 year-old small business (about $5.5 million sales in 1984) obtains a $1.6 million SIDB with a 15-year maturity to help finance construction of facilities and new equipment at an existing site of the company.

If the SIDB had not been available, the company would have reduced its investment by about one-third, or would have delayed the project for a year or more.

Some 25 new jobs are created by the project, with a median annual wage of $19,000—for a total addition to company payroll of $475,000 annually.

These new jobs are more likely to be located in a geographic area with unemployment at or above the national average.

Total cost of the project is about $2.1 million, and the loan collateral is the business property itself.

The company has a 25-30 percent effective tax rate and paid about $25,000 in federal taxes in 1984.

The rest of the project finance—about $500,000—comes from retained earnings and/or a commercial loan.

Interest savings from the SIDB (of some 350 basis points annually) are being dedicated primarily to future development of the business: more plant expansion, working capital, and marketing.

The purchaser of the SIDB is the local bank with whom the company had already been doing business.

CENTRAL FINDINGS

The central findings from the data gathering and analysis may be summarized as follows:

1. About 78 percent of the users of SIDB's are small to medium-sized businesses (less than $50 million in annual sales).

Small and medium size businesses received 69 percent of the value of all SIDB's and 78 percent of the total number of financings. State and local issuers have targeted these businesses recognizing the role of smaller businesses as a major source of this nation's growth in employment and productivity. Barriers to eligibility of larger firms created by the 1984 tax law changes should further increase the SIDB program's future orientation to smaller businesses.

2. SIDB's help overcome the long recognized small business capital gap by directly supporting 8-10 percent of all investment in plant and equipment by this sector.

Small business users of SIDB's face a capital gap, but not because they are marginal companies. Over 75 percent of the bankers sampled reported that firms receiving SIDBs have lower default rates than those receiving conventional financing.

SIDB elimination would increase annual borrowing costs to eligible small business projects by some 350 basis points. More small business SIDB users would reduce, delay, or cancel their expansion projects without this financing. Since smaller companies are also more dependent than larger companies upon debt for expansion capital, total investment in the most dynamic job-generating sector of the economy would be reduced disproportionately.

Studies by the Federal Reserve and others have documented that smaller banks are the most important source for overcoming the small business capital gap. This survey demonstrates that SIDB's are placed proportionately more often with small banks to stimulate investments by local small and medium sized businesses. The survey further showed that bankers place customer relations ahead of tax exemption among the reasons for investing in SIDB's.

3. The effects of new SIDB issues on the interest rates of other tax exempt bonds is minimal because the vast majority of SIDB's are sold in a different market.

Fears that SIDB's will crowd out traditional state and local borrowing are not sustained by the evidence. The overall market for tax-exempt bonds is dominated by private individuals. In contrast to SIDB's, other types of new tax-exempt issues are purchased overwhelmingly—up to 81 percent—by private individuals.

In contrast, the survey found that over 75 percent of SIDB's are bought by commercial banks and S&Ls. Banks hold virtually all of these bonds to maturity. Only 18 percent of the banks surveyed ever sold any of their SIDB's from their portfolios in a secondary market. As a result, new issues of SIDB's generally do not compete with other tax-exempt instruments for loanable funds.

It should also be noted that the relative importance of SIDB's to total state and local tax-exempt debt fell from 24.1 percent in 1981 to 15.1 percent in 1984.

Studies have shown that the interest rate effect of tax-exempt instruments may be less than 2 basis points for every $1 billion of bonds issued. Since our surveys indicate that only 20-30 percent of SIDB's compete in the same markets with other tax-exempts, the total 1984 SIDB volume would increase rates by 10 basis points.

4. Federal revenue losses associated with small issue IDB's have been persistently overstated in past estimations. Using conservative assumptions, elimination of SIDB's would have a negligible impact upon the Federal deficit; using more realistic assumptions, eliminating SIDB's would cause Federal revenues to shrink.

In the most conservative case, revenue losses from SIDB issuances are small, substantially below the estimates published by the Treasury Department. In the more realistic estimation based on bond-holder data collected for this study, revenue gains slightly exceed losses. If account is taken of either the revenue reflows or the "additionality" effects, revenue gains will balance losses for the conservative case and appreciably increase gains to the federal government in the more likely case.

A numbers war over the impact of SIDB's on federal revenue has been caused by the lack of an adequate empirical basis for estimating the tax rates of bond holders and borrowers, and the costs of alternative sources of capital to the SIDB borrower. This confusion has been further exacerbated by lumping SIDB's together with the effects of all tax-exempt bonds instead of analyzing SIDB's separately to take account of the significant difference in who uses and buys SIDB's compared with all other tax-exempts.

Over 75 percent of the SIDB's were purchased by commercial banks whose effective tax rates are substantially lower than rates paid by individual buyers who dominate the market for other types of tax exempt bonds. When these values are inserted into the Treasury's revenue projection model, the net effect on federal revenues is slightly positive.

If revenue reflows are considered, the effect on federal revenues is decidedly positive. If SIDB's were eliminated, analyses conducted by Evans Economics show that the rates of economic growth and of capital formation would both fall. Econometric analyses show a cumulative decrease in GNP of over $3 billion for every $10 billion reduction in SIDB's. Assuming that the economy will be operating at less than full employment over the 1986-90 period, the analysis indicates that the federal deficit would increase by $2.9 billion for every $10 billion of SIDB's that were not issued.

Even if revenue reflows are ignored, the survey clearly demonstrates the existence of additionality—that is, increased tax revenues from investments that would not have taken place without SIDB's. Based on actual empirical findings, it may be conservatively estimated that the investment represented by 22 percent of all SIDB issues would not have gone forward or would have been significantly delayed if SIDB financing were not available. Even if one assumed only 10 percent additionality, approximately $278 million in added federal tax revenues is being generated for every billion dollars of SIDB's issued.

5. State and local governments are relying increasingly on SIDB's to attain economic development objectives because SIDB's respond to local development priorities and offset cutbacks in federal assistance programs.

Issuers have been targeting SIDB financing to areas of higher unemployment and stimulating new economic activity. Local officials regard this incentive as their most effective economic development tool.

Nearly two-thirds of the SIDB's have been used in areas with unemployment rates of 7.3 percent or higher. This survey revealed that a relatively large number of businesses investing in distressed areas would have had to cut back or postpone indefinitely their projects without SIDB financing, compared to the nationwide sample of all such investments.

6. A significant portion of all SIDB's directly increase the productivity and international competitiveness of U.S. industry.

Small issue IDB's are being used to upgrade productivity and efficiency in those manufacturing industries with the most serious productivity lags. Manufacturing industries in which labor productivity has been dropping at the rate of one percent or more per year have received over 40 percent of SIDB's provided to the manufacturing sector.

Over 40 percent of all SIDB users are engaged directly in, or affected by, export trade; and virtually all these recipients used their SIDB financing for trade related projects. Two-thirds of these trade impacted projects are in the manufacturing sector. In fact, more than half of all manufacturing SIDB projects produce some portion of their output for export.

7. Issuers rarely use SIDB's to finance interstate relocations from one labor market to another.

Only 5 percent of all SIDB projects involve any sort of investment by a firm across state lines and much of that entails expansion into new market regions. Moreover, almost 75 percent of all SIDB financings support expansions or improvements at sites previously operated by the beneficiary.

SUMMARY CONCLUSION

The vast majority of SIDB's are being used in a manner that is consistent with congressional intent and other important Federal policy goals. While these findings

point to possible areas for further reform and improvement, small issue IDB's are clearly responding to significant national policy objectives while meeting basic state and local economic development needs. Moreover, many states and localities have instituted more restrictive and targeted SIDB requirements that go beyond what current federal law requires. SIDB's are being directed to revitalize areas of high unemployment, to overcome the small business capital gap, and to meet other priority economic development objectives. Further improvements, if carefully designed and making full use of available empirical information, could enhance the substantial benefits that SIDBs provide to the nation's economic growth and fiscal well-being.

FOOTNOTES

1. The administration proposal defines private activity, or nongovernmental, bonds as any tax-exempt financing in which more than 1 percent of the proceeds goes to the benefit of a private party.

2. The Council of IDB Issuers is comprised of 117 member agencies nationwide, responsible for almost half of all SIDB's issued during 1984.

3. The firms associated in this study with Developing Systems Limited include Arthur Young & Company, New York; Larry Eastland Associates, McLean, Virginia; and Rose, Schmidt, Chapman, Duff and Hasley, Washington, D.C. Members of the DSL study team included a former Research Director for the Congressional Budget Office and a former Deputy Assistant Secretary of the U.S. Treasury Department. In addition, Evans Economics of Washington, D.C. was contracted to prepare estimates of macroeconomic impacts.

4. The composite typical financing is derived from the survey of 1040 SIDB borrowers and represents either the statistical mean of the data collected, or the response provided in over half the cases.

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT ACT

METZENBAUM AMENDMENT NO. 677

Mr. METZENBAUM proposed an amendment to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

S. 51 is amended by adding on page 84, after line 14, a new subsection (f), as follows:

"(f). Section 111(c) (6) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by inserting at the end thereof the following: Standards for health and safety protection of employees engaged in hazardous waste operations, including emergency response, shall be promulgated by the Secretary of Labor, under the Occupational Safety and Health Act, not later than one year after enactment of the Superfund Improvement Act of 1985. The cost of training such employees, in an amount not to exceed $10,000,000 per year, shall be considered a permissible cost of the program authorized by this paragraph."

HEINZ AMENDMENT NO. 678

Mr. STAFFORD (for Mr. HEINZ) proposed an amendment to the bill S. 51, supra; as follows:

On page 125, line 2, strike out "$1,500,000,000" and insert in lieu thereof "certain amount".

On page 125, line 6, strike out "$1,500,000,000" and insert in lieu thereof "$2,225,000,000 or $3,000,000,000, respectively".

On page 125, line 11, strike out "$1,500,000,000" and insert in lieu thereof "$2,225,000,000 or $3,000,000,000".

HEINZ AMENDMENT NO. 679

Mr. STAFFORD (for Mr. HEINZ) proposed an amendment to the bill S. 51, supra; as follows:

At the end of Title I add the following new section:

POST-CLOSURE LIABILITY PROGRAM STUDY, REPORT TO CONGRESS AND SUSPENSION OF LIABILITY TRANSFERS

SEC. . (a) Subsection (k) of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new paragraphs:

"(5)(A) The Administrator shall conduct a study of options for a program to finance the post-closure maintenance of hazardous waste treatment, storage, and disposal sites in a manner which complements the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and assures the protection of human health and the environment.

"(B) A report setting forth the conclusions of such study and recommendations of the Administrator shall be submitted to the Congress not later than March 1, 1988.

"(C) The study shall include assessments of treatment, storage, and disposal facilities which have been or are likely to be issued a permit under section 3005 of the Solid Waste Disposal Act and the likelihood of future insolvency on the part of owners and operators of such facilities. Separate assessments shall be made for different classes of facilities, and shall include but not be limited to—

"(i) the current and future financial capabilities of facility owners and operators;

"(ii) the current and future costs associated with facilities, including the costs of routine monitoring and maintenance, compliance monitoring, corrective action, natural resource damages, and liability for damages to third parties; and

"(iii) the availability of mechanisms by which owners and operators of such facilities can assure that current and future costs, including post-closure costs, will be financed.

"(D) The recommendations of the Administrator shall include assessments of various mechanisms and combinations of mechanisms to complement the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and to assure that the current and future costs associated with hazardous waste facilities, including post-closure costs, will be adequately financed and, to the greatest extent possible, borne by the owners and operators of such facilities. Mechanisms to be considered include, but are not limited to—

"(i) revisions to closure, post-closure, and financial responsibility requirements under subtitles C and I of the Solid Waste Disposal Act;

"(ii) voluntary risk pooling by owners and operators;

"(iii) legislation to require risk pooling by owners and operators; and

"(iv) modification of the Post-Closure Liability Trust Fund previously established by section 232 of this Act, and the conditions for transfer of liability under this subsection, including limiting the transfer of some or all liability under this subsection only in the case of insolvency of owners and operators.

"(6) Notwithstanding the provisions of paragraphs (1), (2), (3), and (4) of this subsection and subsection (j) of section 111 of this Act, no liability shall be transferred to or assumed by the Post-Closure Liability Fund previously established by section 232 of this Act prior to completion of the study required under paragraph (5) of this subsection, transmission of such study and report to both Houses of Congress, and authorization of such a transfer or assumption by Act of Congress following receipt of such study and report.".

On page 160, between lines 13 and 14, insert the following:

(d) REFUND OF UNOBLIGATED BALANCE.—An amount equal to the unobligated balance in the Post-Closure Liability Trust Fund as of October 1, 1985, which is transferred into the hazardous Substance Superfund pursuant to section 9505(b)(2) of the Internal Revenue Code of 1954, shall be paid out from such Superfund, effective March 1, 1989, as refunds of the taxes paid under section 4681 of such Code (as in effect prior to October 1, 1985), unless, prior to March 1, 1989, congressional action has been taken pursuant to section 107(k)(6) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Such refunds shall be paid on a proportional basis to the amounts of such taxes paid, and without interest.

DOMENICI (AND OTHERS) AMENDMENT NO. 680

Mr. DOMENICI (for himself, Mr. SIMPSON, and Mr. BENTSEN) proposed an amendment to the bill S. 51, supra; as follows:

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new subsection:

"(d) The President shall consider, but may accept or reject, good-faith offers of settlement under this section or section 107 from any preson potentially liable under such sections, and in the discretion of the President is authorized to accept such offers if the offer does not constitute a substantial portion of the costs of response, if—

"(1) the amount of the hazardous substances contrbuted to the release by the party making the offer, and

"(2) the toxic or other hazardous effects of the substances are minimal in comparison with contributions to the release by other potentially responsible parties. For the purposes of this subsection, a good faith offer is one which is reasonable based on the objective evidence. Not later than March 1, 1986, the President shall publish guidance documents defining what would constitute de minimis contributions under this section.

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

MIXED FUNDING

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(c) The President may use monies from the Fund to pay for that portion of the response costs (or of a remedy to be performed jointly with responsible parties) which is attributable to the contribution of hazardous substances from parties who are determined by the President, on the record, to be unknown or insolvent, or similarly unavailable.".

On page 87, after line 26, insert the following new section and renumber succeeding sections accordingly:

RELEASES FROM LIABILITY

SEC. . Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(e)(1) The President may provide any person with a covenant not to sue concerning any future liability under this Act resulting from a future release or threatened release of hazardous substances addressed by a remedial action, whether that action is onsite or offsite, if this covenant not to sue would expedite response action consistent with the National Contingency Plan under section 105 of this Act, and—

"(A) the person is in full compliance with an administrative order or consent decree under this section for response to the release or threatened release of hazardous substances, and

"(B) this response action has been approved by the President.

"(2)(A) In assessing the appropriateness of a covenant not to sue, the President shall consider whether the covenant is in the public interest, taking into account whether the cleanup will be done, in whole or in significant part, by the responsible parties themselves. To the extent that private parties perform the cleanup and are in full compliance with an administrative order or consent decree approved by the President, such parties shall receive a more expansive covenent not to sue than if the cleanup were performed entirely by the Government. However, this section is not intended to limit the President's discretion in settling with de minimis contributors under subsection (d) of this section.

"(B) Factors to be taken into account in the President's consideration of the public interest under this subsection include, but are not limited to, the following:

"(i) the effectiveness and reliability of the remedy, in light of the other alternative remedies considered for the facility;

"(ii) the nature of the risks remaining at the facility after completion of the remedy;

"(iii) the extent to which performance standards are included in the order of decree;

"(iv) the extent to which the response action provides a complete remedy for the facility, including the elimination of the hazardous nature of the substances at the facility; and

"(v) whether the Fund or other sources of funding, including other responsible parties, would be available for any additional response actions that may become necessary for the facility.

"(3) In the case of remedial status undertaken jointly by the President and responsible parties, any governmental entity taking part in such remedial action shall be subject to future liability as a private responsible party. Any future response actions arising at the same facility, and which give rise to further liability, shall obligate the Fund to the extent of the obligation of the President under the earlier remedial action responsibility. The President's contribution to such future response actions may be made through Fund expenditures or through payment, following settlement or enforcement action, by parties who were not signatories to the original agreement.

"(4) The President is authorized to include any provision allowing future enforcement action under this section or section 107 that in the discretion of the President is necessary and appropriate to assure protection of public health, welfare, and the environment.

"(5) In the case of any person to whom the President is authorized under paragraph (1) of this subsection to provide a convenant not to sue, for the portion of remedial action—

"(A) which involves the transport and secure disposition offsite of hazardous substance in a facility meeting the requirements of section 3004 (c), (d), (e), (f), (g), (m), (o), (p), (u), and (v) and 3005(c), of the Solid Waste Disposal Act, where the President has rejected a proposed remedial action that is consistent with the National Contingency Plan that does not include such offsite disposition and has there after required offsite disposition; or

"(B) which involves the treatment of hazardous substances so as to destroy, eliminate or permanently immobilize the hazardous constitutents of such substances, such that in the judgment of the President the substances no longer present any current or currently foreseeable future significant risk to public health, welfare or the environment, no byproduct of the treatment or destruction process presents any significant hazard to public health, welfare or environment, and all byproducts are themselves treated, destroyed, or contained in a manner which assures that such byproducts do not present any current or currently foreseeable future significant risk to public health, welfare or the environment,

the President shall provide such person with a convenant not to sue with respect to future liability under this Act for a future release or threatened release of hazardous substances from such facility, and a person provided such convenant not to sue shall not be liable under section 106 or 107 with respect to such release or threatened release at any future time. The President is authorized to include in such convenant not to sue a provision allowing future enforcement action under this section or section 107, in the case of any fraud or misrepresentation by such person.

"(6) Any covenant not to sue provided by the President under this subsection shall be effective only when approved by a Federal District Court, upon the application of the President, after consideration of the conditions and factors specified in this subsection.".

On page 84, after line 14, insert the following new section and renumber succeeding subsections accordingly:

EXPEDITED REMEDIAL ACTION AGREEMENT PROCEDURES

SEC. . Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"( )(1) The President may enter into agreements pursuant to this subsection for the purpose of expediting remedial action with respect to a release or threatened release of a hazardous substance, in cases involving more than one potentially responsible party. As a matter of public policy, the President shall act to facilitate agreements under this Act, in order to protect human health and the environment by facilitating remedial action and to minimize litigation under this Act.

"(2)(A) At a date not later than that of the completion of the Remedial Investigation and Feasibility Study, the President shall provide all persons who are potentially responsible for a release or a threatened release

"(i) the identity of any other potentially responsible parties who have been identified and served with notice of potential liability;

"(ii) a Nonbinding Preliminary Allocation of Responsibility among all identifiable potentially responsible persons at a facility, including those parties which may be unknown, insolvent, or similarly unavailable. The allocation shall be based on the President's estimate and ranking of the volumetric contributions by such potentially responsible persons, and such additional factors, including, but not limited to, toxicity and mobility of the identified hazardous substances, as in the discretion of the President may be relevant to the preparation of such allocation;

"(iii) public information regarding successful agreements involving other facilities, as compiled beginning no later than January 1, 1987, and updated on a quarterly basis thereafter; and

"(iv) any other technical or scientific information, not otherwise privileged or attorney work product, which the President will utilize in determining whether to accept or reject an agreement offer under this section.

"(B) The information required by this paragraph (other than subparagraph (A)(ii)) shall be available in advance of such notice upon the request of a potentially responsible person in accordance with procedures established by the President.

"(C) The provision of subsection (e) of this section regarding protection of confidential information shall apply to information subject to distribution under this paragraph.

"(3)(A) The procedures of this subsection shall apply to each case of remedial action with respect to a release or threatened release of a hazardous substance involving more than one potentially responsible party, unless in the discretion of the President use of these procedures is inappropriate because:

"(i) sufficient information to effectively use these procedures is not available;

"(ii) there is an urgent need for response and enforcement action that could not be met if these procedures were used;

"(iii) the number of responsible parties who are not de minimis is so small that use of the procedures would not expedite settlement; or

"(iv) an equitable settlement could be more expeditiously or effectively achieved through other settlement or other alternative dispute resolution procedures.

"(B) If the President declines under this paragraph to use the procedures set forth in this subsection, the President shall notify potentially responsible parties at the facility of such decision and the reasons why use of such procedures is inappropriate.

"(4) The President may not commence a remedial action under this section or take any action under section 106 until 180 days (or 90 days where the facility involves 9 or fewer potentially responsible parties) after providing notice of an intent to engage in the procedures under this subsection. Advance disclosure of information upon the request of a potentially responsible party under paragraph (2)(B) shall not commence the 180-day period (or 90 days where the facility involves 9 or fewer potentially responsible parties).

"(B) Nothing in this subsection shall limit the President's authority to undertake response action regarding a significant threat to public health or the environment within the negotiation period. The President may also commence any additional studies or investigations authorized under subsection (b) of this section, including remedial design, during the negotiation period.

"(5) To collect information necessary or appropriate for performing the allocation under paragraph (2)(A) of this subsection, the President may by subpoena require the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions, and other information that the President deems necessary. Witnesses shall be paid the same fees and mileage that are witnesses in the courts of the United States. In the event of contumacy, failure or refusal of any person to obey any such subponea, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to comply with such subpoena. Any failure to obey such an order of the court is punishable by the court as a contempt thereof.

"(6) The persons with whom the President reaches agreement under this subsection shall undertake or finance the remedial action and all previous costs of response, including operation and maintenance, or a discrete part of such remedial action, as provided by the agreement.

"(7)(A) The persons receiving notice under paragraph (2) of this subsection shall have 90 days (or 45 days in cases involving 9 or fewer potentially responsible parties) to make a proposal to the President for undertaking or financing the remedial action. In extraordinary cases, the President may grant a thirty-day extension of such period.

"(B) Where potentially responsible parties offer to provide payment or the undertaking of remedial action exceeding 50 per centum of the total shares as estimated by the President in the Nonbinding-Preliminary Allocation of Responsibility, and such offer provides for response or costs of response for an amount equal to or greater than the cumulative total, under the Nonbinding-Preliminary Allocation of Responsibility, of the potentially responsible persons making the offer, such an offer will be considered to be in "good faith" and the Federal district court in the district in which the facility is located may order the President to accept the offer.

"(C) The President's decision to reject an offer shall not be subject to judicial review, unless such offer is considered good faith under this paragraph. Where the President rejects an offer meeting such criteria, such rejection shall be in writing and shall be reviewable in the Federal district court in the district in which the facility is located. In such cases the President shall have the burden of persuasion to establish that the rejection was not unreasonable, in light of additional information received after the completion of the Nonbinding-Preliminary Allocation of Responsibility. The record for such appeal shall consist of the written notice of rejection, the documents and evidence referred to therein, all comments and evidence submitted by others in response to the written notice of rejection, the President's rationale for rejection, as well as any information of which the court may take judicial notice.

"(D) Judicial review under this subsection shall be limited to the President's decision to reject the good-faith offer and shall not include any other issues relating to the selection or scope of the remedy, the computation of costs associated with response action, or the Nonbinding-Preliminary Allocation of Responsibility. Remedial action shall not be delayed solely because of such review.

"(E) Where the President's decision to reject a good faith offer under this paragraph is found to be unreasonable, the Fund shall be liable to the potentially responsible persons who brought suit, for any legal fees and other reasonable costs incurred during such judicial review.

"(F) Where the good faith offer of potentially responsible parties would include the entire share of cleanup allocated to all potentially responsible parties under the Nonbinding-Preliminary Allocation of Responsibility (other than the shares allocated to unknown, insolvent or similarly unavailable parties under section 106), such offer, if accepted, shall be granted a "bonus" from the Fund representing 10 per centum of the cost of response action. Such bonus shall not be available in the case of facilities where there are three or fewer potentially responsible parties.

"(8) If, as part of any agreement, the President will be carrying out remedial action and the parties will be paying amounts to the President, the President may, notwithstanding any other provision of law, retain and use such funds for purposes of carrying out the agreement.

"(9) If an additional responsibility party is identified during the negotiation period or after an agreement has been entered into under this subsection concerning a release or threatened release, the President may bring the additional party into the negotiation or enter into a separate agreement with such party.

"(10) The costs incurred by the President in producing the Nonbinding Preliminary Allocation of Responsibility shall be reimbursed by the potentially responsible parties whose offer is accepted by the President under this section. Where an offer under this section is not accepted, such costs shall be considered costs of response.

"(11) The Nonbinding Preliminary Allocation of Responsibility shall not be admissible as evidence in any proceeding under section 106 or 107 of this Act, and no court shall have jurisdiction to review the Nonbinding Preliminary Allocation of Responsibility in any action under section 106 or 107. The Nonbinding Preliminary Allocation of Responsibility shall not constitute an apportionment or other statement on the divisibility of harm or causation.

"(12)(A) If a good-faith proposal for undertaking or financing a remedial action has not been submitted within 90 days (or 45 days in cases involving 9 or fewer potentially responsible parties) of the provision of notice pursuant to this subsection, the President may thereafter commence a remedial action under this section or take an action against any person under section 106 of this Act.

"(B) If an agreement has been entered into under this subsection, the President may take any action under section 106 against any person who is not a party to the agreement, once the 90-day period (or 45 days in cases involving 9 or fewer potentially responsible parties) for submitting a proposal has expired.

"(13) Whenever the President has entered into an agreement for remedial action under this subsection, the liability under this Act of each party to the agreement, including any future liability arising from the release or threatened release that is the subject of the agreement, shall be limited as provided in the agreement.

"(14) Nothing in this subsection shall be construed to affect:

"(A) the liability of any person under section 106 or 107 with respect to any costs or damages which are not included in the agreement; or

"(B) the authority of the President to maintain an action under section 106 or 107 against any person who is not a party to the agreement.

"(15) The liability of any party to an agreement under this subsection for contribution shall be limited as provided in section 107(1)(3).

"(16) Whenever the President enters into an agreement under this subsection, the agreement, following approval by the Attorney General, shall be entered as a consent decree under section 106 of this Act. Any party failing to comply with an agreement shall be liable for a penalty not to exceed $25,000 for each day during which such failure continues.".

On page 101, after line 23, insert the following new section and renumber succeeding sections accordingly:

STATE MATCHING GRANTS

SEC. . Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(o)(1) Notwithstanding any other provision of this section, the President is authorized to provide up to $1 million per year to each State, out of the Fund, to be matched by an equivalent expenditure by such State, up to a cumulative national total from the Fund of $50 million per year, for State-administered and designed programs for the cleanup and stabilization of facilities contaminated by releases of hazardous substances.

"(2) The following conditions shall be attached to monies provided by the Fund as State Matching Grants:

"(A) no monies may be expended for any litigation-related expenses;

"(B) there shall be no liability of the Fund or the United States (including third party claims of any type) 'arising from such response action;

"(C) monies expended under this subsection may be used at any facility, as determined by the State, in consultation with the President, to be appropriate; and

"(D) facilities selected for cleanup with such monies shall be facilities for which there is no reasonable likelihood of recovery of costs under existing authority.

"(3) In determining whether a substance is a hazardous substance, pollutant or contaminant for purposes of this subsection, the exclusion of petroleum under the last sentences of sections 101(14) and 104(a)(2) shall not apply.".

STEVENS AMENDMENT NO. 681

Mr. STEVENS proposed an amendment to the bill, S. 51, supra; as follows:

On page 110, line 2, after "such activity," insert "unless the Administrator has entered into a memorandum of understanding with the head of such department, agency or instrumentality,".

WILSON AMENDMENT NO. 682

Mr. WILSON proposed an amendment to the bill, S. 51, supra; as follows:

On page 111, strike out line 23 and all that follows through line 3 on page 112 and insert in lieu thereof the following:

"(1) RIFS.—Not later than six months after the inclusion of any facility on the National Priorities List (NPL), or within six months of the enactment of the Superfund Improvement Act of 1985, whichever is later, the department, agency, or instrumentality which owns or operates such facility shall enter into an agreement with the Administrator and appropriate State authorities under which such department, agency, or instrumentality will carry out a remedial investigation and feasibility study for such facility. The agreement shall provide for a timetable and deadlines for commencement and expeditious completion of such investigation and study.

On page 114, after line 13, insert the following:

"(d) STATE AND LOCAL PARTICIPATION.—

(I) the Administrator shall consult with the relevant officials of the State and locality in which the facility is located and shall consider their views in selecting the remedial action to be carried out at the facility.

"(2) Each department, agency, or instrumentality responsible for compliance with this section shall afford to relevant State and local officials the opportunity to participate in the planning and formulation of the remedial action, including but not limited to the review of all applicable data as it becomes available and the development of studies, reports, and action plans.".

ABDNOR (AND OTHERS) AMENDMENT NO. 683

Mr. ABDNOR (for himself, Mr. DOLE, Mr. GRASSLEY, Mr. BAUCUS, Mr. BURDICK, Mr. SIMPSON, Mr. ZORINSKY, Mr. BOSCHWITZ, Mr. SYMMS, Mr. BOREN, Mr. DURENBERGER, Mr. NICKLES, Mr. PRYOR, Mr. ANDREWS, Mr. MCCLURE, Mr. COCHRAN, Mr. ARMSTRONG, Mr. PRESSLER, and Mr. JOHNSTON) proposed an amendment to the bill S. 51, supra; as follows:

On page 148, line 22, strike out "and fish" and insert in lieu thereof ", fish, fertilizer, animal feed, and any raw material used to manufacture fertilizer or animal feed".

WILSON AMENDMENT NO. 684

Mr. WILSON proposed an amendment to the bill S. 51, supra; as follows:

At the appropriate place in the bill, add the following new section:

"DEPARTMENT OF DEFENSE ENVIRONMENTAL RESTORATION PROGRAM

"SEC. . (a) ENVIRONMENTAL RESTORATION PROGRAM.—

"(1) IN GENERAL.—The Secretary of Defense (hereafter in this section referred to as the "Secretary") shall carry out a program of environmental restoration at facilities under the jurisdiction of the Secretary. The program shall be known as the 'Defense Environmental Restoration Program.'

"(2) APPLICATION OF SECTION 117.—The program shall be carried out subject to section 117 (relating to Federal facilities).

(3) DESIGNATION OF ADMINISTRATIVE OFFICE WITHIN OSD.—The Secretary shall identify an office within the Office of the Secretary which shall have the responsibility for carrying out the program.

"(b) PROGRAM GOALS.—Goals of the program shall include the following:

"(1) The identification, investigation, research and development, and cleanup of contamination from hazardous substances and wastes.

"(2) Correction of other environmental damage, such as detection and disposal of unexploded ordnance, which creates an imminent and substantial endangerment to the public health or welfare, or to the environment.

"(3) Demolition and removal of unsafe buildings and structures, including buildings and structures of the Department of Defense at sites formerly used by or under the jurisdiction of the Secretary.

"(c) RESPONSIBILITY FOR RESPONSE ACTIONS.—

"(1) BASIC RESPONSIBILITY.—The Secretary shall carry out (in accordance with the provisions of and this title) all response action for which the Secretary is responsible with respect to releases of hazardous substances from each of the following:

"(A) Each facility or site owned by, leased to, or otherwise possessed by the United States and under the administrative jurisdiction of the Secretary.

"(B) Each facility or site which was under the administrative jurisdiction of the Secretary and owned by, leased to, or otherwise possessed by the United States at the time of actions leading to contamination by hazardous substances.

"(C) Each vessel of the Department of Defense, including vessels owned or bareboat chartered and operated.

"(2) STATE FEES AND CHARGES.—The Secretary shall pay all fees and charges imposed by State authorities for permit services for the storage or disposal (or both) of hazardous substances on lands which are under the administrative jurisdiction of the Secretary to the same extent that nongovernmental entities are subject to fees and charges imposed by State authorities for permit services. This requirement shall not apply where such payment is the responsibility of a lessee, contractor, or other private person.

"(d) SERVICES OF OTHER AGENCIES.—The Secretary may enter into agreements with any other federal agency, and on a reimbursable or other basis with any State or local government agency, to obtain the services of that agency to assist the Secretary in carrying out any of his responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any off-site contaminations possibly resulting from the release of a hazardous substance or waste at a facility under the Secretary's administrative jurisdiction.

"(e) ENVIRONMENTAL RESTORATION TRANSFER ACCOUNT.—

"(1) ESTABLISHMENT OF TRANSFER ACCOUNT.—

"(A) ESTABLISHMENT.—There is hereby established an annual appropriation account for the Department of Defense to be known as the 'Environmental Restoration, Defense' account (hereinafter in this section referred to as the 'transfer account'). All sums appropriated to carry out the functions of the Secretary relating to environmental restoration under this or any other Act shall be appropriated to the transfer account.

"(B) REQUIREMENT OF AUTHORIZATION OF APPROPRIATIONS.—No funds may be appropriated to the transfer account unless such sums have been specifically authorized by law.

"(C) AVAILABILITY OF FUNDS IN TRANSFER ACCOUNT.—Amounts appropriated to the transfer account shall remain available until transferred under paragraph (2).

"(2) AUTHORITY TO TRANSFER TO OTHER DOD ACCOUNTS.—Amounts in the transfer account shall be available to be transferred by the Secretary to any other appropriation account or fund. Funds so transferred shall be merged and available for the same purposes and for the same period as the account or fund to which transferred.

"(3) OBLIGATION OF TRANSFERRED AMOUNTS.—Funds transferred under subsection (b) and subsection (e)(2) may only be obligated or expended from the account or fund to which transferred in order to carry-out the functions of the Secretary under this Act of environmental restoration functions under any other Act, including functions for removal of unsafe buildings or debris of the Department of Defense at sites formerly used by the Department of Defense.

"(4) LIMITATION ON EXPENDITURES.—

(A) GENERAL RULE.—The Secretary may not obligate or expend funds for purposes of this Act or any other purpose relating to environmental restoration other than funds transferred from the transfer account.

"(B) EXCEPTION FOR EMERGENCY RESPONSE ACTION.—The Secretary may obligate or expend funds which are available to the Secretary for operation and maintenance to carry out emergency response actions authorized under this Act whenever the Secretary determines that such obligation or expenditure is necessary to protect the public health or welfare, or the environment. In any such case, the operation and maintenance account concerned shall be reimbursed from the transfer account.

(C) REPROGRAMMING.—

Any reprogramming request relating to environmental restoration into the transfer account must be forwarded to the Senate Armed Services Committee, the House Armed Services Committee, the Senate Appropriations Committee and the House Appropriations Committee on a notification basis. The request for reprogramming will be considered approved unless action to the contrary is taken by any one of those committees within a 21-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the reprogramming request, if the committees approved the request before the end of that period).

"(5) AMOUNTS RECOVERED UNDER SUBTITLE A.—Amounts recovered under section 107 for response actions of the Secretary shall be credited to the transfer account (if appropriated by Congress for that purpose).

"(f) MILITARY CONSTRUCTION FOR RESPONSE ACTION.—

"(1) AUTHORITY.—Subject to subsection (b), the Secretary may carry out a military construction project not otherwise author-

ized by law if necessary to carry out a response action under this Act.

"(2) CONGRESSIONAL NOTICE-AND-WAIT.—

(A) NOTICE TO CONGRESS.—When a decision is made to carry out a military construction project under this section, the Secretary shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include the following:

"(i) The justification for the project and the current estimate of the cost of the project.

"(ii) The justification for carrying out the project under this section.

"(iii) A statement of the source of the funds to be used to carry out the project.

"(B) OVERSIGHT PERIOD.—The project may then be carried out only after the end of the 21-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the project, if the committees approved the project before the end of that period).".

SPECTER AMENDMENT NO. 685

Mr. SPECTER proposed an amendment to the bill S. 51, supra; as follows:

SEC. . Section 301 of CERCLA is amended by adding the following new subsection:

( ) The Administrator of the Environmental Protection Agency and the Attorney General shall submit to Congress annually on the first day of January a report including:

(1) The rules, guidelines, criteria and procedures used to determine which potentially responsible parties to include as defendants in a judicial or administrative enforcement action under this Act;

(2) The rules, guidelines, criteria, and procedures used to develop facts and information regarding potentially responsible parties at priority sites and to provide such information to potentially responsible parties in order to assist the settlement process;

(3) The rules, guidelines, criteria and procedures used to determine whether, to what extent, and on what basis to use Fund resources for removal or remedial actions in connection with a settlement or voluntary cleanup.

HELMS (AND OTHERS) AMENDMENT NO. 686

Mr. HELMS (for himself, Mr. MCCLURE, Mr. LEVIN, and Mr. PROXMIRE) proposed an amendment to the bill S. 51, supra; as follows:

At the end thereof, add the following:

The Value Added Tax is a regressive tax which places the burden of paying for pollution on persons other than those responsible for it;

The Value Added Tax on S. 51 represents a dangerous shift toward the principle of a broad-based tax on sales;

The Value Added Tax has escalated rapidly in virtually every country in which it has been implemented;

The administration has stated, in a September 16, 1985, Statement of Administration Policy the "(t)he President's senior advisors will recommend disapproval of any legislation containing a value-added or other broad-based tax";

The House of Representatives is expected to adopt a financing mechanism for the Superfund bill which will not include the Value Added Tax;

The Administration will not be prepared to release its alternative to the Value Added Tax until after the Senate has completed action on the Superfund legislation;

Prolonged debate on the floor of the Senate concerning an alternative to the Value Added Tax would unduly delay consideration of this legislation: Now, therefore, be it

The sense of the Senate that the committee on conference on S. 51 or such other comparable Superfund reauthorization legislation as shall be approved by both Houses of Congress should report legislation containing a reliable financing mechanism for the Superfund program which does not include the Value Added Tax.

SYMMS AMENDMENT NO. 687

Mr. SYMMS proposed an amendment to the bill S. 51, supra; as follows:

At the end of title I add the following new section:

LIABILITY OF NEW OWNER OR OPERATOR

SEC. . (a) Section 107(a) of the Comprehensive, Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof (after and below subparagraph (C)) the following: "Any person who becomes the owner or operator of a facility on or after October 1, 1985, shall not be liable under this section with respect to any release at such facility which occurred prior to the date on which he became such owner or operator of such facility.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT AND SUBCOMMITTEE ON ENERGY REGULATION

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources and the Subcommittee on Nuclear Regulation chaired by Senator SIMPSON of the Committee on Environment and Public Works will conduct a joint hearing on Tuesday, October 8, 1985, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Testimony will be received on S. 1517, a bill to amend the Low-Level Radioactive Waste Policy Act of 1980 to authorize continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and for other purposes; and S. 1578, a bill to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste, and for other purposes.

Those wishing to testify or who wish to submit written statements for the hearing record should write or contact either of the two following offices:

Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, SD-358 Dirksen Senate Office Building, Washington, DC 20510. Subcommittee contact Ms. Marilyn Meigs or Mr. K.P. Lau at 202-224-4431.

Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, U.S. Senate, SD-410 Dirksen Senate Office Building, Washington, DC 20510. Subcommittee contact Mr. Jim Curtiss at 202-224-2991.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Public Lands, Reserved Water and Resource Conservation Subcommittee of the Energy and Natural Resources Committee will conduct a field hearing Monday, October 14, 1985, 9 a.m. at the Albuquerque Technical Vocational Institute, 717 University Boulevard, SE., in Albuquerque, NM.

The subcommittee will receive testimony on how effectively the land managing agencies charged with the responsibility to manage, protect, and preserve archeological and paleontological sites and objects are carrying out those responsibilities. The hearing will provide the opportunity to obtain information from expert archeologists, paleontologists, curators, law enforcement officials, and land managers. The objective is to identify the problems connected with protection, access, curation, enforcement, and management and to suggest solutions and legislative changes if any are needed.

Those wishing to testify or to submit a statement should contact the offices of Senator DOMENICI, at the Federal Building and U.S. Court House, room 10013, Albuquerque, NM 87102, (505) 766-3481; or Senator BINGAMAN, at the Dennis Chavez Federal Building, 500 Gold Avenue SW., room 9017, Albuquerque NM 87102, (505) 766-3636, no later than close of business on Thursday, October 10, 1985. Witnesses are asked to limit their oral statements to 3 minutes, they will be placed in panels, and are requested to bring 15 copies of their written testimony to the hearing.

For further information please contact Tony Bevinetto or Patty Kennedy of the subcommittee staff at (202) 224-0613.

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. QUAYLE. Mr. President, The Senate Labor and Human Resources Subcommittee on Employment and Productivity, which I chair, will begin a series of hearings on the impact of international trade on domestic employment on October 22. Additional

hearings have been scheduled on October 31 and November 12.

The flow of international trade has a very complex impact of U.S. employment. There is a tendency to disguise that complexity under scare headlines such as "Three Million Jobs Lost Due to Imports" or Pollyanna pronouncements that because there are 7 million more persons working today than in 1980, the spiraling trade deficit must be good for the economy.

The issue is clearly more complex than that. According to an official of the Federal Reserve Bank of Boston, recorded changes in employment by industry are not correlated with changes in the degree of net import competition in recent years. This illustrates the difficulty of drawing simple conclusions regarding employment impacts from changes in trade flows. The fact that international trade also has substantial effects on productivity and the modernization of industry makes the relationships even more complex.

The complexities of international trade are demonstrated quite clearly in my home State of Indiana. According to a recent Butler University study, Indiana is the second largest per-capita exporter in the country, based on a solid mix of manufacturing and agriculture. Indiana is the largest steel-producing State in the country. However, the penetration of foreign steel into U.S. markets due to a variety of causes has had a devastating impact on this sector of our economy. Employment in steel mills in Indiana has plummeted from a 1979 high of 67,000 to 42,000 steelworkers this month.

Similarly, the export-dependent agriculture industry in Indiana has suffered due to the overvalued dollar and subsidized foreign competitors. In 1981, Indiana exported $1.9 billion of its $4.4 billion worth of farm products. By 1984, these figures had dropped to $1.5 billion in exports on $3.9 billion in sales. In other words, Indiana's total sales of agricultural products declined by almost exactly the same amount that Indiana's agricultural exports declined—roughly one-half a billion dollars.

On the other hand, the auto industry has posted strong sales this quarter despite the adjustment of the voluntary cap on Japanese autos exported to the United States from 1.85 million to 2.3 million in March. Employment in the automotive sector in Indiana, which ranks third in the country in number of auto workers, has remained relatively constant this year.

It may be too early to discern what effects the increase in imports of Japanese cars will have on employment in the automotive sector. However, there is no question that the appreciation of the dollar and the expansion of imports pose major adjustment problems for affected industries and workers. The international trading system, as codified in the General Agreement on Tariffs and Trades [GATT] and our domestic trade laws, recognizes the legitimacy of measures to ease such adjustment.

The objective of the Employment and Productivity Subcommittee's hearings will be to shed light on the relationships between changes in international trading patterns and trends in U.S. employment and productivity. The question of whether imports are eroding our industrial base is, of course, an essential ingredient of that issue. The hearings will also examine whether adjustment measures are adequate to deal with the problems created by the appreciation of the dollar and the rapid change in trade patterns.

The initial hearing will focus on overviews of the issue and will be succeeded by examinations of individual industries with particular sensitivity to international trends—steel, agriculture, automobiles, and electronic components. These hearings will be followed by an examination of the impact of existing and proposed adjustment policies on employment.

Persons wishing to testify or submit a written statement should contact Betsy Brand at the Subcommittee on Employment and Productivity at (202) 224-6306.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, at 10:30 a.m., to hold a hearing on the nomination of James Miller, to be Director of OMB.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, in order to receive testimony concerning S. 477, Railroad Antimonopoly Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, in order to receive testimony concerning RICO civil suits.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, in order to receive testimony concerning S. 239, to establish constitutional procedures for the imposition of the sentence of death and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, in closed session, to hold a hearing on the development of national intelligence strategy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, September 24, 1985, in order to conduct a hearing on the peacetime military health care system.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

AMATEUR RADIO OPERATORS

● Mr. GOLDWATER. Mr. President; this past week we were saddened by the events in Mexico City. I would be remiss if I did not bring to my colleagues' attention the response of the amateur radio operators around the world.

Thursday morning all communications were severed with Mexico City; yet, within minutes amateur radio operators were in touch bringing news out of the city and handling muchneeded traffic concerning relief requirements.

Over the next 4 days hundreds of amateur and MARS [military affiliated radio system] operators, including many in the United States, stepped in and voluntarily handled many of the messages and news dispatches. As commercial communication links were restored over the weekend, the amateurs turned to handling thousands of messages both into and out of Mexico to relieve the anxiety of relatives for their loved ones.

Many people tend to look upon the amateur radio service merely as a hobby. The events of this weekend once again clearly have demonstrated the public services repeatedly performed by the amateurs. This is a complete worldwide communications system manned by competent operators without governmental expense. As an amateur myself, I am proud to bring these events to the attention of my colleagues.●

HATE GROUPS

● Mr. SIMON. Mr. President, I am concerned by the growing signs of desperate people who are tempted into hate groups as a result of their desperate economic circumstances.

And history shows that America has not always stood up to these hate groups as we should.

I am inserting in the RECORD the transcript of an August 1, 1985, ABC program, "20/20."

Fortunately, up to this point, only a very small number of people in our country have succumbed. But this kind of bigotry and hatred is a cancer that can grow, and we should watch it carefully and do what we can within the bounds of the first amendment to see it does not get worse.

I submit for the RECORD the ABC "20/20" program.

The program follows:

20/20—AUGUST 1, 1985

HUGH DOWNS. Good evening. I'm Hugh Downs. And this is 20/20.

ANNOUNCER. On the ABC newsmagazine, 20/20, with Hugh Downs and Barbara Walters:

DOWNS *[voice-over]*. Tonight, listen to what's going on in the heart of the United States of America.

SPEAKER. I know what's got you going on this Jew thing, and I'm not going to let you off it.

DOWNS *[voice-over]*. Hatred has taken root because of the plight of the American farmer, and apostles of hate are spreading the sickness.

SPEAKER. Those who hate our god Jesus Christ are before us today. Kill 'em all! Wipe 'em out. There's a war coming.

DOWNS *[voice-over]*. Blood has already been shed. Geraldo Rivera, with a major 20/20 investigation, the "Seeds of Hate."

[On camera]. Up front tonight, the seeds of hate, and how the hate is spreading, can be seen in this week's headlines. In Idaho on Monday, the leader of a neo-Nazi group, the Aryan Nations Church, was charged with ordering the murder of an informant who had tipped off the FBI to a violent white supremacy splinter group. In Arkansas on Monday, James Ellison, the founder of another white supremacy, the CSA—which stands for Covenant, the Sword and the Arm of the Lord—pled guilty to charges of conspiracy and illegal possession of an automatic weapon, and he is also charged with illegal use of explosives. Isolated incidents? Well, you're about to see that they are not. Six months ago, Geraldo Rivera began investigating the state of America's farmers, and along the way he found links to a new bigotry ready to take advantage of the farmers' distress.

GERALDO RIVERA *[voice-over]*. There have always been racist hate groups in this country, only now they seem more organized, better armed.

SPEAKER. Those who hate our god Jesus Christ are before us today. Kill 'em all! Wipe 'em out. There's a war coming.

RIVERA *[voice-over]*. A holy war; that's what these preachers of hate predict. For this particular group, called the Aryan Nations, it's already more than just crazy talk.

MAN *[target shooting]*. He ain't got a hooked nose any more.

RIVERA *[voice-over]*. Associates of the Aryan Nations are charged in the murder of a state trooper in Missouri, a $3.5 million armored car heist in California, the assassination of a Jewish talk show host in Colorado.

SPEAKER. Let them know where our god is by shedding some blood, because they've shed ours. Revenge the blood.

RIVERA *[voice-over]*. Related extremist groups have heeded the demagogue's call and have spread terror to other parts of the country, as they act on their philosophy of hate. Something is going on; it would be comforting to think it was limited to just a handful of extremist nuts, but it's bigger than that. There's trouble now in the heartland.

CROWD. No sale! No sale! No sale! No sale!

RIVERA *[voice-over]*. Rural America is currently undergoing the largest, cruelest dislocation of people since the Great Depression. These days, auction ads line newspaper columns like obituary notices, and sometimes even ordinarily peaceful, law-abiding farmers find themselves driven by their financial problems and their despair into violence.

VANCE KRESBACH, farmer. You take a farmer that's been bankrupted and been sold out, it don't make a difference to him if he's behind bars. He ain't got—he's already lost everything.

RIVERA [*voice-over*]. Up until recently the farm protests have carried no particular ideological or political label, but preachers of hate are tring to change that.

SPEAKER. You wonder why you're losing your farms and ranches and businesses out there? Because your minister has lied to you concerning a bunch of International communist Jews that have stripped your wealth and your land from you.

RIVERA [*voice-over*]. A group of pseudo-ministers preaching the gospel of the radical right have been attempting to parlay this farmer frustration into an increased following for their cause.

[*on camera*] Threatened with the loss of their homes, even their way of life, many farmers now are getting desperate. Under those intense circumstances, sometimes even stupid ideas start making sense, even the hateful simplicity of the radical right.

ARTHUR KIRK. Why don't you let me try and make a living! Them [obscenity] Jews have destroyed everything I ever worked for. I worked my [obscenity] off for 49 [obscenity] years, and I got nothing to show for it.

RIVERA [*voice-over*]. As you can hear from this recorded telephone conversation, a Nebraska farmer in financial distress has bought the message of hate.

Mr. KIRK. Who's got the power of the world? Who runs this world? The [obscenity] Jews. By God, I ain't putting put with this [obscenity].

RIVERA. Arthur Kirk was a farmer whose back was to the wall, breaking from debt. He owed his bank $300,000 and he had absolutely no chance of paying it off. In that sense, I guess, his story is typical of that of thousands, perhaps tens of thousands, of other farmers here in the heartland. The only difference is, his story ended, not with an auction, but in a hail of bullets.

[*voice-over*]. The confrontation began when sheriff's deputies came to the farm to serve a bank's legal papers on the indebted man. The police say Kirk met them with a drawn long-barreled revolver.

CHARLES FAIRBANKS, sheriff. When he was about 15 feet away from the lieutenant, he took the weapon and pointed it right at his head, and he said, "If you don't get off this property, I 'm going to blank blow your head off."

RIVERA [*voice-over*]. The deputies retreated. Later that evening, the SWAT team of the Nebraska State Patrol surrounded the house. Kirk was now wanted for resisting arrest. Telephone contact was made, but at about 9:30 the conversation abruptly stopped. [*on camera*] According to police reports, Arthur Kirk came running out of the back door of his house wearing combat gear and a crash helmet. He was allegedly carrying a gas mask and an illegal machine gun. The police say he ignored an order to freeze and instead opened fire. The SWAT team returned the fire, and Arthur Kirk fell approximately here, mortally wounded.

[*voice-over*]. When police searched the Kirk farm, they found the arsenal he had stashed there—27 weapons, including an illegal automatic. Perhaps even more ominously, the cops also found a collection of racist literature. From the weapons, and from Kirk's recorded telephone conversations, it became apparent that the distraught man saw the fight between him and his bank as part of a larger struggle.

Mr. KIRK. There's a big move on to try and subvert the Constitution, change the whole thing. Communism—that isn't communism, it's Judaism. Rockefeller and all those big shots running the whole damn thing.

DELORES KIRK, widow. He was upset with the bankers, yes. And he was upset with the Jews, yes.

RIVERA *[voice-over]*. Delores Kirk is Art's widow.

[interviewing] Some of the statements that I read—don't you see how a person outside of the Kirk farm might see those things as radical statements, as prejudiced, bigoted things to say?

Mrs. KIRK. When you attain the knowledge and you find out what is really behind this clandestine plan that is moving across this wondergul country, it's very scarey and it's very frightening.

RIVERA *[voice-over]*. Mrs. Kirk believes as her husband did that the farm crisis is no accident. The real story she's come to believe is that a small clique of Jewish bankers is somehow manipulating the market in an effort to grab all the farmland for themselves.

[interviewing] Do you think that you were one victim among many of the same conspiracy?

Mrs. KIRK. Yes, I do.

RIVERA *[voice-over]*. It's absurd. It's like some cartoon nightmare. But in the months that followed Kirk's death we found more and more farmers beginning to believe the conspiracy existed. This is a farm protest in northeast Nebraska—the black armbands are in Art Kirk's memory.

FRANK DIXON, Constitutional Party. They're going to do it to all of you sooner or later. They're after your land, and if you don't got that idea yet, then I don't know what else is going to convince you.

RIVERA *[voice-over]*. In Minnesota we found one of the men who taught Art Kirk to hate.

RICK ELLIOT, National Agricultural Press Association. Now, most of you notice the black band that I'm wearing tonight over my shoulder. That's for Arthur Kirk.

RIVERA *[voice-over]*. His name is Rick Elliot, and he makes his living selling bankrupt farmers do-it-yourself lawsuits they can use to slow down the foreclosure process. Like all good speakers, he first loosened up the audience with a joke.

Mr. ELLIOT. Then the first Jew-boy said, "Yeah, Goldberg, Greenberg, iceberg—what the hell's the difference."

RIVERA *[voice-over]*. Across the farm belt over the last couple of years. Elliot has been attracting ever-larger crowds, and he is just one minor apostle of the radical credo that so possessed Arthur Kirk. The movement even has its own lending library, and many sensible people these days are distressed by a disturbing parallel.

SAMUEL VAN PELT, former state judge. I could never understand how what happened over in Germany 50 years ago happened among intelligent, civilized people. And when I saw this sort of thinking among people who lived in my area, it gave me kind of a sinking feeling in my stomach.

RIVERA *[voice-over]*. Sam Van Pelt is a retired state judge asked by Nebraska's govenor to investigate Arthur Kirk's death. Although that investigation is completed, Judge Van Pelt has pursued what he sees as a spreading sickness infecting farmers in trouble.

Judge VAN PELT. Scapegoating, blaming all of his problems on either the bankers or the lawyers or the Jews, or some sort of an international conspiracy—that really bothers me. I just hate to see that sort of thing happening in this country.

RIVERA *[voice-over]*. Is that sentiment, are those feelings on the increase?

Judge VAN PELT. I think it is. From the literature that I'm getting, and from the crowds that I understand some of these organizations are drawing, I don't think there's any question about it.

RIVERA *[voice-over]*. So from the testimony of experts and from the other evidence collected. it became clear to us that the obsession of Arthur Kirk was not an isolated, individual case. He had become part of a spreading movement, and you're about to see who and what are behind it.

BILL BEUTEL, WABC-TV New York. Under indictment tonight are 23 members of a militant and violent neo-Nazi group called The Order.

RIVERA. Militant extremists, armed and dangerous. Desperate farmers, groping for answers and instead grasping hateful ideas. At first the farmers on the one hand and the militants on the other seemed like separate stories. Our 20/20 investigation reveals they are actually different branches of the same story, joined at its base by a little-known religious sect. One of the first firm clues of that religious link came during offhand remarks made during a jailhouse interview given by a member of the Aryan Nations group. Gary Yarbrough was explaining to reporters why he thought the FBI was out to get him.

GARY YARBROUGH, Aryan Nations. Well, they knew that I had been associated with quite a few people in the Christian Identity movement. We intend to establish God's law as our government.

RIVERA *[voice-over]*. Christian Identity, a little-known religious sect, is the key to the spreading violence and the bigotry of the radical right. Christian Identity is the link between such geographically separate groups as the Aryan Nations based in idaho, the Posse Comitatas from Wisconsin, and the Covenant, Sword and Arm of the Lord—the CSA—in Arkansas, and others. Simply put, Identity is a religion—a religion of hate.

RICHARD BUTLER, Christian Identity minister. For it is God's will that he is going to separate and bring forth a new nobility who is going to defeat the Mongol hordes of the anti-Christ Jewry.

RIVERA *[voice-over]*. Identity's main tactic is the distortion and perversion of the holy scriptures, to find a justification for white supremacy, and for anti-Semitic bigotry. If Hitler had a religion, this one would have been perfect for him.

Col. BILL GALE, Christian Identity minister. Patrick Henry said, "Give me liberty or give me death." Well, we're changing that now; we're going to keep our liberty and give them death.

RIVERA *[voice-over]*. Former Army colonel Bill Gale, Richard Butler of Aryan Nations and Jim Wickstrom of the Posse are the inspirational leaders of the Identity movement. Jim Ellison of the CSA could be called its sergeant at arms. The arsenal uncovered after the FBI laid siege to his Ozark encampment provided sobering evidence of the kind of firepower the movement can muster. In addition, the weapons apparently prove that the various groups are joined by more than just a shared philosophy. The CSA, for example, allegedly made illegal automatic weapons for the other groups. Two of the illegal guns made at the CSA found their way into the hands of convicted cop killer Richard Snell.

RICHARD SNELL, Christian Identity member. I got out of my van and I shot Officer Bryan twice—from the hip.

RIVERA *[voice-over]*. Snell is a follower of an Indentity sect most people have never heard of, called Elohim City. Associated with the CSA, they're based in an encampment on the Oklahoma-Arkansas border. Just as the CSA did before thay were busted, this group also claims it is not heavily armed.

[interviewing] We heard that you had similar kinds of armaments here.

JOHN MILLER, Christian Identity member. Yeah, well, there's lots of rumors about things like that, but we don't have anything that's illegal, as far as we know, at all.

RIVERA *[voice-over]*. The spokesman insisted that this was a peaceful Identity community, but five minutes into the tour, overlooking the commune entrance, in a rack obviously designed to hold many more weapons, a semiautomatic rifle and clip stood at the ready.

[interviewing] Just for deer, right? *[voice-over]* Despite his denials, this is apparently a very well-armed encampment. Oklahoma lawmen have seen seven of the mini-14 semiautomatic weapons brandished by commune members at one time, while a federal agent told us informants claim the group also has heavy weapons, courtesy of the CSA.

[on camera] So guns, a malignant philosophy and a religion of hate now bind the groups of the radical right, and that infection is spreading here to the troubled heartland.

Mrs. KIRK. I'm looking for the truth and why someone would want me, a farmer, off the land. Why does someone else want to control me this way?

RIVERA *[voice-over]*. As the Nazi leaders did a half-century ago, the Identity ministers of today are taking advantage of people's despair. Our investigation led us to one of their recruits, Nebraska farmer Dan Hawkins. We found him through this picture in the Omaha *World Herald*, carrying a sign protesting the shooting of Arthur Kirk. Hawkins introduced me to several more Identity recruits, farmers like himself who are in financial distress. Out here among farmers, Identity is still very much an underground movement, not spoken of easily or with outsiders. Getting in out of the gray and windy Nebraska day, these otherwise ordinary hardworking people agreed to tell me how they became Identity converts.

LAVERN MEINTS, farmer. I read an ad in a Nebraska grain paper, if you had some financial problems to call this one certain number.

RIVERA *[voice-over]*. The number led them directly to Identity minister Jim Wickstrom. It was 1981: soon Wickstrom would be broadcasting his sermons over a powerful Kansas radio station.

JIM WICKSTROM, Christian Identity minister *[radio sermon]*. You are the true lost sheep of the house of Israel, and America is the new Jerusalem, and if there's anyone else in this congregation besides an Anglo-Saxon Caucasion, hit the door, because the law isn't for you.

RIVERA *[voice-over]*. Wickstrom taped some of his sermons with home video equipment. It was a meeting like this one that Dan Hawkins and his friends attended.

Mr. WICKSTROM. Who owns the synagogues? Who owns the false money system that was perpetrated against you? Who owns all the junk food mills that's killing you with poisons? And who says they're God's chosen people and they're not!

KENNETH MARTIN, farmer. I sat there in that Legion club and when Jim Wickstrom talked that afternoon, I said, "Yeah, that is the answer. That is what is wrong with this country."

RIVERA. Did it change you a lot?

Mr. MARTIN. Yes, it did, very much so.

Mr. WICKSTROM. Now, I know I got you going on this Jew thing, and I'm not going to let you off of it, either, because by the time you leave here, you're going to finally realize that you're the lost sheep of the house of Israel.

RIVERA *[voice-over]*. That's Identity's credo, that white Anglo-Saxons are God's chosen people, while the Jews are the devil's children.

[Interviewing] Well, what do you think?

DAN HAWKINS, farmer. Well, they're—being sure that what he's talking about is the truth.

Mr. WICKSTROM. These Jehudi, this children of darkness who have taken not only over our country, but they create war to kill our sons—

RIVERA *[voice-over]*. This is how the seeds of hate are planted.

Mr. HAWKINS. In my opinion, the Zionist Jew is pure evil, and yes, they have designs on my farm, my neighbor's farm, they have designs on the whole earth.

RIVERA *[voice-over]*. Again. I stress these are ordinary hardworking people. That's the danger of Identity; it takes the burden of bigotry off the believer, because it pretends the Bible says it's so. Hawkins and his friends are absolutely convinced of it; more than that, they believe they'll one day have to fight for it.

[interviewing] Would you be willing to take up arms?

Mr. MEINTS. When the time comes, yes.

Mr. MARTIN. Yes. There would be no problem at all.

RIVERA *[voice-over]*. They are not alone.

RANDY ENGLEKEN, gun dealer. A farmer came in here the other day, and he bought two of these semiautomatic nine millimeter Heckler and Cook rifles.

RIVERA *[voice-over]*. Randy Engleken is a Kansas gun dealer who sold weapons legally to Identity members in his state, Nebraska and Missouri.

Mr. ENGLEKEN. He said everybody else was buying them, and he didn't want to be the only one caught short when things hap-

pened. There is something wrong, or people wouldn't be buying these weapons, and this—and large amounts of ammunition like they're buying. And they are, they're out there purchsing this stuff.

RIVERA *[voice-over]*. Remember, these are not armed extremists in some isolated encampment; these are mainstream farmers, and according to local and federal lawmen and members of the Identity movement themselves, even the farmers are stockpiling vast amounts of weapons. One undercover informant summed it up this way.

MAN. If it did start to get real violent, let me assure you they've got you out-gunned by a long, long ways.

RIVERA *[voice-over]*. What some observers fear is a kind of perverse holy war, an armed uprising of radical farmers following the paranoid fantasies of the Identity cult.

Mr. WICKSTROM. Everything's set up against you, and the battle of Armageddon is the United States of America.

RIVERA *[voice-over]*. Jim Wickstrom, the highest priest of this unholy war, was in jail when we tried to reach him, but we went to his Identity church in Wisconsin, to talk with the Identity minister Wickstrom left in charge. This is pastor Dave Mrotek.

[Interviewing] Do you believe in and agree with Jim Wickstrom and his teachings?

DAVE MROTEK, Christian Identity minister. Yes, I do.

RIVERA. Do you consider, for instance, the CSA as your allies, or at least people who believe as you do?

Mr. MROTEK. Of like mind, definitely.

RIVERA. Who else, the Aryan Nations?

Mr. MROTEK. Aryan Nations—

RIVERA *[voice-over]*. The KKK?

Mr. MROTEK. Well, I don't know that much about the KKK. I would say, yeah—

RIVERA. What you know you like, right?

Mr. MROTEK. What I know I like of it.

RIVERA. How about the neo-Nazis?

Mr. MROTEK. Well, I'm not saying that what Hitler represented, okay, was totally right. I agree with them as far as maybe his removal of the Jews, because the Jews were removed in many lands.

RIVERA. Do you agree with Hitler's Jewish policy, his elimination of the Jews?

Mr. MROTEK. No, I didn't say his elimination of them, did I? That's the father's job, not my job.

RIVERA. And the Holocaust never happened? He never killed them?

Mr. MROTEK. No, he probably killed more, you want to call it Christian people, or the people of Europe, than he did the Jews.

RIVERA. Look at this picture, look at it. What are those? What are those? Those are dead Jewish people from—

Mr. MROTEK. Are you sure? Are you sure? This is garbage as far as I'm concerned, okay? This is a mere pittance.

RIVERA. You're saying that this is garbage, the picture of the corpses from Buchenwald is garbage?

Mr. MROTEK. Maybe it happened, maybe it didn't. And I'm not saying there were six million Jews. I don't believe it ever happened. They didn't kill six million Jews, no way. Maybe a couple of them got eliminated, and you know what? What I like is that the other races of Christian people, or whatever have you, they sit here and they gobble that up daily. I think that's great, that they're so gullible to suck up that garbage every day, fine. And then I'm a racist and I'm a Nazi or whatever, I don't really give a good rip.

RIVERA. You are a racist.

Mr. MROTEK. Fine, I love it. I love it, because I stand for Jesus Christ and I stand for the white race if you want to call it, and I also stand for the other races.

RIVERA. I think Jesus Christ would be appalled by what you stand for.

Mr. MROTEK. Fine.

RIVERA *[voice-over]*. You can be shocked or angered by Dave Mrotek, but please don't forget a melancholy reality. Thousands of farmers in financial trouble are starting to believe his sick philosophy. The vast majority of troubled farmers do not, but many do, and it's a vivid measure of just how bad the family farm crisis has become.

[interviewing] How much money do you owe, Dave?

DAVE SCHNUELLE, farmer. We owe approximately a million dollars on 300 acres.

RIVERA. Any chance at all?

Mr. SCHNUELLE. Our situation economically is hopeless.

RIVERA *[voice-over]*. Dave Schnuelle and his family of five are losing their farm. The bank is in the process of foreclosing. He's bitter, despondent and he accepts the Identity line.

Mr. SCHNUELLE. Anyone that doesn't accept Jesus Christ as their savior is the enemy.

RIVERA. So do you include all non-Christians then as the enemy?

Mr. SCHNUELLE. I think in the Bible teaching it does go into that. You're either Christ or anti-Christ, you're either a follower or against him.

RIVERA. The current tragedy down on America's family farm is being compounded, it's being made that much worse by a growing, frightening harvest of hate. When the sheriff comes to take away the Schnuelle family farm, as he surely will, perhaps Dave will be able to draw some small comfort from his strong, sincere but ultimately sick belief that it was all somebody else's fault. After a lot of pain and suffering, the financial crisis out here should pass. But the soul of America's heartland may prove harder to heal.

[voice-over] Add stopping the ministers of hate to all the other more compassionate reasons we should be helping America's family farmers.

BARBARA WALTERS. Geraldo, this is shocking and frightening and terribly depressing, to say the least. How widespread is this?

RIVERA. These are underground organizations, obviously, so it's very, very difficult to tell. The old-line organizations that keep watch on these radical groups like the Klanwatch, etc., say there are seven to nine thousand Klan members, but with the Identity movement, they're not as sure. They say perhaps from two to five thousand hardcore members. Of course the sympathizers number in the tens of thousands.

WALTERS. The killings and hatred over the years in the name of God.

RIVERA. So sad, it's so sad, you know, more people are killed in God's name by Moslem extremists and Christian extremists and Jewish extremists and every other kind of extremist. I mean, if only God could say, "Wait a minute," you know, "count me out of this."

WALTERS. I know you don't have the answer, but what can be done about something like this?

RIVERA. If there were something like a Vatican II council that Pope John XXIII had, maybe getting religious leaders of all persuasions together and saying. "We won't tolerate this."

WALTERS. And even more quickly, newspaper articles, television editorials, so that there is more light shed on this. Because if not, it really, without exaggeration, is terrifying.

RIVERA. There is a cancer in this all over the country; it has to be stopped.

WALTERS. Thank you. Geraldo.●

WHEN SMALL TOWNS CAN'T WAIT

● Mr. HART. Mr. President, I want to share with my colleagues an article which appeared in the Rocky Mountain News. It was written by a good friend of mine, Morgan Smith, who serves in Gov. Richard Lamm's administration as executive director of the State department of local affairs.

If there are heroes in government, Mr. President, surely they are often found in the States. And in these times, they must be particularly heroic. State officials are caught between the demands of federalism and the challenges of our current economic difficulties.

On one hand, State officials are told by the Federal Government they must accept more responsibilities for programs, even as they are provided diminishing resources to finance them. On the other hand, the crisis on the farm, the declining competitiveness of American exports, and the consequences of inevitable economic change have combined to place ever greater demands on those very programs.

Different States face that difficult paradox in a variety of ways. In my own State of Colorado, however, a government responsive to the needs of the people has responded creatively.

The Colorado Department of Local Affairs has listened with special care to the voices of people in the depressed farming, mining, and energy communities. The office has aggressively sought new opportunities and options for them to compete and succeed in this changing economy. By helping farmers identify new and more marketable crops, initiating partnerships among government, colleges, and the private sector, and bringing new businesses to the State, the department of local affairs has made a real difference in the lives of Coloradans.

Morgan Smith is a good friend of mine, Mr. President, but he is much more. Morgan is an exceptional public servant who has worked long and hard for the people of my State. He is especially sensitive to the challenges facing hard-pressed rural communities. His comments, in an article titled "Small Towns Can't Wait for the Agricultural Comeback," demonstrate a keen awareness of their problems and his dedication to the search for helpful and effective answers. I urge all of my colleagues to read his excellent statement, which I ask to have printed in the RECORD.

The material follows:

SMALL TOWNS CAN'T WAIT FOR AGRICULTURAL COMEBACK

(By Morgan Smith)

"Farmers are entitled to a fair price on their investment," said one of the speakers at a recent meeting convened by Gov. Richard Lamm, Lt. Gov. Nancy Dick and the Colorado Rural Council. As I looked around the room, I sensed strong agreement with that statement and a deep concern for the growing economic crisis facing Colorado farmers and ranchers. But there was also a sense of reality and a recognition that sympathy alone would not solve today's farm problems.

This year farmers in Colorado and across the country are again facing the paradox of extraordinary productivity and falling prices. We had a record wheat crop in Colorado, the United States is close to a record corn crop and other major crops like soybeans, sorghum, barley and oats are also very strong.

Despite the focus on starvation in Africa, there has generally been good growing weather around the world. The Soviet Union, for example, will have a good harvest this year after five bad years. China is harvesting a record wheat crop.

India, once an importer, plans to export 2 million tons of wheat this year. Argentina and Australia, strong competitors of ours since the last grain embargo, have had near record wheat harvests.

This extraordinary productivity both in the United States and abroad is quickly pushing prices down.

In addition, changing eating habits have devastated the largest segment of Colorado agriculture, our $2 billion cattle industry.

As a result, some economists think that net farm income could be as much as 40 percent lower than it was in 1984. Corn might drop to as low as $2 a bushel. More and more agricultural banks are shaky. And, of course, this shakeout spreads throughout the whole fabric of rural communities.

What can we do? First, we must recognize the nature of our problem. We produce 50 percent more food than we can consume in this country. Exports, therefore, are essential to agricultural profitability. But if both our competitors and our customers are having good crop years and can produce more cheaply than we can, those sales just aren't going to materialize.

The gap between what our farmers need to make and the world price is too large. The only option then is an expanded federal subsidy program. But that short-term solution only aggravates the longer-term problem of excessive farm surpluses and the even larger problem of a growing federal deficit. The president vetoed that approach last spring and the Congress didn't even attempt an override.

Second, it's only fair to recognize that the problem of producing something for which there is no market is not unique to Colorado agriculture. Ask the coal miner in Trinidad, the steel worker in Pueblo, the oil shale worker on the Western Slope, the moly miner in Lendville, or even the computer technician in Boulder County.

The plight then is not just that of farmers but the plight of distressed communities all over Colorado. What they have in common is a historic reliance on a product that has lost its value.

No matter how sympathetic state policymakers may appear, the state of Colorado isn't going to subsidize products that have lost their markets. It didn't do so for coal, molydenum, oil shale or computer hardware and to suggest that it might do so for agricultural products only raises false hopes.

Using Community Development Block Grants (CDBG), Energy Impact and other funds, the Colorado Department of Local Affairs is aggressive by seeking to retain or develop jobs in distressed communities. We have looked at three options, with varying degrees of success.

The first option is to provide state assistance to agriculture-related processing facilities. For example, our CDBG program has created local revolving loan funds that have made low interest loans intended to help reopen a pork processing plant, start up a gasohol plant and keep in operation an onion processor.

Our Title IX low interest loan program has made low-interest loans to alfalfa pellet plant and a beef processor. In each case our goals were to make available a local outlet for some raw agricultural product and to capture in Colorado the added value gained in processing.

Unfortunately, four of those five projects have all failed.

A second option has been to look at alternative crops. When Western Slope barley growers lost their market, we helped fund a marketing study that identified an opportunity to sell broccoli. Although the season isn't yet over, the project looks like it will be a success.

Using Colorado State University's computer and research capacity as well as its large network of extension agents, we ought to be able to find more opportunities like the broccoli example or even develop new alternative crops.

The third option has been to look beyond agriculture and attempt to diversify the economy of a particular community. Our most notable successes have been Neoplan in Lamar, Sperry and Target in Pueblo and Sundstrand in Grand Junction, but we've also recently helped bring Ross Reels to Montrose and we're currently working with several small prospects in smaller rural communities.

The key, however, is the decision on the part of local leaders that they have to do something different, that they cannot simply sit back and wait for the price of their traditional product to rise. Frankly, the communities that have been willing to do that have been far more successful than those that refuse to change with the times.

The farm economy is going through a wrenching, painful change and, even if all of my options were to work, many farmers still wouldn't survive. But these options are a start.●

SOUTH AFRICA: TIME IS RUNNING OUT

● Mr. KENNEDY. Mr. President, I want to commend to my colleagues in the Senate a speech about South Africa delivered by the Ford Foundation President Franklin A. Thomas at the Commonwealth Club of California last May 31, 1985. It is a thoughtful and balanced presentation of the situation in South Africa. Mr. Thomas knows what he is talking about; indeed, his remarks were prophetic.

I ask that the full text of Mr. Thomas' speech may be printed in the RECORD.

The text of the speech follows:

SOUTH AFRICA: TIME RUNNING OUT

(Speech by Franklin A. Thomas)

INTRODUCTION

In 1981, the Study Commission on Southern Africa, which I chaired, published the widely discussed report, "South Africa: Time Running Out". A summary has been included in your background materials.

As you will have discerned from the summary, our Commission came to understand that South Africa was a multi-dimensional problem that would not respond to one-dimensional approaches.

To go straight to the first of my two themes, a momentum engendered primarily by deep moral concerns is gathering in America. It would deal with South Africa by limiting ourselves solely to the one-dimensional response of economic sanctions. That response is seriously inadequate. It risks dividing the constitutencies necessary to a broader sustained and effective policy on the part of the United States. Effective policy must acknowledge the importance of a wider range of U.S. interests in the region: strategic and economic as well as moral. In a moment, I will review the Commission Report's key proposals, which I believe remain valid today, in part, because they resulted from a sustained effort to balance all the principal U.S. interests in a way that is respectful of each.

All over the world, and throughout history, we have seen how suddenly a racial or ethnic conflict can begin, how difficult it is to end and how massive can be the costs in human life. Experience also teaches how such tragedy can be prevented if we bring the peacemakers to the fore and give them the opportunity and encouragement to unroll a peacemaking process. Such peacemakers exist in very considerable numbers in South Africa and they need support in ways that will facilitate rather than curtail a continuing negotiation. That is my second theme this evening.

EVENTS SINCE 1981: THE U.S.

For America, 1985 has become the year of South Africa. A great nation has been stirred by the presence of a monumental evil in a small and remote country. The moral sensibilities of our citizenry have been roused to a pitch that has no parallel elsewhere in the world and few precedents in our own history. That is a very heartening development; it says something good about the character of our people, a character forged in the crucible of a biracial society whose worst evils we have been able to overcome, however far the distance still to go. That history gives us, perhaps, special insights into a society that identifies itself with Western values yet one that has caused the color of skin to be the single most critical determinant of the lives of its residents: where they can live and work, whom they can marry and the degree to which they can participate in governing their own society.

During the four years since the publication of our Report, events in the United States have unfolded with quickened pace and, in the past eight months, with accelerating velocity. A new dynamic has been set in motion that is inexorably altering the terms of the public discourse on South Africa. Coast to coast, on a spreading number of campuses, student activism has erupted in style and force reminiscent of the Vietnam years. Outside the campus, cumulating waves of citizen protest and organized groups of every class, age, race and religion, are giving witness of their opposition

to apartheid through public demonstrations and through support of a variety of economic punishments to be levied upon the South African regime and those who would do business with it.

In Congress, a bipartisan coalition has launched a score of punitive statutory initiatives. At the state and local level, laws and resolutions have been adopted restricting investments by their pension funds and purchases by their agencies. Such economic pressures, have their place, but they do not take cognizance of a fuller range of needs of all those working for change in South Africa; of the needs of other countries in the region inextricably linked to South Africa; and of our own commercial and strategic needs, including a reduction in our dependency on South African minerals. Having said that, I should add that the heightened awareness about South Africa reflected in these initiatives is what the Commission worked and hoped for and is welcomed by everyone.

Those are the realities that occupied the Commission's inquiries and deliberations. They are also the realities that brought it to the conclusion that we are not likely to advance the cause of political power-sharing by limiting ourselves to just a series of economic prohibitions. (Much more is necessary, to which I will speak later.)

EVENTS SINCE 1981: SOUTH AFRICA

Turning to South Africa, we observe a more complex set of events. Unlike America where the policy locomotive is speeding along a single track, change in that nation is traveling on a double track, each in a different direction. On one, there is an escalation of armed repression, on the streets and in the townships. Already, some 400 deaths have been reported resulting from confrontations between police and township demonstrators as well as a step-up in arrests and imprisonments. Across its borders, South Africa has embarked upon new adventures in Namibia and Angola that do not serve the cause of peace.

On the second track is a succession of liberalizing changes in laws and practices, actual or proposed, to soften the most repugnant features of apartheid; there have been more of these in the last four years than in the preceding 25. That second track rests on a recognition by the South African government that the nation's future economic prosperity is fundamentally dependent on the advancement of black workers. You are familiar with most of those changes and I'll mention only several of the prominent ones:

The rise and recognition of black and multiracial labor unions;

More secure tenure for the residents in urban townships, a tenure which approximates freehold ownership;

Intimations of a willingness to consider reform of the influx control laws, and, beyond that, of an urbanization policy for blacks;

An end to forced repatriation to the homelands, though not of the homelands strategy itself;

A new tricameral Parliament to include Asians and coloreds but from which Africans, who are the majority of the population, remain excluded;

Acceptance of multi-racial political parties;

Steps to repeal the Mixed Marriage and Immorality laws.

In the private sector, there has been an unprecedented public declaration by South Africa's business leaders calling for universal citizenship, black political participation, a Bill of Rights, and enhanced powers to the judicial system to enforce those rights.

Thus, South Africa's policies are also in transition. But, as in the United States, to what ultimate end is not at all obvious. The liberalizing gestures of recent years seem to be improvisations rather than the reasoned steps of purposeful policy; they attest to a government adrift and, at least temporarily, rudderless. But, we should not scorn or slight the recent reforms, trivial as they may appear. To the average Afrikaner, they constitute a momentous departure from historic moorings.

The reality is that the South African government is caught on the horns of a dilemma. The pace and depth of reform are constrained by 300-years of belief in "white supremacy," a doctrine still dominant among Afrikaners. President Botha and his Cabinet, heedful of the growing strength of an unbending right wing, are fearful that each concession will become the springboard for more far-reaching demands that will not stop short of a constitution based on one man, one vote in a unitary system. And that is a change most Afrikaners refuse to contemplate at this time, much less to place on the bargaining table.

THE PEACEMAKERS MAY BE OVERTAKEN

The opposite horn of South Africa's dilemma is that if if moves too slowly along the road toward effective power-sharing, it risks the danger that there will be no one on the other side of sufficient stature with whom to negotiate.

What has so impressed our Commission earlier in its visits to South Africa—a rapid radicalization of youth—has now starkly intensified. Beyers Naude, a widely respected Afrikaner clergyman—and a peacemaker to the very core—wrote in the New York Times several weeks ago:

"The era of protest politics has been set aside in South Africa, replaced by the first phase of a militant revolutionary era. As one youth leader put it last year: 'We are now at war.' "

Naude's message was echoed by Alan Cowell's chilling article in a recent New York Times Magazine. The young boy he talked to during a recent canvass of a black township spoke of his impatience to reach the age when he could replace the throw-power of rocks with the firepower a bazookas. A new generation is rising to whom every white is an instant enemy and who doesn't know or care about those who carried out the struggle before it.

There is a distinct and ominous possibility that the hitherto acknowledged leadership of the freedom struggle, many of whom have paid the heavy dues of exile, banning and imprisonment, will be undermined. That would leave a void which would most likely be filled by those who compete only in the ferocity of their anger and frustration and the extravagance of their threats. One is reminded of a similar development during America's urban riots in the Sixties. If that experience had any lesson, it was that the civil rights cause was best served not be violent gestures and anarchic agendas of the Black Power movement—though it helped draw attention to the issue—but by the persistent and purposeful efforts of established leaders who were familiar with the levers of change; who were experienced in negotiation; and who had earned standing in their communities and in the forums where America's social compact was being rewritten.

South Africa's current political establishment, or at least the more far-sighted within it, must realize that the last best hope for a peaceful reconstitution of governance lies in restoring legitimacy to those leaders whom they have suppressed in the past. The immediate release of Nelson Mandela and acceptance of his leadership role, including the right to protest and demonstrate, would be a dramatic—and indispensable—step in the peacemaking process.

If Nelson Mandela is the symbol of peaceful revolution—and he is considerably more than a symbol—he does not stand alone. On any short list of names one must add Bishop Tutu, Winnie Mandela, Dr. Mamphela Ramphele, Cyril Ramaphosa, Gatsha Buthelezi and, of course, Beyers Naude. Each represents an important constituency among the multitudes who yearn for freedom and justice in South Africa.

THE COMMISSION REPORT SUMMARIZED

The urgent need to entitle rather than suppress a cadre of independent and nonviolent leaders was one of the principal recommendations of the South Africa Commission's 1981 Report. It is time now to summarize its other main points.

First, we thought it essential to make clear—and continuously so—that the government and people of the United States are—and will always be—utterly opposed to apartheid and to the exclusion of South Africa's black majority from an effective share in political power. That is why we applaud the current wave of protest in the United States.

Second, the U.S. should broaden and enforce its arms embargo against South Africa, establish an unbreachable nuclear embargo, and continue to withhold diplomatic recognition and economic aid from the independent homelands.

Third, we should support efforts to enlarge the pool of black people qualified to enter the leadership ranks. The most promising candidates are found in the ranks of the emerging black-led labor unions, in the education programs and in the public interest and self-help organizations that are working for change.

Fourth, we should assist the other states of Southern Africa to develop their economic structures—especially in agriculture, transportation, communications and energy—so as to reduce the imbalance in their vital economic relations with South Africa.

Fifth, we should reduce the impact of potential interruptions of South African, exports of key minerals to the United States by stockpiling ferrochrome and ferromanganese, developing a national minerals policy and contingency plan and diversifying our sources of supply.

Sixth, U.S. corporations in South Africa should align their economic interests with progress toward social justice. There should be firm adherence to the Sullivan principles of responsible corporate behavior, including the commitment of a substantial portion of corporate resources to improving the lives of black South Africans in and beyond the workplace, and to the expanded requirements to make the U.S. corporate voice heard in the struggle for political rights and social justice. As you know, Reverend Sullivan has recently come out for a time limit on the testing of those principles.

Seventh, for U.S. corporations, there should be a policy of no new investment—those now in South Africa should not expand their operations, and those compa-

nies not already there should stay out. Disinvestment should be held open as a potential future action if conditions worsen.

DIVESTITURE: PRO AND CON

That last recommendation concerning disinvestment brings us to the issue that has now become the centerpiece of the recent U.S. policy debate. Although the Commission ruled against disinvestment at that time, no recommendation in the entire Report underwent more careful scrutiny or produced greater soul-searching. We evaluated all the reasons for and against disinvestment, every one of the arguments that has grown familiar to you during the present ferment. On the pro side, the primary arguments are that U.S. investment constitutes a bulwark of apartheid and strengthens the economic and technological capacity of a repressive regime. On the opposing side are the arguments that investment gives employment to blacks, raises many of them to higher pay and managerial positions, that U.S. corporations adhering to the Sullivan Principles serve as a bulwark against repression and as a model for black advance. Finally, there is the very pragmatic argument that, under present circumstances, disinvestment would be a futile policy. To have any chance of being effective, disinvestment would have to be supported by the other major foreign investors in South Africa, especially Great Britain. We found no likelihood of such a multilateral withdrawal. If, therefore, U.S. companies were to pull out alone, the vacuum would be filled by foreign and South African firms eager to expand market shares. The influence exercised by American companies would be lost and their replacements might be less favorably inclined toward the black labor force and less likely to press the South African government for progressive change.

To the Commission, this last argument proved decisive. Were there a significant possibility of South Africa's principal European trading partners voluntarily joining an American withdrawal, disinvestment—and perhaps other large-scale economic sanctions—might be a credible instrument of policy. But it was clear to us that the Europeans would not follow an American lead. Britain, we were told bluntly, simply could not afford disinvestment. Government and business leaders of other European countries, although not as economically constrained, also told us unequivocally that disinvestment was out of the question.

Instead, as already noted, the Commission recommended a policy of no expansion and no new entry for U.S. corporations. Companies not already operating in South Africa ought not to enter and those already there ought not to expand operations. In that way, American corporations can continue to align their economic interests with rapid movement toward a more just society. And the prospect for further reform would be enhanced by the incentive of a subsequent renewal of expanded investments.

In the Commission's judgment, major economic sanctions—including disinvestment—must be retained in the U.S. policy arsenal. If civil war or a brutal race war engulfed South Africa, the international community and individual nations would feel a strong need to respond. Trade embargoes and economic withdrawal remain legitimate instruments of policy for such an eventuality. Comprehensive multilateral and mandatory sanctions would inflict substantial economic damage on South Africa, even though it is not at all certain that the desired political change would result. Their use was thus not ruled out. The U.S. and other countries would be compelled to react to what was considered an intolerable situation. All other actions exhausted, we would be left with sanctions as the only available means of expressing international outrage.

THE COSTS OF SOCIAL CONFLICT

Virtually every discussion or debate about apartheid, not excluding our Commission Report, tends to be cast in a bilateral framework—as an engagement between two societies, the United States and South Africa. But, if we permit our minds to rise to a higher perspective, we will see that racial conflict in South Africa, though it has many unique and horrifying characteristics—is but one manifestation of an epidemic desease from which few nations have been wholly spared.

Since World War II, to go no farther back than that, racial, ethnic and religious hostilities have convulsed most of the world—nearly all of Africa, Asia and the Middle East, parts of Europe and, from time to time, the United States. The world has thus far been able to contain the nuclear rivalry that threatens the planet with annihilation. But racial and ethnic conflict, though less apocalyptic, has already taken an immense death toll. No one will ever know the exact total, but one estimate places it at more than 15 million people. Think only of the rivers of blood that flowed during the partitioning of the Indian subcontinent, and which still flows in the Punjab and Sri Lanka. Recall the violent clashes in Uganda, Ethiopia, Nigeria and Zimbabwe, in Lebanon, Iran and Iraq. We should consider those episodes as previews, perhaps only modest ones, of what racial war might look like in South Africa.

Political revolutions enacted through mass violence do more than destroy lives, economies and societies. They tend also to breed violent regimes. History shows, over and over again, that violent civil wars nourish the ugliest instincts and the cruelest factions of each side. Successor regimes are often as repressive as those they toppled, the oppressed become the oppressors. "When we finally achieve our goal of freedom," Bishop Tutu warns, "we must be able to look back with pride on how we got there."

In a world where racial and ethnic wars are so prevalent, where it is so often politically more rewarding to exacerbate conflict than to reduce it, the most valuable resources are the peacemakers. They are the people who are endowed with an instinct for searching out the means that will bring people together and a capacity for bridge-building. Part of that capacity is an ability to place oneself in the minds of one's opponents and to look at the world, if even for a moment, as they see it.

A fundamental reconstitution of South African society—including an end to statutory apartheid—is inevitable. The forces for change inside South Africa make it so. That reconstitution may occur through a violent, sustained civil war whose human costs we cannot calculate and whose final outcome we cannot foresee. Or it can happen through a much less violent process of transformation that ends in effective power-sharing.

All depends on how quickly the peacemaking forces on each side of a vast gulf of separation can be brought together. One must not minimize the width and depth of that gulf. On one side of it is an immovable will to deny universal suffrage forever, and to retain forever every essential power and privilege of government. On the other side, is an irresistible drive for all power to the governed that spurns negotiation and has no patience for timetables. Between these extremes is a wide space with many varying paths for the peacemakers to explore. Those explorations must be encouraged. Every public opinion survey in South Africa reveals that a majority of the people—black and white alike—want non-violent change. What we on the outside can do is to adopt policies which make our opposition to apartheid clear and which give full scope to the peacemakers.●

CHRISTMAS IN AUGUST

● Mr. SIMON. Mr. President; Joe Bryant edits the Carlyle Union Banner in my State, and recently he wrote a letter to his granddaughter on the Federal budget.

The conclusions to be drawn are fairly obvious.

The only area in which I disagree is that those of us in the House of Representatives and Senate know that that $55 billion reduction in the deficit is a public relations figure, and it is much closer to $35 or $39 billion.

We simply have to get hold of this deficit.

I submit for the RECORD the Joe Bryant column.

The column follows:

YES, TONYA LYNNE, THERE REALLY IS A SANTA CLAUS IN AUGUST!

(By Joe B. Bryant)

(A letter to my four-year-old granddaughter)

DEAR TONYA LYNNE: You're too young to read this letter yourself, but perhaps Mommy will read it to you. It's about a wonderful thing that happened in a place called Washington, D.C., on Aug. 1, 1985. You know I don't usually write letters to you (although I give you birthday cards and love notes), but this was an especially important event. It is going to have an effect on even the little children like you for years and years to come.

This wonderouse event in Washington was that a bunch of men and women called U.S. representatives and senators (or congressmen) agreed on something called a budget compromise. They did so after fussing with each other and another man called President Reagan about the budget for weeks and weeks.

I think the reason that they finally did agree with each other was because they wanted to go on vacation the next day. You know, it was sort of like when we tell you that you can have an ice cream cone after you've cleaned up your plate at dinner.

Now, Tonya, a budget is supposed to be a piece of paper listing the money you are going to have coming to you and the things you want to spend your money to buy. You are supposed to make your money and your spending come out the same with the budget.

The congressmen didn't quite do that. They decided to spend 967.6 billion dollars in the next year. (I won't try to explain what 967.6 billion dollars means, Tonya. I have no idea.)

Unfortunately, the congressmen only expect to get 795.7 billion dollars to buy

things with. That means they are going to lack 171.9 billion dollars of the money they plan to spend. That is called a deficit.

The congressmen say it is not so bad to have a deficit. They're even saying that they did a good thing by "reducing" the deficit 55.5 billion dollars from what they had expected to spend. They also say they will reduce the deficit 90 billion dollars the next year, when you will be five years old, and 130.7 billion dollars the year after that when you are six.

The amount the congressmen say they are "saving" isn't going to be nearly as much as the money they are not saving. They are planning to buy a whole lot of things without having money to pay for them.

The man called President Reagan seems to agree with the congressmen that this deficit is not so bad. He said the congressmen have made a good-faith beginning to quit spending so much more than they get.

I'm a little worried though. That's why I'm writing this letter to you, Tonya. You and the other little children are going to have to take care of this thing called the defict as you grow up. Your grandparents and parents aren't going to be here long enough to take care of it for you. Neither are the congressmen.

I'm sorry, Tonya.

Love,

PAW-PAW BRYANT.

P.S. Have Mom keep reading to you. I tried to use words you would understand in my letter but, looking back, I'm not sure this is clear to grandpa, much less a four-year-old. Let me try again. . .

Tonya, pretend that Washington, D.C., is the North Pole. You know where that is—a long way off from Carlyle, Ill.! The congressmen I told you about are Santa's elves and President Reagan is the chief elf. The budget I told you about is Santa Claus himself.

The elves made a whole lot of toys for Santa to deliver to us at Christmas, which came on Aug. 1st when they finished work so they could enjoy the holidays. The elves didn't earn enough money to pay for all the presents they wanted to give, however.

To get around that problem, they decided to put the bills for the presents on their charge cards. That way they won't have to worry about the bills until sometime after Christmas.

In fact, Tonya, you and other little children like you are going to get those bills to pay when you grow up. Paying the bills for this Christmas may mean that you won't have as much money to spend on yourself and to buy presents for your family later.●

THE IMMIGRATION REFORM AND CONTROL ACT OF 1985

● Mr. MOYNIHAN. Mr. President, I would like to recognize one colleague, the Senator from Wyoming [Mr. SIMPSON,] for his courage and wisdom a third time in coming to grips with what is a most complex and difficult problem, immigration reform. I also want to commend the Senate for again acting decisively to reform the Nation's fundamental law for dealing with illegal immigration, in a manner that is essentially equitable and comprehensive.

Since this body first considered major reform of our immigration laws 2 years ago, untold numbers of illegal aliens have continued to enter our country. The 3.5 million to 12 million illegal aliens in our country today are irrefutable testimony that our immigration laws are not working, that immigration reform is long overdue.

Immigrants have made our Nation great, and as a Senator from New York I can particularly appreciate these contributions. Nathan Glazer and I wrote in "Beyond the Melting Pot" that New York, after all, is a merchant metropolis with an extraordinarily heterogenous population composed of immigrants and their descendents. The first shipload of settlers sent out by the Dutch was made up largely of French-speaking Protestants. British, Germans, Finns, Jews, Swedes, Africans, Italians, Hispanics, and Irish among others, followed, beginning a stream that has never yet stopped. Nor, one hopes, will it ever. These immigrant groups have made, and continue to make, New York a great cultural and financial center. So, too, with America as a whole.

Surely, we must never back down from our commitment to legal immigration. Our goal should be immigration reformed, not immigration curtailed.

In 1981, the Select Commission on Immigration and Refugee Policy identified two essential elements of immigration reform. Recall, the Commission found that, given the extraordinary numbers, it would be impossible to find and prosecute all illegal aliens who were already here. As a result, the Commission proposed to legalize many of these illegal aliens—a proposal that remained intact in the legislation this body has now passed.

The Commission also proposed to deter future illegal immigration by making it a crime to hire an undocumented alien—again, a proposal that is included in the legislation approved by the Senate.

Because S. 1200 goes a long way toward implementing the two main proposals of the Select Commission, and includes a number of other provisions I am happy to see included in the bill, I cast my vote in favor of this measure.

Among these provisions is an amendment I introduced that will require the General Accounting Office, in consultation with the Immigration and Naturalization Service and experts from business, to produce a study of the technological alternatives now available to produce a more tamper-resistant Social Security card. This study will help the young Hispanic worker who needs a document that can quickly establish his legal status to an employer's satisfaction. It will help him in his efforts to earn the living, and the dignity to which every hard-working, legal resident of this country is entitled.

I supported this legislation in spite of my strong opposition to one amendment creating a separate and much larger guestworker program for the producers of perishable agricultural commodities, in addition to that already contained in S. 1200. This, I fear, will result in a loss of jobs for Americans. Fortunately, the Senate agreed to end this special guestworker program in 3 years, and as a result, I was able to support S. 1200.

Finally, allow me to add my sincere hope that we in Congress will fulfill the commitments made in this legislation, by providing the resources and guidance necessary to implement these important and vital changes. The preeminent country of immigrants deserves an immigration policy that is both just and effective. If we are to achieve our primary objective—fair and equitable reform of our Nation's immigration laws—we must retain our firm resolve to carry out the intent of this bill.●

THE NEED OF ORGANS FOR TRANSPLANT

● Mr. GORE. Mr. President, this weekend, the Baltimore News-American brought public attention to the story of Margaret Merritt, a 26-year-old diabetic who desperately needs kidney and pancreas transplants. She has been waiting since June for an organ donor, and each day her hope and her health erode a little more.

Margaret Merritt's tragic wait is all too common in this country—and totally unnecessary. As the News-American pointed out, the number of organ donations should be at least double what it is.

In order to alleviate the senseless shortage of organ donors, last year I sponsored the National Organ Transplant Act, which Congress passed into law with overwhelming bipartisan support. The law contains a series of carefully crafted programs developed with the help of those who work daily in the transplant field. The medical experts predict, based on pilot studies, these programs could triple the number of available organs.

Unfortunately, the administration has been painfully slow to implement the new transplant law. The Government pays for the organ procurement system in this country, but the administration refuses to accept its responsibility to make it work as well as it can.

The country is waiting for the administration to fulfill its moral obligation to those who need organ transplants. For Margaret Merritt and dozens of victims like her, the wait is full of frustration and pain.

I ask that the Baltimore News-American article be printed in the RECORD.

The article follows.

[From the News-American, September 22, 1985]

ORGAN CENTER URGES HOSPITAL COOPERATION

(By Mark Miller)

Margaret Merritt spends her days waiting for word that she will be able to live a normal life again. And each day, she says, her hope erodes a little more.

Merritt, 26, has been waiting for an organ donor. Without new kidneys and a pancreas, she will continue to deteriorate. The diabetes Merritt has lived with since she turned 7—a condition associated with pancreatic disease—has destroyed her kidneys, left her severely anemic and threatens her eyesight.

She has waited since June, a candidate for the first pancreas transplant to be performed in a Maryland hospital. But so far there have been no donors.

Without a healthy pancreas and kidneys, Merritt—a registered nurse who has been unable to work for 2½ years—lives a life of immobility and frustration. A simple walk from the front door of her home in Forrest Hill to the car—a matter of a few yards—leaves her exhausted.

"It's not living—life was not meant to be lived like this," she said. "My mother says I look like a concentration camp victim. I'm optimistic, but my greatest fear is that I'm going to reach the point where the strength in my legs won't come back. I want to be able to go back to work, to drive a car, go dancing—do the things a normal 26-year-old can do."

What makes Merritt's plight so compelling, says Dr. Frederick Bentley, chief of transplant service at the University of Maryland Hospital, is that her ordeal is senseless.

In a state the size of Maryland, said Bentley—who is Merritt's physician—there should have been a donor for Merritt.

Indeed, the number of organ donations in Maryland should be at least double what it is, say officials with the Maryland Organ Procurement Center, a non-profit organization set up by the state's hospitals to procure and distribute organs to Maryland transplant centers.

The problem is that area hospitals aren't contacting the center when they have organs, MOPC officials say.

"In 1984, we had a total of 42 donors, but Maryland could easily come up with 75 to 80 donors and at least 120 to 150 kidneys a year," said Dr. Faud Dagher, medical director and board president of MOPC. "More and more people are consenting to give, but we still need more—especially kidneys."

The way organ procurement works in Maryland, physicians, nurses, and other health care professionals need only to call MOPC if they have a patient who is a potential donor.

In order to qualify, the patient has to be brain-dead, which means he or she has no brain function and cannot be sustained without the aid of machines.

Dagher, who also is a professor of surgery at the University of Maryland Hospital and preceded Bentley as the chief of transplant services, said trying to find organs for patients was one of the most frustrating problems he had to face in his old job.

It is particularly frustrating, he said, when the teaching hospitals in the area—including University of Maryland Hospital and Johns Hopkins Hospital—end up with hardly any donors each year.

Here in a university setting in 1984, we only generated one donor and the same for Hopkins' medical intensive care unit," he said. "Of course it bothers me."

In Maryland, the largest number of donors in 1984 came from the University of Maryland shock-trauma center, which had 19 donors. The next largest number of donors came from Washington County (eight), followed by the Johns Hopkins Pediatric Intensive Care Unit (four), and Cumberland Memorial Hospital (two). All other hospitals had one donor or none.

Of the state's three transplant hospitals, University had one donor, the John Hopkins Hospital's medical intensive care unit had one donor, and Francis Scott Key Medical Center had one donor.

"So why haven't we gotten the donors?" said Bentley. "The single most important reason is that health-care professionals are not approaching the families (of potential donors)."

David Kappus, administrator for MOPC, echoed Bentley.

"Quite honestly, I feel the physicians are the missing link," he said, "and there are potential donors out there that we're missing. We take care of everything. All we expect the physician to do is pick up the phone and call us. We'll come and make the evaluation.

"The doctor can tell the family that their loved one is brain dead and then mention that the organ people are waiting to talk with them," he said. "We'll ask the family, and most families are very receptive to (donating)."

Bentley speculated that doctors might be reluctant to get involved because they think it might take up too much time from their busy schedules.

"But in reality, the doctor doesn't even have to talk to the family," he said. "It's as easy as calling the number and the MOPC people will come and do it."●

ADMINISTRATION'S TAX REFORM WILL HURT SMALL BUSINESS

● Mr. SASSER. Mr. President, as many of my colleagues know, I have been actively promoting a small business tax reform agenda for much of this year. I have done so as I fear that comprehensive tax reform could economically injure small business, thereby slowing economic growth across our Nation.

A recent survey on small business and tax reform conducted by the Natinal Association of Accountants supports this view. The NAA reports that the corporate controllers and financial management accountants who responded to their survey believe the administration's tax reform package will hurt small businesses and economic growth.

Let me point out, Mr. President, that the men and women who responded to the NAA survey are those who work closely with small firms and have firsthand knowledge of small business problems. Some 55 percent of those surveyed said that the administration's tax reform package would be unfavorable to small business.

Summing up the sentiment of survey participants, Alfred M. King, NAA's managing director of professional services stated:

A modification of the administration's recent tax bill appears desirable. * * * Small businesses are often treated unfairly in today's business world and it's time for action.

This view echoes the sentiment expressed by several leading small business organizations in a September 5, letter to Secretary of the Treasury James Baker. The National Federation of Independent Business, the National Small Business Association, and the Small Business Legislative Council, along with several other important trade organizations wrote Secretary Baker to vehemently protest the administration's suggested scrapping of the inventory indexing provision contained in the President's tax plan.

These groups rightly pointed out that with this proposal, "The administration has called into question, again, its cognizance of and commitment to the needs of smaller businesses."

I have attempted to address the fears of many small business leaders by proposing several pro-small business modifications to the administration's tax package in S. 1130, the Small Business Tax Reform Act of 1985. For example, while the administration's proposal argues persuasively for corporate rate reductions for big business as a means of increasing equity investment, this logic does not extend to small firms. As pointed out in the September 5 letter to Secretary Baker:

While Treasury II broadens the tax base in return for significant rate reductions at the upper end of the scale, it fails to provide corresponding rate reductions at the lower end of the scale. The result is that small businesses will face a broadened tax base and tax rates that are the same as, or higher than those to which they are subject under current law.

My legislation squarely addresses this problem in a manner which has the support of small business accountants. An overwhelming 76 percent of the NAA survey respondents support my proposal to lower present marginal rates from 15 to 12 percent on corporate income up to $25,000 and from 18 to 15 percent on income between $25,000 and $50,000.

S. 1130 also proposes making greater use of direct expensing than is called for in the administration's tax reform package. Direct expensing is an often used tax tool by small firms. Direct expensing becomes increasingly important to these firms when they consider the proposed elimination and cutbacks in other provisions of the Tax Code promoting capital formation and retention. Support for a direct expensing provision that can aid small business is clear in the NAA survey. Sixty-eight percent of the NAA survey respondents support my call for increasing the direct expensing cap to $12,500.

There are other sections of my legislation which promise a brighter future for small business in the tax reform effort. Modifying the administration's proposals regarding cash accounting and extending coverage of the Regulatory Flexibility Act to the Internal Revenue Service are two key elements of S. 1130 which I urge my colleagues on our tax writing committees to consider.

As has been made clear by the NAA survey, and in the correspondence of our leading small business organizations, there is a growing sense of discontent within the small business community with the administration's tax reform proposal. I urge my colleagues to join me in promoting the concerns of small business in the tax reform debate and thereby reaffirm our national commitment to the entrepreneurial spirit and the spirit of free enterprise which form the very backbone of our economic system.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. BUMPERS. Mr. President, I rise once again today to make a plea for the estimated 350,000 Soviet Jews who wish to exercise their internationally recognized right to emigrate from the Soviet Union, yet have been refused by the Soviet authorities. The Soviet Union continues to practice a policy of inhibiting the flow of Jewish emigrants for leverage in a game of superpower brinksmanship. This is a contemptible policy that should remain ever present in our minds as we approach the Soviets in the full spectrum of our relations with them.

The call to conscience—a series of statements by Members of Congress on the subject of Soviet Jewry—is a viable way to demonstrate the resolve of the people of the United States. On both sides of the aisle and in both Chambers of Congress, we stand firm in our resolve to plead the case of Soviet Jews who are not permitted to plead on their own.

We wish to encourage Soviet Jews in their ongoing struggle against the Soviet authorities who refuse to act favorably on their applications for emigration and who harass them for the practice and teaching of Jewish culture. We also wish to offer them hope that one day they may be able to leave the Soviet Union if they so choose. As Jews all over the world celebrate the Yom Kippur holiday tomorrow, it is indeed tragic that Soviet Jews will endure another day under the yoke of this authoritarianism.

In a previous statement on this subject, I made the comment that with a new leader in the Kremlin there may be opportunities to make progress on Soviet Jewish emigration. Today, we find ourselves only 9 short weeks before the first summit meeting between the new leader, Mikhail Gorbachev, and President Reagan. Indeed, this meeting affords the United States and the Soviet Union a great opportunity as well as a great challenge.

I am sincerely pleased that President Reagan has affirmed his intention to raise the subject of Jewish emigration as a primary U.S. concern with Mr. Gorbachev in Geneva. The sad fact is that since March 11, 1985, when Mr. Gorbachev became First Secretary of the Communist Party of the Soviet Union, there has been no improvement in the flow of Jewish emigration from the U.S.S.R. After a peak of over 50,000 emigrants in 1979, the number of Soviet Jewish emigrants dropped to 1,000 in 1984 and only 500 in the first half of 1985. Richard Burt, former Assistant Secretary of State and now Ambassador to the Federal Republic of Germany, reaffirmed the continued intransigence of Soviet authorities on this issue in testimony before the House Committee on Foreign Affairs earlier this year.

Many notable Kremlinologists argue that Mr. Gorbachev has only recently succeeded in consolidating his power in the Politburo and Cental Committee Secretariat. If this is truly the case, the upcoming summit and the ongoing arms control negotiations in Geneva place us at an especially pivotal point in the history of our relations with the Soviet Union. Mr. Gorbachev has the opportunity to demonstrate the sincerity of the U.S.S.R. in the adherence to mutually recognized human rights by publicly giving his commitment to relax the highly restrictive policy on Jewish emigration. I urge Mr. Gorbachev in the strongest possible terms to make that commitment in these most sensitive times in our bilateral relations.

In the interim, I am confident that when President Reagan and many of my colleagues in Congress meet with Soviet Foreign Minister Shevardnadze in Washington and New York next month they will have him relay to Mr. Gorbachev that progress on the issue of Jewish emigration will be a constant concern of the United States. With this knowledge, Mr. Gorbachev will have all the opportunity available to make his intentions known.

I have also mentioned in a previous call to conscience that the linkage of this issue to progress on other fronts, such as deep reductions in the level of strategic weapons, is itself a violation of human rights. Such linkage is in my view an attempt to barter with the right of free choice. The Soviets must understand that our deep concern for human rights goes beyond brokerage and brinksmanship, and that the right of emigration afforded Soviet Jews by the Helsinki Final Act of 1975 must be recognized.

August 1985 witnessed the first anniversary of the Helsinki Accords on Security and Cooperation in Europe. The so-called Basket III of the accords addressed the issue of mutually agreed upon human rights. Inasmuch as the anniversary of the accords represented a great milestone in the history of international law and convention, they also highlighted the simple fact that regarding the assurance of the right to emigrate, the Soviets have complied with neither the word nor intent of that document.

If the Soviets want to set a precedent for future compliance with the Helsinki Act, they will have every chance to begin that process in Geneva. With a firm commitment there, I believe that the Third Helsinki Followup Conference in Budapest in November 1986 could make meaningful progess in further implementation of the accords. I am concerned that another stalemate similar to the recently concluded Ottawa Conference—with so little progress that not even a joint concluding statement could be reached—would do irreparable damage to the Helsinki process.

I have expressed my concern about specific Soviet refuseniks in the past, and it is appropriate that we not forget their situation of frustration and despair. In 1983, I traveled to the Soviet Union with a number of my distinguished colleagues and we were fortunate enough to meet with a number of refuseniks and Pentacostalists. Meeting with these people was one of the saddest moments of my life. All these good people hoped for was the opportunity to emigrate to a land where they could freely practice their religion, yet were denied their exit visas. I shall never forget their sorrow.

Most recently I joined with several of my colleagues in the Senate in sending a letter to Mr. Gorbachev urging him to allow a 2-year-old girl, Kaisa Randpere, to be reunited with her parents in who now live in Sweden. I have also been particularly concerned with the plight of Grigory Geihas, a 25-year-old Muscovite who has been recently released from prison on the spurious charge of draft evasion. Grigory has been accepted to study here in the United States at Brandeis University, but still he remains captive to Soviet authority. These are but two of the many documented cases of Soviet denial of the right to emigrate but we pledge to them and to the thousands of others who have applied for exit visas that we will continue to advocate their will and press the Soviets for a relaxation of this pernicious policy.

The window of opportunity presents itself today in a more open way than any time in the last 6 years since a President of United States last sat face to face with his Soviet counterpart. We recall the tens of thousands of Soviet Jews who emigrated in that year and see hope that the Soviets will

restore the free flow of Jewish and other emigrants across their borders. Mr. President, I hope that the challenge of the November summit will be seized by Mr. Gorbachev and he and the other leaders of the Soviet Union will grant Soviet Jews their fundamental right of freedom.●

DEPORTATION OF SALVADORAN REFUGEES

● Mr. METZENBAUM. Mr. President, the Congress has still failed to act on a bill, introduced by the Senator from Arizona [Mr. DECONCINI] which would temporarily suspend the unfair deportation of Salvadoran refugees. The result is that the administration continues its unjustified claim that all these refugees are here looking for jobs and that none of them are escaping repressive political conditions.

A recent editorial in the Cleveland Plain Dealer calls attention to this tragic situation in an excellent analysis. I ask that the editorial be printed in the RECORD.

The editorial follows:

[From the Plain Dealer, Apr. 15, 1985]

LET SALVADORAN REFUGEES STAY

It is ludicrous to deny, as some critics of the Reagan administration do, that some Salvadorans are drawn to the United States by the lure of jobs. Like their counterparts in Mexico and most of Central America, many Salvadoran families are dependent for survival on the meager amounts of money relatives working illegally in this country are able to send home. When the administration contends that some Salvadorans are economic migrants, it is right.

But it is equally absurd for the administration to claim that the nearly all of the estimated 500,000 Salvadorans living in the United States are economic migrants, and therefore to press for their deportation. The administration's argument ignores what cannot be ignored, that El Salvador's civil war has caused many Salvadorans to flee from their country out of fear for their safety. Thus, when critics of the administration argue that many Salvadorans here are refugees from the war, they, too, are right.

Where lies the truth? Without question, somewhere between the two extremes, but probably much closer to the arguments of the administration's critics. El Salvador's six-year war has resulted in the deaths of more than 50,000 civilians and injuries to thousands of others. It has caused the displacement of hundreds of thousands more. It is no coincidence that the flood of Salvadoran refugees began after, not before, the civil war.

The United Nations High Commission for Refugees has said that the Salvadorans are fleeing as refugees. The Central American Refugee Center in Washington claims to have evidence of Salvadorans who have disappeared or have been killed after being deported. Still, the Reagan administration continues to deport thousands of Salvadoran refugees each year despite the uncertainty over their plights at home.

Many in this country believe that action to be unjust. The sanctuary movement, which aids Salvadorans who successfully make the journey to the United States, continues to grow. Only recently, Cambridge, Mass., voted to make the entire city a sanctuary for Salvadoran refugees, joining Berkeley, Ca., as the first U.S. cities to do so.

But no matter how noble the objectives of the sanctuary movement may be, those actively involved in aiding the refugees are breaking the law. Several have been arrested and some have been tried and convicted. Many face possible imprisonment.

There is a better way. Supporters in Congress are working to overcome the administration's objections and pass the DeConcini-Moakley bill, which would delay further deportations of Salvadorans for two years. Named for Sen. Dennis DeConcini, D-Ariz., and Rep. Joe Moakley, D-Mass., the bill also would require the General Accounting Office to investigate the plight of refugees in El Salvador to assess more accurately their conditions. Once the investigation is completed, Congress could either extend the moratorium or end it.

Though the bill stands a good chance of passing in the House, it faces an uphill climb in the Republican-dominated Senate. It is a sensible approach to a tragic dilemma, and deserves public support.●

ON THE DEATH OF J. LEONARD GORMAN

● Mr. MOYNIHAN. Mr. President, I am saddened to note the death last week of J. Leonard Gorman, editor emeritus of the Syracuse Post-Standard and one of New York's most respected and beloved newspapermen.

Len Gorman worked at, and worked for, the Post-Standard more than a half-century. Longevity need not produce affection, but in Len Gorman's case it produced that and more. Consider this: Even as Len Gorman's health declined, his colleagues kept his office, his desk, even his old manual typewriter at the ready in the hope their former editor would come back, if only briefly.

In newspapering as in show business, the show must go on. Deadlines never cease; there is always another edition to put to bed. And the Post-Standard's editors—with whom I met yesterday—continue to ply their craft with the skill and dedication Len Gorman exemplified. But they have lost a great friend; journalism has lost a gifted editor; and our State has lost an irreplaceable leader. Len Gorman will be much missed.

Mr. President, I ask that Mr. Gorman's obituary and an editorial from the Post-Standard of September 19, 1985, be printed in the RECORD.

The material follows:

J. LEONARD GORMAN, EDITOR EMERITUS, DIES

(By Luther F. Bliven)

J. Leonard Gorman, 79, of 122 Kensington Road, editor emeritus of The Post-Standard, died Wednesday at his home.

He was employed with this newspaper more than 50 years, beginning in 1933 as a $40-a-week copy reader and rising rapidly through the ranks to become the publication's top editor.

Widely known and respected, Mr. Gorman was a quiet, soft-spoken person who offered a sharp contrast to the shouting hard-drinking editors portrayed in movies and on television.

A grammarian of the old school, he was a stickler for the use of proper English, good sentence structure and correct spelling.

Through the years he penned a large number of carefully phrased but hard-hitting editorials which attracted widespread attention and not infrequently resulted in reforms.

Mr. Gorman received comments and commendations on his editorials from presidents, governors, national and state legislators, as well as business leaders throughout the Northeast.

His advice and counsel were sought by county and city officials. Political candidates also vied for his endorsement at election time.

For many years, there was an almost steady stream of people from all walks of life strolling into his small office in the corner of the Post-Standard city room to discuss municipal, community and even personal problems with him and to seek his advice or support for some planned undertaking.

During most of his professional career, Mr. Gorman had his finger on the pulse of the community. Because of his wide circle of friends and admirers, he was aware of the details of many big community developments or projects. He was seldom taken by surprise when projects were announced because invariably someone had discussed the plans with him, in confidence, long before the announcement.

Len Gorman, somehow, made time for all who came to see him to seek his advice or sympathy.

That included members of his own news staff who drifted in and out of his office, without formality, to discuss problems—professional or personal.

A tough competitor, he insisted his newspaper reporters get the stories first but make sure they were accurate. The main role of any newspaper, as he saw it, was to keep the readers informed. He maintained that a newspaper existed to be the conscience of the community, to expose wrongdoing, keep public officials honest and politicians worried.

In more recent years, up to the time of his being named editor emeritus in 1983, Mr. Gorman confined his newspaper pursuits to writing editorials and setting editorial policy.

In earlier years, he personally directed the day-to-day news gathering operations of the paper.

It was not at all unusual in the days when he was city editor and later managing editor to see Mr. Gorman in the office before noon and find him still there after midnight.

To Len Gorman, newspapering was an exciting, challenging, honorable and important profession of which he was immensely proud to be a part.

He viewed himself as playing a small but vital role in providing a public service to the community in which he lived about 60 years.

In the days when he was in charge of the news operations of The Post-Standard, Mr. Gorman made quick trips through the newsroom several times a day to check on what was going on; to turn an attentive ear to a police or fire radio when a big story was breaking and to keep close tabs on the state and national news wires to see what was happening.

When big news stories were breaking he was frequently, quietly, almost unobtrusive-

ly, in the middle of them, offering advice, supplying some hard-to-get background, suggesting someone to call for additional information or helping coordinate coverage if more than one reporter was working on a story.

Mr. Gorman was a man who shunned the spotlight and rarely signed an editorial. He was also a devoted family man.

He was a great booster of Syracuse University and was on a first-name basis with its chancellors down through the years.

Even into his late 70s, he retained his enthusiasm for Syracuse University sporting events and seldom missed a major attraction. He resided near the university most of his life and received his education and worked there in a public relations capacity before entering the newspaper profession.

Mr. Gorman was born May 8, 1906, in Palmyra, Wayne County. His late father, Walter, was a printer for the weekly Courier-Journal there. His mother was the late Margaret E. Hickey Gorman.

He attended schools in Palmyra before entering the then new journalism program at Syracuse University in 1925.

Mr. Gorman worked full-time on the Daily Orange, the Syracuse University student publication, and waited on tables and performed other chores to earn the money to help pay his way through college. In his senior year, he was named managing editor of the Daily Orange at the magnificent salary of $90 a month, and he devoted full-time to that occupation.

He graduated from Syracuse University in 1929, in the early part of the nation's worst Depression. He was hired as a reporter at the old Syracuse Herald in 1929. From 1930 to 1932, he operated his own public relations firm and handled fund-raising for Syracuse University.

In 1933, Mr. Gorman joined The Post-Standard staff as a copy reader at a salary of $40 a week. He wound up taking two 10 percent cuts during the Depression.

In 1941, Mr. Gorman was promoted to editorial writer of The Post-Standard. He served in that capacity until 1947 when he was named city editor of The Post-Standard, a position he held until 1953 when he was appointed managing editor. In 1960, he was named editor. He held that position until 1966 when he became executive editor, a position he held until he became editor emeritus.

In 1980, Mr. Gorman received the Syracuse Press Club's award for best exemplifying high professional standards.

He was a longtime, very active Rotarian and seldom missed a meeting.

Mr. Gorman was a member of the State Fair Advisory Board and a trustee of the Onondaga County Public Library board. He was a life member of the Syracuse University Library Associates and the Syracuse Press Club.

He was a past member of the boards of the Syracuse Cerebral Palsy Clinic, American Cancer Society and American Red Cross.

Mr. Gorman was a staunch Republican and a Roman Catholic, and a member and director of the Greater Syracuse Chamber of Commerce.

He served as president of the New York Society of Newspaper Editors in 1960 and '61 and president of the New York Associated Press Association in 1956. He was also a member of the Associated Press Managing Editors Association and the American Society of Newspaper Editors. He was also a member of Pi Delta Epsilon, Sigma Delta Chi and Phi Kappa.

Mr. Gorman's first wife, the former Mary Elizabeth Edwards, died in December 1955.

He married Mary Lighthall Verbeck Dec. 30, 1957, and she died in August 1977.

He married Iva A. Holzwarth June 10, 1983, and she survives.

Mr. Gorman and his first wife had three children: the late Jane Gorman, John Gorman of Freeville, who is associated with New York State Electric & Gas Co., and Ann Gorman Schenck of Wilmington, Del. She is the wife of Timothy T. Schenck.

Also surviving are two stepsons by his second marriage, K. Channing and Pieter L. Verbeck.

He also had three stepchildren by his third marriage: Bruce and Paul F. Holzwarth and Anne E. Holzwarth Hutchins.

A. J. Leonard Gorman Journalism Scholarship Fund has been established in his memory. Contributions to the fund may be sent to Syracuse University, 820 Comstock Ave., Syracuse 13210.

The scholarships financed by the contributions will be awarded on the basis of merit and need.

Services will be at 9 a.m. Friday in St. Therese Little Flower of Jesus Church. Burial will be in Oakwood-Morningside Cemetery.

There will be no calling hours.

Honorary pall bearers will be Horace Landry, Forrest Whitmeyer, John Laidlaw, Thomas Higgins, James Curtin, Luther F. Bliven and Robert C. Atkinson. The actual pall bearers will be Mr. Gorman's grandchildren.

J. LEONARD GORMAN

It is hard to believe that Len Gorman is dead. He was a part of this newspaper for more than 50 years, and now he is dead.

We'll not recount his career here, his obituary gives an adequate accounting of his life and times.

He was named John Leonard Gorman but always went by J. Leonard Gorman, and everyone knew him as Len. New young reporters somehow felt more comfortable calling him Mr. Gorman, but it wasn't long before they called him Len, too. At editorial conferences, some bigwigs occasionally drew his surprised attention by using his first name. He seemed to never quite accept the fact that he was a known figure in the community and the state.

He loved his family and this newspaper and this town. Some might question that order of his priorities. He rose through the ranks to become our executive editor, and finally became editor emeritus when his lank frame no longer could keep up with his inner enthusiasm.

Len loved newspapering, but had difficulty coping with the new technology. When our first electric typewriter was installed in his office he sent it back to the newsroom the same day; he also refused to give up his somewhat battered Royal for a video display terminal.

But a disdain for technological advances never kept him from expressing himself. His old mechanical typewriter poured forth his thoughts with vigor until fairly recent times. He wrote editorials about everything and sent notes to the staff with story ideas and comments on performance. He read every word of the paper every day and expressed his dismay if he felt we had missed the mark or had gone overboard.

His displeasure was always expressed in the mildest terms. Len was a gentleman in every sense of the word. He was a gentle man. But a mild and gentle personality did not stop him from taking on people in high places and pointedly arguing issues in his editorials. He could be as forceful with the written word as he was kind in the use of the spoken word. That seeming dual nature earned him a great deal of respect, even from those whom he criticized editorially. No one ever accused him of being abusive or unfair.

He hated the growing infirmities of advancing years, but nonetheless spoke of the future with optimism and hope. His pace slowed and his thoughts sometimes went astray, but seldom were they far from our newsroom. He tried to come in every day for a few hours, then for a couple of days a week, then more and more seldom until his absences stretched into weeks at a time. But he'd bounce back, defying his doctors and his own body.

Then he just couldn't make it any more. We kept his office for him, desk in place, the old Royal with fresh ribbon, phone ready, just in case he could make it back at least one more time. We know he tried. We could ask no more of him than that.●

BILL PLACED ON CALENDAR—S. 1701

Mr. SIMPSON. Mr. President, I send a bill to the desk on behalf of Senators HUMPHREY and MITCHELL and ask unanimous consent that it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL INDEFINITELY POSTPONED—S. 51

Mr. SIMPSON. Mr. President, I ask unanimous consent—having legislated some 20 years, this is a request that is not ordinarily lightly made, especially with all the work we have been up to, though it is procedurally correct at this particular time—that S. 51 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Wednesday, September 25, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators WEICKER, BAUCUS, BINGAMAN, DECONCINI, DIXON, FORD, LONG, RIEGLE, EXON, PROXMIRE, and MATSUNAGA.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. SIMPSON. Mr. President, I further ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. SIMPSON. Mr. President, following the routine morning business, the Senate will be turning to either of the following items: the HUD appropriations or Treasury appropriations. Any votes ordered on those measures, or other measures, will be postponed to occur on Thursday.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. SIMPSON. Mr. President, I will inquire of the Democratic leader if he has any further business.

Mr. BYRD. Mr. President, I thank the assistant Republican leader for his courtesy. I have no further business.

Mr. SIMPSON. Therefore, Mr. President, in accordance with the previous order, I move that the Senate stand in recess until the hour of 10 a.m., Wednesday, September 25, 1985.

The motion was agreed to; and the Senate, at 6:16 p.m., recessed until Wednesday, September 25, 1985, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, September 24, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 19, 1985.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Tuesday, September 24, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, teach us how we can be Your people, not only in Heaven above, but by kindliness and acts of concern to those near to us. Show us, gracious God, how we can do Your will by works of service and healing and love and justice wherever we are. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

HOUSE ACTION ON NUCLEAR TEST BAN PROPOSAL

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, it is my intention to bring House Joint Resolution 3 to the floor of the House for consideration during the first week in October.

House Joint Resolution 3 is a simple, straightforward resolution that attempts to slow the arms race through limitations on nuclear testing.

The resolution urges the President to fulfill two commitments the United States has already made. It urges the President:

First, to seek ratification of two testing limitation treaties we have already signed, the Threshold Test Ban Treaty [TTBT] and the Peaceful Nuclear Explosions Treaty [PNET] which limit nuclear testing above 150 kilotons; and

Second, to propose to the Soviet Union the immediate resumption of negotiations toward a verifiable comprehensive test ban treaty [CTB], a goal of every administration since Eisenhower, including the Reagan administration.

In the past few years, momentum has been building in the Congress in support of the principles outlined in House Joint Resolution 3.

Last year, the other body, in an amendment to the Defense authorization bill, approved the exact language of House Joint Resolution 3. This measure passed by a strong vote of 77 to 22.

More recently, in a bipartisan effort last May, the Committee on Foreign Affairs marked up and approved House Joint Resolution 3. Currently, the resolution has over 200 cosponsors.

In our view, House Joint Resolution 3 is a modest arms control proposal fully in keeping with the arms control goals of this administration in the Geneva talks. The United States and the Soviet Union are talking now about ways to reduce our offensive arsenals. House Joint Resolution 3 provides an opportunity to extend the current talks to include a discussion of a ban on nculear testing. Such a ban would prohibit the introduction of new nuclear weapons into United States and Soviet arsenals.

Reducing the numbers of our nuclear weapons remains a preeminent goal of U.S. arms control policy at the Geneva negotiations. Negotiations on a comprehensive test ban treaty would simply complement the Geneva process.

It is important to remember that while this resolution urges the President to resume negotiations on a comprehensive test ban treaty, it does not dictate the parameters of those negotiations. That is left to the negotiators. The resolution simply urges that negotiations on a comprehensive test ban treaty begin now.

House Joint Resolution 3 further urges ratification of two existing testing treaties, one signed by President Nixon in 1974 and the other signed by President Ford in 1976. Ratification of these treaties would result in an enhanced degree of cooperation that would greatly improve our ability to verify Soviet compliance with these treaties and would set the stage for negotiations on a verifiable comprehensive test ban treaty.

And finally, House Joint Resolution 3 represents a viable and practical manifestation of U.S. Government adherence to the Nuclear Non-Proliferation Treaty which expresses the obligation of signatories to bring an end to the arms race.

By virtue of the widespread support in the Congress for this measure, I am seeking a modified closed rule, with 2 hours of general debate on House Joint Resolution 3 and 2 hours of debate on one minority substitute.

I urge my colleagues to support House Joint Resolution 3 when it comes to the floor for consideration.

CARGO PREFERENCE AMENDMENT TO FARM BILL

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, in H.R. 2100, the Food Security Act of 1985, the House Agriculture Committee proposed compromise language that exempted the commercial export promotion programs from cargo preference requirements, while allowing for continued application of cargo preference to food aid shipments.

Late last week, the Merchant Marine and Fisheries Committee removed this language from the bill, blocking the opportunity for any reasoned compromise on this issue. If maritime interests have their way, cargo preference will be expanded from Food-for-Peace shipments to all the commercial programs. If the Bedell amendment to the farm bill is retained and requires Government export subsidies on grain, this may mean the expansion of cargo preference to all of our wheat and feed grain shipments.

Mr. Speaker, the agriculture community was ready and willing to compromise, as laid out in the House Agriculture Committee's version of H.R. 2100. But when the other side of the table is unwilling, we have no alternative but to try to "shoot the whole bear," to remove the costly, export killing yoke of cargo preference from American agriculture, once and for all.

For this reason, today I am publishing in the CONGRESSIONAL RECORD an amendment to H.R. 2100 that would exempt all agricultural exports from cargo preference requirements. Then we can truly get on with the business of returning our farmers to the world marketplace.

REPORT FILED BY COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

(Mr. DIXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, I take this time to inform Members that the Committee on Standards of Official Conduct filed a report on Thursday, September 19, on the results of the committee's preliminary inquiry regarding an alleged improper political solicitation. Members may recall that the matter had earlier been raised during floor discussion on July 10, 1985.

The committee feels that the results of this preliminary inquiry should be made public because virtually every Member is associated with some local, State, or national organization which solicits political contributions. Thus, the committee believes that the subject report should be useful and serve as guidance to all Members or organizations which may seek such contributions.

The committee's report emphasizes the need for any organization involved in political fundraising efforts to institute such procedural safeguards as are necessary to avoid any question that it is acting in accordance with those laws governing political solicitations and for all Members to avoid any use of official space or resources for the preparation or dissemination of materials seeking political contributions.

It is the hope of this Member that all Members will take the time to read the report so that issues of this nature do not arise in the future.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the provisions of clause 5 of rule I, the Chair will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Thursday, September 26, 1985.

COLORADO RIVER FLOODWAY PROTECTION ACT

Mr. COELHO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1246) to establish a federally declared Floodway for the Colorado River below Davis Dam, as amended.

The Clerk read as follows:

H.R. 1246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Colorado River Floodway Protection Act".

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) there are multiple purposes established by law for the dams and other control structures administered by the Secretary of the Interior on the Colorado River;

(2) the maintenance of the Colorado River Floodway established in this Act is essential to accomplish these multiple purposes;

(3) developments within the floodway are and will continue to be vulnerable to damaging flows such as the property damage which occurred in 1983 and may occur in the future;

(4) certain Federal programs which subsidize or permit development within the Floodway threaten human life, health, property, and natural resources; and

(5) there is a need for coordinated Federal, State, and local action to limit Floodway development.

(b) PURPOSE.—The Congress declares that the purpose of this Act are to—

(1) establish the Colorado River Floodway, as designated and described further in this Act, so as to provide benefits to river users and to minimize the loss of human life, protect health and safety, and minimize damage to property and natural resources by restricting future Federal expenditures and financial assistance, except public health funds, which have the effect of encouraging development within the Colorado River Floodway; and

(2) establish a task force to advise the Secretary of the Interior and the Congress on establishment of the Floodway and on managing existing and future development within the Floodway, including the appropriateness of compensation in specified cases of extraordinary hardship.

DEFINITIONS

SEC. 3. (a) The term "Committees" refers to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

(b) The term "financial assistance" means any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, or any other form of direct or indirect Federal assistance other than—

(1) general revenue-sharing grants made under section 102 of the State and Local Fiscal Assistance Amendments of 1972 (31 U.S.C. 1221);

(2) deposit or account insurance for customers of banks, savings and loans associations, credit unions, or similar institutions;

(3) the purchase of mortgages or loans by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation;

(4) assistance for environmental studies, plans, and assessments that are required incident to the issuance of permits or other authorizations under Federal law; and

(5) assistance pursuant to programs entirely unrelated to development, such as any Federal or federally assisted Public Assistance Program or any Federal Old-Age, Survivors, or Disability Insurance Program.

Such term also includes flood insurance described in sections 1322 (a) and (b) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4028) on and after the dates on which the provisions of those sections become effective.

(c) The term "Secretary" means the Secretary of the Interior.

(d) The term "water district" means any public agency providing water service, including water districts, county water districts, public utility districts, and irrigation districts.

(e) the term "Floodway" means the Colorado River Floodway established in section 5 of this Act.

COLORADO RIVER FLOODWAY TASK FORCE

SEC. 4. (a) To advise the Secretary and the Congress there shall be a Colorado River Floodway Task Force, which shall include representatives of—

(1) each State (appointed by the Governor) and Indian reservation in which the Floodway is located;

(2) each county in which the Floodway is located;

(3) one law enforcement representative from each county in which the Floodway is located;

(4) each water district in which the Floodway is located;

(5) the cities of Needles, Parker, Blythe, Bullhead City, Yuma, Laughlin, Nevada (if and when incorporated), and Mojave County, Arizona Supervisor District Numbered 2 (chosen by the board of supervisors);

(6) one representative of the chamber of commerce from each county in which the Floodway is located;

(7) the Army Corps of Engineers;

(8) the Federal Emergency Management Agency (FEMA);

(9) the Department of Agriculture;

(10) the Department of the Interior; and

(11) the Department of State.

(b) the task force shall be chartered and operate under the provisions of the Federal Advisory Committee Act (Public Law 92-463; 5 U.S.C. App. I) and shall prepare recommendations concerning the Colorado River Floodway, which recommendations shall deal with—

(1) the means to restore and maintain the Floodway specified in section 5 of this Act, including, but not limited to, specific instances where land transfers or relocations, or other changes in land management, might best effect the purposes of this Act;

(2) the necessity for additional Floodway management legislation at local, State, and Federal levels;

(3) the development of specific design criteria for the creation of the Floodway boundaries;

(4) the review of mapping procedures for Floodway boundaries; and

(5) whether compensation should be recommended in specific cases of extraordinary hardship resulting from impacts of the 1983 flood on property outside the Floodway which could not reasonably have been foreseen.

(c) The task force shall exist for at least one year after the date of enactment of this Act, or until such time as the Secretary has filed with the Committees the maps described in subsection 5(b)(2). The task force shall file its report with the Secretary and the Committees within nine months after the date of enactment of this Act.

COLORADO RIVER FLOODWAY

SEC. 5. (a) There is established the Colorado River Floodway as identified and generally depicted on maps that are to be submitted by the Secretary.

(b)(1) Within eighteen months after the date of enactment of this Act, the Secretary, in consultation with the seven Colorado River Basin States, represented by persons designated by the Governors of those States (including, in the Governor's discretion, members of the Colorado River Floodway Task Force), and any other interested parties shall—

(i) complete a study of the tributary floodflows downstream of Davis Dam; and

(ii) define the specific boundaries of the Colorado River Floodway so that the Floodway can accommodate either a one-in-one hundred year river flow consisting of controlled releases and tributary inflow, or a flow of forty thousand cubic feet per second (cfs), whichever is greater, from below Davis Dam to the Southerly International Boundary between the United States of America and the Republic of Mexico.

(2) As soon as practicable after the determination of the Floodway boundary pursuant to this subsection, the Secretary shall prepare and file with the Committees maps depicting the Colorado River Floodway, and each such map shall be considered a standard map to be adhered to by all agencies and shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such map may be made. Each such map shall be on file and available for public inspection in the Office of the Commissioner of the Bureau of Reclamation, Department of the Interior, and in other appropriate offices of the Department.

(3) The Secretary shall provide copies of the Colorado River Floodway maps to (A) the chief executive officer of each State, county, municipality, water district, Indian tribe, or equivalent jurisdiction in which the Floodway is located, (B) each appropriate Federal agency, including agencies which regulate Federal financial institutions, and (C) each federally insured financial institution which serves the geographic area as one of its primary markets.

(c)(1) The Secretary shall conduct, at least once every five years, a review of the Colorado River Floodway and make, after notice to and in consultation with the appropriate officers referred to in paragraph (3) of subsection (b), and others, such minor and technical modifications to the boundaries of the Floodway as are necessary solely to reflect changes that have occurred in the size or location of any portion of the floodplain as a result of natural forces, and as necessary pursuant to subsection (c) of section (7) of this Act.

(2) If, in the case of any minor and technical modification to the boundaries of the Floodway made under the authority of this subsection, an appropriate chief executive officer of a State, county, municipality, water district, Indian tribe, or equivalent jurisdiction to which notice was given in accordance with this subsection files comments disagreeing with all or part of the modification and the Secretary makes a modification which is in conflict with such comments, the Secretary shall submit to the chief executive officer a written justification for his failure to make modifications consistent with such comments or proposals.

ELIMINATIONS ON FEDERAL EXPENDITURES AFFECTING THE FLOODWAY

SEC. 6. (a) Except as provided in section 7, no new expenditures or new financial assistance may be made available under authority of any Federal law for any purpose within the Floodway established under section 5 of this Act.

(b) An expenditure or financial assistance made available, under authority of Federal law shall, for purposes of this Act, be a new expenditure or new financial assistance if—

(1) in any case with respect to which specific appropriations are required, no money for construction or purchase purposes was appropriated before the date of the enactment of this Act; or

(2) no legally binding commitment for the expenditure or financial assistance was made before such date of enactment.

EXCEPTIONS

SEC. 7. Notwithstanding section 6, the appropriate Federal officer, after consultation with the Secretary, may make Federal expenditures or financial assistance available within the Colorado River Floodway for—

(A) any dam, channel, or levee construction, operation or maintenance for the purpose of flood control, water conservation, power, or water quality;

(B) other remedial or corrective actions, including but not limited to drainage facilities essential to assist in controlling adjacent high ground water conditions caused by flood flows;

(C) the maintenance, replacement, reconstruction, repair, and expansion, of federally assisted and publicly owned or publicly operated roads, structures (including bridges), or facilities: *Provided*, That, no such expansion shall be permitted unless—

(1) the expansion is designed and built in accordance with the procedures and standards established in section 650.101 of title 23, Code of Federal Regulations, and the following, as they may be amended from time to time; and

(2) the boundaries of the Floodway are adjusted to account for changes in flows caused, directly or indirectly, by the expansion;

(D) military activities essential to national security;

(E) any of the following actions or projects, but only if the Secretary finds that the making available of expenditures or assistance therefor is consistent with the purposes of this Act:

(1) Projects for the study, management, protection and enhancement of fish and wildlife resources and habitats, including, but not limited to, acquisition of fish and wildlife habitats and related lands, stabilization projects for fish and wildlife habitats, and recreational projects.

(2) The establishment, operation, and maintenance of air and water navigation aids and devices, and for access thereto.

(3) Projects under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 through 11).

(4) Scientific research, including but not limited to aeronautical, atmospheric, space, geologic marine, fish and wildlife and other research, development, and applications.

(5) Assistance for emergency actions essential to the saving of lives and the protection of property and the public health and safety, if such actions are performed pursuant to sections 305 and 306 of the Disaster Relief Act of 1974 (42 U.S.C. 5145 and 5146) and are limited to actions that are necessary to alleviate the emergency. Disaster assistance under other provisions of the Disaster Relief Act of 1974 (Public Law 93-288, as amended) may also be provided with respect to persons resident within the Floodway, or structures or public infrastructure in existence or substantially under construction therein, on the date ninety days after the date of enactment of this Act: *Provided*, That, such persons, or with respect to public infrastructure the State or local political entity which owns or controls such infrastructure, had purchased flood insurance for structures or infrastructure under the National Flood Insurance Program, if eligible, and had taken prudent and reasonable steps, as determined by the Secretary, to minimize damage from future floods or operations of the Floodway established in the Act.

(6) Other assistance for public health purposes, such as mosquito abatement programs.

(7) Nonstructural projects for riverbank stabilization that are designed to enhance or restore natural stabilization systems.

(8) Publicly financed, owned, and operated compatible recreational developments such as regional parks, golf courses, docks, and boat-launching ramps.

(9) Compatible agricultural uses that do not involve permanent crops and include only a minimal amount of permanent facilities in the Floodway.

CERTIFICATION OF COMPLIANCE

SEC. 8. The Secretary of the Interior shall, on behalf of each Federal agency concerned, make written certification that each agency has complied with the provisions of this Act during each fiscal year beginning after September 30, 1985. Such certification shall be submitted on an annual basis to the United States House of Representatives and the United States Senate on or before January 15 of each fiscal year.

PRIORITY OF LAWS

SEC. 9. Nothing contained in this Act shall be construed to alter, amend, repeal, modify, interpret, or be in conflict with the provisions of the Colorado River Compact (45 Stat. 1057), the Upper Colorado River Basin Compact (63 Stat. 31), the Water Treaty of 1944 with the United Mexican States (Treaty Series 994, 59 Stat. 1219), the Flood Control Act of 1944 (58 Stat. 887), the decree entered by the Supreme Court of the United States in Arizona against California, and others (376 U.S. 340), the Boulder Canyon Project Act (45 Stat. 1057), the Boulder Canyon Project Adjustment Act (54 Stat. 774; 43 U.S.C. 618a), the Colorado River Storage Project Act (70 Stat. 105; 43 U.S.C. 620), the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501). Furthermore, nothing contained in this Act shall be construed as indicating an intent on the part of the Congress to change the existing relationship of other Federal laws to the law of a State, or a political subdivision of a State, or to relieve any person of any obligation imposed by any law of any State, or political subdivision of a State. No provision of this Act shall be construed to invalidate any provision of State or local law unless there is a direct conflict between such provision and the law of the State, or political subdivision of the State, so that the two cannot be reconciled or consistently stand together. Inconsistencies shall be reviewed by the task force, and the task force shall make recommendations concerning such local laws. This Act shall in no way be interpreted to interfere with a State's right to protect, rehabilitate, preserve, and restore lands within its established boundary.

SEPARABILITY

SEC. 10. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to

other persons not similarly situated or to other circumstances shall not be affected thereby.

REPORTS TO CONGRESS

SEC. 11. Within one year after the date of the enactment of this Act, the Secretary shall prepare and submit to the Committees a report regarding the Colorado River Floodway, the task force's report, and the Secretary's recommendations with respect to the objectives outlined in section 4(b) of this Act.

AMENDMENTS REGARDING FLOOD INSURANCE

SEC. 12. The National Flood Insurance Act of 1968 (42 U.S.C. 4028) is amended by adding the following section:

"SEC. 1322. (a) Owners of existing National Flood Insurance Act policies with respect to structures located within the Floodway established under section 5 of the Colorado River Floodway Protection Act shall have the right to renew and transfer such policies. Owners of existing structures located within said Floodway on the date of enactment of the Colorado River Floodway Protection Act who have not acquired National Flood Insurance Act policies shall have the right to acquire policies with respect to such structures for six months after the Secretary of the Interior files the Floodway maps required by section 5(b)(2) of the Colorado River Floodway Protection Act and to renew and transfer such policies.

"(b) No new flood insurance coverage may be provided under this title on or after a date six months after the enactment of the Colorado River Floodway Protection Act for any new construction or substantial improvements of structures located within the Colorado River Floodway established by section 5 of the Colorado River Floodway Protection Act. New construction includes all structures that are not insurable prior to that date.

"(c) The Secretary of the Interior may by rule after notice and comment pursuant to section 553 of title 5, United States Code, establish temporary Floodway boundaries to be in effect until the maps required by section 5(b)(2) of the Colorado River Floodway Protection Act are filed, for the purpose of enforcing subsection (b) and (d) of this section.

"(d) A federally supervised, approved, regulated or insured financial institution may make loans secured by structures which are not eligible for flood insurance by reason of this section: *Provided*, That prior to making such a loan, such institution determines that the lands or structures securing the loan are within the Floodway.".

FEDERAL LEASES

SEC. 13. (a) No lease of lands owned in whole or in part by the United States and within the Colorado River Floodway shall be granted after the date of enactment of this Act unless the Secretary determines that such a lease would be consistent with the operation and maintenance of the Colorado River Floodway.

(b) No existing lease of lands owned in whole or in part by the United States and within the Colorado River Floodway shall be extended beyond the date of enactment of this Act or the stated expiration date of its current term, whichever is later, unless the lessee agrees to take reasonable and prudent steps determined to be necessary by the Secretary to minimize the inconsistency of operation under such lease with the operation and maintenance of the Colorado River Floodway.

(c) No lease of lands owned in whole or part by the United States between Hoover Dam and Davis Dam below elevation 655.0 feet on Lake Mohave shall be granted unless the Secretary determines that such lease would be consistent with the operation of Lake Mohave.

NOTICES AND EXISTING LAWS

SEC. 14. (a)(1) Nothing in this Act shall alter or affect in any way the provisions of section 702c of title 33, United States Code.

(2) The Secretary shall provide notice of the provisions of section 702c of title 33, United States Code, and this Act to all existing and prospective lessees of lands leased by the United States and within the Colorado River Floodway.

(b) Except as otherwise specifically provided in this Act, all provisions of the National Flood Insurance Act of 1968, as amended, and requirements of the National Flood Insurance Program ("NFIP") shall continue in full force and effect within areas wholly or partially within the Colorado River Floodway. Any maps or other information required to be prepared by this Act shall be used to the maximum extent practicable to support implementation of the NFIP.

(c) The Secretary shall publish notice on three successive occasions in newspapers of general circulation in affected communities of the provisions of section 12 of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 15. There is authorized to be appropriated to the Department of the Interior $600,000, through the end of fiscal year 1990, in addition to any other funds now available to the Department to discharge its duties to implement sections 4 through 14 of this Act: *Provided, however*, That the provisions of sections 6 and 7 of this Act shall not be affected by this section.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. COELHO] will be recognized for 20 minutes and the gentleman from Wyoming [Mr. CHENEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. COELHO].

GENERAL LEAVE

Mr. COELHO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1246, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COELHO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1983, the Colorado River experienced unexpectedly high run-off and flooding, especially along the lower portion of the river. Although Federal, State, and local officials were able to protect human lives and the reservoir system, their efforts were hampered by development along the river.

Following the 1983 floods, the Interior Committee held fields hearings on the management of the Colorado River. Witnesses testified to the need for legislation which would designate a Federal floodway. That is, an area where development is discouraged and which could also accommodate heavy river flows.

H.R. 1246 is the result of those hearings. It would designate a Federal floodway from below Davis Dam near Needles, CA to the United States-Mexico border.

This legislation will protect lives and property, save taxpayers money, and avoid construction of new storage facilities in the Colorado River Basin.

The Federal and State Governments have invested billions of dollars in a system of reservoirs and other facilities. Unfortunately, people have built homes and other structures alongside the river.

This encroachment has forced the Bureau of Reclamation to keep upstream reservoirs relatively low just in case there are flood flows. Keeping upstream reservoirs artificially low to protect downstream development has led to wasteful water releases. This bill will correct this problem by allowing the Bureau to increase its storage at upstream reservoirs.

H.R. 1246 would prohibit Federal development-related assistance for new structures within the floodway. Like the Coastal Barrier Resources Act which passed in the 97th Congress, H.R. 1246 will save the Federal Government money by refusing to insure those who take the risk and build in the floodway.

However, the bill doesn't outlaw new development; it will, however, prohibit Federal flood insurance and most forms of disaster assistance for new structures. The bill tells developers, "Go ahead and build adjacent to the river, but don't ask the Federal Government for a bailout".

To be equitable, the bill grandfathers those structures which are already built. Federal flood insurance within certain limits will remain available. Existing structures also will be conditionally eligible for disaster assistance.

The Congressional Budget Office estimates the bill will cost $200,000 in 1986 and $400,000 in 1987. However, it should be noted that these costs are small in comparison to the savings which will result from fewer insurance payments as a result of future floods.

Mr. Speaker, the Colorado River Floodway Protection Act will save lives and protect the taxpayer's investment in the Colorado River System. This bill is also important because it will improve the management and storage of water in the Colorado River Basin.

Finally, I would like to point out that the bill has the strong support of the Governors and water engineers from the seven Colorado River Basin States—California, Wyoming, Utah,

Arizona, New Mexico, Colorado, and Nevada.

Mr. Speaker, I want to take this opportunity to thank Vernon Valantine for the valuable testimony he presented on behalf of the Colorado River Board of California and the Upper Colorado River Basin Commission. Also, Mr. Bob Will and the metropolitan water district were of great assistance and we appreciate their assistance.

Mr. Speaker, I reserve the balance of my time.

Mr. CHENEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1246, the Colorado River Floodway Protection Act.

The Colorado River Floodway Protection Act (H.R. 1246) is designed to improve the management of the Colorado River, the principal water resource in the arid southwestern United States. H.R. 1246 requires creation of a federally declared floodway—that is, an area along and adjacent to the Colorado River needed to accommodate part of unusually high river flows—between Davis Dam, located on the Arizona-Nevada State line west of Kingman, AZ, and the United States-Mexican border, some 250 miles to the South. The principal purpose of the bill is to protect and improve the water storage capability of the existing Colorado River reservoir system by withdrawing Federal assistance from future floodway development.

BACKGROUND AND NEED

My interest in this legislation originated in the flood conditions on the Colorado River in 1983. Responding to the concerns of local residents who had been damaged by high water conditions, the Committee on Interior and Insular Affairs held 2 full days of field hearings on these problems in Yuma, AZ, and Needles, CA, during September 1983. I and other members of the committee were and are sympathetic to the personal problems of flood victims, and believed it necessary to take steps to avoid future problems of this kind.

The Colorado River—the Colorado or the river—is now regulated by a massive reservoir system which can store about 60 millon acre-feet of water and is designed to provide water supply and other river benefits, including flood control, to more than 10 million residents of the seven Colorado River Basin States. The Federal and State governments have made a multibillion-dollar investment in this reservoir system. Requirements for flood control space—that is, empty space in the Colorado River reservoirs—must be rationally related to the multiple purposes served by the reservoir system. Encroachments by development in the floodway of the river, limiting its use, may lead to requests for broadened flood control requirements to substitute for the existing flow accommodation and dam safety protection provided by the floodway. A key result would be a very large loss of precious existing water supplies.

H.R. 1246 is a response to the problems of development on the river floodway. It recognizes that the Colorado River will periodically flood despite the major river control provided by existing dams, and therefore withdraws most forms of Federal assistance to new development within the area along the Colorado which will probably receive most of the periodic flooding. Existing development is grandfathered, and the bill does not impose zoning or other new limits on uses of private property. As explained below, the bill does not otherwise alter the existing management of the Colorado River.

The Colorado River is perhaps the most highly regulated river in the United States, with intense and sometimes conflicting demands for its multiple benefits. The United States is by far the largest landowner in the area which would be affected by this bill. Congress has already approved legislation, the Coastal Barrier Resources Act (Public Law 97-348), which withdraws Federal assistance for new development within a recognized high hazard area in order to limit resource conflicts. H.R. 1246 adapts that concept to the management of the Colorado River.

DISCUSSION

The method chosen by the committee to reconcile the continuing conflict between floodway development and multiple-purpose river management is to prohibit Federal assistance for new development within the river floodway for the lower Colorado River through an extensive study process. Within the floodway, most forms of Federal development-related assistance would be prohibited. Existing development would be grandfathered. The most important forms of grandfathering would be continued availability, within certain limits, of flood insurance, and continued conditional eligibility for disaster assistance. In addition, Federal leasing would be required to be consistent with protection of the floodway.

It is important to be clear on what the bill does not do. It contains no zoning or other form of restriction on the use of private property. Such regulation is the responsibility of local governments. Residents of the affected areas will be allowed to build anywhere they could legally build under existing law, and to obtain traditional forms of bank financing for such construction, as well as any available private flood insurance.

Nor does the bill tell the Bureau of Reclamation or the Corps of Engineers how to manage the Colorado River. If management changes are necessary or desirable, they can be made in the same manner in which they would be made now. Section 9 of H.R. 1246 specifically preserves all necessary legal authority for both agencies, and generally protects the existence and operation of the "Law of the River."

It is in the interest of the Federal Government and Federal taxpayers to protect existing conservation storage. This is the most economic use of an existing resource, as testimony before the committee showed. In addition, the protection of existing conservation storage will avoid unnecessary new water project construction in a growing area of the country. Maintenance of a floodway will materially decrease the likelihood of increased future flood damages. Finally, floodway maintenance will likely allow the enhancement of downstream fish and wildlife riparian habitat through the occurrence of periodic river flows, somewhat more akin to a natural flow regime. The approach taken by the committee has the additional benefit that it requires virtually no Federal expenditures. If the benefits described above are realized, the Federal Government should save tens of millions of dollars over the next several decades.

My home State of Wyoming will benefit from this legislation in much the same way in which the other Colorado River Basin States will benefit. Wyoming and all of the basin States have an interest in protecting existing conservation storage on the Colorado. Protection of existing conservation storage gives full value to their major investment in water conservation. It also avoids the necessity for expensive new investments in regulatory or flood control storage in order to allow full use of their Colorado River compact entitlements.

I am particularly pleased to have the support of State engineer George Christopulos, Gov. Ed Herschler, and former State engineer Floyd Bishop for this legislation. I want to personally thank both George Christopulos and Floyd Bishop for their work in helping to draft this legislation and in encouraging their colleagues throughout the Colorado River Basin to support it.

Special thanks are also due to the water resources officials of the other Colorado River Basin States and of the Upper Colorado River Basin Commission for their helpful comments and suggestions after a careful review of the predecessor bill. These comments and suggestions were of great benefit. I appreciate the assistance and support of these officials, and of the Governors of their respective States, all of whom have formally endorsed this legislation. The Department of the Interior has also provided

helpful technical support and assistance, and I appreciate their position, on behalf of the administration, in support of this bill.

Mr. MILLER of California. Mr. Speaker, I am pleased to support enactment of H.R. 1246, a bill to establish a Colorado River Floodway Protection Act.

This legislation represents a unique solution to a most difficult water resource management problem. The damage resulting from high water conditions along the Colorado River in 1983 were substantial. This damage raised considerable concern among those who reside along the River and those who manage the River system that steps had to be taken to prevent a recurrence of the damage.

Cries for immediate solutions were shrill. There were even those who pushed for construction of more upstream storage facilities. Indeed, this is the choice which has too often been made in past efforts to solve flood management problems.

H.R. 1246, however, chooses a different approach to solving the problem. It offers a solution which is more rational, less expensive, less environmentally damaging and every bit as effective as more reservoirs.

The bill establishes a federally designated floodway below Davis Dam to the Mexican border. The bill would then prohibit Federal development-related assistance for new structures within the floodway. The bill will save the Federal Government money by refusing to ensure those who take the risk and build in the floodway.

The bill will insure more efficient utilization of the existing structures along the Colorado River and greater storage of precious water supplies behind existing Bureau of Reclamation dams. Just as important, the bill will negate the need for additional upstream storage reservoirs.

It is important to note that the Interior Committee made several important changes in H.R. 1246, as introduced. The most important was to give the task force the responsibility to comprehensively examine how to handel the problem of establishing a floodway, and then make recommendations to the Congress and the Secretary. We made this change to ensure that the task force was not a paper tiger. We intend for this group to play a vital role in the floodway designation process.

Mr. Speaker, the key to making H.R. 1246 effective will be vigorous enforcement by the Department of the Interior. Without diligent and committed action by the Department, the solutions proposed by H.R. 1246 will become just an empty paper-pushing exercise. I intend to follow implementation of this legislation very closely and hold oversight hearings as appropriate.

Finally, Mr. Speaker, I would like to compliment the ranking Republican on the Subcommittee on Water and Power Resources, the gentlemen from Wyoming [Mr. CHENEY], for his diligent efforts to enact H.R. 1246. Without his tireless efforts, this legislation would not be possible.

Mr. Speaker, I urge the House to suspend the rules and enact H.R. 1246.

Mr. CHENEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

□ 1215

Mr. COELHO. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. COELHO] that the House suspend the rules and pass the bill, H.R. 1246, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Awareness Month."

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1714. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1689. An act to amend various provisions of the Public Health Service Act.

COMMODITY REIMBURSEMENT FOR MEALS UNDER THE OLDER AMERICANS ACT OF 1965

Mr. KILDEE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution; and for other purposes, as amended.

The Clerk read as follows:

H.R. 2453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMMODITY DISTRIBUTION LEVEL OF ASSISTANCE PER MEAL.

Section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)) is amended—

(1) by striking out "15 cents" and all that follows through "30 cents per meal for", and inserting in lieu thereof "56.76 cents per meal during fiscal year 1986 and during", and

(2) by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1986".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEAR 1985.—There is authorized to be appropriated such sums as may be necessary to provide reimbursement at the level of 56.76 cents per meal during fiscal year 1985, determined under section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)), for meals served under section 311 of such Act in such fiscal year. For purposes of subsections (a) and (b) of section 311 of such Act, the sum authorized to be appropriated by this subsection shall be deemed to have been authorized to be appropriated for fiscal year 1985 by section 311(c)(1) of such Act. For purposes of subsection (c)(1)(B) of such Act, the date of the enactment of this Act shall be deemed to be the last day of each quarter of fiscal year 1975 for which reimbursement is claimed.

(b) FISCAL YEARS 1986 AND 1987.—Subparagraph (A) of section 311(c)(1) of the Older Americans Act of 1965 (42 U.S.C. 3030a(c)(1)(A)) is amended to read as follows:

"(A) There are authorized to be appropriated for fiscal years 1986 and 1987 such sums as may be necessary to carry out this section (other than subsection (a)(1)).".

SEC. 3. INFORMATION REGARDING FEDERAL FOOD PROCESSING PROGRAMS.

Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended by adding at the end thereof the following new subsection:

"(d) From time to time, the Secretary of Agriculture and the Secretary of Health and Human Services shall jointly inform the State agency, area agencies on aging, and recipients of grants and contracts to be used for providing nutrition services in accordance with the provisions of this title, of the existence of any Federal commodity processing program in which such State agency, area agencies, and recipients may be eligible to participate.".

SEC. 4. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1985.

The SPEAKER pro tempore. Is a second demanded?

Mr. PETRI. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. KILDEE] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. PETRI] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2453. This bill addresses a shortfall in the Older Americans Nutrition Program. Under this program, the Secretary of Agriculture reimburses each State based on the number of congregate and home-delivered meals served under an approved title III plan.

Current law provides for a rate of reimbursement which is indexed; that is,

based upon the CPI, for meals served away from home. But the law further provides for a pro rata reduction in the reimbursement when the authorization in the bill falls short of the amount needed for that full adjustment of the CPI.

In the past, Congress has always come up with the money to avoid reducing support for this program. In February 1985, the Department of Agriculture announced that the 1985 authorization level, however, would not be enough to cover the 4-percent CPI adjustment for the number of meals projected to be served. The Department at that time proposed to provide only one-fourth of a cent increase, that is, only one-ninth of the full CPI increase. However, worse news came in August.

On August 19 of this year, the Department announced that a much greater number of elderly people were participating in this meals program; therefore, rather than only a modest increase, the Department tells us there would be a positive reduction in the reimbursement rate of from 2 to 4 cents.

The programs, which have served between 220 million and 230 million meals this year, will have no alternative then but to reduce the number of people or meals being served.

H.R. 2453 before us now is designed, first, to eliminate that uncertainty for the providers and the receivers of those meals; and second, to still limit the impact on the Federal budget. This bill will freeze the rate announced by USDA in February for fiscal years 1985 and 1986 and provide for a full inflation adjustment in 1987.

We have worked very closely with the Republican side to provide this relief in a very fiscally sound way. The gentleman from Iowa [Mr. TAUKE] and the gentleman from Wisconsin [Mr. PETRI] and I have worked closely to make sure that we take care of this human need, but also recognize the fiscal needs of the Federal Government. We have also consulted with the providers of these meals and we have worked very closely with the Committee on the Budget and received their approval for a waiver of the May 15 deadline.

I want to point out that this bill is an authorization bill and does not directly result in any expenditure. The bill represents a very fiscally responsible solution of this problem, and I urge your support.

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2453, legislation to amend the Older Americans Act and thereby stabilize the per meal level of commodity assistance for congregate and home-delivered meals program authorized under title III of the act.

When Congress reauthorized the Older Americans Act last year, it established authorizations levels for commodity support for senior meals programs for fiscal years 1985 through 1987. Based on projections as to the total numbers of meals to be served, these authorizations levels were deemed adequate to provide the per meal level of commodity assistance determined by statutory formula.

Due to several factors, including increased allocations of State and local resources for these programs and higher contributions on the part of participants, the total number of senior meals now estimated to be served in fiscal year 1985 far exceeds the original estimates on which current and future authorization levels were based.

Given an authorization ceiling and a sizable increase in the number of meals to be served, the per meal rate for commodity assistance will have to be lowered retroactively for all meals served in fiscal year 1985. And, we have good reason to believe that we shall face this shortfall dilemma again next year.

On February 21, 1985, the U.S. Department of Agriculture announced that the fiscal year 1985 value of commodities—or cash in lieu thereof—for each meal served in nutrition programs assisted under the Older Americans Act would be 56.76 cents. The 56.76 cents per meal in commodity support reflected the statutory ceiling of $120.8 million for fiscal year 1985 and a projection of 212.8 million meals to be served.

Subsequently, on August 19, the USDA announced that, on the basis of meals served during the first quarter of fiscal year 1985, revised estimates of the total number of meals likely to be served were in the range of 220 to 230 million meals. Depending on the final meal count as of September 30, 1985, the Department has stated that the per meal level of commodity assistance could be in the range of 52.52 to 54.90 cents per meal. What the actual per meal rate will be will not be determined or announced until January 1, 1986, and will be applied retroactively to all meals served in fiscal year 1985.

H.R. 2453 seeks to eliminate the uncertainty that a "floating" reimbursement rate causes for our senior meals programs throughout the country.

The legislation before us would remove the present authorization ceilings for commodity assistance and authorize such sums as are necessary to provide 56.76 cents per meal in commodity support for fiscal years 1985 and 1986. For fiscal year 1987, the per meal commodity assistance rate would be determined by the formula incorporated in the act.

By insuring the previously announced rate and avoiding retroactive reductions in commodity assistance for meals already served this fiscal year, our senior nutrition programs will not be subject to cutbacks in the meals they are now providing.

By establishing the rates that will be in effect for fiscal year 1986, State and local agencies on aging can effectively plan how best to serve their senior citizens in greatest need of congregate and home-delivered meal services.

Similarly, the rates that this measure establishes for fiscal year 1985 and freezes in place in fiscal year 1986 will be the base on which fiscal year 1987 rates will be determined in accordance with the formula provided in the act.

I would strongly urge my colleagues to join me in voting for H.R. 2453 in order that we can avoid cutbacks in nutrition services to our senior citizens and enhance future program planning and stability.

Mr. Speaker, I reserve the balance of my time.

Mr. LELAND. Mr. Speaker, I rise in support of H.R. 2453, the Older Americans Nutrition Act. The passage of this bill is critical for the continued functioning of the Older Americans Act nutrition programs.

Last year we passed a 3-year reauthorization of the Older Americans Act. This included the authorization of appropriations for the elderly nutritions programs. The authorization levels we set were based on projected participation rates. Last month the U.S. Department of Agriculture announced that 8 to 18 million more meals, above the fiscal year 1985 projections, are being served to senior citizens across the Nation. Unless we act now to increase the annual authorization for Federal subsidies for these meals, USDA will have to cut back its per meal reimbursement rate to State and local offices of aging; and hundreds of thousands of older Americans will lose nutrition benefits.

The congregate and home-delivered meals programs are vital to recipients. It is the intent of these programs to improve the diet of older persons, to foster social interaction, and to facilitate the delivery of social services to their participants.

As chairman of the Select Committee on Hunger, I have learned how important these programs are to the health and well-being of individual participants. Many elderly citizens report that this federally subsidized lunch is their only meal of the day. Without the funds provided for in this bill, they might not have even one meal each day.

I urge you to vote in support of H.R. 2453 to prevent a shortfall of funds in the elderly nutrition programs. If we do not pass this act we will actually be voting for a cutback and thus be taking away meals from those elderly who are eligible and in need.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of the bill before us, H.R. 2453, to increase reimbursements to States for meals served under the Older Ameri-

cans Act. As the original author of this bill, along with my distinguished colleague, Mr. KILDEE, the chair of the subcommittee, we believe that timely consideration of this bill is needed if we are to avert major reductions in meal programs for this year.

The need for this emergency legislation is great. In January of this year, I contacted the Department of Agriculture to learn of their plans for funding this program, given the anticipated increase in the number of meals to be served. I was advised in February that the fiscal year 1985 authorized level would be insufficient to cover demand and proposed to cut the reimbursement rate. On August 19, the Department announced a second round of reductions for this program, between 2 and 4 cents, based upon a greater increase in meals served than originally projected.

Original projections for meals in this fiscal year were based upon 212,800,000 meals being served. Revised projections on this rate has been increased to between 220 and 230 million meals being served by States in this fiscal year. Much of this increase in rate is due to cost-efficiencies adopted by States in order to expand the number of meals they are able to serve. To penalize them by failing to provide adequate reimbursement would mean that meals would be cut—and seniors would lose access to meal programs.

Passage of this bill will secure a flat rate of reimbursement for meals served under the Older Americans Act at 56.76 cents for fiscal year 1985 and fiscal year 1986. The bill further provides for a full cost-of-living increase in the reimbursement rate for fiscal year 1987. The authorization levels have been removed, so that "such sums" will be provided for this purpose. By removing this cap on authorized appropriations, we will eliminate the ability of the Department to reduce reimbursements for meals in the middle of the fiscal year.

This bill also includes a provision authored by our ranking Republican, Mr. JEFFORDS, that would require the Secretary of Health and Human Services to periodically inform State and area agencies, as well as meal providers, of their eligibility to participate in the National Commodity Processing Program. It is estimated that more aggressive use of this program by service providers would produce savings as much as 14 cents per meal—thereby expanding further the number of meals that can be served. Commodities are extensively used in child nutrition programs. Our positive experience in that area has proved that we need to encourage this same practice in elderly nutrition programs.

I want to commend the chair of the subcommittee, Mr. KILDEE, for his timely consideration of this legislation. I also wish to thank the ranking Republican member of that subcommittee, Mr. TAUKE, for his bipartisan support of and involvement in this measure and our full committee chair, GUS HAWKINS, for his timely efforts on behalf of this most urgent matter.

Mr. Speaker, for 20 years, the Older Americans Act has served as the hallmark of the Federal Government's commitment to the aged by providing them a floor of social service programs that prevent unnecessary and premature institutionalization. The nutrition programs are some of the most visible results of this commitment and our actions today serve to continue our strong support of both these programs, and the seniors they serve. I urge adoption of this legislation.

Mr. KILDEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PETRI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. KILDEE] that the House suspend the rules and pass the bill, H.R. 2453, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1225

HEALTH SERVICES AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1689), to amend various provisions of the Public Health Service Act, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the Senate bill is as follows:

S. 1689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Services Amendments of 1985".

(b) Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

HANSEN'S DISEASE PROGRAM

SEC. 2. (a) Section 320 is amended to read as follows:

"HANSEN'S DISEASE PROGRAM

"SEC. 320. (a) The Secretary—

"(1) shall provide care and treatment (including outpatient care) without charge at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana, to any person suffering from Hansen's disease who needs and requests care and treatment for that disease; and

"(2) may provide for the care and treatment (including outpatient care) of Hansen's disease without charge for any person who requests such care and treatment.

"(b) The Secretary shall make payments to the Board of Health of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen's disease at a rate, determined from time to time by the Secretary, which shall, subject to the availability of appropriations, be approximately equal to the operating cost per patient of those facilities, except that the rate determined by the Secretary shall not be greater than the comparable operating cost per Hansen's disease patient at the Gillis W. Long Hansen's Disease Center in Carville, Louisiana.".

(b) The Public Health Service Facility in Carville, Louisiana, shall be known and designated as the "Gillis W. Long Hansen's Disease Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such facility shall be held to be a reference to the Gillis W. Long Hansen's Disease Center.

LIMITED APPLICABILITY OF CERTAIN ADDITIONAL SPECIAL PAY TO PHYSICIANS IN THE PUBLIC HEALTH SERVICE COMMISSIONED CORPS

SEC. 3. (a) Section 208(a)(2) is amended—

(1) by striking out "Commissioned" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), commissioned"; and

(2) by adding at the end the following new subparagraph:

"(B) A commissioned medical officer in the Regular or Reserve Corps may not receive additional special pay under section 302(a)(4) of title 37, United States Code, for any period during which the officer is providing obligated service under (i) section 338B, (ii) section 225(e) (as such section was in effect prior to October 1, 1977), or (iii) section 752 (as such section was in effect between October 1, 1977, and August 13, 1981).

(b) The amendment made by subsection (a) shall not diminish any benefits under an agreement entered into before the date of enactment of this Act by a commissioned medical officer in the Regular Corps or the Reserve Corps of the Public Health Service.

CASH AWARDS FOR COMMISSIONED OFFICERS

SEC. 4. Section 221(a) is amended by adding at the end thereof the following:

"(15) Section 1124, Cash awards for suggestions, inventions, or scientific achievements.".

HEALTH CARE FOR INVOLUNTARILY SEPARATED COMMISSIONED OFFICERS AND DEPENDENTS

SEC. 5. Section 326 is amended by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary may provide health care for an officer of the Regular or Reserve Corps involuntarily separated from the Service, and for any dependent of such officer if—

"(A) the officer or dependent was receiving health care at the expense of the Service at the time of separation; and

"(B) the Secretary finds that the officer or dependent is unable to obtain appropriate insurance for the conditions for which

the officer or dependent was receiving health care.

"(2) Health care may be provided under paragraph (1) for a period of not more than one year from the date of separation of the officer from the Service.".

EVALUATION FUNDING

SEC. 6. Section 305(h) is amended by adding at the end thereof the following new sentence: "In administering this subsection, the Secretary shall assure that the amount to be made available in any fiscal year is seven and one-half percent of the maximum amount authorized to be made available under section 2113 in such fiscal year.".

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH SERVICES BLOCK GRANT

SEC. 7. (a)(1) Section 1916(c) is amended—

(A) by striking out paragraphs (14) and (15); and

(B) by inserting immediately after paragraph (13) the following:

"(14) Of the amount allotted to a State under this part in any fiscal year, the State agrees to use—

"(A) in fiscal year 1985, not less than 3 percent of such amount; and

"(B) in any other fiscal year, not less than 5 percent of such amount,

to initiate and provide new or expanded alcohol and drug abuse services for women.

"(15) Of the amount to be used in any fiscal year for mental health activities, the State agrees to use not less than 10 percent of such amount to initiate and provide—

"(A) in fiscal year 1985, new comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new mental health services for severely disturbed children and adolescents; and

"(B) in any other fiscal year, new or expanded comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new or expanded mental health services for severely disturbed children and adolescents.".

(3) Section 1916(g) is amended by inserting "or expanded" after "new" in the first sentence.

(b) Section 1917(a) is amended—

(1) by redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D), respectively;

(2) by inserting "(1)" after "(a)"; and

(3) in clause (C) (as so redesignated), by inserting "or expanded" after "new".

(c) Section 1920A is amended—

(1) by striking out "part B of title XIX" in clause (1) and inserting in lieu thereof "this part"; and

(2) by striking out "such part" each place it occurs in clause (2) and inserting in lieu thereof "this part".

TECHNICAL AMENDMENTS RELATING TO GRANTS FOR A COUNCIL ON HEALTH CARE TECHNOLOGY

SEC. 8. (a) Section 309 is amended—

(1) by inserting "GRANTS FOR A" before "COUNCIL" in section heading;

(2) by striking out "Council on Health Care Technology" and all that follows through "this section" in subsection (a)(1) and inserting in lieu thereof "council on health care technology";

(3) by inserting "(i)" before "The Secretary" in subsection (a)(2)(A);

(4) by striking out "to the National Academy" and all that follows through "The amount of such grant" in subsection (a)(2)(A) and inserting in lieu thereof the following: "for the planning, development, and establishment of the council. The amount of an initial grant";

(5) by adding at the end of subsection (a)(2)(A) the following:

"(ii) The Secretary shall request the National Academy of Sciences, acting through appropriate units, to submit an application for an initial grant under paragraph (1). If the Academy submits an acceptable application, the Secretary shall make the initial grant to the Academy. If the Academy does not submit an acceptable application for an initial grant under paragraph (1), the Secretary shall request one or more appropriate nonprofit private entities to submit an application for an initial grant under paragraph (1) and shall make a grant to the entity which submits the best acceptable application.";

(6) by striking out "The Council shall" in subsection (c)(1) and inserting in lieu thereof "In order to qualify for a grant under this section for the operation of the council, the applicant must demonstrate that it has the capability to, and that under the grant it will";

(7) by striking out subsections (d), (f), and (g) and inserting in lieu thereof the following:

"(d) In order to qualify for an initial grant under this section to plan, develop, and establish the council under this section, the applicant must assure that the council will be composed of at least 10 members—

"(1) each of whom has education, training, experience, or expertise relating to the quality and cost effectiveness of health care technologies, and

"(2) who, as a group, provide representation of organizations of health professionals, hospitals, and other health care providers, health care insurers, employers, consumers, and manufacturers of products for health care.

"(e) As a condition for receiving a grant under this section, the applicant must agree to submit to the Secretary an annual report on the council's activities under the grant. The Secretary shall provide for timely transmittal of a copy of each such report to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.";

(8) by redesignating subsection (h) as subsection (f); and

(9) by striking out "Council" each place it appears in subsections (a)(2), (b), and (c)(2) and inserting in thereof "council".

(b) The amendments made by this section shall take effect as of the date of the enactment of the Health Promotion and Disease Prevention Amendments of 1984.

LIMITED EXCEPTION TO GRADE LIMITATIONS FOR COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE WHO ARE ASSIGNED TO THE DEPARTMENT OF DEFENSE

SEC. 9. Section 206 is amended by adding at the end thereof the following new subsection:

"(e) In computing the maximum number of commissioned officers of the Public Health Service authorized by law to hold a grade which corresponds to the grade of brigadier general or major general, there may be excluded from such computation not more than three officers who hold such a grade so long as such officers are assigned to duty and are serving in a policymaking position in the office of the Assistant Secretary of Defense for Health Affairs.".

CONTINUING CARE FOR CERTAIN PSYCHIATRIC PATIENTS

SEC. 10. In any fiscal year beginning after September 30, 1981, from funds appropriated for carrying out section 301 of the Public Health Service Act with respect to mental health, the Secretary of Health and Human Services may provide, by contract or otherwise, for the continuing care of psychiatric patients who were under active and continuous treatment at the National Institute on Drug Abuse Clinical Research Center on the date such Clinical Research Center ceased operations.

TECHNICAL AMENDMENTS

SEC. 11. (a)(1) The first sentence of section 311(c)(1) is amended—

(A) by striking out "referred to in section 317(f)"; and

(B) by striking out "involving or resulting from disasters or any such disease".

(2) The second sentence of section 311(c)(1) is amended by striking out "resulting from disasters or any disease or condition referred to in section 317(f)".

(b) Section 504 is amended—

(1) by striking out "1915(e)" in subsection (g) and inserting in lieu thereof "1916(e)"; and

(2) by striking out the section heading and inserting in lieu thereof the following:

"NATIONAL INSTITUTE OF MENTAL HEALTH".

(c) Section 928(b) of the Omnibus Budget Reconciliation Act of 1981 is amended by striking out "(42 U.S.C. 247b(j)(1)(A))" and inserting in lieu thereof "(42 U.S.C. 247b(j))".

(d) Section 4(c)(2)(A) of the Federal Cigarette Labeling and Advertising Act is amended by striking out "brand" the first place it appears and inserting in lieu thereof "brand style".

REPEAL OF OBSOLETE PROVISIONS

SEC. 12. (a) Section 314(g) is repealed.

(b) Section 315 is repealed.

(c) Section 328 is repealed.

(d) Title IX is repealed.

(e) Title XII is repealed.

(f) Section 2105 is repealed.

Mr. WAXMAN. Mr. Speaker, this bill includes a number of technical amendments that are necessary to repeal obsolete or redundant sections of the Public Health Service Act. It also includes provisions to assure that the intent of Congress in enacting recent legislation on health care technology is carried out.

This bill is not controversial. It passed the Senate by unanimous consent. Many of the provisions were requested by the administration. The bill has been reviewed by the ranking minority member of the Subcommittee on Health and the Environment, Mr. MADIGAN, and has his support.

For your information, the following is a brief description of this bill.

Section 2 would honor the memory of one of our distinguished late members, the Honorable Gillis W. Long. The Public Health Service facility in Carville, LA, will be known as the Gillis W. Long Hansen's Disease Center. This section would also make clear that receipt of Federal treatment for Hansen's disease is voluntary, would permit treatment outside the Public Health Service facilities, and would revise the archaic language of the current provisions concerned with this disease.

Section 3 would preclude those physicians in the Public Health Service who are providing obligated service from receiving additional special pay. This bill would put into the statute a policy that has been enforced through the appropriations process for several years.

Section 4 would extend to commissioned officers in the Public Health Service permission to receive cash awards for specific suggestions, inventions, or scientific achievements that are of benefit to the Government. Under current law, members of other uniformed services and civilian employees are eligible for similar awards, but Public Health Service commissioned officers are not.

Section 5 would permit the Secretary of the Department of Health and Human Services to provide health care for an involuntarily separated commissioned officer or dependent for up to 1 year after separation if that person had been receiving health care at the expense of the Public Health Service at the time of separation and if the Secretary found that the person could not obtain appropriate insurance for the condition for which they were receiving health care. Federal civilian employees have insurance conversion rights, and separated military personnel may be provided health care for a short period of time. No such authority currently exists for separated Public Health Service commissioned officers who may suddenly find themselves and their dependents unable to obtain coverage for an existing condition.

Section 6 is intended to carry out the intent of Congress that a specified amount of money, currently authorized for program evaluations, be utilized by the National Center for Health Services Research and Health Care Technology Assessment. The Health Promotion and Disease Prevention Amendments of 1984, Public Law 98-551, made available for evaluations of health services and health care technology a portion of the evaluation funds available to the Secretary of the Department of Health and Human Services. Although House Report 98-818 from the Committee on Energy and Commerce made clear the intent of this provision, the subsequent implementation has resulted in unfortunate and altogether unnecessary confusion. This provision will help assure that the center can proceed with its limited, but critically important, technology assessment activities.

Section 7 includes some amendments concerning the Alcohol, Drug Abuse, and Mental Health Services Block Grant Program. Last year, this program was reauthorized through fiscal year 1987 by the Alcohol, Drug Abuse, and Mental Health Amendments of 1984, Public Law 98-509. That legislation required States to use 5 percent of their total allotment in any fiscal year to initiate and provide new alcohol and drug abuse services for women and 10 percent of their mental health allotment to initiate and provide new mental health programs in underserved areas or populations. This bill would allow the States somewhat more flexibility by allowing them to create new treatment opportunities through expansion of existing services as well as through the initiation of entirely new ones. Except for reducing from 5 percent to 3 percent the minimum set-aside requirement in fiscal year 1985 for new substance services for women, the bill does not alter the basic obligation of the States under Public Law 98-509 to comply fully with the new set-aside requirements in fiscal year 1986 and fiscal year 1987.

Section 8 related to grants for a Council on Health Care Technology. The provision is needed to address concerns raised by the Justice Department concerning the Council on Health Care Technology Assessment established in the National Academy of Sciences by Public Law 98-551. This section clarifies the role of this new private sector council in assessing new medical technologies and the relationship of this body with the National Center for Health Services Research and Health Care Technology Assessment.

Section 9 authorizes a limited exception to the present ceiling on the number of the general officer grades in the Public Health Service to allow for the detail from the Service of up to three general grade officers to the Office of the Assistant Secretary of Defense for Health Affairs in policymaking positions. Currently, the number of general officer grades for commissioned officers of the Public Health Service is limited to 1 percent of the total number of commissioned officers. Fully consistent with provisions of the Public Health Service Act authorizing the detail of service officers to other executive departments, Public Health Service medical officers detailed to the Office of the Assistant Secretary of Defense for Health Affairs have been the primary officials responsible for the development and implementation of quality assurance initiatives responsive to congressional support for bolstering public confidence in the military health care system. Making provision for the detail of up to three senior officers for such critical policymaking positions in the Office of the Assistant Secretary of Defense for Health Affairs will help advance these important initiatives.

Section 10 authorizes the continued care of a limited number of individuals who were under active and continuous treatment at the National Institute on Drug Abuse Clinical Research Center when that center ceased operations. This humane action is necessary because many of these individuals are totally disabled and have been dependent on the Federal Government for a number of years. Authority to continue to meet this obligation was unintentionally repealed by recent legislation.

Section 11 contains certain technical amendments to correct references and to delete obsolete references in various provisions of the Public Health Service Act. It also repeals six obsolete provisions of that act.

Mr. ECKERT of New York. Mr. Speaker, I rise in support of S. 1689. Legislation that makes several technical changes in the Public Health Service Act, repeals several obsolete sections in that act, and clarifies the intent of Congress in legislation concerning health care technology that passed last year. The description provided by the gentleman from California is accurate and complete.

I would like to point out a few provisions contained in the bill:

First, the Hansen's Disease Treatment Center is named in honor of our recently departed colleague, the Honorable Gillis W. Long.

Second, the alcohol drug abuse and mental health services block grant is amended to provide States more flexibility in providing services through expanding existing services rather than having to initiate new services.

Third, the role of the Council on Health Care Technology Assessment is clarified to meet certain concerns raised by the Justice Department.

The administration supports this legislation. I urge its adoption.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1689, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2409, HEALTH RESEARCH EXTENSION ACT OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2409), to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none and, without objection, appoints the following conferees: Messrs. DINGELL, WAXMAN, SCHEUER, BROYHILL, and MADIGAN.

There was no objection.

ARTS, HUMANITIES, AND MUSEUMS AMENDMENTS OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 266, and rule XXIII, the Chair declares the House in the Committee of the Whole House

on the State of the Union for the consideration of the bill, H.R. 3248.

□ 1228

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3248), to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, with Mr. GONZALEZ in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Montana [Mr. WILLIAMS] will be recognized for 30 minutes and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of H.R. 3248, the Arts, Humanities, and Museum Act of 1985, which reauthorizes the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services for 4 years. This bill is the culmination of a series of five hearings which the Subcommittees of Select Education and Postsecondary Education have held here in Washington, DC, and in the field. It is also the product of the extensive comments of and negotiations with arts groups, humanities groups, and the Endowments.

The President's task force report on the arts and humanities stated:

> The strength of America's arts and humanities is essential to the well-being of the Nation * * * . There is a clear public purpose in supporting the arts and the humanities: the preservation and advancement of America's plurialistic cultural and intellectual heritage, the encouragement of creativity, the stimulation of quality in American education, and the enhancement of our general well-being.

After hearing from 62 witnesses, the committees drew similar conclusions about the need for the Endowments and the Institute of Museum Services and the direction of change.

H.R. 3248 focuses on three types of changes while seeking to maintain the flexibility and standard of excellence in the Endowments' efforts. First the bill attempts to increase the support of the Endowments for emerging institutions and groups and to ensure that the programming reflects the full cultural diversity of our Nation. Second, the bill enhances the Endowments' involvement in arts and humanities education in our public schools. Finally, the bill deals with a variety of management issues which arose during the hearings including improving postaward evaluation, increasing the rotation of panel members on the peer review panels, and ensuring the expertise and representativeness of the governing councils.

The bill reinforces the standard of quality and excellence which is the founding philosophy for the endowments—while seeking to make art and humanities available to the broadest range of artists, scholars, and audiences. We have sought at all times to maintain the administrative and programmatic flexibility of the endowments, which allow them to respond creatively to an ever changing world. At the same time we have sought to ensure that the endowments' funding and programs are equally available to emerging and underrepresented groups in our society. Our Nation is a kaleidescope of people and cultures. Thus, we seek in this bill to ensure that the funding in the endowments' programs is not dominated by one tradition, but rather reflects the full cultural diversity of our heritage. We have added to the programs which the chairs of the endowments are authorized to establish—programs which have substantial artistic and cultural significance and that reach, or reflect the culture of groups that have traditionally not benefited from the programs of the endowments for historical, economic, or geographic reasons and thus reflect the full richness and diversity of our American heritage. As Jane Delgato of the Hispanic Inter-Arts Alliance testified to the subcommittees:

> It is essential that American culture which is pluralistic and as such consists of unique and diverse cultural expressions be celebrated and promoted through the Endowment.

The State arts agencies are required to submit State plans with their applications for assistance which serve an important function in ensuring that the endowments' goals are met with the Federal funds for State programs. The bill clarifies what information should be included in the State plans. We have also required that the State planning meetings be open to the public and that the State plans set goals for serving a wider range of groups and report on progress toward those goals. The endowments and the Congress are hampered in their efforts to assess arts and humanities policies for this Nation by the lack of data on the participation of scholars and artists. The bill thus calls for a national state of the arts and state of the humanities report to be delivered biennially by the endowments which would include information on level of artistic and cultural activities in the Nation, financial trends, and trends in arts and humanities education and audience participation.

The current preamble of the law cites the importance of a public understanding of arts and culture in preserving our democracy and in controlling our technological future. A key way of serving that goal is to increase arts and humanities education in the schools. We have outlined that as a program area for the endowments and required the endowments with the cooperation of the Department of Education do a study of their role and potential participating in such education.

Finally, several important management issues have come up in the hearings which we have addressed in the bill. We have required postaward evaluation to ensure accountability and the rotation of review panelists to ensure representatives and openness in the funding process. To ensure excellence in funding we have also required that the National Council Members have established records of expertise, eminence, or commitment in their fields.

Due to the vagaries of the legislative process, several practices were inconsistent between the endowments, which the subcommittees sought to rectify. H.R. 3248 increased the size of the Chairperson's grants in the National Endowment for the Arts from $17,500 to $30,000 which is the same size as the Chairperson's grants for the National Endowment for the Humanities. We have also granted limited construction authority to the National Endowment for the Humanities to match the authority for the National Endowment for the Arts. The National Endowment for the Humanities currently has authority to conduct renovation and occasionally needs the authority to support construction of a new facility for humanities projects.

This year is the 20th anniversary of the National Endowment for the Arts and the National Endowment for the Humanities. It is an important time to reaffirm our commitment to this Federal, State, local, and private partnership which has contributed so much to the vitality and awareness of the arts and humanities in this country. We believe this bill does that while setting the direction for the Federal arts and humanities involvement to be as important and innovative for the next 20 years as it has for the last.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 3248, legislation reauthorizing and extending for 4 years the National Endowments for the Arts and Humanities and Institute on Museum Services.

I would like to commend PAT WILLIAMS, chairman of the Subcommittee on Select Education, and STEVE BARTLETT, ranking Republican of that subcommittee for the commitment they made to insuring timely passage of this legislation. In addition, I commend the staff of endowments for

their tremendous help in assisting members of the committee during the reauthorization process.

The endowments' focus on quality is a thread that runs throughout their history. The endowments' reliance on distinguished and broadly representative panels of experts in the field of arts and humanities has continued to guarantee that projects of the highest quality, and of a diverse array of expression receive the endowments' encouragement and support. In my view, the central mission of the endowments must be to offer to all Americans the best which the arts and humanities disciplines have to offer. The support of excellent projects which provide an understanding and appreciation of the foundation of our civilization and country are at the core of the two endowment's mission. I think they have been largely successful with that mission.

The tremendous growth in arts and humanities activities nationwide is due in some measure to the endowments' contributions, and those of its partners in both the public and private sectors. I am pleased that the Federal Government is renewing its important presence in financing arts and humanities through the consideration of H.R. 3248.

I think it is useful to note some areas where NEH and NEA have done outstanding work in the last several years. Last year, for example, NEH produced an excellent report entitled "to Reclaim a Legacy: A Report on the Humanities in Higher Education." This report has raised important issues about the adequacy of humanities education at our Nation's colleges and universities, stirring national debate and encouraging new initiatives from the colleges and universities themselves to address these problems. These problems include that "a student can obtain a bachelor's degree from 75 percent of all American colleges and universities without having studied European history, from 72 percent without having studied American literature or history, and from 86 percent without having studied the civilization of classical Greece and Rome" and that "fewer than half of all colleges and universities now require foreign language study for the bachelor's degree, down from nearly 90 percent in 1966."

I think that we should also recognize and commend NEH for its attention to gaining greater public understanding of the U.S. Constitution as the Nation approaches the bicentennial of the signing and ratification of that document. NEH's Office of the Bicentennial of the Constitution has been a leading force at the national level in funding exhibits, television programs, educational efforts and basic research on the Constitution and its importance to this country. We should encourage the Humanities Endowment to continue in these efforts.

Under its existing legislation, the National Endowment for the Arts has been able to respond to changing needs and opportunities in the many and diverse fields it serves. Over the past 3 years alone, the Arts Endowment has launched several important initiatives:

The Locals Test Program, which began in fiscal year 1983, is generating new public dollars at the State and local levels, and helping local arts agencies support and stimulate arts activity in communities of all sizes nationwide. The Endowment's $4 million is expected to generate some $18 million in the first 2 years.

The community foundations initiative in the Expansion Arts Program is generating new private dollars at the local level for smaller, emerging, and underrepresented groups. Begun in fiscal year 1985, the grants were designed to address a specific need of these groups: access to private dollars. Community foundations will create permanent endowments whose funds will be restricted to smaller groups in their localities.

Responding to a sharp downturn in dance touring nationwide, the endowment in fiscal year 1983 launched a focused effort to reverse the trend. Joining hands with its public partners, the State and regional arts agencies, the endowment offered special incentive dollars—to be matched first at the State or regional level, then again at the local level. These funds go to dance presenters, particularly those in smaller and rural communities nationwide; the presenters bring dance companies into their communities, and share the Nation's dance excellence with scores of our citizens.

While I am pleased with the extension of the endowments proposed by H.R. 3248, I am dismayed by a few features contained in the bill. My chief concern relates to the creation, for the first time, of special regard for particular subgroups.

Over the 20-year history of the two endowments the Congress has scrupulously refrained from creating set-asides or other special privileges for any special group. The application process for grants has been equally open to all. Given normal political pressures to favor special interests, the Congress' policy of restraint and even-handedness has been remarkable. It has been a tribute for 20 years to Congress' realization that the endowments run fair and open outside peer-review systems, with the endowment staff available to all who seek help in submitting and resubmitting applications. During the last reauthorization of the two agencies, in 1980, our committee once again subscribed to this policy of restraint.

This same policy was recommended once again by the vast majority of the witnesses before the committee during the current round of reauthorization hearings held this past spring and summer. One witness after another called for a 5-year reauthorization of these programs with very few or no substantive changes in the current legislation. For example:

The Association of American Universities testified that "there is no need for substantive changes in the legislation at this time."

Betty Allen, of the Harlem School of Arts, remarked that virtually every endowment panel on which she had served had provided broad ethnic representation and supported experimental work.

Robert Buck, of the Brooklyn Art Museum, on being questioned about whether it was a problem that New York City had no representative on the Institute of Museum Services board, replied that it was not a problem because he had confidence in the peer review system.

The American Arts Alliance testified that "the Endowment's authorizing legislation is brilliantly crafted" and, in commenting on the chairman of NEA's view that the legislation needed no substantive revision remarked that the alliance "firmly endorses that position."

Sondra Myers, representing the Federation of State Humanities Council, remarked that—

> No serious issues have arisen because of language in the National Foundation on the Arts and Humanities Act. As it stands now, the law provides opportunities and means not only to do our job well but also, to do our job better and better. We therefore are seeking no changes in the act.

Only a few witnesses, representing particular special interests, called for special privileges for applications from their own groups. Even among these witnesses, few claimed that there was anything wrong with the current peer review process. No one witness claimed that there were any barriers to the application process. The claim was simply that outcomes were not satisfactory, that certain groups deserved more, regardless of how their applications would compete in the peer review process.

It should be noted that in fact, the endowments have made existing efforts in these areas. The National Foundation for the Arts through its Expansion Arts, Folk Arts and Advancement Programs, its important support for jazz, its grants to small dance and theater companies, museums, chamber and music groups, its test program of support for local art agencies and its programs of grants to individual artists.

NEH has also provided substantial support in this area. In fiscal year 1984 for example, over $724,000 in

funds were awarded to historically black colleges and universities and to faculty members at these institutions. Grants to minority organizations in fiscal year 1983 included a grant for $106,522 to the Southern Regional Council for a radio series on the civil rights movement and a grant of $47,342 to the Rhode Island Black Heritage Society for a summer seminar for secondary school teachers on Frederick Douglass. In fact, in fiscal year 1983 NEH funded one out of every two black studies proposals submitted, overall a rate of success approximately twice that of the NEH average funding ratio of one out of four. Nonetheless, the committee report includes language directing the endowments to give particular regard to underrepresented artists and artistic groups.

Thus, on the basis of a minority opinion, the committee has chosen to deal with the dissatisfaction of a few by creating, for the first time, a special class of beneficiaries in the legislation. Under all specific authorities in current law for both agencies, the endowments are allowed to create programs in general subject matter or discipline areas. Under the proposed changes in H.R. 3248, for the first time the two endowments are compelled to give particular regard to specific groups of beneficiaries, notably women, minorities, the disabled and members of inner city, rural and tribal communities. To give the impression that emerging institutions and groups cannot compete effectively in the endowment review process improperly implies that these entities cannot compete on the basis of merit. I believe that this is an unprecedented course of action which I object to even though I support the long-term reauthorization of the endowments which H.R. 3248 proposes.

During the course of hearings and committee consideration of H.R. 3248 issues relating to postaward evaluation were raised. It is important to reemphasis the fact that the endowments have a formal process for conducting such evaluations with respect to their grantees. I was pleased to find that the endowments were in compliance with the Office of Management and Budget regulations in this area. The endowments' audit efforts compare quite favorably with the audit samples of other Federal agencies. Both endowments conduct site visits as a part of their evaluation processes. For NEA these site visits lie at the heart of the review of most of its ongoing support; it is important to note that the site visit program has increased by 1.000 percent since 1981. Nonetheless, although general accountability procedures have proven effective, the committee adopted amendments to strengthen this area.

A further concern has to do with the authorization levels contained in H.R. 3248. Although H.R. 3248 holds to the levels authorized in the fiscal year 1986 budget, these authorized ceilings are beyond what these agencies have testified that they need. I believe that we should consider bringing these authorization levels down consistently with the endowments' needs. I have concerns that the bill calls for "such sums" in the out years and hope that we will give the appropriations process some guidelines to follow in this area.

Despite my reservations concerning some of the changes contained in H.R. 3248, I feel that timely passage of this legislation is appropriate. H.R. 3248 renews our commitment to the Nation's cultural life.

□ 1240

Mr. Chairman, I reserve the balance of my time.

Mr. WILLIAMS. Mr. Chairman, I want to thank my colleague, the ranking member on the Subcommittee on Postsecondary Education, the gentleman from Missouri [Mr. COLEMAN], for his interest and assistance in this legislation. I also want to thank the ranking member on our Select Education Subcommittee, the gentleman from Texas [Mr. BARTLETT], as well, of course, as the chairman of the Subcommittee on Postsecondary Education, the gentleman from Michigan [Mr. FORD].

Mr. JEFFORDS. Mr. Chairman, I rise in support of H.R. 3248, the "Arts, Humanities, and Museum Amendments of 1985." As cochair of the arts caucus, I am pleased to be a part of the debate on the reauthorization bill for the National Endowment for the Arts [NEA], the National Endowment for the Humanities [NEH], and the Institute for Museum Services [IMS].

I believe that H.R. 3248 represents a reaffirmation of the need for and the value of the Endowments and IMS. Individually and collectively, these agencies, through their grant programs, protect our heritage, preserve our history, and promote our creativity. And equally important, through their support, they encourage others in the public and private sectors to do so as well.

With a Federal deficit of over $200 billion, we are constantly challenged to reassess our priorities and to select as priorities those pertaining to national security, economic stability, and those truly in need. I fear within such a context, Federal support for the Endowments not only is given a low rating as a priority, it may be given a nonrating. We cannot, we must not let this happen.

Over their 20-year history the Endowments have captured who we are, where we are, and where we are headed. The Endowments have confirmed our convictions, documented our commitments, and conveyed our hopes.

H.R. 3248 is a reflection of this spirit which has guided the Endowments since 1965. It is also a reflection of American sentiment about the arts.

The arts play a significant role in the lives of the American people. According to a 1984 survey conducted by Louis Harris and Associates, Inc., Americans and the Arts, 92.7 percent assert that the arts are important to "the quality of life" in their own community, and 89 percent are convinced that the arts are important to the "business and economy" of their home community. Some 72 percent stated that they would "sorely miss the arts if they weren't available where they live."

In fact, there has been a sharp increase in the number of people willing to pay higher taxes to increase Federal funding for the arts: According to the survey 72 percent were willing to pay $5 more in taxes themselves—up from 58 percent in 1975; 66 percent were willing to pay $10 more; and 53 percent were willing to pay $25 more in higher Federal income taxes to fund the arts federally—up from 41 percent in 1975.

This survey strongly suggests that the American people are convinced that funding for the arts is and must remain a high priority.

The provisions in H.R. 3248 strengthen and complement the activities of the Endowments. I would like to give four examples.

First, H.R. 3248 would allow the Endowments to continue and expand their commitment to access. Both Endowments have made an effort to reach out to rural America, to diverse ethnic and cultural groups, to citizens of all races, both men and women. The bill reinforces this effort by directing the Endowments to give particular regard to talent in typically underrepresented groups, including such talent in the inner city, rural areas, and tribal communities.

Second, the bill maintains the commitment to quality and excellence that has been the cornerstone of the Endowments' success. The Endowments have always maintained a standard of high quality in grant awards. Applications are reviewed by professionally recognized panels of experts, and only those applications which reflect superior literary and artistic merit are recommended for funding.

Third, support from the Endowments has always represented a "Good Housekeeping Seal" of approval which has helped grantees generate non-Federal dollars for projects and productions, as well as long term institutional stability. In recognition of this fact, the bill does not alter the flexibility which NEA and NEH now have to administer their matching programs.

Fourth, the bill also does not alter the provisions governing the relationships between NEA and State and local arts agencies, nor the relationships between NEH and State and local humanities councils. The growth in State and local entities can be directly traced to the establishment of NEA and NEH. Moreover, through such entities the Endowments are able to reach hundreds, perhaps thousands, that could

not be reached otherwise. In addition, through such agencies and councils, greater attention can be given to arts and humanities initiatives which are locally and regionally important.

In essence H.R. 3248 should be viewed as an affirmation of the strength, endurance, and contributions of the Endowments. It should also be considered a statement of their potential—to reach out more, to help more, to affect more, and to continue to make a difference in the pursuit of quality and opportunity in the arts and humanities. The current statute defining the Federal role in the arts and humanities has worked and is defensible. H.R. 3248 complements it and deserves our support. It is a legitimate national priority.

Mr. BIAGGI. Mr. Chairman, I rise in support of H.R. 3248, a bill to extend the programs under the National Endowment for the Arts, the National Endowment for the Humanities and the Institute for Museum Services for 4 years.

The bill before us provides us with an opportunity to reaffirm our support for a Federal role in supporting the arts and humanities in our culture. With this bill, we are providing access to the broadest array of artists, scholars and audiences in order to respond to the cultural and ethnic diversity that exists in this Nation. It also, I believe, responds to efforts to assure fairness in the way funds are provided to potential artists and scholars. Finally, it expands educational opportunities in both the arts and humanities areas in elementary and secondary schools which will both broaden participation and foster greater appreciation of these kinds of programs.

I am pleased that this bill also underscores continued support for the Endowment's Expansion Arts Program—the one program providing important access to underserved and underrepresented populations. These groups include ethnic and racial minorities, as well as women and disabled persons. The Arts Endowment, in my opinion, should continue to aggressively support emerging cultural organizations that have lacked access to seed money that would allow them to expand their base from non-Federal sources. In our field hearing in New York City, we heard firsthand testimony on the importance of these funds to smaller, community-based organizations.

We will be able to monitor the implementation of these new directives through requiring, as this bill does, annual reports on "State of the Arts" and "State of the Humanities" which will provide us with more detailed information on progress that is being made in this area.

I am also pleased that H.R. 3248 responds to the needs we have heard to expand representation on the National Council on the Arts to include a more geographically and broader based number of arts advocates that reflect the full cultural diversity of this Nation.

I also wish to commend the Chairman of the subcommittee, Mr. FORD, and Mr. WILLIAMS, for their efforts to bring this bill before the House today. I believe that they have fairly and appropriately responded to the concerns of the artistic community, especially those who have heretofore to been denied full and favorable access to Federal initiatives in this area.

Mr. AKAKA. Mr. Chairman, I rise in support of H.R. 3248. This bill extends the authorization of the National Endowment for the Arts [NEA], National Endowment for the Humanities [NEH], and the Institute of Museum Services through fiscal year 1989. The authorization levels for fiscal year 1986 represent the fiscal year 1985 appropriation plus $400,000 to cover already approved salary increases for the NEA and the NEH, and $3 million to cover an increased NEA appropriation for the Public Broadcasting System and National Public Radio.

This bill is an important contribution toward acknowledging the increasing value of the arts, humanities and museums in our society. We have a wealth of talent and resources in this country which need to be encouraged and nourished for the betterment of us all. The arts is a medium through which the perpetuation of our cultural heritage is transmitted to succeeding generations. It is an integral part of our society that the Federal Government is responsible for in ensuring that the songs are sung, the dances performed, and the arts are seen as they represent the greatness of the people of America.

I urge all of my colleagues to join me in passing this worthwhile legislation so that the preservation of our cultural growth can be assured.

Mr. PEPPER. Mr. Chairman, I rise in support of H.R. 3248, legislation which reauthorizes the National Endowments for the Arts and Humanities [NEA and NEH] and the Institute of Museum Services [IMS] through 1989. My interest in legislation supporting the arts spans a period of 47 years. In 1938, I was the first Congressman to introduce legislation promoting the arts.

I would like to congratulate the distinguished chairman of the Select Education Subcommittee and my fellow colleague of the arts caucus executive board, Congressman PAT WILLIAMS, for his able leadership in bringing this bill to the floor of the House of Representatives. I congratulate Chairman WILLIAMS for this essential legislation that reaches a wide geographical area and provides a broad cultural diversity. The National Endowments for the Arts and Humanities and the Institutes of Museum Services have a record of excellence in creativity in their endowment of grants and I congratulate them on this achievement.

I am pleased to support H.R. 3248, the reauthorization of the National Endowments for the Arts and Humanities and the Institute of Museum Services.

Mr. FRENZEL. Mr. Chairman, 20 years ago the Congress became involved in underwriting partial costs of arts and humanities programs in our country through passage of the National Foundation and the Endowments for the Arts and Humanities legislation. It was an admirable action with the high intent of supporting in a small way a cultural resurgence while encouraging public participation through contribution.

Twenty years later this legislation has caused a growth like Medusa's hair. The first years were relatively controlled—we were still appropriating in the thousands of dollars. The midyears moved us into millions of dollars with threefold increases in appropriated funds. We are now looking at suggested authorizations of hundreds of millions of dollars in fiscal year 1986.

H.R. 3248 reauthorizes the Arts and Humanities for the next 4 years, with a combined fiscal year 1986 authorization of $307 million and "such sums" through fiscal year 1989.

In 1976 the Institute of Museum Services was established and funded at $100,000. In 1977 it jumped to $4 million. This bill authorizes $21.6 million and "such sums" through 1989.

The committee report states these federally founded, federally funded Endowments served as a catalyst for non-Government expenditures of $4.08 billion in 1983. The rallying cry is that this kind of support would disappear if the Endowments were eliminated. Would all of the contributors who are interested participants cease to exist?

The report states the Endowments need to promote more rural arts development and emerging groups and institutions. It directs the Endowments to support more cultural and heritage diversity in its grants programs. It has made the reauthorization legislation gender free. These are admirable achievements and goals.

This bill also implements the Davis-Bacon Act for grants under the Humanities Endowment. Not only is it questionable whether we should underwrite the costs of the humanities programs but this legislation would mandate that construction grants come under the high priced, noncompetitive Davis-Bacon Act. This proposed legislation also undertakes an EEOC plan which is bound to raise the administrative duties—and therefore cost—of the Humanities Endowment, and expand the original intent of this law.

We need music. We need art. We need dance. We need theater. We need literature. The museums need light bulbs and the grass needs fertilizer. But the American people—the American taxpayers—don't need them at this cost.

Mr. DOWNEY of New York. Mr. Chairman, I rise in support of the Arts, Humanities, and Museum Act of 1985 (H.R. 3248). I applaud Select Education Subcommittee chairman PAT WILLIAMS and all the members of the subcommittee for moving this important legislation to the floor for prompt action. On behalf of the nearly 200 members of the congressional arts caucus, I would like to express our great appreciation for the subcommittee's efforts.

Since the beginning of our Nation's history, our Federal Government's involvement with the arts has been minimal. It was not until the WPA programs of the

1930's that our Government took any major steps in support of cultural activities. But the establishment of the National Endowments for the Arts and Humanities [NEA and NEH] in 1965 and the creation of the Institute of Museum Services [IMS] in 1976 signified our recognition that the arts deserve a place on our national agenda. For the past two decades, that recognition has spurred a tremendous growth and interest in all types of cultural activities. Support from businesses, foundations, and individuals has grown, and all levels of government have joined together in unique programs to benefit our Nation's arts and humanities.

The National Endowments for the Arts and Humanities have assumed a major catalytic role in encouraging more private funding for America's culture. Since 1977, for example, $110 million in NEA challenge grant funding has been matched by more than $800 million in private contributions, despite the fact that the grants only require a 3-to-1 match. This Federal program has, obviously, met with much success and has played an important role in the public/private partnership supporting our arts and humanities.

This month we celebrate the 20th anniversary of NEA and NEH. The legislation we debate today has served our Nation's cultural community well over the past two decades. But as our participation in the arts and humanities has grown and various other needs have emerged, we find it necessary to fine tune our Federal cultural legislation to be responsive to these changes. Over the past year, Chairman WILLIAMS and his subcommittee have heard from a wide range of arts and humanities supporters and have carefully modified the legislation to meet emerging needs.

The bill highlights the growing concern for stronger arts/humanities education programs by adding specific language to the declaration of purpose and requests a major study on cultural education. H.R. 3248 also seeks to broaden access to the arts and humanities by encouraging greater support by the Endowments for typically underrepresented groups. In addition, the bill more carefully defines requirements for council members and panelists, codified postaward evaluation procedures, raises the ceiling for the Arts and Artifacts Indemnity Act, and provides authorization of appropriations for NEA, HEH, and IMS for the next 4 years.

Mr. Chairman, our Federal cultural agenices have served us extremely well for two decades. By approving the original legislation in 1965 and reaffirming it periodically for 20 years, we have shown that cultural concerns belong firmly on our national agenda. Let us maintain our strong support for our Nation's arts and humanities by approving H.R. 3248.

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 3248, the reauthorization of the National foundation on the Arts and Humanities Act of 1965 and the Institute of Museum Services. This year is the 20th anniversary of the inception of the National Endowment for the Arts and the National Endowment for the Humanities. This legislation has created a tremendously successful partnership of the Federal Government, State governments, the scholarly and artistic community, and private business. Limited Federal dollars have leveraged over $4.08 billion in private contributions to the arts in 1983 alone. The National Endowment for the Arts and the Humanities have fostered excellence and creativity in artistic and scholarly enterprises across the country. These programs have made arts and humanities available to groups and locales which had previously been economically and geographically isolated.

The Endowments since their inception have had a great impact on the quality of arts in this country. Since 1965 public attendance of art galleries, museums, theater, dance, and opera have literally mushroomed. State arts agencies have been established in every State and over 2,000 local arts agencies have been created where none existed 20 years ago. The Endowments' budget represents a miniscule amount of the total Federal budget—less than two-tenths of 1 percent. Yet it has had a tremendous catalytic effect. These are moneys invested in our heritage and our civilization.

H.R. 3248 reauthorizes the Endowments for 4 years at the same levels this House passed earlier this summer in the Interior Appropriations bill. H.R. 3248 also takes important steps to ensure that the Endowments' funds are spent to foster excellence and that the Endowments' programs reflect the full diversity and richness of our heritage. The bill also strengthens the postaward evaluation process to ensure that taxpayers' dollars are spent responsibly. I urge your support of H.R. 3248.

Mr. WILLIAMS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

□ 1250

Mr. WILLIAMS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. GONZALEZ, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3248) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, had come to no resolution thereon.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

Mr. LELAND. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 186) to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. COLEMAN of Missouri. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 186

Whereas there are one hundred and two historically black colleges and universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the historically black colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23, 1985, through September 29, 1985, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for historically black colleges and universities in the United States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LELAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on Senate Joint Resolution 186, the Senate joint resolution just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. COLEMAN of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3248, the arts and humanities reauthorization bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

U.S. EARTHQUAKE RESEARCH NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, the two earthquakes which seized and shook Mexico last Friday and Saturday exacted horrifying human and physical costs from that country. If the graphic pictures we've seen and the numbing toll of statistics we've read do anything for us, let them jolt us into action to protect our citizens from the inevitable earthquake that will level some part of our country.

A bill I introduced on February 19, 1985, H.R. 1144, would establish and fund an Earthquake Engineering Research Center to engage in research and testing in seismic engineering to develop more effective earthquake-resistant structures. The cost of this Center would be relatively low and could be funded entirely by a temporary excise tax on items common to all large buildings—passenger escalators and elevators. Certainly, compared to what we've seen in Mexico, the Center would be inexpensive. That bill is still pending before committees and I would like to renew my call for swift consideration and passage of the measure.

Mr. Speaker, in case some people are not convinced of the urgency of this situation, let me cite some facts. There will be an earthquake in this country in the foreseeable future; the only question is when and where. California scientists have calculated a 50-to-90 percent chance of an earthquake centered along the San Andreas Fault measuring between 7.5 and 8.5 on the Richter scale, slightly stronger than the one in Mexico, within the next 30–50 years.

Unstable soil under Mexico City caused extreme shaking and extensive damage there, despite the fact that the quake was centered over 200 miles away. In many parts of California, the soil is characteristically similar and equally unstable to that in Mexico City. San Francisco and Los Angeles are less than 500 miles apart and, given the quality of much of California's soil, an earthquake centered between those two cities could conceivably devastate them both. Extensive, focused research in seismic engineering could develop structures able to survive a major quake, despite the flimsy earth beneath them.

There is such research being done in California, but much more is needed. While much will be learned from the tragedy in Mexico, we should not have to wait for future earthquakes to learn more. Mr. Speaker, we urgently need a research and testing center and we need it now, before America suffers through a cataclysm like this one in Mexico. I urge swift passage of H.R. 1144 before it's too late.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COLEMAN of Missouri) to revise and extend their remarks and include extraneous matter:)

Mr. PARRIS, for 30 minutes, on September 30.

Mr. LEACH of Iowa, for 5 minutes, today.

(The following Members (at the request of Mr. LELAND) to revise and extend their remarks and include extraneous matter:)

Mr. STARK, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COLEMAN of Missouri) and to include extraneous matter:)

Mr. HAMMERSCHMIDT.

Mr. GILMAN in two instances.

Mr. CONTE.

Mr. JEFFORDS.

(The following Members (at the request of Mr. LELAND) and to include extraneous matter:)

Mr. BEDELL.

Mr. KANJORSKI.

Mr. LELAND.

Mr. LANTOS.

Mr. ADDABBO.

Mr. ACKERMAN.

Mrs. KENNELLY.

Mr. HUBBARD.

Mr. OLIN.

Mr. FLORIO.

Mr. OWENS.

Mr. BROWN of California.

ADJOURNMENT

Mr. LELAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Thursday, September 26, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2038. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to repeal section 4351(b) of title 10, United States Code, relating to the reexamination and readmission of cadets of the U.S. Military Academy who fail to pass a required examination; to the Committee on Armed Services.

2039. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Rescission of Report Entitled, Outstanding Liens Against Samuel C. Jackson Plaza Project Parcels," pursuant to Public Law 93–198, section 455(d); to the Committee on the District of Columbia.

2040. A letter from the Secretary of Education, transmitting final regulations for miscellaneous amendments to the Rehabilitation Act of 1973, as amended, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

2041. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting justificaiton for an increase in assistance levels for Tunisia, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2042. A letter from the Director, Personnel and Benefits, Farm Credit Banks, transmitting the 12th farm credit district annual report for plan year 1984, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2043. A letter from the Commissioner of Examinations, Immigration and Naturalization Service, transmitting an order granting defector status in the case of Ian Alexander Farquhar Stokes, pursuant of INA, section 212(a)(28)(1)(ii)(b) (66 Stat. 182); to the Committee on the Judiciary.

2044. A letter from the Commissioner of Examinations, Immigration and Naturalization Service, transmitting an order granting defector status in the case of Ian Alexander Farquhar Stokes, pursuant of INA, section 212(a)(28)(1)(ii)(b) (66 Stat. 182); to the Committee on the Judiciary.

2045. A letter from the Administrator, transmitting the annual report of the Administrator of Veterans Affairs, pursuant to 38 U.S.C. 214, 221(c), 1521 and 4001(c)(3); to the Committee on Veterans' Affairs.

2046. A letter from the Secretary of Transportation, transmitting the results of inspections made on interstate natural gas transmission pipeline facilities, pursuant to 49 U.S.C. App. 1682 note; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDGAR:

H.R. 3419. A bill relating to the tariff treatment of certain casein; to the Committee on Ways and Means.

By Mr. DAUB (for himself and Mr. DORGAN of North Dakota):

H.R. 3420. A bill to amend the Internal Revenue Code of 1954 to allow deduction to self-employed individuals for contributions to accident or health plans for medical care; to the Committee on Ways and Means.

By Mr. FAZIO (for himself and Mr. MILLER of California):

H.R. 3421. A bill to provide for a cooperative agreement between the Secretary of the Interior and the State of California and the Suisun Resources Conservation District to improve and manage the Suisun Marsh in California; to the Committee on Interior and Insular Affairs.

By Mr. SAVAGE:

H.R. 3422. A bill to amend the National Housing Act to require the Secretary of Housing and Urban Development to carry out the programs of temporary mortgage assistance payments and mortgage acquisitions to assist homeowners in avoiding foreclosure; to the Committee on Banking, Finance and Urban Affairs.

By Mr. YATRON (for himself, Mr. EDGAR, and Mr. RITTER):

H.R. 3423. A bill to provide for research regarding radon exposure and for emergency response to adverse health effects associated with radon exposure, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BIAGGI:

H. Res. 271. Resolution expressing the deep concern of the House of Representatives over the pending Supplementary Extradition Treaty between the United States and the United Kingdom of Great Britain and Northern Ireland; jointly, to the Committees on the Judiciary and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 776: Mr. SHUMWAY, Mr. MCKERNAN, Mr. PACKARD, and Mr. ROE.

H.R. 983: Mr. BARNES, Mr. SCHEUER, Mr. VISCLOSKY, Mr. BORSKI, Mr. MCCOLLUM, Mr. OBERSTAR, Mr. FOGLIETTA, Mr. HAMMERSCHMIDT, Mr. DEWINE, Mr. MANTON, Mr. KANJORSKI, Ms. OAKAR, Mr. MONSON, Mr. MCKINNEY, and Mr. KASTENMEIER.

H.R. 1188: Mr. BLAZ and Mr. BEDELL.

H.R. 1809: Mr. LUKEN.

H.R. 3040: Mr. OWENS, Mr. HERTEL of Michigan, and Mr. BONIOR of Michigan.

H.R. 3045: Mr. BROWN of California.

H.R. 3132: Mrs. ROUKEMA, Mr. GEJDENSON, Mr. BERMAN, Mr. BORSKI, and Mr. ROE.

H.R. 3180: Mr. FLIPPO, Mr. MATSUI, Mr. MCGRATH, and Mr. PICKLE.

H.R. 3263: Mr. REID and Mr. ST GERMAIN.

H.J. Res. 1: Mr. WAXMAN.

H.J. Res. 275: Mr. BIAGGI, Mr. BERMAN, Mr. FAZIO, Mr. MICA, Mr. FAWELL, Mr. COURTER, Mr. FLORIO,Mrs. ROUKEMA, Ms. SNOWE, Mr. RAHALL, Mr. FUSTER, Mr. LENT, Mr. STRATTON, Mr. TOWNS, Mr. WORTLEY, Mr. DWYER of New Jersey, Mr. HENRY, Mr. GRAY of Pennsylvania, Mr. BURTON of Indiana, Mr. LIVINGSTON, Mr. STRANG, Mr. CHAPPIE, Mr. EDGAR, and Mr. CARPER.

H.J. Res. 381: Mr. DIOGUARDI and Mr. ROE.

H. Con Res. 180: Mr. FUSTER, Mr. RICHARDSON, Mr. ROYBAL, Mr. ORTIZ, Mr. MARTINEZ, Mr. DE LA GARZA, Mr. BUSTAMANTE, Mr. TORRES, Mr. LUJAN, Mr. COELHO, Mr. GONZALEZ, Mr. RUDD, Mr. BIAGGI, Mr. VALENTINE, Mr. BONER of Tennessee, Mr. CROCKETT, Mr. WOLPE, Mr. BLAZ, Mr. FAUNTROY, Mr. HUBBARD, Mr. QUILLEN, Mr. SUNIA, Mr. AKAKA, Mr. BADHAM, Mr. FISH, and Mrs. COLLINS.

H. Res. 74: Mr. MCCAIN, Mr. NELSON of Florida, Mr. YATES, Mr. CARPER, Mr. BRYANT, Mr. DONNELLY, Mr. GEJDENSON, Mr. LUNGREN, Mr. FOGLIETTA, Mr. COOPER, Mr. KOSTMAYER, Mr. HORTON, Mr. SEIBERLING, Mr. GRADISON, Mr. SYNAR, Mr. ROBINSON, Mr. ATKINS, Mr. GUNDERSON, Mr. ECKERT of New York, Mr. STRANG, Mr. SWINDALL, and Mrs. ROUKEMA.

PETITIONS, ETC.

Under clause 1 of rule XXII,

214. The SPEAKER presented a petition of the clerk of the legislature of Herkimer County, NY, relative to taxes; which was referred to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. ALEXANDER:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act, with the following table of contents, may be cited as the "Farm Policy Reform Act of 1985".

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TITLE I—AGRICULTURAL COMMODITY SUPPLY MANAGEMENT

AGRICULTURAL COMMODITY SUPPLY MANAGEMENT

SEC. 101. Effective only for the 1986 through 1999 crops, title V of the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended to read as follows:

"TITLE V—AGRICULTURAL COMMODITY SUPPLY MANAGEMENT

"DEFINITIONS

"SEC. 501. As used in this title:

"(1) The term 'acreage allotment percentage' means a percentage obtained by dividing $200,000 by the projected annual income of a producer during a calendar year in which a commodity will be harvested, except that such percentage may not exceed 100 per centum.

"(2) The term 'commodity' means wheat, corn, grain sorghums, barley, oats, rye, upland cotton, rice, and soybeans.

"(3) The term 'eligible crop acres' means the number of acres a producer may cultivate for the production of a commodity during a crop year determined under section 506(b)(2).

"(4) The term 'normal crop acres' means the number of acres cultivated for the production of a commodity, or reduced, set-aside, or diverted under a program administered by the Secretary, during any of the four preceding crop years.

"(5) The term 'program period' means the—

"(A) 1986 through 1989 crop years;

"(B) 1990 through 1993 crop years;

"(C) 1994 through 1997 crop years; and

"(D) 1998 and 1999 crop years.

"(6) The term 'reserve' means the farmers disaster reserve established under section 510.

"REFERENDUM

"SEC. 502. (a) No later than August 1, 1985 (or as soon as practicable after the date of enactment of the Farm Policy Reform Act of 1985), August 1, 1989, August 1, 1993, and August 1, 1997, in order to determine whether the program established by this title shall be implemented during the succeeding program period, the Secretary shall conduct a referendum among producers who, during a representative period (as determined by the Secretary), have been engaged in the production of a commodity for commercial use.

"(b) If the program established by this title is approved by at least one-half of the eligible producers voting in a referendum, the Secretary shall implement such program during the succeeding program period.

"(c) If such program is not approved by at least one-half of the eligible producers voting in a referendum, during the succeeding program period, in lieu of such program, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of commodities as the Secretary considers appropriate.

"LOAN RATES

"SEC. 503. (a) The Secretary shall make available to producers loans and purchases for each crop of a commodity produced during a program period at such level, not less than the minimum support level for a commodity established under subsection (b), as the Secretary determines taking into consideration the actual cost of production of the commodity throughout the United States.

"(b) The minimum support level for a commodity during a crop year established under this subsection shall equal a specified per centum of the parity price of the commodity as provided in the following table:

"The minimum support level for a commodity during the:	Shall equal the following per centum of the parity price of the commodity:
1986 crop year	70
1987 crop year	72
1988 crop year	74
1989 crop year	76
1990 crop year	78
1991 crop year	80
1992 crop year	82
1993 crop year	84
1994 crop year	86
1995 crop year	88
1996 through 1999 crop year	90.

"(c) The term of a loan made under this section shall be thirty-six months.

"NATIONAL MARKETING QUOTAS

"SEC. 504. (a) The Secretary shall proclaim a national marketing quota for each commodity for each marketing year of the 1986 through 1999 crops of commodities. The proclamation shall be made as soon as practicable during each calendar year preceding the year in which the marketing year for the crop begins.

"(b) The amount of the national marketing quota for a commodity for a marketing year shall be an amount of the commodity (less imports) that the Secretary estimates will be utilized during the marketing year to meet (1) domestic demand, (2) export demand, (3) food aid requirements, and (4) carryover requirements.

"(c) The Secretary may revise the national marketing quota first proclaimed for any marketing year for the purpose of determining national acreage allotments under section 505 if the Secretary determines it necessary based on the latest information. The Secretary shall proclaim such revised national production requirement as soon as it is made.

"(d) If the Secretary determines that domestic carryover stocks of a commodity are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national marketing quota by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"NATIONAL ACREAGE ALLOTMENTS

"SEC. 505. (a) The Secretary shall proclaim a national acreage allotment for each commodity for each of the 1986 through 1999 crop years.

"(b) The amount of the national acreage allotment for any crop of a commodity shall be the number of acres which the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than acreage not harvested because of program incentives) of farm acreage allotments will produce an amount of the commodity equal to the national marketing quota for the commodity for the marketing year for such crop.

"FARM ACREAGE ALLOTMENTS

"SEC. 506. (a) The national acreage allotment for a commodity shall be apportioned by the Secretary among farms, through local committees, in accordance with this section.

"(b)(1) To be eligible to receive a farm acreage allotment for a commodity for any crop year, a producer must complete and submit to the Secretary an application which contains—

"(A) the eligible crop acres of the producer, as determined under paragraph (2);

"(B) the projected annual income of the producer during the calendar year in which such commodity will be harvested, as determined under paragraph (3); and

"(C) the number of any bonus acres the producer requests to be awarded under subsection (f) for the production of each commodity during the crop year.

"(2)(A) Except as provided in subparagraphs (B), (C), and (D), the eligible crop acres of a producer shall equal the number of acres a producer requests to cultivate for the production of commodities during a crop year.

"(B) The total number of eligible crop acres of a producer during a crop year may not exceed the product obtained by multiplying—

"(i) the normal crop acres of the producer; by

"(ii) 85 per centum.

"(C) If a producer earns less than 50 per centum of the taxable income of the producer from farming operations, the total number of eligible crop acres of the producer during a crop year shall, after application of subparagraph (B), be reduced by an additional 10 per centum of the total number of acres determined under subparagraph (B).

"(D) For purposes of subparagraph (B)(i), if a producer places acreage in the conservation reserve program established under section 16B of the Soil Conservation and Domestic Allotment Act, such acreage shall be added to the normal crop acres of the producer.

"(3) For purposes of this title, income shall—

"(A) include all farm and nonfarm income from whatever source;

"(B) be determined jointly for married couples; and

"(C) be determined separately for unmarried individuals living on a farm who—

"(i) are related by blood or marriage;

"(ii) are actively involved in the farming operation; and

"(iii) earn more than 50 per centum of their taxable income from farming operations.

"(c) The total farm acreage allotment of a producer for all commodities produced during a crop year under this section shall consist of the sum of—

"(1) the base acreage allotment for each commodity determined under subsection (d);

"(2) any supplemental acreage allotment for each commodity determined under subsection (e); and

"(3) any bonus acres for each commodity awarded under subsection (f).

"(d) The base acreage allotment of a producer for a commodity for a crop year shall equal the number of acres obtained by multiplying—

"(1) eligible crop acres of the producer; by

"(2) acreage allotment percentage of the producer.

"(e)(1) The Secretary shall determine the amount of any national supplemental acreage allotment for each commodity for each of the 1986 through 1999 crop years.

"(2) The amount of the national supplemental acreage allotment for a commodity for each crop year shall equal the difference between—

"(A) the amount of the national acreage allotment for such commodity for the crop year determined under section 505; less

"(B) the sum of the base acreage allotments of all producers for such commodity determined under subsection (d).

"(3) The supplemental acreage allotment of a producer for a commodity produced during a crop year shall equal the number of acres obtained by multiplying—

"(A) the difference between the eligible crop acres of the producer for such commodity and the base acreage allotment of the producer for such commodity; and

"(B) the percentage obtained by dividing—

"(i) the amount of the national supplemental acreage allotment for such commodity determined under paragraph (2); by

"(ii) the total of all supplemental acreage requests for such commodity determined under clause (A).

"(f) If the Secretary determines that the total amount of base and supplemental acreage allotments for a commodity for a crop year determined under subsections (d) and (e) would not produce an amount of the commodity equal to the national marketing quota for the commodity for the crop year determined under section 505, the Secretary shall award to each producer who requested bonus acres under subsection (b)(1)(C), in equal amounts, bonus acres for the production of such commodity which, in the aggregate and in conjunction with such allotments, would result in the production of an amount of such commodity equal to such national marketing quota.

"(g)(1) Except as provided in paragraph (2), a producer may plant one or more commodities (in the producer's discretion) on acreage permitted to be cultivated under a farm acreage allotment issued under this section for a crop year.

"(2) A producer may not increase the amount of acreage used for the production of a commodity during a crop year by more than 20 per centum over the amount of acreage used for the production of such commodity during the preceding crop year.

"(3) In order to permit the Secretary to issue marketing certificates under section 507, a producer shall inform the Secretary of the number of acres the producer will use for the production of each commodity during each crop year.

"(h) If the normal crop acres of a producer becomes available for any reason, such normal crop acres shall revert to the Secretary and be reapportioned by the Secretary to the next operator of the farm.

"MARKETING CERTIFICATES

"SEC. 507. (a) At the time a producer is assigned a farm acreage allotment under section 506 for any crop year, the Secretary shall issue marketing certificates to such producer for each commodity to be produced during such crop year.

"(b) Except as provided in subsections (c) and (d), a marketing certificate issued to a producer for any commodity for any crop year shall authorize such producer to market, barter, or donate an amount of such commodity determined by multiplying—

"(1) the number of acres the producer informed the Secretary the producer will use for the production of such commodity during such crop year under section 506(g)(3); by

"(2) the higher of—

"(A) the county average yield per acre for such commodity; or

"(B) the farm program yield of the producer for such commodity (as provided in section 508).

"(c) The Secretary may adjust the amount of a commodity which may be marketed, bartered, or donated under a marketing certificate to reflect the amount of such commodity which may be used for feed, human consumption, or other purposes on the farm of the producer.

"(d) If the amount of a commodity produced in a crop year exceeds the amount of the commodity which may be marketed, bartered, or donated under a marketing certificate, the surplus amount of such commodity may be—

"(1) used for feed, human consumption, or other purposes on the farm of the producer;

"(2) stored during the current marketing year and marketed under a marketing certificate issued for the subsequent marketing year;

"(3) donated to the Commodity Credit Corporation in order to be made available to provide famine relief and assistance to other foreign countries under title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.); or

"(4) sold to the Commodity Credit Corporation, at no more than 50 per centum of the loan level for such commodity determined under section 503, in order to be made available to provide such famine relief and assistance.

"(e) A person may not purchase or otherwise acquire an amount of a commodity from a producer in excess of the amount of the commodity which may be marketed, bartered, or donated by such producer under a marketing certificate.

"FARM PROGRAM YIELDS

"SEC. 508. (a)(1) The farm program yield for each crop of a commodity shall be equal to the sum of—

"(A) the average yield established for the farm for the five most recent crop years, excluding the year in which the yield was the highest and the year in which the yield was the lowest, adjusted by the Secretary to provide a fair and equitable yield; and

"(B) the average amount of such commodity received from the farmers disaster reserve established under section 510 during the three crop years used to determine the average yield for the farm under clause (A).

"(2) If no payment yield for such commodity was established for the farm in the five most recent crop years, the Secretary may determine such yield as the Secretary determines fair and reasonable.

"(b) Notwithstanding subsection (a):

"(1) In the determination of yields, the Secretary shall take into account the actual yields demonstrated by the producer to the satisfaction of the Secretary.

"(2) Neither such yields established for a commodity nor the farm program yield established on the basis of such yields shall be reduced under other provisions of this section.

"(c) If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of—

"(A) historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the base period, or

"(B) if such data are not available, the Secretary's estimate of actual yields for the crop year concerned.

"(d) If national, State, or county program payment yields are established, the total farm program yields shall balance to the national, State or county program payment yields, respectively.

"CONSERVATION OF SET-ASIDE ACREAGE

"SEC. 509. (a) A producer of a commodity shall devote to approved conservation uses all acreage of the producer which the producer is required to set-aside under section 506.

"(b) The Secretary may make such adjustments in the amount of acreage the producer is required to set-aside under section 506 as the Secretary determines necessary to correct for abnormal factors affecting production and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary determines appropriate.

"(c)(1) Regulations issued by the Secretary under this section with respect to acreage required to be devoted to conservation uses shall require appropriate measures to protect such acreage against noxious weeds and wind and water erosion.

"(2) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to hay and grazing if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(d)(1) Any set-aside acreage may be devoted to wildlife food plots or wildlife habitats in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(2) The Secretary may pay such amount as the Secretary considers appropriate of the cost of practices designed to carry out the purposes of paragraph (1).

"(3) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(e)(1) A producer of a commodity shall execute an agreement with the Secretary which describes the means the producer will use to comply with this section not later than such date as the Secretary may prescribe.

"(2) The Secretary may, by mutual agreement with such producer, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"FARMERS DISASTER RESERVE

"SEC. 510. (a) The Secretary shall establish a farmers disaster reserve for each commodity for the 1986 through 1999 crop years.

"(b)(1) Each producer of a commodity shall contribute to the reserve each crop year a portion of the total amount of each commodity produced in the United States during the crop year.

"(2) The portion of commodities required to be contributed by a producer under paragraph (1) shall be determined by the Secretary on an actuarially sound basis at a level which will enable the Secretary to compensate producers with commodities from the reserve in accordance with this section in the event producers suffer crop losses as the result of natural disasters or other conditions beyond the control of producers.

"(3) To the extent practicable, the Secretary shall store commodities received from a producer under paragraph (1) in warehouses

located in the area in which the producer is located.

"(c) The Secretary shall compensate a producer with commodities from the reserve if the Secretary determines that as a result of drought, flood, or other natural disaster, or other condition beyond the control of the producer, the total quantity of a commodity the producer is able to harvest on any farm is less than the quantity determined by multiplying 90 per centum of the quantity of the commodity the producer is authorized to market, barter, or donate under a marketing certificate issued under section 507.

"(d)(1) Except as provided in paragraph (2), the quantity of a commodity a producer is entitled to receive as compensation for a loss sustained during a crop year under subsection (c) shall equal the difference between—

"(A) 90 per centum of the quantity of the commodity the producer is authorized to market, barter, or donate under a marketing certificate issued under section 507; and

"(B) the actual amount of such commodity produced during such crop year.

"(2) The total value of commodities a producer may receive as compensation for any loss under subsection (c) may not exceed $360,000.

"(e) If the quantity of commodities contained in the reserve is not sufficient to compensate producers with commodities in accordance with this section, the Secretary may use stocks of commodities owned by the Commodity Credit Corporation to maintain the reserve at a level which is sufficient to compensate producers with such commodities in accordance with this section.

"SOIL CONSERVATION

"SEC. 511. (a) Notwithstanding any other provision of law, the Secretary shall require that producers on a farm in any area follow the conservation practices prescribed by the appropriate local soil conservation district for the area.

"(b) In areas in which no soil conservation district exists, the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall determine appropriate conservation practices.

"PENALTIES

"SEC. 512. (a)(1) Except as provided in subsection (b), if a producer fails to comply with any term or condition of the program conducted under this title, the producer shall be ineligible for any farm acreage allotment, loan, purchase, or payment authorized under this title.

"(2) Except as provided in subsection (c), if a producer markets, barters, or donates a commodity without a marketing certificate required under section 507 or markets, barters, or donates an amount of a commodity for commercial use in excess of the amount of the commodity the producer is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a fine against such producer in an amount equal to three times the value of the commodities so marketed; or

"(B) increase the number of acres such producer is required to set-aside under section 506 during the succeeding crop year by a number of acres which, if planted, would result in the production of a quantity sufficient to satisfy the fine referred to in clause (A).

"(3) If a person purchases or otherwise acquires an amount of a commodity from a producer in excess of the amount of the commodity which may be marketed, bartered, or donated by such producer under a marketing certificate issued under section 507, the Secretary shall assess a fine against such person in an amount equal to three times the value of the commodities so purchased or acquired.

"(b)(1) If a producer fails to comply fully with the terms and conditions of the program conducted under this section and the Secretary believes the failure should not preclude the making of a farm acreage allotment, or loans, purchases, or payments to the producer, the Secretary may make an allotment or loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure of the producer.

"(2) The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"REGULATIONS

"SEC. 513. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.

"COMMODITY CREDIT CORPORATION

"SEC. 514. The Secretary shall carry out the program authorized by this title through the Commodity Credit Corporation.

"PAYMENTS

"SEC. 515. (a) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) (relating to assignment of payments) shall apply to payments under this title.

"(b) The Secretary shall provide for the sharing of payments made under this title for any farm among the producers on the farm on a fair and equitable basis.".

EXTENSION OF WOOL AND MOHAIR PROGRAM

SEC. 102. Section 703 of the National Wool Act of 1954 (7 U.S.C. 1782) is amended by striking out "1985" each place it appears in subsections (a) and (b) and inserting in lieu thereof "1990".

SUSPENSION OF PERMANENT PROGRAM

SEC. 103. (a)(1) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379d-1379j) (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processors or exporters during the period June 1, 1986, through May 31, 2000.

(2) Sections 331, 332, 333, 334, 335, 336, 338, 339, 379b, and 379c of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1331-1336, 1338, 1339, 1379b, and 1379c) shall not be applicable to the 1986 through 1999 crops of wheat.

(3) The joint resolution entitled "A joint resolution relating to corn and wheat marketing quotas under the Agricultural Adjustment Act of 1938, as amended", approved May 26, 1941 (7 U.S.C. 1330 and 1340), shall not be applicable to the crops of wheat planted for harvest in the calendar years 1986 through 1999.

(4) Section 107 of the Agricultural Act of 1949 (7 U.S.C. 1445a) shall not be applicable to the 1986 through 1999 crops of wheat.

(b) Section 105 of the Agricultural Act of 1949 (7 U.S.C. 1444b) shall not be applicable to the 1986 through 1999 crops of feed grains.

(c)(1) Sections 342, 343, 344, 345, 346, and 377 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1342-1346 and 1377) shall not be applicable to upland cotton of the 1986 through 1999 crops.

(2) Effective only with respect to the period beginning August 1, 1987, and ending July 31, 2000, the tenth sentence of section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by striking out all through "110 per centum of the loan rate, and (2)" and inserting in lieu thereof the following: "Notwithstanding any other provision of law, (1) the Commodity Credit Corporation shall sell upland cotton for unrestricted use at the same prices as it sells upland cotton for export, in no event, however, at less than 115 per centum of the loan rate for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, and (2)".

(3) Sections 103(a) and 203 of the Agricultural Act of 1949 (7 U.S.C. 1444(a) and 1446d) shall not be applicable to the 1986 through 1999 crops.

(4) Notwithstanding any other provision of law, the permanent State, county, and farm base acreage allotments for the 1977 crop of upland cotton, adjusted for any underplantings in 1977 and reconstituted as provided in section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) shall be the preliminary allotments for the 2000 crop.

TITLE II—AGRICULTURAL CREDIT

GUARANTEED LOANS

SEC. 201. Section 309(h) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(h)) is amended by inserting before the period at the end thereof the following: ", except that the total amount of loans guaranteed under this title may not exceed 10 per centum of the total amount of loans made or insured under this title".

LIMITED RESOURCE REAL ESTATE LOANS

SEC. 202. (a) Section 310D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1934) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by designating the first and second sentences of subsection (a) as subsections (a) and (b), respectively; and

(3) by amending subsection (a) (as designated by clause (2) of this subsection) to read as follows:

"(a) The Secretary is authorized to make and insure a limited resource loan for any of the purposes referred to in clauses (1) through (5) of section 303(a) to a farmer or rancher in the United States who, as determined by the county committee—

"(1) is a citizen of the United States;

"(2) meets the requirements of clauses (2) through (4) of section 302;

"(3) is unable to repay loans under this subtitle at the interest rates prescribed under section 307(a)(2);

"(4) needs such limited resource loan—

"(A) in the case of a beginning farmer or rancher, to commence farming or ranching operations;

"(B) in the case of a tenant farmer or rancher, to purchase the first farm or ranch property of the farmer or rancher; or

"(C) in the case of an established farmer or rancher, to maintain an adequate mini-

mum standard of living for the area of the farmer or rancher;

"(5) has demonstrated an ability to maintain adequate records of farming and ranching operations or is willing to participate in an approved record keeping training program; and

"(6)(A) does not have family support (including any inheritance benefits and other future interests) which would enable the farmer or rancher to repay loans under this subtitle at the interest rates prescribed under section 307(a)(2);

"(B) does not need such limited resource loan as the result of excessive payments on nonessential farm or household items (including any homes, buildings, and vehicles of the farmer or rancher); and

"(C) does not have total credit needs from all sources in excess of $400,000.".

(b) Section 310D(c) of such Act (as redesignated by subsection (a)(1) of this section) is amended by striking out "the preceding sentence" and inserting in lieu thereof "subsection (a)".

FARM RECORD KEEPING TRAINING FOR LIMITED RESOURCE BORROWERS

SEC. 203. The first sentence of section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(1) by striking out "and" at the end of clause (10); and

(2) by inserting before the period at the end thereof the following new clause: ", and (12) providing training to limited resource borrowers receiving loans under section 310D or 318 in maintaining records of farming and ranching operations".

LIMITATIONS ON TOTAL INDEBTEDNESS FOR OPERATING LOANS

SEC. 204. Section 313 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943) is amended to read as follows:

"SEC. 313. The Secretary shall make or insure no loan under this subtitle—

"(1) that would cause the total principal indebtedness outstanding at any one time for loans under this subtitle to exceed—

"(A) in the case of a loan other than a loan guaranteed by the Secretary, $200,000, except that no more than 25 per centum of the funds made available to make or insure loans under this subtitle may be used to make or insure loans that would cause the insured indebtedness of a borrower to exceed $100,000;

"(B) in the case of a loan guaranteed by the Secretary, $400,000, except that no more than 25 per centum of the funds made available to guarantee loans under this subtitle may be used to guarantee loans that would cause the combined insured and guaranteed indebtedness of a borrower to exceed $200,000; and

"(C) in the case of a loan made, insured, or guaranteed, $500,000.

"(2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program.".

LIMITED RESOURCE OPERATING LOANS

SEC. 205. Subtitle B of the Consolidated Farm and Rural Development Act is amended by inserting after section 317 (7 U.S.C. 1947) the following new section:

"SEC. 318. (a) The Secretary is authorized to make and insure a limited resource loan for any of the purposes referred to in section 312 to a farmer or rancher in the United States who, as determined by the county committee—

"(1) is a citizen of the United States;

"(2) meets the requirements of clauses (2) through (4) of section 311;

"(3) is unable to repay loans under this subtitle at the interest rates prescribed under section 316(a)(1);

"(4) needs such limited resource loan—

"(A) in the case of a beginning farmer or rancher, to commence farming or ranching operations;

"(B) in the case of a tenant farmer or rancher, to purchase the first farm or ranch property of the farmer or rancher; or

"(C) in the case of an established farmer or rancher, to maintain an adequate minimum standard of living for the area of the farmer or rancher;

"(5) has demonstrated an ability to maintain adequate records of farming and ranching operations or is willing to participate in an approved record keeping training program; and

"(6)(A) does not have family support (including any inheritance benefits and other future interests) which would enable the farmer or rancher to repay loans under this subtitle at the interest rates prescribed under section 307(a)(2);

"(B) does not need such limited resource loan as the result of excessive payments on nonessential farm or household items (including any homes, buildings, and vehicles of the farmer or rancher); and

"(C) does not have total credit needs from all sources in excess of $400,000.

"(b) The Secretary is also authorized to make such limited resource loans to any farm cooperative or private domestic corporation or partnership that is controlled by farmers and ranchers and engaged primarily and directly in farming or ranching in the United States if all of its members, stockholders, or partners, as applicable, are citizens of the United States and the entity and all such members, stockholders, or partners meet the requirements of clauses (2) through (6) of subsection (a).".

ELIGIBILITY FOR EMERGENCY LOANS

SEC. 206. (a) The first sentence of section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) by striking out "established farmers, ranchers, or persons engaged in aquaculture, who are citizens of the United States" in clause (1) and inserting in lieu thereof "farmers, ranchers, or persons engaged in aquaculture, who meet the eligibility requirements prescribed in section 302 or 311(a)"; and

(2) by striking out "are citizens of the United States" in clause (2) and inserting in lieu thereof "meet the eligibility requirements prescribed in section 302 or 311(a)".

(b)(1) Section 321 of such Act is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(2) Subsection (c) of section 321 of such Act (as redesignated by paragraph (1)(B) of this subsection) is amended to read as follows:

"(c) For purposes of this subtitle, the term 'aquaculture' means the husbandry of aquatic organisms under a controlled or selected environment.".

WRITTEN CREDIT DECLINATIONS FOR EMERGENCY LOANS

SEC. 207. Section 322(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1962(b)) is amended by striking out ": *Provided,*" and all that follows through the period at the end thereof and inserting in lieu thereof a period.

PURPOSE AND EXTENT OF EMERGENCY LOANS

SEC. 208. Section 323 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1963) is amended to read as follows:

"SEC. 323. Loans may be made or insured to farmers, ranchers, or persons engaged in aquaculture under this subtitle only to compensate such farmers, ranchers, or persons for the actual amount of losses in farming, ranching, or aquaculture operations caused by the disaster.".

EMERGENCY LOAN LIMITATIONS AND REPAYMENT

SEC. 209. (a) Subsections (a) and (b) of section 324 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964 (a) and (b)) are amended to read as follows:

"(a)(1) No loan made or insured under this subtitle may exceed the amount of the actual loss caused by the disaster or $200,000, whichever is less, for each disaster.

"(2) The total principal indebtedness outstanding at any one time for loans made or insured to a borrower under this subtitle may not exceed $400,000.

"(b) The interest rates on loans under this subtitle shall be such rates as are prescribed by the Secretary.".

(b) Section 324 of such Act is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) The first sentence of section 324(c) of such Act (as redesignated by subsection (b)(2) of this section) is amended by striking out ": *Provided further,* That for any direct" and all that follows through the period at the end thereof and inserting in lieu thereof a period.

SUBSEQUENT EMERGENCY LOANS

SEC. 210. Section 330 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1971) is repealed.

LOAN MORATORIUM

SEC. 211. (a) Effective only for the 1986 through 1999 crops, section 331A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981a) is amended to read as follows:

"SEC. 331A. (a) For purposes of this section, the term 'circumstances beyond the control of the borrower' includes, but is not limited to—

"(1) a reduction of the income of a borrower occurring after August 4, 1978, as a result of—

"(A) the unemployment, illness, or injury of the borrower;

"(B) the death of a member of the family of the borrower; or

"(C) the occurrence of a natural disaster, crop or livestock disease, insect damage, or adverse conditions in the farm economy (such as high interest rates, declining farm equity, or high cost of production relative to the market price for farm products); and

"(2) the occurrence of unplanned, essential farm and home operating expenses as a result of—

"(A) the illness or injury of the borrower;

"(B) the death of a member of the family of the borrower; or

"(C) the cost of repair, or uninsured loss, of property used to secure a loan made under this title.".

"(b) In addition to any other authority that the Secretary may have to defer principal and forego foreclosure, the Secretary shall, at the request of an eligible borrower described in subsection (c), defer principal and interest (in an amount determined under subsection (d)) on any outstanding loan made, insured, or held by the Secretary

under this Act, or under any other law administered by the Farmers Home Administration, and shall forego foreclosure of any such loan, for the period described in subsection (e).

"(c) To be eligible to receive assistance under this section, a borrower of a loan must demonstrate that—

"(1) due to circumstances beyond the control of the borrower, the borrower is temporarily unable to continue making payments of principal and interest due on such loan without unduly impairing the standard of living of the borrower; and

"(2) the borrower is able to project a positive cash flow in accordance with the loan rate schedule established under section 503(b) of the Agricultural Act of 1949 within the five year period beginning on the date of deferral.

"(d) The Secretary shall defer principal and interest on a loan under this section in an amount which the Secretary determines will permit the borrower of the loan to maintain an adequate minimum standard of living for the area of the borrower.

"(e) The Secretary shall continue to defer principal and interest, and forego foreclosure, in accordance with subsection (b) on a loan made to a borrower until the date on which a positive cash flow can be projected for the borrower in accordance with the loan rate schedule established under section 503(b) of the Agricultural Act of 1949.

"(f) The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period, except that if the security instrument securing such loan is foreclosed such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

"(g) If a borrower conveys property to the Secretary in connection with a loan made under this title, the Secretary shall permit the borrower to redeem the rights of the borrower in the property at any time during the five year period beginnning on the date of such conveyance.".

(b) To the extent practicable, the Secretary of Agriculture shall implement the amendment made by subsection (a) of this section no later than sixty days after the date of enactment of this Act.

LOAN DEFAULTS

SEC. 212. Subtitle D of the Consolidated Farm and Rural Development Act is amended by inserting after section 331B (7 U.S.C. 1981b) the following new section:

"SEC. 331C. (a) If a borrower defaults on a loan made or insured under this title, at least one hundred and twenty days before the commencement of any judicial or regulatory action or proceeding to accelerate indebtedness, foreclose, repossess, or otherwise execute upon such loan, the Secretary shall provide to the borrower of such loan by certified mail a written statement described in subsection (b).

"(b) The statement of default on a loan required under subsection (a) shall include a description of—

"(1) each default on such loan committed by the borrower;

"(2) in the case of a monetary default—

"(A) the delinquent amount of principal and interest due on such loan; and

"(B) the amount the Secretary would accept to make such loan current;

"(3) in the case of a nonmonetary default, actions which the borrower may take to remove such default; and

"(4) in the case of acceleration, a statement of the financial implications of acceleration and the right of the borrower under this section to remove the default and prevent acceleration.

"(c) If a borrower believes an error exists in the statement provided under subsection (a), the borrower may appeal the accuracy of such statement to the Secretary.

"(d) If within one hundred and twenty days of the date of issuance of a statement required by subsection (a) a borrower submits the full amount referred to in subsection (b)(2)(B) to remove any monetary default and performs the actions referred to in subsection (b)(3) to remove any nonmonetary default, the Secretary—

"(1) may not initiate any action or proceeding described in subsection (a) with respect to such default; and

"(2) shall reinstate the status the borrower held before such default occurred.".

COUNTY COMMITTEES

SEC. 213. Subsection (a) of section 332 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982(a)) is amended to read as follows:

"(a)(1) A county committee is established in each county or area in which activities are carried out under this title.

"(2) A committee shall consist of—

"(A) three members elected by farm operators residing in the county or area;

"(B) one member who represents the financial community in the county or area, appointed by the three elected members of the committee; and

"(C) one elected official in the county or area, appointed by the three elected members of the committee.

"(3) The term of office of a member of a committee shall be five years, except that the terms of office of the first members of a committee shall be for one-, two-, three-, four-, and five-year periods, respectively, as determined by the Secretary.

"(4) Vacancies on a committee shall be filled in the same manner as original appointment to the committee.

"(5) Members of the committee are removable by the Secretary only for cause.".

PROMPT APPROVAL OF LOANS AND LOAN GUARANTEES

SEC. 214. (a) Subtitle D of the Consolidated Farm and Rural Development Act is amended by inserting after section 333 (7 U.S.C. 1983) the following new section:

"SEC. 333A. (a)(1) The Secretary shall approve or disapprove the application for a loan or loan guarantee made under this title, and notify the applicant of such action, within forty-five days after the Secretary has received a completed application for such loan or guarantee.

"(2) If an application for a loan or loan guarantee under this title is incomplete, the Secretary shall inform the applicant of the reasons such application is incomplete within five days after the Secretary has received such application.

"(3) If an application for a loan or loan guarantee under this title is disapproved by the Secretary, the Secretary shall state the reasons for the disapproval in the notice required under paragraph (1).

"(b) If an application for an insured loan under this title is approved by the Secretary, the Secretary shall provide the loan proceeds to the applicant within five days (or such longer period as the applicant may approve) after the application for the loan is approved by the Secretary, except that, if the Secretary is unable to provide the loan proceeds to the applicant within such five-day period because sufficient funds are not available to the Secretary for such purpose, the Secretary shall provide the loan proceeds to the applicant as soon as practicable (but in no event five days unless the applicant agrees to a longer period) after sufficient funds for that purpose become available to the Secretary.

"(c) If an application for a loan or loan guarantee under this title is disapproved by the Secretary, but such action is subsequently reversed or revised as the result of an appeal within the Department of Agriculture or to the courts of the United States and the application is returned to the Secretary for further consideration, the Secretary shall act on the application and provide the applicant with notice of the action within five days after return of the application to the Secretary.

"(d) If the Secretary fails to comply with subsection (a), (b), or (c) on an application for a loan or loan guarantee that is approved by the Secretary, the Secretary shall—

"(1) for insured loans, reduce the interest payments due on the loan, or

"(2) for loan guarantees, make payments on behalf of the borrower to cover interest due to the lender on the loan,

in an amount calculated by multiplying the outstanding principal of the loan by that part of the annual rate of interest being charged for the loan that bears the same proportion to the full annual rate of interest as the period during which the Secretary was not in compliance with such subsection bears to a full year.

"(e) Upon receipt of an application for a loan or loan guarantee under this title, the Secretary shall inform the applicant of the requirements of this section.".

(b) The amendment made by subsection (a) shall be effective with respect to applications for loans or loan guarantees under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) received by the Secretary of Agriculture after the date of enactment of this Act.

FARM PROGRAM APPEALS

SEC. 215. Subtitle D of the Consolidated Farm and Rural Development Act is amended by inserting after section 333A (as added by section 214(a) of this Act) the following new section:

"SEC. 333B. (a) The Secretary shall provide an applicant for or borrower of a loan or loan guarantee under this title who has been directly and adversely affected by a decision of the Secretary taken under this Act (hereinafter in the section referred to as the 'appellant') with the right to written notice, an opportunity for an informal meeting, and an opportunity for a hearing on the record, with respect to such decision, in accordance with regulations promulgated by the Secretary consistent with this section.

"(b) Within ten days of such adverse decision, the Secretary shall provide the appellant with written notice of the decision, the opportunity for an informal meeting and formal hearing, and the procedure to appeal such decision (including any deadlines for filing appeals).

"(c)(1) An appellant shall have the right to—

"(A) access to the personal file of the appellant maintained by the Secretary, including a reasonable opportunity to inspect and reproduce the file at an office of the Farmers Home Administration located in the area of the appellant; and

"(B) representation by an attorney or nonattorney at an inspection and reproduction of files under clause (A), an informal meeting under subsection (d), and a formal hearing under subsection (e).

"(2) The Secretary may charge an appellant for any reasonable costs incurred in reproducing files under paragraph (1)(A).

"(d)(1) In order to provide an opportunity for parties to reconsider and resolve differences over decisions referred to in subsection (a) and to minimize the need for formal appeals of such decisions, the Secretary shall establish procedures for informal meetings between appellants and officials of the Farmers Home Administration to discuss such decisions.

"(2) In establishing procedures for an informal meeting between an appellant and official concerning a decision of the Secretary, the Secretary shall—

"(A) require the appellant and official to conduct an informal meeting, or to waive such meeting in accordance with clause (E), before a formal hearing may be conducted under subsection (e) on such decision;

"(B) preserve the rights of the appellant to further review under this section;

"(C) require completion of the informal meeting process (including notice of any reconsidered decision required under clause (F)) within thirty days after notice of the original adverse decision provided to the appellant under subsection (b);

"(D) provide for the direct involvment in the informal meeting of the official who originally made the decision and, if such official is a county supervisor of an office, the district director of the office;

"(E) permit a waiver of the informal meeting if the appellant and official agree that such process would likely not avoid a formal appeal under subsection (e); and

"(F) require the Secretary to provide the appellant with written notice of any reconsidered decision of the Secretary reached after such informal meeting or waiver and, in the case of an adverse reconsidered decision, the reasons therefor.

"(3) If an appellant and official agree to waive an informal meeting under paragraph (2)(E) with respect to a decision of the Secretary, the Secretary shall notify the appellant of the right of the appellant to a formal hearing on the decision under subsection (e).

"(4) For the purpose of an appeal, a reconsidered decision reached by the Secretary under paragraph (2)(E) shall become the record of the Secretary with respect to the original decision made by the Secretary.

"(e)(1) If an informal meeting is conducted or waived under subsection (d) with respect to the decision of the Secretary under this title and the reconsidered decision reached under subsection (d)(2)(E) remains adverse to the appellant, the appellant may request a hearing on such reconsidered decision before an administrative law judge appointed under section 3105 of title 5, United States Code, by filing a complaint with the Secretary within twenty days of notice of such reconsidered decision.

"(2) The Secretary may submit an answer to a complaint filed under paragraph (1).

"(3)(A) A hearing under this subsection shall take place within thirty days of the filing of the complaint of the appellant.

"(B) Such hearing shall be held at a Farmers Home Administration office located in—

"(i) the State in which the appellant resides or in which the farmland of the appellant is located; or

"(ii) an adjacent State if the office in the adjacent State is no more than five hundred miles from the location at which the appellant resides or the farmland of the appellant is located.

"(C) Evidence at such hearing may include the complaint of the appellant, the answer of the Secretary, the notice of any reconsidered decision, and any testimony by any official of the Farmers Home Administration, the appellant, and any relevant expert, except that affidavits by such official, appellant, and expert may be substituted for direct testimony when agreed to by the parties or allowed by the administrative law judge.

"(D) Such hearing shall be tape recorded and a transcript of such hearing shall be made available at cost upon the request of any party to the proceeding.

"(4)(A) The administrative law judge shall decide all questions of fact and law in a proceeding brought under this subsection and shall uphold, reverse, or modify the reconsidered decision of the Secretary.

"(B) The decision of the administrative law judge shall be final unless appealed pursuant to subsection (f).

"(5) Within ten days of the hearing, both parties to the proceeding shall be provided with a copy of the decision of the administrative law judge setting forth all findings of fact and reasons for the decision.

"(6) The Secretary shall report and make available to the public—

"(A) a decision of an administrative law judge reached under this subsection; and

"(B) a description of any subsequent action taken by the Secretary pursuant to subsection (f).

"(f)(1) If a party is aggrieved by the decision of an administrative law judge under subsection (e), such aggrieved party may request a review of the decision within ten days of the issuance of such decision.

"(2) Upon such request, the Secretary shall review the decision of the administrative law judge and make a determination on the record to modify, uphold, or reverse such decision.

"(3) The Secretary shall make such review and determination within twenty days of the request for review.

"(4) Such determination shall be the final administrative determination subject to judicial review.".

DISPOSITION AND LEASING OF FARMLAND

SEC. 216. (a) Section 335 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985) is amended—

(1) by inserting ", other than farmland," after "title" each place it appears in subsection (b) and the first sentence of subsection (c); and

(2) by adding at the end thereof the following new subsection:

"(e)(1) The Secretary shall to the extent practicable dispose or lease farmland administered under this title in the following order of priority:

"(A) Disposal of such farmland to limited resource borrowers who meet the eligibility criteria prescribed in section 310D(a).

"(B) Lease with an option to buy such farmland to such limited resource borrowers.

"(C) Disposal of such farmland to regular borrowers who meet the eligibility criteria prescribed in section 302.

"(D) Lease of such farmland to such limited resource borrowers.

"(E) Lease of such farmland to such regular borrowers.

"(F) Disposal of such farmland to owners or operators of family farms who do not meet the eligibility criteria prescribed in section 302.

"(2)(A) In carrying out paragraph (1)(A), the Secretary shall sell farmland to a qualified limited resource borrower at a price which reflects the average expected income of the borrower from the farmland.

"(B) If two or more qualified limited resouce borrowers desire to purchase such farmland, the county committee shall by record vote select the borrower who may obtain such farmland.

"(C) For each of the fiscal years 1985, 1986, and 1987, in addition to any funds required to be expended under section 346(c)(1), not less than 20 per centum of the funds provided to carry out subtitle (A) shall be used to dispose of such farmland to qualified limited resource borrowers in accordance with this subsection.

"(3) In carrying out paragraph (1)(B), the Secretary may not charge an interest rate on a lease or option provided under such paragraph which exceeds the interest rate charged on a similiar loan made or insured to a limited resource borrower under this title.

"(4)(A) In carrying out paragraph (1)(C), the Secretary may not dispose of farmland to a regular borrower who meets the eligibility criteria requirements prescribed in section 302 unless the Secretary—

"(i) has leased such farmland to a limited resource borrower under paragraph (1)(B) for a period of at least five years and is not able to dispose of such farmland to a qualified limited resource borrower under paragraph (1)(A);

"(ii) has provided a lease with an option to buy such farmland to a limited resource borrower under paragraph (1)(B) and the borrower has declined to exercise such option; or

"(iii) is unable to otherwise dispose or lease such property to a qualified limited resource borrower.

"(B) If a borrower cannot obtain sufficient credit elsewhere to finance the purchase of farmland under subparagraph (A), the Secretary shall make or insure a loan to the borrower to finance such purchase.

"(C) The interest rate on a loan made or insured under subparagraph (B) may not exceed the interest rate charged on a similar loan made or insured under this title, plus 1 per centum per annum.

"(5) In selecting tenants for leases of farmland under paragraph (1), the Secretary shall give special consideration to any previous owner or operator of such farmland who meets the eligibility criteria prescribed in section 302.".

"(6) If the Secretary determines that a tract of farmland administered under this title is not suitable for disposition or lease to eligible farm borrowers under subtitle A or B because such tract is larger than is necessary for family farm operations, the Secretary shall subdivide such tract into tracts suitable for family farm operations and dispose or lease such subdivided tracts in accordance with this subsection.

"(7)(A) If a borrower defaults on a loan made or insured under this title and secured with farmland and conveys the farmland to a purchaser who the county committee determines does not meet the eligibility requirements for a loan under this title, such purchaser may not assume any of the terms and conditions of the original loan.

"(B) If a borrower defaults on a loan made or insured under this title and secured with

farmland and conveys the farmland to a purchaser who the county committee determines meets the eligibility requirements for a loan under this title, such purchaser may assume any of the terms and conditions of the original loan.

"(C) The Secretary shall take all reasonable steps to assure that borrowers who meet the eligibility requirements for a loan under this title are given the maximum opportunity to purchase farmland described in subparagraph (B), including the refinancing of the original loan.

"(8) The Secretary shall—

"(A) conduct an ongoing search to identify limited resource borrowers and other borrowers who are eligible for the disposition of farmland administered under this title; and

"(B) sell or otherwise transfer such farmland to such borrowers as expeditiously as possible.

"(9) The Secretary shall—

"(A) publicize the availability of suitable farmland available under this title in local newspapers widely circulated in the county in which such farmland is located and in a prominent location at the local office of the Farmers Home Administration which serves such county; and

"(B) notify qualified limited resource borrowers and other borrowers under this title who might be interested in purchasing such farmland of the availability of such farmland.".

(b) The Secretary of Agriculture shall adopt—

(1) interim regulations to implement the amendment made by subsection (a) of this section no later than sixty days after the date of enactment of this Act; and

(2) final regulations to implement such amendment as soon as practicable thereafter.

RELEASE OF NORMAL INCOME SECURITY

SEC. 217. Section 335 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985) (as amended by section 216(a)(2) of this Act) is amended by adding at the end thereof the following new subsection:

"(f)(1) As used in this subsection:

"(A) The term 'normal income security' has the same meaning given such term in section 1962.17(b) of title 7, Code of Federal Regulations (as of January 1, 1984).

"(B) The term 'poverty line' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(2) The Secretary shall release from normal income security provided for a loan made or insured under this title amounts sufficient—

"(A) to assure that the income of the household of the borrower of such loan exceeds the poverty line by at least 50 per centum; and

"(B) to permit such borrower to pay necessary farm operating expenses incurred in the production, harvesting, or marketing of crops, livestock, poultry, or products, as determined by the Secretary.

"(3) To assist in the determination of necessary farm operating expenses under paragraph (2)(B), the Secretary shall publish a schedule of necessary annual production costs for each State or region.".

LOAN SUMMARY STATEMENTS

SEC. 218. Section 337 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1987) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) As used in this subsection, the term 'summary period' means—

"(A) the period beginning on the date of enactment of the Farm Policy Reform Act of 1985 and ending on the date on which the first loan summary statement is issued after such date of enactment; or

"(B) the period beginning on the date of issuance of the preceding loan summary statement and ending on the date of issuance of the current loan summary statement.

"(2) The Secretary shall issue at least annually to each borrower of a loan made or insured under this title a loan summary statement which describes the status during the summary period of each such loan made or insured under this title to such borrower, including a description of—

"(A) the outstanding amount of principal due on each such loan at the beginning of the summary period;

"(B) the interest rate charged on each such loan;

"(C) the amount of payments made on each such loan during the summary period;

"(D) the amount of principal and interest due on each such loan at the end of the summary period;

"(E) the allocation of the total amount of payments made on all such loans by the Secretary between each such loan and between principal and interest due on such loans, including a description of the system used by the Secretary to make such allocation;

"(F) the total outstanding amount of principal and interest due on all such loans at the end of the summary period;

"(G) any delinquency in the repayment of any such loan;

"(H) a schedule of the amount and date of payments due on each such loan; and

"(I) the procedure the borrower may use to obtain more information concerning the status of such loans.".

FAMILY FARM DEFINITION

SEC. 219. Section 343 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991) is amended—

(1) by striking out "and" at the end of clause (5); and

(2) by inserting before the period at the end thereof the following new clause: ", and (7) the term 'family farm' means a farm or ranch which is owned or operated by individuals (or in the case of cooperatives, corporations, and partnerships, by a majority of members, stockholders, or partners) who as determined by the county committee (A) manage such farm, (B) provide the majority of labor on such farm or ranch, and (C) meet such other criteria as are prescribed by the Secretary".

AUTHORIZATION OF LIMITED RESOURCE LOAN AMOUNTS

SEC. 220. (a) Section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994) is amended—

(1) by striking out subsections (b) and (d); and

(2) by redesignating subsections (c) and (e) and subsections (b) and (c), respectively.

(b) Section 346(c)(1) of such Act (as redesignated by subsection (a)(2) of this section) is amended—

(1) by striking out "20" each place it appears and inserting in lieu thereof "25"; and

(2) by striking out "fiscal year 1984" and inserting in lieu thereof "each fiscal year".

FARM AND HOME PLAN STUDY

SEC. 221. (a) The Secretary of Agriculture shall conduct a study of the appropriateness of the Farm and Home Plan (Form FmHA 431-2) used by the Farmers Home Administration in connection with loans made or insured under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

(b) In carrying out such study, if the Secretary finds the plan to be inappropriate, the Secretary shall—

(1) evaluate other available alternative farm plan forms for use in connection with such loans;

(2) evaluate the need to develop a new farm plan form for such use; and

(3) examine the steps which should be taken to improve or replace the current form.

(c) No later than one hundred and twenty days after the date of enactment of this Act, the Secretary shall report the results of the study required under this section to the Committee on Agriculture of the House of Representatives and the Committee on Agriculure, Nutrition, and Forestry of the Senate.

TITLE III—AGRICULTURAL EXPORTS AND IMPORTS

SUBTITLE A—AGRICULTURAL EXPORTS

SALES TO DEVELOPING COUNTRIES FOR FOREIGN CURRENCIES

SEC. 301. (a) Section 101 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701) is amended to read as follows:

"SEC. 101. In order to carry out the policies and accomplish the objectives set forth in section 2 of this Act, the President is authorized to negotiate and carry out agreements with friendly countries to provide for the sale of agricultural commodities—

"(1) for dollars on credit terms;

"(2) in the case of developing countries with a per capita gross national product of $500 or less, for foreign currencies on credit terms at an annual level which, to the extent practicable, is at least the higher of—

"(A) the level of such sales for foreign currencies provided during fiscal year 1985; or

"(B) 500,000 metric tons; or

"(3) in the case of other countries, to the extent that sales for dollars under the terms applicable to such sales are not possible, for foreign currencies on credit terms and on terms which permit conversion to dollars at the exchange rate applicable to the sales agreement.".

(b) Section 103 of such Act (7 U.S.C. 1703) is amended—

(1) by striking out "in dollars or in the types or kinds of currencies which can be converted into dollars" in subsection (k);

(2) by striking out subsection (m);

(3) by redesignating subsections (n) through (q) as subsections (m) through (p) respectively; and

(4) by inserting "pursuant to paragraph (3) of section 101" after "agreement" in subsection (o) (as redesignated by clause (3) of this subsection)).

(c) Section 104 of such Act (7 U.S.C. 1704) is amended by inserting "or entered into pursuant to paragraph (2) of section 101," after "January 1, 1972," in the matter preceding subsection (a).

(d) Section 106(a)(2) of such Act (7 U.S.C. 1706(a)(2)) is amended by striking out "and on terms which permit conversion to dollars" and inserting in lieu thereof "pursuant to paragraph (2) or (3) of section 101".

USE OF FOREIGN CURRENCY RECEIPTS FOR DEVELOPMENT ASSISTANCE PROGRAMS

SEC. 302. Section 104(h) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(h)) is amended by striking out ", at the request of such country," and inserting in lieu thereof "development assistance programs under chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2251 et seq.), including".

USE OF PRIVATE TRADE ENTITIES TO EXPAND PRIVATE ECONOMIC ENTERPRISE

SEC. 303. (a) Section 104 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704) is amended—

(1) by striking out "and" at the end of subsection (j);

(2) by inserting "and" after the semicolon at the end of subsection (k); and

(3) by adding at the end thereof the following new subsection:

"(l) For grants to private trade entities for use in the development and execution of projects which will result in the establishment of facilities designed to improve the storage or marketing of agricultural commodities or which will otherwise stimulate and expand private economic enterprise in a friendly country;".

(b) Section 103(b) of such Act (7 U.S.C. 1703(b)) is amended by striking out "and (h)" and inserting in lieu thereof "(h), and (l)".

INTERMEDIATE CREDIT

SEC. 304. (a) Section 4(b) of the Food for Peace Act of 1966 (7 U.S.C. 1707a(b)) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: "In addition, the Corporation may guarantee credits made to finance such sales.";

(2) by inserting ", and no credit may be guaranteed," after "financed" in paragraph (2);

(3) in paragraph (3)—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the period at the end of such paragraph and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new subparagraph:

"(E) otherwise to promote the export sales of agricultural commodities.";

(4) by striking out paragraphs (5), (6), and (7); and

(5) by redesignating paragraphs (8) and (9) as paragraphs (5) and (6), respectively.

(b) To the extent practicable, the Secretary shall carry out section 4(b) of such Act using not less than $500,000,000 for each of the fiscal years 1985 through 1988.

MINIMUM QUANTITY OF AGRICULTURAL COMMODITIES DISTRIBUTED FOR FAMINE RELIEF

SEC. 305. Section 201(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721(b)) is amended by striking out clauses (1) through (3) and inserting in lieu thereof the following new clauses:

"(1) for fiscal year 1985 shall be 2,000,000 metric tons, of which not less than 1,400,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program;

"(2) for fiscal year 1986 shall be 2,250,000 metric tons, of which not less than 1,575,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program;

"(3) for fiscal year 1987 shall be 2,500,000 metric tons, of which not less than 1,750,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program;

"(4) for fiscal year 1988 shall be 2,750,000 metric tons, of which not less than 1,925,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program;

"(5) for fiscal year 1989 shall be 3,000,000 metric tons, of which not less than 2,100,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program; and

"(6) for fiscal year 1990 and each fiscal year thereafter shall be 3,250,000 metric tons, of which not less than 2,275,000 metric tons shall be distributed through nonprofit voluntary agencies, cooperatives, and the World Food Program;".

(b) Section 201 of such Act is amended by adding at the end thereof the following new subsection:

"(c) No less than 60 percent of the minimum tonnage required under subsection (b) shall be in the form of processed and fortified foods.".

MULTIYEAR AGREEMENTS WITH NONPROFIT VOLUNTARY AGENCIES AND COOPERATIVES

SEC. 306. Section 202 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1722) is amended by adding at the end thereof the following new subsection:

"(c)(1) Except as provided in paragraph (2) and subject to the availability of appropriated funds and agricultural commodities, the President shall, to the extent practicable, enter into multiyear agreements with nonprofit voluntary agencies, cooperatives, and international organizations to make agricultural commodities available for distribution on a nonemergency basis under this section.

"(2) Paragraph (1) shall not apply to an agreement which the President determines should be limited to a single year because the agreement involves a new program of assistance.

"(3) In carrying out a multiyear agreement entered into under this subsection, a nonprofit voluntary agency, cooperative, and international organization shall not be required to obtain periodic approval from the United States Government in order to continue to conduct an assistance program under such agreement.".

DISASTER RESERVE

SEC. 307. Section 202 of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 306 of this Act) is amended by adding at the end thereof the following new subsection:

"(d) A nonprofit voluntary agency which enters into an agreement under this title shall maintain an operating reserve of at least 15 percent in order to provide assistance to areas which suffer from chronic drought or other natural disasters.".

PROCESSED PRODUCT AND FORTIFIED GRAIN RESERVE

SEC. 308. Section 202 of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 307 of this Act) is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of Agriculture shall maintain a reserve containing processed products and fortified grain in order to provide urgent relief to people in other countries in the event of an emergency.".

AUTHORIZATION OF APPROPRIATIONS TO REIMBURSE COMMODITY CREDIT CORPORATION FOR FAMINE RELIEF

SEC. 309. The first sentence of section 204 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1724) is amended by striking out "$1,000,000,000" and inserting in lieu thereof "$1,900,000,000".

AUTHORIZATION OF APPROPRIATIONS TO PURCHASE FOREIGN CURRENCIES FOR FAMINE RELIEF

SEC. 310. (a) The second sentence of section 204 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1724) is amended by striking out "$7,500,000" and inserting in lieu thereof "$95,000,000".

(b) Section 103(b) of such Act (7 U.S.C. 1703(b)) is amended by inserting ", the second sentence of section 204," after "section 104".

MULTILATERAL AGREEMENTS FOR FAMINE RELIEF

SEC. 311. Title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 207. (a) To the maximum extent practicable, the President shall enter into multilateral agreements with other food exporting nations in order to fulfill the food aid requirements of needy nations.

"(b) To the maximum extent practicable, the President shall include such provisions in such agreements as are necessary to assure that recipient nations become self-sufficient in meeting their food requirements, including a requirement that food exporting nations provide cash and other resources to recipient nations for such purpose.

"(c) The Commodity Credit Corporation may use any surplus stocks of the Corporation to carry out this section and title I of this Act.".

SUBTITLE B—AGRICULTURAL IMPORTS

AGRICULTURAL IMPORTS

SEC. 320. The Secretary of Agriculture shall, to the maximum extent practicable, exercise the authority provided to the Secretary under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) to examine and report to the President with respect to any imported articles which interfere with any program or operation undertaken by the Department of Agriculture or reduce the amount of products processed from agricultural commodities in the United States.

LABELING IMPORTED MEAT

SEC. 321. Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) by striking out "or" at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof a semicolon and " or"; and

(3) by adding at the end the following new paragraph:

"(13) If it is or was imported and if its labeling fails to bear the words 'imported', 'may have been imported', 'this product contains imported meat', 'this product may contain imported meat', 'this container contains imported meat', or 'this container may contain imported meat', as the case may be, or words to indicate its country of origin.".

(b) The amendments made by this section shall become effective one year after the date of enactment of this Act.

SERVING IMPORTED MEAT

SEC. 322. (a) For purposes of this section:

(1) The term "eating establishment" means any restaurant, cafeteria, lunch counter, lunchroom, soda fountain, food stand, saloon, tavern, bar, lounge, vending machine, or other similar facility (including any such facility located on the premises of any retail or recreational establishment), operated as a commercial enterprise engaged in the business of selling food to the public.

(2) The term "meat food product" shall have the meaning given to such term by section 1(j) of the Federal Meat Inspection Act (21 U.S.C. 601(j)).

(3) The term "Secretary" means the Secretary of Agriculture.

(b) Whoever—

(1) owns or operates an eating establishment;

(2) sells in such eating establishment a significant amount of meat or meat food products imported into the United States, or meat food products that, in the aggregate, contain a significant amount of meat imported into the United States; and

(3) knowingly fails, or knowingly permits any employee or agent to fail, to inform individuals purchasing food from such eating establishment of the fact that such meat or meat food products are sold therein—

(A) by displaying, in a conspicuous place in or on such eating establishment, a sign indicating such fact; or

(B) by indicating such fact on menus offered, posted, or otherwise made available to such individuals,

shall be issued a warning on the first occasion on which it is discovered that any such failure may have occurred and shall be fined an amount not to exceed $500 for each day on which any such failure occurs after receipt of such warning.

(c) No later than thirty days after the date of enactment of this Act, the Secretary shall issue regulations defining the term "signficant amount", as used in subsection (b)(2).

(d) Except as provided in subsection (c), this section shall become effective one year after the date of enactment of this Act.

TITLE IV—SOIL AND WATER CONSERVATION

SUBTITLE A—SOIL AND WATER CONSERVATION

TRAINING OF SOIL CONSERVATION SERVICE PERSONNEL

SEC. 401. Section 5 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590e) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b) The Secretary of Agriculture shall establish and carry out a program to improve, to the maximum extent practicable, the training of officers and employees of the service in carrying out the duties of the service.".

DRY LAND FARMING

SEC. 402. The first sentence of section 7(a) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g(b)) is amended—

(1) by striking out "and" at the end of clause (5); and

(2) by inserting before the period the following: ", and (7) the promotion of energy and water conservation through dry land farming".

LOCAL AND STATE COMMITTEES

SEC. 403. The fifth paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) is amended by adding at the end thereof the following new sentence: "To the maximum extent practicable, the Secretary of Agriculture shall take such actions as are necessary to strengthen the role of local and State committees in carrying out this Act.".

AGRICULTURAL CONSERVATION PROGRAM

SEC. 404. Section 8(d) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(d)) is amended by adding at the end thereof the following new paragraph:

"In order to be eligible to receive a payment or grant of aid made under the agricultural conservation program authorized by sections 7 through 15, 16(a), 16(f), and 17 of this Act and sections 1001 through 1008 and 1010 of the Agricultural Act of 1970 (16 U.S.C. 1501 through 1508 and 1510), a producer must use such payment or grant in accordance with a conservation plan approved by (1) the soil and water conservation district or districts in which the land described in the plan is situated, or (2) in areas where such district or districts does not exist or fails to act on the approval of such plan, the Secretary of Agriculture. In order to receive such approval, such plan must assure that soil loss levels on lands subject to such plan do not exceed the soil loss tolerance levels determined by the Secretary of Agriculture. The Secretary of Agriculture shall provide technical assistance to producers to assist producers in preparing such plans.".

CONSERVATION RESERVE PROGRAM

SEC. 405. The Soil Conservation and Domestic Allotment Act is amended by inserting after section 16A of such Act (16 U.S.C. 590p–1) the following new section:

"CONSERVATION RESERVE PROGRAM

"SEC. 16B. (a) In order to promote soil and water conservation practices on up to thirty million acres of erosion-prone land, the Secretary of Agriculture shall enter into contracts, subject to amounts provided in advance in appropriation Acts, for a term of ten years with producers determined by the Secretary to have control for the contract period of the farms covered by the contract.

"(b) Under the terms of such contract, the producer must agree—

"(1) to establish and maintain for the contract period protective vegetative cover, or other soil-, water-, wildlife-, or forest-conserving uses, on a specifically designated acreage on erosion-prone land on the farm regularly used in the production of crops;

"(2) not to devote such acreage to the production of agricultural commodities; and

"(3) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this section and to facilitate the practical administration of the conservation reserve program.

"(c)(1) In return for such agreement by the producer, the Secretary shall agree—

"(A) to bear such part of the cost of establishing and maintaining vegetative cover, water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this section, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

"(B) to make an annual payment to the producer for the term of the contract (in an amount determined by the Secretary in accordance with paragraph (2)) upon a determination that the producer has fulfilled the provisions of the contract entitling the producer to such payment.

"(2) The Secretary shall determine the amount of annual payments under paragraph (1)(B) on such basis as the Secretary determines will provide producers with a fair and reasonable return on the land diverted to conservation purposes, taking into consideration—

"(A) the productivity of the diverted land, as determined on the basis of farm program yields established by the Secretary;

"(B) the prevailing rates for cash rentals for similiar land in the same county or area;

"(C) the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program;

"(D) the erosiveness of the diverted land;

"(E) the extent to which the diverted land contributes to off-farm pollution of the environment; and

"(F) such other factors as the Secretary considers appropriate.

"(d) The Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage designated under an agreement entered into under this section to be devoted to hay and grazing.

"(e) The total amount of payments made to a producer under this section during a year may not exceed $50,000.

"(f) The Secretary shall limit the total acreage placed under contracts under this section in any State, county, or local community, so as not to affect adversely the economy of such State, county, or local community.

"(g) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section.".

WATER CONSERVATION PROGRAM

SEC. 406. The Soil Conservation and Domestic Allotment Act (as amended by section 405 of this Act) is further amended by inserting after section 16B of such Act the following new section:

"WATER CONSERVATION PROGRAM

"SEC. 16C. (a) In order to reduce the use of water from underground aquifers to irrigate land, the Secretary of Agriculture may enter into contracts, subject to amounts provided in advance in appropriation Acts, for a term of five years with producers determined by the Secretary to have control for the contract period (and the additional period referred to in subsection (b)(1)) of the farms covered by the contract.

"(b) Under the terms of such contract, the producer must agree—

"(1) during the contract period and an additional period specified in the contract of not less than five years, to not use water from underground aquifers under the farm to irrigate specifically designated acreage on land on the farm regularly used in the production of crops; and

"(2) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this section and to facilitate the practical administration of the water conservation program.

"(c)(1) In return for such agreement by the producer, the Secretary shall agree to make an annual payment to the producer for the term of the contract (in an amount determined by the Secretary in accordance with paragraph (2)) upon a determination that the producer has fulfilled the provi-

sions of the contract entitling the producer to such payment.

"(2) The amount of an annual payment made under paragraph (2) shall be an amount equal to the product obtained by multiplying 50 per centum by the difference between—

"(A) the productivity of the land under contract without the use of water from underground aquifers under the farm; and

"(B) the productivity of such land with the use of such water.

"(3) The determination of the productivity of land under paragraph (2) shall be based on farm program yields established by the Secretary.

"(d) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section.".

SUBTITLE B—HIGHLY ERODIBLE LAND CONSERVATION AND WETLANDS

DEFINITIONS

SEC. 410. As used in this subtitle—

(1) the term "agricultural commodity" means any agricultural commodity planted and produced by annual tilling of the soil, or on an annual basis by one-trip planters;

(2) the term "conservation district" means any district or unit of State or local government formed under State or territorial law for the express purpose of developing and carrying out a local soil and water conservation program, whether referred to as a conservation district, soil conservation district, soil and water conservation district, resource conservation district, natural resource district, land conservation committee, or by any similar name;

(3) the term "wetland", except when such term is part of the term "converted wetland", means land that has a predominance of hydric soils and that is inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and that under normal circumstances does support, a prevalence of hydrophytic vegetation typically adapted for life in saturated soil conditions;

(4) the term "converted wetland"—

(A) means wetland that has been drained, dredged, filled, leveled, or otherwise manipulated (including any activity that results in impairing or reducing the flow, circulation, or reach of water) for the purpose or to have the effect of making the production of agricultural commodities possible if—

(i) such production would not have been possible but for such action; and

(ii) before such action—

(I) such land was wetland; and

(II) such land was neither highly erodible land nor highly erodible cropland, as defined in this section; but

(B) does not include—

(i) artificial lakes, ponds, or wetland created by excavating or diking non-wetland to collect and retain water for purposes such as water for livestock, fish production, irrigation, settling basins, cooling, rice production, or flood control;

(ii) wet areas created by water delivery systems or the application of water for irrigation;

(iii) wetland on which production of agricultural commodities is possible as a result of natural conditions, such as drought, and without actions by the producer that destroy natural wetland characteristics; or

(iv) wetland on which such production is possible as a result of actions by the producer whose cumulative and individual effect on the hydrological and biological values of the wetlands is minimal, as determined by the Secretary under regulations prescribed by the Secretary in consultation with the Secretary of the Interior;

(5) the term "field" means that term as defined in section 718.2 of title 7 of the Code of Federal Regulations, except that—

(A) any highly erodible land and any converted wetland on which an agricultural commodity is produced after the date of the enactment of this Act and that is not exempt under section 1203 shall be considered as part of the field in which such land was included on that date of enactment; and

(B) the Secretary shall provide for modification of the boundaries of fields to effectuate the purposes and facilitate the practical administration of this subtitle;

(6) the term "highly erodible land" means land—

(A) that is classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VI, VII, or VIII land under the land capability classification system in effect on the date of the enactment of this Act; or

(B) that, if used to produce an agricultural commodity, would have an excessive average annual rate of erosion in relation to the soil loss tolerance level, as established by the Secretary, and as determined by the Secretary through application of factors from the universal soil loss equation and the wind erosion equation, including factors for climate, soil erodibility, and field slope;

and, for the purposes of this paragraph, the land capability class or rate of erosion for a field shall be that determined by the Secretary to be the predominant class or rate of erosion under regulations issued by the Secretary;

(7) the term "highly erodible cropland" means highly erodible land that is in cropland uses, as determined by the Secretary; and

(8) the term "Secretary" means the Secretary of Agriculture.

PROGRAM INELIGIBILITY FOR PRODUCTION ON HIGHLY ERODIBLE LAND OR CONVERTED WETLAND

SEC. 411. (a) Except as provided in section 412 and notwithstanding any other provision of law, following the date of the enactment of this Act any person who in any crop year produces an agricultural commodity on highly erodible land or on converted wetland shall be ineligible, as to any commodity produced during that crop year by such person, for—

(1) any type of price support or payments made available under the Agricultural Act of 1949, the Commodity Credit Corporation Charter Act, or any other Act;

(2) a farm storage facility loan under section 4(h) of the Commodity Credit Corporation Charter Act;

(3) crop insurance under the Federal Crop Insurance Act;

(4) a disaster payment under the Agricultural Act of 1949; or

(5) a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land, or conversion of wetlands (other than as provided in this section) to produce agricultural commodities.

(b) The Secretary shall issue regulations defining the term "person" and prescribing rules to govern determinations of persons who shall be ineligible for program benefits under this section so as to ensure fair and reasonable determination of ineligibility, including regulations that protect the interests of landlords, tenants, and sharecroppers. The ineligibility under subsection (a) of a tenant or sharecropper for benefits shall not cause a landlord to be ineligible for benefits for which the landlord would otherwise be eligible with respect to commodities produced on wetlands other than those operated by the tenant or sharecropper.

EXEMPTIONS

SEC. 412. (a) No person shall become ineligible for program loans, payments, and benefits, as provided under section 411, as the result of the production of a crop of an agricultural commodity—

(1) except as otherwise provided in section 414(m), on any land that was cultivated to produce any of the 1981 through 1985 crops of agricultural commodities or that was set aside, diverted, or otherwise not cultivated under provisions of a Department of Agriculture program for any such crops to reduce production of an agricultural commodity;

(2) planted before the date of the enactment of this Act;

(3) planted during any crop year beginning before the date of the enactment of this Act;

(4) on highly erodible land in an area—

(A) within a conservation district, under a conservation system that has been approved by the conservation district after it has been determined that the conservation system is in conformity with technical standards set forth in the Soil Conservation Service technical guide for that conservation district; or

(B) not within a conservation district, under a conservation system determined by the Secretary to be adequate for the production of an agricultural commodity on highly erodible land;

(5) on highly erodible land that is planted in reliance on the determination by the Soil Conservation Service that the land is not highly erodible land, but the exemption under this paragraph shall not apply to any crop that was planted on any land after the Soil Conservation Service determines that the land is highly erodible land;

(6) on converted wetland if the land became converted wetland before the date of the enactment of this Act; or

(7) on wetland that became converted wetland—

(A) within a conservation district, in accordance with a wetland conservation plan that has been approved by the conservation district under regulations prescribed by the Secretary in consultation with the Secretary of the Interior acting through the United States Fish and Wildlife Service; or

(B) not within a conservation district, in accordance with a wetland conservation plan that has been approved by the Secretary under regulations prescribed by the Secretary in consultation with the Secretary of the Interior acting through the United States Fish and Wildlife Service.

(b) Section 411 shall not apply to any loan made before the date of the enactment of this Act.

COMPLETION OF SOIL SURVEYS

SEC. 413. The Secretary shall, as soon as practicable, complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this subtitle, and, insofar as possible, concentrate on those localities where significant amounts of highly erodible land are being converted

to the production of agricultural commodities.

CONSERVATION RESERVE PROGRAM

SEC. 414. (a) Notwithstanding any other provision of law, the Secretary shall formulate and carry out a program, in accordance with this section, of contracts with owners and operators of highly erodible cropland to assist them in conserving and improving the soil and water resources of their farms or ranches. Under the program, the Secretary shall not place under contract more than 25 percent of the cropland in any one county.

(b)(1) To carry out this section, except as otherwise provided in paragraph (2), during the period beginning October 1, 1985, and ending September 30, 1990, the Secretary shall enter into conservation reserve contracts, covering in the aggregate not in excess of 20 million acres of highly erodible cropland, with owners and operators of highly erodible cropland. Each such contract under this subsection shall be not less than ten years in duration; and in each such contract, the owner and operator shall agree to—

(A) effectuate during the contract period a plan approved by the local conservation district (or, in an area not within a conservation district, a plan approved by the Secretary) or, if the plan involves conversion to trees, a plan approved by the appropriate State forestry agency, for converting highly erodible cropland normally devoted to the production of an agricultural commodity on the farm or ranch into a less intensive use, such as pasture, permanent grass or legumes, forbs, shrubs, or trees, substantially in accordance with the schedule outlined therein, except to the extent that any requirements thereof are waived or modified by the Secretary;

(B) forfeit all rights to further payments under the contract and refund to the United States all payments, with interest, received thereunder on the violation of the contract at any stage during the time the owner or operator has control of the land if the Secretary, after considering the recommendations of the soil conservation district and the Soil Conservation Service, determines that the violation is of such a nature as to warrant termination of the contract, or make refunds or accept such payment adjustments as the Secretary may deem appropriate if the Secretary determines that the violation by the owner or operator does not warrant termination of the contract;

(C) on transfer of the owner's or operator's right and interest in the farm or ranch during the contract period, forfeit all rights to further payments under the contract and refund to the United States all payments received thereunder, or accept such payment adjustments or make such refunds as the Secretary may deem appropriate and consistent with the objectives of this section, unless the transferee agrees with the Secretary to assume all obligations under the contract;

(D) not conduct, during the term of the contract, any harvesting or grazing nor otherwise make commercial use of the forage on land that is subject to the contract, nor adopt any similar practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract, except that the Secretary may permit harvesting or grazing or other commercial use of the forage on land that is subject to the contract in response to a drought or other similar emergency;

(E) not conduct, during the term of the contract, any planting of trees on land that is subject to the contract unless the contract specifies that the harvesting and commercial sale of such trees as Christmas trees is prohibited, nor otherwise make commercial use of trees on land that is subject to the contract unless it is expressly permitted in the contract, nor adopt any similar practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract. No contract shall prohibit activities consistent with customary forestry practice, such as pruning, thinning (including, but not limited to, thinning that results in commercial pulpwood and fence post harvesting), or stand improvement of trees, on lands converted to forestry use; and

(F) such additional provisions as the Secretary determines are desirable and are included in the contract to effectuate the purposes of the program or to facilitate the practical administration thereof.

(2) Notwithstanding any provision of paragraph (1) that is inconsistent with this paragraph, as a part of the program, in addition to the conservation reserve contracts provided for under paragraph (1), the Secretary shall remove up to 5 million additional acres of highly erodible cropland from production through long-term conservation reserve contracts, of up to 10 years in duration, with the owners and operators of such cropland. Contract payments made to the owners and operators of highly erodible cropland under this paragraph shall be made in surplus agricultural commodities held by the Commodity Credit Corporation, except that, if the Secretary determines that sufficient stocks of commodities will not be available or that payment in commodities under this paragraph will have a depressing effect on the market price of such commodities, the Secretary may make such payments in cash.

(c) The plan, as described in subsection (b)(1)(A), for converting highly erodible cropland normally devoted to the production of agricultural commodities on a farm or ranch to a less intensive use shall set forth the conservation measures and practices to be installed by the owner or operator during the contract period and the commercial use, if any, to be made of the land during such period and may provide for the permanent retirement of any existing cropland base and allotment history for the land.

(d)(1)(A) In return for such agreement by the owner and operator, the Secretary shall agree to—

(i) provide technical assistance;

(ii) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost-sharing is appropriate and in the public interest; and

(iii) pay an annual land rental fee, for a period of years not in excess of the duration of the contract, necessary for converting highly erodible cropland normally devoted to the production of an agricultural commodity on the farm or ranch to a less intensive use and necessary for obtaining the retirement of any cropland base and allotment history that the owner and operator agree to retire permanently.

(B) The Secretary shall provide payment to each contracting party—

(i) with respect to any cost-share payment obligation incurred by the Secretary under the contract, as soon as possible after the obligation is incurred; and

(ii) with respect to any annual land rental fee obligation incurred by the Secretary under the contract, as soon as practicable after October 1 of each calendar year, except that the Secretary, at the Secretary's discretion, may pay any such fee prior to such date at any time during the year that the obligation is incurred.

(2) A reduction, based on a ratio between the total cropland acreage on the farm and the acreage placed in the conservation reserve, as determined by the Secretary, shall be made during the period of the contract in crop bases, quotas, and allotments with respect to crops for which there is a production adjustment program.

(3) No persons who enter into a contract under this section for a farm or ranch may receive annual rental fees applicable to the farm or ranch under the contract in excess of $50,000 per year. The Secretary shall issue regulations defining the term "persons", as used in this paragraph, and prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation contained in this paragraph; and the rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970, under section 101 of the Agricultural Act of 1970.

(e) The Secretary shall pay 50 per centum of the cost of installing, and maintaining for the normally expected lifespan, conservation measures and practices set forth in contracts under this section for which the Secretary determines that cost-sharing is appropriate and in the public interest.

(f)(1) In determining the amount of annual land rental to be paid for converting highly erodible cropland normally devoted to the production of an agricultural commodity to less intensive use, the Secretary may consider, among other things, the amount necessary to encourage owners and operators of highly erodible cropland to participate in the program under this section. The total amount payable to owners and operators in the form of annual land rental fees under contracts entered into under this section may be determined through the submission of bids in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate.

(2) In determining the acceptability of contract offers, the Secretary may take into consideration the extent of erosion on the land that is the subject of the contract and the productivity of the acreage diverted and may, where appropriate, accept contract offers that provide for the establishment of—

(A) shelterbelts and windbreaks; or

(B) permanently vegetated stream borders, filter strips of permanent grass, forbs, shrubs, and trees that will reduce sedimentation substantially.

(g) Except as otherwise provided in this section, payments under this section—

(1) shall be made in cash or in commodities in such amount and on such time schedule as agreed on and specified in the contract; and

(2) may be made in advance of determination of performance.

(h) If a person who is entitled to any payment or compensation under this section dies, becomes incompetent, or disappears before receiving the payment or compensation, or is succeeded by another who renders or completes the required performance, the Secretary shall make or provide the payment or compensation, in accordance with appropriate regulations and without regard

to any other provisions of law, in such manner as the Secretary determines to be fair and reasonable in light of all the circumstances.

(i)(1) No contract shall be entered into under this section concerning land with respect to which the ownership has changed in the three-year period preceding the first year of the contract period unless—

(A) the new ownership was acquired by will or succession as a result of the death of the previous owner;

(B) the new ownership was acquired before January 1, 1985; or

(C) the Secretary determines that the land was acquired under circumstances that give adequate assurance that such land was not acquired for the purpose of placing it in the program.

(2) Paragraph (1) shall not prohibit the continuation of an agreement by a new owner after an agreement has been entered into under this section, nor require a person to own the land as a condition of eligibility for entering into the contract if the person has operated the land to be covered by a contract under this section for at least three years preceding the date of the contract or since January 1, 1985, whichever is later, and controls the land for the contract period.

(j) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under the program.

(k) The Secretary may terminate any contract under this section by mutual agreement with the owner and operator if the Secretary determines that termination would be in the public interest, or may agree to any modification of contracts as the Secretary may determine to be desirable to carry out the purposes of this section or facilitate its administration, or to be in the public interest.

(l) Notwithstanding section 411, the Secretary, by appropriate regulation, may provide for preservation of cropland base and allotment history applicable to acreage converted from the production of agricultural commodities under this section, for the purpose of any Federal program under which the history is used as a basis for participation in the program or for an allotment or other limitation in the program, unless the owner and operator agree under the contract to retire permanently that cropland base and allotment history.

(m) In the event of the termination of a contract under subsection (b)(1)(B) or (k) and on expiration of the term of any contract entered into under subsection (b), the highly erodible cropland that was the subject of such contract shall be considered highly erodible cropland for the purposes of section 411.

(n) The Secretary may carry out the program under this section through the Commodity Credit Corporation. There are authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to reimburse the Commodity Credit Corporation for any amounts expended by it in accordance with this section and not previously reimbursed.

(o) The Secretary shall consider for inclusion in the program under this section those lands that are not highly erodible lands but that pose an off-farm environmental threat or, if permitted to remain in production, pose a threat of continued degradation of productivity due to soil salinity.

ADMINISTRATIVE PROVISIONS

SEC. 415. (a) In addition to the appropriations authorized under section 414(n), there are hereby authorized to be appropriated such other sums as may be necessary to carry out this subtitle.

SATISFYING REQUIREMENT WITH HIGHLY ERODIBLE CROPLAND

SEC. 416. If any land is required to be set aside, diverted, or otherwise not cultivated under the provisions of a program under this title, the producer shall satisfy such requirement to the extent possible with highly erodible cropland (as defined in section 1201 of the Food Security Act of 1985). Any such highly erodible land so set aside, diverted, or not cultivated, during a period of four succeeding crop years shall be excluded from any crop acreage base for any program crop (as computed under section 604 of the Agricultural Act of 1949).

(b) In carrying out this subtitle, the Secretary shall use the services of local, county, and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act, and the technical services of the Soil Conservation Service, the Forest Service, State foresters or equivalent State officials, and conservation districts.

(c) The Secretary shall establish, by regulation, an appeal procedure under which a person who is adversely affected by any determination made under this subtitle may seek review of such determination.

(d) The Secretary shall, within 180 days after the enactment of this subtitle publish in the Federal Register such regulations as the Secretary determines desirable to implement this subtitle.

(e) The authority provided by this subtitle shall be in addition to and not in place of other authorities available to the Secretary and the Commodity Credit Corporation for carrying out soil and water conservation programs.

TITLE V—FOOD ASSISTANCE PROGRAMS

SUBTITLE A—FOOD STAMP PROGRAM

ADJUSTMENT OF THRIFTY FOOD PLAN

SEC. 501. Clause (8) of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)(8)) is amended to read as follows: "(8) on October 1, 1985, and each October 1 thereafter, adjust the cost of such diet to reflect the average cost of the thrifty food plan for the fiscal year beginning on such date, as projected by the Secretary on the basis of the best data available, and round the result to the nearest lower increment for each household size;".

EARNED INCOME DEDUCTION

SEC. 502. The third sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking out "18 per centum" and inserting in lieu thereof "20 per centum".

DEPENDENT CARE AND EXCESS SHELTER DEDUCTIONS

SEC. 503. The fourth sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

(1) by striking out "the same as that for the excess shelter expense deduction contained in clause (2) of this subsection," in clause (1) and inserting in lieu thereof "$160";

(2) by striking out ", or (2)" and inserting in lieu thereof "and (2)";

(3) in the proviso of clause (2)—

(A) by striking out "$115" and inserting in lieu thereof "$175"; and

(B) by striking out "$200, $165, $140, and $85" and inserting in lieu thereof "$260, $225, $200, and $145"; and

(4) by striking out ", or (3)" and all that follows through the period and inserting in lieu thereof a period.

CALCULATION OF INCOME

SEC. 504. (a) Section 5(f)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(2)) is amended—

(1) by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(B) Household income for all other households shall be calculated either on a prospective basis as provided in paragraph (3)(A) or on a retrospective basis as provided in paragraph (3)(B), as elected by the State agency under regulations prescribed by the Secretary."; and

(2) by striking out subparagraph (C).

(b) The first sentence of section 6(c)(1) such Act (7 U.S.C. 2015(c)(1)) is amended by inserting "that elect to use a system of retrospective accounting in accordance with section 5(f) of this Act" after "State agencies".

SUPPLEMENTATION OF ALLOTMENTS

SEC. 505. The third sentence of section 5(f)(3)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(3)(B)) is amended by inserting "and for supplementing the allotments of households that experience during a month sudden and significant losses of income of more than $100" before the period at the end thereof.

RESOURCE LIMITATIONS

SEC. 506. Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended—

(1) by striking out "$1,500" and "$3,000" in the first sentence and inserting in lieu thereof "$2,250" and "$3,500", respectively; and

(2) by striking out "$4,500" in the second sentence and inserting in lieu thereof "$5,500".

PERSONAL PROPERTY LIMITATIONS

SEC. 507. Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(k)(1) For the purposes of this subsection:

"(A) The term 'civil jurisdiction' means—

"(i) a city with a population of fifty thousand or more people, based on the most recently available estimates of the Bureau of the Census;

"(ii) a town or township in the State of New Jersey, New York, Michigan, or Pennsylvania with a population of fifty thousand or more people, based on the most recently available estimates of the Bureau of the Census, that possesses powers and functions similar to those of cities;

"(iii) a county or parish, except those counties or parishes that contain any civil jurisdiction included in clause (i) or (ii);

"(iv) the balance of a county or parish consisting of a county or parish less any component civil jurisdiction included in clause (i) or (ii); or

"(v) a county equivalent that is a town in the State of Massachusetts, Rhode Island, or Connecticut.

"(B) The term 'high unemployment area' means—

"(i) an area classified as a surplus labor area by the Secretary of Labor; or

"(ii) a civil jurisdiction in which the unadjusted unemployment rate, as determined monthly by the Bureau of Labor Statistics

of the Department of Labor, has not been less than 10 per centum during the most recent six-month period for which information is available.

"(2) Notwithstanding subsection (g), if a household is located in a high unemployment area or an area experiencing a high rate of farm foreclosures (as determined by the Secretary), the personal property held by such household that is excluded from the resource limitations imposed for nonliquid assets under subsection (g) shall be included in the resources of such household for purposes of determining the eligibility of the household for participation in the food stamp program unless the household disposes of such property in the manner, and within the period of time (not to exceed four months), prescribed by the Secretary.

"(3) Any coupons issued to a household during the period for which disposal of property is required under paragraph (2) shall be—

"(A) conditioned on the disposal of the property; and

"(B) considered an overissuance of coupons if—

"(i) at the time of the disposal, the Secretary determines that the coupons would not have been issued if the disposal had occurred at the beginning of the period for which such coupons were issued; or

"(ii) at the end of the authorized disposal period, the property is not disposed of by the household.

"(4) To carry out this subsection, the Secretary shall—

"(A) obtain from the Secretary of Labor information necessary to determine which areas and civil jurisdictions in each State are high unemployment areas;

"(B) determine which areas and civil jurisdictions in each State are experiencing a high rate of farm foreclosures; and

"(C) supply relevant information referred to in clause (A) and (B) to State agencies.".

FOOD STAMP INFORMATION

SEC. 508. Clause (A) of section 11(e)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended to read as follows: "(A) conduct public information activities reasonably designed to inform low-income households about the availability, eligibility requirements, and benefits of the food stamp program; and".

AUTHORIZATION FOR APPROPRIATIONS

SEC. 509. The first sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended to read as follows: "To carry out this Act, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending September 30, 1986, and each fiscal year thereafter through the fiscal year ending September 30, 1989.".

SUBTITLE B—CHILD NUTRITION PROGRAMS

SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 520. (a) The second sentence of section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended—

(1) by inserting ", private nonprofit organizations," after "governments" in clause (B);

(2) by striking out "50 percent" in clause (C) and inserting in lieu thereof "33⅓ percent";

(3) by striking out "and" at the end of clause (D); and

(4) by inserting before the period at the end thereof the following: ", and (F) 'private nonprofit organizations' means organizations (including summer camps) that (i) operate at not more than fifteen sites (or, if a waiver under subsection (i)(2) is granted, at not more than twenty sites); (ii) use self-preparation facilities to prepare meals or obtain meals from a public facility (such as a school district, public hospital, or State university); and (iii) meet the requirements of subsection (i)".

(b) Section 13 of such Act is amended by inserting after subsection (h) the following new subsection:

"(i)(1) A private nonprofit organization shall be eligible to provide services under a program authorized by this section during a year only if the organization—

"(A) operates in an area where a school food authority or the local, municipal, or county government has not indicated by March 1 of such year that such authority or such unit of government will operate such program in such year;

"(B) exercises full control and authority over the operation of such program at all sites under its sponsorship;

"(C) provides ongoing year-round activities for children;

"(D) demonstrates adequate management and fiscal capacity to operate such program; and

"(E) meets applicable State and local health, safety, and sanitation standards.

"(2) The Secretary may waive the limitation of fifteen sites imposed under subsection (a)(1)(F) for participation in the program authorized by this section, and permit a private nonprofit organization to operate up to twenty sites and maintain eligibility to participate in such program, if such organization demonstrates to the satisfaction of the Secretary that a need for such additional sites exists and that such organization has the capability to serve such additional sites.".

SCHOOL BREAKFASTS

SEC. 521. (a) Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) To the extent practicable, the Secretary shall increase by 6 cents the annually adjusted level of payments authorized for each breakfast served under this Act and section 17 of the National School Lunch Act (42 U.S.C. 1766) in order to assist States in improving the nutritional quality of such breakfasts.

"(B) A State or local source may not diminish the amount of funds expended to provide such breakfasts as a result of funds received under this paragraph.".

(b)(1) The Secretary of Agriculture shall review and revise the nutrition requirements for meals served under the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) in order to improve the nutritional quality of such meals, taking into consideration—

(A) the findings of the National Evaluation of School Nutrition Programs; and

(B) the need to provide increased flexibility in meal planning to local school food authorities.

(2) No later than one hundred and eighty days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate regulations to implement the revisions referred to in paragraph (1).

SUBTITLE C—FOOD DISTRIBUTION PROGRAMS

COMMODITY SUPPLEMENTAL FOOD PROGRAM

SEC. 530. Section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended by striking out "during fiscal years 1982, 1983, 1984, and 1985" and inserting in lieu thereof "during the period beginning October 1, 1985, and ending September 30, 1989".

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

SEC. 531. (a) Section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "1985" and inserting in lieu thereof "1989".

(b) The first sentence of section 1114(a) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e) is amended by inserting "to eligible recipient agencies for distribution under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note)," after "food service,".

SUBTITLE D—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 540. This title and the amendments made by this title shall become effective on October 1, 1985.

TITLE VI—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 601. Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

By Mr. BADHAM:

—Page 432, strike out line 18 and all that follows thereafter through page 433, line 4, and redesignate the succeeding sections accordingly.

By Mr. BEDELL:

—On page 124, line 14, strike the quotation mark and the second period.

On page 124, after line 14, add a new section as follows:

"PROGRAM BASES

"SEC. 509. Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 503, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605."

—EXPORT OF VALUE-ADDED COMMODITIES

On page 258, after line 24, insert the following new clause (ii) and redesignate the following clauses accordingly:

"(ii) livestock and poultry;

On page 259, line 7, strike all that follows through the period after "in clauses (i)" and insert in lieu thereof the following:

", (ii), and (iii) that are produced or processed in the United States.".

—On page 278, line 16, add the word "and" following the semicolon.

On page 278, line 23, strike "; and" and insert a period in lieu thereof.

On page 278, beginning on line 24, strike paragraph (11).

On page 279, beginning on line 6, strike all that follows through line 18 on page 282, and insert in lieu thereof the following:

"EXPORT MARKET DEVELOPMENT REPORT

"SEC. 1154. In order to implement the findings set forth in section 1153, not later than one year after the date of enactment of this Act, the Secretary of Agriculture, in conjunction with the Administrator of the Agency for International Development, and in consultation with the Secretary of State and the United States Trade Representative, shall submit to the President and the Congress a report that—

"(1) contains a global analysis that evaluates future production and food needs in

the world, with special attention to the developing countries;

"(2) identifies a minimum of fifteen target countries that are most likely to emerge as growth markets for agricultural commodities and products thereof in the next five to ten years; and

"(3) contains a detailed plan for using available export and food aid authorities to increase United States exports of agricultural commodities and products thereof to each of such target countries, and specifies the particular export and food aid authorities to be used in each such country and the manner in which such authorities are to be used. Each year thereafter, through fiscal year 1990, the Secretary shall submit a revised report to the President and the Congress that evaluates the progress made in implementing the plan, contains any changes that need to be made in the plan based on changed conditions, and recommends any changes in legislative authorities that are needed to accomplish the objectives of this section."

—Page 385, after line 23, insert the following new section (and redesignate references and succeeding sections accordingly):

INCOME FROM SELF-EMPLOYMENT

SEC. 1508. Section 5(f)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(1)(A)) is amended by adding at the end thereof the following: "Notwithstanding the preceding sentence, if the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in business, the State agency shall calculate the self-employment income based on anticipated earnings.".

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

REFERENDA AND PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT AND FEED GRAINS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA AND PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT AND FEED GRAINS

"FINDINGS AND POLICY

"SEC. 501. (a) Congress finds that—

"(1) wheat and feed grains are essential agricultural commodities for the Nation, are produced throughout the United States by hundreds of thousands of farmers, and along with their products flow in substantial amounts through instrumentalities of interstate and foreign commerce from producers to consumers;

"(2) abnormally excessive and abnormally deficient supplies of wheat and feed grains on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce; and

"(3) interstate and foreign commerce in wheat and feed grains, and their products, should be protected from burdensome surpluses and disruptive shortages, a supply of the commodities should be maintained to meet domestic consumption needs and export demand, and soil and water resources of the Nation should not be squandered in the production of surplus burdensome supplies of the commodities.

"(b) It hereby is declared to be the policy of Congress that it is in the interest of the general welfare to assist in the marketing of wheat and feed grains for domestic consumption and export; to regulate interstate and foreign commerce in the commodities to the extent necessary to provide an orderly, adequate, and balanced flow of the commodities in interstate and foreign commerce; and to provide loans and other means to maintain farm income for producers of the commodities, reduce excess production, and enable consumers to obtain an adequate and steady supply of such commodities at fair prices.

"CONSUMER SAFEGUARDS

"SEC. 502. The powers conferred under this title shall not be used to discourage the production of supplies of food and animal feed sufficient to meet normal domestic and export needs, as determined by the Secretary. In carrying out the purposes of this title, the Secretary shall give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair both to producers and consumers.

"WHEAT AND FEED GRAIN REFERENDA

"Sec. 503. (a) The Secretary shall conduct a referendum by secret ballot of wheat and feed grain producers every two years to determine whether they favor or oppose the national marketing certificate program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop, not later than July 1, 1989.

"(b) Any producer on a farm with a wheat or feed grain crop acreage base of fifteen or more acres for the than current crop, as determined under title VI, shall be eligible to vote in a referendnum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the result of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in the referendum are in favor of the implementation of the national marketing certificate program, the Secretary shall proclaim that a national marketing certificate program will be in effect for—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat and feed grains;

"(2) with respect to the referendum held not late than July 1, 1987, the 1988 and 1989 crops of wheat and feed grains; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat and feed grains.

"(d) If marketing certificates are not approved by producers in a referendum conducted under this section with respect to any crop of wheat or feed grains, in lieu of a national marketing certificate program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat and feed grains as provided for elsewhere in this Act.

"NATIONAL MARKETING CERIFICATE PROGRAM—WHEAT

"SEC. 504. (a) Notwithstanding any other provision of this Act, if a national marketing certificate program for a crop of wheat is approved under section 503, the Secretary shall make available to producers on each farm loans and purchases for such crop of wheat for an amount of wheat produced on the farm equal to the individual farm program acreage for the crop, as determined under subsection (c) or (e) of section 107D (as limited under subsection (b)), times the farm's program yield for the crop of wheat, as determined under title VI. Loans and purchases shall be made available during the marketing year for any such crop of wheat at such level as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat, except that the level of wheat loans and purchases for any such marketing year may not be established at less than $4.50 per bushel of wheat.

"(b) Notwithstanding the provisions of section 107D, if a national marketing certificate program for a crop of wheat is approved under section 503, the individual farm program acreages for such crop may not be established at less than 65 per centum of each farm's wheat crop acreage base for the crop.

"(c)(1) The Secretary shall make available to producers on each farm marketing certificates for any of the 1986 through 1990 crops of wheat for which a national marketing certificate program is in effect. The amount of such marketing certificates made available to the producers on a farm for a crop shall equal an amount of wheat determined by multiplying the individual farm program acreage for the crop, as determined under subsection (c) or (e) of section 107D (as limited under subsection (b)), by the farm's program yield for the crop of wheat, as determined under title VI.

"(2) A marketing certificate applicable to a crop of wheat issued to a producer shall authorize such producer to market, barter, or donate, without restriction, an amount of wheat equal to the amount of such marketing certificate. Wheat may not be marketed, bartered, or donated domestically by a producer without a marketing certificate, except that wheat not accompanied by a marketing certificate may be used for feed, human consumption, or other purposes on the farm of the producer, or may be sold or otherwise transferred by the producer for export.

"(3) Wheat accompanied by a marketing certificate that is sold or otherwise transferred for export shall be eligible for an export incentive payment on such wheat, as provided in section 1125 of the Food Security Act of 1985.

"(4) Wheat accompanied by a marketing certificate that is marketed, bartered, or donated domestically and purchased or otherwise acquired by a domestic user of such wheat may be eligible for an incentive payment, as determined by the Secretary, to assure that such wheat and the products

thereof remain competitive in the domestic market for such wheat and wheat products.

"(5) If for any crop, wheat that the producer harvests exceeds the amount of the commodity that may be marketed, bartered, or donated by the producer under a marketing certificate, the excess may be used for feed, human consumption, or other purposes on the farm of the producer, or sold or otherwise transfered for export. In addition, such excess may be carried over by the producer from one marketing year to the succeeding marketing year and marketed under a certificate in the succeeding, marketing year to the extent that (A) the total amount of such wheat available for marketing under a certificate from the farm in the marketing year from which such commodity is carried over does not exceed the amount of the marketing certificates made available to the producers on the farm for that crop, and (B) the total amount of wheat available for marketing under a certificate in the succeeding marketing year (that is, the sum of the amount of such wheat carried over and the amount of wheat produced on the farm eligible for marketing certificates in the succeeding year) does not exceed the amount of marketing certificates made available to the producers on the farm for the succeeding marketing year.

"(6) Marketing certificates made available to a producer of wheat shall not be transferable, except to the extent that such certificates accompany wheat that is marketed, bartered, or donated under paragraph (2), and any such transfer that does not accompany wheat shall render such certificates null and void.

"(7) Wheat harvested in a calendar year in which marketing certificates are made available to producers for the marketing year beginning therein may not be marketed by a producer under a certificate prior to the date on which such marketing year begins.

"(8) No person may purchase or otherwise acquire an amount of wheat in excess of the amount of wheat that may be marketed, bartered, or donated under marketing certificates issued under this title and held or readily available, except wheat that must be exported may be acquired as provided under paragraph (2).

"(9) If marketing certificates for wheat are not made available to producers for any crop, all previous marketing certificates applicable to wheat shall be terminated, effective as of the first day of the marketing year for such crop of wheat.

"(10) Except as otherwise provided in this title, the disaster payment, program yield, program acreage, acreage reduction, paid diversion, and related provisions of section 107D shall apply to producers of wheat for which a national marketing certificate program is in effect under this title.

"PENALTIES WITH RESPECT TO WHEAT

"SEC. 505. (a)(1) Notwithstanding any other provision of this Act, except as provided in subsection (b), if a producer fails to comply with any term or condition of a wheat program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment under this Act for the crop of wheat involved.

"(2) Except as provided in subsection (c), during the marketing year for any crop of wheat for which marketing certificates are made available to producers, if any person markets, barters, or donates wheat other than for export without marketing certificates issued under section 504 or markets, barters, or donates an amount of wheat for domestic use in excess of the amount of wheat the person is permitted to market, barter, or donate under such cetificates, the Secretary shall—

"(A) assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the wheat so marketed, bartered, or donated, or

"(B) with respect to a producer, decrease the number of acres of farm's individual farm program acreage for wheat such producer may devote to production for the succeeding crop of wheat by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A).

"(3) If a person, knowingly purchases or otherwise acquires an amount of wheat for any purpose other than export in excess of the amount of wheat that may be marketed, bartered, or donated by such person under marketing certificates issued under this title and held or readily available to such person, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the wheat so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a wheat program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments under this Act to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary otherwise determines that the penalties provided for in subsection (a) are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"(e) The prohibitions and penalties for marketing, bartering, donating, purchasing, or otherwise acquiring wheat set out in this section or section 504 shall apply to wheat in unprocessed or processed form, and to products of wheat, prior to the conversion of such wheat or wheat products into end-use food or other products or intermediate-use products in which the wheat or wheat product loses its separate identity.

"NATIONAL MARKETING CERTIFICATE PROGRAM—FEED GRAINS

"SEC. 506(a)(1) Notwithstanding any other provision of this Act, if a national marketing certificate program for a crop of feed grains is approved under section 503, the Secretary shall make available to producers on each farm loans and purchases for such crop of feed grains for an amount of feed grains produced on the farm equal to the individual farm program acreage for the crop, as determined under subsection (c) or (e) of section 105C (as limited under subsection (b)), times the farm program yield for the crop, as determined under title VI.

"(2) Loans and purchases shall be made available during the marketing year for any such crop of corn at such level as the Secretary determines will maintain the competitive relationship of feed grains to other grains in domestic and export markets after taking into consideration the cost of producing feed grains, supply and demand conditions, and world prices for feed grains, except that the level of corn loans and purchases for the 1986 through 1990 marketing years may not be established at less than $3.25 per bushel of corn.

"(3) Loans and purchases shall be made available for a crop of grain sorghums, barley, oats, or rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level most loans and purchases are made available for corn under this subsection, taking into consideration the feeding value of such commodity in relation to corn and other factors specified in section 401(b) of this Act.

"(b) Notwithstanding the provisions of section 107D, if a national marketing certificate program for a crop of feed grains is approved under section 503, the individual farm program acreages for such crop may not be established at less than 80 per centum of each farm's feed grains crop acreage base for the crop.

"(c)(1) The Secretary shall make available to producers on each farm marketing certificates for any of the 1986 through 1990 crops of feed grains for which a national marketing certificate program is in effect. The amount of such marketing certificates made available to the producers on a farm for a crop shall equal an amount of feed grains determined by multiplying the individual farm program acreage for the crop, as determined under subsection (c) or (e) of section 105C (as limited under subsection (b)), by the farm's program yield for the crop, as determined under title VI.

"(2) A marketing certificate applicable to a crop of feed grains issued to a producer shall authorize such producer to market, barter, or donate, without restriction, an amount of feed grains equal to the amount of such marketing certificate. Feed grains may not be marketed, bartered, or donated domestically by a producer without a marketing certificate, except that feed grains not accompanied by a marketing certificate may be used for feed, human consumption, or other purposes on the farm of the producer, or may be sold or otherwise transferred by the producer for export.

"(3) Feed grains accompanied by a marketing certificate that are sold or otherwise transferred for export shall be eligible for an export incentive on such feed grains, as provided in section 1125 of the Food Security Act of 1985.

"(4) Feed grains accompanied by a marketing certificate that are marketed, bartered, or donated domestically and purchased or otherwise acquired by a domestic user of such feed grains may be eligible for an incentive payment, as determined by the Secretary, to ensure that such feed grains and the products thereof remain competitive in the domestic market for such feed grains and feed grains products.

"(5) If for any crop, feed grains that the producer harvests exceed the amount of the commodity that may be marked, bartered, or donated by the producer under a marketing certificate, the excess may be used for feed, human consumption, or other purposes on the farm of the producer, or sold or otherwise transferred for export. In addition, such excess may be carried over by the producer from one marketing year to the succeeding marketing year and marketed under a certificate in the succeeding marketing year to the extent that (A) the total amount of such feed grains available for marketing under a certificate from the farm in the marketing year from which such commodity is carried over does not exceed the amount of the marketing certificates made available to the producers on the farm for that crop, and (B) the total amount of feed grains available for marketing under a certificate in the succeeding marketing year (that is, the sum of the amount of such feed grains carried over and the amount of feed

grains produced on the farm eligible for marketing certificates in the succeeding year) does not exceed the amount of marketing certificates made available to the producers on the farm for the succeeding marketing year.

"(6) Marketing certificates made available to a producer of feed grains shall not be transferable, except to the extent that such certificates accompany feed grains, that are marketed, bartered, or donated under paragraph (2), and any such transfer that does not accompany feed grains shall render such certificates null and void.

"(7) Feed grains harvested in a calendar year in which marketing certificates are made available to producers for the marketing year beginning therein may not be marketed by a producer under a certificate prior to the date on which such marketing year begins.

"(8) No person may purchase or otherwise acquire an amount of feed grains in excess of the amount of feed grains that may be marketed, bartered, or donated under marketing certificates issued under this title and held or readily available, except that feed grains that must be exported may be acquired as provided under paragraph (2).

"(9) If marketing certificates for feed grains are not made available to producers for any crop, all previous marketing certificates applicable to feed grains shall be terminated, effective as of the first day of the marketing year for such crop of feed grains.

"(10) Except as otherwise provided in this title, the disaster payment, program yield, program acreage, acreage reduction, paid diversion, and related provisions of section 105C shall apply to feed grains and producers of feed grains for which a national marketing certificate program is in effect under this title.

"PENALTIES WITH RESPECT TO FEED GRAINS

"SEC. 507.(a)(1) Notwithstanding any other provision of this Act, except as provided in subsection (b), if a producer fails to comply with any term or condition of a feed grain program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment under this Act for the crop of feed grains involved.

"(2) Except as provided in subsection (c), during the marketing year for any crop of feed grains for which a marketing certificate is made available to producers if any person markets, barters, or donates feed grains other than for export without a marketing certificate issued under section 506 or markets, barters, or donates an amount of feed grains for domestic use in excess of the amount of the commodity the person is permitted to market, barter, or donate under such certificates, the Secretary shall—

"(A) assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the feed grains so marketed, bartered, or donated, or

"(B) with respect to a producer, decrease the number of acres of the farm's individual farm program acreage for feed grains such producer may devote to production for the succeeding crop of feed grains by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A).

"(3) If a person knowingly purchases or otherwise acquires an amount of feed grains for any purpose other than export in excess of the amount of feed grains that may be marketed, bartered, or donated by such person under marketing certificates issued under this title and held or readily available to such person, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the feed grains so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a feed grain program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments under this Act to the producers, the Secretary may take loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary otherwise determines that the penalties provided for in subsection (a) are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"(e) The prohibitions and penalties for marketing, bartering, donating, purchasing, or otherwise acquiring feed grains set out in this section and section 506 shall apply to feed grains in unprocessed or processed form, and to products of feed grains, prior to the conversion of such feed grains or feed grain products into end-use food or other products or intermediate-use products in which the feed grains or feed grain product loses its separate identity.

"PROGRAM BASES

"SEC. 508. Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 503, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605.

"NONAPPLICABILITY OF NONRECOURSE LOAN LIMIT

"SEC. 509. The limitations established under section 405(b), as effective for the 1986 through 1990 crops, shall not apply to loans that a person may receive with respect to any crop of wheat or feed grains for which the national marketing certificate program provided for under this title is in effect.

"FEES OR QUANTITATIVE LIMITATIONS

"SEC. 510. In carrying out the provisions of this title, the Secretary shall advise the President, as necessary, under section 22 of the Agricultural Adjustment Act of 1933, reenacted by the Agricultural Marketing Agreements Act of 1937, of the need to impose fees or quantitative limitations on any article or articles that may be imported, to ensure that such article or articles that may be imported do not render ineffective the loan and purchase programs authorized under this title.

"TRANSITION REGULATIONS

"SEC. 511. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out this title, including procedures to ensure the equitable treatment of producers with wheat or feed grains under loan at such time that the marketing certificate program authorized under this title takes effect.

"(b) The procedures prescribed under subsection (a) shall offer such producers the opportunity to extend the period of such loans, forfeit the grain securing such loans, or continue to store such grain in a manner that will reduce to the Government the cost of otherwise acquiring and storing such grain. In no case shall such procedures require producers to redeem grain held under section 110.

"USE OF THE COMMODITY CREDIT CORPORATION

"SEC. 512. The Secretary shall carry out programs provided for under this title through the Commodity Credit Corporation.

"ADMINISTRATIVE PROVISIONS

"SEC. 513. The provisions of sections 372(d), 373, 375, and 376 of the Agricultural Adjustment Act of 1938, as amended by section 452 of the Food Security Act of 1985, shall apply to the programs in effect under this title for any of the 1986 through 1990 crops of wheat or feed grains.".

"TECHNICAL AMENDMENTS

"SEC. 552. (a) Effective of each of the 1986 through 1990 crops of wheat and feed grains, the Agricultural Adjustment Act of 1938 is amended by—

(1) in section 301(b)(6)—

(A) inserting "(excluding wheat and corn with respect to any crop in which a program is in effect under title V of Agricultural Act of 1949", and (B) adding at the end thereof the following:

"(D) 'Market', in the case of wheat and feed grains of any crop for which a program is in effect under title V of the Agricultural Act of 1949, means to dispose of by voluntary or involuntary sale or exchange.";

(2) inserting "or title V of the Agricultural Act of 1949" after "this Act" both places that phrase appears in section 372(d);

(3) in section 373—

(A) striking out "corn" both places that word appears in the first sentence of subsection (a) and inserting in lieu thereof "feed grains";

(B) inserting "and title V of the Agricultural Act of 1949" after "this title" in the second sentence of subsection (a); and

(C) striking out "corn, wheat" in subsection (b) and inserting in lieu thereof "feed grains", and inserting "and title V of the Agricultural Act of 1949" after "this title";

(4) in section 375(a), inserting "other feed grains," after "corn", and inserting "or title V of the Agricultural Act of 1949" after "this title"; and

(5) inserting "and title V of the Agricultural Act of 1949" after "this title" both places it appears in section 376.

"(b) Effective for each of the 1986 through 1990 crops of wheat and feed grains, section 401(c) of the Agricultural Act of 1949 (7 U.S.C. 1421(c)) is amended by inserting after the first sentence the following: "Compliance by the producer with requirements under title V, if programs under title V are in effect for a crop, shall be required as a condition of price support.".

By Mr. BENNETT:

—Page 509, after line 6, insert the following:

STRATEGIC STOCKPILE AUTHORITY

SEC. 1896. Of the commodities in the Commodity Credit Corporation or otherwise under the Department of Agriculture stores, one half thereof as of January 1, 1986, shall be available for sale or barter with the proceeds to be used to furnish materials for the Strategic Stockpile without further appropriations therefor. Such sales or barter can be made within the United States or abroad and may be undertaken between the United States and other sovereign countries. To the extent that the assets of the Commodity Credit Corporation are reduced by this process, the full faith and credit of the United States shall be substituted therefor. The

Commodity Credit Corporation shall take appropriate action to protect fully the assets of the commodity credit corporation on the basis of the established value at the time of transfer of the assets for sale or barter. In such sales or barter the commodities need not be sold or bartered at a profit and no such sale or barter shall be effected which in the judgment of the Commodity Credit Corporation will seriously adversely affect production or prices in the United States or elsewhere.

H.R. 2100

By Mr. BEREUTER:

—Title 18, on page 509 following line 13 add the following new section:

DISCRETIONARY EMERGENCY RELIEF

SEC. 1896 (a) The Secretary of Agriculture shall at his discretion utilize any available authorized and appropriated funds for the following purposes in states the Secretary determines to have highly stressed agricultural economies:

(1) Mental health counseling services, including farm crisis hotlines and referrals to other state social service agencies;

(2) Programs designed to assist farmers, ranchers and other agricultural producers in farm management and record-keeping;

(3) Payments to supplement existing state agency programs which provide funds to distressed farm families for emergency utility, housing, food and child care needs;

(4) Career counseling, including vocational assessment and job training skills.

(b) The dispursal of such discretionary funds shall be pursuant to a Memorandum of Understanding between the individual state governments of the affected states and the United States Department of Agriculture.

—Title 11, on page 282 following line 18 add the following new section:

STUDY RELATING TO BRAZILIAN ETHANOL IMPORTS

SEC. 1155. The Secretary of Agriculture shall conduct a study to determine the impact that the import of Brazilian ethanol has on the domestic price of corn and other grains and the domestic ethanol refining industry. The Secretary of Agriculture shall also, in consultation with the International Trade Commission and the United States Trade Representative, determine what relief should be granted because of the interference of subsidized Brazilian ethanol with the domestic ethanol industry. Not later than 60 days after the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition and Forestry of the Senate.

—Title 11, on page 274 after line 18 add the following new section:

STUDY TO REDUCE FOREIGN EXCHANGE RISK

SEC. 1132. The Secretary of Agriculture shall conduct a study to determine the feasibility, practibility and cost of implementing a program to reduce the risk of foreign exchange fluctuations that is incurred by the purchasers of United States agricultural exports under United States export credit promotion programs. The purpose of the study is to examine whether the GSM-102 program and all other U.S. export credit initiatives relating to agricultural exports would be enhanced by the United States assuming the foreign exchange risk of the buyer which resulted from a rise in the value of the United States dollar compared to the trade-weighted index of the dollar. The index referred to is the "trade-weighted index" published by the Department of Commerce as a measurement of the relative buying power of the dollar compared to the currencies of nations trading with the United States. The elements of the program to be considered in this study would include the following:

(1) On the date a foreign buyer receives GSM-102 or other credit for purposes of purchasing United States agricultural products, the maximum loan repayment exchange rate would be tied to the trade-weighted value of the United States dollar on the same date.

(2) If in the future the United States dollar gains in strength, (a higher trade-weighted index), the buyer would continue to repay the loan at the lower value fixed at the time the GSM-102 credit was extended.

(3) If the United States dollar falls in value during the term of the repayment period, the foreign buyer could calculate his repayment on the lower dollar value.

(b) Not later than six months after the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition and Forestry of the Senate.

—Title II, on page 36, line 25 strike out "two hundred million" and insert in lieu thereof "three hundred and fifty million"

—Title XIII Page 331, following line 8, insert the following new subsection:

(i) Notwithstanding any of the foregoing in this section a state may exempt itself from the provisions of this section by joint agreement of the directors of the state agencies for banking or finance and for agriculture if that state, acting pursuant to state law, has adopted or does adopt a widely accessible, computerized central filing or central information access system.

—Title 11, on page 242, after line 4, insert the following new section: "Title II of Public Law 480—Minimum Allocation of Donated Cargoes through the Great Lakes.

SEC. . Effective October 1, 1985, title II of the Agriculture Trade Development and Assistance Act of 1954 (7 U.S.C. 1721-1726) is amended by adding at the end thereof the following: 'Not less than 33 per centum of the agricultural commodities made available for distribution in each calendar year under this title shall be shipped out of the Great Lakes ports.'."

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

LIMITATION ON REQUIREMENTS

SEC. 1141. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end thereof the following: "Export activities of the Corporation under this Act and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act shall not be subject to cargo preference requirements.".

—Title 11, on page 274 following line 18 add the following new section:

STUDY TO REDUCE BRAZILIAN SOYBEAN PRODUCT EXPORTS AND EXCHANGE PER CAPITA BRAZILIAN FOOD CONSUMPTION

SEC. 1132. (a) The Secretary of Agriculture shall conduct a study to determine the feasibility, practibility and cost of implementing a program in agreement with the government of Brazil designed to concommitantly reduce the level of Brazilian soybean product exports and enchance the per capita Brazilian food consumption. Such program would contain the following:

(1) If the Brazilian government will agree to reduce its exports of soybeans and soybean products by two million metric tons below its average export volume over the last three marketing years (while maintaining its soybean production at the same level during the three year period), the United States will transfer to Brazil out of surplus C.C.C. stocks an amount of wheat equivalent to the value of the soybeans and products held off the world market.

(2) In return, Brazil would have to agree to use the soybeans and products domestically to increase the food supply to its people. The commodities withheld from the export market could not be used for the production of chicken or pork which might later be exported, nor could Brazil reduce its soybean production and use the land to increase the production of other crops.

(3) Brazil would in addition agree to use the wheat received from the United States for domestic consumption only.

(4) Any agreement between the United States and Brazil would be valid for three marketing years unless terminated by mutual agreement by both Brazil and the United States.

(b) Not later than six months after the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition and Forestry of the Senate.

—Page 275, after line 11, insert the following new section:

LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or any other law, with respect to any United States shipping company which has received in the current year $250,000 in ocean freight differentials.

—Page 275, after line 11, insert the following new section:

LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or any other law, if such exports are transported in United States-flag vessels which are more than 15 years old.

—Page 275, after line 11, insert the following new section:

LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or any other law, to the extent that ocean freight charges for such exports are more than $10 per metric ton higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels.

—Page 275, after line 11, insert the following new section:

TRANSFER OF RESPONSIBILITIES

SEC. 1142. (a) Section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) is amended to read as follows:

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities; except that no funds or assets of the Corporation may be used to pay for, or otherwise finance, the ocean freight charges for any such export to the extent that such charges are higher than would otherwise be the case by reason of a requirement that the commodity be transported in United States-flag vessels.".

(b) Notwithstanding any other provision of law, the Maritime Administration shall pay the ocean freight charges for the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or other law, to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. There are authorized to be appropriated to the Department of Commerce, for each fiscal year after fiscal year 1985, such sums as may be necessary to pay the ocean freight charges paid in accordance with the preceding sentence by the Maritime Administration during such year.

—Page 275, after line 11, insert the following new section:

TRANSFER OF RESPONSIBILITIES

SEC. 1142. (a) Section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) is amended to read as follows:

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities; except that no funds or assets of the Corporation may be used to pay for, or otherwise finance, the ocean freight charges for any such export to the extent that such charges are higher than would otherwise be the case by reason of a requirement that the commodity be transported in United States-flag vessels.".

(b) Notwithstanding any other provision of law, the Department of Defense shall pay the ocean freight charges for the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or other law, to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. There are authorized to be appropriated to the Department of Defense, for each fiscal year after fiscal year 1985, such sums as may be necessary to pay the ocean freight charges paid in accordance with the preceding sentence by the Department of Defense during such year.

—Page 275, after line 11, insert the following new section:

LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corportation Charter Act (15 U.S.C. 714c(f)), or any other law, to the extent that ocean freight charges for such exports are more than 25 percent higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels.

By Mr. BOULTER:

—Page 75, line 9, strike out "July 1" and insert in lieu thereof "May 1".

Page 77, line 24, strike out "July 1" and insert in lieu thereof "May 1".

Page 79, line 6, strike out "July 1" and insert in lieu thereof "May 1".

—Page 195, line 20, strike out "July 1" and insert in lieu thereof "May 1".

By Mr. BROWN of Colorado:

—Page 115, line 23, insert "or may be sold as feed to producers of livestock, pork, or poultry" before the period.

Page 120, line 23, insert "or may be sold as feed to producers of livestock, pork, or poultry" before the period.

—Page 213, line 4, insert "(including any producer approved program under title V of this Act)" after "programs".

By Mr. BRUCE:

—On page 332, after line 21, insert the following:

"FMHA LOAN APPEAL STUDY

"SEC. 1317. (a)(1) The Secretary of Agriculture shall conduct a study concerning the administrative appeals procedure used under the farm loan programs of the Farmers Home Administration.

"(2) In conducting such study, the Secretary shall examine—

"(A) the number and type of appeals initiated by loan applicants and borrowers;

"(B) the extent to which initial administrative actions are reversed on appeal;

"(C) the reasons that administrative actions are reversed, modified, or sustained on appeal;

"(D) the number and disposition of appeals in which the loan applicant or borrower is represented by legal counsel;

"(E) the quantity of time required to complete action on appeals and the reasons for delays;

"(F) the feasibility of the use of administrative law judges in the appeals process; and

"(G) the desirability of electing members of county committees established under section 332 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982).

"(b) Not later than September 1, 1986, the Secretary shall submit a report describing the results of the study required under this section to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

By Mr. COLEMAN of Missouri:

—Page 110, strike out line 1, and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, AND SOYBEAN PROGRAMS

REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

"WHEAT, FEED GRAIN, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, and soybean producers every two years to determine whether they favor or oppose the national farm acreage payment program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat, feed grain, or soybean crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that two-thirds or more of the producers of wheat, feed grains, and soybeans (including 50 per centum or more of the producers of each of the following commodities: wheat, feed grains, and soybeans) voting in the referendum in favor of the implementation of a national farm acreage payment program, the Secretary shall proclaim that a national farm acreage payment program will be in effect for the crops of wheat, feed grains, and soybeans produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat, feed grains, and soybeans;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat, feed grains, and soybeans; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat, feed grains, and soybeans.

"(d) In the event that a national farm acreage payment program is approved for the 1986 crops of wheat, feed grains, and soybeans, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that the program will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If a national farm acreage payment program is not approved by producers in a referendum conducted under this section with respect to any crop of wheat, feed grains, or soybeans, in lieu of a national farm acreage payment program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grains, and soybeans as provided for elsewhere in this Act.

"PAYMENTS TO PRODUCERS

"SEC. 502. (a) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans in an amount as provided in this subsection. Payments for any farm shall be computed by multiplying (1) the payment rate, by (2) the smaller of (A) the number of acres in the farm acreage base for the farm or (B) 2,000 acres.

"(b) The payment rate shall be—

"(1) for the 1986 crops of wheat, feed grains, soybeans, $50; and

"(2) for the 1987 through 1990 crops of such commodities, not less than 90 per centum of the previous year's rate and not more than the 1986 rate.

"(c)(1) The Secretary shall make payments under this section during the calendar year corresponding to the crop year for which such payment is made, taking into account market conditions, the availability of credit to producers, and the need of producers for enhanced cash flow. In no event shall payments under this section be made later than October 1 of such calendar year.

"(2) The Secretary may adjust the payment rate under subsection (b) between commodities, taking into account such factors as the relationship between the historical price levels of such commodities.

"(d) As a condition of eligibility for loans and payments under this title—

"(1) the producers on a farm shall limit the number of acres planted to wheat, feed grains, and soybeans during a crop year on such farm to the number of acres that is equal to the farm acreage base for such farm for the 1986 crop year; and

"(2) the producers on a farm shall participate in any acreage limitation program—

"(A) in the case of wheat, announced under section 107D(e)(1), except that for the 1986 crop of wheat acreage on a farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the crop reduced by a total of 20 percent and thereafter shall be subject to the discretion of the Secretary;

"(B) in the case of feed grains announced under section 103(i)(4)(A), except that for the 1986 crop of feed grains acreage on a farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by a total of 10 percent and thereafter shall be subject to the discretion of the Secretary; or

"(C) in the case of soybeans, a program which the Secretary may establish comparable to the program announced for wheat under section 107D(e)(1) of this Act, except that the reduction in the soybean acreage base shall be subject to the discretion of the Secretary.

"(e) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify dealines and other program requirements in cases in which lateness or failuree to meet such other requirements does not affect adversely the operation of the program.

"LOANS TO PRODUCERS

"SEC. 503. The Secretary shall make available to proucers loans for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans at a level, for each such crop of such commodity, equal to—

"(1) in the case of the 1986 and 1987 crops, 75 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years, and

"(2) in the case of the 1988 through 1990 crops, 70 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years.

The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year for which such level applies based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than the first day of the second month of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

"MISCELLANEOUS PROVISIONS

"(a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

"(b) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this title.

"(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis, and shall, to the extent practicable, ensure that owners and renters of land are treated equitably under this title."

By Mr. COLEMAN of Missouri:

—Page 113, lines 3 and 4, strike out "60 per centum" and insert in lieu thereof "two-thirds".

—Page 393, strike out line 19 and all that follows through line 4 on page 394.

—Page 110, strike out line 1, and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, AND SOYBEAN PROGRAMS

REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

"WHEAT, FEED GRAIN, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendun by secret ballot of wheat, feed grain, and soybean producers every two years to determine whether they favor or oppose the national farm acreage payment program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat, feed grain, or soybean crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that two/thirds or more of the producers of wheat, feed grains, and soybeans (including 50 per centum or more of the producers of each of the following commodities: wheat, feed grains, and soybeans) voting in the referendum in favor of the implementation of a national farm acreage payment program, the Secretary shall proclaim that a national farm acreage payment program will be in effect for the crops of wheat, feed grains, and soybeans produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat, feed grains, and soybeans;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat, feed grains, and soybeans; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat, feed grains, and soybeans.

"(d) In the event that a national farm acreage payment program is approved for the 1986 crops of wheat, feed grains, and soybeans, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that the program will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If a national farm acreage payment program is not approved by producers in a referendum conducted under this section with respect to any crop of wheat, feed grains, or soybeans, in lieu of a national farm acreage payment program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grains, and soybeans as provided for elsewhere in this Act.

"PAYMENTS TO PRODUCERS

"SEC. 502. (a) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans in an amount as provided in this subsection. Payments for any farm shall be computed by multiplying (1) the payment rate, by (2) the smaller of (A) the number of acres in the farm acreage base for the farm or (B) 2,000 acres.

"(b) The payment rate shall be—

"(1) for the 1986 crops of wheat, feed grains, soybeans, $50; and

"(2) for the 1987 through 1990 crops of such commodities, not less than 95 per centum of the previous year's rate and not more than the 1986 rate.

"(c)(1) The Secretary shall make payments under this section during the calendar year corresponding to the crop year for which such payment is made, taking into account market conditions, the availability of credit to producers, and the need of producers for enhanced cash flow. In no event shall payments under this section be made later than October 1 of such calendar year.

"(2) The Secretary may adjust the payment rate under subsection (b) between commodities, taking into account such factors as the relationship between the historical price levels of such commodities.

"(d) As a condition of eligibility for loans and payments under this title—

"(1) the producers on a farm shall limit the number of acres planted to wheat, feed grains, and soybeans during a crop year on such farm to the number of acres that is equal to the farm acreage base for such farm for the 1986 crop year; and

"(2) the producers on a farm shall participate in any acreage limitation program—

"(A) in the case of wheat, announced under section 107D(e)(1), except that for the 1986 crop of wheat acreage on a farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the corp reduced by a total of 20 percent and thereafter shall be subject to the discretion of the Secretary;

"(B) in the case of feed grains announced under section 103(i)(4)(A), except that for the 1986 crop of feed grains acreage on a farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by a total of 10 percent and thereafter shall be subject to the discretion of the Secretary; or

"(C) in the case of soybeans, a program which the Secretary may establish comparable to the program announced for wheat under section 107D(e)(1) of this Act, except that the reduction in the soybean acreage base shall be subject to the discretion of the Secretary.

"(e) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"LOANS TO PRODUCERS

"SEC. 503. The Secretary shall make available to producers loans for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans at a level, for each such crop of such commodity, equal to—

"(1) in the case of the 1986 and 1987 crops, 75 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years, and

"(2) in the case of the 1988 through 1990 crops, 70 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years.

The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year for which such level applies based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than the first day of the second month of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

"MISCELLANEOUS PROVISIONS

"(a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

"(b) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this title.

"(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis, and shall, to extent practicable, ensure that owners and renters of land are treated equitably under this title.".

—Page 110, strike out line 1, and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, AND SOYBEAN PROGRAMS

REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

TITLE V—REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

"WHEAT, FEED GRAIN, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, and soybeam producers every two years to determine whether they favor or oppose the national farm acreage payment program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than Febraury 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat, feed grain, or soybean crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that two-thirds or more of the producers of wheat, feed grains, and soybeans (including 50 per centum or more of the producers of each of the following commodities: wheat, feed grains, and soybeans) voting in the referendum in favor of the implementation of a national farm acreage payment program, the Secretary shall proclaim that a national farm acreage payment program will be in effect for the crops of wheat, feed grains, and soybeans produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat, feed grains, and soybeans;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat, feed grains, and soybeans; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat, feed grains, and soybeans.

"(d) In the event that a national farm acreage payment program is approved for the 1986 crops of wheat, feed grains, and soybeans, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that the program will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If a national farm acreage payment program is not approved by producers in a referendum conducted under this section with respect to any crop of wheat, feed grains, or soybeans, in lieu of a national farm acreage payment program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grains, and soybeans are provided for elsewhere in this Act.

"PAYMENTS TO PRODUCERS

"SEC. 502. (a) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans in an amount as provided in this subsection. Payments for any farm shall be computed by multiplying (1) the payment rate, by (2) the smaller of (A) the number of acres in the farm acreage base for the farm or (B) 2,000 acres.

"(b) The payment rate shall be—

"(1) for the 1986 crops of wheat, feed grains, soybeans, $75; and

"(2) for the 1987 through 1990 crops of such commodities, not less than 95 per centum of the previous year's rate and not more than the 1986 rate.

"(c)(1) The Secretary shall make payments under this section during the calendar year corresponding to the crop year for which such payment is made, taking into account market conditions, the availability of credit to producers, and the need of producers for enhanced cash flow. In no event

shall payments under this section be make later than October 1 of such calendar year.

"(2) The Secretary may adjust the payment rate under subsection (b) between commodities, taking into account such factors as the relationship between the historical price levels of such commodities.

"(d) As a condition of eligibility for loans and payments under this title—

"(1) the producers on a farm shall limit the number of acres planted to wheat, feed grains, and soybeans during a crop year on such farm to the number of acres that is equal to the farm acreage base for such farm for the 1986 crop year; and

"(2) the producers on a farm shall participate in any acreage limitation program—

"(A) in the case of wheat, announced under section 107D(e)(1), except that for the 1986 crop of wheat acreage on a farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the crop reduced by a total of 20 percent and thereafter shall be subject to the discretion of the Secretary;

"(B) in the case of feed grains announced under section 103(i)(4)(A), except that for the 1986 crop of feed grains acreage on a farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by a total of 10 percent and thereafter shall be subject to the discretion of the Secretary; or

"(C) in the case of soybeans, a program which the Secretary may establish comparable to the program announced for wheat under section 107D(e)(1) of this Act, except that the reduction in the soybean acreage base shall be subject to the discretion of the Secretary.

"(e) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"LOANS TO PRODUCERS

"SEC. 503. The Secretary shall make available to producers loans for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans at a level, for each such crop of such commodity, equal to—

"(1) in the case of the 1986 and 1987 crops, 75 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years, and

"(2) in the case of the 1988 through 1990 crops, 70 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years.

The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year for which such level applies based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than the first day of the second month of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

MISCELLANEOUS PROVISIONS

"(a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

"(b) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this title.

"(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis, and shall, to the extent practicable, ensure that owners and renters of land are treated equitably under this title.".

—Page 110, strike out line 1, and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, AND SOYBEAN PROGRAMS

REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

"WHEAT, FEED GRAIN, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, and soybean producers every two years to determine whether they favor or oppose the national farm acreage payment program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat, feed grain, or soybean crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that two/thirds or more of the producers of wheat, feed grains, and soybeans (including 50 per centum or more of the producers of each of the following commodities: wheat, feed grains, and soybeans) voting in the referendum in favor of the implementation of a national farm acreage payment program, the Secretary shall proclaim that a national farm acreage payment program will be in effect for the crops of wheat, feed grains, and soybeans produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat, feed grains, and soybeans;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat, feed grains, and soybeans; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat, feed grains, and soybeans.

"(d) In the event that a national farm acreage payment program is approved for the 1986 crops of wheat, feed grains, and soybeans, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that the program will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If a national farm acreage payment program is not approved by producers in a referendum conducted under this section with respect to any crop of wheat, feed grains, or soybeans, in lieu of a national farm acreage payment program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grains, and soybeans as provided for elsewhere in this Act.

"PAYMENTS TO PRODUCERS

"SEC. 502. (a) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans in an amount as provided in this subsection. Payments for any farm shall be computed by multiplying (1) the payment rate, by (2) the smaller of (A) the number of acres in the farm acreage base for the farm or (B) 2,000 acres.

"(b) The payment rate shall be—

"(1) for the 1986 crops of wheat, feed grains, soybeans, $75 and

"(2) for the 1987 through 1990 crops of such commodities, not less than 90 per centum of the previous year's rate and not more than the 1986 rate.

"(c)(1) The Secretary shall make payments under this section during the calendar year corresponding to the crop year for which such payment is made, taking into account market conditions, the availability of credit to producers, and the need of producers for enhanced cash flow. In no event shall payments under this section be made later than October 1 of such calendar year.

"(2) The Secretary may adjust the payment rate under subsection (b) between commodities, taking into account such factors as the relationship between the historical price levels of such commodities.

"(d) As a condition of eligibility for loans and payments under this title—

"(1) the producers on a farm shall limit the number of acres planted to wheat, feed grains, and soybeans during a crop year on such farm to the number of acres that is equal to the farm acreage base for such farm for the 1986 crop year; and

"(2) the producers on a farm shall participate in any acreage limitation program—

"(A) in the case of wheat, announced under section 107D(e)(1), except that for the 1986 crop of wheat acreage on a farm planted to wheat for harvest will be limited to the wheat crop acreage base for farm for the crop reduced by a total of 20 percent and thereafter shall be subject to the discretion of the Secretary;

"(B) in the case of feed grains announced under section 103(i)(4)(A), except that for the 1986 crop of feed grains acreage on a farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by a total of 10 percent and thereafter shall be subject to the discretion of the Secretary; or

"(C) in the case of soybeans, a program which the Secretary may establish comparable to the program announced for wheat under section 107D(e)(1) of this Act, except that the reduction in the soybean acreage base shall be subject to the discretion of the Secretary.

"(e) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"LOANS TO PRODUCERS

"SEC. 503. The Secretary shall make available to producers loans for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans at a level, for each such crop of such commodity, equal to—

"(1) in the case of the 1986 and 1987 crops, 75 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years, and

"(2) in the case of the 1988 through 1990 crops, 70 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years.

The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year for which such level applies based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than the first day of the second month of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

MISCELLANEOUS PROVISIONS

"(a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

"(b) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this title.

"(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis, and shall, to the extent practicable, ensure that owners and renters of land are treated equitably under this title.".

—Page 417, strike out lines 12 and 13.

Page 417, line 14, strike out "(3)" and insert in lieu thereof "(2)".

Page 417, line 17, strike out "(4)" and insert in lieu thereof "(3)".

Page 417, line 21, strike out "(5)" and insert in lieu thereof "(4)".

By Mr. COMBEST:

—Title VIII, page 169, before the period on line 9, insert the following: ": *Provided*, That, notwithstanding any other provision of this section, in the case of any county within the State of Texas for which a poundage allocation to such county was less than ten thousand tons for the preceding year's crop, transfers (including transfer by sale of lease) from an owner or operator of a farm from such county shall be permitted to any other owner or operator of a farm in any other county within the State."

By Mr. CONTE:

—(1) On page 70, delete line 12 through line 12 on page 71 and insert in lieu thereof the following:

"(C) The established price for wheat shall be $4.38 per bushel for the 1986 crop; $4.16 per bushel for the 1987 crop; $3.96 per bushel for the 1988 crop; $3.76 per bushel for the 1989 crop; and $3.57 per bushel for the 1990 crop, respectively.".

(2) On page 93, delete line 20 through line 20 on page 94 and insert in lieu thereof the following:

"(C) The established price for corn shall be $3.03 per bushel for the 1986 crop; $2.88 per bushel for the 1987 crop; $2.73 per bushel for the 1988 crop; $2.60 per bushel for the 1989 crop; and $2.47 per bushel for the 1990 crop, respectively.".

(3) On page 129, delete line 24 through line 20 on page 130 and insert in lieu thereof the following:

"(B) The established price for upland cotton shall be 81 cents per pound for the 1986 crop; 77 cents per pound for the 1987 crop; 73 cents per pound for the 1988 crop; 69 cents per pound for the 1989 crop; and 66 cents per pound for the 1990 crop, respectively.".

(4) On page 146, delete line 6 through line 3 on page 147 and insert in lieu thereof the following:

"(C) The established price for rice shall be $11.90 per hundredweight for the 1986 crop; $11.31 per hundredweight for the 1987 crop; $10.74 per hundredweight for the 1988 crop; $10.20 per hundredweight for the 1989 crop; $9.69 per hundredweight for the 1990 crop, respectively.".

(1) On page 72, delete lines 3 through 5;

(2) On page 95, delete lines 10 through 12;

(3) On page 131, delete lines 7 through 9 and insert in lieu thereof "curred.";

(4) On page 147, delete lines 12 through 15 and insert in lieu thereof "been make.";

(5) On page 211, delete line 12 and insert in lieu thereof the following: "public access for recreation: *Provided*, That the term "payments" shall include the difference between the original loan level and the level at which the loan is repaid with respect to loans made in accordance with sections 107D(a)(3) and 105C(a)(3) of the Agricultural Act of 1949.".

Page 211, line 12, add the following after the period: "The term "payments" as used in this section shall include the amount by which any repayment of construction costs pursuant to Federal reclamation law (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto) is exceeded by the full cost, as defined by section 202(3)(A)-(C) of the Reclamation Reform Act of 1982 (PL 97-293, 96 Stat. 1263), less $5,000.".

(1) Section 201 of the Agriculture Act of 1949; 7 U.S.C. 1446 is amended by striking in the first sentence the word "honey."

(2) Subsection (b) of such section is hereby repealed.

By Mr. DASCHLE:

—On Page 282, after line 8, insert the following:

"SUBTITLE F—TRADE PRACTICES

"FINDINGS

"SEC. 1161. Congress finds that—

"(1) the production and marketing of agricultural commodities and products constitute one of the great basic industries of the United States, accounting for more than twenty percent of the gross national product and employing more than twenty-two million people or one-fifth of the total of private sector employment of the Nation;

"(2) the prosperity, security, general welfare, and economic progress and stability of the Nation are dependent on a productive, efficient, and profitable agricultural economy;

"(3) current unprofitable agricultural commodity production, depressed commodity prices, plummeting production asset values, massive agricultural indebtedness for which repayment ability does not exist constitute a dire economic emergency in the Nation's agricultural economy;

"(4) the equitable marketing of agricultural commodities and products in foreign commerce is essential in order for agricultural commodity producers to achieve a fair, reasonable, equitable, and adequate return on investment in production, economic stability, and profitability;

"(5) obstacles erected by foreign nations to the marketing of agricultural commodities and products in international commerce depress the price received by United States producers of such commodities imparing the purchasing power of such producers, destroying the value of agricultural assets, jeopardizing the credit structure on which such asset values are based, threatening the disruption and discontinuance of the production of agricultural commodities by such producers, increasing the net cost of commodity price support loans and payments made to such producers of commodities, all of which are contrary to the national interest.

"REPORT BY SECRETARY; TRADE PRACTICES

"SEC. 1162. Within 60 days after the date of enactment of this Act and within 30 days after the first day of each of the fiscal years 1987 through 1990, the Secretary of Agriculture shall submit to the President and Congress a report that describes in detail—

(1) any tariff, import restriction, nontariff barrier, or any similar trade practice or program, and

(2) any export subsidy, export restitution payment, export incentive, export reim-

bursement, or any similar trade practice or program;

used by each foreign nation during the fiscal year preceding such report that has the effect of prohibiting, discouraging, decreasing, disadvantaging, or otherwise inhibiting or adversely affecting the exportation from the United States of agricultural commodities or products produced in the United States.

Page 434, line 3, insert "(a)" after "SEC. 1803.".

Page 434, after line 23, add the following:

(b) Section 20(f) of the Federal Meat Inspection Act (21 U.S.C. 620(f)) is amended by adding at the end therefof the following:

"(g) The Secretary may prescribe terms and conditions under which cattle, sheep, swine, goats, horses, mules, and other equines that may have been administered an animal drug or antibiotic not approved for use in the United States may be imported for slaughter and human consumption. If the Secretary determines that the use of an animal drug or antibiotic in any of such livestock is harmful to the health of man and that it is impossible to determine the livestock being imported do not harbor any residue of such animal drug or antibiotic, the Secretary may issue an order forbidding the entry into the United States of such kind of livestock from any country that allows the use of such animal drug or antibiotic in the production of such livestock in such country. No person shall enter cattle, sheep, swine, goats horses, mules, and other equines into the United States in violation of any order issued under this subsection by the Secretary.".

By Mr. DE LA GARZA.

—Page 2, strike out line 3 through line 4 and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Food Security Act of 1985".

Page 2, in the matter following line 7:

After the heading "Table of Contents" but before the item "TITLE I—SUGAR" insert the following:

Sec. 1. Short title.

Sec. 2. Table of contents.

Strike out "Sec. 1. Sugar price support." and insert in lieu thereof: "Sec. 101. Sugar price support."

In the item relating to subtitle A of title II, strike out "and Research".

On page 3:

In the item relating to section 301, strike out "Price Support Program" and insert "price support program" in lieu thereof.

In the item relating to section 401, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 501, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 601, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 701, strike out "1989" and insert "1990" in lieu thereof.

Page 3, in the item relating to title V-A, strike out "VA" and insert "V-A" in lieu thereof.

Page 4, in the item relating to section 1022, strike out "Producer Reserve Program" and insert "Producer reserve program" in lieu thereof.

Page 5, in the time relating to section 1141, strike out "Limitation on requirements." and insert "Effect on other laws." in lieu thereof.

Page 10, after the item relating to section 1908, insert the following:

TITLE XX—NATIONAL AQUACULTURE IMPROVEMENTS ACT OF 1985

Sec. 2001. Short title.

Sec. 2002. Findings, purpose, and policy.

Sec. 2003. Definitions.

Sec. 2004. National Aquaculture Development Plan.

Sec. 2005. Functions and Powers of Secretaries.

Sec. 2006. Coordination of national activities regarding aquaculture.

Sec. 2007. Authorization of appropriations.

Page 10, line 3, strike out "SECTION 1." and insert "SEC. 101" in lieu thereof.

Page 12, line 10, strike out "Effective October 1, 1985, section" and insert in lieu thereof "Section".

Page 12, line 17, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1990".

Page 12, line 20, strike out "such fiscal years" and insert in lieu thereof "the fiscal years 1987 through 1990 (or on the date of the enactment of the Dairy Unity Act of 1985 in the case of fiscal year 1986)".

Page 12, line 24, insert "(or in the case of fiscal year 1986, throughout the period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1986)" before the period.

Page 16, line 5, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 16, line 9, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period involved".

Page 16, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 3, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 7, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,".

Page 17, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 18, line 6, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 8, strike out "fiscal year" and insert in lieu thereof period involved".

Page 18, line 11, strike out "fiscal year" and insert in lieu thereof period".

Page 18, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 18, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,".

Page 18, line 20, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 18, line 24, insert ", or three-fourths of such amount in the case of the first nine months of 1990," before the semicolon.

Page 19, line 3, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 19, line 12, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 20, line 10, strike out "(7)(A)(i)(I)" and insert in lieu thereof "(A)(i)(I)".

Page 20, beginning on line 10, strike out "fiscal year 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 20, line 15, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "(milk equivalent)".

Page 20, line 17, insert "or three-fourths of such amount in the case of the first nine months of 1990" before the comma.

Page 20, line 19, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, beginning on line 20, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 20, line 25, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "(milk equivalent)".

Page 20, line 10, strike out "(7)(A)(i)(I)" and insert in lieu thereof "(A)(i)(I)".

Page 21, beginning on line 1, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period, as the case may be".

Page 21, line 5, strike out "a fiscal year" and insert in lieu thereof "the period involved".

Page 21, line 9, strike out " such fiscal" and insert in lieu thereof "respective calendar".

Page 21, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 22, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 3, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 4, strike out "August 1 preceding any fiscal year" and insert in lieu thereof "November 1 preceding any calendar year or nine-month period".

Page 22, line 6, strike out "August" and insert in lieu thereof "November".

Page 22, line 7, strike out "fiscal" and insert in lieu thereof "calendar".

Page 20, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 22, line 14, strike out "the year" and insert in lieu thereof "such calendar year or nine-month period".

Page 22, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 16, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, beginning on line 19, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or nine-month period (or for calendar".

Page 22, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 23, line 7, strike out "fiscal year" and insert in lieu thereof "such calendar year or nine-month period".

Page 23, line 10 insert "or three-fourths of such amount in the case of the first nine months of 1990" after "(milk equivalent)".

Page 23, beginning on line 12, begining on line 20, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 23, beginning on line 15, strike out "August 1 preceding any fiscal year" and insert in lieu thereof "November 1 preceding any calendar year or nine-month period".

Page 23, line 18, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 23, beginning on line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 23, line 21, after "period" insert a period.

Page 24, beginning on line 16, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 24, beginning on line 19, strike out "August 1 preceding such fiscal year" and insert in lieu thereof "November 1 preceding such calendar year or nine-month period".

Page 24, line 24, strike out "November 1 of such fiscal year" and insert in lieu thereof "February 1 of such calendar year or nine-month period".

Page 25, line 8, strike out "fical year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, beginning on line 22, strike out "fiscal year in the months of October, November, December, January, February, and September" and insert in lieu thereof "calendar year in the months of January, February, September, October, November, and December (or in such nine-month period in the months of January, February, and September)".

Page 26, line 2, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 26, line 14, strike out "and".

Page 26, after line 14, insert the following:

(C) in subclause (I), as so redesignated, inserting the following before the semicolon at the end thereof: "(or not less than 5 per centum, and not more than 30 per centum, of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 26, line 15, strike out "(C)" and insert in lieu thereof "(D)".

Page 26, beginning on line 19, strike out "August 1 immediately preceding the fiscal year" and insert in lieu
thereof "November 1 immediately preceding the period".

Page 26, line 22, strike out "fiscal year" and insert in lieu thereof "period".

Page 26, beginning on line 23, strike out "August 1, 1985, and ending on September 30," and insert in lieu thereof "November 1, 1985, and ending on December 31,".

Page 26, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 26, line 14, strike out "and".

Page 28, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 24, strike out "and".

Page 28, after line 24, insert the following:

(iii) inserting after "marketing history period" the first place it appears the following: "(but 30 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 28, line 22, strike out the semicolon.

Page 29, line 1, strike out "(iii)" and insert in lieu thereof "(iv)".

Page 29, line 3, insert "and" at the end thereof.

Page 29, after line 3, insert the following:

(v) inserting the following before the semicolon at the end of subclause (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 7, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 29, line 8, strike out "and".

Page 29, after line 8, insert the following:

(ii) inserting the following after "marketing history period" the first place it appears: "(but 5 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 9, strike out "(ii)" and insert in lieu thereof "(iii)".

Page 29, after line 11, insert the following:

(iv) inserting the following before the semicolon at the end of subclause (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)"; and

Page 29, line 16, strike out "October 1 of the fiscal year" and insert in lieu thereof "January 1 of the period".

Page 29, line 17, strike out "October 1, 1985" and insert in lieu thereof "January 1, 1986".

Page 29, line 19, strike out "fiscal" and insert in lieu thereof "calendar".

Page 29, beginning on line 23, strike out "November 1 of a fiscal year (or November 1, 1985" and insert in lieu thereof "February 1 of a calendar year (or February 1, 1986".

Page 29, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 30, beginning on line 4, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or the nine-month period of 1990 (or for calendar".

Page 30, line 6, strike out "fiscal" and insert in lieu thereof "calendar".

Page 31, line 13, strike out "December 1 of the fiscal year" and insert in lieu thereof "March 1 of the period".

Page 31, line 14, strike out "December 1, 1985," and insert in lieu thereof "March 1, 1986".

Page 31, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, beginning on line 1, strike out "June 30 immediately preceding the fiscal year" and insert in lieu thereof "September 1 immediately preceding the period".

Page 32, line 6, strike out "fiscal year preceding the fiscal year" and insert in lieu thereof "calendar year preceding the period".

Page 32, line 10, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 17, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 25, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 33, beginning on line 3, strike out "October 1 of the fiscal year (or October 1, 1985" and insert in lieu thereof "January 1 of the calendar year (or January 1, 1986".

Page 33, line 5, strike out "fiscal" and insert in lieu thereof "calendar".

Page 33, line 8, strike out the period and insert in lieu thereof a semicolon.

Page 34, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 34, line 6, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 3, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 18, insert "under such section" after "program".

Page 35, line 18, insert "under such section" after "program".

Page 36, line 1, strike out "fiscal" and insert in lieu thereof "calendar".

Page 36, line 2, strike out "August" and insert in lieu thereof "November".

Page 36, line 7, strike out "October 1, 1985" and insert in lieu thereof "the date of the enactment of this Act".

Page 36, line 12, strike out "fiscal year" and insert in lieu thereof "of the calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 36, line 14, strike out "fiscal year" and insert in lieu thereof "period".

Page 36, line 18, insert an open parenthesis before "7 U.S.C. 612c)".

Page 36, line 25, insert "(or three-fourths of such amount in the case of the first nine months of 1990)" after "pounds".

Page 47, line 16, strike out ", on conviction,".

Page 48, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 48, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 55, line 12, after "1990" insert a comma.

Page 62, line 12, after "agency" insert a comma.

Page 75, beginning in line 12 and ending in line 13, strike out "the date of".

Page 78, line 10, strike out "the date of".

Page 89, line 21, strike out "1989" and insert "1990" in lieu thereof.

Page 91, line 10, strike out "(D)" and insert "(C)" in lieu thereof.

Page 91, line 11, strike out "(per bushel)" and insert ", per bushel," in lieu thereof.

Page 96, line 26, strike out "export" and insert "dairy policy" in lieu thereof.

Page 98, line 25, strike out "the date of".

Page 102, line 1, strike out "the date of".

Page 105, line 6, strike out "setaside" and insert "set aside" in lieu thereof.

Page 109, line 26, strike out "1989" and insert "1990" in lieu thereof.

Page 110, line 1, strike out "VA" and insert "V-A" in lieu thereof.

Page 112, line 16, strike out "year".

Page 113, line 7, after "referendum" insert "are".

Page 114, line 20, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 12, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 25, strike out "is" and insert "are" in lieu thereof.

Page 125, line 2, strike out "1989" and insert "1990" in lieu thereof.

Page 156, line 3, strike out "Sec. 602." and insert "Sec. 702." in lieu thereof.

Page 156, line 17, strike out "may" the second place it appears and insert "shall" in lieu thereof.

Page 158, line 20, strike out "101(i)" and insert "101(j)" in lieu thereof.

Page 179, line 19, strike out "1989" and insert "1990" in lieu thereof.

Page 179, line 22, strike out the dash and insert in lieu thereof a colon.

Page 179, line 23, strike out "the" and insert in lieu thereof "The".

Page 181, line 3, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 4, strike out "the" and insert in lieu thereof "The".

Page 181, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 20, strike out "in" and insert in lieu thereof "In".

Page 182, line 18, strike out the semicolon and insert in lieu thereof a period.

Page 182, line 19, strike out "the" and insert in lieu thereof "The".

Page 183, line 24, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

Page 184, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 184, line 20, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

Page 228, line 24, strike out "1024" and insert "1023" in lieu thereof.

Page 236, beginning in line 14, strike out "guilty" and all that follows through "on conviction" in line 15 and insert in lieu thereof "subject,".

Page 237, beginning in line 2, strike out "deemed guilty" and all that follows through "shall be" in line 3.

Page 238, lines 19 and 20, strike out "adding at the end thereof" and insert "inserting after section 425, as added by section 1026 of this Act." in lieu thereof.

Page 277, line 25, strike out "third" and insert "other" in lieu thereof.

Page 278, line 11, strike out "America" and insert "United States" in lieu thereof.

Page 278, line 12, strike out "United States" and insert "Federal Government".

Page 279, line 15, strike out "the" before "Congress".

Page 279, line 19, strike out "utilizing" and insert "using" in lieu thereof.

Page 279, line 21, strike out "agricultural" and insert "agricultural" in lieu thereof.

Page 288, line 7, strike out "wetlands" and insert "lands" in lieu thereof.

Page 366, in the matter after line 22, strike out "alternate" and insert in lieu thereof "alternative".

Page 367, line 19, strike out "and".

Page 368, line 9, insert "; and" after the closing quotes.

Page 388, beginning on line 7, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low Income Home Energy Assistance Act of 1981".

Page 390, beginning on line 1, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low Income Home Energy Assistance Act of 1981".

Page 390, beginning on line 17, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 411, line 13, strike out "and".

Page 411, beginning on line 17, strike out the dash and all that follows through "State" on line 18, and insert in lieu thereof ", but not more than 15 per centum, of a claim, asserted against the State agency".

Page 432, line 17, strike out "labelling" and insert "labeling" in lieu thereof.

Page 435, line 15, strike out "chemical" and insert "chemicals" in lieu thereof.

Page 450, line 22, strike out ", on conviction,".

Page 472, beginning in line 6 and ending in line 7, strike out ", upon conviction,".

Page 491, line 23, strike out "on conviction".

Page 498, line 7, strike out "on conviction".

Page 504, line 17, strike out "countries" and insert "counties" in lieu thereof.

Page 517, line 4, strike out "Title" and insert "title" in lieu thereof.

Page 517, line 8, after "hereinafter" insert "in this title".

Page 520, lines 5, 7, and 10, strike out "subparagraph" and insert "paragraph (2)" in lieu thereof.

Page 524, line 9, strike out "(as redesignated)" and insert ", as redesignated by paragraph (3)," in lieu thereof.

Page 524, lines 10 and 11, strike out the dash and "(A)" and run the two lines together.

—On page 301, strike out lines 20 through 23 and insert in lieu thereof the following:

"(e) Any authority to enter into contracts under this section, not within the authority of the Commodity Credit Corporation or the Secretary as of the date of enactment of the Food Security Act of 1985, shall be effective for any fiscal year to such extent or in such amounts as are provided in appropriation Acts.".

—Page 277, line 25, strike out "third" and insert "other" in lieu thereof.

Page 278, line 11, strike out "America" and insert "United States" in lieu thereof.

Page 278, line 12, strike out "United States" and insert "Federal Government".

Page 279, line 15, strike out "the" before "Congress".

Page 279, line 19, strike out "utilizing" and insert "using" in lieu thereof.

Page 279, line 21, strike out "agricultural" and insert "agricultural" in lieu thereof.

—Page 110, line 1, strike out "VA" and insert "V-A" in lieu thereof.

Page 112, line 16, strike out "year".

Page 113, line 7, after "referendum" insert "are".

Page 114, line 20, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 12, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 25, strike out "is" and insert "are" in lieu thereof.

—Page 179, line 19, strike out "1989" and insert "1990" in lieu thereof.

Page 179, line 22, strike out the dash and insert in lieu thereof a colon.

Page 179, line 23, strike out "the" and insert in lieu thereof "The".

Page 181, line 3, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 4, strike out "the" and insert in lieu thereof "The".

Page 181, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 20, strike out "in" and insert in lieu thereof "In".

Page 182, line 18, strike out the semicolon and insert in lieu thereof a period.

Page 182, line 19, strike out "the" and insert in lieu thereof "The".

Page 183, line 24, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

Page 184, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 184, line 20, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

—Page 12, line 10, strike out "Effective October 1, 1985, section" and insert in lieu thereof "Section".

Page 12, line 17, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1990".

Page 12, line 20, strike out "such fiscal years" and insert in lieu thereof "fiscal years 1987 through 1990 (or on the date of the enactment of the Dairy Unity Act of 1985 in the case of fiscal years 1986)".

Page 12, line 24, insert "(or in the case of fiscal year 1986, throughout the period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1986)" before the period.

Page 16, line 5, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 16, line 9, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period involved".

Page 16, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 3, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 7, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,".

Page 17, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 18, line 6, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 8, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 18, line 11, strike out "fiscal year" and insert in lieu thereof "period".

Page 18, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 18, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,".

Page 18, line 20, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 18, line 24, insert ", or three-fourths of such amount in the case of the first nine months of 1990," before the semicolon.

Page 19, line 3, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 19, line 12, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 20, line 10, strike out "(7)(A)(i)(I)" and insert in lieu thereof "(A)(i)(I)".

Page 20, beginning on line 10, strike out "fiscal year 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 20, line 15, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "(milk equivalent)".

Page 20, line 17, insert "or three-fourths of such amount in the case of the first nine months of 1990," before the comma.

Page 20, line 19, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, beginning on line 20, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 20, line 25, insert "or three-fourths of such amount in the case of the first nine months of 1990" after "(milk equivalent)".

Page 20, line 10, strike out "(7)(A)(i)(I)" and insert in lieu thereof "(A)(i)(I)".

Page 21, beginning on line 1, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period, as the case may be".

Page 21, line 5, strike out "a fiscal year" and insert in lieu thereof "the period involved".

Page 21, line 9, strike out "such fiscal" and insert in lieu thereof "the respective calendar".

Page 21, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 22, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 3, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 4, strike out "August 1 preceding any fiscal year" and insert in lieu thereof "November 1 preceding any calendar year or nine-month period".

Page 22, line 6, strike out "August" and insert in lieu thereof "November".

Page 22, line 7, strike out "fiscal" and insert in lieu thereof "calendar".

Page 20, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 22, line 14, strike out "the year" and insert in lieu thereof "such calendar year or nine-month period".

Page 22, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 16, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, beginning on line 19, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or nine-month period (or for calendar".

Page 22, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 23, line 7, strike out "fiscal year" and insert in lieu thereof "such calendar year or nine-month period".

Page 23, line 10, strike out "or three-fourths of such amount in the case of the first nine months of 1990" after "(milk equivalent)".

Page 23, beginning on line 12, beginning on line 20, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990".

Page 23, beginning on line 15, strike out "August 1 preceding any fiscal year" and insert in lieu thereof "November 1 preceding any calendar year or nine-month period".

Page 23, line 18, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period."

Page 23, beginning on line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 23, line 21, after "period" insert a period.

Page 24, beginning on line 16, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 24, beginning on line 19, strike out "August 1 preceding such fiscal year" and insert in lieu thereof "November 1 preceding such calendar year or nine-month period".

Page 24, line 24, strike out "November 1 of such fiscal year" and insert in lieu thereof "February 1 of such calendar year or nine-month period".

Page 25, line 8, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, beginning on line 22, strike out "fiscal year in the months of October, November, December, January, February, and September" and insert in lieu thereof "calendar year in the months of January, February, September, October, November, and December (or in such nine-month period in the months of January, February, and September)".

Page 26, line 2, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 26, line 14, strike out "and".

Page 26, after line 14, insert the following:

(C) in subclause (I), as so redesignated, inserting the following before the semicolon as the end thereof:

"(or not less than 5 per centum, and not more than 30 per centum, of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 26, line 15, strike out "(C)" and insert in lieu thereof "(D)".

Page 26, beginning on line 19, strike out "August 1 immediately preceding the fiscal year" and insert in lieu thereof "November 1 immediately preceding the period".

Page 26, line 22, strike out "fiscal year" and insert in lieu thereof "period".

Page 26, beginning on line 23, strike out "August 1, 1985, and ending on September 30," and insert in lieu thereof "November 1, 1985, and ending on December 31,".

Page 26, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 26, line 14, strike out "and".

Page 28, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 24, strike out "and".

Page 28, after line 24, insert the following:

(iii) inserting after "marketing history period" the first place it appears the following: "(but 30 percentum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 28, line 22, strike out the semicolon.

Page 29, line 1, strike out "(iii)" and insert in lieu thereof "(iv)".

Page 29, line 3, insert "and" at the end thereof.

Page 29, after line 3, insert the following:

(v) inserting the following before the semicolon at the end of subclause (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 7, strike out "fiscal year" and insert in lieu thereof "calendar year of nine-month period".

Page 29, line 8, strike out "and".

Page 29, after line 8, insert the following:

(ii) inserting the following after "marketing history period" the first place it appears: "(but 5 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 9, strike out "(ii)" and insert in lieu thereof "(iii)".

Page 29, after line 11, insert the following:

(iv) inserting the following before the semicolon at the end of subclass (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)"; and

Page 29, line 16, strike out "October 1 of the fiscal year" and insert in lieu thereof "January 1 of the period".

Page 29, line 17, strike out "October 1, 1985" and insert in lieu thereof "January 1, 1986".

Page 29, line 19, strike out "fiscal" and insert in lieu thereof "calendar".

Page 29, beginning on line 23, strike out "November 1 of a fiscal year (or November 1, 1985" and insert in lieu thereof "February 1 of a calendar year (or February 1, 1986".

Page 29, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 30, beginning on line 4, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or the nine-month period of 1990 (or for calendar".

Page 30, line 6, strike out "fiscal" and insert in lieu thereof "calendar".

Page 31, line 13, strike out "December 1 of the fiscal year" and insert in lieu thereof "March 1 of the period".

Page 31, line 14, strike out "December 1, 1985," and insert in lieu thereof "March 1, 1986".

Page 31, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, beginning on line 1, strike out "June 30 immediately preceding the fiscal year" and insert in lieu thereof "September 1 immediately preceding the period".

Page 32, line 6, strike out "fiscal year preceding the fiscal year" and insert in lieu thereof "calendar year preceding the period".

Page 32, line 10, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 17, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 25, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 33, beginning on line 3, strike out "October 1 of the fiscal year (or October 1, 1985" and insert in lieu thereof "January 1 of the calendar year (or January 1, 1986".

Page 33, line 5, strike out "fiscal" and insert in lieu thereof "calendar".

Page 33, line 8, strike out the period and insert in lieu thereof a semicolon.

Page 34, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 34, line 6, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 3, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 18, insert "under such section" after "program".

Page 35, line 18, insert "under such section" after "program".

Page 36, line 1, strike out "fiscal" and insert in lieu thereof "calendar".

Page 36, line 2, strike out "August" and insert in lieu thereof "November".

Page 36, line 7, strike out "October 1, 1985" and insert in lieu thereof "the date of the enactment of this Act".

Page 36, line 12, strike out "fiscal year" and insert in lieu thereof "of the calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 36, line 14, strike out "fiscal year" and insert in lieu thereof "period".

Page 36, line 18, insert an open parenthesis before "7 U.S.C. 612c)".

Page 36, line 25, insert "(or three-fourths of such amount in the case of the first nine months of 1990)" after "pounds".

Page 47, line 16, strike out ", on conviction,".

Page 48, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 48, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 55, line 12, after "1990" insert a comma.

Page 62, line 12, after "agency" insert a comma.

—Page 520, lines 5, 7, and 10, strike out "subparagraph" and insert "paragraph (2)" in lieu thereof.

Page 524, line 9, strike out "(as redesignated)" and insert ", as redesignated by paragraph (3)," in lieu thereof.

Page 524, lines 10 and 11, strike out the dash and "(A)" and run the two lines together.

—Page 517, line 4, strike out "Title" and insert "title" in lieu thereof.

Page 517, line 8, after "hereinafter" insert "in this title".

—Page 432, line 17, strike out "labelling" and insert "labeling" in lieu thereof.

Page 435, line 15, strike out "chemical" and insert "chemicals" in lieu thereof.

Page 450, line 22, strike out ", on conviction,".

Page 472, beginning in line 6 and ending in line 7, strike out ", upon conviction,".

Page 491, line 23, strike out "on conviction,".

Page 498, line 7, strike out "on conviction,".

Page 504, line 17, strike out "countries" and insert "counties" in lieu thereof.

—Page 366, in the matter after line 22, strike out "alternate" and insert in lieu thereof "alternative".

Page 367, line 19, strike out "and".

Page 368, line 9, insert "; and" after the closing quotes.

—Page 75, beginning in line 12 and ending in line 13, strike out "the date of"

Page 78, line 10, strike out "the date of".

—Page 125, line 2, strike out "1989" and insert "1990" in lieu thereof.

—Page 89, line 21, strike out "1989" and insert "1990" in lieu thereof.

Page 91, line 10, strike out "(D)" and insert "(C)" in lieu thereof.

Page 91, line 11, strike out "(per bushel)" and insert ", per bushel," in lieu thereof.

Page 96, line 26, strike out "export" and insert "dairy policy" in lieu thereof.

Page 98, line 25, strike out "the date of".

Page 102, line 1, strike out "the date of".

Page 105, line 6, strike out "setaside" and insert "set aside" in lieu thereof.

Page 109, line 26, strike out "1989" and insert "1990" in lieu thereof.

—Page 158, line 20, strike out "101(i)" and insert "101(j)" in lieu thereof.

Page 156, line 3, strike out "Sec. 602." and insert "Sec. 702." in lieu thereof.

Page 156, line 17, strike out "may" the second place it appears and insert "shall" in lieu thereof.

—Page 228, line 24, strike out "1024" and insert "1023" in lieu thereof.

Page 236, beginning in line 14, strike out "guilty" and all that follows through "on conviction" in line 15 and insert in lieu thereof "subject,".

Page 237, beginning in line 2, strike out "deemed guilty" and all that follows through "shall be" in line 3.

Page 238, lines 19 and 20, strike out "adding at the end thereof" and insert "inserting after section 425, as added by section 1026 of this Act," in lieu thereof.

—Page 228, line 7, strike out "wetlands" and insert "lands" in lieu thereof.

Page 10, line 3, strike out "Section 1." and insert "Sec. 101" in lieu thereof.

—Page 388, beginning on line 7, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low Income Energy Assistance Act of 1981".

Page 390, beginning on line 1, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 390, beginning on line 17, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 411, line 13, strike out "and".

Page 411, beginning on line 17, strike out the dash and all that follows through "State" on line 18, and insert in lieu thereof ", but not more than 15 per centum, of a claim, asserted against the State agency".

—Page 2, strike out line 3 through line 4 and insert in lieu thereof the following:

SHORT TITLE

Section 1. This Act may be cited as the "Food Security Act of 1985".

Page 2, in the matter following line 7:

After the heading "Table of Contents" but before the item "TITLE I—SUGAR" insert the following:

Sec. 1. Short title.
Sec. 2. Table of contents.

Strike out "Sec. 1. Sugar price support.", and insert in lieu thereof: "Sec. 101. Sugar price support."

In the item relating to subtitle A of title II, strike out "and Research".

On page 3:

In the item relating to section 301, strike out "Price Support Program" and insert "price support program" in lieu thereof.

In the item relating to section 401 strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 501, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 601, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 701, strike out "1989" and insert "1990" in lieu thereof.

Page 3, in the item relating to title V-A, strike out "VA" and insert "V-A" in lieu thereof.

Page 4, in the item relating to section 1022, strike out "Producer Reserve Program" and insert "Producer reserve program" in lieu thereof.

Page 5, in the item relating to section 1141, strike out "Limitation on requirements." and insert "Effect on other laws." in lieu thereof.

Page 10, after the item relating to section 1908, insert the following:

TITLE XX—NATIONAL AQUACULTURE IMPROVEMENTS ACT OF 1985

Sec. 2001. Short title.
Sec. 2002. Findings, purpose, and policy.
Sec. 2003. Definitions.
Sec. 2004. National Aquaculture Development Plan
Sec. 2005. Functions and Powers of Secretaries.
Sec. 2006. Coordination of national activities regarding aquaculture.
Sec. 2007. Authorization of appropriations.

—On page 124, line 14, strike the quotation mark and the second period.

On page 124, after line 14, add a new section as follows:

"PROGRAM BASES

"SEC. 509. Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 503, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605."

By Mr. DINGELL:

—Page 375, strike out line 5 and all that follows through line 11 on page 377 and redesignate the succeeding sections (and the cross references) accordingly.

By Mr. DORGAN of North Dakota:

—Page 70, strike out line 19 and all that follows thereafter through page 71, line 19, and insert in lieu thereof the following:

"(C) The established price for the 1986 through 1990 crops of wheat shall be $5.25 per bushel for any portion of the crop produced on each farm that does not exceed twelve thousand bushels.

—Page 93, strike out line 24 and all that follows thereafter through page 94, line 24, and insert in lieu thereof the following:

"(C) The established price for the 1986 through 1990 crops of corn shall be $3.56 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels.

—Page 213, line 10, strike out "$250,000" and insert in lieu thereof "$150,000".

—Page 323, line 26, strike out "guaranteed real estate loans, $700,000,000" and insert in lieu thereof the following: "real estate loans, $700,000,000, of which not more than $650,000,000 shall be for insured loans (to the extent so provided in advance in appropriation Acts) and not less than $50,000,000 for guaranteed loans (as so provided in such Acts);"

Page 325, strike out line 7 and all that follows through line 16.

Page 323, line 12, strike out "(a)".

—Page 509, after line 13, insert the following:

HONEY LOAN MAXIMUM

SEC. 1896. Notwithstanding any other provision of law, the Secretary of Agriculture may declare that, with respect to nonrecourse loans a person may receive for honey under a program under the Agricultural Act of 1949 for a crop year, the outstanding principal balance of such loan shall not exceed $250,000 and that any outstanding balance exceeding that amount shall be a recourse loan in nature. The Secretary shall make rules to carry out this section and such rules shall conform as nearly as practicable to the rules made to carry out section 405(b) of the Agricultural Act of 1949. The Secretary shall not make a declaration under the first sentence of this section if the Secretary determines that the application of this section upon such declaration would have an undue ill effect on the structure of the honey industry or on agricultural interests that depend on commercial bee colonies for pollination.

—Page 263, line 14, insert "(A)" after "(1)".

Page 264, after line 2 insert the following:

(B)(i) The Secretary shall establish a pilot program to carry out, during the fiscal year ending September 30, 1986, barter and countertrade transactions which are authorized under subsection (a)(3) in which the Secretary acquires and hold strategic or other materials that the United States does not domestically produce in amounts sufficient for its requirements and for which national stockpile or reserve goals established by law are unmet.

(ii) In establishing pilot programs under this subparagraph, the Secretary shall give priority—

(I) to materials that entail less risk of loss through deterioration and have lower storage costs than the agricultural commodities they replace; and

(II) to nations with food and currency reserve shortages.

(iii) In establishing such programs, the Secretary shall consider barter and countertrade opportunities with—

(I) Zaire, for wheat and wheat flour in exchange for cobalt, tantalum minerals, germanium, zinc, copper, and diamonds;

(II) Zimbabwe for corn (and soybean oil) in exchange for chromium;

(III) Zambia for corn (and oilseeds) in exchange for cobalt;

(IV) Malaysia for rice, wheat, tobacco, cheese, and corn in exchange for rubber and oil;

(V) Brazil for wheat, corn, and non-fat dry milk in exchange for manganese ore and columbian concentrate.

(VI) Nigeria for corn and rice in exchange for oil.

(iv) The Secretary shall cooperate fully with the private sector for the consummation of the proposed barter transactions.

(C) The Secretary shall report to Congress not later than March 30, 1986 on progress in implementing pilot programs under this subparagraph. Such report shall include—

(i) a statement as to any progress in establishing any such programs with any country listed in this subparagraph; and

(ii) with respect to each such program, a description of—

(I) the agricultural commodities and strategic materials or minerals to be involved in the program; and

(II) the scope and timetable of the transaction.

By Mr. DOWNEY of New York:

—Page 10, line 3, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 10, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 13, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 16, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 17, strike out "Effective October 1," and all that follows through "sugarcane." on page 11, line 3, and insert in lieu thereof the following: "In the event of a default on a loan made for raw cane sugar in accordance with this subsection, the borrower shall bear the cost of transporting the sugar securing such loan to a refining facility designated by the Secretary. The Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such levels as the Secretary deems necessary to reflect a fair and reasonable relationship between the level of price support for sugarcane and sugar beets."

—Page 10, line 3, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 10, strike out "1986" and insert in lieu thereof "1985".

Page 10, line 12, strike out "Effective October 1," and all that follows thereafter through "1990 crops." on line 17, and insert in lieu thereof the following: "The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18 cents per pound for raw cane sugar for the 1985 crop, 17 cents per pound for the 1986 crop, 16 cents per pound for the 1987 crop and 15 cents per pound for the 1988, 1989, and 1990 crops".

Page 10, line 17, strike out "1986" and insert in lieu thereof "1985".

—Page 10, strike out line 3 and all that follows thereafter through page 11, line 24, and insert in lieu thereof the following:

SEC. 101. Effective only for the 1985 through 1990 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended—

(1) by striking out "honey, and milk" in the first sentence and inserting in lieu thereof "honey, milk, sugar beets, and sugarcane"; and

(2) by adding at the end thereof the following new subsection:

"(i)(1) The price of each of the annual crops of sugar beets and sugarcane shall be supported in accordance with this subsection.

"(2) The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18 cents per pound for raw cane sugar for the 1985 crop, 17 cents per pound for the 1986 crop, 16 cents per pound for the 1987 crop, and 15 cents per pound for the 1988, 1989, and 1990 crops. In the event of a default on a loan made for raw cane sugar in accordance with this subparagraph, the borrower shall bear the cost of transporting the sugar securing such loan to a refining facility designated by the Secretary.

"(3) The Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines necessary to reflect a fair and reasonable relationship between the level of price support for sugarcane and sugar beets.

"(4) The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of such fiscal year as is practicable consistent with the purposes of this subsection.

"(5) Loans under this subsection during any fiscal year shall be made available not earlier than the beginning of such fiscal year and shall mature before the end of such fiscal year.".

By Mr. DURBIN:

—Page 260, beginning in line 1, strike out "export subsidies" and all that follows through line 2, and insert in lieu thereof the following: "subsidies (including export subsidies, tax rebates on exports, financial assistance on preferential terms, provisions of funds to cover operating losses, assumption of costs or expenses of production, processing or distribution, differential export taxes or differential export duty exemptions, domestic consumption quotas, and other methods of furnishing or ensuring the availability of raw materials at artifically low prices) or other unfair trade practices of a foreign country that directly or indirectly benefit producers, processors, or exporters of agricultural commodities in that foreign country; and"

By Mr. EDGAR:

—On page 38, after line 11 insert the following new section (and conform the table of contents):

SEC. 217 Casein Reclassification: That (a) the article description for item 118.45 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended to read as follows: "Casein and milk protein concentrate".

(b) Subpart B of part 13 of schedule 4 of such Schedule is amended—

(1) by amending the superior heading to items 493.12, 493.14, and 493.17 to read as follows: "Mixtures in chief value of casein:";

(2) by striking out item 493.12;

(3) by striking out the superior heading to items 493.14 and 493.17; and

(4) by aligning items 493.14 and 493.17 at the same indention level as the article description for item 493.04.

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

By Mr. EMERSON:

—Page 124, after line 14 insert the following:

SECTION 22 AMENDMENT

SEC. 552. Section 22(b) of the Agricultural Adjustment Act of 1933 (7 U.S.C. 624(b)) is amended by striking out "not in excess of 50 per centum ad valorem".

—Page 112, line 7, insert "(1)" after "(a)", and after line 16, insert the following:

"(2) Before each referendum, the Secretary shall conduct a study of the effect of a national marketing certificate program on the domestic and world prices of agricultural commodities and United States exports of such commodities. The Secretary shall transmit to each producer a copy of the results of such study and an announcement of the proposed conditions of the program (such as set-asides, acreage limitations, and paid diversion programs) along with the secret ballot.

—Page 282, after line 18 insert the following:

SUBTITLE F—ADMINISTRATION OF CERTAIN ASSISTANCE

AVOIDANCE OF EXPORT DISPLACEMENT

SEC. 1161. Notwithstanding any other provision of the law, no funds administered by the Agricultural Research Service, the Cooperative State Research Service, the Extension Service, the Office of International Cooperation and Development, or the Commodity Credit Corporation may be expended for the purpose of providing assistance for the production or marketing in any country of agricultural commodities which would displace imports by that country of United States agricultural commodities (or the products thereof) or which would displace exports of United States agricultural commodities (or the products thereof) to any other nation.

—In the table of contents in section 2 of the bill, after the item relating to section 1154, insert the following:

SUBTITLE F—ADMINISTRATION OF CERTAIN ASSISTANCE

SEC. 1161. Avoidance of export displacement.

—Page 381, strike out line 25 and all that follows through line 25 on page 382, and insert in lieu thereof the following:

SEC. 1503. The first sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended by striking out "fifty-four" and inserting in lieu thereof "fifty".

Page 388, strike out line 1 and all that follows through line 22 on page 389, and insert in lieu thereof the following:

(2) effective October 1, 1985, inserting in clause (2) of the fourth sentence "excluding expenses paid on behalf of the household under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.)," after "by a household for shelter";

Page 389, line 23, strike out "(4)" and insert in lieu thereof "(3)".

Page 390, strike out lines 9 through 20, and insert in lieu thereof the following:

(4) effective October 1, 1985, inserting in clause (c) of the last sentence ", excluding expenses paid on behalf of the household under the Low-Income Home Energy Assistance Act of 1981 (7 U.S.C. 8621 et seq.)," after "by a household for shelter".

Page 393, strike out line 2 and all that follows through line 4 on page 394, and insert in lieu thereof the following:

SEC. 1511. The first sentence of section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by inserting "and any other property, real or personal, to the extent that it is directly related to the maintenance or use of such vehicle" after "physically disabled household member".

Page 406, strike out lines 12 through 25.

Page 417, strike out lines 4 through 11.

Page 417, line 12, strike out "(2)" and insert in lieu thereof "(1)".

Page 417, line 14, strike out "(3)" and insert in lieu thereof "(2)".

Page 417, line 17, strike out "(4)" and insert in lieu thereof "(3)".

Page 417, line 21, strike out "(5)" and insert in lieu thereof "(4)".

—Page 381, strike out line 25 and all that follows through line 25 on page 382, and insert in lieu thereof the following:

SEC. 1503. The first sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended by striking out "fifty-four" and inserting in lieu thereof "fifty".

—Page 388, strike out line 1 and all that follows through line 22 on page 389, and insert in lieu thereof the following:

(2) effective October 1, 1985, inserting in clause (2) of the fourth sentence "excluding expenses paid on behalf of the household under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.)," after "by a household for shelter";

Page 389, line 23, strike out "(4)" and insert in lieu thereof "(3)".

Page 390, strike out lines 9 through 20, and insert in lieu thereof the following:

(4) effective October 1, 1985, inserting in clause (c) of the last sentence ", excluding expenses paid on behalf of the household under the Low-Income Home Energy Assistance Act of 1981 (7 U.S.C. 8621 et seq.)," after "by a household for shelter".

—Page 393, strike out line 2 and all that follows through line 4 on page 394, and insert in lieu thereof the following:

SEC. 1511. The first sentence of section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by inserting "and any other property, real or personal, to the extent that it is directly related to the maintenance or use of such vehicle" after "physically disabled household member".

—Page 406, strike out lines 12 through 25.

—Page 417, strike out lines 4 through 11.

Page 417, line 12, strike out "(2)" and insert in lieu thereof "(1)".

Page 417, line 14, strike out "(3)" and insert in lieu thereof "(2)".

Page 417, line 17, strike out "(4)" and insert in lieu thereof "(3)".

Page 417, line 21, strike out "(5)" and insert in lieu thereof "(4)".

—Page 417, after line 23, insert the following new section (and redesignate references and succeeding sections accordingly):

OPTIONAL NUTRITION ASSISTANCE GRANT PROGRAM

SEC. 1528. The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end thereof the following new section:

"NUTRITION ASSISTANCE GRANTS

"SEC. 21. (a) A State may, subject to the provisions of this section, elect to operate a low-income noncash nutrition assistance program in lieu of the food stamp program established under this Act. Any State which elects to operate a low-income nutrition assistance program under this section or which elects to resume operation of the food stamp program shall give preliminary notice of such election to the Secretary by April 1 of the fiscal year preceding the fiscal year in which it wishes such election to take effect or at such later time as the Secretary deems feasible.

"(b)(1) The amount of the grant each State shall be eligible to receive under this section in any fiscal year shall be equal to the sum of—

"(A) the total dollar value of all benefits issued under the food stamp program or under this section, as the case may be, by the State agency during the fiscal year preceding the fiscal year for which the grant is made, adjusted to reflect changes in food at home component of the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics, unemployment data for the State, and such other factors as the Secretary deems appropriate; and

"(B) 50 per centum of the administrative costs, as determined by the Secretary using procedures comparable to the procedures used to determine administrative costs for purposes of section 16(a), related to the provision of such assistance.

"(2) If the Secretary approves the plan submitted by a State under subsection (c), the Secretary shall—

"(A) pay to the State at such times and in such manner as the Secretary may determine, the amount to which the State is eligible under subsection (b)(1); or

"(B) at the request of the State, make available to the State agency, in accordance with section 7, coupons which shall be redeemable in accordance with section 10, or any combination of coupons or cash, having an aggregate value equal to such amount.

"(3) At the request of the State agency, the Secretary shall redetermine the total dollar value determined under paragraph (1)(A), to ensure that there is an accurate determination (1)(A), to ensure that there is an accurate determination under such paragraph.

"(c)(1) To be eligible to receive a grant under this section for a fiscal year, each State shall have a plan submitted at such time and in such form as prescribed by the Secretary and approved by the Secretary. Such plan shall—

"(A) designate a single State agency responsible for the administration of the nutrition assistance program under this section;

"(B) assess the food and nutrition needs of needy persons residing in the State;

"(C) describe the assistance to be provided and the persons to whom such assistance will be provided;

"(D) comply with all the program requirements prescribed by the Secretary for the purpose of assuring that assistance is provided to the most needy persons in the State and that such program provides to applicants for assistance adequate notice and fair hearings comparable to those under section 11 of this Act;

"(E) provide that, in the operation of the nutrition assistance program, there shall be no discrimination on the basis of race, sex, religious creed, national origin, or political beliefs; and

"(F) include other information as may be required by the Secretary.

"(2) The State shall make such plan available for public inspection and comment before submitting such plan to the Secretary.

"(d) Payments made under this section to the State may be expended only in the fiscal year for which such payments are distributed or in the following fiscal year.

"(e) The State agency shall keep records concerning the operation of each program carried out under this section and shall make such records available to the Secretary and the Comptroller General of the United States for examination, and for removal and copying.

"(f) If the Secretary finds that there is substantial failure by a State to comply with the requirements of this section, regulations issued pursuant to this section, or the plan approved under subsection (c), then the Secretary may take one or more of the following actions:

"(1) terminate all or part of such payments or coupons authorized by subsection (b)(2) to be made available to such State, until the Secretary is satisfied that there is no longer failure to comply with such requirements;

"(2) withhold all or part of such payments or coupons until the Secretary is satisfied that there is no longer failure to comply with such requirements, at which time the withheld payments may be paid;

"(3) refer the matter to the Attorney General of the United States and request that the Attorney General bring an action for injunctive relief to compel compliance with such requirements; and

"(4) refer the matter to the Attorney General and request that the Attorney General bring an action to recover any payments or coupons made available to such State which were not expended or distributed in accordance with such requirements.

"(g)(1) States which receive grants under this section shall provide for—

"(A) a biennial audit, conducted in accordance with the standards of the Comptroller General, of expenditures coupons distributions for the provision of assistance under this section; and

"(B) not later than 120 days of the end of each fiscal year in which an audit is conducted, a report to the Secretary containing the findings of such audit.

States shall make the report of such audit available for public inspection.

"(2) Not later than 120 days after the end of each fiscal year, each such State shall prepare an activities report comparing actual expenditures and coupon distributions for such fiscal year for assistance under this section with the expenditures and coupon distributions for such fiscal year predicted in the plan submitted in accordance with subsection (c)(1) of this section. Such State shall make the activities report available for public inspection.

"(h) Whoever knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any funds, assets, or property provided or financed under this section shall be fined not more than $10,000 or imprisoned for not more than five years, or both, but if the value of the funds, assets, or property involved is not over $200, the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both.".

(b) Section 2 of the Food Stamp Act of 1977 (7 U.S.C. 2011) is amended by striking out "a food stamp program is", and inserting in lieu thereof "nutrition assistance programs are.".

(c) Section 3(n)) of the Food Stamp Act of 1977 (7 U.S.C. 2012(n) is amended by inserting before the period at the end thereof "or nutrition assistance program under section 21 of this Act.".

—Amend the table of contents by inserting after the item relating to section 1527 the following new item (and redesignating succeeding items accordingly):

Sec. 1528. Optional nutrition assistance grant program.

—Page 417, after line 23, insert the following new section (and redesignate references and succeeding sections accordingly):

NUTRITION ASSISTANCE GRANT PILOT PROGRAM

SEC. 1528. The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end thereof the following new section:

"NUTRITION ASSISTANCE GRANT PILOT PROGRAM

"SEC. 21. (a) For the first fiscal year beginning after the date of the enactment of the Food Security Act of 1985, the Secretary shall conduct a pilot program under which, subject to this section, selected States shall

receive grants from the Secretary to operate a low-income noncash nutrition assistance program in lieu of the food stamp program established under this Act. From among the States that request to participate in the program, the Secretary shall select 7 States to participate in the program throughout the fiscal year for which the program is conducted.

"(b)(1) The amount of the grant each participating State shall be eligible to receive under this section in the fiscal year shall be equal to the sum of—

"(A) the total dollar value of all benefits issued under the food stamp program or under this section, as the case may be, by the State agency during the fiscal year preceding the fiscal year for which the grant is made, adjusted to reflect changes in food at home component of the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics, unemployment data for the State, and such other factors as the Secretary deems appropriate; and

"(B) 50 per centum of the administrative costs, as determined by the Secretary using procedures comparable to the procedures used to determine administrative costs for purposes of section 16(a), related to the provision of such assistance.

"(2) If the Secretary approves the plan submitted by a State under subsection (c), the Secretary shall—

"(A) pay to the State at such times and in such manner as the Secretary may determine, the amount to which the State is eligible under subsection (b)(1); or

"(B) at the request of the State, make available to the State agency, in accordance with section 7, coupons which shall be redeemable in accordance with section 10, or any combination of coupons or cash, having an aggregate value equal to such amount.

"(3) At the request of the State agency, the Secretary shall redetermine the total dollar value determined under paragraph (1)(A), to ensure that there is an accurate determination under such paragraph.

"(c)(1) To be eligible to receive a grant under this section for the fiscal year, each State shall have a plan submitted at such time and in such form as prescribed by the Secretary and approved by the Secretary. Such plan shall—

"(A) designate a single State agency responsible for the administration of the nutrition assistance program under this section;

"(B) assess the food and nutrition needs of needy persons residing in the State;

"(C) describe the assistance to be provided and the persons to whom such assistance will be provided;

"(D) comply with all the program requirements prescribed by the Secretary for the purpose of assuring that assistance is provided to the most needy persons in the State and that such program provides to applicants for assistance adequate notice and fair hearings comparable to those required under section 11 of this Act;

"(E) provide that, in the operation of the nutrition assistance program, there shall be no discrimination on the basis of race, sex, religious creed, national origin or political beliefs; and

"(F) include other information as may be required by the Secretary.

"(2) The State shall make such plan available for public inspection and comment before submitting such plan to the Secretary.

"(d) Payments made under this section to the State may be expended only in the fiscal year for which such payments are distributed or in the following fiscal year.

"(e) The State agency shall keep records concerning the operation of the program carried out under this section and shall make such records available to the Secretary and the Comptroller General of the United States for examination, and for removal and copying.

"(f) If the Secretary finds that there is substantial failure by a State to comply with the requirements of this section, regulations issued pursuant to this section, or the plan approved under subsection (c), then the Secretary may take one or more of the following actions:

"(1) terminate all or part of such payments or coupons authorized by subsection (b)(2) to be made available to such State, until the Secretary is satisfied that there is no longer failure to comply with such requirements;

"(2) withhold all or part of such payments or coupons until the Secretary is satisfied that there is no longer failure to comply with such requirements, at which time the withheld payments may be paid;

"(3) refer the matter to the Attorney General of the United States and request that the Attorney General bring an action for injunctive relief to compel compliance with such requirements; and

"(4) refer the matter to the Attorney General and request that the Attorney General bring an action to recover any payments or coupons made available to such State which were not expended or distributed in accordance with such requirements.

"(g)(1) States which receive grants under this section shall provide for—

"(A) an audit, conducted in accordance with the standards of the Comptroller General, of expenditures coupons distributions for the provision of assistance under this section; and

"(B) not later than 120 days of the end of the fiscal year in which an audit is conducted, a report to the Secretary containing the findings of such audit.

Such States shall make the report of such audit available for public inspection.

"(2) Not later than 120 days after the end of the fiscal year during which the pilot program is conducted, each such State shall prepare an activities report comparing actual expenditures and coupon distributions for the fiscal year for assistance under this section with the expenditures and coupon distributions for the fiscal year predicted in the plan submitted in accordance with subsection (c)(1) of this section. Such State shall make the activities report available for public inspection.

"(h) Whoever knowingly and wilfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any funds, assets, or property provided or financed under this section shall be fined not more than $10,000 or imprisoned for not more than five years, or both, but if the value of the funds, assets, or property involved is not over $200, the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both.

"(i) Not later than 180 days after the fiscal year during which the pilot program is conducted, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

"(1) identifies the States that participated in the program.

"(2) contains an evaluation of the effectiveness of the low-income noncash nutrition assistance program carried out by each of such States under the pilot program; and

"(3) states the recommendations of the Secretary regarding whether a nutrition assistance grant program should be established by the Congress to allow States to elect to operate a low-income noncash nutrition assistance program in lieu of the food stamp program established under this Act.".

(b) Section 3(n) of the Food Stamp Act of 1977 (7 U.S.C. 2012(n)) is amended by inserting before the period at the end thereof "or nutrition assistance grant pilot program under section 21 of this Act.".

—Amend the table of contents by inserting after the item relating to section 1527 the following new item (and redesignating succeeding items accordingly):

Sec. 1528. Nutrition assistance grant pilot program.

By Mr. ENGLISH:

—On page 275, strike lines 6 through 11 and insert in lieu thereof the following:

"LIMITATION ON REQUIREMENTS

SEC. 1141. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end thereof the following: 'Export activities of the Corporation under this Act and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act shall not be subject to cargo preference requirements, except to the extent otherwise required for exports under the Agricultural Trade Development and Assistance Act of 1954.' ".

BY Mr. EVANS of Iowa:

—Page 275, line 7, insert an "(a)" immediately after the phrase "SEC. 1141."; and, on page 275, after line 11, insert the following new subsection:

"(b)(1) Notwithstanding any other provision of law, at least 50 percentum of the gross tonnage of edible agricultural commodities and products derived therefrom, including but not restricted to meat, and dairy products (computed separately for dry bulk carriers, dry cargo liners, and tankers), imported into the United States directly or indirectly by sea, for which a production capacity adequate to meet domestic needs exists within the United States, shall be shipped in private vessels of United States registry to the extent such vessels are available at a fair and reasonable rate for United States commercial vessels.

"(2) The provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States declares that an emergency exists justifying the temporary waiver of the provisions of this subsection and so notifies the appropriate department, agency or agencies: Provided, That such waiver shall in no instance be of a longer duration than 6 months.

"(3) For the purposes of this subsection, the term "private vessels of United States registry" shall mean any vessel which, subsequent to the date of the enactment of this subsection, shall have been documented under the laws of the United States for a period of three years and any newly-constructed vessel, constructed within the United States, or any vessel substantially rebuilt within the United States, which has been documented and maintained under the laws of the United States for a period of three years.

"(4) The Secretary of Agriculture shall annually determine and publish in the Federal Register, on or before the first day of December in each year, a list of commodities and products derived therefrom which shall be shipped under the conditions of this subsection during the next succeeding calendar year.".

—Page 282, after line 18, insert the following:

SECTION 22 AMENDMENT

SEC. 1155. Section 22(b) of the Agricultural Adjustment Act of 1933 (7 U.S.C. 624(b)) is amended by striking out "not in excess of 50 per centum ad valorem or" and inserting "and" in lieu thereof.

—Page 458, strike out lines 17 and 18, and insert in lieu thereof the following:

(1) the term "porcine animal" means a swine which is sold—

(A) at less than 100 pounds as a feeder pig;

(B) for breeding purposes as seedstock; or

(C) for slaughter no later than 30 days after sale as a market hog;

Page 460, strike out lines 23 and 24, and page 461, strike out lines 1 and 2.

Page 461, line 10, strike out "90" and insert in lieu thereof "45".

Page 462, strike out line 6 and all that follows through line 19, and insert in lieu thereof the following:

(b)(1) The initial order described in section 1825 shall provide for the establishment and appointment by the Secretary, not later than 30 days after the effective date of such order, of a National Pork Producers Delegate Body consisting of not more than 175 members. Nominations of pork producers for appointment to the Delegate Body shall be submitted by each State association. If a State association does not submit nominations, or if there is no State Association, then the Secretary may prescribe the manner in which nominations of pork producers from such State shall be made, except that if the State in question is not one of the top twenty pork-producing States in terms of the aggregate market value of porcine animals marketed from such State in the calendar year ending immediately before the appointment of the Delegate Body is to be made, such State shall not be represented on the Delegate Body for the 1986 calendar year. Nominations of importers for appointment to the Delegate Body shall be made in the manner prescribed by the Secretary.

(2) Members of the Delegate Body first appointed shall be appointed as follows:

(A) The Secretary shall assign to each State one vote for each $400,000 (or remaining part thereof in excess of $200,000) of the aggregate average market value of porcine animals marketed from such State during the period of three calendar years concluded immediately before the date any member of the Delegate Body is first appointed.

(B) The Secretary shall appoint to the Delegate Body two pork producers from each State.

(C) The Secretary shall also appoint—

(i)(I) one additional pork producer from such State if the number of votes assigned to such State exceeds 300 but does not exceed 600; and

(II) two additional pork producers from such State if the number of votes assigned to such State exceeds 600; and

(ii) one additional pork producers for each 300 votes (or remaining part thereof in excess of 150 votes) assigned to such State in excess of 1,000 votes.

(D) The Secretary shall assign to importers, collectively, one vote for each $575,000 (or remaining part thereof in excess of $287,500) of aggregate average market value of porcine animals imported into the United States during the period of three calendar years concluded immediately before the date any member of the Delegate Body is first appointed.

(E) The Secretary shall appoint to the Delegate Body—

(i) three importers; and

(ii) one additional importers for each 300 votes (or remaining part thereof in excess of 150 votes) assigned to importers in excess of 1,000 votes.

(3) After the expiration of the term of office of the Delegate Body first appointed, the members of the Delegate Body shall be appointed as follows:

(A) The Secretary shall assign to each State one vote for each $1,000 (or remaining part thereof in excess of $500) of the aggregate amount of assessments collected under this subtitle in such State (minus refunds under section 1831), from persons described in paragraphs (1) and (2) of subsection (g), in the calendar year ending immediately before the first appointment is made to the Delegate Body for the then successive term of office of the Delegate Body.

(B) The Secretary shall appoint to the Delegate Body two pork producers from each State.

(C) The Secretary shall appoint additional pork producers from such State to the Delegate Body in the manner specified in paragraph (2)(C).

(D) The Secretary shall assign to importers, collectively, one vote for each $1,000 (or remaining part thereof in excess of $500) of the aggregate amount of assessments collected under this subtitle (minus refunds under section 1831), from persons described in subsection (g)(3), in the calendar year ending immediately before the first appointment is made to the Delegate Body for the then successive term of office of the Delegate Body.

(E) The Secretary shall appoint importers to the Delegate Body in the manner specified in paragraph (2)(E).

(4) For purposes of satisfying the numerical limitation imposed by paragraph (1) on the total membership of the Delegate Body, the Secretary shall reduce pro rata the applicable number of members authorized to be appointed under subparagraphs (C) and (E) of paragraph (2) or (3), as the case may be.

(5)(A) Members of the Delegate Body shall serve for a term of one year. The term of office of members first appointed shall begin on the same day.

(B) A vacancy on the Delegate Body arising before the expiration of the term for which a member was appointed shall be filled in the same manner as the original appointment was made, except that such appointment shall be made only for the unexpired part of such term.

(6)(A) The number of members of the Delegate Body who hold a majority of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, shall constitute a quorum.

(B) Members of the Delegate Body may vote only in person.

(C) The Delegate Body may act only by the majority of votes (including fractions) cast, a quorum being present.

(D) Each pork producer from a State shall be entitled to cast a per capita share (including fractions) of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, to such State.

(E) Each importer shall be entitled to cast a per capita share (including fractions) of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, to all importers.

Page 463, line 3, strike out "pork producer".

Page 463, beginning on line 16 strike out "The Board" and all that follows through the period on line 21, and insert in lieu thereof the following:

The Board shall consist of members who are appointed as follows:

(A) One pork producer member shall be appointed from each State.

(B) One additional pork producer member shall be appointed from each State for each multiple of 11,000,000 porcine animals marketed, determined on the basis of the annual average number of porcine animals marketed in the most recent period of three calendar years occuring before the date of appointment.

(C) One importer shall be appointed.

(D) The Secretary shall appoint these persons from nominations submitted in the same fashion as nominations for members of the Delegate Body pursuant to section 1827(b)(2).

Page 467, strike out lines 5 through 9, and insert in lieu thereof the following:

(1) each producer for each porcine animal described in subparagraph (A) or (C) of section 1823(1) that is sold,

(2) each producer for each porcine described in subparagraph (B) of section 1823(1) or who produces or processes pork or pork products from that producer's own porcine animals; and

(3) each importer for each imported porcine animal, pork, or pork product;

Page 467, line 13, strike out "animals" and insert in lieu thereof "animal of the same category described in section 1823(1)(A), (B) or (C)".

Page 467, line 14, strike out "three-tenths" and insert in lieu thereof "one-fourth".

Page 468, strike out line 6 and all that follows through line 24, and insert in lieu thereof the following:

(1) From 60 percent of the aggregate amount of assessments collected under this subtitle, each State association shall receive an amount equal to the product of—

(A) the aggregate amount of assessments collected in such State (minus refunds under section 1831) from persons described in paragraphs (1) and (2) of subsection (g); and

(B) a percentage, as determined by the Delegate Body; to use for financing promotion, research, and consumer information plans or projects and for the administrative expense incurred by such association in connection with such plans and projects.

(2) The National Pork Producers Council, a non-profit corporation of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 and incorporated in the State of Iowa, shall receive the remaining amount available for distribution under paragraph (1) but not so distributed, to use for financing promotion, research, and consumer information plans or projects and for the administrative expenses incurred by the Council in connection with such plans and projects.

(3) The Committee shall receive 40 percent of the aggregate amount of assessments collected under this subtitle, to use for—

Page 472, line 21, strike out "a year," and insert in lieu thereof the following: annually, and importers who in such period have

imported annually the equivalent of at least 50 porcine animals or five metric tons of pork or pork products,

Page 472, line 25, insert "and importers" after "producers".

Page 473, line 1, insert "and importers" after "producers".

Page 473, line 18, insert "(1) Except as provided in paragraph (2)," after "(b)".

Page 473, line 20, insert "and importers" after "producers".

Page 473, line 23, insert "and importers" after "producers".

Page 473, line 24, insert "and importers" after "producers".

Page 474, line 3, insert "and importers" after "producers".

Page 474, after line 7, insert the following new paragraph:

(2) The Secretary shall not be required by paragraph (1) to conduct more than one referendum under this subtitle in any 2-year period.

Page 474, after line 10, insert the following new section (and redesignate references and succeeding sections accordingly):

REFUND

SEC. 1831. Notwithstanding any other provision of this subtitle, any person responsible for paying an assessment pursuant to section 1827(g) which becomes payable before approval of continuation of the order pursuant to the referendum required under section 1829(a) and who is not in favor of supporting the program set forth in this subtitle shall have the right to demand and receive from the Committee a refund of such assessment if such a demand shall be made in accordance with regulations and on a form and within a time period prescribed by the Committee and approved by the Secretary, but not later than 30 days after the end of the month in which the assessment was pair. Such refund shall be made not later than 30 days after demand is received therefor, upon submission of proof satisfactory to the Committee that the person paid the assessment for which the refund is sought and did not collect such assessment from another person.

By Mr. FRANK:

—Page 36, strike out line 8 and all that follows through line 9 on page 37 (and redesignate references and succeeding sections accordingly).

—Page 36, before line 3, insert the following new section (and redesignate references and succeeding sections accordingly):

EXTENSION OF MILK DIVERSION PROGRAM

SEC. 212. (a) Effective October 1, 1985, paragraph (3) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(3)) is amended by—

(1) amending subparagraph (A) to read as follows:

"(A)(i)(I) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed five billion pounds (milk equivalent) but will not exceed seven billion pounds (milk equivalent), the Secretary may establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(II) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed seven billion pounds (milk equivalent), the Secretary shall establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(III) For purposes of adjusting under this clause the estimated level of purchases of milk and the products of milk for a fiscal year, the Secretary shall deduct from such level the net amount (measured in milk equivalent) of all reductions occurring during the period beginning on June 15, 1985, and ending on the first day of such fiscal year, in the quantitative limitations in effect on June 15, 1985, under section 22 of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, with respect to milk and the products of milk imported into the United States. For purposes of determining the amount of such reductions, milk equivalent shall be determined on either a solids-not-fat or milkfat milk equivalent basis, whichever produces a higher milk equivalent.

"(IV) Notwithstanding any other provision of this clause, if the Secretary establishes a milk diversion program for fiscal year 1986 under this paragraph, the progam so established shall be carried out for fiscal years 1986 and 1987.

"(ii) Not later than August 1 preceding any fiscal year for which a milk diversion program may or shall be so established under this paragraph (or August 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)) the Secretary shall publish in the Federal Register—

"(I) the estimated level of purchases of milk and products of milk under this subsection (less sales under section 407 for unrestricted use) in such fiscal year if no program is carried out during the year under this paragraph (or in each of fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)); and

"(II) if a milk diversion program is to be established under this paragraph for such fiscal year (or for fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)), notice of the establishment of the program and a detailed description of the nature of the program.

Any milk diversion program so established shall consist of the production termination program formulated under clause (iii). The aggregate amount of the reduction, under the milk diversion program so established, in marketings of milk in each fiscal year for which such program is in effect shall be not less than the difference between the level of purchases so estimated and 4 billion pounds (milk equivalent), unless producers decline to enter into contracts to effect such aggregate amount of reduction.

"(iii) For each of the fiscal years 1986 through 1990 for which a milk diversion program will be in effect under this paragraph, the Secretary shall formulate, not later than August 1 preceding such fiscal year, a production termination program under which the Secretary may offer, at the request of a producer of milk in the United States who submits to the Secretary a bid, to enter into a contract, at any time before November 1 of such fiscal year, with the producer for the purpose of terminating the production of milk by the producer in return for a payment to be made by the Secretary. In setting the terms and conditions of each contract made under this clause, the Secretary shall take into account any adverse effect of such contract, and of all contracts made under this clause, on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such effect.

"(iv) For any fiscal year for which a milk diversion program under this paragraph is in effect, the Secretary shall determine, before the beginning of such fiscal year, the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of such program and shall by regulation specify marketing procuedures to ensure that not more than 40 per centum of the number of such dairy cattle that the Secretary estimates will be marketed for slaughter by the producers participating in the program, in excess of the number of dairy cattle such producers would market for slaughter (based on the historical dairy cow herd culling rate) during such fiscal year in the absence of such program, will be so marketed in such fiscal year in the months of October, November, December, January, February, and September. Such procedures also shall ensure that such sales of dairy cattle for slaughter shall occur on a basis estimated by the Secretary that maintains historical marketing patterns. During such fiscal year, the Secretary shall limit the total number of dairy cattle marketed for slaughter under the program in excess of the historical dairy cow herd culling rate to no more than 7 per centum of the national dairy cow herd.";

(2) by amending subparagraph (B) to read as follows:

"(B) Each contract made under the program formulated under subparagraph (A)(iii) shall provide that—

"(i) the producer shall sell for slaughter or for export all the dairy cattle in which such producer owns an interest;

"(ii) during a period of three, four, or five years specified by the Secretary and beginning on the day the producer completes compliance with subclause (I), the producer shall neither acquire any interest in the production of milk nor acquire, or make available to any person, any milk production capacity of a facility that becomes available because of compliance by any producer with such subclause; and

"(iii) if the producer fails to comply with such contract, the producer shall repay to the Secretary the entire payment received under the contract, including simple interest payable at a rate prescribed by the Secretary, which shall, to the extent practicable, reflect the cost to the Corporation of its borrowings from the Treasury of the United States, commencing on the date payment is first received under such contract.";

(3) striking out subparagraphs (C), (D) and (E);

(4) in subparagraph (F)—

(A) striking out "(F)" and inserting in lieu thereof "(C)"; and

(B) striking out the second sentence and inserting in lieu thereof the following: "The marketing history, as established by the Secretary, of such producer shall be the marketings of milk by the producer for commercial use during the one-year period ending on June 30 immediately preceding the fiscal year for which the contract is sought;

(5) in subparagraph (G)—

(A) striking out "(G)" and inserting in lieu thereof "(D)"; and

(B) striking out "after December 31, 1982" and inserting in lieu thereof "in the fifteenth-month period ending on October 1 of the fiscal year (or October 1, 1985, in the

case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)) for which the producer is seeking to enter into a contract for diversion payments under this paragraph".

(6) by redesignating subparagraph (H) as subparagraph (E);

(7) striking out subparagraphs (I), (J), and (K);

(8) redesignating subparagraphs (L), (M), and (N) as subparagraphs (F), (G), and (H), respectively; and

(9) by striking out subparagraph (O).

(b) Effective October 1, 1985, paragraph (5)(B) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(5)(B)) is amended by—

(1) inserting "(i)" after "(B)"; and

(2) adding at the end thereof the following:

"(ii) Each person who buys, from a producer with respect to whom there is in effect at the time of such sale a contract entered into under paragraph (3), one or more dairy cattle sold for slaughter, who knows that such cattle are sold for slaughter, and who fails to cause the slaughter of such cattle within a reasonable time after receiving such cattle shall be liable for a civil penalty of not more than $5,000 with respect to each of such cattle."

(c) Section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)) is amended by striking out "The price" and inserting in lieu thereof "Except as provided in subsection (d), the price."

(d) Section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by adding at the end thereof the following:

"(7) The Secretary shall carry out this subsection through the Commodity Credit Corporation.".

(e) Notwithstanding the time limitations specified in section 201(d)(3)(A)(ii) of the Agricultural Act of 1949, as added by this title, the Secretary of Agriculture—

(1) shall establish a milk diversion program, and publish the information required by such section, not later than 30 days after the date of the enactment of this Act; and

(2) shall offer to enter into contracts under such program with producers until 60 days after the date of the enactment of this Act;

if a milk diversion program is to be in effect for fiscal year 1986 and if this Act is enacted after August 1, 1985.

—Page 70, strike out line 19 and all that follows thereafter through page 71, line 19, and insert in lieu thereof the following:

"(C) The established price for wheat shall be $4.38 per bushel for the 1986 crop; $4.16 per bushel for the 1987 crop; $3.96 per bushel for the 1988 crop; $3.76 per bushel for the 1989 crop; and $3.57 per bushel for the 1990 crop, respectively.

Page 93, strike out line 24 and all that follows thereafter through page 94, line 24, and insert in lieu thereof the following:

"(C) The established price for corn shall be $3.03 per bushel for the 1986 crop; $2.88 per bushel for the 1987 crop; $2.73 per bushel for the 1988 crop; $2.60 per bushel for the 1989 crop; and $2.47 per bushel for the 1990 crop, respectively.

Page 129, strike out line 24 and all that follows thereafter through page 130, line 20, and insert in lieu thereof the following:

"(B) The established price for upland cotton shall be 81 cents per pound for the 1986 crop; 77 cents per pound for the 1987 crop; 73 cents per pound for the 1988 crop; 69 cents per pound for the 1989 crop; and 66 cents per pound for the 1990 crop, respectively.

Page 146, strike out line 6 and all that follows thereafter through page 147, line 3, and insert in lieu thereof the following:

"(C) The established price for rice shall be $11.90 per hundredweight for the 1986 crop; $11.31 per hundredweight for the 1987 crop; $10.74 per hundredweight for the 1988 crop; $10.20 per hundredweight for the 1989 crop; and $9.69 per hundredweight for the 1990 crop, respectively.

—Page 72, strike out lines 9 through 11.

Page 95, strike out lines 15 through 17.

Page 131, strike out lines 7 through 9 and insert in lieu thereof "curred.".

Page 147, strike out lines 12 through 15 and insert in lieu thereof "been made.".

Page 211, strike out line 12 and insert in lieu thereof the following: "public access for recreation, but the term 'payments' shall include the difference between the original loan level and the level at which the loan is repaid with respect to loans made in accordance with sections 107D(a)(3) and 105C(a)(3) of the Agricultural Act of 1949.".

By Mr. FRANKLIN:

—Page 110, lines 1 and 2 and lines 14 and 15, strike out "AND FEED GRAIN" and insert in lieu thereof ", FEED GRAIN, COTTON, RICE, AND SOYBEAN".

Page 110, line 18, strike out "and feed grains" and insert in lieu thereof "feed grains, cotton, rice, and soybeans" after "wheat".

Page 110, line 25, strike out "and feed grains" and insert in lieu thereof "feed grains, cotton, rice, and soybeans" after "wheat".

Page 111, lines 4 and 5, insert "cotton, rice, and soybeans" after "feed grains,".

Page 111, line 13, strike out "and feed grains" and insert in lieu thereof "feed grains, cotton, rice, and soybeans" after "wheat".

Page 112, line 6, strike out "WHEAT AND FEED GRAIN" and insert in lieu thereof "WHEAT, FEED GRAIN, COTTON, RICE, AND SOYBEAN".

Page 112, line 8, strike out "wheat and feed grain" and insert in lieu thereof "wheat, feed grain, cotton, rice, and soybean".

Page 112, line 17, strike out "wheat or feed grain" and insert in lieu thereof "wheat, feed grain, cotton, rice, or soybean".

Page 113, line 4, strike out "wheat and feed grains" and insert in lieu thereof "wheat, feed grain, cotton, rice, and soybean".

Page 113, strike out lines 5 and 6 and insert in lieu thereof the following: "(including 50 per centum or more of producers of each of the following crops: wheat, feed grains, cotton, rice, and soybeans)".

Page 113, lines 8 and 9, and page 114, line 8, strike out "certificate" and insert in lieu thereof "loan".

Page 113, strike out line 21, and all that follows thereafter through page 114, line 4, and on line 5 of page 114, strike out "(e)" and insert in lieu thereof "(d)".

Page 113, lines 10, 14, 16 and 17, and 19 and 20, strike out "wheat and feed grains" and insert in lieu thereof "wheat, feed grain, cotton, rice, and soybean".

Page 114, line 5, strike out "marketing certificates are" and insert in lieu thereof "a marketing loan program is".

Page 114, line 7, strike out "wheat or feed grains" and insert in lieu thereof "wheat, feed grain, cotton, rice, and soybean".

Page 114, line 8, strike out "certificate" and insert in lieu thereof "loan".

Page 114, line 10, strike out "wheat and feed grains" and insert in lieu thereof "wheat, feed grain, cotton, rice, and soybean".

Page 114, strike out line 12 and all that follows thereafter through page 124, line 10, and insert in lieu thereof the following:

"NATIONAL MARKETING LOAN PROGRAM FOR WHEAT, FEED GRAINS, COTTON, RICE, AND SOYBEANS

"SEC. 504. (a) Whenever a producer repays a loan—

"(1) for a crop of wheat under section 107D of this Act;

"(2) for a crop of feed grains under section 105C of this Act;

"(3) for a crop of cotton under section 103(i) of this Act;

"(4) for a crop of rice under section 101(j) of this Act; or

"(5) for a crop of soybeans under section 201(g) of this Act

such repayment shall be at the lesser of—

"(A) the original loan rate established for such crop; or

"(B) a discounted loan rate which the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of such crop, will reduce the costs incurred by the Federal Government in storing such crop and will maintain the competitiveness of such crop in domestic and export markets.

"(b) Any gain realized by a producer from repaying a loan at the lesser of the original loan rate or a loan rate determined by the Secretary of Agriculture under subsection (a) shall not be subject to any limitation under section 1011 of the Food Security Act of 1985.

"(c) Notwithstanding any other provision of this Act—

"(1) in no event shall the level of loans and purchases for the 1986 or the 1987 crop for wheat be less than $3.30 per bushel;

"(2) in no event shall the level of loans and purchases for the 1986 or the 1987 crop for corn be less than $2.55 per bushel;

"(3) in no event shall the level of loans for cotton be less than 55 cents per pound;

"(4) in no event shall the level of loans for the 1986 or 1987 crop of rice be less than $8 per hundredweight; and

"(5) in no event shall the level of loans and purchases for soybeans be less than $5.02 per bushel.".

Page 124, line 12, strike out "508" and insert in lieu thereof "505".

—Page 284, line 24, strike out "or".

Page 285, line 8, insert "and" immediately after the semicolon.

Page 285, after line 8, insert the following:

(v) a small area that is or was wetland located in a field of which the predominant part is not wetland;

—Page 186, line 18, strike out "$4.50" and insert in lieu thereof "$5.02".

Page 187, after line 15, insert the following:

"(B) Whenever a producer repays a loan made under this subsection for a crop, such repayment shall be at the lesser of—

"(i) the original loan rate established for such crop; or

"(ii) a discounted loan rate which the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of soybeans, will reduce the costs incurred by the Federal Government in storing soybeans, and will maintain the competitiveness of soybeans in domestic and export markets.

"(C) Any gain realized by a producer from repaying a loan at the lesser of the original loan rate or a loan rate determined by the Secretary of Agriculture under subparagraph (B) shall not be subject to any limitation under section 1011 of the Food Security Act of 1985.

"(C) Any gain realized by a producer from repaying a loan at the lesser of the original loan rate or a loan rate determined by the Secretary of Agriculture under subparagraph (B) shall not be subject to any limitation under section 1011 of the Food Security Act of 1985.

Page 124, line 25, insert "(A)" after "(1)".

Page 125, line 7, strike out "(A)" and insert "(i)" in lieu thereof.

Page 125, line 14 and page 126, line 1, strike out "(B)".

Page 126, on lines 3 and 8, strike out "(A)".

Page 130, strike out line 21 and all that follows thereafter through page 131, line 9.

—Page 126, lines 11, 12, and 13, strike out "as computed without regard to any adjustment made under the next sentence".

Page 126, line 13, strike out "If the Secretary" and all that follows through "this sentence." On line 20, and insert in lieu thereof "In no event shall such loan level be less than 55 cents per pound.".

Page 127, after line 9, insert the following:

"(B) Whenever a producer repays a loan made under this subsection for a crop, such repayment shall be at the lesser of—

"(i) the original loan rate established for such crop; or

"(ii) a discounted loan rate which the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of cotton, will reduce the costs incurred by the Federal Government in storing cotton, and will maintain the competitiveness of cotton in domestic and export markets.

—Page 144, lines 22 and 23, strike out "as computed without regard to any adjustment made under the next sentence".

Page 144, lines 23 and 24, strike out "if the Secretary" and all that follows through "this sentence." on page 145, line 4, and insert in lieu thereof "In no event shall such loan level be less than $8.00 per hundredweight in the case of the 1986 and 1987 crops of rice.".

Page 145, after line 10, insert the following:

"(B) Whenever a producer repays a loan made under this subsection for a crop, such repayment shall be at the lesser of—

"(i) the original loan rate established for such crop; or

"(ii) a discounted loan rate which the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of rice, will reduce the costs incurred by the Federal Government in storing rice, and will maintain the competitiveness of rice in domestic and export markets.

"(C) Any gain realized by a producer from repaying a loan at the lesser of the original loan rate or a loan rate determined by the Secretary of Agriculture under subparagraph (B) shall not be subject to any limitation under section 1011 of the Food Security Act of 1985."

Page 144, line 13, insert "(A)" after "(1)".

Page 147, strike out line 4 and all that follows thereafter through line 15.

By Mr. GEJDENSON:

—Page 253, after line 18, insert the following new section:

CHILD IMMUNIZATION

SEC. 1107. (a) The Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) in paragraph (11) of section 109 (7 U.S.C. 1709(11)) by inserting immediately before the period at the end thereof ", including the immunization of children";

(2) in the first sentence of section 206 (7 U.S.C. 1726) by striking out "or" before "(B)", and by inserting immediately before the period at the end thereof ", or (C) health programs and projects, including immunization of children"; and

(3) in the second sentence of section 301(b) (7 U.S.C. 1727(b)) by inserting "(including immunization of children)" immediately after "health services".

(b) In the implementation of health programs undertaken in relation to assistance provided under the Agricultural Trade Development and Assistance Act of 1954, it shall be the target for the organizations and agencies involved to provide for the immunization by fiscal year 1987 of at least three million more children annually than received immunizations under such programs in fiscal year 1985. Such increased immunization activities should be taken in coordination with similar efforts of other organizations and in keeping with any national plans for expanded programs of immunization. The President shall include information concerning such immunization activities in the annual reports required by section 634 of the Foreign Assistance Act of 1961, including a report on the estimated number of immunizations provided each year pursuant to this subsection.

By Mr. GILMAN:

—Page 244, line 12, after "title II" insert "and section 311".

Page 248, at the end of line 22, add the following: The minimum allocation requirements of this clause apply with respect to commodities and products made available under this subsection for carrying out programs of assistance under title II of the Agricultural Trade Development and Assistance Act of 1954, and not with respect to commodites and products made available to carry out section 311 of that Act.

Page 252, after line 23, insert the following:

"(C) The minimun quantity requirements of subparagraphs (A) and (B) apply with respect to the eligible commodities to be made available for carrying out programs of assistance under title II of the Agricultural Trade Development and Assistance Act of 1954, and not with respect to eligible commodities made available to carry out section 311 of that Act.

Page 253, line 1, strike out "(C)" and insert in lieu thereof "(D)".

Page 253, after line 18, insert the following new section:

FOOD FOR PROGRESS PROGRAM AND PRIVATE ENTERPRISE PROMOTION

SEC. 1107. (a) Title III of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1727-1727g) is amended by adding at the end thereof the following new section:

"SEC. 311. (a) The President is authorized to negotiate and carry out agreements with developing countries, that have made commitments to agricultural policy reforms, providing for the furnishing of agricultural commodities to such countries, on a credit or grant basis, to support reform and implementation of agricultural policy decisions based on free market principles. Such agreements may provide for commodities to be furnished on a multiyear basis.

"(b) The agreement between the United States Government and a recipient country which provides for the furnishing of commodities under this section shall be called a Food for Progress Program.

"(c) Before entering into an agreement with a developing country for the furnishing of agricultural commodities under this section, the President shall be satisfied that such country is committed to carry out, or is carrying out, policies that promote economic freedom, private production of food commodities for domestic consumption, and the creation and expansion of efficient domestic markets for the purchase and sale of such commodities. Such policies may provide for, among other things—

"(1) access, on the part of farmers in the country, to private, competitive markets for their product;

"(2) market pricing of commodities to foster adequate private sector incentives to individual farmers to produce food on a regular basis for the country's domestic needs;

"(3) establishment of market-determined foreign exchange rates;

"(4) timely availability of production inputs, such as seed, fertilizer, or pesticides, to farmers; and

"(5) access to technologies to the level of agricultural developments in the country.

"(d)(1) Notwithstanding any other provision of law, the Commodity Credit Corporation may use funds appropriated to carry out title I of this Act in carrying out this section.

"(2) The Commodity Credit Corporation may finance the sale and exportation of commodities furnished to a developing country under this section.

"(3) The Commodity Credit Corporation shall make available to the President such agricultural commodities determined to be available under section 401 as the President may request for purposes of furnishing commodities on a grant basis under this section.

"(4) Section 203 of this Act shall apply to commodities furnished on a grant basis to a developing country under this section.

"(e) Payment by any developing country for commodities purchased on credit terms under this section shall be on the same basis as the terms provided in section 106 of this Act.

"(f) Any new spending authority provided by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(g) Any reference to 'this title' in sections 301 through 307 of this title shall not apply with respect to this section.".

(b) Section 106(b) of such Act (7 U.S.C. 1706(b)) is amended by adding at the end thereof the following new paragraph:

"(4)(A) Notwithstanding any other provision of this subsection, agreements under this title for the sale of agricultural commodities for dollars on credit terms may provide that proceeds from the sale of the commodities in the recipient country shall be used for such private sector development activities as are mutually agreed upon by the United States and the recipient government.

"(B) Proceeds used for private sector development activities pursuant to this paragraph shall be loaned by the recipient government to one or more financial intermediaries operating within the country for use by those financial intermediaries for loans to private individuals, private and voluntary

organizations, corporations, cooperatives, and other entities within such country. Such proceeds shall not be used to promote the production of commodities or the products thereof that will compete, as determined by the President, in world markets with similar commodities or the products thereof produced in the United States.

"(C) As used in this paragraph—

"(i) the term 'private sector development activities' means activities which foster and encourage the development of private enterprise institutions and infrastructure as the base for the expansion, promotion, and improvement of the production of goods and services within a recipient country; and

"(ii) the term 'financial intermediaries' includes banks, cooperatives, private and voluntary organizations, and other financial institutions capable of making and servicing loans.".

By Mr. GINGRICH:

—Beginning on page 396, strike line 24 through line 5 on page 404, and insert in lieu thereof the following new section:

EMPLOYMENT AND TRAINING PROGRAM

SEC. . (a) Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is further amended by—

(1) amending paragraph (1)(ii) to read as follows:

"(ii) refuses without good cause to participate in an employment and training program under paragraph (4) of this subsection, to the extent required under paragraph (4), including any reasonable employment requirements as are prescribed by the State agency in accordance with paragraph (4): *Provided*, That the period of ineligibility shall be two months;";

(2) adding at the end of paragraph (1) the following new sentences: "Any period of ineligibility for violations under this paragraph shall end when the household member who committed the violation complies with the requirement that has been violated.";

(3)(A) striking out "eighteen" in the material preceding clause (i) in paragraph (d)(1) and inserting in lieu thereof "sixteen"; and

(B) in paragraph (d)(2)—

(i) striking out "a work registration requirement" in clause (A) and inserting in lieu thereof "requirements for employment related activities";

(ii) striking out in clause (B) "a dependent child under age six" and all that follows to the end of the clause and inserting in lieu thereof "(i) a dependent child under age six, except that a State agency may, at its option, require such parent or guardian to comply with the work requirements if the child is age three or over and adequate child care is available, or (ii) of an incapacitated person;"; and

(iii) adding a new clause (F) at the end of the paragraph to read "(F) a person between ages sixteen and eighteen who is not a head of household or who is attending school on a full-time basis;" and

(4) adding at the end thereof the following new paragraph:

"(4)(A) Each State agency shall implement an employment and training program designed by the State agency in accordance with guidelines established by the Secretary for the purpose of assisting members of households receiving benefits under this Act in gaining skills, training, or experience that will increase their ability to obtain regular employment. For purposes of this Act, an "employment and training program" means a program, approved by the Secretary, that shall contain a job search program with terms and conditions comparable to those prescribed in subparagraphs (A) and (B) of section 402(a)(35) of part A of title IV of the Social Security Act, except that a State agency shall have no obligation to incur costs exceeding $25 per participant per month, as provided in subparagraph (B)(vi) of this paragraph, and a State agency shall be required to apply employment requirements prescribed under this clause to program applicants at the time of application, and shall also contain one or more of the following components:

"(i) job search training programs that include reasonable job search training and support activities that may consist of jobs skills assessments, job finding clubs, training in techniques for employability, job placement services, or other direct training or support activities, including educational programs, determined by the State agency to expand the job search abilities or employability of those subject to the program;

"(ii) programs designed to improve the employability of household members through actual work experience or training, or both, and to enable individuals employed under such programs to move promptly into regular public or private employment. The facilities of the State public employment offices and agencies operating programs under the Job Training Partnership Act may be used to find employment and training opportunities for household members under the programs. Employment or training experience assignments shall be limited to projects that serve a useful public purpose in fields such as health, social services, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and day care. To the extent possible, the prior training, experience, and skills of the participating member shall be used in making appropriate employment experience assignments. An employment or training experience program established under this clause shall—

"(I) not provide any work that has the effect of replacing the employment of an individual not participating in the employment or training experience program;

"(II) provide the same benefits and working conditions that are provided at the job site to employees performing comparable work for comparable hours; and

"(III) reimburse participants for actual costs of transportation and other actual costs that are reasonably necessary and directly related to participation in the program, but not to exceed $25 in the aggregate per month; and

"(iii) as approved by the Secretary, other programs, projects, and experiments, such as a supported work program, aimed at accomplishing the purpose of the employment and training program; and

"(iv) workfare programs operated under Section 20 of this Act.

"(B)(i) Each State agency shall place all persons subject to employment and training requirements under subsection (d)(1) in a job search program or in an alternative employment and training program authorized under subsection (A)(i), (ii), (iii), or (iv) of this section.

"(B)(ii) Each State agency shall place in employment and training program activities authorized under subsection (A)(i), (ii), (iii), or (iv) of this section not less than twenty-five percent of the persons subject to employment and training requirements under subsection 6(d)(1) for any month in the fiscal year beginning October 1, 1986, fifty percent of such persons for any month in the fiscal year beginning October 1, 1987, and seventy-five percent of such persons for any month in the fiscal year beginning October 1, 1988 and each fiscal year thereafter.

"(iii) The Secretary shall use State agency reports in conjunction with findings of the quality control system to monitor the compliance of State agencies with the requirements of this paragraph. If it is determined that a State agency has failed to comply with such requirements, the State agency shall be subject to penalties as determined by the Secretary which may include a reduction in the funds provided to the State agency under subsection 16(a) in accordance with the procedures set forth in subsection 16(d). If such procedures are applied, the State agency shall be considered to have issued erroneous payments for the number of households by which it failed to meet the appropriate standard established in subsection (B)(1) or (B)(2) of this section, with each such erroneous payment being equal to the average allotment for all households containing a member who is required to participate in employment and training program activities."

"(C)(i) The State agency may provide that participation in an employment and training program may supplement or supplant other requirements imposed on those subject to the program.

"(ii) In complying with the performance standards established in subsection 6(B) and subject to guidelines established by the Secretary, each State agency may exempt from participation in any program under this paragraph categories of household members to which the State agency determines that the application of such requirements is impracticable as applied to such categories due to factors such as, but not limited to, the availability of work opportunities and the cost effectiveness of the employment requirements. In making such a determination, the State agency may designate a category consisting of all such household members residing in a specified area of the State. The State agency may also exempt or suspend from such requirements individual household members not included in any such category but with respect to whom it determines that such requirements are impracticable because of personal circumstances such as, but not limited to, lack of job readiness and employability, the remote location of work opportunities, and unavailability of dependent care.

"(iii) The total hours of work in an employment and training program carried out under this paragraph required of members of a household, together with the hours of work of such members in any other program carried out under section 20 of this Act, in any month collectively may not exceed a number of hours equal to the household's allotment for such month divided by the higher of the applicable State minimum wage or Federal minimum hourly rate under the Fair Labor Standards Act of 1938. The total hours of participation in such program required of any member of a household, individually, in any month, together with any hours worked in another program carried out under section 20 of this Act and any hours worked for compensation (in cash or in kind) in any other capacity, shall not exceed one hundred and twenty hours per month.

"(iv) Each State agency shall establish requirements, determined by the State agency to be appropriate, for participation for individuals not exempt under clause (ii) of this

paragraph in one or more employment and training programs under this paragraph (which requirements may vary among participants), but may operate programs under this paragraph in which individuals elect to participate. The State agency shall permit individuals not subject to the requirements described in the previous sentence or who have completed or are in the process of complying with such requirements to participate in any program under this paragraph.

"(v) The Secretary shall promulgate guidelines that, to the maximum extent practicable, enable a State agency to design and operate an employment and training program under this paragraph that is compatible and consistent with similar programs operated within the State.

"(vi) A State agency shall reimburse participants for actual transportation costs and other actual expenses incurred by participants in the employment and training program, except that the State agency may limit such reimbursement to each participant to $25 per month.".

(b) Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended by—

(1) striking out the period after paragraph (21) and inserting in lieu thereof "; and"; and

(2) adding at the end thereof the following new paragraph:

"(22) the manner in which the State agency will carry out the employment and training program under section 6(d)(4) of this Act.".

(c) Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by adding at the end thereof the following new subsection:

"(h)(1) Effective October 1, 1984, the Secretary shall allocate in each fiscal year, from funds appropriated for such fiscal year under section 18(a)(1) of this Act, the amount of $40,000,000 for the fiscal year ending September 30, 1986, $50,000,000 for the fiscal year ending September 30, 1987, $60,000,000 for the fiscal year ending September 30, 1988, and $75,000,000 for the fiscal year ending September 30, 1989, and September 30, 1990, which amount shall be used to pay to each State agency the full cost (except as otherwise provided in this subsection) of carrying out the employment and training program under section 6(d)(4) of this Act.

"(2) If, in carrying out such activities, a State agency incurs costs that exceed the amount payable to the State agency under paragraph (1), the Secretary shall pay such State agency an amount equal to the 50 per centum of such additional costs in accordance with subsection (a).

"(3) The Secretary shall, in accordance with subsection (a), reimburse each State agency in an amount equal to 50 per centum of the total amount of payments made or costs incurred by the State agency in connection with actual transportation costs and other actual expenses reasonably incurred by participants in the employment and training program, except that such total amount shall not exceed an amount representing $25 per participant per month.

By Mr. GLICKMAN:

—(1) Title IV of H.R. 2100 is amended by—

"(a) on page 68, line 23 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 15 acres for the crop.";

"(b) on page 70, after line 11 striking all through page 71, line 12 and inserting in lieu thereof the following—

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that exceeds fifteen thousand bushels."; and

(2) Title V of H.R. 2100 is amended by—

"(a) on page 92, line 4 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a feed grains acreage base of less than 15 acres for the crop."; and

"(b) on page 93, after line 19 striking all through page 94, line 20 and inserting in lieu thereof the following—

"(C) For each crop of corn, the established price shall not be less than the following levels for each farm:

"(i) $3.10 per bushel for any portion of the crop produced on each farm that does not exceed thirty thousand bushels and

"(ii) $2.75 per bushel for any portion of the crop produced on each farm that exceeds thirty thousand bushels.".

—(1) Title IV of H.R. 2100 is amended by—

"(a) on page 65, after line 8, striking all through "shall" on line 11 and inserting in lieu thereof the following—

"(2) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

"(b) on page 67, line 5 striking "The Secretary may" and inserting in lieu thereof the following—

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of wheat, the Secretary shall";

"(c) on page 68, line 23 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 15 acres for the crop.";

"(d) on page 70, after line 11 striking all through line 12, page 71 and inserting in lieu thereof the following—

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels.";

"(d) on page 86, line 15 striking "may not" and inserting in lieu thereof the following: "shall";

"(e) on page 86, line 18 striking "may" and inserting in lieu thereof the following: "shall"; and

(2) Title V of H.R. 2100 is amended by—

"(a) on page 87, after line 15, striking all through "shall" on line 18 and inserting in lieu thereof the following—

"(2)(A) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

"(b) on page 89, after line 11, striking all through "shall" on line 15 and inserting in lieu thereof the following—

"(B) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

"(c) on page 89, line 5, striking "The Secretary may" and inserting in lieu thereof the following—

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of corn the Secretary shall";

"(d) on page 90, line 21, striking "The Secretary may" and inserting in lieu thereof the following—

"(B) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of feed grains the Secretary shall";

"(e) on page 92, line 4 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a feed grains acreage base of less than 15 acres for the crop."; and

"(f) on page 93, after line 19 striking all through line 20, page 94 and inserting in lieu thereof the following—

"(C) For each crop of corn, the established price shall not be less than the following levels for each farm:

"(i) $3.10 per bushel for any portion of the crop produced on each farm that does not exceed thirty thousand bushels and

"(ii) $2.75 per bushel for any portion of the crop produced on each farm that exceeds thirty thousand bushels.";

"(g) on page 109, line 12 striking "may not" and inserting in lieu thereof the following: "shall"; and

"(h) on page 109, line 15 striking "may" and inserting in lieu thereof the following: "shall"."

—Title X of H.R. 2100 is amended by: "1 on page 212 on line 14, after "nonrecourse" insert "and recourse"; and "2 on page 213 on lines 2 and 7, after "loans" insert "and recourse loans made under section 401(a)(3) and section 501(a)(3) of this Act" in each instance."."

—Title XII of H.R. 2100 is amended by: "On page 288, striking out line 14 and all that follows through line 20 and inserting in lieu thereof the following—

"(1) during the period which begins on the date of the enactment of this Act and ends on whichever is later of January 1, 1990 or the date which is two years after the date such land on which such crop is produced was mapped by the Soil Conservation Service for the purposes of classifying such land under the land capability classification system, on any land that was cultivated to produce any of the 1981 through 1985 crops of agricultural commodities or that was set aside, diverted or otherwise not cultivated under provisions of a Department of Agriculture program for any such crops to reduce production of an agricultural commodity, except as otherwise provided in section 1205(m);"."

—On page 413, line 21, strike the word "and", and on line 22, insert before the period the following: ", and system security and privacy."

—On page 414, line 4, strike the word "and" and insert in lieu thereof a comma, and after the word, "cost-effective", insert the following: ", and secure".

—On page 503, after line 7, insert the following new section:

NEW GRAIN CLASSIFICATIONS

SEC. 1873. The Secretary shall direct the Federal Grain Inspection Service and the

Agricultural Research Service to cooperate in developing new means of establishing grain classifications taking into account characteristics other than those visually-evident and shall report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry not later than December 31, 1985, on the status of those cooperative efforts as they relate to more accurately classifying types of wheat and other grains now in use."

By Mr. GREEN:

—On page 72, strike out lines 9 through 11;

On page 95, strike out lines 15 through 17;

On page 131, strike out lines 7 through 9 and insert in lieu thereof "curred.";

On page 147, strike out lines 12 through 15 and insert in lieu thereof "been made.";

On page 211, strike out line 12 and insert in lieu thereof the following: "public access for recreation: the term "payments" shall include the difference between the original loan level and the level at which the loan is repaid with respect to loans made in accordance with sections 107D(a) (3) and 105C(a) (3) of the Agricultural Act of 1949.".

By Mr. GUNDERSON:

Strike all in Title II, as amended, and insert the following:

SEC. 201. Notwithstanding any other provision of law, this Act shall be effective beginning upon the date of enactment and may be cited as the "Milk Marketing Improvement Act of 1985".

LEVEL OF PRICE SUPPORT

Sec. 202. Section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)) is amended—

(1) in the first sentence—

(A) by striking out "The price of milk" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the price of milk",

(B) by striking out "75 per centum" and inserting in lieu thereof "70 per centum", and

(C) by inserting ", after consultation with the National Dairy Board established in section 11 of the Milk Marketing Improvement Act of 1985," after "determines",

(2) by striking out the second sentence and inserting in lieu thereof "Effective on the first day of the first marketing year beginning after the effective date of this paragraph, the support price of milk shall be adjusted at the beginning of each marketing year to reflect any estimated change in the parity index during the marketing year preceding the marketing year for which such adjustment is made.",

(3) in the third sentence by inserting "in accordance with paragraph (2)" before the period, and

(4) by adding at the end thereof the following new paragraph:

"(2) To carry out paragraph (1), milk and the products of milk shall be purchased as follows:

"(A) First, not to exceed the sum of—

"(i) three and five-tenths billion pounds (milk equivalent), and

"(ii) the number of pounds (milk equivalent) equal to the difference between—

"(I) the number of pounds of milk, of the products of milk (milk equivalent), and of casein and caseinates (milk equivalent), imported into the United States in such marketing year, and

"(II) the average of the number of pounds of milk, the products of milk (milk equivalent), and of casein and caseinates (milk equivalent), imported into the United States annually in the three marketing years preceding the marketing year for which the determination is made under this section,

shall be purchased by the Secretary with funds (other than funds transferred under section 212(4) of the Milk Marketing Improvement Act of 1982 to the Secretary) made available to the Secretary for such purpose.

"(B) Second, any quantity of milk and the products of milk in excess of the quantity purchased under subparagraph (A), required to be purchased to support the price of milk at the level established under paragraph (1) for such marketing year, shall be purchased with funds transferred under section 212(4) of the Milk Marketing Improvement Act of 1982 to the Secretary, to the extent that such funds are adequate to carry out this subparagraph.

"(C) Third, any quantity of milk and the products of milk in excess of the quantities purchased under subparagraph (A) and subparagraph (B) required to be purchased to support the price of milk at the level established under paragraph (1) shall be purchased (on a reimbursable basis) with funds (other than funds transferred under section 212(4) of the Milk Marketing Improvement Act of 1982 to the Secretary) made available to the Secretary for such purpose. Any purchases made under this subparagraph shall be reimbursed promptly with any funds available for transfer under section 212(4) of the Milk Marketing Improvement Act of 1985.".

INDIVIDUAL MARKETING BASES

Sec. 203. (a) Not later than September 15, the Secretary shall establish individual marketing bases for the first marketing year beginning after such day as follows:

(1) A person who owns a production facility at which milk has been produced, for marketing, throughout each year of the three-year period ending on March 31 preceding the marketing year for which such base is to be established shall have a base, with respect to such production facility, equal to the average of the quantities of milk produced annually at such production facility, for marketing, in such three years.

(2) A person who owns a production facility at which milk has been produced, for marketing, throughout each year of the two-year period ending on March 31 preceding the marketing year for which such base is to be established shall have a base, with respect to such production facility, equal to the average of the quantities of milk produced annually at such production facility, for marketing, in such two years or three hundred and fifty thousand pounds, whichever is larger.

(3) A person who owns a production facility at which milk has been produced, for marketing, throughout the one-year period ending on March 31 preceding the marketing year for which such base is to be established shall have a base, with respect to such production facility, equal to the quantity of milk produced at such production facility, for marketing, in such period or three hundred and fifty thousand pounds, whichever is larger.

(4) A person who owns a production facility at which milk has been produced, for marketing, before the effective date of this paragraph and in, but not throughout, the eighteen-month period preceding the marketing year for which such base is to be established shall be assigned a base determined on the basis of the monthly average of milk produced by such producer at such production facility, but not less than three hundred and fifty thousand pounds.

(5)(A) If sufficient base (milk equivalent) is available under section 204 for assignment under this subparagraph, then a person who owns a production facility at which milk has not been produced, for marketing, throughout a period specified in paragraph (1), (2), or (3) or in the period described in paragraph (4) may be assigned a base of not less than three hundred and fifty thousand pounds (milk equivalent) in accordance with such section.

(B) Notwithstanding paragraph (2) and paragraph (3), for each of the two marketing years following the marketing year for which a base is assigned under subparagraph (A) such person shall have a base not less than the base assigned under subparagraph (A).

(6) A person who produces milk and who does not receive a base under paragraph (1), (2), (3), (4), or (5) of this subsection or lease any base under subsection (b), with respect to the production facility at which such milk is produced, shall have a base equal to zero with respect to such production facility.

No person who receives a base under paragraph (1), (2), (3), or (4) with respect to a production facility may be assigned a base under paragraph (5) with respect to such production facility.

(b) Notwithstanding subsection (a), the State Dairy Commission for the State in which the production facility involved is located may adjust the size of a base received under paragraph (1), (2), (3), or (4) of such subsection if such Commission determines that the quantity of milk produced at such production facility in the applicable period was abnormally low as a result of factors beyond the control of any producer who then produced milk at such production facility. The refusal of such Commission to increase a base under this subsection may be appealed only to the Board. The decision of the Board shall be final.

(c) A person who receives a base under subsection (a) (including any increase received under subsection (b)) may lease in writing all or part of such base to any producer who—

(1) produces milk at the production facility with respect to which such base is received under subsection (a), and

(2) does not then have any other base received under subsection (a) or leased under this subsection.

(d) For any marketing year—

(1) no producer may receive more than one base under subsection (a), and

(2) no producer who receives a base under subsection (a) may lease any part of a base under subsection (c).

(e) Notwithstanding subsection (a), if a person who receives a base under such subsection for two successive marketing years, with respect to a production facility, does not—

(1) produce milk at such production facility, or

(2) lease any part of either of such bases to a producer described in subsection (c) who produces milk at such production facility,

in either of such marketing years, then the base which would be received by such person for the year following such two successive marketing years, but for the operation of this subsection, shall be available to the Commission for the State in which such production facility is located, for assignment in accordance with section 204.

ASSIGNMENT OF BASES TO NEW PRODUCERS

Sec. 204. (a) Commissions may assign bases to eligible producers under section

203(a)(5)(A), except that the aggregate of all bases assigned by any Commission under such section for a marketing year may not exceed the aggregate of the bases available to such Commission under section 203(e) for assignment for such marketing year.

(b) Available bases assigned by a Commission shall be assigned among eligible persons in the following order of priority:

(1) First, bases shall be assigned to persons who have not produced milk, for marketing, before submitting such application and who have a low net worth.

(2) Second, bases shall be assigned to persons who have not produced milk, for marketing, before submitting such application and who intend to produce milk at production facilities located on family farms and operated by family members.

(3) Third, other persons who are eligible to receive a base under section 203(a)(5)(A).

(c) Except as provided in subsection (a) and subsection (b), any person described in section 203(a)(5)(A) who—

(1) submits to the appropriate Commission an application to receive a base assigned under such section, and

(2) intends to produce milk at the production facility with respect to which the assignment of such base is requested,

is eligible to receive such base.

(d) The decision of a Commission to assign a base or to deny an application to receive a base may be appealed only to the Board by the applicant. The decision of the Board shall be final.

PERCENTAGE REDUCTION OF PRODUCTION

Sec. 205. (a) Not later than September 15 of each year, the Board shall estimate for the marketing year beginning after such date—

(1) the quantity of milk necessary to satisfy the commercial market requirements (including the requirements of programs carried out by the United States), and

(2) the quantity of milk to be produced, for marketing, in such marketing year.

If the Board determines that the quantity of milk to be produced exceeds the quantity of milk necessary to satisfy such requirements, by an amount greater than the estimated pounds of milk and the products of milk required to be purchased by the Secretary under section 201(c)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)(2)) in such marketing year, then the Board shall determine a percentage reduction factor under subsection (b).

(b) The percentage reduction factor for a marketing year shall be equal to the percentage which bears the same ratio to 100 per centum as the level of commercial market requirements for such marketing year estimated under subsection (a)(1) bears to the level of milk production estimated under subsection (a)(2).

ASSESSMENTS FOR EXCESSIVE MARKETING

Sec. 206. (a) For a marketing year for which a percentage reduction factor is required to be determined under section 5, the Board shall establish two rates of assessment under subsection (b) applicable to producers. Such rates of assessment shall be sufficient, when applied with respect to milk produced during such marketing year, to produce under section 7 the estimated amount of funds required—

(1) to purchase the quantity of milk and the products of milk in excess of the number of pounds of milk and the products of milk required to be purchased by the Secretary under section 201(c)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)(2)) in such marketing year necessary to support the price of milk at the level established under section 201(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)(1)) for such marketing year, and

(2) to pay the pay, travel, and administrative expenses authorized by this Act and incurred by the Board and the Commissions.

(b) For purposes of subsection (a), the Board shall establish by rule—

(1) a rate of assessment applicable with respect to the quantity of milk marketed by a producer that exceeds the product of—

(A) the base received by such producer under section 3 (other than a base received under subsection (a)(6)), and

(B) the percentage reduction factor determined under section 205,

but does not exceed such base, and

(2) a greater rate of assessment applicable with respect to the quantity of milk marketed by a producer that exceeds such base.

(c) The rates of assessment established under subsection (b) for a marketing year may be adjusted during such marketing year to produce the amount of funds described in subsection (a).

LIABILITY FOR ASSESSMENTS

Sec. 207. (a) Any person who produces milk in the United States, for marketing, shall be liable for assessments applicable under section 206.

(b) The amount of any assessment owed under subsection (a) for a quarter of a marketing year shall be determined by applying pro rata the appropriate rates of assessment to the quantity of milk equal to the difference between—

(1) the quantity of milk produced by such person, for marketing, in the three-month period involved, and

(2) one-fourth of the quantity of milk equal to the product of—

(A) the base assigned to such person under section 3, and

(B) the percentage reduction factor determined under section 205.

COLLECTION OF ASSESSMENTS

Sec. 208. (a) Assessments owed under section 207 shall be collected by handlers in three equal monthly installments payable in the three-month period following the quarterly period for which such assessment is owed.

(b) Assessments collected under subsection (a) shall be remitted monthly to the Board, not later than fifteen days after the end of the month in which such assessments are collected.

(c) Handlers required to collect assessments under subsection (a) shall—

(1) maintain, and make available for inspection by the Board and the Secretary, such records as the Secretary may require by rule, and

(2) submit reports to the Board and the Secretary at such time and containing such information as the Secretary or the Board may require by rule,

to make an accounting with respect to the collection and remittance of such assessments.

ENFORCEMENT OF COLLECTION OF ASSESSMENTS

Sec. 209. (a) Any person who fails to pay, collect, or remit any assessment owed under section 207 or payable under section 208 may be assessed a civil penalty by the Board of not less than $1,000. No civil penalty may be assessed under this paragraph unless such person is given notice of, and opportunity for an administrative hearing on the record with respect to, such violation.

(b) Any person against whom a civil penalty is assessed, under subsection (a) may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than thirty days after such penalty is imposed. As part of its answer, the Board shall file in such court a certified copy of the record upon which the findings and decision complained of are based. The findings of the Board may be set aside only if found to be unsupported by substantial evidence.

(c) The district courts of the United States shall have jurisdiction to review and enforce any civil penalty imposed under subsection (a).

REVOLVING ACCOUNT

Sec. 210. (a) There is hereby established in the Treasury of the United States a revolving account to be known as the Milk Marketing Stabilization Fund.

(b) Assessments received under section 208(b) shall be deposited by the Board in the fund.

(c) From proceeds received by the Commodity Credit Corporation from the sale of milk and the products of milk, the Secretary shall deposit in the fund for a fiscal year an amount which bears the same ratio to the aggregate proceeds received by the Commodity Credit Corporation from the sale of milk and the products of milk in such fiscal year as the aggregate amount of funds transferred under section 212(4) by the Board to the Secretary for the purchase of milk and the products of milk in such fiscal year bears to the aggregate amount of funds expended under section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)) to purchase milk and the products of milk in such fiscal year.

(d) Moneys in the fund shall be available to the Board, in amounts specified in appropriation Acts and without fiscal year limitation, for pay, travel, and administrative expenses incurred by the Board.

NATIONAL DAIRY BOARD

Sec. 211. There is hereby established in the Department of Agriculture the National Dairy Board.

DUTIES OF BOARD

Sec. 212. The duties of the Board are—

(1) to determine under section 205 the percentage reduction factor applicable for a marketing year,

(2) to establish under section 206 rates of assessment applicable for a marketing year,

(3) to receive assessments remitted under section 8(b) and to deposit such assessments into the fund,

(4) to transfer moneys from the fund to the Secretary for the purchase of milk and the products of milk in accordance with section 201(c)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)(2)),

(5) to review decisions of the Commissions denying requests made under section 203(b) for adjustments of bases and applications submitted under section 204 to receive bases,

(6) to determine whether surplus funds exist in the revolving account and to make any appropriate refunds to producers, and

(7) to advise the Secretary regarding—

(A) methods to develop and improve domestic and foreign markets for milk and the products of milk,

(B) methods to develop and improve research related to the production and marketing of milk and the products of milk, and

(C) the level at which the price of milk should be supported under section 201(c) of

the Agricultural Act of 1949 (7 U.S.C. 1446(c)).

MEMBERSHIP AND OPERATION OF BOARD

Sec. 213. (a) The Board shall be composed of twelve members as follows:

(1) The Secretary or his delegate.

(2) One producer appointed from each region designated in subsection (b), appointed by the President, by and with the advice and consent of the Senate, from among persons nominated by producers and associations of producers.

(3) One person appointed from among persons who process milk.

(4) Two persons appointed from among persons who represent the interests of consumers.

(b) The regions from which producers shall be appointed under subsection (a)(2) are as follows:

(1) New York, Connecticut, Rhode Island, Vermont, New Hampshire, Maine, and Massachusetts,

(2) Pennsylvania, Ohio, New Jersey, Delaware, Maryland, and the District of Columbia,

(3) Mississippi, Alabama, Florida, South Carolina, North Carolina, Virginia, West Virginia, Tennessee, Kentucky, and Georgia,

(4) Missouri, Illinois, Indiana, and Michigan,

(5) Wisconsin,

(6) Minnesota, Iowa, North Dakota, and South Dakota,

(7) Idaho, Utah, Arizona, New Mexico, Colorado, Wyoming, Montana, Nebraska, Kansas, Oklahoma, Texas, Louisiana, and Arkansas, and

(8) California, Nevada, Oregon, Washington, Alaska, and Hawaii.

(c) A vacancy on the Board shall be filled in the manner in which the original appointment was made.

(d)(1) Except as provided in paragraph (2) and paragraph (3), members of the Board—

(A) shall be paid the daily equivalent of the minimum rate of basic pay payable from time to time for GS-13 of the General Schedule under section 5332(a) of title 5, United States Code, for each day (including traveltime) during which they are engaged in the performance of the duties of the Board, and

(B) while away from their homes or regular places of business in performance of services for the Board, shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(2) The Secretary, or his delegate, shall not receive additional pay, allowances, or benefits by reason of serving as a member of the Board.

(3) Pay and travel expenses authorized by this subsection may be paid only with funds deposited in the Milk Marketing Stabilization Fund.

(f) Seven members of the Board shall constitute a quorum.

(g) The Chairman of the Board shall be elected by the members of the Board for a term of two years.

(h) The Board shall meet as soon as practicable after the date of the enactment of this Act, at the call of the Secretary. Thereafter the Board shall meet at the call of the Chairman or of a majority of the members, but not less frequently than monthly.

STAFF

Sec. 214. (a) Except as provided in subsection (b), the Board may appoint and fix the pay of such personnel as it considers appropriate without regard to section 5311(b) of title 5, United States Code.

(b) Personnel appointed by the Board shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

POWERS OF BOARD

Sec. 215. (a) For the purpose of carrying out the duties of the Board, the Board may sit and act at such times and places, take such testimony, and receive such evidence as the Board considers appropriate.

(b) Any member or agent of the Board may, if authorized by the Board, take any action which the Board may take under subsection (a).

SUPPORT SERVICES

Sec. 216. The Secretary shall make available to the Board support services adequate to allow the Board to carry out its duties.

STATE DAIRY COMMISSIONS

Sec. 217. The Secretary shall appoint for each State in which milk is produced for marketing, a State dairy commission.

DUTIES OF COMMISSION

Sec. 218. The duties of a Commission are—

(1) to assign bases under section 204 with respect to production facilities under paragraph (4) and paragraph (5) of section 203(a), and

(2) to adjust bases under section 203(b) with respect to production facilities described in paragraphs (1), (2), (3), and (4) of section 203(a).

MEMBERSHIP AND OPERATION OF COMMISSION

Sec. 219. (a) Except as provided in subsection (b), a Commission shall be composed of five members appointed for terms of three years by the Secretary from among producers in the State for which such Commission is appointed.

(b)(1) Of the members first appointed to such Commission—

(A) two members shall be appointed for terms of three years,

(B) two members shall be appointed for terms of two years, and

(C) one member shall be appointed for a term of one year.

(2) Any member appointed to fill a vacancy before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(c) A vacancy in such Commission shall be filled in the manner in which the original appointment was made.

(d) Members of the Commission—

(A) shall be paid the daily equivalent of the minimum rate of basic pay payable from time to time for GS-7 of the General Schedule under section 5332(a) of title 5, United States Code, for each day (including traveltime) during which they are engaged in the performance of the duties of the Commission, and

(B) while away from their homes or regular places of business in performance of services for the Commission, shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5, United States Code.

(e) Upon the request of such Commission, the Secretary shall make available to such Commission facilities, personnel, and supportive services of the Department of Agriculture appropriate to allow such Commission to effectively carry out its duties.

DEFINITIONS

Sec. 220. For purposes of this Act—

(1) the term "Board" means the National Dairy Board established in section 211,

(2) the term "Commission" means a State dairy commission appointed under section 217,

(3) the term "handler" means a person who—

(A)(i) retains milk of his own production, or

(ii) acquires by purchase or exchange milk from a producer, and

(B)(i) processes or prepares milk for marketing as fluid milk or the products of milk, or

(ii) markets milk or the products of milk,

(4) the term "marketing year" means a one-year period beginning on October 1 the marketing year established by the Secretary to carry out section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)),

(5) the term "Milk Marketing Stabilization Fund" means the fund established under section 210,

(6) the term "person" shall have the meaning given it in section 1 of title 1, United States Code,

(7) the term "production facility" means a milk production facility,

(8) the term "producer" means a milk producer,

(9) the term "Secretary" means the Secretary of Agriculture,

(10) the term "State" shall have the meaning given it in section 301(a)(6) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(a)(6)),

(11) the term "to market" means to sell or to exchange in a commercial market,

(12) the term "to own" means to own all or part, and

(13) the term "United States" shall have the meaning given it in section 301(a)(7) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(a)(7)).

EFFECTIVE DATE

Sec. 221. (a) Except as provided in subsection (b) and subsection (c), this Act shall take effect on the date of the enactment of this Act.

(b) The amendments made by section 202 shall take effect on October 1, 1985.

(c) Sections 203, 204, 205, 206, 207, 208, 209, and 210 shall take effect on September 1, 1985.

—Page 17, line 18, strike out the period and insert in lieu thereof a semicolon.

Page 17, after line 18 insert the following: "but not to exceed 50 cents per hundredweight."

Page 47, beginning on line 23, strike out "equal" and all that follows through line 2 on page 48, and insert in lieu thereof the following: "equal to $50,000,000 divided by the number of hundredweights of milk estimated by the Secretary to be produced in the United States in the fiscal year involved."

—Page 37, after line 9, insert the following:

DOMESTIC CASEIN INDUSTRY

Sec. 215. (a) The Commodity Credit Corporation shall provide surplus stocks of nonfat dry milk of not less than one mil-

lion pounds annually to individuals or entities on a bid basis.

(b) The Commodity Credit Corporation may accept bids at lower than the resale price otherwise required by law in order to promote the strengthening of the domestic casein industry.

(c) The Commodity Credit Corporation shall take appropriate action to assure that the nonfat dry milk sold by the Corporation under this section shall be used only for the manufacture of casein.

Redesignate succeeding sections in the subtitle accordingly.

—Page 38, after line 11, insert the following new section:

APPLICATION OF SUPPORT PRICE FOR MILK

SEC. 217. For purposes of supporting the price of milk under section 201(d) of the Agricultural Act of 1949, the Secretary of Agriculture may not take into consideration any market value of whey.

—Page 53, strike out line 7 and all that follows through line 7 on page 54 (and redesignate references and succeeding sections accordingly).

—Page 56, after line 19, insert the following new sections:

NATIONWIDE MILK MARKETING ORDER

SEC. 236. (a) Section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in subsection (2)(A) by inserting "(except in the case of milk and its products)" before ": milk";

(2) in subsection (5)—

(A) in the first sentence by striking out "orders issued pursuant to this section" the first place it appears and inserting in lieu thereof "any order issued pursuant to this section shall apply to all production areas and marketing areas nationwide and"; and

(B) in paragraph (G) by striking out "in any marketing area";

(3) in subsection (8)—

(A) in paragraph (A) by inserting "as to milk such order must be approved or favored by 51 per centum of the producers and" after "(except that"; and

(B) in paragraph (B) by inserting "(except that as to milk at least 51 per centum of the volume)" after "volume of such commodity" each place it appears; and

(4) in subsection (9)(B)—

(A) in subparagraph (i) by inserting "as to milk such order must be approved or favored by 51 per centum of the producers and" after "(except that"; and

(B) in subparagraph (ii) by inserting "(except that as to milk at least 51 per centum of the volume)" after "volume of such commodity" each place it appears.

(b) The amendments made by subsection (a) shall take effect on the first day of the seventh month beginning after the date of the enactment of this Act.

MAXIMUM PRICE FOR MILK OF THE LOWEST USE CLASSIFICATION

SEC. 237. Section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in subparagraph (A) by adding at the end thereof the following: "The price, as so adjusted, for milk of the lowest use classification may not exceed the difference between the price of milk of the highest use classification, as so adjusted, and the cost of reconstituting such milk of the lowest use classification. For purposes of the preceding sentence, the cost of reconstituting milk means the cost required to be incurred to restore milk to a liquid containing the water, fat, and nutrients found in fluid milk in its original state.".

BASING POINTS

SEC. 238. For purposes of making price adjustments under paragraphs (A)(3) and (B)(ii)(c) of section 8c(5) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, the Secretary may not establish more than four basing points located in the United States.

—Page 278, line 16, after the semicolon insert "and".

Page 278, line 23, strike out "; and" and insert a period in lieu thereof.

Page 278, strike out line 24 and all that follows through line 5 on page 279 and insert in lieu thereof:

GLOBAL ANALYSIS OF FUTURE WORLD PRODUCTION AND FOOD NEEDS

Page 279, beginning in line 9, strike out "President shall appoint" and all that follows through "Food Aid" in line 5 on page 260 and insert in lieu thereof the following: Secretary of Agriculture, in conjunction with the United States Trade Representative, not later than one year after the date of enactment of this Act,".

Page 280, line 21, strike out "Special Assistant" and insert in lieu thereof "Secretary, in conjunction with the United States Trade Representative,".

Page 281, strike out line 3 and all that follows through line 13 on page 282.

Page 282, line 14, strike out "(e)" and insert "(b)" in lieu thereof.

Page 282, beginning in line 15 and ending in line 16, strike out "Office of the Special Assistant for Agricultural Exports and Food Aid" and insert in lieu thereof "Department of Agriculture".

By Mr. HORTON:

—Page 282, after line 18, insert the following:

CASE IN IMPORT REQUIREMENTS

SEC. 1155. (a) the Agricultural Act of 1949 (7 U.S.C. 1421 note) is amended by adding at the end thereof the following new section:

"QUANTITATIVE RESTRICTIONS ON MILK PROTEIN PRODUCTS

"SEC. 424. (a) For purposes of this section, the term 'milk protein products' includes—

"(1) casein,

"(2) caseinates,

"(3) lactalbumin,

"(4) whey protein concentrates, and

"(5) mixtures containing not less than 5 per centum of any product referred to in paragraphs (1) through (4).

"(b) To ensure that quantities of milk protein products imported into the United States will not render ineffective, or materially interfere with, price-support operations undertaken under this Act and materially interfere with the domestic dairy industry, the president shall by proclamation limit the quantity of milk protein products that may be entered in any calendar year (or portion of a calendar year in the case of the calendar year in which this section is enacted) beginning on the day after the effective date of this section, to a quantity equal to 50 per centum of the average annual quantity of milk protein products that was entered during the period beginning January 1, 1979, and ending December 1, 1983 (or, in the case of such portion of a calendar year, a proportionately lesser quantity).

"(c) In implementing a quantitative restriction proclaimed under subsection (b), the Secretary of Agriculture shall establish an import licensing system for foreign milk protein products under which—

"(1) first preference shall be given to those importers or users who establish that their importation or utilization of such products is for purposes for which no substitutes are available;

"(2) second preference shall be given to those importers or users who establish that their importation or utilization of such products is for purposes for which domestically produced skim milk or skim milk solids cannot be substituted; and

"(3) third preference shall be given to importers or users not qualifying for allocation under paragraph (1) or (2).".

(b)(1) Subpart B of part 13 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 493.12 and inserting in lieu thereof the following new items and the superior heading thereto:

"493.11	For human or animal consumption, or for use in a product for human or animal consumption.	0.2¢ per lb	0.2¢ per lb.
493.13	Other	Free	Free".

(2) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

By Mr. IRELAND:

—Page 113, line 4, strike out "producers of wheat and feed grains" and insert in lieu thereof "producers of wheat, feed grains, livestock, pork, and poultry—and distributors of seed, farm equipment and fertilizer registered or licensed in a state."

By Mr. JEFFORDS:

—Page 387, strike out line 19 and insert in lieu thereof the following: "food stamp program, except in the case of any individual who is a youth, as defined in section 203(c)(1) of the Job Training Partnership Act, participating in any such program for a period not to exceed 6 months."

—Page 387, line 16, insert "for more than 6 months" after "participating".

—Page 387, strike out line 19 and insert in lieu thereof the following: "food stamp program, except in the case of any individual who is a youth, as defined in section 203(c)(1) of the Job Training Partnership Act, participating in any such program for a period not to exceed 6 months."

—Page 387, line 16, insert "for more than 6 months" after "participating".

—Page 388, strike out lines 6 through 10.

Page 388, line 11, strike out "(ii)" and insert in lieu thereof "(i)".

Page 389, line 7, strike out "(iii)" and insert in lieu thereof "(ii)".

Page 390, strike out lines 9 through 20, and insert in lieu thereof the following: "(5) effective February 1, 1986, in clause (A) of the last sentence, striking out '$35 a month' and inserting in lieu thereof 'the lesser of $35 a month or 5 per centum of monthly household income after any exclusions and before any deductions provided for in this section'."

—Page 388, beginning on line 7, strike out "Low Income Home Energy Assistance Act (42 U.S.C. 8621 et seq)," and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) other than energy crisis intervention assistance provided under section 2604(a) of such Act,".

Page 390, beginning on line 1, strike out "Low Income Home Energy Assistance Act

(42 U.S.C. 8621 et seq.)" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.)".

Page 390, beginning on line 17, strike out "Low Income Home Energy Assistance Act (42 U.S.C. 8621 et seq.)," and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) other than energy crisis intervention assistance provided under section 2604(a) of such Act,".

—Page 390, line 8, insert the following before the close quotation marks: "A State agency shall consider payments made on behalf of a household under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) to be pro rated over the entire heating or cooling season, regardless of the frequency with which such payments are made."

—Page 404, after line 5, insert the following new section (and redesignate references and succeeding sections accordingly):

ENERGY ASSISTANCE BENEFITS

SEC. 1515. Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end thereof the following new subsection:

"(i) Benefits received under the Low-Income Home Energy Assistant Act of 1981 (42 U.S.C. 8621 et seq.) shall not be taken into consideration for purposes of determining any allowance or deduction under this Act.".

—Title XVIII, page 509, after line 13 insert the following:

FARMLAND PROTECTION

SEC. 1986. (a) Section 1546 of the Farmland Protection Policy Act (7 U.S.C. 4207) is amended by striking the words "Within one year after the enactment of this subtitle," and substituting therefor "On January 1, 1987, and at the beginning of each subsequent calendar year,".

(b) Section 1548 of the Farmland Protection Policy Act (7 U.S.C. 4209) is amended by striking the words "any State, local unit of government, or" and inserting before the period at the end of the sentence ": *Provided*, That the Governor of an affected state where a state policy or program exists to protect farmland may bring an action in the Federal District Court of the district where a federal program is proposed to enforce the requirements of section 1541 of this subtitle and regulations issued pursuant thereto".

—At the end of section 211, after the word "date", insert the following new section:

SEC. 243. MISBRANDED FOOD SUBSTITUTES FOR CHEESE

For purposes of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.), any food which is an imitation of cheese and which does not comply with any standard of identity in effect under section 401 of such Act for any cheese shall be deemed to be misbranded if its label contains the word "cheese".

By Mr. JONES of Oklahoma:

—Immediately after Section 1895 of the bill as reported on September 18, 1985, insert the following new sections (and conform the table of contents accordingly):

SECTION 1896. STUDY OF LEADED FUEL IN AGRICULTURAL MACHINERY

(a) STUDY.—The Secretary of Agriculture shall conduct a study of the use of fuel containing lead additives in gasoline engines which—

(1) are used in agricultural machinery, and

(2) are designed to combust fuel containing such additives.

The study shall analyze any mechanical problems (including but not limited to valve recession) which may be associated with the use of other fuels in such engines.

(b) CONTRACTS AND OTHER ARRANGEMENTS.—For purposes of the study under this Act, the Secretary of Agriculture is authorized to enter into such contracts and other arrangements as may be appropriate to obtain the necessary technical information. All testing of engines carried out for purposes of such study shall be reflective of actual agricultural conditions to the extent practicable, including revolutions per minute and payloads.

(c) FINDINGS AND REPORT.—The Secretary of Agriculture shall publish in the Federal Register not later than January 1, 1987, his proposed findings pursuant to such study. After notice and opportunity for hearing, but not later than January 1, 1988, the Secretary shall submit to Congress a final report containing the results of the study under this section, together with any public comments received and recommendations on the need for lead additives in gasoline to be used by agricultural machinery.

(d) AGRICULTURAL MACHINERY.—The Secretary of Agriculture shall specify the types and items of agricultural machinery to be covered by the study under this Act.

(e) REGULATION OF LEAD ADDITIVES DURING STUDY.—No regulation under any provision of law regarding the control or prohibition of lead additives in gasoline may require an average lead content per gallon which is less than 0.1 gram per gallon until the date 3 months after the report required by subsection (c) has been submitted to Congress.

SECTION 1897. AUTHORIZATION OF APPROPRIATIONS

For fiscal years beginning after September 30, 1985, there is authorized to be appropriated $250,000 to carry out section 1 of this Act.

By Mr. KLECZKA:

—Page 275, line 11, strike out "1985." and insert in lieu thereof "1985, and except with respect to any such exports exported as assistance or a donation pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, which shall be subject to such requirements only to the extent consistent with the exporting of such exports on the lowest landed costs basis. For the purposes of this section, the term 'landed costs' include all costs associated with the procurement and transportation of cargo from the United States to the port of entry abroad.".

—Page 275, after line 11, insert the following:

ADDITIONAL EFFECT ON OTHER LAWS

SEC. 1142. Notwithstanding section 1141, any exports exported as assistance or a donation pursuant to title II of the agricultural Trade Development and Assistance Act of 1954, shall be subject to cargo preference requirements only to the extent consistent with the exporting of such exports on the lowest landed costs basis. For the purposes of this section, the term 'landed costs' include all costs associated with the procurement and transportation of cargo from the United States to the port of entry abroad.".

By Mr. LEACH of Iowa:

—Page 509 after line 13, insert the following new section:

STRATEGIC ETHANOL RESERVE

SEC. . (a) The Secretary of Agriculture shall establish, maintain, and utilize a Strategic Ethanol Reserve.

(b)(1) The Secretary shall, within 180 days after the date of the enactment of this section, prepare and transmit to the Congress a Strategic Ethanol Reserve Plan which shall detail the Department of Agriculture's proposal for designating, constructing, filling, maintaining, and operating the storage and related facilities of the Reserve.

(2) The Secretary shall design the Plan to assure, to the maximum extent practicable, that the Reserve will provide the Federal Government with immediate access to ethanol in any case in which the President declares that it is needed to assist in meeting the energy needs of the country.

(3) The Plan shall include—

(A) a comprehensive environmental assessment;

(B) a description of the type and proposed location of each storage facility proposed to be included in the Reserve;

(C) an estimate of the volumes of ethanol proposed to be stored in each such storage facility;

(D) a program schedule for overall development and completion of the Reserve (taking into account all relevant factors, including cost effectiveness, the need to construct related facilities, and the ability to obtain sufficient quantities of ethanol to fill the storage facilities to the proposed storage levels);

(E) an estimate of the direct cost of the Reserve, including—

(i) the cost of storage facilities;

(ii) the cost of the ethanol to be stored;

(iii) the cost of related facilities; and

(iv) management and operations costs; and

(F) a distribution plan setting forth the method and manner of drawdown and distribution to be utilized with respect to the Reserve.

(c)(1) To the extent necessary or appropriate to implement the Plan, the Secretary shall prescribe regulations and shall, subject to the availability of funding in the account established by subsection (f)—

(A) acquire by purchase, condemnation, or otherwise, land, interests in land, and improvements thereon for the location of storage and related facilities;

(B) construct, purchase, lease, or otherwise acquire storage and related facilities;

(C) use, lease, maintain, sell, or otherwise dispose of storage and related facilities acquired pursuant to this Act;

(E) acquire by purchase, exchange, or otherwise, ethanol for storage in the Reserve;

(F) execute any contracts necessary to carry out the provisions of such Plan;

(G) maintain, operate, test, protect, and conserve the Reserve; and

(H) bring an action, whenever the Secretary deems it necessary to implement the Plan, in any court having jurisdiction of such proceedings, to acquire by condemnation any real or personal property, including facilities, temporary use of facilities, or other interests in land, together with any personal property located thereon or used therewith.

(2) Before any condemnation proceedings are instituted, a reasonable effort shall be made to acquire the property involved by negotiation.

(3) The Secretary shall, for purposes of implementing the Plan, obtain, store, and transport only ethanol which is produced in the United States from grain grown in the United States.

(d)(1) The Secretary shall, to the extent funds or Commodity Credit Corporation stocks are available, fill the Reserve at a minimum required fill rate of 6,000,000 bar-

rels in fiscal year 1986, 12,000,000 barrels in fiscal year 1987, 18,000,000 barrels in fiscal year 1988, and at least 20,000,000 barrels in each succeeding fiscal year until the barrels in the Reserve equal at least 10 percent of the number of barrels of petroleum product stored in the Strategic Petroleum Reserve established under part B of title I of the Energy Policy and Conservation Act.

(2) In fiscal year 1986, the Secretary shall operate and fill the Reserve using the accumulated stock held by the Commodity Credit Corporation as payment-in-kind for the purchase of ethanol. The implementation of the payment-in-kind program in fiscal year 1986 shall be conducted in such a manner as to require no additional appropriations to the Department of Agriculture for that fiscal year. Depending on the level of funds in the Strategic Ethanol Reserve Account and the amount of accumulated stocks held by the Commodity Credit Corporation, the Secretary may use a payment-in-kind program to fill the ethanol reserve for all years after fiscal year 1986. If a payment-in-kind program is used, no ethanol for that fiscal year shall be purchased from funds in the Strategic Ethanol Reserve Account.

(e)(1) Except as provided in paragraph (2), the Secretary may withdraw and distribute ethanol in the Reserve only as a result of a declaration made by the President to meet the energy needs of the United States.

(2) The Secretary may withdraw and distribute ethanol from the Reserve for periodic testing of the storage and distribution system; except that no such drawdown and distribution may be conducted until all ethanol withdrawn from the Reserve in the most recent test drawdown has been replaced.

(3) The Secretary may—

(A) restrict the use, exchange, or resale of ethanol withdrawn from the Reserve;

(B) require the prompt processing, refining, or delivery of the ethanol or products derived from such ethanol; and

(C) require the allocation of products refined from ethanol withdrawn from the Reserve.

(4) Ethanol in the Reserve may not be sold, exchanged, or otherwise disposed of for a price less than market value.

(f)(1) There is hereby established in the Treasury of the United States an account designated as the "Strategic Ethanol Reserve Account".

(2) There shall be credited to such account—

(A) revenues from the sale or other disposal of ethanol from the Reserve; and

(B) such sums as may be appropriated to such account.

(3) Funds credited to such account shall as provided for in appropriations issue be utilized by the Secretary for—

(A) the procurement of ethanol for the Reserve;

(B) the construction and operation of facilities associated with the Reserve;

(C) the drawdown and distribution of the Reserve; and

(D) the maintenance and operation of the Reserve.

(g) The Secretary shall, beginning not later than January 1, 1987, transmit an annual report to the Congress with a detailed accounting of the activities carried out under this section, including—

(1) the operation and maintenance of the system of the Reserve;

(2) the fill level of the Reserve;

(3) expenditures of funds from the account established by subsection (f);

(4) any changes made to the Plan established under subsection (b);

(5) a description of any legal actions involving the Reserve, which were initiated, pending, or concluded during the year for which the report is made;

(6) a description of all condemnation actions brought under subsection (c); and

(7) other activities which have been taken to implement such Plan.

(h) For purposes of this section—

(1) the term "Plan" means the Strategic Ethanol Reserve Plan established pursuant to subsection (b);

(2) the term "related facilities" means facilities associated with the storage, handling, processing, and use of liquid fuels, including pipelines, terminals, storage tanks, and refineries;

(3) the term "Reserve" means the Strategic Ethanol Reserve established pursuant to subsection (a); and

(4) the term "Secretary" means the Secretary of Agriculture.

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

CARGO PREFERENCE

SEC. 1141. Title IV of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

SEC. 414. Section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1241(b)) shall not apply to agricultural commodities made available under this Act, section 4(h), 4(m), and 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C 714b(h), 714b(m), and 714c(f)), section 4(a) of the Food for Peace Act of 1966 (7 U.S.C. 1707a(a)), section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), sections 201 and 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 1707b and 1707c), section 1203 of the Agriculture and Food Act of 1981 (7 U.S.C. 1736i), the Food Security Wheat Reserve Act of 1980 (7 U.S.C. 1736f-1), and any other such export activities of the Commodity Credit Corporation or the Department of Agriculture that promote the export of agricultural commodities under any other Act, except to the extent otherwise required for exports under section 403 of this Act.".

By Mr. LIGHTFOOT:

—On page 72, strike out lines 9 through 11;

On page 95, strike out lines 15 through 17;

On page 131, strike out lines 7 through 9 and insert in lieu thereof "curred.";

On page 147, strike out lines 12 through 15 and insert in lieu thereof "been made.";

On page 211, strike out line 12 and insert in lieu thereof the following: "public access for recreation: the term 'payments" shall include the difference between the original loan level and the level at which the loan is repaid with respect to loans made in accordance with sections 107D(a)(3) and 105C(a)(3) of the Agricultural Act of 1949."

—Page 245, after line 17, insert a new subparagraph as follows:

"(B) As soon as possible after the beginning of each fiscal year, the Secretary shall determine the types of eligible commodities, and the amounts thereof, that will be available for disposition under this subsection during such fiscal year and shall publish a notice of the determination in the Federal Register.".

Page 245, line 18, strike out "(B)" and insert "(C)" in lieu thereof.

—Page 246, line 3, insert after the period the following: "The requirement for safeguarding usual marketings of the United States shall not be used to prevent the furnishing of any eligible commodity for use in countries that have not traditionally purchased the commodity from the United States or do not have adequate financial resources to acquire the commodity from the United States through commercial sources or through concessional sales arrangements."

—Page 253, after line 18, insert the following:

"(11) The Secretary may furnish eligible commodities under this subsection in connection with (A) concessional sales agreements entered into under title I of the Agricultural Trade Development Act of 1954 or other statutes, or (B) agricultural export bonus or promotion programs carried out under the Commodity Credit Corporation Charter Act or other statutes.

"(12) Eligible commodities may be furnished by the Secretary under this subsection in connection with agreements by recipient countries to acquire additional agricultural commodities from the United States through commercial arrangements.

"(13) The amount of any commodity furnished under paragraphs (11) and (12) of this subsection in any fiscal year shall not be considered for the purpose of determining whether the requirements of paragraph (10)(A) of this subsection has been met during such fiscal year.".

Page 253, line 18, strike out the close quotation mark and the period which follows.

—Title 11, on page 275 after line 11 insert the following new section:

RESTRICTION ON THE USE OF AID GRANTS

SEC. 1142. Notwithstanding any other provision of law, no funds administered by the Agency for International Development may be expended for the purpose of providing grants or technical assistance for the production in any country of agricultural commodities which would displace imports by that country of United States agricultural commodities or which would displace exports of United States agricultural commodities to any other nation.

—Page 275, after line 11, insert the following:

STUDY

SEC. 1142. The Secretary of Agriculture shall, using an interagency task force with representatives from the Departments of Agriculture, State, and Commerce, study the economic impact on agricultural exports of any law or administrative action that imposes barriers on the import of foreign goods and report to Congress as soon as practicable the results of such study.

By Mr. LUNDINE:

—Page 159, strike out line 2 and all that follows through line 12 on page 185, and insert in lieu thereof the following:

NATIONAL POUNDAGE QUOTA AND FARM POUNDAGE QUOTA

SEC. 801. Effective only for the 1986 through 1988 crops of peanuts, subsections (k) through (p) of section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1353(k)-(p)) are amended to read as follows:

"(k) The national poundage quota for peanuts for each marketing year shall be 800,000 tons for 1986; 600,000 tons for 1987; and 400,000 tons for 1988.

"(1) The national poundage quota established under subsection (k) of this section shall be apportioned among the States so that the poundage quota allocated to each State shall be equal to the percentage of the national poundage quota allocated to farms in the State for 1985.

"(m)(1) A farm poundage quota shall be established for each farm which had a farm poundage quota for the 1985 crop year.

"(2) The poundage quota apportioned to a State under subsection (1) of this section shall be allocated among such farms in the State so that the poundage quota allocated to each such farm shall be equal to the percentage of the poundage quota allocated to such farm for 1985.

"(n)(1) For each farm for which a farm poundage quota was established for the 1985 crop of peanuts, and when necessary for purposes of this Act, a farm yield of peanuts shall be determined for each farm.

"(2) Such yield shall be equal to the average of the actual yield per acre on the farm for each of the three crop years in which yields were highest on the farm out of the five crop years 1981 through 1985.

"(3) In the event that peanuts were not produced on the farm in at least three years during such five-year period or there was a substantial change in the operation of the farm during such period (including, but not limited to, a change in operator, lessee who is an operator, or irrigation practices), the Secretary shall have a yield appraised for the farm. The appraised yield shall be that amount determined to be fair and reasonable on the basis of yield established for similar farms which are located in the area of the farm and on which peanuts were produced, taking into consideration land, labor, and equipment available for the reproduction of peanuts, crop rotation practices, soil and water, and other relevant factors.

"(o)(1) Not later than December 15 of each calendar year, the Secretary shall conduct a referendum of farmers engaged in the production of quota peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to poundage quotas with respect to the crops of peanuts produced in the three calendar years immediately following the year in which the referendum is held, except that, if as many as two-thirds of the farmers voting in any referendum vote in favor of poundage quotas, no referendum shall be held with respect to quotas for the second and third years of the period.

"(2) The Secretary shall proclaim the result of the referendum within thirty days after the date on which it is held.

"(3) If more than one-third of the farmers voting in the referendum vote against quotas, the Secretary also shall proclaim that poundage quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held.

"(p) For the purposes of this part and title I of the Agriculture Act of 1949 (7 U.S.C. 1441 et seq.):

"(1) The term 'quota peanuts' means, for any marketing year, any peanuts produced on a farm having a farm poundage quota, as determined in subsection (m) of this section—

"(A) that are eligible for domestic edible use as determined by the Secretary,

"(B) that are marketed or considered marketed from a farm, and

"(C) that do not exceed the farm poundage quota of such farm for such year.

"(2) The term 'additional peanuts' means, for any marketing year—

"(A) any peanuts that are marketed from a farm for which a farm poundage quota has been established and that are in excess of the marketings of quota peanuts from such farm for such year, and

"(B) all peanuts marketed from a farm for which no farm poundage quota has been established in accordance with subsection (m) of this section.

"(3) The term 'crushing' means—

"(A) the processing of peanuts to extract oil for food uses and meal for feed uses, or

"(B) the processing of peanuts by crushing or processing into flakes or otherwise when authorized by the Secretary.

"(4) The term 'domestic edible use' means use for milling to produce domestic food peanuts (other than those described in paragraph (3) of this subsection) and seed and use on a farm, except that the Secretary may exempt from this definition seeds of peanuts that are used to produce peanuts excluded under section 359(c) of this Act, are unique strains, and are not commercially available.".

SALE, LEASE, OR TRANSFER OF FARM POUNDAGE QUOTA

SEC. 802. Effective only for the 1986 through 1988 crops of peanuts, subsections (i) and (j) of section 358a of the Agriculture Adjustment Act of 1938 (7 U.S.C. 135a(i) and (j)) are amended to read as follows:

"(i)(1) The owner, or the operator with permission of the owner, of any farm for which a farm poundage quota has been established under this Act may, subject to such terms, conditions, or limitations as the Secretary may prescribe, sell or lease all or any part of such poundage quota to any other owner or operator of a farm within the same county for transfer to such farm.

"(2) The owner or operator of a farm may transfer all or any part of such farm's farm poundage quota to any other farm owned or controlled by such owner or operator that is in the same county or in a county contiguous to such county in the same State and that had a farm poundage quota for the 1985 crop.

"(3) Notwithstanding the foregoing provisions of this subsection—

"(A) in the case of any county in any State for which the poundage quota allocated to the State was less than 10,000 tons for the 1985 crop.

"(B) in any other State, in the case of any county for which the poundage quota allocated to the county was less than 10,000 tons for the 1985 crop, and

"(C) in the case of any farm in any county in which the farm poundage quota established for the farm was not produced on the farm during any two of the three marketing years preceding the year for which the determination is being made.

All or any part of a farm poundage quota may be transferred by sale or lease or otherwise from a farm in one county to a farm in another county in the same State.

"(j) Transfers (including transfer by sale or lease) of farm poundage quotas under this section shall be subject to the following conditions:

"(1) No transfer of the farm poundage quota from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholders.

"(2) No transfer of the farm poundage quota shall be permitted if the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) determines that the receiving farm does not have adequate tillable cropland to produce the farm poundage quota.

"(3) No transfer of the farm poundage quota shall be effective until a record thereof is filed with the county committee of the county to which such transfer is made and such committee determines that the transfer complies with the provisions of this section.

"(4) Such other terms and conditions that the Secretary may by regulation prescribe.".

MARKETING PENALTIES; DISPOSITION OF ADDITIONAL PEANUTS

SEC. 803. Effective only for the 1986 through 1988 crops of peanuts, section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359) is amended by striking out subsections (f) through (l) and inserting in lieu thereof the following new subsections:

"(f)(1)(A) The marketing of any peanuts for domestic edible use in excess of the farm poundage quota for the farm on which such peanuts are produced shall be subject to penalty at a rate equal to 140 per centum of the support price for quota peanuts for the marketing year in which such marketing occurs.

"(B) For purposes of this section, the marketing year for peanuts shall be the twelve-month period beginning on August 1 and ending on July 31.

"(C) The marketing of any additional peanuts from a farm shall be subject to the same penalty unless such peanuts, in accordance with regulations established by the Secretary, are either—

"(i) placed under loan at the additional loan rate in effect for such peanuts under section 108B of the Agricultural Act of 1949 and not redeemed by the producers,

"(ii) marketed through an area marketing association designated pursuant to section 108B(e)(1) of the Agricultural Act of 1949, or

"(iii) marketed under contracts between handlers and producers, pursuant to the provisions of subsection (j) of this section.

"(D)(i) Such penalty shall be paid—

"(I) by the person who buys or otherwise acquires the peanuts from the producer, or

"(II) if the peanuts are marketed by the producer through an agent, by such agent.

"(ii) If a person or agent is required to pay a penalty under clause (i) of this subparagraph, such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer.

"(E) If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty.

"(F) Peanuts produced in a calendar year in which farm poundage quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins.

"(G) If any producer falsely identifies or fails to certify planted acres or fails to account for the disposition of any peanuts produced on such planted acres, an amount of peanuts equal to the farm's average yield, as determined under section 358(n) of this Act, times the planted acres, shall be deemed to have been marketed in violation of permissible uses of quota and additional peanuts. The penalty in respect thereof shall be paid and remitted by the producer.

"(2)(A) The Secretary shall authorize, under such regulations as the Secretary shall prescribe, the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or reduce marketing penalties provided for under this subsection in cases in which such committees determine that the violations that were the

basis of the penalties were unintentional or without knowledge on the part of the parties concerned.

"(B) Errors in weight that do not exceed one-tenth of 1 per centum in the case of any one marketing document may not be considered marketing violations except in cases of fraud or conspiracy.

"(g)(1) Only quota peanuts may be retained for use as seed or for other uses on a farm.

"(2) Peanuts retained under paragraph (1) shall be considered as marketings of quota peanuts, except that the Secretary may exempt from consideration as marketings of quota peanut seeds of peanuts that are used to produce peanuts excluded under section 359(c) of this Act, are unique strains, and are not commercially available.

"(3) Additional peanuts may not be retained for use on a farm and may not be marketed for domestic edible use, except as provided in subsection (k) of this section.

"(4) Seed for planting of any peanut acreage in the United States shall be obtained solely from quota peanuts marketed or considered marketed for domestic edible use.

"(h) On a finding by the Secretary that the peanuts marketed from any crop for domestic edible use by a handler are larger in quantity or higher in grade or quality than the peanuts that could reasonably be produced from the quantity of peanuts having the grade, kernel content, and quality of the quota peanuts acquired by such handler from such crop for such marketing, such handler shall be subject to a penalty equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts that the Secretary determines are in excess of the quantity, grade, or quality of the peanuts that could reasonably have been produced from the peanuts so acquired.

"(i)(1) The Secretary shall require that the handling and disposal of additional peanuts be supervised by agents of the Secretary or by area marketing associations designated pursuant to section 108B(e)(1) of the Agricultural Act of 1949.

"(2) Quota and additional peanuts of like type and segregation or quality may, under regulations prescribed by the Secretary, be commingled and exchanged on a dollar value basis to facilitate warehousing, handling, and marketing.

"(3) Failure by a handler to comply with regulations issued by the Secretary governing the disposition and handling of additional peanuts shall subject the handler to a penalty at a rate equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts involved in the violation.

"(j) Handlers may, under regulations prescribed by the Secretary, contract with producers for the purchase of additional peanuts for crushing, export, or both. All such contracts shall be completed and submitted to the Secretary (or if designated by the Secretary, the area marketing association) for approval prior to August 1 of the year in which the crop is produced.

"(k)(1) Subject to the provisions of section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427), any peanuts owned or controlled by the Commodity Credit Corporation may be made available for domestic edible use in accordance with regulations established by the Secretary.

"(2) Additional peanuts received under loan shall be offered for sale for domestic edible use at prices not less than those required to cover all costs incurred with respect to such peanuts for such items as inspection, warehousing, shrinkage, and other expenses, plus—

"(A) not less than 100 per centum of the loan value of quota peanuts if the additional peanuts are sold and paid for during the harvest season on delivery by the producer,

"(B) not less than 105 per centum of the loan value of quota peanuts if the additional peanuts are sold after delivery by the producer by not later than December 31 of the marketing year, or

"(C) not less than 107 per centum of the loan value of quota peanuts if the additional peanuts are sold later than December 31 of the marketing year.

"(3) For the period from the date additional peanuts are delivered for loan to March 1 of the calendar year following the year in which such additional peanuts were harvested, the area marketing association designated pursuant to section 108B(e)(1) of the Agricultural Act of 1949 shall have sole authority to accept or reject lot list bids when the sales price as determined under this section equals or exceeds the minimum price at which the Commodity Credit Corporation may sell its stocks of additional peanuts, except that the area marketing association and the Commodity Credit Corporation may agree to modify the authority granted by this paragraph in order to facilitate the orderly marketing of additional peanuts.

"(l)(1) The person liable for payment or collection of any penalty provided for in this section shall be liable also for interest thereon at a rate per annum equal to the rate of interest which was charged the Commodity Credit Corporation by the Treasury of the United States on the date such penalty became due.

"(2) The provisions of this section shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less if the producers who share in the peanuts produced on such farm do not share in the peanuts produced on any other farm.

"(3) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to farm poundage quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States.

"(4)(A) Notwithstanding any other provision of law, the liability for and the amount of any penalty assessed under this section shall be determined in accordance with such procedures as the Secretary by regulations may prescribe.

"(B) The facts constituting the basis for determining the liability for or amount of any penalty assessed under this section, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and may not be reviewable by any other officer or agency of the Government.

"(C) Nothing in this section shall be construed as prohibiting any court of competent jurisdiction from reviewing any determination made by the Secretary with respect to whether such determination was made in conformity with the applicable law and regulations.

"(D) All penalties imposed under this section shall for all purposes be considered civil penalties.

"(5) Notwithstanding any other provision of law, the Secretary may reduce the amount of any penalty assessed against handlers under this section if the Secretary finds that—

"(A) the violation on which the penalty is based was minor or inadvertent, and

"(B) the reduction of the penalty will not impair the operation of the peanut program.

"(m) Notwithstanding any other provision of law, the Secretary may not permit peanuts which are otherwise ineligible for price support as quota peanuts because of defects, as determined by the Secretary, to be eligible for price support at levels applicable to quota peanuts regardless of whether the quota allocated to the farm has been fully utilized for the crop year. The Secretary may, if deemed necessary, make peanuts so ineligible for price support as quota peanuts, if they have been pledged as collateral for a price support loan, available to buyers for seed use or edible use at prices which are applicable to quota peanuts.".

PRICE SUPPORT PROGRAM

SEC. 804. Effective only for the 1986 through 1988 crops of peanuts, the Agricultural Act of 1949 is amended by adding after section 108A (7 U.S.C. 1445c-1)) the following new section:

"Sec. 108B. Notwithstanding any other provision of law:

"(a)(1) The Secretary shall make price support available to producers through loans, purchases, or other operations on quota peanuts for each of the 1986 through 1988 crops.

"(2) Except as provided in paragraphs (3) and (4) of this subsection, the national average quota support rate for each of the 1986 through 1988 crops of quota peanuts shall be $500 per ton for the 1986 crop, $480 per ton for the 1987 crop, and $460 per ton for the 1988 crop.

"(3) The Secretary may increase the national average quota support rate for a crop of peanuts prescribed under paragraph (2) by an amount determined by the Secretary, taking into account the factors referred to in section 401(b) of this Act.

"(4) Such levels of support may not be reduced by any deductions for inspection, handling, or storage, except that the Secretary may make adjustments for the location of peanuts and such other factors as are authorized by section 403 of this Act.

"(b)(1) Except as provided in paragraph (2) of this subsection, the Secretary shall make price support available to producers through loans, purchases, or other operations on additional peanuts for each of the 1986 through 1988 crops at such levels as the Secretary finds appropriate, taking into account the factors referred to in section 401(b) of this Act.

"(2) The Secretary shall set the support rate on additional peanuts at a level estimated by the Secretary to ensure that there are no losses to the Commodity Credit Corporation on the sale or disposal of such peanuts.

"(c)(1) Except as provided in paragraph (2) of this subsection, the Secretary shall make price support available to producers through loans, purchases, or other operations on peanuts of the 1989 crop at such level as the Secretary finds appropriate, taking into account the factors referred to in section 401(b) of this Act.

"(2) The Secretary shall set the support rate at a level estimated by the Secretary to ensure that there are no losses to the Commodity Credit Corporation on the sale or disposal of such peanuts.

"(d) The Secretary shall announce each of the levels of support determined under subsection (b) or (c) not later than February 15

preceding the marketing year for the crop for which the level of support is being determined.

"(e)(1)(A) In carrying out subsections (a), (b), and (c) of this section, the Secretary shall make warehouse storage loans available in each of the three producing areas (described in section 1446.11 of title 7, Code of Federal Regulations (1984 ed.)) to a designated area marketing association of peanut producers that is selected and approved by the Secretary and that is operated primarily for the purpose of conducting such loan activities.

"(B) The Secretary may not make warehouse storage loans available to any cooperative that is engaged in operations or activities concerning peanuts other than those operations and activities specified in this section and in section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(C) Such area marketing associations shall be used in administrative and supervisory activities relating to price support and marketing activities under this section and section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(D) Loans made under this paragraph shall include, in addition to the price support value of the peanuts, such costs as the area marketing association reasonably may incur in carrying out its responsibilities, operations, and activities under this section and section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(2)(A) The Secretary shall require that each area marketing association establish pools and maintain complete and accurate records by type, area, and segregation for—

"(i) quota peanuts of the 1986 through 1988 crops handled under loan,

"(ii) additional peanuts of the 1986 through 1988 crops placed under loan,

"(iii) additional peanuts produced without a contract between a handler and a producer as described in section 359(j) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359(j)), and

"(iv) all peanuts of the 1989 crop placed under loan.

"(B) Net gains on peanuts in each pool, unless otherwise approved by the Secretary, shall be distributed in proportion to the value of the peanuts placed in the pool by each producer.

"(C) For the 1986 through 1988 crops, net gains for peanuts in each pool shall consist of—

"(i) for quota peanuts—

"(I) the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in such pool, plus

"(II) an amount from the pool for additional peanuts to the extent of the net gains from the sale for domestic food and related uses of additional peanuts in the pool for additional peanuts equal to any loss on disposition of all peanuts in the pool for quota peanuts, and

"(ii) for additional peanuts—

"(I) the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in the pool for additional peanuts, less

"(II) any amount allocated to offset any loss on the pool for quota peanuts as provided in clause (i) of this subparagraph.

"(D) Notwithstanding any other provision of this section, any distribution of net gains on additional peanuts of any type to any producer shall be reduced to the extent of any loss by the Commodity Credit Corporation on quota peanuts of a different type placed under loan by such producer.

"(E) For the 1989 crop, net gains shall be the amount over and above the loan indebtedness and other costs or losses incurred on peanuts placed in the pool.

"(f) Notwithstanding the foregoing provisions of this section or any other provision of law, no price support shall be made available by the Secretary for any of the 1986 through 1988 crops of peanuts with respect to which poundage quotas have been disapproved by producers, as provided for in section 358(o) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358(o)).".

REPORTS AND RECORDS

SEC. 805. Effective only for the 1986 through 1988 crops of peanuts, the first sentence of section 373(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373(a)) is amended by inserting immediately before "all brokers and dealers in peanuts" the following: "all farmers engaged in the production of peanuts,".

SUSPENSION OF MARKETING QUOTAS AND ACREAGE ALLOTMENTS

SEC. 806. The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 1986 through 1989 crops of peanuts:

(1) Subsections (a) through (j) of section 358 (7 U.S.C. 1358(a)-(j));

(2) Subsections (a) through (h) of section 358a (7 U.S.C. 1358a(a)-(h);

(3) Subsections (a), (b), (d), and (e) of section 359 (7 U.S.C. 1359(a), (b), (d), and (e));

(4) Part I of subtitle C of title III (7 U.S.C. 1361 et seq.); and

(5) Section 371 (7 U.S.C. 1371).

SUSPENSION OF CERTAIN PRICE SUPPORT PROVISIONS

SEC. 807. Section 101 of the Agricultural Act of 1949 (7 U.S.C. 1441) shall not be applicable to the 1986 through 1989 crops of peanuts.

—In the table of contents, strike out the items relating to sections 801 through 807, and insert in lieu thereof the following:

Sec. 801. National poundage quota and farm poundage quota.
Sec. 802. Sale, lease, or transfer of farm poundage quota.
Sec. 803. Marketing penalties; disposition of additional peanuts.
Sec. 804. Price support program.
Sec. 805. Reports and records.
Sec. 806. Suspension of marketing quotas on acreage allotments.
Sec. 807. Suspension of certain price support provisions.

By Mr. MADIGAN:

—Title VA—

(1) page 112, line 7 after the word "conduct" strike the article "a" and insert "an advisory";

(2) page 112, line 11 insert the world "advisory" before the word "referendum";

(3) page 112, strike lines 14 through 16;

(4) page 113, lines 1 and 3 insert the word "advisory" before the word "referendum" where it appears;

(5) page 113, line 8 insert a period after the word "program" and strike all thereafter through line 10 page 124;

(6) page 124, line 12 strike the designation "Sec. 508." and insert "Sec. 504."; and

(8) page 124, after line 14, insert the following:

REPORT TO CONGRESS

"SEC. 505. Within thirty days after the aforementioned advisory referendum is conducted, the Secretary shall advise the Chairman of the Committee on Agriculture, U.S. House of Representatives and the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the U.S. Senate of the detailed results thereof.

—Page 114, lines 19 and 20, strike out "as determined under subsection (c) or (e) of section 107D" and insert in lieu thereof the following: "as determined by the Secretary to reduce carryovers to reasonable levels (except that the Secretary may not reduce acreage under an acreage reduction program by more than 50 percent)".

Page 119, lines 18 and 19, strike out "as determined under subsection (c) or (e) of section 105C" and insert in lieu thereof the following: "as determined by the Secretary to reduce carryovers to reasonable levels (except that the Secretary may not reduce acreage under an acreage reduction program by more than 40 percent),".

—Page 115, lines 14 and 15, strike out "to a marketing year issued" and insert in lieu thereof "wheat produced during the marketing year for which such marketing certificate is issued".

Page 120, lines 14 and 15, strike out "to a marketing year issued" and insert in lieu thereof "feed grains produced during the marketing year for which such marketing certificate is issued".

—Page 124, after line 10 insert the following:

"IMPORT LIMITATION AUTHORITY

"SEC. 508. Whenever the President determines that any commodity with respect to which a marketing certificate program under this title is in effect, or a product containing such commodity, is being or is practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, that marketing certificate program, the President may order the cessation all of imports of that commodity or the product containing such commodity.

Page 124, line 12, strike out "508" and insert "509" in lieu thereof.

—Page 112, line 10, strike out "In the" and all that follows thereafter through line 16 and insert in lieu thereof the following: "In the case of the 1987 and 1988 crops, the referendum shall be conducted in June 1986. For the 1989 and 1990 crops, the referendum shall be conducted in June 1988."

Page 113, strike out lines 12 through 20 and insert in lieu thereof the following:

"(1) with respect to the referendum held in June 1986, the 1987 and 1988 crops of wheat and feed grains; and

"(2) with respect to the referendum held in June 1988, the 1989 and 1990 crops of wheat and feed grains.

—Title VA, strike out line 1, page 110 and all that follows thereafter through line 14, page 124.

—Title XIII, page 332 insert the following new section and designate it accordingly:

"SEC. . Sections 302 and 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 and 1941) are amended by adding, at the end of the parenthetical provision in clause (3) of the second sentence, the following: "or, in the case of holders of the entire interest who are related by blood or marriage and all of whom are or will become farm operators, the ownership interest of each such holder separately constitutes not larger than a family farm, even if their interests collectively constitute larger than a family farm, as defined by the Secretary."

—Page 123, after line 21 insert the following:

"(4) During any period for which a marketing certificate program is approved under this title, if a person sells or acquires, for export, a commodity with respect to which such program is in effect and knows that the amount of the commodity so sold or acquired will, after being exported, be reimported (whether in original or processed form) into the United States, the Secretary shall assess a civil penalty, calculated as provided in paragraph (3), against such person.

—Title VA—

(1) page 112, line 7 after the word "conduct" strike the article "a" and insert "an advisory";

(2) page 112, lines 11 and 14 insert the word "advisory" before the word "referendum" where it appears;

(3) page 113, lines 1 and 3 insert the word "advisory" before the word "referendum" where it appears;

(4) page 113, line 8 insert a period after the word "program" and strike all thereafter through line 20;

(5) page 113, line 21 strike all through line 11, page 114;

(6) page 114, line 21 strike all through page 124, line 10;

(7) page 124, line 12 strike the designation "Sec. 508." and insert "Sec. 504."; and

(8) page 124, after line 14, insert the following:

REPORT TO CONGRESS

"SEC. 505. Within ninety days after the advisory referendum is conducted the Secretary shall advise the Congress of the detailed results thereof.

—Title X, page 239, after line 19, insert the following new section:

MARKETING YEAR

SEC. 1028. Section 301(b)(7) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)(7)) is amended by striking out "Corn, October 1-September 30;" and inserting in lieu thereof "Corn, September 1-August 31."

—Title X, page 239, after line 19, insert the following new section:

ANALYSIS OF INFORMATION—CONFIDENTIALITY

SEC. 1029 (a) Neither the Secretary, nor any other officer or employee of the Department of Agriculture (hereinafter "the Department") or agency thereof, nor any other person may—

(1) Use the information furnished generally pursuant to sections 1622(g) and 2204(a) of Title 7, United States Code, and specifically pursuant to sections 471, 501, 951, and 2248, Title 7, United States Code, section 42, Title 13, United States Code, and section 1516(a), Title 15, United States Code, for any purpose other than statistical purposes which are defined as the development or reporting of aggregate data in such a way that the identity of specific establishment or individual data is not discernible and is not material to the intended uses of the data, or (2) disclose such information to the public unless it has been transformed into statistical or aggregate formats that do not allow the identification of the establishment or individual who supplied particular information.

(b) No department, agency, officer, or employee of the Government except the Secretary in carrying out the general purposes of sections 1622(g) and 2204(a), Title 7, United States Code, and the specific purposes of sections 471, 501, 951, and 2248, Title 7, United States Code, shall require for any reason, copies of the statistical information provided to the Department which have been retained by any such establishment or individual. Copies of such information which have been so retained shall be immune from mandatory disclosure of any type including legal process, and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

(c) Any person who shall publish, cause to be published, or publicly release information collected pursuant to, generally, sections 1622(g) and 2204(a) of Title 7, United States Code, and specifically pursuant to sections 471, 501, 951, and 2248, Title 7 United States Code, section 42, Title 13, United States Code, and section 1516(a), Title 15, United States Code, in any manner or for any purpose prohibited in section (a) shall be fined not more than $10,000 or imprisoned for not more than one year, or both."

—Page 114, after line 11, insert the following:

"(f) In the event that a national marketing certificate program is approved for any crop of wheat and feed grains, producers of livestock, pork, and poultry may, while such program is in effect and pursuant to regulations issued by the Secretary, purchase wheat and feed grains from existing stocks of the Commodity Credit Corporation at a cost equal to 105 per centum of the loan rate paid on such wheat and feed grains. Such wheat and feed grains may only be used by producers to wheat and feed livestock, pork, and poultry owned by such producers and located on their farms.

By Mr. MARLENEE:

—Page 415, after line 23, insert the following:

(b) Section 17(d) of the Food Stamp Act of 1977 (7 U.S.C. 2026(d)) is amended by—

(1) in the first sentence, by striking out "two" and inserting in lieu thereof "five"; and

(2) in the second sentence by striking out not less than" and all that follows through the period, and inserting in lieu thereof "is approximately equal to the average allotment to such households which would have been provided under the food stamp program but for the operation of this subsection.".

Page 415, line 24, strike out "(b)" and insert in lieu thereof "(c)".

By Mrs. MARTIN of Illinois:

—Page 509, after line 13, insert the following new section:

SEC. 1896. Section 7 of the Act entitled "An Act providing for an inspection of meats for exportation, prohibiting the importation of adulterated articles of food or drink, and authorizing the President to make proclamations in certain cases, and for other purposes", approved August 30, 1890 (21 U.S.C. 101 et seq.), is amended by inserting after the first sentence the following: "The Secretary of Agriculture shall impose such health certification requirements on Canadian live hogs imported into the United States and shall take such action as may be necessary to ensure that the quarantine period for all swine imported into the United States from Canada is equivalent in length and other conditions to the quarantine period imposed at that time by Canada on swine imported into that country from the United States.".

—Page 509, after line 13 insert the following:

DUTY-FREE BLENDED ETHANOL IMPORTS

SEC. 1896. (a) Congress finds that—

(1) farm income will decline further as a loss of demand for grain lowers farm prices;

(2) the inflow of duty-free blended ethanol will deprive the United States Treasury of millions of dollars in revenue;

(3) farm program costs will increase as a result of the Commodity Credit Corporation's acquisition of displaced domestic grain; and

(4) the United States ethanol industry is threatened by foreign ethanol imports.

(b) It is the sense of Congress that the United States Customs Service should impose immediately a 60-cent duty on blended ethanol imports entering the United States.

By Mr. MICHEL:

—Page 332, line 21, insert the following:

"FARM CREDIT REPORT

SEC. 1317. The President shall, prior to November 1, 1985, prepare and submit to the Congress his findings and recommendations concerning the continued sound and efficient operation of the Farm Credit System."

By Mr. MILLER of California:

—At the end of the bill, add a new Title XXI:

LIMITATION ON PARTICIPATION IN CERTAIN COMMODITY PRICE SUPPORT AND PAYMENT PROGRAMS

SEC. 21. (a) Any person who violates subsection (b), (c), or (d) shall be ineligible, as to any commodity produced by that person during the crop year which follows the crop year in which such violation occurs, for any type of price support, payment or any other program or activity described in any of paragraphs 1 through 5 of section 1202(a).

(b) Any agricultural employer shall provide the following to agricultural employees engaged in hand-labor operations in the field, without cost to such employees:

(1) Potable drinking water—

(A) provided and placed in locations readily accessible to the employees;

(B) suitably cool and in sufficient amounts to meet employees' needs, taking into account air temperature, humidity, and the nature of the work performed; and

(C) dispensed in single use drinking cups or by fountains, but not in common drinking cups or in dippers.

(2) With respect to toilets and handwashing facilities—

(A) one toilet and one handwashing facility provided for each group of 20 employees, or any fraction thereof;

(B) toilet facilities with doors which can be closed and latched from the inside and constructed to ensure privacy;

(C) toilet facilities supplied with toilet paper adequate to meet employee needs; and

(D) toilet and handwashing facilities accessibly located in close proximity to each other and within one quarter mile (0.4 kilometers) from each employee's workplace in the field, except that where it is not feasible to locate facilities so accessible and within the required distance due to the terrain, the toilet and handwashing facilities shall be located at the point of closest vehicular access;

except that, notwithstanding subparagraph (A), toilet and handwashing facilities are not required for employees who perform field work for a period of 3 hours or less (including transportation time to and from the field) during any given day.

(c) Any agricultural employer shall provide potable drinking water, and toilet and

handwashing facilities maintained in accordance with appropriate public health sanitation practices, including—

(1) drinking water containers which are covered, cleaned, and refilled daily;

(2) toilet facilities which are operational and maintained in clean and sanitary condition;

(3) handwashing facilities which are operational and maintained in clean and sanitary condition; and

(4) waste disposal in a manner which does not cause unsanitary conditions.

(d) Any agricultural employer shall allow employees reasonable opportunities to use the facilities during the workday.

(e) The Secretary of Agriculture shall delegate the making of rules to carry out this section and the investigation of allegations of violations of this section to the Secretary of Labor. The Secretary of Labor shall issue rules to carry out this section not later than 90 days after the date of the enactment of this section.

(f) For purposes of this section—

(1) the term "agricultural employer" means—

(A) any person, corporation, association, or other legal entity which owns or operates an agricultural establishment or on whose premises or in whose interest an agricultural establishment is operated; and

(B) any person, corporation, association, or other legal entity which is responsible for the management and condition of an agricultural establishment or which acts with direct or indirect involvement in the interest of an employer in relation to any employee;

(2) the term "agricultural establishment" means any business operation which uses paid employees in the production of food, fiber,m or other materials such as seed, seedlings, plants, or parts of plants;

(3) the term "hand-labor operations"—

(A) means agricultural activities or operations performed by hand or with hand tools, including (i) the hand harvesting of vegetables, nuts, and fruit, and (ii) the hand planting of seedlings; and

(B) does not include (i) logging operations, (ii) the care or feeding of livestock, or (iii) hand-labor operations in permanent structures, including canning facilities and packing houses;

(4) the term "hand-washing" facility means any facility providing either a basin, a container, or an outlet with an adequate supply of potable water, soap, and single-use towels;

(5) the term "potable water" means water which meets the standards for drinking purposes by the state or local authority having jurisdiction or water which meets the quality standards prescribed by the United States Environmental Protection Agency's National Interim Primary Drinking Water Regulations (published in 40 CFR 141); and

(6) the term "toilet facility" means any fixed or portable facility designed for the purpose of defecation and urination, including biological or chemical toilets, combustion toilets, and sanitary privies.

By Mr. OBEY:

—Page 12, insert at the end of line 19 the following: "If a milk marketing base program is in effect under paragraph (11) for fiscal years 1986 through 1990, then paragraphs (2) through (7) shall not apply with respect to such fiscal years."

Page 35, after line 12, insert the following:

"(11)(A) Not later than 30 days after the date of the enactment of the Dairy Unity Act of 1985, the Secretary shall conduct a referendum, by secret ballot, of milk producers in the United States to determine whether producers favor the implementation, during fiscal years 1986 through 1990, of the national milk marketing base program described in this paragraph.

"(B) Any person who is engaged in the production of milk for commercial use, in the 30-day period ending on the date the referendum is conducted is eligible to vote in the referendum. No person may vote on behalf of a milk producer.

"(C) If the Secretary determines that not less than 60 per centum of the milk producers voting in the referedum favor the national milk marketing base program described in this paragraph, then during fiscal years 1986 through 1990—

"(i) the program shall be in effect;

"(ii) paragraphs (2) through (7) of this subsection shall not be in effect; and

"(iii) the level of price support per hundredweight of milk having 3.67 per centum milkfat shall be—

"(I) 63 per centum of the parity price for milk for fiscal years 1986 and 1987; and

"(II) 70 per centum of the parity price for milk for fiscal years 1988, 1989, and 1990.

"(D)(i) For each fiscal year during which the national milk marketing base program is in effect, the Secretary shall determine individual milk marketing bases of milk producers.

"(ii) For a fiscal year and subject to subparagraph (E), each milk producer shall have a milk marketing base equal to the product of—

"(I) 99 per centum of the producer's milk marketing history; and

"(II) the milk marketing allocation factor for the fiscal year; but not to exceed 99 per centum of the milk marketing history.

"(E)(i) In addition to any amount of marketing base determined for a producer under subparagraph (D), a producer shall have any amount of marketing base transferred to the producer under clause (iii) by the county committee.

"(ii) There shall be available for a fiscal year to the county committee for transfer among producers in accordance with clause (iii) an aggregate amount of milk marketing base equal to the sum of—

"(I) a pro rata share of the product of the allocation factor and 1 per centum of the aggregate of the milk marketing histories determined for the fiscal year for all producers in the United States,

"(II) if the production allocation factor for the fiscal year exceeds 100 per centum, a pro rata share of the product of the percentage of the allocation factor in excess of 100 per centum and the aggregate amount of the milk marketing histories determined for the fiscal year for all producers; and

"(III) the product of the allocation factor and any amount of milk marketing history of a producer in the county who does not engage throughout the fiscal year in the production of milk and who does not transfer such amount under clause (v) to another person.

"(iii) Subject to clause (iv) and to the extent practicable, the county committee shall transfer any milk marketing base available under clause (ii) to the committee among producers, in accordance with such rules as the Secretary shall issue.

"(iv) Not less than 25 per centum of the amount of milk marketing base available under subclauses (II) and (III) of clause (ii) shall be available for transfer by the county committee to milk producers who, as determined by the committee, demonstrate a need for additional base as a result of unusual or special circumstances, except that no additional base may be transferred under this clause to a producer, other than a family unit, who has a base exceeding 1,000,000 pounds (milk equivalent).

"(v) A producer may transfer the producers' marketing history to any person by devise, sale, or lease of the farm on which is located the milk production facility owned by the producer. Except as provided in the preceding sentence, no producer may transfer a marketing history by sale, lease, exchange, or other means.

"(vi) The State director of the Agricultural Stabilization and Soil Conservation Service shall select an Appeal Committee composed of 5 milk producers who are members of county committees. The Appeal Committee will be responsible for the prompt hearing and judgment of appeals of base determinations and base transfers made under this paragraph.

"(vii) Any action taken by a county committee or the Appeal Committee under this paragraph is subject to disapproval by the Secretary.

"(F) In any fiscal year for which a national milk marketing base program is in effect under this paragraph, no milk producer may market for commercial use any quantity of milk of his own production in excess of the milk marketing base established under this paragraph for the producer for the fiscal year.

"(G) Any milk producer who violates subparagraph (F) shall be liable for a civil penalty, to be assessed by the Secretary after reasonable notice and opportunity for a hearing on the record, equal to the product of—

"(i) 75 per centum of the level of price support per hundredweight of milk having 3.67 per centum milkfat in effect for the fiscal year in which such violation occurs; and

"(ii) the quantity of milk (measured in hundredweights) with respect to which such violation occurs.

The Secretary may waive or reduce such penalty if the Secretary determines that the severity of such violation does not warrant the full payment of such penalty.

"(H) Any milk producer against whom a civil penalty is assessed, under subparagraph (G) may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than 30 days after such penalty is assessed. As part of the Secretary's answer, the Secretary shall file in such court a certified copy of the record upon which the findings and decision complained of are based. The findings of the Secretary may be set aside only if found to be unsupported by substantial evidence.

"(I) The district courts of the United States shall have jurisdiction to review and enforce any civil penalty assessed under subparagraph (G).

"(J) Civil penalties collected under this paragraph shall be available to the Secretary for expenditure without fiscal year limitation to carry out the Food for Peace Act of 1966, to the extent provided in advance in appropriations Acts.

"(K) For purposes of this paragraph—

"(i) the term 'milk marketing allocation factor' means the ratio of (I) the aggregate quantity of milk, as estimated by the Secretary, necessary to satisfy domestic consumption and exports of milk and the products of milk in the fiscal year (II) to the aggregate

quantity of milk produced in the United States in the fiscal year;

"(ii) the term 'county committee" means a county committee established under the Soil Conservation and Domestic Allotment Act;

"(iii) the term 'family member' means a spouse or child; and

"(iv) the term 'milk marketing history' means the average annual quantity of milk marketed by a producer for commercial use in the period of 5 fiscal years (excluding the fiscal year in which the largest quantity is marketed and the fiscal year in which the smallest quantity is marketed) ending on September 30 preceding the fiscal year for which the milk marketing base is being determined. For any period in such 5 fiscal years during which the producer participated in the milk diversion program under this subsection as in effect before the date of the enactment of the Dairy Unity Act of 1985, the marketings of milk by the producer shall be deemed to be equal to the marketings of milk by the producer in the corresponding period of the marketing history determined under such diversion program.

"(iii) Each milk producer and each county committee shall provide to the Secretary such information and records as the Secretary may require by rule to permit the Secretary to determine the milk marketing base of the producer.

"(L) The Secretary shall devise administrative methods to ensure the effective operation of this paragraph.

"(M) The price of milk shall be supported through the purchase of milk and the products of milk.

Page 35, line 13, strike out "(11)" and insert in lieu thereof "(12)".

Page 38, strike out line 13 and all that follows through line 11 on page 50.

Page 50, line 13, strike out "SEC. 222." and insert in lieu thereof "SEC. 221.".

—Page 17, line 18, strike out the period and insert in lieu thereof a semicolon.

Page 17, after line 18 insert the following: "but not to exceed 50 cents per hundredweight."

Page 47, beginning on line 23, strike out "equal" and all that follows through line 2 on page 48, and insert in lieu thereof "15 cents.".

By Mr. OBEY:

—Strike all in Title II, as amended, and insert the following (sections 201 through 252 with an amendment thereto):

SEC. 201. Notwithstanding any other provision of law, this Act shall be effective beginning upon the date of enactment and may be cited as the "Milk Production and Marketing Act of 1985".

Subtitle A—Milk Price Support and Producer-Supported Dairy Diversion

LEVEL OF MILK PRICE SUPPORT FOR FISCAL YEARS 1986 THROUGH 1990; REDUCTIONS IN THE PRICE OF MILK

SEC. 211. Effective October 1, 1985, section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by—

(1) redesignating paragraphs (3), (4), (5), and (6) as paragraphs (7), (8), (9), and (10), respectively; and

(2) striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) During the fiscal years 1986 through 1990, the price of milk shall be supported as provided in this subsection.

"(2)(A) On October 1 of each of such fiscal years, the Secretary shall establish the level of price support per hundredweight of milk having 3.67 per centum of milkfat, which level of price support shall be in effect throughout the fiscal year.

"(B) Such level of price support for a fiscal year shall be an amount equal to the product of (i) the preliminary support price for the fiscal year determined in accordance with paragraph (3) and (ii) the percentage determined in accordance with paragraph (4).

"(3)(A) For the fiscal year for which the level of price support is being determined, the preliminary support price per hundredweight of milk having 3.67 per centum milkfat shall be equal to the product of—

"(i) $8.83 per hundredweight; and

"(ii) the adjusted cost of production index.

"(B)(i) For purposes of subparagraph (A)(ii), the adjusted cost of production index for the fiscal year shall be equal to—

"(I) the cost of production index; less

"(II) the product of the cost of production index and the milk productivity factor.

"(ii) For purposes of subclauses (I) and (II) of clause (i), the cost of production index for the fiscal year shall be equal to the ratio of (I) the cost of production (determined in accordance with subparagraph (C)) for the one-year period ending June 30 preceding the fiscal year for which the preliminary support price is being determined to (II) the cost of production (determined in accordance with subparagraph (C)) for the three-year base period consisting of calendar years 1976, 1977, and 1978.

"(iii) For purposes of clause (i)(II), the milk productivity factor for the fiscal year shall be equal to the product of 0.2 per centum per hundredweight of milk having 3.67 per centum milkfat and the difference between—

"(I) the average quantity (measured in pounds) of milk produced annually per cow during the one-year period ending June 30 preceding the fiscal year for which the preliminary support price is being determined; and

"(II) 11,101 pounds.

"(C) For purposes of subparagraph (B)(ii), the cost of production for milk shall be determined by the Secretary in the same manner as the cost of production for milk is determined under section 808 of the Agricultural Act of 1970, except that the cost of production for purposes of such subparagraph shall be computed on the basis of the prices for the items (other than the Consumer Price Index for All Urban Consumers), and of the proportional value of each of the items, specified in the following schedule:

"Item	Contribution to Costs of Production
Consumer Price Index for All Urban Consumers, determined by the Bureau of Labor Statistics	10 per centum
Prices received by farmers for meat animals	10 per centum
Feed (consisting of: corn, 6.5 per centum 16 per centum dairy concentrate, 25 per centum hay, 1.5 per centum)	33 per centum
Interest (consisting of: production credit association rate, 3 per centum Federal land bank rate, 5 per centum)	8 per centum
Taxes	2.5 per centum
Fuel and energy	4 per centum
Milk hauling (consisting of: automobiles and trucks, 2 per centum bulk gasoline, 0.5 per centum diesel fuel, 0.5 per centum)	3 per centum
Machinery and building repair (consisting of: non-farm wage rate, 2 per centum farm and motor supplies, 1.5 per centum building and fencing, 0.5 per centum)	4 per centum
Hired labor	7 per centum
Farm services and cash rent	8.5 per centum
Seed	1.5 per centum
Fertilizer	3 per centum
Agricultural chemicals	0.5 per centum
Tractor and self-propelled machinery	3 per centum
Other farm machinery	2 per centum

"(4) For the fiscal year for which the level of price support is being determined, the Secretary shall estimate the level of purchases of milk and the products of milk (measured in billions of pounds milk equivalent), less sales under section 407 for unrestricted use, that the Secretary would acquire under this subsection if the level of price support were equal to the preliminary support price determined under paragraph (3) for the fiscal year. For purposes of paragraph (2)(B), the level of price support for the fiscal year shall be calculated in accordance with the following schedule:

"If the Secretary estimates that the amount of such purchases (in billions of pounds milk equivalent) for the fiscal year at such preliminary support price would be—	then for the fiscal year the level of price support shall be equal to the following percentage of such preliminary support price: Not less than	Not more than
Less than 1	107.8	A percentage determined by the Secretary to be appropriate
Not less than 1 but less than 2	105.2	107.8
Not less than 2 but less than 3	102.6	105.2
Not less than 3 but less than 4	100.0	102.6
Not less than 4 but less than 5	97.4	100.0
Not less than 5 but less than 6	94.8	97.4
Not less than 6 but less than 7	92.2	94.8
Not less than 7	92.2	92.2

"(5) The price of milk shall be supported through the purchase of milk and the products of milk.

"(6)(A) During any of the fiscal years 1986 through 1990 for which a milk diversion program is in effect under paragraph (7), the Secretary shall provide for a reduction (subject only to downward adjustment by the Secretary during the fiscal year) to be made in the price received by producers for all milk produced in the United States and marketed by producers for commercial use.

"(B) The amount of such reduction for a fiscal year shall be the amount per hundredweight that when multiplied by the quantity of milk so marketed is equal to the sum of—

"(i) the cost in the fiscal year, as estimated by the Secretary, of the quantity of milk and the products of milk in excess of five billion pounds (milk equivalent), less sales under section 407 for unrestricted use, required to be purchased under this subsection;

"(ii) the cost, as estimated by the Secretary, of making payments to producers who reduce marketings in the fiscal year under the milk diversion program under paragraph (7); and

"(iii) $50,000,000 in each of the fiscal years 1986 and 1987, to be deducted by the Secretary from the funds remitted under subparagraph (C) and deposited in the Dairy Research Trust Fund established by section 135 of the Dairy Production Stabilization Act of 1983.

"(C) The funds represented by the reduction in the price required under subparagraph (A) to be applied to the marketings of milk by a producer shall be collected and remitted to the Commodity Credit Corporation, at such time and in such manner as prescribed by the Secretary, by each person making payment to a producer for milk purchased from such producer, except that in the case of a producer who markets milk of

the producer's own production directly to consumers, such funds shall be remitted directly to the Corporation by such producer.

"(D)(i) If the funds remitted under subparagraph (C) for any fiscal year exceed the amount of funds necessary to satisfy the requirements of subparagraph (B) for the fiscal year, the Secretary shall refund the excess funds (together with interest determined in accordance with clause (iii)), on a pro rata basis, to producers who marketed in the fiscal year milk for commercial use.

"(ii) If for any fiscal year for which a milk diversion program is in effect under paragraph (7), the level of purchases of milk or the products of milk under this subsection does not exceed 5 billion pounds (milk equivalent on a milkfat basis), less sales under section 407 for unrestricted use, the Secretary shall refund, on a pro rata basis, to producers who marketed milk in the fiscal year for commercial use an amount equal to the difference between—

"(I) the cost, as estimated by the Secretary, of purchasing 5 billion pounds (milk equivalent on a milkfat basis); and

"(II) the sum of the actual cost of purchases by the Commodity Credit Corporation under this subsection for the fiscal year, and the amount, if any, deposited in the Dairy Research Trust Fund under subparagraph (B)(iii);

together with interest as determined in accordance with clause (iii).

"(iii) For purposes of clauses (i) and (ii), interest shall be paid at an annual rate established under section 6621 of the Internal Revenue Code of 1954 for the period beginning forty-five days after the end of the fiscal year involved and ending on a date (to be determined by the Secretary) preceding the date of the refund check by not more than thirty days, whether or not the refund check is accepted by the producer after tender of the refund check to the producer. The acceptance of a refund check shall be without prejudice to any right of the producer to claim any additional refund or interest thereon.

"(E) The funds remitted to the Corporation under this paragraph with respect to a producer, including any funds refunded under subparagraph (D) other than interest paid, shall be considered as included in the payments to the producer for purposes of the minimum price provisions of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.".

EXTENSION OF MILK DIVERSION PROGRAM

SEC. 212. (a) Effective October 1, 1985, paragraph (7) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(3)), as redesignated by section 211(1), is amended by—

(1) amending subparagraph (A) to read as follows:

"(7)(A)(i)(I) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed five billion pounds (milk equivalent) but will not exceed seven billion pounds (milk equivalent), the Secretary may establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(II) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed seven billion pounds (milk equivalent), the Secretary shall establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(III) For purposes of adjusting under this clause the estimated level of purchases of milk and the products of milk for a fiscal year, the Secretary shall deduct from such level the net amount (measured in milk equivalent) of all reductions occurring during the period beginning on June 15, 1985, and ending on the first day of such fiscal year, in the quantitative limitations in effect on June 15, 1985, under section 22 of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, with respect to milk and the products of milk imported into the United States. For purposes of determining the amount of such reductions, milk equivalent shall be determined on either a solids-not-fat or milkfat milk equivalent basis, whichever produces a higher milk equivalent.

"(IV) Notwithstanding any other provision of this clause, if the Secretary establishes a milk diversion program for fiscal year 1986 under this paragraph, the program so established shall be carried out for fiscal years 1986 and 1987. Any contract entered into with a producer under the reduced production program formulated under clause (iii) for fiscal years 1986 through 1987 shall require the producer to make an equal reduction in the marketings of milk by the producer in each of such fiscal years.

"(ii) Not later than August 1 preceding any fiscal year for which a milk diversion program may or shall be so established under this paragraph (or August 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)) the Secretary shall publish in the Federal Register—

"(I) the estimated level of purchases of milk and products of milk under this subsection (less sales under section 407 for unrestricted use) in such fiscal year if no program is carried out during the year under this paragraph (or in each of fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)); and

"(II) if a milk diversion program is to be established under this paragraph for such fiscal year (or for fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)), notice of the establishment of the program and a detailed description of the nature of the program.

Any milk diversion program so established shall consist of the reduced production program formulated under clause (iii) and the production termination program formulated under clause (iv). The aggregate amount of the reduction, under the milk diversion program so established, in marketings of milk in each fiscal year for which such program is in effect shall be not less than the difference between the level of purchases so estimated and 4 billion pounds (milk equivalent), unless producers decline to enter into contracts to effect such aggregate amount of reduction.

"(iii) For each of the fiscal years 1986 through 1990 for which a milk diversion program will be in effect under this paragraph, the Secretary shall formulate, not later than August 1 preceding such fiscal year, a reduced production program under which the Secretary shall offer to enter into a contract, at any time before the beginning of such fiscal year, with any producer of milk in the United States for the purpose of reducing the quantity of milk marketed by such producer for commercial use during the contract period Such contract shall be in effect throughout such fiscal year unless such contract is terminated under subparagraph (E). Each producer of milk in the United States seeking to enter into a contract for diversion payments under this clause shall, before entering into such contract, provide the Secretary with a plan that describes the manner in which the producer intends to achieve the reduction in milk marketings that would be required under such contract, and includes an estimate by the producer of the amount of such reduction that the producer intends to achieve through increased slaughter of dairy cattle (including the approximate number of dairy cattle that will be sold for slaughter during each month of the contract). In setting the terms and conditions of such contracts, the Secretary shall take into account any adverse effect of the reductions in milk production on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such effect.

"(iv) For each of the fiscal years 1986 through 1990 for which a milk diversion program will be in effect under this paragraph, the Secretary also shall formulate, not later than August 1 preceding such fiscal year, a production termination program under which the Secretary may offer, at the request of a producer of milk in the United States who submits to the Secretary a bid, to enter into a contract, at any time before November 1 of such fiscal year, with the producer for the purpose of terminating the production of milk by the producer in return for a payment to be made by the Secretary. In setting the terms and conditions of each contract made under this clause, the Secretary shall take into account any adverse effect of such contract, and of all contracts made under this clause, on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such effect.

"(v) For any fiscal year for which a milk diversion program under this paragraph is in effect, the Secretary shall determine, before the beginning of such fiscal year, the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of such program and shall by regulation specify marketing procedures to ensure that not more than 40 per centum of the number of such dairy cattle that the Secretary estimates will be marketed for slaughter by the producers participating in the program, in excess of the number of dairy cattle such producers would market for slaughter (based on the historical dairy cow herd culling rate) during such fiscal year in the absence of such program, will be so marketed in such fiscal year in the months of October, November, December, January, February, and September. Such procedures also shall ensure that such sales of dairy cattle for slaughter shall occur on a basis estimated by the Secretary that maintains historical marketing patterns. During such fiscal year, the Secretary shall limit the total number of dairy cattle marketed for slaughter under the program in excess of the historical dairy cow herd culling rate to no more than 7 per centum of the national dairy cow herd.".

(2) in subparagraph (B)—

(A) striking out "(B) Each such contract" and inserting in lieu thereof "(B)(i) Each

contract made under the program formulated under subparagraph (A)(iii)";

(B) redesignating clauses (i), (ii), (iii), and (iv) as subclauses (I), (II), (III), and (IV), respectively; and

(C) in subclause (III), as so redesignated—

(i) striking out "after November 8, 1983" and all that follows through "unless such cattle are sold", and inserting in lieu thereof "during the period beginning August 1 immediately preceding the fiscal year for which such contract is in effect and ending on the last day of such fiscal year (or during the period beginning on August 1, 1985, and ending on September 30, 1987, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)), unless, as established by evidence satisfactory to the Secretary (including any sales contract), such cattle are sold in good faith"; and

(ii) striking out "this subsection" and inserting in lieu thereof "the program for such fiscal year";

(D) in subclause (IV), as so redesignated, striking out "this paragraph" each place it appears and inserting in lieu thereof "the contract"; and

(E) adding at the end thereof the following:

"(ii) Each contract made under this program formulated under subparagraph (A)(iv) shall provide that—

"(I) the producer shall sell for slaughter or for export all the dairy cattle in which such producer owns an interest;

"(II) during a period of three, four, or five years specified by the Secretary and beginning on the day the producer completes compliance with subclause (I), the producer shall neither acquire any interest in the production of milk nor acquire, or make available to any person, any milk production capacity of a facility that becomes available because of compliance by any producer with such subclause; and

"(III) if the producer fails to comply with such contract, the producer shall repay to the Secretary the entire payment received under the contract, including simple interest payable at a rate prescribed by the Secretary, which shall, to the extent practicable, reflect the cost to the Corporation of its borrowings from the Treasury of the United States, commencing on the date payment is first received under such contract.";

(3) striking out "this paragraph" in subparagraph (C) and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(4) in subparagraph (D)—

(A) in clause (i)—

(i) inserting "under a contract made under the program formulated under subparagraph (A)(iii) for a fiscal year" after "any reduction";

(ii) inserting "in such fiscal year;" after "marketed" the first place it appears; and

(iii) striking out "the producer has entered into under this paragraph" in subclause (I);

(B) in clause (ii)—

(i) inserting "under a contract made under the program formulated under subparagraph (A)(iii) for a fiscal year" after "any reduction"; and

(ii) striking out "the producer has entered into under this paragraph" in subclause (I); and

(C) in clause (iii), striking out "as of the date of enactment of the Dairy Production Stabilization Act of 1983" and inserting in lieu thereof "throughout the fifteen-month period ending on October 1 of the fiscal year for which such contract is in effect (or ending on October 1, 1985, in the case of a program carried out under subparagraph (A)(i)(IV) for fiscal years 1986 and 1987)";

(5) in subparagraph (E)—

(A) in the first sentence—

(i) inserting "before November 1 of a fiscal year (or November 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)) and" after "The Secretary may,";

(ii) inserting "for such fiscal year (or for fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV))" after "this paragraph" the first place it appears;

(iii) in clause (i), striking out "there would be an excessive reduction in the level of milk production in the United States" and inserting in lieu thereof "the level of milk marketings in the United States would be reduced in excess of the aggregate amount of the reduction required by subparagraph (A)(ii)";

(iv) striking out "under this paragraph" each place it appears and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(v) striking out "dairy cattle,"; and

(B) striking out "reduce" in the third sentence and inserting in lieu thereof "lessen"; and

(C) adding at the end thereof the following:

"In acting to lessen the required reduction in milk marketings among all contracts made under the program formulated under subparagraph (A)(iii), the Secretary may apportion changes in the reduction among contracts so as to give preference to any small- or medium-sized producer who requests that the producer's reduction not be lessened. A producer who enters into a contract under subparagraph (A)(iii) may terminate such contract if the Secretary modifies such contract under this subparagraph and if such producer gives written notice of such termination, and returns any payment received under such contract, to the Secretary not later than December 1 of the fiscal year for which such contract is made (or December 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)).";

(6) striking out the second sentence in subparagraph (F) and inserting in lieu thereof the following:

"The marketing history, as established by the Secretary, of such producer shall be as follows:

"(i) Except as provided in clause (ii) and clause (iii), the marketing history of the producer shall be the marketings of milk by the producer for commercial use during the one-year period ending on June 30 immediately preceding the fiscal year for which the contract is sought.

"(ii) Except as provided in clause (iii), if the producer participated in a reduced production milk diversion program under this paragraph in effect for the fiscal year preceding the fiscal year for which the marketing history of the producer is being determined, the marketing history shall be the marketing history of the producer for the diversion program for the preceding fiscal year.

"(iii) If a reduced production milk diversion program is in effect under this paragraph for fiscal years 1986 and 1987, and if the producer participated in the milk diversion program carried out under paragraph (3) of this subsection as in effect on September 30, 1985, the marketing history of the producer for each of fiscal years 1986 and 1987 shall be, at the option of the producer—

"(I) the marketings of milk by the producer for commercial use during calendar year 1982, increased by 2.2 per centum; or

"(II) the average annual marketings of milk by the producer during calendar years 1981 and 1982, increased by 2.2 per centum.".

(7) in subparagraph (G), striking out "after December 31, 1982" and inserting in lieu thereof "in the fifteen-month period ending on October 1 of the fiscal year (or October 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)) for which the producer is seeking to enter into a contract for diversion payments under this paragraph".

(8) inserting "payable under a contract made under the program formulated under subparagraph (A)(iii)" in subparagraph (I) after "diversion payments";

(9) in subparagraph (J)—

(A) in clause (i), inserting "payable under a contract made under the program formulated under subparagraph (A)(iii)" after "diversion payments" the first place it appears; and

(B) in clause (ii), striking out "under this paragraph" and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(10) in subparagraph (L), striking out "under this paragraph" and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)"; and

(11) striking out "paragraph (2)" in subparagraph (N) and inserting in lieu thereof "paragraph (6)".

(b) Effective October 1, 1985, paragraph (9)(B) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(5)(B)), as so redesignated by section 212(1), is amended by—

(1) striking out "paragraph (2)" and inserting in lieu thereof "paragraph (6)";

(2) striking out "paragraph (2)(B)" and inserting in lieu thereof "paragraph (6)(C)";

(3) striking out "paragraph (3)" and inserting in lieu thereof "paragraph (7)";

(4) inserting "(i)" after "(B)"; and

(5) adding at the end thereof the following:

"(ii) Each person who buys, from a producer with respect to whom there is in effect at the time of such sale a contract entered into under paragraph (7), one or more dairy cattle sold for slaughter, who knows that such cattle are sold for slaughter, and who fails to cause the slaughter of such cattle within a reasonable time after receiving such cattle shall be liable for a civil penalty of not more than $5,000 with respect to each of such cattle.".

(c) Paragraph (10) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(6)), as so redesignated by section 212(1), is amended by striking out "paragraphs (2) and (3)" and inserting in lieu thereof "paragraphs (6) and (7)".

(d) Section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)) is amended by striking out "The price" and inserting in lieu thereof "Except as provided in subsection (d), the price".

(e) Section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by adding at the end thereof the following:

"(11) The Secretary shall carry out this subsection through the Commodity Credit Corporation.".

(f) Notwithstanding section 201(d)(7) of the Agricultural Act of 1949, as added by this title, the Secretary of Agriculture—

(1) shall establish a milk diversion program, and publish the information required by such section, not later than 30 days after the date of the enactment of this Act; and

(2) shall offer to enter into contracts under such program with producers until 60 days after the date of the enactment of this Act;

if a milk diversion program is to be in effect for fiscal year 1986 and if this Act is enacted after August 1, 1985.

APPLICATION OF AMENDMENTS

SEC. 213. The amendments made by this subtitle shall not affect any liability of any person under section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) as in effect before October 1, 1985.

STUDY RELATING TO CASEIN

SEC. 215. The Secretary of Agriculture shall conduct a study to determine whether imports of casein tend to interfere with or render ineffective the milk price support program of the Department of Agriculture. Not later than 30 days after the date of the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate.

CONGRESSIONAL EVALUATION OF THE COST OF PRODUCTION SCHEDULE

SEC. 216. It is the sense of Congress that two years after the date of the enactment of this Act the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate should—

(1) determine the value of each of the items specified in the schedule established in section 201(d)(3)(C) of the Agricultural Act of 1949, and the contribution of each of such items to the cost of production referred to in such section, in order to assess the effect of each of such items on the cost of production index and the level of price support for milk determined under section 201(d) of such Act; and

(2) assess the effect of such index on the operation of the milk diversion program provided for in section 201(d)(7) of such Act.

Subtitle B—Dairy Research and Promotion

NATIONAL DAIRY RESEARCH ENDOWMENT INSTITUTE

SEC. 221. Effective October 1, 1985, the Dairy Production Stabilization Act of 1983 (7 U.S.C. 1421 note, et seq.) is amended by adding at the end thereof the following:

"Subtitle C—Dairy Research Program

"DEFINITIONS

"SEC. 130. For purposes of this subtitle—

"(1) the term 'board' means the board of trustees of the Institute;

"(2) the term 'Department' means the Department of Agriculture;

"(3) the term 'dairy products' means manufactured products that are derived from the processing of milk, and includes fluid milk products;

"(4) the term 'fluid milk products' means those milk products normally consumed in liquid form as a beverage;

"(5) the term 'Fund' means the Dairy Research Trust Fund established by section 135;

"(6) the term 'imported' means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States;

"(7) the term 'importer' means a person who imports any dairy product into the United States for commercial use;

"(8) the term 'Institute' means the National Dairy Research Endowment Institute established by section 131;

"(9) the term 'milk' means any class of cow's milk marketed in the United States;

"(10) the term 'person' means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity;

"(11) the term 'producer' means any person engaged in the production of milk for commercial use;

"(12) the term 'research' means studies testing the effectiveness of market development and promotion efforts, studies relating to the nutritional value of milk and dairy products, and other related efforts to expand demand for milk and dairy products;

"(13) the term 'Secretary' means the Secretary of Agriculture unless the context specifies otherwise; and

"(14) the term 'United States' means the several States and the territories and possessions of the United States, except that for purposes of sections 131, 133(a), and 136, and paragraphs (6), (7), and (9) of this section, such term means the forty-eight contiguous States in the continental United States.

"ESTABLISHMENT OF NATIONAL DAIRY RESEARCH ENDOWMENT INSTITUTE

"SEC. 131. There is hereby established in the Department of Agriculture a National Dairy Research Endowment Institute whose function shall be to aid the dairy industry through the implementation of the dairy products research order, which its board of trustees shall administer, and the use of monies made available to its board of trustees from the Dairy Research Trust Fund to implement the order. In implementing the order, the Institute shall provide a permanent system for funding scientific research activities designed to facilitate the expansion of markets for milk and dairy products marketed in the United States. The Institute shall be headed by a board of trustees composed of the members of the National Dairy Promotion and Research Board. The board may appoint from among its members an executive committee whose membership, other than importers, shall reflect equally each of the different regions in the United States in which milk is produced. The executive committee shall have such duties and powers as are delegated to it by the board. The members of the board shall serve without compensation. While away from their homes or regular places of business in the performance of services for the board, members of the board shall be allowed reasonable travel expenses, including a per diem allowance in lieu of subsistence, as recommended by the board and approved by the Secretary, except that there shall be no duplication of payment for such expenses.

"ISSUANCE OF ORDER

"SEC. 132. (a) After the effective date of this subtitle and not later than thirty days after receipt of a proposed dairy products research order, the Secretary shall publish such proposed order in the Federal Register and shall give notice and reasonable opportunity for public comment on such proposed order. Such proposed order may be submitted by an organization certified under section 114 or by any interested person affected by the provisions of subtitle B.

"(b) After the Secretary complies with the requirements of subsection (a), the Secretary shall issue a dairy products research order. The order shall become effective not later than ninety days after publication in the Federal Register of the proposed order.

"(c) The Secretary may amend, from time to time, the dairy products research order issued under subsection (b).

"REQUIRED TERMS OF ORDER; AGREEMENTS UNDER ORDER; RECORDS

"SEC. 133. (a) The dairy products research order issued under section 132(b) shall—

"(1) provide for the establishment and administration, by the Institute, of appropriate scientific research activities designed to facilitate the expansion of markets for dairy products marketed in the United States;

"(2) specify the powers of the board, including the powers to—

"(A) receive and evaluate, or on its own initiative develop and budget for, research plans or projects designed to—

"(i) increase the knowledge of human nutritional needs and the relationship of milk and dairy products to these needs;

"(ii) improve dairy processing technologies, particularly those appropriate to small- and medium-sized family farms;

"(iii) develop new dairy products; and

"(iv) appraise the effect of such research on the marketing of dairy products;

"(B) make recommendations to the Secretary regarding such plans and projects;

"(C) administer the order in accordance with its terms and provisions;

"(D) make rules and regulations to effectuate the terms and provisions of the order;

"(E) receive, investigate, and report to the Secretary complaints of violations of the order;

"(F) recommend to the Secretary amendments to the order;

"(G) enter into agreements, with the approval of the Secretary, for the conduct of activities authorized under the order and for payment of the cost of such activities with any monies in the Fund other than monies deposited in the Fund by the Secretary;

"(H) with the approval of the Secretary, establish advisory committees composed of individuals other than members of the board, and pay the necessary and reasonable expenses and fees of the members of such committees; and

"(I) with the approval of the Secretary, appoint or employ such persons, other than members of the board, as the board deems necessary and define the duties and determine the compensation of each;

"(3) specify the duties of the board, including the duties to—

"(A) develop, and submit to the Secretary for approval before implementation, any research plan or project to be carried out under this subtitle;

"(B) submit to the Secretary for approval budgets, on a fiscal year basis, of the board's anticipated expenses and disbursements in the administration of the order, including projected costs of carrying out dairy products research plans and projects;

"(C) prepare and make public, at least annually, a report of the board's activities and an accounting for funds received and expended by the board;

"(D) maintain such books and records (which shall be available to the Secretary for inspection and audit) as the Secretary may prescribe;

"(E) prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe; and

"(F) account for the receipt and disbursement of all funds entrusted to the board;

"(4) prohibit any monies received under this subtitle by the board to be used in any manner for the purpose of influencing governmental policy or actions, except as provided in paragraph (2)(F);

"(5) during fiscal years 1986 and 1987, require each importer to pay, in the manner prescribed by the order, an assessment to the Secretary, at a rate determined by the Secretary from time to time under subsection (d) and based on the number of hundredweights of milk having 3.67 percent milkfat contained in the quantity of dairy products imported into the United States in such fiscal years for commercial use by such importer; and

"(6) require that each person receiving milk from producers for commercial use, any person marketing milk of that person's own production directly to consumers, and each importer maintain and make available for inspection by the Secretary such books and records as may be required by the order and file with the Secretary reports at the time, in the manner, and having the content prescribed by the order.

"(b) Any agreement made under subsection (a)(2)(G) shall provide that—

"(1) the person with whom such agreement is made shall develop and submit to the board a research plan or project together with a budget that shows estimated costs to be incurred to carry out such plan or project;

"(2) such plan or project shall become effective on the approval of the Secretary; and

"(3) such person shall keep accurate records of all of its transactions, account for funds received and expended, make periodic reports to the board of activities conducted to carry out such plan or project, and submit such other reports as the Secretary or the board may require.

"(c)(1) Information, books, and records made available to, and reports filed with, the Secretary under subsection (a)(6) shall be kept confidential by all officers and employees of the Department, except that such information, books, records, and reports as the Secretary deems relevant may be disclosed by such officers and employees in any suit or administrative proceeding that is brought at the request of the Secretary or to which the Secretary or any officer of the United States is a party, and that involves the order issued under section 132(b).

"(2) Paragraph (1) shall not be construed to prohibit—

"(A) the issuance of general statements, based on such information, books, records, and reports, of the number of persons subject to the order or of statistical data collected from such persons if such statements do not specifically identify the data furnished by any one of such persons; or

"(B) the publication, at the direction of the Secretary, of the name of any person violating the order, together with a statement of the particular provisions of the order violated by the person.

"(3) No information obtained under the authority of this section may be made available to any agency, officer, or employee of the United States for any purpose other than the implementation of this subtitle and any investigatory or enforcement action necessary to implement this subtitle. Any person who violates this paragraph, on conviction, shall be subject to a fine of not more than $1,000, or to imprisonment for not more than one year, or both, and, if such person is employed by the board or the Department, shall be terminated from such employment.

"(d) The rate of the assessment per hundredweight of milk required to be paid under an order issued under section 132(b) by importers shall be equal to that part of the amount of any reduction in the price per hundredweight received by producers for milk, in effect under section 201(d)(6)(B) of the Agricultural Act of 1949, that is attributable to satisfying the requirement of clause (iii) of section 201(d)(6)(B).

"PETITION AND REVIEW; ENFORCEMENT; INVESTIGATIONS

"SEC. 134. The provisions of sections 118, 119, and 120 shall apply, except when inconsistent with this subtitle, to the Institute, the board, the persons subject to the order issued under section 132(b), the jurisdiction of district courts of the United States, and the authority of the Secretary under this subtitle in the same manner as such sections apply with respect to subtitle B.

"DAIRY RESEARCH TRUST FUND

"SEC. 135. (a) There is hereby established in the Treasury of the United States a trust fund to be known as the 'Dairy Research Trust Fund'.

"(b)(1) Monies shall be deposited in the Fund by the Secretary in accordance with section 201(d)(6)(B)(iii) of the Agricultural Act of 1949. The Secretary shall also deposit in the Fund monies received under section 133(a)(5) from importers.

"(2) If no monies are so deposited for a fiscal year in accordance with section 201(d)(6)(B)(iii), then the Secretary shall transfer from monies available to the Commodity Credit Corporation, and deposit in the Fund, $50,000,000 for such fiscal year.

"(3) Monies deposited in the Fund under paragraph (1) or (2) shall be invested by the Secretary of the Treasury in obligations of the United States or any agency thereof, in general obligations of any State or any political subdivision thereof, in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System, or in obligations fully guaranteed as to principal and interest by the United States. Interest, dividends, and other payments that accrue from such investments shall be deposited in the Fund and also shall be so invested, subject to subsection (c).

"(c) Monies in the Fund, other than monies deposited or transferred under paragraph (1) or (2) of subsection (b), shall be available to the board, in such amounts, and for such activities authorized by this subtitle, as the Secretary may approve.

"TERMINATION OF ORDER, INSTITUTE, AND FUND

"SEC. 136. (a) After September 30, 1991, the Secretary, whenever the Secretary finds that the order issued under this subtitle or any provision of such order obstructs or does not tend to facilitate the expansion of markets for milk and dairy products marketed in the United States, shall terminate or suspend the operation of the order or such provision.

"(b) If the Secretary terminates the order, the Institute shall be dissolved 180 days after the termination of the order.

"(c) If the Institute is dissolved for any reason, the monies remaining in the Fund shall be disposed of as shall be agreed to by the board and the Secretary.

"ADDITIONAL AUTHORITY

"SEC. 137. (a) No provision of this subtitle shall be construed to preempt or supersede any other program relating to milk or dairy products research organized and operated under the laws of the United States or any State.

"(b) The provisions of this subtitle applicable to the order issued under section 132(b) shall be applicable to any amendment to the order.".

DAIRY PROMOTION PROGRAM

SEC. 222. (a) Section 110(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501(b)) is amended by inserting "and dairy products imported into" after "produced in" each place it appears.

(b) Section 111 of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502) is amended by—

(1) redesignating paragraphs (a) through (f) as paragraphs (1) through (6), respectively,

(2) redesignating paragraphs (g) through (l) as paragraphs (9) through (14), respectively; and

(3) inserting after paragraph (6), as so redesignated, the following new paragraphs:

"(7) the term 'imported' means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States;

"(8) the term 'importer' means a person who imports any dairy product into the United States for commercial use;".

(c) Section 113 of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504) is amended by—

(1) in subsection (b)—

(A) in the first sentence, striking out "thirty-six" and inserting in lieu thereof "thirty-seven";

(B) in the second sentence, striking out "Members" and inserting in lieu thereof "Except as provided in the following sentence, members";

(C) in the third sentence, striking out "such" and inserting in lieu thereof "producer"; and

(D) inserting after the second sentence the following:

"One or more members of the Board shall be importers appointed by the Secretary from nominations submitted by importers in the manner authorized by the Secretary. The number of importers to be appointed to the Board shall be determined by the Secretary on a proportional basis, taking into account the number of hundredweights of milk contained in the quantity of dairy products imported into the United States for commercial use during a representative period, except that not fewer than one importer shall be appointed to the Board.";

(2) in subsection (g)—

(A) inserting after the first sentence the following:

"The order shall also provide that each importer shall remit to the Board, in the manner prescribed by the Board, an assessment based on the number of hundredweights of milk contained in the quantity of dairy products imported into the United States for commercial use by such importer."; and

(B) in the third sentence, inserting ", in the case of dairy products other than milk," after "or"; and

(3) in the first sentence of subsection (k), striking out "farmers for commercial use" and inserting in lieu thereof "producers for commercial use, each importer".

(d) Section 116(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4507(b)) is amended by—

(1) inserting "and importers" after "producers" each place it appears; and

(2) in the last sentence, inserting ", or the importation of dairy products into the United States," after "the production of milk".

(e) The amendments made by this section shall take effect on October 1, 1985.

Subtitle C—Milk Marketing Orders

MINIMUM ADJUSTMENTS TO PRICES FOR FLUID MILK UNDER MARKETING ORDERS

SEC. 231. (a) Section 8c(5)(A) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(A)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following: "Throughout the 2-year period beginning on the effective date of this sentence (and subsequent to such 2-year period unless modified by amendment to the order involved), the minimum aggregate amount of the adjustments, under clauses (1) and (2) of the preceding sentence, to prices for milk of the highest use classification under orders that are in effect under this section on the date of the enactment of the Dairy Unity Act of 1985 shall be as follows:

"Marketing Area Subject to Order	Minimum Aggregate Amount of Such Adjustments Per Hundredweight of Milk Having 3.5 Per Centum Milkfat
New England	3.24
New York-New Jersey	3.14
Middle Atlantic	3.03
Georgia	3.08
Alabama-West Florida	3.08
Upper Florida	3.58
Tampa Bay	3.88
Southeastern Florida	4.18
Michigan Upper Peninsula	1.35
Southern Michigan	1.75
Eastern Ohio-Western Pennsylvania	1.95
Ohio Valley	2.04
Indiana	2.00
Chicago Regional	1.40
Central Illinois	1.61
Southern Illinois	1.92
Louisville-Lexington-Evansville	2.11
Upper Midwest	1.20
Eastern South Dakota	1.50
Black Hills, South Dakota	2.05
Iowa	1.55
Nebraska-Western Iowa	1.75
Greater Kansas City	1.92
Tennessee Valley	2.77
Nashville, Tennessee	2.52
Paducah, Kentucky	2.39
Memphis, Tennessee	2.77
Central Arkansas	2.77
Fort Smith, Arkansas	2.77
Southwest Plains	2.77
Texas Panhandle	2.49
Lubbock-Plainview, Texas	2.49
Texas	3.28
Greater Louisiana	3.28
New Orleans-Mississippi	3.85
Eastern Colorado	2.73
Western Colorado	2.00
Southwestern Idaho-Eastern Oregon	1.50
Great Basin	1.90
Lake Mead	1.60
Central Arizona	2.52
Rio Grande Valley	2.35
Puget Sound-Inland	1.85
Oregon-Washington	1.95

Effective at the beginning of such two-year period, the minimum prices for milk of the highest use classification shall be adjusted for the locations at which delivery of such milk is made to such handlers.".

(b) The amendment made by this section shall take effect on the first day of the first month beginning more than 120 days after the date of the enactment of this Act.

ADJUSTMENTS FOR SEASONAL PRODUCTION; HEARINGS ON AMENDMENTS; DETERMINATION OF MILK PRICES

SEC. 232. Effective October 1, 1985, section 101(b) of the Agriculture and Food Act of 1981 (7 U.S.C. 608c note) is amended by striking out "and shall terminate December 31, 1985".

COOPERATIVE ASSOCIATION REPRESENTATION

SEC. 233. Effective October 1, 1985, the second sentence of section 8c(17) of the Agricultural Adjustment Act (7 U.S.C. 608c(17)), as added by section 101 of the Agriculture and Food Act of 1981 and made effective for the period beginning January 1, 1986, and ending December 31, 1990 under section 132, is amended by striking out "not".

MARKETWIDE SERVICE PAYMENTS

SEC. 234. Effective October 1, 1985, section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end thereof the following:

"(J) Providing for the payment, from the total sums payable by all handlers for milk (irrespective of the use classification of such milk) and before computing uniform prices under paragraph (A) and making adjustments in payments under paragraph (C), to handlers that are cooperative marketing associations described in paragraph (F) and to handlers with respect to which adjustments in payments are made under paragraph (C), for services of marketwide benefit, including but not limited to—

"(i) providing facilities to furnish additional supplies of milk needed by handlers and to handle and dispose of milk supplies in excess of quantities needed by handlers;

"(ii) handling on specific days quantities of milk that exceed the quantities needed by handlers; and

"(iii) transporting milk from one location to another for the purpose of fulfilling requirements for milk of a higher use classification or for providing a market outlet for milk of any use classification.".

STATUS OF PRODUCER HANDLERS

SEC. 235. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, shall be the same after the amendments made by this title take effect as it was before the effective date of such amendments.

Subtitle D—National Commission on Dairy Policy

FINDINGS AND DECLARATION OF POLICY

SEC. 241. (a) Congress finds that—

(1) the Federal program established to support the price of milk marketed by producers in the United States was created to provide price and income protection for milk producers as well as to assure consumers of an adequate supply of milk and dairy products at reasonable prices;

(2) the milk production industry in the United States is composed primarily of small- and medium-sized family farm operations;

(3) consumers in the United States benefit financially from a milk price support program that prohibits large fluctuations in the price and supply of milk and dairy products;

(4) consumers in the United States also benefit financially from the current structure of the domestic milk production industry; and

(5) the Office of Technology Assessment, in its report entitled "Technology, Public Policy, and the Changing Structure of American Agriculture", found that larger milk production operations already enjoy a major advantage in the production of milk and that, under current Federal policy, the development and use of new technologies will permit a continued trend toward fewer and larger milk production operations throughout the country.

(b) It is hereby declared to be the policy of Congress to respond to the development of new technologies in the domestic milk production industry by reviewing the present milk price support program and its alternatives, and by adopting such policies as are needed to prevent significant surplus production in the future while ensuring that the current small- and medium-sized family farm structure of such industry will be preserved for new generations of producers and consumers alike.

ESTABLISHMENT OF COMMISSION

SEC. 242. (a) There is hereby established in the executive branch a National Commission on Dairy Policy, which shall study and make recommendations concerning the future operation of the Federal program established to support the price of milk marketed by producers in the United States.

(b) The Commission shall be composed of eighteen members who are engaged in the commercial production of milk in the United States, to be appointed by the Secretary of Agriculture. Not fewer than twelve members shall be appointed from nominations submitted to the Secretary by the following Members of Congress, after consultation with the other Members of Congress who sit on the specified committee of the respective House of Congress:

(1) The Chairman of the Committee on Agriculture of the House of Representatives.

(2) The ranking minority member of the Committee on Agriculture of the House of Representatives.

(3) The Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(4) The ranking minority member of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Each such Member of Congress shall make not fewer than eighteen such nominations for appointment to the Commission, but not more than two such nominations for any particular vacancy on the Commission. The Secretary shall appoint not fewer than three individuals from among the nominations submitted by each such Member of Congress. Each member of the Commission shall represent a milk-producing region of the United States. A region may be made up of more than one State and may be represented by more than one member of the Commission. In making such appointments, the Secretary shall take into account, to the extent practicable, the geographical distribution of milk production volume throughout the United States. In determining geo-

graphical representation, whole States shall be considered as a unit.

(c) A vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(d) The Commission shall elect a chairman from among the members of the Commission.

(e) The Commission shall meet at the call of the chairman or a majority of the members of the Commission.

STUDY AND RECOMMENDATIONS

SEC. 243. (a) The National Commission on Dairy Policy shall study—

(1) the current Federal price support program for milk;

(2) alternatives to such program;

(3) the future functioning of such program;

(4) new technologies that will become a part of the milk production industry before the end of this century;

(5) the effect that developing technologies will have on surplus milk production; and

(6) the future structure of the milk production industry.

In conducting such study, the Commission shall consider, among other things, how effective the current Federal price support program for milk will be in preventing significant surpluses of dairy products in the future, how well such program will respond to the challenges to the family farm structure of the milk production industry created by developing technologies, and whether or not a better response to those challenges could be achieved through modifications or revisions of current Federal policy.

(b) On the basis of its study, the Commission shall make findings and develop recommendations for consideration by the Secretary of Agriculture and Congress with respect to the future operation of the Federal price support program for milk.

(c) The Commission shall submit to the Secretary of Agriculture and Congress, not later than March 31, 1987, a report containing the results of its study and recommendations based on such results.

ADMINISTRATION

SEC. 244. (a) The heads of executive agencies, the General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office, to the extent permitted by law, shall provide to the National Commission on Dairy Policy such information as the Commission may require to carry out its duties and functions.

(b) Members of the Commission shall serve without compensation for work on the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government service under section 5703 of title 5 of the United States Code.

(c) To the extent there are sufficient funds available to the Commission in advance under section 245, and subject to such rules as may be adopted by the Commission, the Commission, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to the classification and General Schedule pay rates, may—

(1) appoint and fix the compensation of a director; and

(2) appoint and fix the compensation of such additional personnel as the Commission determines necessary to assist it to carry out its duties and functions.

(d) On the request of the Commission, the heads of executive agencies, the General Accounting Office, and the Office of Technology Assessment may furnish the Commission with such personnel and support services as the head of the agency or office, and the chairman of the Commission agree are necessary to assist the Commission to carry out its duties and functions. The Commission shall not be required to pay or reimburse any agency or office for personnel and support services provided under this subsection.

(e) The Commission shall be exempt from sections 7(d), 10(e), 10(f), and 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

(f) The Commission shall be exempt from the requirements of sections 4301 through 4305 of title 5 of the United States Code.

FINANCIAL SUPPORT

SEC. 245. (a) Following the appointment or designation of the members of the National Commission on Export Policy, notwithstanding the provisions of section 1342 of title 31 of the United States Code, the Secretary of Agriculture may receive on behalf of the Commission, from persons, groups, and entities within the United States, contributions of money and services to assist the Commission to carry out its duties and functions. Any money contributed under this section shall be made available to the Commission to carry out this subtitle. In no event may the Secretary accept an aggregate amount of contributions from any one person, group, or entity exceeding 10 percent of the budget of the Commission.

(b) If the contributions under subsection (a) are insufficient to carry out this subtitle, the Secretary of Agriculture may transfer to the Commission, from funds available to the Commodity Credit Corporation, an amount not to exceed $1,000,000 to carry out this subtitle.

TERMINATION OF COMMISSION

SEC. 246. The National Commission on Dairy Policy shall cease to exist thirty days following the submission of its report to the Secretary of Agriculture and Congress.

Subtitle E—Miscellaneous

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND VETERANS HOSPITALS

SEC. 251. Subsections (a) and (b) of section 202 of the Agricultural Act of 1949 (7 U.S.C. 1446a) are each amended by striking out "1985" and inserting in lieu thereof "1990".

EXTENSION OF THE DAIRY INDEMNITY PROGRAM

SEC. 252. Section 3 of the Act entitled "An Act to provide indemnity payments to dairy farmers" (7 U.S.C. 4501), approved August 13, 1968, is amended by striking out "1985" and inserting in lieu thereof "1990".

Page 12, insert at the end of line 19 the following:

If a milk marketing base program is in effect under paragraph (11) for fiscal years 1986 through 1990, then paragraphs (2) through (7) shall not apply with respect to such fiscal years.

Page 35, after line 12, insert the following:

"(11)(A) Not later than 30 days after the date of the enactment of the Dairy Unity Act of 1985, the Secretary shall conduct a referendum, by secret ballot, of milk producers in the United States to determine whether producers favor the implementation, during fiscal years 1986 through 1990, of the national milk marketing base program described in this paragraph.

"(B) Any person who is engaged in the production of milk for commercial use, in the 30-day period ending on the date the referendum is conducted is eligible to vote in the referendum. No person may vote on behalf of a milk producer.

"(C) If the Secretary determines that not less than 60 per centum of the milk producers voting in the referendum favor the national milk marketing base program described in this paragraph, then during fiscal years 1986 through 1990—

"(i) the program shall be in effect;

"(ii) paragraphs (2) through (7) of this subsection shall not be in effect; and

"(iii) the level of price support per hundredweight of milk having 3.67 per centum milkfat shall be—

"(I) 63 per centum of the parity price for milk for fiscal years 1986 and 1987; and

"(II) 70 per centum of the parity price for milk for fiscal years 1988, 1989, and 1990.

"(D)(i) For each fiscal year during which the national milk marketing base program is in effect, the Secretary shall determine individual milk marketing bases of milk producers.

"(ii) For a fiscal year and subject to subparagraph (E), each milk producer shall have a milk marketing base equal to the product of—

"(I) 99 per centum of the producer's milk marketing history; and

"(II) the milk marketing allocation factor for the fiscal year; but not to exceed 99 per centum of the milk marketing history.

"(E)(i) In addition to any amount of marketing base determined for a producer under subparagraph (D), a producer shall have any amount of marketing base transferred to the producer under clause (iii) by the county committee.

"(ii) There shall be available for a fiscal year to the county committee for transfer among producers in accordance with clause (iii) an aggregate amount of milk marketing base equal to the sum of—

"(I) a pro rata share of the product of the allocation factor and 1 per centum of the aggregate of the milk marketing histories determined for the fiscal year for all producers in the United States,

"(II) if the production allocation factor for the fiscal year exceeds 100 per centum, a pro rata share of the product of the percentage of the allocation factor in excess of 100 per centum and the aggregate amount of the milk marketing histories determined for the fiscal year for all producers; and

"(III) the product of the allocation factor and any amount of milk marketing history of a producer in the county who does not engage throughout the fiscal year in the production of milk and who does not transfer such amount under clause (v) to another person.

"(iii) Subject to clause (iv) and to the extent practicable, the county committee shall transfer any milk marketing base available under clause (ii) to the committee among producers, in accordance with such rules as the Secretary shall issue.

"(iv) Not less than 25 per centum of the amount of milk marketing base available under subclauses (II) and (III) of clause (ii) shall be available for transfer by the county committee to milk producers who, as determined by the committee, demonstrate a need for additional base as a result of unusual or special circumstances, except that no additional base may be transferred under this clause to a producer, other than a

family unit, who has a base exceeding 1,000,000 pounds (milk equivalent).

"(v) A producer may transfer the producers' marketing to any person by devise, sale, or lease of the farm on which is located the milk production facility owned by the producer. Except as provided in the preceding sentence, no producer may transfer a marketing history by sale, lease, exchange, or other means.

"(vi) The State director of the Agricultural Stabilization and Soil Conservation Service shall select an Appeal Committee composed of 5 milk producers who are members of county committees. The Appeal Committee will be responsible for the prompt hearing and judgment of appeals of base determinations and base transfers made under this paragraph.

"(vii) Any action taken by a county committee or the Appeal Committee under this paragraph is subject to disapproval by the Secretary.

"(F) In any fiscal year for which a national milk marketing base program is in effect under this paragraph, no milk producer may market for commercial use any quantity of milk of his own production in excess of the milk marketing base established under this paragraph for the producer for the fiscal year.

"(G) Any milk producer who violates subparagraph (F) shall be liable for a civil penalty, to be assessed by the Secretary after reasonable notice and opportuntiy for a hearing on the record, equal to the product of—

"(i) 75 per centum of the level of price support per hundredweight of milk having 3.67 per centum milkfat in effect for the fiscal year in which such violation occurs; and

"(ii) the quantity of milk (measured in hundredweights) with respect to which such violation occurs.

The Secretary may waive or reduce such penalty if the Secretary determines that the severity of such violation does not warrant the full payment of such penalty.

"(H) Any milk producer against whom a civil penalty is assessed, under subparagraph (G) may obtain review of such States by filing a civil action in such court not later than 30 days after such penalty is assessed. As part of the Secretary's answer, the Secretary shall file in such court a certified copy of the record upon which the findings and decision complained of are closed. The findings of the Secretary may be set aside only if found to be unsupported by substantial evidence.

"(I) The district courts of the United States shall have juridiction to review and enforce any civil penalty assessed under subparagraph (G).

"(J) Civil penalties collected under this paragraph shall be available to the Secretary for expenditure without fiscal year limitation to carry out the Food for Peace Act of 1966, to the extent provided in advance in appropriations Acts.

"(K) For purposes of this paragraph—

"(i) the term 'milk marketing allocation factor' means the ration of (I) the aggregate quantity of milk, as estimated by the Secretary, necessary to satisfy domestic consumption and exports of milk and the products of milk in the fiscal year (II) to the aggregate quantity of milk produced in the United States in the fiscal year;

"(ii) the term 'county committee' means a county committee established under the Soil Conservation and Domestic Allotment Act;

"(iii) the term 'family member' means a spouse or child; and

"(iv) the term 'milk marketing history' means the average annual quantity of milk marketed by a producer for commercial use in the period of 5 fiscal years (excluding the fiscal year in which the largest quantity is marketed and the fiscal year in which the smallest quantity is marketed) ending on September 30 preceding the fiscal year for which the milk marketing base is being determined. For any period in such 5 fiscal years during which the producer participated in the milk diversion program under this subsection as in effect before the date of the enactment of the Dairy Unity Act of 1985, the marketings of milk by the producer shall be deemed to be equal to the marketings of milk by the producer in the corresponding period of the marketing history determined under such diversion program.

"(iii) Each milk producer and each county committee shall provide to the Secretary such information and records as the Secretary may require by rule to permit the Secretary to determine the milk marketing base of the producer.

"(L) The Secretary shall devise administrative methods to ensure the effective operation of this paragraph.

"(M) The price of milk shall be supported through the purchase of milk and the products of milk.

Page 35, line 13, strike out "(11)" and insert in lieu thereof "(12)".

Page 38, strike out line 13 and all that follows through line 11 on page 50.

Page 50, line 13, strike out "SEC. 222." and insert in lieu thereof "SEC. 221.".

By Mr. OLIN:

—Amend the table of contents of the bill by striking out the matter relating to title II and inserting in lieu thereof the following:

TITLE II—DAIRY

SUBTITLE A—MILK PRICE SUPPORT

Sec. 211. Level of milk price support for fiscal years 1986 through 1990.
Sec. 212. Application of amendments.
Sec. 213. Avoidance of adverse impact of dairy diversion program on beef, pork, and lamb producers.
Sec. 214. Study relating to casein.

SUBTITLE B—MILK MARKETING ORDERS

Sec. 221. Adjustments for seasonal production; hearings on amendments; determination of milk prices.
Sec. 222. Cooperative association representation.
Sec. 223. Status of producer handlers.

SUBTITLE C—NATIONAL COMMISSION ON DAIRY POLICY

Sec. 231. Findings and declaration of policy.
Sec. 232. Establishment of Commission.
Sec. 233. Study and recommendations.
Sec. 234. Administration.
Sec. 235. Financial support.
Sec. 236. Termination of Commission.

SUBTITLE D—MISCELLANEOUS

Sec. 241. Transfer of dairy products to the military and veterans hospitals.
Sec. 242. Extension of the dairy indemnity program.

—Page 12, strike out line 4 and all that follows through line 2 on page 36, and insert in lieu thereof the following:

SEC. 201. This title may be cited as the "Responsible Dairy Act of 1985".

SUBTITLE A—MILK PRICE SUPPORT

LEVEL OF MILK PRICE SUPPORT FOR FISCAL YEARS 1986 THROUGH 1990

SEC. 211. Effective October 1, 1985, section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended to read as follows:

"(d)(1) In order to achieve a balance between milk production and the availability of milk and milk products to consumers at reasonable prices, to protect producers and consumers from disruptive fluctuations in the prices of milk and milk products, and to provide that benefits of increased productivity in milk production resulting from new production techniques are shared with consumers, the price of milk shall be supported in fiscal years 1986 through 1990 as provided in this subsection. Notwithstanding any other provision of law and except as provided in paragraphs (2) and (3), during the period beginning on October 1, 1985, and ending on September 30, 1990, the price of milk shall be supported at the level of $11.60 per hundredweight of milk having 3.67 per centum milkfat.

"(2)(A) On January 1, 1986, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 10 billion pounds (milk equivalent) in the absence of a reduction in the level of price support for milk, then the level of price support in effect for such period shall be $11.10 per hundredweight of milk having 3.67 per centum milkfat.

"(B) on January 1 of each of the years 1987, 1988, 1989, and 1990, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 5 billion pounds (milk equivalent in the absence of an additional reduction in the level of price support for milk, then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents less than the level of price support in effect immediately before such date.

"(C) On January 1 of each of the years 1987, 1988, 1989, and 1990, if the Secretary estimates that in the 12-month period beginning on such date and under the level of price for milk in effect immediately before such date, purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will not exceed 2 billion pounds (milk equivalent), then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents greater than the level of price support in effect immediately before such date.

Page 36, line 4, strike out "SEC. 213." and insert in lieu thereof "SEC. 212.".

Page 36, line 10, strike out "SEC. 214." and insert in lieu thereof "SEC. 213.".

Page 37, line 11, strike out "SEC. 215." and insert in lieu thereof "SEC. 214.".

Page 37, strike out line 19 and all that follows through line 7 on page 54.

Page 54, after line 7, insert the following:

"SUBTITLE B—MILK MARKETING ORDERS"

Page 55, line 3, strike out "SEC. 232." and insert in lieu thereof "SEC. 221.".

Page 55, line 8, strike out "SEC. 233." and insert in lieu thereof "SEC. 222.".

Page 55, strike out line 14 and all that follows through line 12 on page 56.

Page 56, line 14, strike out "SEC. 235." and insert in lieu thereof "SEC. 223.".

Page 56, line 20, strike out "Subtitle D" and insert in lieu thereof "Subtitle C.".

Page 56, line 22, strike out "SEC. 241." and insert in lieu thereof "SEC. 231.".

Page 58, line 7, strike out "SEC. 242." and insert in lieu thereof "SEC. 232.".

Page 60, line 2, strike out "SEC. 243." and insert in lieu thereof "SEC. 233.".

Page 61, line 8, strike out "SEC. 244." and insert in lieu thereof "SEC. 234.".

Page 62, line 25, strike out "SEC. 245." and insert in lieu thereof "SEC. 235.".

Page 63, line 18, strike out "SEC. 246." and insert in lieu thereof "SEC. 236.".

Page 63, line 21, strike out "Subtitle E" and insert in lieu thereof "Subtitle D".

Page 63, line 24, strike out "SEC. 251." and insert in lieu thereof "SEC. 241.".

Page 64, line 4, strike out "SEC. 252." and insert in lieu thereof "SEC. 242.".

By Mr. ROBERTS:

—Title X, page 239, after line 19 insert the following:

"SEC. 1029. Notwithstanding any other provision of law no person shall be entitled to program benefits, loans, purchases, or payments under one or more of the annual programs established under the Agricultural Act of 1949, for wheat, feed grains, upland cotton, extra long staple cotton, and rice unless said person receives 50 percent of their annual gross income from the production and sale of such crops or livestock."

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

LIMITATION ON REQUIREMENTS

SEC. 1141. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end thereof the following: "Export activities of the Corporation under this Act and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act shall not be subject to cargo preference requirements, except to the extent otherwise required for exports under the Agricultural Trade Development and Assistance Act of 1954.".

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

"LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

"SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or any other law, to the extent that ocean freight charges for such exports are more than 25 percent higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels."

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

"LIMITATION ON OCEAN FREIGHT DIFFERENTIAL

"SEC. 1141. Notwithstanding any other provision of law, the cargo preference laws shall not apply to the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or any other law, to the extent that ocean freight charges for such exports are more than $10 per metric ton higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels."

—Page 110, strike out line 1, and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, AND SOYBEAN PROGRAMS

REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA, PRODUCTION ACREAGES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT, FEED GAINS, AND SOYBEANS

"WHEAT, FEED GRAIN, AND SOYBEAN REFERENDA

SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, and soybean producers every two years to determine whether they favor or oppose the national farm acreage payment program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat, feed grain, or soybean crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that 60 per centum or more of the producers of wheat, feed grains, and soybeans (including 50 per centum or more of the producers of each of the following commodities: wheat, feed grains, and soybeans) voting in the referendum in favor of the implementation of a national farm acreage payment program, the Secretary shall proclaim that a national farm acreage payment program will be in effect for the crops of wheat, feed grains, and soybeans produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat, feed grains, and soybeans;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat, feed grains, and soybeans; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat, feed grains, and soybeans.

"(d) In the event that a national farm acreage payment program is approved for the 1986 crops of wheat, feed grains, and soybeans, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that the program will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If a national farm acreage payment program is not approved by producers in a referendum conducted under this section with respect to any crop of wheat, feed grains, or soybeans, in lieu of a national farm acreage payment program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grains, and soybeans as provided for elsewhere in this Act.

"PAYMENTS TO PRODUCERS

"SEC. 502. (a) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans in an amount as provided in this subsection. Payments for any farm shall be computed by multiplying (1) the payment rate, by (2) the smaller of (A) the number of acres in the farm acreage base for the farm or (B) 2,000 acres.

"(b) The payment rate shall be—

"(1) for the 1986 crops of wheat, feed grains, soybeans, $50; and

"(2) for the 1987 through 1990 crops of such commodities, not less than 95 per centum of the previous year's rate and not more than the 1986 rate.

"(c)(1) The Secretary shall make payments under this section during the calendar year corresponding to the crop year for which such payment is made, taking into account market conditions, the availability of credit to producers, and the need of producers for enhanced cash flow. In no event shall payments under this section be made later than October 1 of such calendar year.

"(2) The Secretary may adjust the payment rate under subsection (b) between commodities, taking into account such factors as the relationship between the historical price levels of such commodities.

"(d) As a condition of eligibility for loans and payments under this title—

"(1) the producers on a farm shall limit the number of acres planted to wheat, feed grains, and soybeans during a crop year on such farm to the number of acres that is equal to the farm acreage base for such farm for the 1986 crop year; and

"(2) the producers on a farm shall participate in any acreage limitation program—

"(A) in the case of wheat, announced under section 107D(e)(1), except that for the 1986 crop of wheat acreage on a farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the crop reduced by a total of 20 percent and thereafter shall be subject to the discretion of the Secretary;

"(B) in the case of feed grains announced under section 103(i)(4)(A), except that for the 1986 crop of feed grains acreage on a farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by a total of 10 percent and thereafter shall be subject to the discretion of the Secretary; or

"(C) in the case of soybeans, a program which the Secretary may establish comparable to the program announced for wheat under section 107D(e)(1) of this Act, except that the reduction in the soybean acreage base shall be subject to the discretion of the Secretary.

"(e) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and

payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"LOANS TO PRODUCERS

"SEC. 503. The Secretary shall make available to producers loans for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans at a level, for each such crop of such commodity, equal to—

"(1) in the case of the 1986 and 1987 crops, 75 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years, and

"(2) in the case of the 1988 through 1990 crops, 70 per centum of the simple average price received by farmers for such commodity for each of the preceding five marketing years, excluding the high and low valued years.

The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year for which such level applies based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than the first day of the second month of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

"MISCELLANEOUS PROVISIONS

"SEC. 504. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

"(b) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this title.

"(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis, and shall, to the extent practicable, ensure that owners and renters of land are treated equitably under this title.".

—Page 124, after line 10, insert the following:

"REGULATION AND ENFORCEMENT

"SEC. 508. The Secretary shall establish a separate entity within the Department of Agriculture to carry out the responsibilities of the Secretary under this title, including regulation, monitoring, and enforcement of this title.

Page 124, line 12, strike out "508" and insert in lieu thereof "509".

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

TRANSFER OF RESPONSIBILITIES

SEC. 1141. (a) Section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) is amended to read as follows:

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities; except that no funds or assets of the Corporation may be used to pay for, or otherwise finance, the ocean freight charges for any such export to the extent that such charges are higher than would otherwise be the case by reason of a requirement that the commodity be transported in United States-flag vessels.".

(b) Notwithstanding any other provision of law, the Department of Defense shall pay the ocean freight charges for the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or other law, to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. There are authorized to be appropriated to the Department of Defense, for each fiscal year after fiscal year 1985, such sums as may be necessary to pay the ocean freight charges paid in accordance with the preceding sentence by the Department of Defense during such year.

—Page 275, lines 6 through 11, amend section 1141 to read as follows:

TRANSFER OF RESPONSIBILITIES

SEC. 1141. (a) Section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) is amended to read as follows:

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities; except that no funds or assets of the Corporation may be used to pay for, or otherwise finance, the ocean freight charges for any such export to the extent that such charges are higher than would otherwise be the case by reason of a requirement that the commodity be transported in United States-flag vessels.".

(b) Notwithstanding any other provision of law, the Maritime Administration shall pay the ocean freight charges for the export of agricultural commodities arranged by or through the Commodity Credit Corporation under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), or other law, to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. There are authorized to be appropriated to the Department of Commerce, for each fiscal year after fiscal year 1985, such sums as may be necessary to pay the ocean freight charges paid in accordance with the preceding sentence by the Maritime Administration during such year.

By Mr. ROSTENKOWSKI:

—Page 110, strike out line 1 and all that follows through page 124, line 14.

—Page 322, strike out lines 17 through 21.

By Mr. ROTH:

—Page 274, after line 18 insert the following:

TRADE LIBERALIZATION

SEC. 1132. (a) Congress finds that—

(1) the present high level of agricultural protectionism contrasts sharply with the general trade liberalization that has been achieved since the inception of the General Agreement on Tariffs and Trade (hereinafter referred to as "GATT");

(2) GATT procedures should explicitly recognize the protective effect of domestic subsidies that alter trade indirectly by reducing the demand for imports and increasing the supply of exports;

(3) current rules make a distinction between primary and manufactured products, and this allows for agricultural export subsidies;

(4) the rule that permits export subsidies on primary products that do not result in inequitable market shares has proven to be unworkable; and

(5) a unified treatment of tariffs and subsidies would clarify trading rules for market participants and simplify trade negotiations.

(b) It is the sense of Congress that the President should negotiate with other parties to GATT to revise GATT rules so that agricultural export subsidies would be treated the same as tariffs and primary products the same as manufactured products.

—In the table of contents in section 2 of the bill, insert after the item relating to section 1131 the following new item:

Sec. 1132. Trade liberalization.

By Mr. ROBERT F. SMITH:

—Page 56, after line 19, insert the following new section:

STATE MILK MARKETING PROGRAMS

SEC. 236. Section 8c(5) of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)), is amended by adding at the end thereof the following new paragraph:

"(k) Nothing contained in this subsection is intended or shall be construed to prevent a State that administers a State milk marketing program from—

"(i) being paid the net proceeds due the producers participating in the program;

"(ii) blending or pooling the net proceeds due the producers in accordance with a system established by the State; or

"(iii) distributing the net proceeds to the producers in accordance with the system,

regardless of whether or not the system includes a plan based on milk classified as class I milk under paragraph (A).".

—Page 110, strike out line 1 and all that follows thereafter through page 124, line 14, and insert in lieu thereof the following:

TITLE VA—PRODUCER-APPROVED WHEAT, FEED GRAIN, COTTON, RICE, AND SOYBEAN PROGRAMS

REFERENDA FOR THE 1987 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, COTTON, RICE, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA FOR THE 1987 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, COTTON, RICE, AND SOYBEANS

"WHEAT, FEED GRAIN, COTTON, RICE, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, cotton, rice, and soybean producers February 1, 1986 to determine whether they favor or oppose the agricultural programs set forth in sections 107D, 105C, 103(i), 101(j), and 201(g) of this Act. This vote shall be applicable to the 1987, 1988, 1989, and

1990 crops of wheat, feed grain, upland cotton, rice, and soybeans.

"(b) Any producer on a farm with a wheat, feed grain, cotton, rice, or soybeans crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producers' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of the referendum held hereunder within fifteen days after the date of such referendum. If the Secretary determines that 60 per centum or more of the producers of wheat, feed grain, cotton, rice, and soybeans (including 50 per centum or more of the producers of each of the following crops: wheat, feed grain, cotton, rice, and soybeans) vote against continuing the agricultural programs set forth in sections 107D, 105C, 103(i), 101(j), and 201(g) of this Act, then such sections shall have no effect for the 1987 through 1990 crops of such commodities.

"(d) If voters in the referendum vote against continuing the agricultural programs set forth in sections 107D, 105C, 103(i), 101(j), and 201(g) of this Act as set forth in subsection (c), the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grain, cotton, rice, and soybeans as provided for elsewhere in this Act.

"REGULATIONS

"SEC. 502. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.".

—Page 113, line 4, strike out "producers of wheat and feed grains" and insert in lieu thereof "producers of wheat, feed grains, livestock, pork, and poultry".

—Page 56, after line 19, insert the following new section:

STATE MILK MARKETING PROGRAMS

SEC. 236. Section 8c(5) of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)), is amended by adding at the end thereof the following new paragraph:

"(k) Nothing contained in this subsection is intended or shall be construed to prevent a State that administers a State milk marketing program from—

"(i) being paid the net proceeds due the producers participating in the program;

"(ii) blending or pooling the net proceeds due the producers in accordance with a system established by the State; or

"(iii) distributing the net proceeds to the producers in accordance with the system,

regardless of whether or not the system includes a plan based on milk classified as class I milk under paragraph (A).".

By Mrs. SMITH of Nebraska:

—On page 274, line 19, strike Subtitle D and all that follows therein and insert in lieu thereof the following:

"Subtitle D—Transportation Charges for Waterborne Cargoes of Donated Commodities

"LIMITATION ON REQUIREMENTS

"SEC. 1141. Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by adding at the end thereof the following: 'Export activities of the Corporation under this Act and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act shall not be subject to cargo preference requirements.'."

By Ms. SNOWE:

—Page 379, line 21, strike out "(5)" and insert "(7)" in lieu thereof.

Page 380, line 14, after "system," insert "(5) an assessment of how economic policies and trade policies of the United States affect the financial operation of, and prospects for, family farm operations, (6) an assessment of the effect of Federal farm programs and policies on family farms and nonfamily farms which (A) derive the majority of their income from non-farm sources, and (B) derive the majority of their income from farming operations,".

—Page 437, after line 2, insert the following:

POTATO INSPECTION

SEC. 1805. The Secretary of Agriculture, in order to achieve a significant reduction in the volume of substandard imported Canadian potatoes entering through ports of entry in the northeastern United States, shall require the Agricultural Marketing Service to perform random spot checks in accordance with other law and on a continuing basis on a significant portion of potatoes entering through those ports of entry. The Secretary of Agriculture shall periodically report to the public and to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives the results of such spot checks and increase their frequency or take other actions as necessary to achieve and maintain the significant reduction of such substandard imported potatoes.

—Page 509, after line 13, insert the following:

POTATO ADVISORY COMMISSION

SEC. 1896. It is the sense of Congress that—

(1) the Secretary of Agriculture should take actions based on the recommendations of the potato advisory committee established by the Secretary on an ad hoc basis:

(2) such actions should address industry concerns including trade, quality inspections, and pesticide use;

(3) such committee should meet biannually; and

(4) the recommendations and actions of such committee should be reported to the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, and to the public.

By Mr. STANGELAND:

—Title VII, page 144, line 13, insert "A" after "(1)"; and page 145, after line 10 insert the following:

"(B)(i) The Secretary may make available recourse loans to producers during each of the five marketing years for rice beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per hundredweight received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will encourage the exportation of rice and not result in excessive stocks of rice after taking into consideration the cost of producing rice, supply and demand conditions, and world prices for rice. The level of rice loans and purchases for a marketing year, including the marketing year for the 1986 crop of rice may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination. The maximum term for any loan under this paragraph shall be ten months beginning on the first day of the month in which the loan is made.

(ii) A producer may repay a loan made under this subparagraph (B) at a level (per hundredweight) that is the lesser of—

"(i) the original loan level; or

"(ii) at any time through the date of maturity of the loan that the producer redeems the rice under loan—

"(I) the then current State monthly weighted average market price (per hundredweight) for the rice, as adjusted for each county in the State, received by farmers, as determined by the Secretary; or

"(II) the then current State weekly or daily weighted average market price (per hundredweight) for the rice, as adjusted for each county in the State, received by farmers, as determined by the Secretary, if the Secretary determines that it is administratively feasible and reduces the fluctuation in the repayment market price for producers.

—Title VI, page 124, line 25, insert "A" after "(1)"; and page 127, after line 9 insert the following:

"(B)(i) The Secretary may make available recourse loans to producers during each of the five marketing years for cotton beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per pound received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will encourage the exportation of cotton and not result in excessive stocks of cotton after taking into consideration the cost of producing cotton supply and demand conditions, and world prices for cotton. The level of cotton loans and purchases for a marketing year, including the marketing year for the 1986 crop of cotton may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination. The maximum term for any loan under this paragraph shall be ten months beginning on the first day of the month in which the loan is made.

(ii) A producer may repay a loan made under this subparagraph (B) at a level (per pound) that is the lesser of—

"(i) the original loan level; or

"(ii) at any time through the date of maturity of the loan that the producer redeems the cotton under loan—

"(I) the then current State monthly weighted average market price (per pound)

for the cotton, as adjusted for each county in the State, received by farmers, as determined by the Secretary; or

"(II) the then current State weekly or daily weighted average market price (per pound) for the cotton, as adjusted for each county in the State, received by farmers, as determined by the Secretary, if the Secretary determines that it is administratively feasible and reduces the fluctuation in the repayment market price for producers.

By Mr. TALLON:

—Page 374, strike out line 12 and all that follows through line 17 of page 376 and insert in lieu thereof the following:

SEC. 1445. (a) The Secretary of Health and Human Services shall jointly conduct an assessment of existing scientific literature and research, respecting—

(1) the relationship between dietary cholesterol and blood cholesterol and human health and nutrition, and

(2) dietary calcium and its importance in human health and nutrition.

In conducting the assessments under this subsection, the Secretaries shall consult with agencies of the Federal Government involved in related research. Upon competition of such assessments the Secretaries shall each recommend such further studies as the Secretaries consider useful.

(b) The Secretary of Agriculture and the Secretary of Health and Human Services shall each submit to the House Committees on Agriculture and Energy and Commerce and the Senate Committees on Agriculture, Nutrition and Forestry and Labor and Human Resources a report on the results of the assessment conducted under subsection (a) and any recommendations made under such subsection, including a protocol, feasibility assessment, budget estimates and a timetable for such research as each Secretary shall deem appropriate.

—Page 374, strike out line 12 and all that follows through line 17 of page 376 and insert in lieu thereof the following:

SEC. 1445. (a) The Secretary of Agriculture and the Secretary of Health and Human Services shall jointly conduct an assessment of existing scientific literature and research, respecting—

(1) the relationship between dietary cholesterol and blood cholesterol and human health and nutrition, and

(2) dietary calcium and its importance in human health and nutrition.

In conducting the assessments under this subsection, the Secretaries shall consult with agencies of the Federal Government involved in related research. Upon completion of such assessments the Secretaries shall recommend such further studies as the Secretaries consider useful.

(b) The Secretary of Agriculture and the Secretary of Health and Human Services shall submit to the House Committees on Agriculture and Energy and Commerce and the Senate Committees on Agriculture, Nutrition and Forestry and Labor and Human Resources a report on the results of the assessment conducted under subsection (a) and any recommendations made under such subsection including budget estimates and a timetable for such research.

By Mr. TAUKE:

—Page 508, after line 20 insert:

The President shall conduct a study of the use of fuel containing lead additives in gasoline engines which—

(1) are used in agricultural machinery, and

(2) are designed to combust fuel containing such additives.

The study shall analyze any mechanical problems (including but not limited to valve recession) which may be associated with the use of other fuels in such engines.

(b) For purposes of the study, the appropriate agency designated by the President is authorized to enter into such contracts under applicable law and other arrangements as may be appropriate to obtain the necessary technical information. All testing of engines carried out for purposes of such study shall be reflective of actual agricultural conditions to the extent practicable, including revolutions per minute and payloads.

The President shall publish in the Federal Register not later than January 1, 1987, their proposed findings pursuant to such study. After notice and opportunity for hearing, but not later than January 1, 1988, Mr. President shall submit to Congress a final report containing the results of the study under this section, together with any public comments received and recommendations on the need for lead additives in gasoline to be used by agricultural machinery.

(d) The Secretary of Agriculture shall specify the types and items of agricultural machinery to be covered by the study under this Act.

By Mr. TOWNS:

—Page 332, after line 21 insert the following new section:

CONTINUATION OF SMALL FARMER TRAINING AND TECHNICAL ASSISTANCE PROGRAM

SEC. 1317. The Secretary of Agriculture shall maintain at substantially current levels the small farmer training and technical assistance program in the office of the Administrator of the Farmers' Home Administration.

—Page 332 after line 21, insert the following:

NONSUPERVISED ACCOUNTS

SEC. 1317. Section 312 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942) is amended by adding at the end the following:

"(e) Notwithstanding any other provision of this title, the Secretary shall reserve at least 10 percent of any loan made under this subtitle to be placed in a nonsupervised bank account which may be used at the discretion of the borrower for necessary family living needs or purposes not inconsistent with previously agreed upon farming or ranching plans. If the borrower exhausts this reserve, the Secretary may review and adjust the farm plan with the borrower and consider rescheduling the loan, extending additional credit, the use of income proceeds to pay necessary farm, and home and other expenses, or additional available loan servicing.".

—Page 322, after line 21, insert the following:

PROMPT APPROVAL OF LOANS AND LOAN GUARANTEES

SEC. 1317. (a) Subtitle D of the Consolidated Farm and Rural Development Act is amended by inserting after section 333 (7 U.S.C. 1983) the following new section:

"SEC. 333A. (a)(1) The Secretary shall approve or disapprove the application for a loan or loan guarantee made under this title, and notify the applicant of such action, within forty-five days after the Secretary has received a completed application for such loan or guarantee.

"(2) If an application for a loan or loan guarantee under this title is imcomplete, the Secretary shall inform the applicant of the reasons such application is incomplete within five days after the Secretary has received such application.

"(3) If an application for a loan or loan guarantee under this title is disapproved by the Secretary, the Secretary shall state the reasons for the disapproval in the notice required under paragraph (1).

"(b) If an application for an insured loan under this title is approved by the Secretary, the Secretary shall provide the loan proceeds to the applicant within five days (or such longer period as the applicant may approve) after the application for the loan is approved by the Secretary, except that, if the Secretary is unable to provide the loan proceeds to the applicant within such five-day period because sufficient funds are not available to the Secretary for such purpose, the Secretary shall provide the loan proceeds to the applicant as soon as practicable (but in no event five days unless the applicant agrees to a longer period) after sufficient funds for that purpose become available to the Secretary.

"(c) if an application for a loan or loan guarantee under this title is disapproved by the Secretary, but such action is subsequently reversed or revised as the result an appeal within the Department of Agriculture or to the courts of the United States and the application is returned to the Secretary for further consideration, the Secretary shall act on the application and provide the applicant with notice of the action within five days after return of the application to the Secretary.

"(d) If the Secretary fails to comply with subsection (a), (b), or (c) on an application for a loan or loan guarantee that is approved by the Secretary, the Secretary shall—

"(1) for insured loans, reduce the interest payments due on the loan, or

"(2) for loan guarantees, make payments on behalf of the borrower to cover interest due to the lender on the loan, in an amount calculated by multiplying the outstanding principal of the loan by that part of the annual rate of interest being charged for the loan that bears the same proportion to the full annual rate of interest as the period during which the Secretary was not in compliance with such subsection bears to a full year.

"(e) Upon receipt of an application for a loan or loan guaranteee under this title, the Secretary shall inform the applicant of the requirements of this section.".

(b) The amendment made by subsection (a) shall be effective with respect to applications for loans or loan guarantees under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) received by the Secretary of Agriculture after the date of enactment of this Act.

—Page 232, after line 21, insert the following:

FARM PROGRAMS APPEALS

SEC. 1318. Subtitle D of the Consolidated Farm and Rural Development Act is amended by inserting after section 333A (as added by section 1317(a) of this Act) the following new section:

SEC. 333B. (a) The Secretary shall provide an applicant for or borrower of a loan or loan guarantee under this title who has been directly and adversely affected by a decision of the Secretary taken under this Act (hereinafter in the section referred to as the "appellant") with the right to written notice, an opportunity for an informal meeting, and an opportunity for a hearing on the record, with respect to such decision, in ac-

cordance with regulations promulgated by the Secretary consistent with this section.

"(b) Within ten days of such adverse decision, the Secretary shall provide the appellant with written notice of the decision, the opportunity for an informal meeting and formal hearing, and the procedure to appeal such decision (including any deadlines for filing appeals).

"(c)(1) An appellant shall have the right to—

"(A) access to the personal file of the appellant maintained by the Secretary, including a reasonable opportunity to inspect and reproduce the file at an office of the Farmers Home Administration located in the area of the appellant; and

"(B) representation by an attorney or nonattorney at an inspection and reproduction of files under clause (A), an informal meeting under subsection (d), and a formal hearing under subsection (e).

"(2) The Secretary may charge an appellant for any reasonable costs incurred in reproducing files under paragraph (1)(A).

"(d)(1) In order to provide an opportunity for parties to reconsider and resolve differences over decisions referred to in subsection (a) and to minimize the need for formal appeals of such decisions, the Secretary shall establish procedures for informal meetings between appellants and officials of the Farmers Home Administration to discuss such decisions.

"(2) In establishing procedures for an informal meeting between an appellant and official concerning a decision of the Secretary, the Secretary shall—

"(A) require the appellant and official to conduct an informal meeting, or to waive such meeting in accordance with clause (E), before a formal hearing may be conducted under subsection (e) on such decision;

"(B) preserve the rights of the appellant to further review under this section;

"(C) require completion of the informal meeting process (including notice of any reconsidered decision required under clause (F)) within thirty days after notice of the original adverse decision provided to the appellant under subsection (b);

"(D) provide for the direct involvement in the informal meeting of the official who originally made the decision and, if such official is a county supervisor of an office, the district director of the office;

"(E) permit a waiver of the informal meeting if the appellant and official agree that such process would likely not avoid a formal appeal under subsection (e); and

"(F) require the Secretary to provide the appellant with written notice of any reconsidered decision of the Secretary reached after such informal meeting or waiver and, in the case of an adverse reconsidered decision, the reasons therefor.

"(3) If an appellant and official agree to waive an informal meeting under paragraph (2)(E) with respect to a decision of the Secretary, the Secretary shall notify the appellant of the right of the appellant to a formal hearing on the decision under subsection (e).

"(4) For the purpose of an appeal, a reconsidered decision reached by the Secretary under paragraph (2)(E) shall become the record of the Secretary with respect to the original decision made by the Secretary.

"(e)(1) If an informal meeting is conducted or waived under subsection (d) with respect to the decision of the Secretary under this title and the reconsidered decision reached under subsection (d)(2)(E) remains adverse to the appellant, the appellant may request a hearing on such reconsidered decision before an administrative law judge appointed under section 3105 of title 5, United States Code, by filing a complaint with the Secretary with twenty days of notice of such reconsidered decision.

"(2) The Secretary may submit an answer to a complaint filed under paragraph (1).

"(3)(A) A hearing under this subsection shall take place within thirty days of the filing of the complaint of the appellant.

"(B) Such hearing shall be held at a Farmers Home Administration Office located in—

"(i) the State in which the appellant resides or in which the farmland of the appellant is located; or

"(ii) an adjacent State if the office in the adjacent State is no more than five hundred miles from the location at which the appellant resides or the farmland of the appellant is located.

"(C) Evidence at such hearing may include the complaint of the appellant, the answer of the Secretary, the notice of any reconsidered decision, and any testimony by any official of the Farmers Home Administration, the appellant, and any relevant expert, except that affidavits by such official, appellant, and expert may be substituted for direct testimony when agreed to by the parties or allowed by the administrative law judge.

"(D) Such hearing shall be tape recorded and a transcript of such hearing shall be made available at cost upon the request of any party to the proceeding.

"(4)(A) The administrative law judge shall decide all questions of fact and law in a proceeding brought under the subsection and shall uphold, reverse, or modify the reconsidered decision of the Secretary.

"(B) The decision of the administrative law judge shall be final unless appealed pursuant to subsection (f).

"(5) Within ten days of the hearing, both parties to the proceeding shall be provided with a copy of the decision of the administrative law judge setting forth all findings of fact and reasons for the decision.

"(6) The Secretary shall report and make available to the public—

"(A) a decision of an administrative law judge reached under this subsection; and

"(B) a description of any subsequent action taken by the Secretary pursuant to subsection (f).

"(f)(1) If a party is aggrieved by the decision of an administrative law judge under subsection (e), such aggrieved party may request a review of the decision within ten days of the issuance of such decision.

"(2) Upon such request, the Secretary shall review the decision of the administrative law judge and make a determination on the record to modify, uphold, or reverse such decision.

"(3) The Secretary shall make such review and determination within twenty days of the request for review.

"(4) Such determination shall be the final administrative determination subject to judicial review.".

By Mr. VOLKMER:

—Page 110, strike out line 1 and all that follows thereafter through page 124, line 14, and insert the following new title:

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

SEC. 551. Effective only for the 1986 through 1991 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

"Subtitle A—Findings and Policy; Consumer Safeguards

"FINDINGS AND POLICY

"SEC. 501. (a) Congress finds that—

"(1) wheat and feed grains are essential agricultural commodities for the Nation, are produced throughout the United States by hundreds of thousands of farmers, and along with their products flow in substantial amounts through instrumentalities of interstate and foreign commerce from producers to consumers;

"(2) abnormally excessive and abnormally deficient supplies of wheat and feed grains on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce; and

"(3) interstate and foreign commerce in wheat and feed grains, and their products, should be protected from burdensome surpluses and disruptive shortages, a supply of the commodities should be maintained to meet domestic consumption needs and export demand, and soil and water resources of the Nation should not be squandered in the production or surplus burdensome supplies of the commodities.

"(b) It is hereby declared to be the policy of Congress that it is in the interest of the general welfare to assist in the marketing of wheat and feed grains for domestic consumption and export; to regulate interstate and foreign commerce in the commodities to the extent necessary to provide an orderly, adequate, and balanced flow of the commodities in interstate and foreign commerce; and to provide loans and other means to maintain farm income for producers of the commodities, reduce excess production, and enable consumers to obtain an adequate and steady supply of such commodities at fair prices.

"CONSUMER SAFEGUARDS

"SEC. 502. The powers conferred under this title shall not be used to discourage the production of supplies of food and animal feed sufficient to meet normal domestic and export needs, as determined by the Secretary. In carrying out the purposes of this title, the Secretary shall give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair both to producers and consumers.

"SUBTITLE B—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAM

"PROCLAMATION OF WHEAT AND FEED GRAIN MARKETING QUOTAS

"SEC. 511. (a) Whenever prior to April 15 in any calendar year the Secretary determines that the total supply of wheat or feed grains, or both, in the marketing years for such commodities beginning in the next suc-

ceeding calendar year, in the absence of a marketing year program, will likely be excessive, the Secretary shall proclaim that a national marketing quota for wheat or a national marketing quota for feed grains, as the case may be, or marketing quotas for both, shall be in effect for such marketing years and for the marketing years for the next crop of such commodities. In the case of the marketing years for the 1986 and 1987 crops of such commodities, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"(b) If a national marketing quota for wheat or feed grains has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 nor later than April 15 of the calendar year preceding the year in which such marketing year begins, except that in the case of the marketing years for the 1986 and 1987 crops, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986. The amount of the national marketing quota for wheat or feed grains for any marketing year shall be an amount of wheat or feed grains that the Secretary estimates is required to meet anticipated needs during such marketing year, taking into consideration domestic requirements, export demand, food aid needs, and adequate carryover stocks.

"(c) If, after the proclamation of a national marketing quota for wheat or feed grains for any marketing year, the Secretary determines that the national marketing quota should be terminated or increased to meet a national emergency or a material increase in the demand for what or feed grains, the national marketing quota shall be increased or terminated by the Secretary.

"FARM MARKETING QUOTAS

"SEC. 512. (a) For each marketing year for wheat or feed grains for which a national marketing quota has been proclaimed under section 511 of this title, the Secretary shall establish farm marketing quotas in accordance with this section.

"(b) The Secretary shall establish a marketing quota apportionment factor for each wheat or feed grain marketing year for which a national marketing quota is proclaimed under section 511. The marketing quota apportionment factor shall be determined by dividing the national marketing quota for such marketing year for wheat or feed grains by the product obtained by multiplying (1) the Secretary's estimate of the average of the then current program yields for wheat or feed grains assigned to each farm by (2) the total of each farm's then current wheat or feed grain crop acreage base.

"(c) The Secretary shall assign a farm marketing quota to each farm with a wheat or feed grain crop acreage base of fifteen acres or more for the crop involved by multiplying the marketing quota apportionment factor determined under subsection (1) of this section by the product obtained by multiplying (1) such farm's then current program yield for wheat or feed grains by (2) such farm's then current wheat or feed grain crop acreage base.

"(d) Farm marketing quotas shall be established by the Secretary under this section by June 1 of the calendar year preceding the marketing year for which a national marketing quota has been proclaimed under this title, except that in the case of the 1986 and 1987 crops, such quotas shall be established as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"PROCLAMATION OF WHEAT AND FEED GRAINS NATIONAL PRODUCTION ACREAGES

"SEC. 513. (a) If a national marketing quota has been proclaimed for any wheat or feed grain marketing year under section 511 of this title, the Secretary shall proclaim a wheat or feed grain national production acreage for the crop of wheat or feed grains covered by such marketing year on the date that such national marketing quota is proclaimed.

"(b) The amount of the national production acreage for any crop of wheat or feed grains shall be the number of wheat or feed grain acres that the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than acreage not harvested because of program incentives) of the farm production acreages for such crop will produce an amount of wheat or feed grains equal to the national marketing quota for the commodity for the marketing year for such crop.

"(c) If, after the proclamation of the national production acreage for wheat or feed grains for any crop, the Secretary determines that the national production acreage should be terminated or increased to meet a national emergency or a material increase in the demand for wheat or feed grains, the national production acreage shall be increased or terminated by the Secretary.

"FARM PRODUCTION ACREAGES

"SEC. 514. (a) The national production acreage determined under section 513 of this title for a crop of wheat or feed grain shall be apportioned by the Secretary among farms in accordance with this section.

"(b) The Secretary shall establish a production acreage apportionment factor for each crop of wheat or feed grains for which a national production acreage is determined. The production acreage apportionment factor shall be determined by dividing the national production acreage for such crop of wheat or feed grains by the total of the acres of wheat or feed grains included in each farm's wheat or feed grain crop acreage base, as determined under title VI of this Act.

"(c) The Secretary shall determine the wheat or feed grain farm production acreage for each farm (with a crop acreage base for the commodity and crop involved of fifteen acres or more on which wheat or feed grains are produced by multiplying the production acreage apportionment factor determined under subsection (b) of this section by the farm's wheat or feed grain crop acreage base.

"(d) Notwithstanding the provisions of subsection (c) of this section, the farm production acreage for each farm—

"(1) in the case of each crop of wheat, shall be equal to 65 per centum of the farm's crop acreage base for wheat, unless the Secretary estimates that, by the end of the marketing year for that crop of wheat, ending stocks of wheat will be equal to or less than the domestic consumption of wheat for the marketing year; and

"(2) in the case of each crop of feed grains, shall be equal to 80 per centum of the farm's acreage base for feed grains, unless the Secretary estimates that, by the end of the marketing year for that crop of feed grains, ending stocks of feed grains will be 10 per centum or less of the total use of feed grains for the marketing year.

"(e) Subject to the provisions of section 535(b) of this title, whenever a wheat or feed grain production acreage for a crop is established for a farm, other than for a crop which the producers on the farm uses for on-farm feeding purposes and which the producers on the farm certify in writing will be used exclusively for on-farm feeding purposes during the period for which a national production acreage is in effect, under this section, the producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of the farm's production acreage for the commodity; and with respect to farms with a crop acreage base for the commodity and crop involved of less than fifteen acres, producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of fifteen acres.

"REFERENDA

"SEC. 515. (a) If national marketing quotas for wheat, feed grains, or both wheat and feed grains for two marketing years, are proclaimed under section 511 of this title, the Secretary shall, not later than July 1 of the calendar year in which such national marketing quotas are proclaimed, conduct a referendum by secret ballot of wheat and feed grain producers to determine whether they favor or oppose marketing quotas and production acreages for the marketing years and crops for which proclaimed. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after the date of enactment of the Food Security Act of 1985, but not later than February 1, 1986.

"(b) Any producer with a wheat or feed grain crop acreage base of fifteen or more acres for the then current crop, as determined under the title VI of this Act, shall be eligible to vote in the referendum. For purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum and if the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in the referendum voted for marketing quotas and production acreages, the Secretary shall proclaim that marketing quotas and production acreages will be in effect with respect to the crops of wheat or feed grains, or both, produced for harvest in the two calendar years following the year in which the referendums is held (or in the case of the referendum held no later than February 1, 1986, for crops harvested in 1986 and 1987).

"(d) In the event that marketing quotas and production acreages are approved with respect to the 1986 crop of wheat or feed grains, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm production acreage prior to the proclamation by the Secretary that marketing quotas and production acreages will be in effect with re-

spect to that crop. Such compensation shall cover at a minimum the costs incurred by producers for planting such crop, as determined by the Secretary.

"(e) If the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in a referendum approved marketing quotas and production acreages for a period of two marketing years, no referendum shall be held for the next year of such period.

"(f) If marketing quotas and production acreages are not approved by producers in a referendum as provided under this section, with respect to the crops harvested in the succeeding year, in lieu of such marketing quotas and production acreages, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat and feed grains as provided elsewhere in this Act.

"LOANS AND PURCHASES

"SEC. 516. (a) If producers of wheat and feed grains approve marketing quotas and production acreages, as provided in section 515 of this title, loans and purchases shall be made available to producers as provided in sections 105C and 107D of this Act, except that the minimum loan rates for the crops of wheat or feed grains with respect to which marketing quotas and production acreages are in effect—

"(1) in the case of wheat, shall be not less than $5.03 per bushel for the 1986 crop, and, for each of the 1987 through 1991 crops of wheat, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$5.17 per bushel
for the 1988 crop	5.31 per bushel
for the 1989 crop	5.45 per bushel
for the 1990 crop	5.59 per bushel
for the 1991 crop	5.73 per bushel.

"(2) in the case of corn, shall be not less than $3.49 per bushel of corn for the 1986 crop, and, for the 1987 through 1991 crops, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$3.59 per bushel
for the 1988 crop	3.69 per bushel
for the 1989 crop	3.79 per bushel
for the 1990 crop	3.89 per bushel
for the 1991 crop	3.99 per bushel.

"(3) in the case of feed grains other than corn, for each of the 1986 through 1991 crops, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which loans are made available for corn.

"(b) Loans referred to in subsection (a) shall not be subject to the limitation on nonrecourse loans set forth in section 405(b) of this Act.

"MARKETING CERTIFICATES

"SEC. 531. (a) At the time a producer of wheat or feed grains is assigned a farm marketing quota under section 512 of this title for any marketing year, the Secretary shall issue a marketing certificate to such producer for the crop of such commodity covered by such marketing year. The Secretary shall also issue marketing certificates to producers with a wheat or feed grain crop acreage base of less than 15 acres (producers not assigned a farm marketing quota) for such commodities to be produced on such crop acreage base for the crop covered by such marketing year.

"(b) A marketing certificate applicable to a marketing year issued to a producer of wheat or feed grains shall authorize such producer to market, barter, or donate, during such marketing year, an amount of such commodity equal to the farm marketing quota assigned to such producer (or, in the case of a producer not assigned a marketing quota because the producer's crop acreage base for the commodity crop is less than 15 acres, an amount of such commodity equal to the producer's production of the commodity on the acreage—if the acreage is less than fifteen acres—planted to the commodity for harvest.

"(c) The Secretary shall adjust the amount of wheat or feed grains that may be marketed, bartered, or donated under a marketing certificate to reflect the amount of such commodity that will be used for feed, human consumption, or other purposes on the farm of the producer.

"(d) If for any crop, the wheat or feed grains that the producer harvests exceeds the amount of the commodity that may be marketed, bartered, or donated under a marketing certificate, the surplus amount of such commodity may be used for feed, human consumption, or other purposes on the farm of the producer, or may be carried over by the producer from one marketing year to the succeeding marketing year and may be marketed without penalty imposed under section 532 of this subtitle in the succeeding marketing year to the exent that (1) the total amount of such commodity available for marketing from the farm in the marketing year from which such commodity is carried over does not exceed the farm marketing quota, and (2) the total amount of such commodity available for marketing in the succeeding marketing year (that is, the sum of the amount of such commodity carried over and the amount of such commodity produced on the farm subject to a farm marketing quota in the succeeding marketing year) does not exceed the farm marketing quota for the succeeding marketing year.

"(e) Wheat or feed grains harvested in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though such commodity is marketed prior to the date on which such marketing year begins.

"(f) A person may not purchase or otherwise acquire an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate.

"(g) If marketing quotas for a commodity are not in effect for any marketing year, all previous marketing certificates applicable to such commodity shall be terminated, effective as of the first day of such marketing year.

"PENALTIES

"SEC. 532. (a)(1) Except as provided in subsection (b) of this section, if a producer fails to comply with any term or condition of a program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment authorized under this Act.

"(2) Except as provided in subsection (c) of this section, if a producer markets, barters, or donates a commodity without a marketing certificate required under section 532 of this subtitle or markets, barters, or donates an amount of a commodity for use in excess of the amount of the commodity the producer is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a civil penalty against such producer in an amount equal to three times the current minimum loan rate for the commodity so marketed, bartered, or donated; or

"(B) decrease the number of acres of the producer's wheat or feed grain crop acreage base such producer may devote to production under section 514 of this title for the succeeding crop of the commodity by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A) of this paragraph.

"(3) If a person knowingly purchases or otherwise acquires an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate issued under section 531 of this subtitle, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the commodities so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a progam conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary determines that the penalties provided for in subsection (a) of this section are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"TRANSFER OF FARM MARKETING QUOTAS

"SEC. 534. Farm marketing quotas assigned to a farm under this title generally shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, the farm marketing quota assigned to a farm for any marketing year, or any portion thereof, may be voluntarily surrendered to the Secretary by the producer, and the Secretary may reallocate the amount of any farm marketing quotas so surrendered to other farms having farm marketing quotas on such basis as the Secretary may determine.

"CONSERVATION OF ACREAGE REMOVED FROM PRODUCTION

"SEC. 535. (a) A producer of a commodity shall devote to approved conservation use all acreage of the farm's wheat or feed grain crop acreage base that may not be devoted to the production of the commodity involved under the rules applicable to farm production acreages under sections 514 and 524 of this title.

"(b) The Secretary may make such adjustments in the amount of such acreage removed from production as the Secretary determines necessary to correct for abnormal factors affecting production and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary determines appropriate.

"(c) Regulations issued by the Secretary under this section with respect to acreage

required to be devoted to conservation uses shall require appropriate measures to protect such acreage against noxious weeds and wind and water erosion.

"(d)(1) Any acreage removed from production may be devoted to wildlife food plots or wildlife habitats in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(2) The Secretary may pay such amount as the Secretary considers appropriate of the cost of the practices designed to carry out the purposes of paragraph (1) of this subsection.

"(3) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(e)(1) A producer of a commodity shall execute an agreement with the Secretary that describes the means the producer will use to comply with this section not later than such date as the Secretary may prescribe.

"(2) The Secretary may, by mutual agreement with such producer, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"REGULATIONS

"SEC. 536. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.

"COMMODITY CREDIT CORPORATION

"SEC. 537. The Secretary shall carry out the program authorized by this title through the Commodity Credit Corporation.

"ADMINISTRATIVE PROVISIONS

"SEC. 538. The provisions of sections 361, 362, 363, 364, 365, 366, 367, 368, 372(d), 373, 374, 375, and 376 of the Agricultural Adjustment Act of 1938, as amended by section 452 of the Food Security Act of 1985, shall apply to the programs in effect under this title for any of the 1986 through 1991 crops of wheat and feed grains.".

"LIMITATION ON IMPORTS

"SEC. 539. If imports of grain or processed grain threaten to render ineffective, or materially interface with, the national marketing quota program, Congress expects the Secretary will take appropriate action available under section 22 of the Agricultural Adjustment Act of 1933 as is necessary in order that such imports will not render ineffective or materially interfere with this program.".

—Page 458, strike out lines 17 and 18, and insert in lieu thereof the following:

(1) the term "porcine animal" means a swine which is sold—

(A) at less than 100 pounds as a feeder pig;

(B) for breeding purposes as seedstock; or

(C) for slaughter not later than 30 days after sale as a market hog.

Page 460, strike out lines 23 and 24, and page 461, strike out lines 1 and 2.

Page 461, line 10, strike out "90" and insert in lieu thereof "45".

Page 462, strike out line 6 and all that follows through line 19, and insert in lieu thereof the following:

"(b)(1) The initial order described in section 1825 shall provide for the establishment and appointment by the Secretary, not later than 30 days after the effective date of such order, of a National Pork Producers Delegate Body consisting of not more than 175 members. Nominations of pork producers for appointment to the Delegate Body shall be submitted by each State association. If a State association does not submit nominations, or if there is no State association, then the Secretary may prescribe the manner in which nominations of pork producers from such State shall be made, except that if the State in question is not one of the top twenty pork-producing States in terms of the aggregate market value of porcine animals marketed from such State in the calendar year ending immediately before the appointment of the Delegate Body is to be made, such State shall not be represented on the Delegate Body for the 1986 calendar year. Nominations of importers for appointment to the Delegate Body shall be made in the manner prescribed by the Secretary."

(2) Members of the Delegate Body first appointed shall be appointed as follows:

(A) The Secretary shall assign to each State one vote for each $400,000 (or remaining part thereof in excess of $200,000) of the aggregate average market value of porcine animals marketed from such State during the period of three calendar years concluded immediately before the date any member of the Delegate Body is first appointed.

(B) The Secretary shall appoint to the Delegate Body two pork producers from each State.

(C) The Secretary shall also appoint—

(i)(I) one additional pork producer from such State if the number of votes assigned to such State exceeds 300 but does not exceed 600; and

(II) two additional pork producers from such State if the number of votes assigned to such State exceeds 600; and

(ii) one additional pork producer for each 300 votes (or remaining part thereof in excess of 150 votes) assigned to such State in excess of 1,000 votes.

(D) The Secretary shall assign to importers, collectively, one vote for each $575,000 (or remaining part thereof in excess of $287,500) of aggregate average market value of porcine animals imported into the United States during the period of three calendar years concluded immediately before the date any member of the Delegate Body is first appointed.

(E) The Secretary shall appoint to the Delegate Body—

(i) three importers; and

(ii) one additional importer for each 300 votes

(or remaining part thereof in excess of 150 votes) assigned to importers in excess of 1,000 votes.

(3) After the expiration of the term of office of the Delegate Body first appointed, the members of the Delegate Body shall be appointed as follows:

(A) The Secretary shall assign to each State one vote for each $1,000 (or remaining part thereof in excess of $500) of the aggregate amount of assessments collected under this subtitle in such State (minus refunds under section 1831), from persons described in paragraphs (1) and (2) of subsection (g), in the calendar year ending immediately before the first appointment is made to the Delegate Body for the then successive term of office of the Delegate Body.

(B) The Secretary shall appoint to the Delegate Body two pork producers from each State.

(C) The Secretary shall appoint additional pork producers from such State to the Delegate Body in the manner specified in paragraph (2)(C).

(D) The Secretary shall assign to importers, collectively, one vote for each $1,000 (or remaining part thereof in excess of $500) of the aggregate amount of assessments collected under this subtitle (minus refunds under Section 1831), from persons described in subsection (g)(3), in the calendar year ending immediately before the first appointment is made to the Delegate Body for the then successive term of the Delegate Body.

(E) The Secretary shall appoint importers to the Delegate Body in the manner specified in paragraph (2)(E).

(4) For purposes of satisfying the numerical limitation imposed by paragraph (1) on the total membership of the Delegate Body, the Secretary shall reduce pro rata the applicable number of members authorized to be appointed under subparagraphs (C) and (E) of paragraph (2) or (3), as the case may be.

(5)(A) Members of the Delegate Body shall serve for a term of one year. The term of office of members first appointed shall begin on the same day.

(B) A vacancy on the Delegate Body arising before the expiration of the term for which a member was appointed shall be filled in the same manner as the original appointment was made, except that such appointment shall be made only for the unexpired part of such term.

(6)(A) The number of members of the Delegate Body who hold a majority of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, shall constitute a quorum.

(B) Members of the Delegate Body may vote only in person.

(C) The Delegate Body may act only by the majority of votes (including fractions) cast, a quorum being present.

(D) Each pork producer from a State shall be entitled to cast a per capita share (including fractions) of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, to such State.

(E) Each importer shall be entitled to cast a per capita share (including fractions) of the aggregate number of votes assigned under paragraph (2) or (3), as the case may be, to all importers.

Page 463, line 3, strike out "pork producer".

Page 463, beginning on line 16, strike out "The Board" and all that follows through the period on line 21, and insert in lieu thereof the following:

The Board shall consist of members who are appointed as follows:

(A) One pork producer member shall be appointed from each State.

(B) One additional pork producer member shall be appointed from each State for each multiple of 11,000,000 porcine animals marketed, determined on the basis of the annual average number of porcine animals marketed in the most recent period of three calendar years occurring before the date of appointment.

(C) One importer shall be appointed.

(D) The Secretary shall appoint these persons from nominations submitted in the same fashion as nominations for members of the Delegate Body pursuant to section 1827(b)(1).

Page 467, strike out lines 5 through 9, and insert in lieu thereof the following:

(1) each producer for each porcine animal described in subparagraph (A) or (C) of section 1823(1) that is sold,

(2) each producer for each porcine animal described in subparagraph (B) of section 1823(1) or who produces or processes pork or pork products from that producer's own porcine animals; and

(3) each importer for each imported porcine animal, pork, or pork product;

Page 467, line 13, strike out "animals" and insert in lieu thereof "animal of the same category described in section 1823(1) (A), (B) or (C)".

Page 467, line 14, strike out "three-tenths" and insert in lieu thereof "one-fourth".

Page 468, strike out line 6 and all that follows through line 24, and insert in lieu thereof the following:

(1) From 60 percent of the aggregate amount of assessments collected under this subtitle, each State association shall receive an amount equal to the product of—

(A) the aggregate amount of assessments collected in such State (minus refunds under section 1831) from persons described in paragraphs (1) and (2) of subsection (g); and

(B) a percentage, as determined by the Delegate Body;

to use for financing promotion, research, and consumer information plans or projects and for the administrative expenses incurred by such association in connection with such plans and projects.

(2) The National Pork Producers Council, a non-profit corporation of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 and incorporated in the State of Iowa, shall receive the remaining amount available for distribution under paragraph (1) but not so distributed, to use for financing promotion, research, and consumer information plans or projects and for the administrative expenses incurred by the Council in connection with such plans and projects.

(3) The Committee shall receive 40 percent of the aggregate amount of assessments collected under this subtitle, to use for—

Page 472, line 18, strike out "of the enactment of this Act" and insert in lieu thereof: "upon which assessment commences pursuant to section 1826(g)".

Page 472, line 21, strike out "a year," and insert in lieu thereof the following: "annually, and importers who in such period have imported annually the equivalent of at least 50 porcine animals or five metric tons of pork or pork products,".

Page 472, line 25, insert "and importers" after "producers".

Page 473, line 1, insert "and importers" after "producers".

Page 473, line 18, insert "(1) Except as provided in paragraph (2)," after "(b)".

Page 473, line 20, insert "and importers" after "producers".

Page 473, line 23, insert "and importers" after "producers".

Page 473, line 24, insert "and importers" after "producers".

Page 474, line 3, insert "and importers" after "producers".

Page 474, lines 5 and 6, strike out "a year" and insert in lieu thereof the following: "annually, and importers who in such period have imported annually the equivalent of at least 50 porcine animals or five metric tons of pork or pork products,".

Page 474, after line 7, insert the following new paragraph:

"(2) The Secretary shall not be required by paragraph (1) to conduct more than one referendum under this subtitle in any 2-year period."

Page 474, after line 10, insert the following new section (and redesignate references and succeeding sections accordingly).

REFUND

SEC. 1831. Notwithstanding any other provision of this subtitle, any person responsible for paying an assessment pursuant to section 1827(g) which becomes payable before approval of continuation of the order pursuant to the referendum required under section 1829(a) and who is not in favor of supporting the program set forth in this subtitle shall have the right to demand and receive from the Committee a refund of such assessment if such demand shall be made in accordance with regulations and on a form and within a time period prescribed by the Committee and approved by the Secretary, but not later than 30 days after the end of the month in which the assessment was paid. Such refund shall be made not later than 30 days after demand is received therefor, upon submission of proof satisfactory to the Committee that the person paid the assessment for which refund is sought and did not collect such assessment from another person.

—Page 318, strike out lines 11 through 19, and insert in lieu thereof the following:

"(C) The Secretary shall, with respect to leasing and operating such real property, not lease or operate the real property for the production of agricultural commodities, and shall devote that property to conserving uses;".

By Mr. WEAVER:

—Page 115, line 19, insert "or for export" after "domestically".

Page 115, lines 22 and 23, strike out ", or may be sold for export".

Page 117, line 9, strike out the comma and all that follows thereafter through line 11 and insert in lieu thereof a period.

Page 120, lines 19 and 20, insert "or for export" after "domestically".

Page 120, line 23, strike out ", or may be sold for export".

Page 122, line 9, strike out the comma and all that follows thereafter through line 11 and insert in lieu thereof a period.

—Page 115, line 25, insert "not" after "shall".

Page 120, line 25, insert "not" after "shall".

EXTENSIONS OF REMARKS

DAIRY POLICY AND ITS EFFECT ON DAIRY MODERNIZATION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. BROWN of California. Mr. Speaker, we will soon be considering amendments to the 1985 farm bill. One of the major debates will occur on the dairy title of the bill as we choose between the proposals made in H.R. 2100 and the substitute to be offered by Mr. OLIN and Mr. MICHEL. For a number of reasons which I outlined in the debate on September 20, 1985, which can be found at page H7685 of the CONGRESSIONAL RECORD of that date, I will be supporting the Olin-Michel amendment.

As I stated at that time, our dairy industry is undergoing a massive transition, much of which is driven by improved productivity in that sector. And this productivity will accelerate in coming years. Under the dairy program proposed in H.R. 2100, this productivity would be used to increase future dairy surplus problems. Under the Olin-Michel substitute this powerful new technology can be harnessed to build a new, healthier dairy sector across the country.

Milk production per cow has more than doubled since 1950. The person-hours required to produce 100 pounds of milk had declined from 2.36 hours in 1950 to less than 0.5 hours today—a fivefold decrease. In 1982, the average milk production per cow per year was about 12,300 pounds.

Over the next 20 years, we can expect to see another burst of growth in per-cow productivity as a result of new biotechnology and information technologies available to dairy farmers. The Office of Technology Assessment [OTA] in a recent report, "Technology, Public Policy, and the Changing Structure of American Agriculture," predicts that by the year 2000, the average per cow production will increase to between 17,600 and 19,300 pounds per year—an increase of the magnitude seen over the last 30 years. Even by the year 1990, the last year of the Dairy Program that we are currently considering, production will have increased to about 14,000 pounds per cow per year, about a 17 percent increase.

According to the OTA report, the new biotechnologies will rapidly transform production in animal agriculture. The major new development is the pending use of bovine growth hormones [bGH], a lactation regulator naturally produced in cows. With new genetic engineering techniques, it is possible to design microbes to produce bGH in fermentation tanks, making this product available at an estimated cost of one dollar per injection. Once injected with bGH, a lactating cow increases production by about 25 percent.

Other, longer term biotechnologies involve the rapid expansion of cow herds with genetically superior cows through embryo transfer and embryo splitting. In this approach, a genetically superior cow is given a drug which causes it to supervulate or produce a number of unfertilized eggs. These eggs are fertilized with semen from superior strains of bulls and are then placed in surrogate mother cows. In some cases, the fertilized embryo can be split at early stages, doubling the number of superior embryos to be transferred. The use of this technique will have great impact on speeding the development of superior, high producing dairy cows.

The use of computers on dairy farms is also increasing production dramatically. Current computer programs allow a dairy farmer to more closely monitor a dairy herd and precisely match feed mixtures with the lactation cycles of individual cows. Further developments, already in place on some farms in my district, involve using these systems together with automatic feeding stations. The OTA study cites an experiment that showed a 2-pound-per-day increase in milk production with no additional feed required.

So what does all of this have to do with the dairy debate? First, it means that if we perpetuate the existing situation, as contained in H.R. 2100, we will have an even larger problem on our hands in 5 years. Second, it means that what we do this week on our dairy programs will affect the application of these technologies over the coming decades.

This second point is the most crucial one to the farm bill debate. As I mentioned during the general debate, our dairy policy decisions will have a profound effect on how these new technologies are used. Under the policy in H.R. 2100, these technologies will be exploited to increase total herd production, given the incentives of a higher price support. With the prospect of lower prices, as contained in Olin-Michel, these technologies will tend to be more focused on keeping production steady and cutting production costs. With the focus on reducing costs, research and extension efforts will develop a similar focus, providing further dairy productivity gains in the future. This cost reduction focus is found throughout the research title of H.R. 2100 and should be reflected in the dairy title as well.

This is not, as some contend, a big farm versus small farm issue. It is rather an efficient versus inefficient farm matter and the early adopters of these new technologies will gain, whether they are big or small farms. The low-cost of bGH does not carry the large capital investment of past productivity increases and, if our extension service does its job, will be available to all dairy farmers within the next few years.

Some may cite the fact that the Dairy Program in H.R. 2100 takes the productivity gain into account, with a modest support price deflator based on cost of production. But this is a flawed concept in light of the new technologies available soon. The bill proposes to decrease the support price by an index that is conservative, even in the reports of the bill's supporters. It is based on historical production gains and assumes capital costs per 100 pounds of production increase which will not be present with technologies like bGH. A bGH shot given every other day at a cost of $1 a shot cannot be called a capital intensive technology.

All of this leads to the conclusion that the dairy policy proposed in H.R. 2100 is outdated and will become further outdated in just a few years. It may impede or misdirect the application of new technologies and drive the dairy farmer in the exact opposite direction needed to insure long-term survivability. The Olin-Michel proposal has none of these disincentives and drives the technology in the right direction. I urge all of my far-sighted colleagues to support the Olin-Michel amendment.

TAX REFORM PROPOSAL UNFAIR BY MANDATING ACCRUAL ACCOUNTING

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. HUBBARD. Mr. Speaker, I am continuing to be contacted by my constituents in western Kentucky about their concerns relative to the President's tax simplification proposals.

I would like to share with my colleagues the excellent letter I received from my constituent, Dr. Robert J. Emslie of Trover Clinic in Madisonville, KY, who has written to me about his opposition to mandating for certain service businesses and partnerships the accrual method of accounting for tax purposes.

I urge my colleagues to read Dr. Emslie's comments about this portion of the tax reform plan. His letter follows:

TROVER CLINIC,
August 1, 1985.

Congressman CARROLL HUBBARD, Jr.,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN HUBBARD: I am writing to express my serious concern about the provision of the President's tax reform proposal having annual gross receipts of more than 5 million dollars to use the accrual

method of accounting for tax purposes. I certainly support tax simplification, even though I believe that personally this is going to cost me more money. I feel that I am a reasonably intelligent person and should be able to fill out my own tax form. Clearly, experiences have shown me that even with the help of reference books it is an agonizing experience for me to attempt to fill out even a moderately complex form, as I do for my elderly mother who receives a modest amount of her income in investments from the sale of her home. The last thing I would wish to do would be to sabotage an act that might relieve the yearly burden of attempting to fill out our family's income tax form. Nevertheless, I would like to solicit your opposition to the accrual method of accounting for taxation. Not only does it move against simplification and in the direction of further complication, but it seems basically extremely unfair to single out partnerships over other forms of association.

As you well know, many of your constituents and my patients are not wealthy people. Our policy is to treat everyone who needs care and no one is turned away from our doors. Many of these people are carried at reduced rates and some are not charged at all, which is, of course, in the better tradition of medicine. Still, we do send bills to those we feel likely to be able to pay unless they have made arrangements with us beforehand. Unfortunately, for one reason or another, many of these bills are never paid. This certainly is a common problem in life and business and while I am able to deal with this it baffles me why anyone would feel that we should be taxed on the basis of money that is uncollected and likely never to be collected.

Please, if you can explain to me why my opposition to this particular proposal lacks merit I would greatly appreciate it. From our point of view this certainly is neither simplification nor reform. If you believe that I am right in the analysis of this proposal as I understand it I would be most grateful for your opposition to it.

Most sincerely yours,

ROBERT J. EMSLIE, M.D.

SUPPORT H.R. 1856, THE COMPREHENSIVE NUTRITION ASSISTANCE ACT OF 1985

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. MARTINEZ. Mr. Speaker, I rise today to encourage my colleagues on both sides of the aisle to support, and quickly pass, H.R. 1856, the Comprehensive Nutrition Assistance Act of 1985. This bill was introduced by our honorable colleague, Congressman MICKEY LELAND of Texas, on April 1 of this year, and deserves our immediate attention.

Once again the presence of hunger in America rears its ugly head. While it is impossible to determine the exact number of Americans who will go hungry each year, there are certain statistics which indicate that a sizable portion of our fellow citizens are haunted by the problem of hunger and malnutrition. The Census Bureau reports that as of 1983, 34.4 million people live below the poverty level. This represents 34.4 million Americans that we, as elected public officials, must concern ourselves with feeding and thereby assuring a nutritionally adequate diet.

In the late 1960's and early 1970's, reports of hunger in America led to several nutrition surveys which documented extensive malnutrition in the United States. While the surveys did not actually determine how many Americans were going hungry, it was found that many Americans were suffering from the affects of an inadequate diet. This information on the extent and nature of the malnutrition led to the creation, and in some cases the expansion of, Federal food programs such as the Food Stamp Program, National School Feeding (breakfast and lunch) Program, and the Special Supplemental Food Program for Women, Infants, and Children [WIC]. Subsequent Federal studies of the impact of these programs have shown that they have had a positive affect on those individuals who participated.

Without a doubt, the efforts of the Federal Government to alleviate hunger have been admirable; achieving successes that encourage continued participation. Unfortunately, both the increasing number and unique composition of hungry Americans have rendered our Federal food assistance programs inadequate to meet their growing demand. Current economic conditions force low income people to choose between food and shelter, or other basic necessities, such as clothes and medicine. As people are forced to choose between basic necessities, their reliance on soup lines and private food donations increases.

Over the past 3 years, nine separate studies have been conducted on malnutrition and hunger in America. A list of these reports includes:

(1) Center on Budget and Policy Priorities, "Soup Lines And Food Baskets: A Survey of Increased Participation in Emergency Food Programs," May 1983.

(2) Social and Scientific Systems, Inc., "A Report on Nine Case Studies of Emergency Food Assistance Programs," May 1983.

(3) U.S. Conference of Mayors, "Hunger in American Cities, Eight Case Studies," June 1983.

(4) "Hunger in America—A Summary of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition," Congressional Record, June 6, 1983.

(5) U.S. General Accounting Office, "Public and Private Efforts to Feed America's Poor," a report to the Honorable Dennis Eckart, GAO/RCED-83-164, June 23, 1983.

(6) Massachusetts Department of Public Health, "1983 Massachusetts Nutrition Survey," October 1983.

(7) Food Research and Action Center, "Still Hungry: A Survey of People in Need of Emergency Food," November 1983.

(8) Center of Budget and Policy Priorities, "Yes, Mr. Meese, There is Hunger in America," December 1983.

(9) Honorable Edward Kennedy, Report to the Committee on Labor and Human Resources, U.S. Senate, "Going Hungry in America," December 1983.

The results of these surveys are shocking. From reading the evidence it is clear that the number of hungry people is growing at a disturbing rate. The Americans who are joining the ranks of the hungry are the newly unemployed, those who were, until recently, self-sufficient, and those whose benefits from the Federal Government have been cutback. It is not simply the hard core poor that must resort to soup lines, but families and children. Unfortunately, the gallant efforts of our private citizens to address the needs of this growing hungry population are simply not enough to meet the challenge.

The Center on Budget and Policy Priorities reports that of the 181 emergency food programs surveyed, more than half reported that the number of free meals or food baskets they provided increased by 50 percent or more during the period from February 1982 to February 1983. Nearly one-third of the programs doubled in size over the same time period. Furthermore, nearly all of the agencies reported a significant number of unemployed workers among those seeking aid from the program; 9 out of 10 agencies also reported that a significant proportion of the individuals they served were those whose food stamps had run out before the end of the month. And sadly, three-quarters of the agencies reported serving more families with children than they had a year earlier.

The U.S. Conference of Mayors reported that unemployment is the primary cause of increased hunger problems in the eight cities surveyed, resulting in five of the cities not being able to meet their hunger needs.

The U.S. General Accounting Office found that there has been a change in the profile of Americans seeking food assistance. Where emergency food centers have traditionally served the hard core poor and people hit by emergencies, they are now serving people who until very recently were making it financially.

The House Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition reaffirms that the roots of hunger lie in increasing numbers of the newly unemployed and long-term unemployment, food stamps that run out before the end of the month, people having less money to buy food due to cutbacks in other assistance programs.

The evidence is clear, and the time to act is now. Although the work of the private donations and charities to feed the hungry have and will go a long way in alleviating hunger, their efforts simply cannot meet the growing demand. It is time for the Federal Government to reassess the problem and the Governments' response to it. I believe that H.R. 1856, the Comprehensive Nutrition Assistance Act of 1985, is an excellent start for a desperately needed solution for a desperate problem facing our Nation today. I encourage all of my colleagues who are concerned about hunger to support this worthy bill, and work to ensure its speedy passage.

Thank you Mr. Speaker.

A TRIBUTE TO BILL TREACY

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. MANTON. Mr. Speaker, on Friday, September 27, 1985, local 30 of the International Union of Operation Engineers will be honoring my close friend and constituent, Bill Treacy. Bill will be honored at a dinner and dance at the Astoria Manor to mark his retirement as business manager of local 30.

Bill became a member of local 30 in 1950, 3 years after immigrating from his home in County Tipperary, Ireland. After arriving in New York, he worked at several jobs, obtained all New York City licenses and served as chief engineer at the Morgan Laundry and the New York Times.

Bill has always been an active unionist and in 1955 was recognized for his commitment, interest and ability by his election to the executive board in 1955. In 1960 he was employed as an organizer and in 1961 was elevated to business representative.

In 1971, Bill was elected business manager and has served five successive terms without opposition. Bill's 15 years as business manager have marked the most progressive era in the history of local 30. During his tenure, Bill has worked to improve the quality of life of the members and their families. The health and welfare benefits have been unified and improved; optical and dental programs have been added to the welfare plan; and the pension plan has grown strong and is fully funded. Also during Bill's service, the credit union was born and the annuity fund was established and has grown beyond all expectation. In January 1980, Bill's fondest dream was realized with the purchase of local 30's own building.

Bill's interests and abilities have not stopped at local 30's door. He has tirelessly spoken out in opposition to the tyranny and oppression that exists in his native Ireland. He has also lent his energy to many other causes in an effort to fight injustice.

Mr. Speaker, Bill is well liked and respected by all who know him. He is a person who serves as an example to all of us. I am pleased to join in local 30's salute to Bill Treacy and to share his accomplishments with my colleagues of the House.

TESTIMONIAL DINNER FOR FATHER DANIEL F. McCARTHY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. KANJORSKI. Mr. Speaker, it is my great pleasure to inform you and my fellow Members of the House of Representatives of a special testimonial dinner that will be held on September 29, 1985, for Father Daniel F. McCarthy. The special affection that is evident for Father McCarthy indicates the important role he has played in the lives of so many area residents.

Father McCarthy was born in Avoca, PA, on February 10, 1910. The youngest of seven children, Daniel McCarthy graduated from St. John's in Pittston in 1929. Later he attended St. Charles in Catonsville, MD, and spent 6 years at St. Mary's Seminary in Baltimore.

On May 22, 1937, he was ordained by Bishop Bernard O'Mahaney. From 1937 until 1957, he served as assistant pastor at the following: St Mary's in Lackawaken, PA; St. Basil's in Dushore, PA; Holy Cross in Scranton, PA; St. John's in south Scranton; and Nativity in Scranton. Then for 5 years, Father McCarthy served as chaplain at Mercy Hospital in Scranton.

Eighteen of his years in the Scranton diocese were spent as director of deaf programs. He became proficient in ASL—American sign language, which enabled him to communicate fluently with deaf citizens in the diocese.

Since 1957, Father McCarthy has held four assignments as pastor, beginning with 3 years of service at St. Francis' in Overton, PA. Next, from 1960 until 1966, he was pastor at St. Joseph's in St. Joseph, PA, and from 1966 until 1967 he served at St. Ann's in Shohola, PA, in 1967, he began his current assignment with St. Charles.

An avid sportsman, Father McCarthy has coached basketball, and still plays an exceptional game of golf. He regularly shoots par, or slightly above, and has twice known the thrill of a hole in one—every golfer's dream. His last such feat came just 2 months ago, on July 3, when he sank a hole in one at the Wyoming Valley Country Club.

Mr. Speaker, after 48 years of commitment and service to God, the church, and his community, it is only fitting that Father Daniel F. McCarthy be so honored at this time.

LET US LEND A HELPING HAND

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. MATSUI. Mr. Speaker, a great tragedy has befallen our friend and neighbor to the South. A mighty earthquake, followed less than 24 hours later by an almost equally severe jolt, has shaken Mexico. Thousands have been killed and property damage is in the tens of millions of dollars. Many buildings, weakened by the first two tremblors, now sit perched on the verge of collapse.

Throughout their suffering and ordeal the Mexican people have shown great dignity and great courage.

The American and Mexican people, historically united in spirit and in fellowship, are today brought closer by this tragedy. Every one of us can empathize with the suffering of the Mexican people. Natural disasters are indiscriminate killers. There is no telling who or where or when the next natural disaster will strike. Any corner of the world, any district of our country, or any one of us, could be victims.

Mr. Speaker, nothing makes me more proud to be an American, or more honored to serve this great Nation, than the selfless efforts of thousands upon thousands of Americans citizens who come to the aid of disaster victims. Ours is a nation of givers. We respond to every call by opening our hearts and our pockets. Whether it is a tornado in the Ohio River Valley, a hurricane off the gulf coast or a famine in Africa, we as a nation and as individuals respond.

THE COST OF ARTHRITIS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. WAXMAN. Mr. Speaker, I want to call to the attention of Members an excellent article that appeared in the New York Times on August 18, 1985. The article provides a detailed and highly readable discussion of the impact of arthritis in this country.

The article confirms the Congress' wisdom of placing greater priority on arthritis research by establishing a national research institute to expand efforts into better understanding the causes of this disease and providing less costly, more effective means of treatment. While there are those who say we can't afford to spend more on arthritis research, this article illustrates the tremendous costs, financial and human, associated with arthritis.

Mr. Speaker, this is a research area that we cannot afford to ignore.

The "Health Research Extension Act of 1985," H.R. 2409, calls for the establishment of the National Institute of Arthritis, Musculoskeletal and Skin Diseases within the National Institutes of Health. Our colleagues in the Senate have passed a similar bill, S. 1309. Completion of conference committee deliberations between the House Energy and Commerce Committee and the Senate Labor and Human Resources Committee is anticipated shortly. Establishment of a national institute to conduct arthritis research is a fitting and warranted response to a great need.

I ask that the article "Arthritis: Building an Industry on Pain" be printed in the RECORD at this point.

The article follows:

[From the New York Times, Aug. 18, 1985]

ARTHRITIS: BUILDING AN INDUSTRY ON PAIN

(By N.R. Kleinfield)

[The disease is still incurable, widespread—an endless torment. Patients pay billions in their pursuit of relief.]

Arthritis entered Ann DeGrout's life when she was 28. She was walking down the stairs of her home one day when her knees inexplicably gave out. She felt a stinging pain. The symptoms worsened and it became clear that she had rheumatoid arthritis. Thirty years later, the disease is still with her.

Arthritis has been an expensive companion. Mrs. DeGrout, a prim woman with quick eyes who lives in Clifton, N.J., buys about $200 worth of medication a year. She swallows eight to ten tablets a day of Exotrin, a coated aspirin. Each morning, she takes 5 miligrams of Prednisone, a steroid that must be prescribed by a doctor. At least once a month, she must see her physician, which typically costs her $20 to $50. Lately, she has been showing up weekly.

She has found it necessary to acquire a range of equipment to help her through the routines of daily life. She has a padded bathtub seat that cost her about $130. She spent $35 for a walker, $25 for a set of canes. She owns a reacher ($15) that she uses to scoop up things.

"Putting on clothes is real work," she says. "I can't put my own shoes on. I can comb the front of my hair. My husband has to comb the back. Little things that mean absolutely nothing to anyone are nightmares for me."

During some of her dimmer moments, she journeyed into the dark zone beyond the frontiers of formal medicine. She experimented with a drug available only in Canada. She flew to a Mexican clinic that injected her with an industrial solvent. Acquaintances occasionally gave her copper bracelets. Nothing worked.

"You get very desperate and you try anything," she says.

Four of Mrs. DeGrout's joints—both knees and both hips—are no longer her original ones. Each implant operation and hospital stay cost about $15,000. Soon, she expects to enter the hospital to trade in the joints in her hands and feet for plastic ones.

And so Ann DeGrout is one of the nearly 40 million consumers of the arthritis industry. It may sound odd to label arthritis an industry, but in fact any disease—cancer, diabetes, AIDS—is not only an affliction, it is an employer. For thousands of people and scores of companies, battling arthritis is a livelihood.

Precise figures do not exist on how huge an industry arthritis is. But adding up the numbers from professional research organizations puts it between $8 billion and $10 billion a year. Furthermore, according to the Arthritis Foundation, because the disease is a leading cause of absenteeism, it accounts for another $7 billion in lost wages and taxes.

Though rarely life-threatening, arthritis is pervasive and enigmatic. It appears in more than 100 forms and strikes one in every seven Americans. As the population ages, it is likely to attack ever-larger numbers of people. As it is, a new case is diagnosed every 33 seconds. No one knows what causes it and there is no cure. "If cancer and heart disease can be thought of as death sentences," says Peter Mathon, a spokesman for the Arthritis Foundation, "then arthritis can be thought of as life imprisonment. Once it strikes, you live with it for the rest of your life."

For those sentenced to live with it, however, a good deal can be done, and that is all that is needed as the foundation for a sizable industry. Like any disease industry, it is a business built on hope.

* * * * *

Thousands of doctors earn their living from arthritis alone. A curious band of companies reaps good profits building artificial joints to replace those whittled away by arthritis. Hundreds of enterprises make items—like long-handled spoons or contraptions used to pull on stockings—that enable people to cook and eat and go to the barber without aggravating their joints. Thousands of physical therapists find that arthritis is one of their best customers. Though no one yet has discovered the secret that will make arthritis go away, and maybe no one will, doctors, drug makers and therapists are better able to soothe the pain and to restore motion in stiff joints. Surgical replacement procedures and vigorous physical therapy are on the rise, as is the development of more powerful drugs.

Hope, of course, always attracts shams along with the mainstream. The industry is haunted by flimflam operators who swear that Chinese Tea Balls will do in your arthritis, or, if they won't work, there's always cow manure.

Go up to the third floor, past the men and women in the waiting room, the ones kneading their elbows and knees as they watch the clock. Dr. Charles Christian, temporarily sprung from tending patients, has a chance to talk about the disease that supports him.

Dr. Christian is a rheumatologist, an arthritis doctor. He is the head of the rheumatology department at the Hospital for Special Surgery in Manhattan, one of the foremost centers for treatment of the disease.

According to the Arthritis Foundation, arthritic Americans and their insurance carriers spent an estimated $1.3 billion on physician visits in 1982, the most recent year studied. In that year, they spent $1.4 billion more on hospitalization. For the more severely crippled, another $679 million went for nursing-home care. Arthritis chips is not insignificant income to many internists and happens to fully support some 3,000 rheumatologists. A sprinkling of doctors have even begun to further specialize in pediatric rheumatology.

Dr. Christian gave a quick briefing. Arthritis means inflammation of the joint. The typical symptoms are swelling, redness and, most notably, pain. The disease shows up in people of all ages. The most common varieties are osteoarthritis, the most pervasive and the one usually associated with old age, and rheumatoid arthritis, which generally strikes between 40 and 50 years of age and can be the most debilitating variety. For unknown reasons, arthritis affects twice as many women as men.

Though rheumatology does not attract the fat incomes that some high technology medical specialities do, Dr. Christian said that is a profession on the march. The demographics of America—people living longer, wearing out their joints—assure that arthritics will keep coming through his door.

"If you randomly surveyed people over the age of 60," Dr. Christian said, "you'd probably find 30 to 50 percent of them have at least had an incident with bursitis," which is a mild form of arthritis. Certain life style changes that batter the body feed the condition. "The new ethic of fitness seems to be promoting it—especially among weekend athletes," Dr. Christian said.

The number of things doctors can do for arthritics has grown greatly over the last two decades, Dr. Christian pointed out. Today there are drugs that are not only effective but lessen the number of doses needed to as little as once or twice a day.

But medication alone rarely tames arthritis's horrors. Patients often partake of physical or occupational therapy, physical aids, orthopedic surgery. "Most of us are wedded to a team approach," says Tim Harrington, a Wisconsin rheumatologist. "The rheumatologist serves as the quarterback of the team. We call the signals."

At Sterling Drug, 90 Park Avenue, arthritis is a treasured customer. Sterling makes Bayer aspirin. Aspirin, the most prosaic drug of all, has long been the most popular remedy for arthritis. Drug company estimates, in fact, suggest that arthritis relief accounts for anywhere from one-third to one-half of the $900 million in annual aspirin sales.

Some arthritis sufferers gulp down as many as 10,000 aspirin tablets a year, 30 a day. The extra-big bottles, with as many as 1,000 tablets, are earmarked for arthritis sufferers.

It is hard to pinpoint how much drug makers earn from arthritis because anti-arthritis products also are taken for headaches, trick knees and the many other guises of pain. But when one considers all the drugs that find use in fighting arthritis, the market bulges to something close to $3 billion in retail sales, according to analysts. Over-the-counter sales make up more than half of that total, but the swiftest growth comes from prescription drugs.

In a sense, arthritis is a drug maker's dream: It never goes away. People stay on drugs for decades. "All products are successful, even if they don't work that well," said Dick Hammell, SmithKline's director of rheumatologic and immunologic products. "This is a disease where improvement is measured in increments. If someone has ten joints affected and that can be dropped to eight, and the two are the thumb and the first finger, that can mean a lot of additional motion. So these drugs don't have to produce miracles. This is an unusual disease."

It is also a fickle market. "It's hard to develop consumer loyalty to one drug," an Upjohn official said. Some treatments lose their power after a while. Side-effects are rampant. Everyone searches for the drug that stops the arthritic pain without starting others. "It's called the Great Unsatisfied Market," says Ronald Nordmann, an analyst at Paine, Webber.

Because arthritis is so mysterious a quarry, the drugs that attack it are a diverse lot. Almost any common drugstore pain reliever is used by some sufferers—Bufferin, Excedrin, Tylenol, Anacin. Two new drugs are Advil from American Home Products and Nuprin from Bristol-Myers. Over-the-counter products rang up about $1.6 billion in sales last year, but, in Mr. Nordmann's view, they are a fairly mature market.

In recent years, there has been a drift toward more potent prescription products that require less frequent dosages. Indocin, introduced in 1965 by Merck & Company, was the first of these modern drugs. Since then, a dozen or so have appeared including Naprosyn and Feldene. Last year, the group enjoyed sales of nearly $1 billion, 12 percent more than in 1983.

Motrin from Upjohn, which came out in 1974, has long been the biggest seller, holding 22 percent of the market for anti-arthritis prescription drugs. Since 1979, it has been Upjohn's leading cash cow, accounting for an estimated 8 percent of sales—or $160 million. Of late, the drug has felt severe pressure from a low-priced version of Motrin made by a British company, Boots Pure Drugs Ltd., called Rufen and from new generic products. To cling to its lead, Upjohn cut prices by 30 to 35 percent last year and has been bringing out new forms

of Motrin. Analysts feel that the strategy is working.

* * * * *

In Miami, there is a company known as the Zonex Corporation. There is no real business address. It is too small to have an office. What Zonex has is a dream: It wants to make a product that will dramatically relieve rheumatoid arthritis. Every disease industry has its sprinkling of Zonex's, its little people who one day might be kings.

Luck or crazy events often give rise to medicines. A German refugee, Gunter Holzmann, emigrated to the Bolivian jungles in the early 1970's, where he ran mining and lumber-supply companies. His rheumatoid arthritis began to flare up and local dwellers told him to go get bitten by some ants. He did. He felt better.

He started working with a local immunochemist and rheumatologist, who began treating patients with ant venom. Some people at the University of Miami got interested, did some tests and found the venom was potent in certain chemical systems. Dr. Roy Altman of the college and some associates undertook a study of 30 patients; two-thirds of those who got the venom derived startling benefit.

Some investors were drawn in. They formed Zonex. Dr. Charles Vassar, an emergency-room physician in the Miami area, is now its president. As he explained his initial involvement: "I knew a fellow who knew another fellow who heard about it."

Zonex now has a licensing arrangement with a Canadian company, Chembiomed, which is footing research bills. Dr. Altman is doing the work. For the last several years, he has been trying to isolate what in the venom acts against arthritis. "I don't particularly want to run an ant farm," he said. "I'd like to find out what it is that does this and make it in the test tube." So far, hundreds of compounds have been eliminated. Three or four remain as suspects.

The venom, Dr. Altman pointed out, seems to work only on rheumatiod arthritis. And only venon from South American tree ants works. "People shouldn't run out to their yard and get bitten by a fire ant," he said. As a result, among the permissions that the lab has is an import license to import dead ants.

Zonex, of course, still has no product and no revenue. Maybe it never will. Dr. Altman feels that at the very least a few more years of dreaming—and testing—remain. "We're not proposing a cure for arthritis," he said. "We're not looking for patients to come banging down our doors. We're doing this by the book."

"Little knee," Susan Bergholtz said. She showed how her patient's inflamed knee was shrinking from treatment. "Getting littler all the time," responded the patient, a young woman in her 20's.

Miss Bergholz bent the knee up, then down. The patient grimaced. She got rheumatoid arthritis a year and a half ago and at first had settled for drugs. "I resisted coming here for half a year," she said. "I thought physical therapy was just for people in car accidents. Now I know better."

This was at Shepard & Bergholtz, on East 71st Street in Manhattan, a physical therapy practice. Some 40 percent of its patients come for therapy for an arthritic condition.

Arthritis is one important reason why there are some 44,000 physical therapists in the country, up from some 32,000 in 1978. In 1982, an estimated $322 million was spent on care for arthritics by non-physician health professionals like therapists.

Physical therapists have gotten more aggressive in treating arthritis in the last few years. They used to be protective, lecturing patients on what they could not do. Now that they have more evidence that arthritic patients can withstand more activity, they are designing exercise programs that, while not damaging the joints, challenge the heart and lungs as well.

At Shepard & Bergholtz, machinery was in every room. Among the techniques practiced are electrotherapy, ultrasound, heat and ice treatments, shiatsu massage, even experimental laser therapy.

An hour's treatment is $50. Miss Bergholtz likes patients to come in for six to eight sessions, then she gives them an exercise regimen to continue at home. "I only want them back when they're in trouble," she said.

Dr. Charles Sculco moved a hip bone out of the way so his visitor could sit down. "Don't worry," he said. "This isn't part of anybody.

Dr. Sculco is an orthopedic surgeon at the Hospital for Special Surgery in New York. What he does has become one of the most explosive break-throughs for treating severe arthritis suffers. He replaces worn-out joints with plastic and metal substitutes. He does about 150 operations a year. His specialty is knees and hips.

In the last two decades, a joint industry has sprung up, a flourishing segment of the human parts industry. Perhaps 250 to 300 surgeons specialize in joint replacement, buying their parts from makers such as Howmedica, a Pfizer unit, Zimmer, part of Bristol-Myers, Johnson & Johnson and DePuy, a unit of the Boehringer Mannheim Corporation. The products come in as many as 30 standard sizes, hence most people, so to speak, get a knee or hip off the rack. Dr. Sculco likes people to wear the Johnson & Johnson hip; the Zimmer model is his favorite knee.

About 200,000 joint replacement operations—most for hips and knees—are done each year in the United States, giving new life to people whose condition had so deteriorated that they were bedridden. These operations are not cheap. The surgeon's fee, including the artificial part, runs about $3,500 to $5,000. Most patients can expect a two-week hospital stay. "The whole shooting match is probably $15,000 to $20,000," Dr. Sculco said.

"There's been a fantastic boom in surgical treatment of arthritis, particularly in the last 10 years," he added. The surgery's popularity stems from advances in prosthesis design and improved techniques.

"There's one girl—a 29-year-old girl—who literally couldn't walk three feet," Dr. Sculco said. "She would shuffle a few feet and that was it. We replaced both her hips, both her knees. She's out working and her life has been enormously improved."

In spare moments, Dr. Sculco designs. He dug out a small plastic bag that seemed to be some hardware for a lawnmower. "We just put the second one in today," he said. "It's a joint I developed for the great toe."

Bandwagon Manufacturing in Wilmington, Md., does not promote it's oven shovel to tuck in bedsheets. But manuals for arthritic patients mention it as a great way to make beds.

Raised toilet seats, like the one made by Sci-O-Tech, reduce stress on hip and knee joints. Arthritics can buy built-up grips to slip over pens (Hoyle Engineering is one maker). A horseshoe-shaped purse that allows you to slide coins out so they may be picked up more easily is made by Ambassador, Deluxe Saddlery Company and others. Contoured pillows, products of such companies as Body-Care reduce pressure under the neck. Ekco Housewares makes All-Purpose Tongs that can be used to more easily reach items that require some stretching.

Many types of products—even those not necessarily aimed at arthritis sufferers—ring up substantial sales from this market. Uncountable millions of dollars are spent on them.

At Cleo Living Aids, of Cleveland, arthritis is a prized market. Cleo makes and distributes products to help the disabled deal with a world designed for the able-bodied. Its catalogue is plump with 6,000 products.

You can order a spoon with an extra-long handle, so the fingers do not have to bend so much. A giant shoehorn to make it easier to get on your shoes. Even a device known as a stocking gutter that allows a woman to pull on her nylons without bending.

"We constantly come up with new ideas," said Yasef Feigenbaum, his company's officer manager. "Patients call us up with new ideas all the time. It's a good market."

Need more arthritis tips? Here are a couple from self-professed experts. Watch for a full moon, and then hurry out and stand naked under a nut tree. Or buy some WD-40, an engine lubricant that you can pick up in any hardware store. Squirt your joints with it.

The medical profession has no cures for arthritis. But armies of shady characters will cheerfully sell you one. Rough estimates by a Congressional survey suggest that Americans waste nearly $2 billion a year on quack remedies for arthritis.

The best known "remedy" is a copper bracelet. What it does best is leave a green stain on your wrist. One of the most controversial is the use of dimethyl sulfoxide, or DMSO, which is, among other things, an industrial solvent. Promoted as an ointment and sold throughout the United States, the product has not been approved by the Food and Drug Administration for arthritis. Some sufferers swear by it. But it can trigger side-effects, including eye damage, skin rashes and awful breath.

Legendary characters have been born out of quack arthritis cures. Meet Richard J. Anderson of the R. J. Anderson Company, Phoenix. For several years, according to the F.D.A., he imported black pills known as Chuifong Toukuwan from Hong Kong. He named them APRH Tea Balls and promised they would relieve the pain of arthritis. He sold thousands by mail. When state authorities tested them, the pills were found to be dangerous.

Mr. Anderson also started to sell something called APRHA-T tablets; they, too, would relieve arthritis. The F.D.A. tested them and found no drugs in them whatsoever. In August 1984, following an F.D.A. complaint, Mr. Anderson agreed to stop selling the products and to destroy the merchandise.

Then there was Dr. Ben Sheppard. In 1978, he began dispensing a drug called PROven out of a Miami school-house converted into a medical clinic. The drug was derived from the venom of cobras and kraits, poisonous Asian snakes. Dr. Sheppard, a general practitioner, got his venom from William Haast, a local snake collector who bragged that he was the world's most snake-bitten man (137 bites).

Dr. Sheppard treated a few thousand patients. A number hailed the drug as a miracle. But the Arthritis Foundation and

others said there was no scientific evidence to buttress his cure. In early 1980, Dr. Sheppard died. His treatment stopped.

The rage today seems to be arthritis-tailored diets. One calls for peanut oil and half a pound of cherries a day. People do not seem to be dissuaded by the fact that scientists have not found any foods or nutrients that cause arthritis or help it, except for gout, one strain of the disease.

Other people get on planes. They believe that if they so sit in Montana uranium mines the radioactive waves will heal them. Or they go to tawdry Mexican border clinics.

The Arthritis Foundation, Better Business Bureaus and the F.D.A. say they do what they can to foil frauds. But the enemy is a devious one. "It's a big business," says Floyd Pennington, something of an expert on quackery at the Arthritis Foundation. "And we're looked at as the big bad medical establishment versus the small-business man who has a cure to help mankind. We simply have more important things to do than to spend all our time chasing these idiots."

ADVERSE IMPACT OF THE GARCIA SUPREME COURT DECISION

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. HAMMERSCHMIDT. Mr. Speaker, the recent Supreme Court decision in Garcia versus San Antonio Metropolitan Transit Authority is a cause of great concern to many State and local government officials who must now devise a way of budgeting the additional expense caused by this ruling.

The Supreme Court's February 19 decision in the Garcia case held that the 10th amendment does not bar application of the Fair Labor Standard Act's [FLSA] overtime and minimum wage provisions to State and local government employees. In June, the Labor Department announced that it would begin investigating complaints against governments on October 15, 1985, and that State and local governments would be held liable for overtime wages from April 15, 1985.

I'm sure that I am not alone when I say that I have heard from a number of city and county officials who are very concerned about the impact of this ruling on their budgets. Let me quote several Arkansas municipal officials, for they express, far better than I, the repercussions that this decision will have.

The mayor of Rogers, AR, John Sampier, wrote.

When asked by constituents about the state of the city, I consistently reply that left to our own devices, we fare very well. Problems generally develop due to unwarranted federal or state intrusions into local government. While reviewing our budget, I am pleased to find that our local control of expenditures indicates the budget to be in good shape. However, the budget is an overall wreck due to a number of items over which we have had no control. The principal budget-wrecker is currently the recent Supreme Court decision which now applies FLSA standards to local government.

Don Venhaus, the Pulaski County judge, also expressed his county's problem well when he wrote:

If this decision is allowed to stand, it will have an enormous impact on already strained budgets which have, for the most part, been set for 1985. What is apparently not understood at the Federal level is that local governments are in many cases not in a position to "pass along" additional financial requirements to the taxpayer.

Cuts in revenue sharing expected in 1987, continued erosion of Federal support, and increasing mandates from State and Federal governments are placing local governments in a totally untenable position.

There have been no reliable estimates of how much this Supreme Court ruling will cost State and local governments each year, although a figure as high as $3 billion has been mentioned by some.

I believe that it is imperative that legislative action be taken to alleviate the serious financial consequences of this ruling, and for that reason, I have introduced a bill, H.R. 3271, which would exempt State and local governments employees from the overtime provisions of the FLSA. This will restore to State and local governments the flexibility necessary to schedule their employees to best serve the needs of their own areas. In addition, H.R. 3271 would exempt volunteers of State and local governments from the wage and hour provisions of FLSA. This legislation is identical to a bill, S. 1570, introduced in the Senate, by Senator NICKLES and Senator WILSON.

Mr. Speaker, the administration has backed S. 1570 as a remedy for the Garcia decision. The Senate has already held hearings on this bill, and the House Education and Labor Subcommittee on Labor Standards is holding a hearing on the ruling today. I hope that swift action will be taken to relieve State and local governments of this burden before the October 15 deadline.

AN OIL IMPORT TAX IS NOT THE ANSWER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. CONTE. Mr. Speaker, there has been considerable discussion lately about the possible imposition of some kind of tax on imported petroleum and/or petroleum products such as gasoline. Particularly as a New Englander, I strongly oppose such a tax. We in the Northeast rely heavily on oil for heating our homes, businesses, and public facilities, and there is no justification whatever for our region of the country to be singled out to bear the brunt of this kind of tax. Accordingly, I introduced House Resolution 12, a resolution expressing the sense of the House that such a tax should not be imposed. I continue to urge my colleagues to cosponsor this resolution.

The oil import issue was discussed in a editorial commentary by Robert M. Bleiberg in the August 26 issue of Barron's. Mr. Bleiberg puts forward excellent arguments against the imposition of an oil import tax, and I am enclosing portions of the article for my colleagues. The article also highlights the fact that 1985 is the 100th anniversary year of the granting of a patent for the first sophisticated oil burner in the country. To recognize the Oil Heat Centennial Year, I introduced in February House Joint Resolution 171, a resolution that would so designate 1985. Just last week, I'm pleased to report that the House passed this legislation. The Senate did so earlier in the summer, and soon, I am hopeful that the President will sign this resolution. Department of Energy Deputy Secretary Danny J. Boggs, in an address last month before the Petroleum Marketers Association of America, spoke favorably of House Joint Resolution 171, and I commend him for his interest in this resolution.

Mr. Speaker, for the benefit of our colleagues, I would like to insert in the RECORD at this point portions of the text of the August 26 Barron's article by Robert M. Bleiberg.

CRUDE POLITICS—PROTECTIVE TARIFFS ON OIL IMPORTS WOULD COST THE U.S. DEAR

Unless you happen to be a member of the Petroleum Marketers Association of America (PMAA), we'll bet you don't know why Aug. 11, 1885, has gone down in the annals of U.S. technology as a red-letter day. Seems that a century or so ago (according to Danny J. Boggs, deputy secretary of the U.S. Department of Energy, who recently addressed the PMAA), an American inventor named David Burrell was granted a patent for the "first sophisticated oil burner" in the country. Secretary Boggs jovially reminded his listeners that at the 1893 World's Columbian Exposition in Chicago, oil burners on public display were condemned as "instruments of Satan," a low point in popular esteem from which the industry has clearly come a long way.

The DOE official went on to say: "And I understand that as Congress left town, H.J. Res. 171, designating 1985 as the Oil Heat Centennial Year, needed just 24 more cosponsors to be taken up on the floor. I am confident you'll close the gap when Congress returns, and we look forward to the day the oil heat centennial resolution goes to President Reagan for his signature."

To be sure, the Reagan Administration, which knows a tax when it sees one in the guise of a fee, remains firmly opposed. When the notion abruptly surfaced late last month as part of an eleventh-hour budget-cutting package deal, the White House promptly turned it down. Nonetheless, bills toward this end have been dropped in the hopper and hearings have been held on the Hill. Earlier this month, nearly half of the Senate signed a petition asking the Secretary of Commerce to look into whether foreign shipments of refined products to these shores were jeopardizing the national security. On public television the other night, Dan Lundberg, well-known authority on oil and gas, warned motorists that a threat to their pocketbooks, in the form of such a levy, lurks just around the corner.

Proponents of the tariff, including far too many of those supposed to stand up and be counted among the President's men (as well as an occasional major oil company—the industry is split on the issue), argue that it

would raise lots of money, perhaps $15 billion-$20 billion per year, for the U.S. Treasury. So it might—thereby taking the pressure off Congress to make badly needed, long-overdue cuts in the bloated budget and fueling a further rise in federal spending.

However, there's another side to the coin. The proposed duty—whether $5 per barrel on crude, $10 on refined products, or some combination of both—overnight would increase the price of gasoline at the pumps by a minimum of 12 cents a gallon and that of other kinds of fuel across the board. In consequence, at a stroke it would reverse the benign trend of recent years toward stable or declining costs of energy, thereby dealing a heavy blow to the weakening competitive position of U.S. industry. In the two-pronged attack on the public interest, both consumers and producers would suffer.

Who stands to gain? Big Government and those in the private sector who have long made a good thing out of exemptions and exceptions to the rules and regulations, those who have learned (as Fortune magazine once put it) to pan for black gold "in the gritty sediment of the Federal Register." Thanks to Uncle Sam, who over the years has lavished on special interests a wide variety of subsidies in the form of entitlements to relatively cheap crude oil, whether foreign or domestic, many a prospector, flanked by a battery of accountants and lawyers, has struck it rich. On this score, last month's abortive tariff proposal would have set aside 20% of the take to help subsidize the Northeast, which would be hardest hit by such a bill. It's taken over 20 years, and one unnecessary energy crisis after another, to rid the oil industry (and the U.S. economy) of counterproductive and costly government controls. This time let's keep the camel's nose out of the tent.

Given the slightest encouragement, as we have seen time after time, the ungainly beast (it is, after all, a horse designed by a committee) soon becomes overbearing. The grim process started in the late Fifties, when the Eisenhower Administration, at the behest of an unholy alliance of "liberal" Republicans and "independent" oil men, placed mandatory quotas on imports of crude, thereby, at the expense of all buyers and some sellers, lavishing unearned benefits on a few. In the Seventies, when price-controlled domestic crude turned into the lowest-cost source of supply, federal allocations effectively served to redistribute the nation's mineral wealth from the haves to the legally designated have-nots (who in some cases were bigger and better-heeled than the haves). A "small refiner bias," under which inefficient "teakettle" refineries thrived, became the law of the land, while in the manipulative hands of high-powered Washington influence-peddlers, "entitlements" (access to cheap crude) overnight became the road to riches.

Some controls, of course, remain: price ceilings persist on so-called old natural gas, while stiff restrictions, pushed by doctrinaire environmentalists, effectively bar drilling rigs from federal lands (EPA may be OPEC's best friend, but it's not the only one). By and large, however, the oil industry has been decontrolled, and, as years of energy plenty attest, that's good for General Motors and good for the country. However, it hasn't been so good for the wheeler-dealers and their political henchmen. Deprived by decontrol of government subsidy, and exposed to the cold, competitive world, scores of refineries, mostly the "teakettles," lately have shut down, touching off a clamor for relief. In both houses of Congress, born-again budget-cutters, with scant enthusiasm for their role, have turned in desperation to any fiscal expedient which seems to open up an easy way out. Hence the curious—and dangerous—coalition of political forces, from which we haven't heard the last.

The more we hear, however, the less we are persuaded. Proponents of a protective tariff on petroleum products point to a surge in imports last year over the previous one. True, but that still leaves the total well below historic levels, not to mention those of the early Seventies. More to the point, when the increase in U.S. exports of oil products is weighed in, net imports are seen to have risen in the past few years by very little. Despite claims to the contrary, finally, most of the increase has come not from the politically unsettled Middle East but from such traditionally stable sources of supply as Brazil, Canada, the Netherlands Antilles, Trinidad and Venezuela. Protect us from our friends?

If the benefits look illusory, the costs would be very real. To judge by estimates made by two groups which rarely agree on anything—the American Petroleum Institute and the Citizens/Labor Energy Coalition—the proposed levies on imported crude and products could raise gasoline prices by anywhere from 12 cents to 36 cents a gallon. Nor would the fallout stop at the pumps. According to analyses made in 1982 by the Petroleum Industry Research Foundation and the Congressional Budget Office, an import fee of $5 a barrel would increase the cost of living by 1%, lower the real gross national product by at least one-half percent and cost the U.S. 100,000-200,000 jobs. That's heavy price to pay for political pull.

There must be a better way, and Danny Boggs, whose speech before the PMAA was filled with wisdom as well as wit has pointed to it. "We need more competition in the energy marketplace. We need decontrol of natural gas. We need sensible regulations which allow nuclear and alternative energy to compete on their own merits. And we need access to the Outer Continental Shelf to keep America strong and secure, prices down and our economy strong. * * * We do not need bad or intrusive government policy to prevent an 'energy crisis.' The abuse of the term 'crisis' reminds me of a country and western song I once heard in my home state of Kentucky. It was a tender tale of teen-age passion titled: 'Calling It Love Is No Excuse for What We're Doing.' And the same thing could be said for many policy initiatives of [the past].* * *"

COMMENDATION OF REV. DR. V. SIMPSON TURNER

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. OWENS. Mr. Speaker, I rise today to pay tribute to Rev. Dr. V. Simpson Turner, the pastor of Mount Carmel Baptist Church in the Bedford-Stuyvesant section of Brooklyn, NY. On September 28, Dr. Turner will be honored by his congregation, friends, and family for his 20 years of service to Mount Carmel and I would like to take this opportunity to give Dr. Turner's accomplishments the recognition they richly deserve.

During his 20-year tenure as pastor of Mount Carmel Baptist Church, Rev. Dr. Turner has been a vital source of strength, courage, and inspiration to the people of central Brooklyn. In these difficult and dangerous times when many have acquiesced to apathy and indifference, Dr. Turner has responded with concerned and committed leadership, ministering to both the spiritual and physical needs of our community. Through his vision and spiritual guidance, he has helped many—perhaps thousands in his career—to find a new sense of peace, purpose, and renewal. Through his untiring efforts to improve the quality of life in central Brooklyn, he has been an effective force for change in a community where too many are forced to live on the ragged edge of survival.

Martin Luther King once wrote that:

Any religion that professes to be concerned with the souls of men and is not concerned with the slums that damn them, the economic conditions that strangle them, and the social conditions that cripple them is a dry-as-dust religion.

Dr. King urged us to see the Christian Gospel as a "two-way road—concerned with both the spirtual and physical needs of men—and this is a creed which has been practiced by Rev. Dr. Turner throughout his outstanding career. For those of my colleagues who may be accustomed to churches where Sunday is not just the busiest day of the week, but the only busy day of the week, a visit to Mount Carmel Baptist Church would prove to be quite a shock. Under Dr. Turner's leadership, Mount Carmel has developed an impressive array of programs and services designed to minister to the total life of the community. For the very young, Mount Carmel offers a preschool program. For elementary school students, there is a homework study center. For junior and senior high school students, special tutoring services are available. For high school dropouts, assistance is offered in preparing for the high school equivalency test. For the elderly, special programs and services are also available.

During the 1970's, Dr. Turner expanded his aggressive outreach ministry still further when he took up the challenge of compiling an exhaustive guide to social services and community resources by bringing together a team of experts from city agencies and other professionals. After the service directory had been completed and distributed, Dr. Turner took his unique project one step further. Explaining that "the time has come for us to reach beyond our walls and help people to find their way out of the darkness of ghetto life into a life that has meaning and direction," Dr. Turner trained and inspired his congregation to become lay ministers in the community, urging them to use the new directory to lend assistance to their friends and neighbors in need. This successful Outreach Program was later described by Dr. Turner in his book "Compassion for the City" and has

now become a model for similar efforts by congregations across the country.

Although these many achievements would be more than enough for most men, Dr. Turner has continued to press on to meet new challenges. In response to New York's devastating housing crisis, today he is now working to develop a million-dollar project to provide shelter for the homeless. When that task has been completed, new programs to meet new challenges are certain to follow.

As his impressive accomplishments make clear, Rev. Dr. V. Simpson Turner is a shining example of how one individual can make a difference in our society. His commitment and untiring devotion to uplifting and spiritual and physical well-being of the people of central Brooklyn is worthy of the highest commendation, and I extend to him my deepest gratitude and appreciation for his many years of hard work and achievement. On behalf of the U.S. Congress, I join Dr. Turner's congregation and his many friends and loved ones in congratulating him on this memorable occasion and in wishing him continued health and happiness during his second 20 years as pastor of Mount Carmel Baptist Church.

PACIFIC CITIZEN WEEKLY TO BE HONORED BY LOS ANGELES COUNTY COMMISSION ON HUMAN RELATIONS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. MATSUI. Mr. Speaker, I am pleased to call to the attention of the U.S. Congress a significant achievement. On October 2 at the 13th annual John Anson Ford Awards the Pacific Citizen, a weekly publication of the Japanese American Citizens League, will receive the Los Angeles Commission on Human Relations Media Award. The award is being presented for "timely and balanced coverage of human relations and issues of importance to the diverse people of Los Angeles County."

The Pacific Citizen is most deserving of the prestigious award. Throughout its 56 year history the Pacific Citizen has provided balanced reporting on issues of concern to the Asian American community. In addition, the Pacific Citizen has served as a community kiosk where ideas and opinions can be discussed and analyzed.

The Pacific Citizen was founded in San Francisco in 1929. The paper was moved to Salt Lake City during World War II and has been published in Los Angeles since 1952.

The Pacific Citizen is a vital and important asset to Los Angeles County and all Americans who seek to celebrate and promote better relations among our great Nation's diverse population.

Mr. Speaker, the Pacific Citizen, its editors, writers and readers are to be congratulated for a distinguished record of achievement. They are richly deserving of this important recognition from the Los Angeles County Commission on Human Relations.

TRIBUTE TO REV. DR. JOHN A. POULOS

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. MANTON. Mr. Speaker, it is with great pleasure that I join in the celebration of the life and work of Father John Poulos.

Father Poulos has had a distinguished career as a leader of the Greek Orthodox Church in the Western Hemisphere. Not only has he served as pastor of several of the leading congregations in New York, but he has also served as a delegate from the Greek Church to the other denominations in the Americas in an ongoing effort to bring peace and harmony to our troubled world.

Among the institutions Father Poulos has helped to establish are an old age home, two high schools, a preschool center and a community center. Father Poulos works for all of the people of his ministry. And his ministry is the world.

One area of his ministry that is very special to both Father Poulos and myself is the New York City Police Department. Father Poulos has served as chaplain to the police department since 1972. The special relationship that has developed between Father Poulos and New York City's police officers has been a pleasure to observe and has made a significant contribution to the city of New York.

It was in Astoria, where I grew up and where Father Poulos served as pastor of St. Demetrious Greek Orthodox Church, that I got to know him. Father Poulos was a great help to me and to the Astoria community both before and after I was elected to the city council. His service to the city of New York and to the Nation has been unparalleled.

Even before Father Poulos came to the United States for graduate studies at Union Theological Seminary, Columbia University, he had distinguished himself academically and in the service of his church and humanity in Europe. One of his earliest accomplishments was the founding of an institution dedicated to serving the needy during the German occupation of Greece.

Mr. Speaker, I count myself fortunate to be among those who can call Father Poulos "friend."

TRIBUTE TO EAGLE SCOUTS DAREN BANNERMAN AND CLEON WILLIAMS

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. GRAY of Pennsylvania. Mr. Speaker, I would like to pay tribute to two young men who will become Eagle Scouts on Saturday, September 28, 1985.

Daren Bannerman is a 16-year-old junior at the Creative and Performing Arts School where he maintains honor roll status. Daren started his Scouting career in 1977. He earned the highest Cub Scout award, the Arrow of Light, in 1980. He has continued to hold leadership positions and is presently a member of the Leadership Corps. In 1981, he won the troop's "athlete of the year" award. He belongs to the Order of the Arrow and is a Brotherhood Member. During the past 4 years at summer camp, he has earned many of his 25 merit badges and 12 skill awards. Daren has been running track and cross country for 8 years and is a member of the Philadelphia Express track team.

Cleon Williams is 15 years old and a 10th grader at the Philadelphia High School for Engineering and Science, where he serves as secretary of the school. He attended McCloskey Elementary School, where he was an honor roll student, and the Freedman Academy of Humanities, where he received a certificate of high performance in assessment of mathematic literacy and an honorable mention in the annual science fair, and graduated with honors.

Cleon was a Cub Scout for 3 years and in troop 134 has served as assistant patrol leader, patrol leader, and as a member of the Leadership Corps. He is a member of the Order of the Arrow and an Ordeal member. Cleon has earned a total of 22 merit badges and 12 skill awards. This past summer, he was a member of the Philadelphia Council Cub Camp staff.

Mr. Speaker, I would like to commend these two constituents for joining the distinguished ranks of the Eagle Scouts.

As a Life Scout, I am aware of the arduous tasks a scout must complete to reach this highest of scouting ranks.

I join with the other members of their community in congratulating Daren Bannerman and Cleon Williams.

HOUSE JOINT RESOLUTION 3

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. BEDELL. Mr. Speaker, on January 3, JIM LEACH and I reintroduced House Joint Resolution 3, a measure to prevent nuclear explosive testing. Since that time, House Joint Resolution 3 has received the solid bipartisan support of 198 of our colleagues.

Extensive hearings have been held on the merits of our proposal and I am pleased that the House Foreign Affairs Committee has reported House Joint Resolution 3 unamended for further consideration by the House in the weeks ahead.

During the August recess and over the last several days, additional cosponsors for this effort have been sought. Because House rules preclude the addition of cosponsors after a committee has filed a

report on pending legislation, we cannot add other original cosponsors to House Joint Resolution 3. However, despite this restriction, I am today extending my remarks to add the cosponsorship of four other Members of the House who would like to associate their names with House Joint Resolution 3 and urge its passage. They are the Honorable ROBERT BORSKI of Pennsylvania, the Honorable BILL HEFNER of North Carolina, the Honorable WILLIAM BONER of Tennessee, and the Honorable CHARLES BENNETT of Florida. Their support in this effort is deeply appreciated and raises the total number of cosponsors of House Joint Resolution 3 to 204.

THE ARMENIAN GENOCIDE AND AMERICA'S OUTCRY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. LEVIN of Michigan. Mr. President, last week, House Members were reminded by Mrs. JOHNSON of Connecticut that the Congress had acted on two separate occasions in 1896 and 1920 to deplore the excesses against the Armenians in the Ottoman empire. In those same 2 years, the Republican and Democratic parties respectively included statements in their national party platforms expressing sympathy for the Armenian people and urging American involvement.

The Democratic platform of 1920 contained the following paragraph:

Armenia: We express our deep and earnest sympathy for the unfortunate people of Armenia, and we believe that our government, consistent with its Constitution and principles, should render every possible and proper aid to them in their efforts to establish and maintain a government of their own.

The Democratic platforms of 1924 and 1928 also contained calls for fulfillment of American pledges to assist the Armenian people. Some 30 years earlier, the Republican platform of 1896 deplored the Ottoman massacres of Armenians.

The destruction of the Armenian people in the Ottoman empire was in the forefront of American foreign policy discussion for more than three decades. Yet, the current Republic of Turkey is attempting to convince Americans that these atrocities did not take place. On the subject of House Joint Resolution 192, Turkish officials say that Congress ought not engage in legislating history.

The supporters of House Joint Resolution 192 fully agree. This resolution, which would commemorate Armenian victims of genocide, would serve only to reaffirm Congress's own 89 year history. To do anything other than approve House Joint Resolution 192 would abet the revisionism taking place on this topic throughout the world. We must resist efforts to rewrite the history of the Congress of the United States. Our respect for this institution demands at least that.

We must pass House Joint Resolution 192 when it returns to the floor for a vote this fall.

A TRIBUTE TO MR. ARTHUR S. PFEFFERMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a truly outstanding individual, Arthur S. Pfefferman. I ask my colleagues to join me in honoring this exceptional member of my community. Mr. Pfefferman is this year's recipient of the coveted Fernando Award. This award is presented each year to a local businessman of the San Fernando community who best exemplifies the characteristics of "strength, courage, dedication and leadership." It will be presented to Mr. Pfefferman in October.

Fernando is the name given a fictional American Indian brave by San Fernando Valley businessman some 30 years ago when this award first started. Fernando was created to exemplify the traits thought to reside in the valley's first residents, the Indian tribes.

Arthur Pfefferman symbolizes the spirit, energy, and future of the San Fernando Valley. His leadership has led to great success in the business world. He has also given generously of his time and efforts to the San Fernando community where he first built his highly successful group of donut franchises from modest beginnings. As president of the Tarzana Chamber of Commerce in 1974, he doubled membership and put the chamber back on a firm financial footing; a situation which still exists today. In addition, he has worked to see the business community in other areas of the valley prosper by joining with other valley chambers and guiding the Associated Chambers of Commerce of the San Fernando Valley.

It is my pleasure and honor to join with my colleagues and the Chambers of Commerce of the San Fernando Valley and Fernando Awards Inc. to pay tribute to Arthur Pfefferman, a successful businessman and outstanding member of his community.

CONGRATULATIONS TO C.A. LYNCH

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. FLORIO. Mr. Speaker, I would like to offer my congratulations to Mr. C.A. Lynch on the occasion of his 85th birthday. Mr. Lynch will be celebrating this event on September 26.

A resident of Woodbury, NJ, for nearly 50 years, Mr. Lynch was the manager of the Kresge Store on Broad Street. He and his wife, Ann, have 6 children, 28 grandchildren, and 3 great-grandchildren. I am proud to extend to this long-time member of our community and resident of my congressional district my best wishes for a very happy birthday.

CELEBRATING MINORITY ENTERPRISE WEEK

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. ADDABBO. Mr. Speaker, this country has always admired a "Horatio Alger story"—a tale of someone, who through their hard work and determination have attained success. For a long time Horatio Algers were limited to white males. But today the doors of opportunity have been opened to all races, ethnic groups, and both genders.

It is not only these new entrepreneurs who have benefited from expanded opportunity. The initiative and entrepreneurial skills that these new businessmen and women have demonstrated has brought new vigor to America's economy. People, whose lives had been affected little by the ups and downs in the American economy, now have a stake in America's future. In depressed areas, that common wisdom had said could not sustain businesses, jobs and hope have been created.

In recognition of this significant development in America's economic growth, 3 years ago, President Reagan proclaimed the first full week of each October as "Minority Enterprise Development Week." I join the President in saluting minority-owned businesses and stand ready to work with the administration to ensure their continued growth.

I am particularly proud of the results that have been achieved in my home State of New York. New York is one of the leading States in Defense Department contracts and is also among the leaders in defense subcontracts awarded to minority businesses. While strengthening our national defense, we have been able to assist minority-owned enterprises. I believe that what we are achieving in New York can serve as a role model for cooperation between the Government and minority-owned companies throughout the country.

In my own district in Queens, the efforts of Nat Singleton, the executive director of the Association of Minority Enterprises of New York, have been recognized by the U.S. Department of Commerce. On October 4, Nat will be receiving an award for his outstanding contributions to minority business development at the Department's New York Regional Awards dinner.

The work that Nat and AMENY have done in the New York area has had a significant effect on our community. The advancement and development of community based minority-owned businesses has instilled a sense of pride and achievement in communities where those commodities had been sorely lacking. More importantly,

each new success story serves as a model for aspiring minority entrepreneurs.

The President often talks about those Americans who have overcome the odds and achieved the American dream. Unfortunately his words and his actions are often out of sync. In fact his administration has often adopted policies that are antipathetic to the development of minority-owned businesses. I hope that Minority Enterprise Development 1985, will signal a new spirit of cooperation between the White House, the Congress and the business community that will help us reach the goal we all share—economic opportunity for all Americans.

PERSONAL EXPLANATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. GILMAN. Mr. Speaker, as ranking minority member of the Select Committee on Narcotics, my presence was required in Boston, MA, on Friday, September 20, 1985, to cochair a hearing on drug abuse along with Chairman RANGEL and Congressman JOSEPH MOAKLEY. Had I been present, I would have voted "aye" on rollcall No. 316, the rule providing for consideration of H.R. 2100, the Food Security Act.

COSPONSORS OF H.R. 3180

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mrs. KENNELLY. Mr. Speaker, the names of Mr. FLIPPO, Mr. MATSUI, Mr. MCGRATH, and Mr. PICKLE were inadvertently deleted from the list of original cosponsors of H.R. 3180, a bill to permanently exempt from the Federal unemployment tax wages paid to full-time students employed by summer camps, when it was introduced on August 1, 1985. I very much appreciate the support of my colleagues for this bill.

HILLSIDE MANOR HEALTH RELATED FACILITY IN QUEENS COUNTY, NY, CELEBRATES ITS 10TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the dedicated administrators and staff members of the Hillside Manor Health Related Facility on the momentous occasion of its 10th anniversary, which will be celebrated with a party and communitywide open house on October 1, 1985.

Mr. Speaker, patients receive outstanding health care at Hillside Manor, a 400-bed facility in Jamaica Estates, NY. The institution consistently uses innovative and creative programming to enrich the lives of every one of its patients.

Through the commitment and compassion of its staff and administrators, Hillside Manor has become an active part of the Queens community. This fine operation gives senior citizens an opportunity to find meaning and fulfillment by taking part in the community, and by reaching out to meet the needs of others. Last summer, the patients poured their time, imagination and love into making toys for needy children in Queens. Everyone benefited from this creative program—the men and women who generously crafted these gifts, and the youngsters whose lives were brightened by a colorful toy.

Hillside Manor also takes part in annual Summer Olympic Games with other Queens nursing homes, and recently competed in the New York State Senior Games. The staff also joins patients for an annual talent show that features songs, skits, and other entertainment.

Mr. Speaker, staff members at Hillside Manor use the most recent advances in physical and occupational therapy to help their patients. The facililty itself has grown to 205 skilled-nursing beds and 195 health-related beds.

The skill and dedication of the staff and the administration are outstanding. I would especially like to publicly acknowledge Dr. Stanley Dicker and Judith Dicker, the executive directors of Hillside Manor, and the administrator, Larry Slatky.

Mr. Speaker, I would like to take this moment to ask all of my colleagues in the U.S. House of Representatives to join with me now in congratulating the entire staff and administration of the Hillside Manor Health Related Facility, on the occasion of its 10th anniversary.

A TRIBUTE TO FRANK PRICE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of my community and a friend, Frank Price. I ask my colleagues to join me in honoring this tremendous individual. This year on October 15, the Jewish National Fund will present Frank Price with the prestigious "Tree of Life Award."

This exceptionally gifted and successful gentleman has succeeded in bringing his special managerial talents to the leadership of two of the most successful motion picture studios in the industry. Frank Price is currently chairman of MCA's Motion Picture Group and vice president of MCA, and was previously chairman and chief operating officer of Columbia Pictures. During his time at Columbia Pictures, he was responsible for major film successes, including Academy Award winners "Kramer versus Kramer" and "Ghandi."

Along with his prodigious success in the motion picture industry, he has found time to donate his time and energy to many worthy causes. He has been a strong supporter of Israel and the Jewish National Fund.

It is my pleasure and honor to join with my colleagues and the Jewish National Fund to pay tribute to Frank Price, a highly successful individual and an outstanding member of his community.

AMENDMENT TO H.R. 2100

HON. JIM OLIN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1985

Mr. OLIN. Mr. Speaker, the Olin-Michel amendment to title II of the Food Security Act of 1985, H.R. 2100, which I am introducing today, is designed to bring maximum benefits to the dairy farmers of America. It appeals to those of us who believe the market is the best agent of supply management and who also believe that the Government should not be cast as the supply enforcer.

To summarize our amendment, it replaces the unpopular assessment/diversion provisions of H.R. 2100 with a straightforward return to the support price as the regulator of production.

The current $11.60 per hundredweight support price is retained until January 1, 1986. If the Secretary of Agriculture determines on January 1, 1986, that Government purchases will exceed 10 billion pounds milk equivalent in the next 12 months, the support price would be lowered by 50 cents. On January 1 of each succeeding year, 1987 through 1990, if Government purchases are projected to exceed 5 billion pounds, the support price would be reduced another 50 cents. On any January 1, if annual Government purchases are projected to be below 2 billion pounds, the support price would be raised 50 cents.

Our amendment also:

Removes legislated minimums in the class I differential and extends the current administrative procedure for adjusting the differentials in milk marketing orders, and

Removes the proposed new endowment research fund.

Recognizing that there are many commendable features of the committee's proposed dairy title, our amendment:

Retains the provisions for red meat purchases if a milk diversion program is ever enacted;

Retains a study of casein imports;

Retains the establishment of a National Commission on Dairy Policy;

Retains the transfer of dairy products to military and veterans hospitals;

Retains the dairy indemnity program;

Retains the protection for producer handlers.

SENATE—*Wednesday, September 25, 1985*

(Legislative day of Monday, September 23, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

YOM KIPPUR

Come now, and let us reason together, saith the Lord: though your sins be as scarlet, they shall be as white as snow; though they be red like crimson, they shall be as wool.—Isaiah 1:18.

God of Abraham, Isaac, and Israel, Yom Kippur, Day of Atonement, and the invitation of the prophet Isaiah remind us of the forgiveness of God. Thank Thee, merciful God, for this annual reminder that Thou art a God of grace and forgiveness. Guilt is not a new experience for any of us. All have suffered in one way or another from this corrosive, enervating influence. How tragic, Lord, and how unnecessary when Thou art so ready to forgive if we will acknowledge our need, confess our sin, and receive Your love. Forgive us, dear God, for failing to receive Your forgiveness. In the name of Your forgiving love. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The SPEAKER pro tempore. The distinguished acting majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President, I am always impressed by the words of our Chaplain. I hope our colleagues always either hear them or review them in the CONGRESSIONAL RECORD. Again, they are right on target with the issue of guilt, how we use and misuse that in our lives and in our pursuits. It is always a pretty heavy burden when we drag that one around—that has been my experience personally—and not very helpful. So those remarks are appreciated.

SCHEDULE

Mr. SIMPSON. Mr. President, we have the standing order of 10 minutes each for the two leaders.

There are special orders in favor of the following Senators for not to exceed 15 minutes each: WEICKER, BAUCUS, BINGAMAN, DECONCINI, DIXON, FORD, LONG, RIEGLE, EXON, PROXMIRE, and MATSUNAGA.

There will be a period for routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following routine morning business, the Senate could turn, and hopes to turn, to two items, Treasury appropriations and HUD appropriations. I emphasize that those involved in those two measures with amendments or comments or who have a desire to participate in the debate do so.

There will be no rollcall votes during this day's session of the Senate because of the Jewish holiday.

THANKS TO SENATOR STAFFORD AND SENATOR BENTSEN

Mr. SIMPSON. Mr. President, I pay my respects to Senator STAFFORD and Senator BENTSEN for their fine work with regard to Superfund. We shall go to a vote on that tomorrow. The chairman of the Committee on Environment and Public Works and the ranking minority member, I think, did an excellent job of steering that measure through the Senate. They are very patient persons, both of them. It is a pleasure to be a member of that committee. I think we have a good proposal to send to the U.S. House of Representatives on the critically important issue of Superfund. I thank them on behalf of the leadership for their efforts.

Mr. President, I would add my thanks also to the full staff of the Environment and Public Works Committee. They should each be proud of the effort they have made on this legislation and the results we have achieved. I would mention particularly Kathy Cudlipp, Lee Fuller, Curtis Moore, and Phil Cummings, who have each been most patient and accommodating to this Senator.

Finally, I would especially thank Brent Erickson and Jim Strock, who have both been remarkably helpful to me as I have grappled with the complex issues relating to Superfund. They have been consistent and dedicated to the task, and always quite knowledgeable on the difficult technical questions that have arisen. They were committed to reaching a fair and proper result. I deeply appreciate their efforts.

RESERVATION OF MAJORITY LEADER'S TIME

Mr. SIMPSON. Mr. President, I reserve the remainder of my time and yield to the Democratic leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

RESERVATION OF MINORITY LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time under the order throughout the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR WEICKER

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut [Mr. WEICKER] is recognized for not to exceed 15 minutes.

Mr. WEICKER. I thank the Chair.

10TH ANNIVERSARY OF PUBLIC LAW 94-142, THE EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

Mr. WEICKER. Mr. President, I send a resolution to the desk at this time for myself, Mr. KERRY, Mr. STAFFORD, Mr. NICKLES, Mr. THURMOND, Mr. SIMON, Mr. KENNEDY, and Mr. HATCH.

The resolution commemorates the accomplishments of Public Law 94-142 on the 10th anniversary of its enactment. Cosponsored by all of the members of the Subcommittee on the Handicapped, this resolution reaffirms Congress' support for this landmark legislation that has opened the doors of public education to some 4 million handicapped children across the country.

In 1954, when the U.S. Supreme Court decided Brown versus Board of Education of Topeka, the Court held that education "is a right which must be made available to all on equal terms." It was 20 years after that decision that Congress extended equal educational access to the handicapped

children of our Nation. With the passage of 94-142 all handicapped children were assured a free appropriate public education, no matter what their disability, no matter how severe their disability. The significance of this mandate cannot be understated. With its passage, access to public education in this Nation became truly universal.

Just 10 years ago, many of the Nation's handicapped children had the doors of the schoolhouse closed to them. Thousands were shut away in institutions with no schooling. Those who did manage to enter the schoolhouse doors often found inadequate programs waiting for them. Public Law 94-142 opened those doors and today all handicapped children are entitled to a free appropriate public education. Today it is illegal for a school district to say "no" to a handicapped child. Today, parents are fully enfranchised partners with educational professionals in determining their child's program. As a parent of a handicapped child in special education, I can personally testify to the effectiveness of this partnership.

The impact of this legislation is impressive; 4,128,009 handicapped children were served under 94-142 last year; 465,763 education professionals were trained to work with handicapped students; and over 7.5 billion Federal dollars were appropriated in the last 10 years.

But these numbers do not tell the whole story. These numbers do not measure the true impact of this legislation. We must look at the change this legislation has fostered in all of us to see its most significant impact. Public Law 94-142 asks us to look at handicapped children in the same light that we see nonhandicapped children—as human beings with individual differences, unique needs and unique potentials. We do not have to look hard to see the payoffs of equal opportunity for handicapped students. The mentally retarded adolescent working in a cleaners after school; the wheelchair-bound athlete competing in a race; the deaf student attending college alongside his hearing peers; we are all richer for the accomplishments of disabled citizens.

While it is my purpose today to note the progress made over the last 10 years, we cannot forget that the accomplishments of this act are only possible because of a vigorous defense of this act. Congress and the American people have challenged to affirm support for Public Law 94-142 many times. When the Reagan administration proposed block granting 94-142, Congress said "no." When the Reagan administration proposed cutting funding for 94-142, Congress said "no." When the Reagan administration proposed gutting the 94-142 regulations, the American people said "no" with a voice that Congress heard loud and clear. Last July, after the Supreme Court's Smith versus Robinson decision, which undermined parents' full protection for the educational rights of their handicapped children, the Senate unanimously said "no" by passing the Handicapped Children's Protection Act, which reverses that decision.

We have also been able to make significant improvements in the programs authorized by the Education of the Handicapped Act. Both the Transitional Service Program, which assists handicapped youngsters leaving school in moving into the adult world, and the Parent Training Program, which advises parents of their rights under 94-142, are new programs added to the law in 1983. The $90 million increase in funding for special education programs, which we secured for the fiscal year 1986 budget, is a step forward as well.

We can all be proud of the improved programs and increased funding we have secured. But we must also affirm our commitment to continue the battles before us. What will the accomplishments be in the next 10 years of Public Law 94-142? Will we be celebrating defeats of block granting and flat funding, or will we be celebrating true movement forward? Let us hope we can report that all handicapped children are being served beginning at birth, rather than beginning at age 3. Let us be able to report that all handicapped youngsters who turn 21 and move into the adult world are working and living in their communities along with their nonhandicapped peers. Let us be able to report that the Federal Government has fulfilled its promise and is funding 40 percent—rather than the current 7½ percent—of the cost of special education.

I urge my colleagues to join me in cosponsoring this important resolution, and to reaffirm your support for this critical Federal program. I ask unanimous consent that the text of this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 71

Whereas part B of the Education of the Handicapped Act, commonly known as Public Law 94-142 (The Education for All Handicapped Children Act), was signed into law ten years ago on November 29, 1975;

Whereas Public Law 94-142 established as policy for the United States of America the principle that all children, regardless of disabling condition, have the right to a free, appropriate public education in the least restrictive setting;

Whereas Public Law 94-142 currently serves over 4,000,000 handicapped children;

Whereas Public Law 94-142 ensures the full partnership between parents of children with disabilities and education professionals in design and implementation of the educational services to be provided handicapped children;

Whereas Public Law 94-142 has greatly enriched the classrooms of the Nation by allowing the potential of children with disabilities to be developed, together with the potential of nondisabled youngsters;

Whereas Public Law 94-142 has greatly enriched America's society as a whole by providing the means for disabled youngsters to contribute to the social and economic progress of the United States; and

Whereas Public Law 94-142 has succeeded even beyond the expectations of congressional supporters in marshalling the resources of the Nation to fulfill the promise of full participation in society of disabled youngsters: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the 10th anniversary of the enactment of Public Law 94-142 and the successful implementation of that law;

(2) acknowledges the many and varied contributions by disabled youngsters, parents, teachers, and administrators; and

(3) reaffirms its support for Public Law 94-142 and the primary goal of Public Law 94-142 that all children, regardless of disabling condition, have the right to a free, appropriate public education in the least restrictive setting.

Mr. WEICKER. Mr. President, I can report firsthand what has been achieved by virtue of this law, report firsthand in the sense of seeing the faces of the children who attend the classes authorized by this legislation, funded by the appropriations attendant thereto. This is an investment of the American people that would bring joy to everyone's heart, but it is also true that in the disposition of funds at the local and State level this portion of our population still has to fight hard to get what they deserve.

One small story—and then I will wrap up—best illustrates the benefit that we all derive as American people whenever we try to do something special for that individual who needs our special care. One aspect of 94-142 has been the early intervention program. In effect what this does is send youngsters to school in their first 6 months, it being found that education at that age takes hold and clearly influences the future life path of these individuals. That has been a small program with only a few million dollars, but it has been amazingly successful. Youngsters who in the past have been uneducatable or have suffered from the lack of education are taking their place in the mainstream of our society because of early intervention.

Now, for whatever pride one takes in having afforded this opportunity to the handicapped, we now know that early education for all of our children is better. So that which was discovered on behalf of the handicapped will soon probably become the norm, maybe not as early as 6 months but certainly much earlier than children now go to school. So that the nonhandicapped child in the United States will benefit

from this particular outreach to the handicapped children.

It is also true that in the United States of America when we move together we move well and when we try to move ahead at the expense of each other, we falter. Public Law 94-142 is a very bright chapter in the history of the U.S. Senate, the House of Representatives, and the executive branch. It was a great legislation but even greater is what it has produced for our children. So I hope that we no longer doubt its success or seek to hobble it in pursuit of success but, rather, conceptually and monetarily, continue to keep this one of the brightest stars in our galaxy of achievements as a nation. I thank the Chair, and I yield the floor.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER. Under the previous order, the Senator from Montana [Mr. BAUCUS] is recognized for not to exceed 15 minutes.

THE DEBT MENACE

Mr. BAUCUS. Mr. President, Federal budget deficits and our country's debt—both domestic and foreign—have become a looming presence in our economy. I fear that the litany of figures describing our Federal deficits, our trade deficits, and the increase in our national debt will become numbing: I worry that we will begin to turn off to the figures and not recognize that they describe a situation of declining competitiveness. But the debt imposes a real burden, not only on us today—on American business, on American workers—but also on future generations. We cannot allow ourselves here in Congress or the President or the country to become inured to the unbelievable growth in our Federal national debt over the last 4 years.

I remember way back in 1980, how horrified we were by the prospect of a $60 billion Federal deficit. Yet just last year—in the second year of a modest recovery—the Federal deficit was more than three times that: $195 billion. In just 4 years the Federal debt has doubled.

Sometime in the next 2 weeks we will have to increase the debt ceiling to $2 trillion. That number is so big that we cannot comprehend it.

One trillion one-dollar bills stretched end to end would reach from our Earth all the way to the Sun and back. What do the deficits and the debt mean to us? What do they mean to our Nation, to our children?

The deficit means less money for the functions of Government.

This year, we will spend $130 billion just to pay interest on the national debt. That is more than the cost of the entire Federal Government in 1962. That is $130 billion that is not available for programs like health care, aid to farmers, education, or national defense.

Interest on the national debt is the ultimate waste in Government. It is the price we pay for hiding our inability to make the real choices of Government.

Let me put that $130 billion in another perspective: $130 billion is about the amount the Federal Government collects in personal income taxes from all taxpayers west of the Mississippi. That is, all the taxpayers west of the Mississippi are devoting their entire personal income taxes to paying interest on the national debt.

The Federal deficit, our national debt, are a mortgage on the future. In 1984, the deficit consumed two-thirds of our net private domestic savings, leaving only one-third for private investment. If we do not invest in this country, we will not restore our rate of productivity growth. Without growing productivity, we cannot compete in world markets, and we cannot have a rising standard of living.

The Federal debt is a burden on our children in another way: We are sending them our bills to work just to pay interest on our debt.

INTERNATIONAL DEBT

Huge Federal deficits have also made the U.S. Government a champion borrower. Our Government has financed these deficits by soaking up private savings both here and from abroad. In doing so, we have driven the U.S. dollar to unprecedented levels, effectively taxing our exports and subsidizing our imports.

What does that mean? Does it make any difference? People used to argue that the debt was nothing to worry about because we owed it to ourselves. But today even that consolation is false. Of the $130 billion in interest that we will pay this year, at least $20 billion will go to foreigners.

We need to borrow from foreigners because our budget deficits are huge and our domestic savings relatively small. Today, foreign capital finances, either directly or indirectly, are half of the budget deficit. The interest on that borrowing will leave our country.

We have borrowed at such a rate that in 4 years the net creditor position of the United States—built up over 70 years—has evaporated. Sometime next year, we will win the trophy as the all-time largest international debtor. We will have eliminated, virtually overnight, 70 years of built-up credit. By 1990, our foreign debt will top $500 billion.

However, the scariest fact of all is that at some point—even with comparatively high real interest rates in the United States today—foreign investors will decide that they hold enough dollars and enough U.S. securities and will stop feeding our voracious appetite for capital. What happens then?

CONCLUSION

The United States has been a debtor nation before in peacetime, in the 19th century. But things were different then. We were a developing country. We borrowed massively from abroad to build factories and railroads—that is, we borrowed to invest in America. Today we are also borrowing, but we are not borrowing to invest. We are borrowing to consume. We are not using foreign capital to build things that will produce wealth. Rather, we are using foreign capital to avoid difficult choices.

We are an industrialized nation. We are the wealthiest nation in the world. But we have saddled our children with a huge debt because we have failed basic tests—the tests of reality and discipline.

Reality is that slashing revenue by more than you cut spending does not lead to a balanced budget. Reality is that we will not "grow out of" the deficit. Reality is that high budget deficits, combined with low savings rates, lead to an overvalued dollar, which in turn leads to record trade deficits. Reality is recognizing the need to act.

Discipline is the key here. Discipline and courage are needed to bring down our twin deficits. That means Congress and the President together, this year, must move to reduce the budget deficit even further.

Addressing our problems will not be easy, but we have an obligation to those who give the governance of this great Nation to us in trust—and an obligation to the next generation.

One of the great tragedies has been the failure of Presidential leadership in this field. The President who came to office pledging a balanced budget has proposed a string of never-ending record deficits that have doubled our total national debt.

He has argued that a high dollar is a source of pride and a trade deficit is nothing to worry about. Just last week, at his news conference, he did not know that we were a debtor nation.

Recently, there have been signs that reality may be sinking in. I hope so. The announcement that the President will seek the dismantling of trade barriers abroad is a good start. The statement by the finance ministers was encouraging. But announcements will not substitute for commitment and action.

Americans engaged in business, Americans who are losing markets to overseas companies, American workers who have lost or fear the loss of their jobs from a decline in our comparative international competitiveness are watching the value of the dollar in international markets. They are

watching to see if the actions announced by the finance ministers of the five largest industrial countries in the world are real.

Mr. President, it is very important that there be more than rhetoric behind Sunday's announcement. It is critical to our exporters, and our economy that the value of the dollar be brought back to more in line with the currency of other countries. All of us are watching with hope—and a touch of skepticism.

My skepticism seems to be shared by the market. At this hour the dollar is relatively stable. The value of the dollar fell dramatically with the announcement a couple of days ago, but it was up a little yesterday and today it is stable.

We will all have to wait and see whether his actions follow his words.

We in Congress also have an obligation. We have to strengthen our trade laws and encourage the President to exercise his authority.

More fundamentally, important as intervention is to bring the dollar back into line, reducing our Federal budget deficits is key.

Mr. President, I think it is incumbent both upon us as Members of Congress and upon the President—because in our form of government we have to work together—to make a bipartisan effort to further reduce the Federal budget deficit.

I know there are many excuses, all kinds of reasons why we cannot cut spending here or why we cannot raise a revenue there.

Yet we all know that a significant further reduction in the Federal budget deficit—in a fair, even-handed, across-the-board way—would result in lower interest rates and a much more prosperous American economy.

I urge all of us to try once again this year to reduce further the budget deficit. I know all of us will work with the President to do so because I believe that after all the politics have cleared the air, the President and Congress will do what is right for the country.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. D'AMATO). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I am perfectly aware of the unanimous consent special orders at this particular time. I will yield when someone else reaches the floor.

At this particular time while we have a pause, I ask unanimous consent that my comments here with respect to the Truth in Budgeting Act, as I call it, or more formally entitled the Balanced Budget and Emergency Deficit Control Act, be included in the RECORD later today after the distinguished Senator from Texas [Mr. GRAMM] presents along with me the Balanced Budget and Emergency Deficit Control Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Remarks by Mr. HOLLINGS at this point are printed later in today's RECORD.)

CONTINUING APPROPRIATIONS, FISCAL YEAR 1986

Mr. HATFIELD. Mr. President, I now ask unanimous consent that the Senate now turn to the consideration of Calendar No. 310, House Joint Resolution 388, the continuing resolution, and it be considered under the following agreement: That no amendments be in order to the joint resolution; that no motions to recommit with instructions to be in order.

Mr. BYRD. Mr. President, reserving the right to object, I will not object. This has been cleared on our side of the aisle through the Cloakroom and through personal contacts. Senator STENNIS, I am advised, is aware of the action that we are now taking and has no objection not only to the action but to it being done at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 388) making continuing appropriations for the fiscal year 1986, and for other purposes.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HATFIELD. Mr. President, the continuing resolution reported from the Appropriations Committee yesterday provides interim funding for all departments and agencies covered under the 13 regular appropriations bills until November 14, 1985. The measure was passed by the House last week without extraneous amendments, and was reported by our committee without amendment. It is a simple, straightforward, clean continuing resolution, and should be passed without amendment.

The funding levels for the various bills are as follows:

Lower of House or Senate bills: Energy and water legislative.

Lower of House or current rate: Agriculture, Commerce, District of Columbia, HUD, Interior, Transportation, and Treasury.

Current rate: Defense, foreign operations, Labor-HHS, and military construction.

Should the Senate pass any of the bills now on the calendar, the funding level for that bill will automatically shift from the "lower of House or current rate" level to the "lower of House or Senate bill" formula.

The resolution also provides for the continuation of existing provisions of law regarding the prohibition of federally funded abortions and the prohibition against preventing the implementation of programs of voluntary school prayer and meditation in the public schools.

Mr. President, this is a classic continuing resolution in that it provides for the lowest level of funding possible for continuation of existing programs and activities for an interim period, during which time the Senate and House can complete action on the regular appropriations bills. I urge adoption of the resolution.

The PRESIDING OFFICER. Is there any further debate?

Mr. BYRD. Mr. President, I ask unanimous consent that any Senators who may wish to have a statement appear in the RECORD may have authority to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, the Senate is today considering House Joint Resolution 388, continuing appropriations for fiscal year 1986, without amendment and sent it to the President for his signature. I commend the majority leader, Chairman HATFIELD, and my Senate colleagues for acting in a timely fashion to keep the Federal Government operating for a 45-day period while the Congress completes its consideration of the regular fiscal year 1986 appropriation bills.

I would like to insert into the RECORD a table showing the effects of the Senate version of the continuing resolution if the levels were funded for the full fiscal year. My colleagues will notice that the total of the bill is $9.5 billion in budget authority and $1.6 billion in outlays below the Budget Committee crosswalk allocation. This is due to the fact that the bills included in the resolution are funded at the lower of the Senate- or House-passed level or the current level, where appropriate.

I must point out, however, that savings of $9.9 billion in budget authority and $4.3 billion in outlays are due to funding defense programs at the current level. Without this significant underage, overall funding for Federal programs would exceed the budget resolution totals, particularly in regard to outlays.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF HOUSE JOINT RESOLUTION 388, FIRST CONTINUING RESOLUTION FOR FISCAL YEAR 1986

[As of September 25, 1985—in millions of dollars]

Appropriations Subcommittee	President's request [1]		Budget Committee crosswalk allocation		Current status [2]		Current status over/under ( ) President's request		Current status over/under ( ) 302(a) allocation	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture	27,522	24,029	28,024	24,978	28,149	25,151	626	1,122	125	173
Commerce-Justice	11,795	12,081	11,708	11,947	11,563	12,025	(232)	(56)	(145)	78
Defense	304,568	263,012	285,873	252,170	276,014	247,862	(28,553)	(15,151)	(9,859)	(4,308)
District of Columbia	532	532	532	532	532	532	0	0	0	0
Energy-water	15,281	15,620	15,714	15,692	14,945	15,454	(336)	(166)	(769)	(238)
Foreign operations	14,970	15,080	15,002	14,655	20,828	16,540	5,857	1,460	5,826	1,885
HUD-Independent	49,842	62,681	60,690	61,155	57,062	60,766	7,220	(1,915)	(3,628)	(389)
Interior	7,239	9,015	8,192	8,919	866	9,126	(6,373)	111	(7,326)	207
Labor-HHS	101,410	112,759	107,958	114,927	113,886	115,705	12,476	2,946	5,928	778
Legislative branch	1,830	1,848	1,653	1,678	1,638	1,696	(192)	(153)	(15)	18
Military construction	10,340	7,884	8,499	7,560	8,405	7,479	(1,935)	(406)	(94)	(81)
Transportation	7,839	25,989	9,965	26,597	10,711	27,098	2,872	1,109	746	501
Treasury-Postal	12,068	12,098	13,076	13,091	12,991	13,045	922	947	(85)	(46)
Subtotal	565,236	562,628	566,886	553,901	557,590	552,479	(7,646)	(10,150)	(9,296)	(1,422)
Unassigned	0	0	214	186	0	0	0	0	(214)	(186)
Total	565,236	562,628	567,100	554,087	557,590	552,479	(7,646)	(10,150)	(9,510)	(1,608)

[1] To provide comparability with the Senate crosswalk, Agriculture is adjusted by —$9,396 million for CCC.
[2] Adjusted to fully fund entitlement programs.
Note: Negative numbers appear in parentheses ( ).

The PRESIDING OFFICER. Is there further debate?

The joint resolution (H.J. Res. 388) was considered, ordered to a third reading, read the third time, and passed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I thank the Democratic leader, not only as the Democratic leader but as a member of the Appropriations Committee, for his help, and especially do I want to pay tribute again to the ranking member of our committee, the senior Senator from Mississippi, Senator STENNIS. I know of no man who makes a more extraordinary effort to fulfill his duties in the Senate and every aspect of them. Certainly, as a member of our Appropriations Committee he performs those duties with extraordinary care and ability. His not being present on the floor in no way signifies any less involvement than if he were here. He is not only truly a leader of the Senate, but perhaps my most revered colleague. He is certainly a very extraordinary performer on our Committee on Appropriations.

Mr. BYRD. Mr. President, I share the feelings which have been expressed by the distinguished chairman of the Appropriations Committee. I would only add that I personally appreciate the patience, cooperation, and supreme dedication constantly shown by the distinguished chairman and the distinguished ranking member [Mr. STENNIS].

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAXALT). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR FORD

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky [Mr. FORD] is recognized for 15 minutes.

THE UNITED STATES AS A DEBTOR NATION

Mr. FORD. Mr. President, like millions of Americans, I was saddened to learn recently that the United States of America has become a debtor nation. The fact that this benchmark was predicted makes it no less a somber development in our Nation's trade history.

I have to look no farther than my own State of Kentucky to see the ominous effects of our worsening balance of trade. In Kentucky, our farmers, our coal miners, our steel, textile, and other manufacturing workers are all painfully aware of the problem.

My State is fortunate as an agricultural State. Although we are heavily dependent on tobacco, there is a great diversity in our crops. Nevertheless, Kentuckians are frequently saddened as they see a neighbor forced off his farm due to the current crisis in agriculture.

Although agriculture contributes a net surplus to our balance of trade, that margin of surplus declined by nearly 30 percent. Agriculture's trade surplus has fallen from $23 billion in 1980 to $16 billion last year. Despite being a bright spot in our world trade picture, farmers have been abandoned as we have allowed specific tariff and nontariff trade barriers to be set against their products in all areas of the world.

American agriculture, the prime example of efficient production, is being devastated. It is understandable that statistics show that America's youth are abandoning the farm in alarming numbers. Who can blame them? And who will grow our crops tomorrow?

Our steel industry is also a victim of our trade dilemma. When Triton Group closed Kentucky Electric Steel in Boyd County last month, the reason they cited was adverse conditions in the domestic steel industry. When 500 workers are told they are losing their jobs because of their noncompetitive position, they look to Washington and ask why. And who can blame them?

Our steel carries a discounted price tag of about $420 a ton. In Brazil it sells for about $240 a ton. As a result, Brazil and other countries are dumping steel into this country. It is clear that our "voluntary import restrictions" on steel are not working.

Our coal is holding its own in the world market, due to increased productivity of individual producers. There was an increase last year of nearly 4 million tons in coal exports, compared with a 28 million ton loss the previous year.

Coal imports also held steady at about 1.3 million tons in 1984. U.S. utilities are buying foreign coal simply because it is cheaper. Half of our imported coal this year is being shipped from South Africa to a single utility in Florida. Much of the problem is our high transportation costs, and I hope that issue will be addressed in this Congress. However, if any foreign nation is found to be blocking entry of Kentucky coal, I want to know about it.

No one can deny that a great deal of the trade problem is the overvalued dollar, which is a direct result of our

massive Federal budget deficits. It is encouraging that actions taken this week are lowering the dollar. However, meaningful stability in our dollar can only come from addressing our budget problems. We are relying heavily on foreign capital to finance our debts. We must take actions to bring our Federal budget under control in a fair and sensible manner. If we fail, the results could be a lowered standard of living for Americans.

It is clear, however, there is much more to the trade problem than our high dollar. We are being clobbered in the international marketplace by our free trade ideals. We have been turning our back, pretending not to notice the subsidies which foreign nations put on their products, as well as blockage of our goods into their home markets.

Steps which the President announced this week to address this trade deficit are encouraging. However, I question why our trade imbalance was allowed to worsen to this point. We have tried to bring free trade to the world by example, while others practice self-interest. I doubt that the announced steps are sufficient to show our trading partners we mean business; that we demand fairness in world markets.

Currently, it is our industries and our farmers against foreign governments. It is not fair and I think we have had enough. We must be certain to examine foreign markets, product by product. Upon identifying barriers to free trade, we must initiate a strategy to counter these unfair trade practices. We must turn this situation around.

Our world is changing and we must make room, in our trade, for newly industrialized countries, such as Brazil, Taiwan, and Korea. However, Brazil, which restricts our exports, enjoyed a $5.4 billion surplus in trade with the United States last year. We can no longer allow the Third World status of these nations to stand as an excuse for unfair trade practices. We must also be especially careful to ensure that our trade with Japan is by the book. These newer countries on the world trade scene are using Japan as and example which they will follow.

While trading openly with these countries, we cannot fail to represent American workers in the marketplace. We must not erect our own trade barriers, but we must be as aggressive as the competition in promoting and encouraging the sale of U.S. goods, both at home and abroad. This includes fighting unfair trade practices. To continue to turn our backs on our trade problems would lead to continued erosion of our markets. We must address these problems fairly, but also swiftly to prevent lasting damage to our economy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A DEBTOR NATION

Mr. LONG. Mr. President, it should have come as no surprise that the United States is a debtor nation, because this fact has been predicted by eminent economists and bankers and even by Members of this body—including this Senator—for many months. Nevertheless, the announcement last week that the United States is a debtor nation seems to have surprised two important groups: the newspapers and the administration.

In fact, further surprises are in store for them.

Evidently, both the press and the administration are anticipating that the debtor status of the United States can be alleviated substantially through efforts to expand the exports of the United States. Apparently, any reduction of U.S. imports would be an unacceptable policy.

The efforts to expand exports include reducing the value of the U.S. dollar and pursuing actions to reduce foreign unfair trade practices. The surprise is, those efforts are unlikely to have the intended effect.

Let us examine the facts.

First, can we reasonably expect expansion of exports to reduce significantly the trade deficit of the United States?

In 1985, the United States will be the world's largest exporter in terms of value. The U.S. Department of Commerce projected in August 1985 that U.S. exports of merchandise for the year 1985 will be about $220 billion.

Simultaneously, this Nation will also have the world's largest trade deficit, projected by the Department of Commerce to be $141 billion. Most reputable observers anticipate the trade deficit may be $150 billion this year. Therefore, in order to get back to a balance by expanding exports without reducing imports, this country has to expand exports by $150 billion.

Does any Senator believe the other nations of the world would welcome the world's largest exporter expanding its exports by $150 billion without expanding its imports by about the same amount?

Increasing U.S. exports by $150 billion would be a 68-percent increase. From 1977 to 1980, the United States expanded its exports 82 percent—but it expanded its imports as well, by 60 percent. Even if we could duplicate that performance today, the U.S. trade deficit in 1989 would be $170.6 billion.

The whole world is quite upset with Japan for increasing their exports by $31.3 billion in the last 3 years; how do Senators think the world would regard the United States—already the world's largest exporter—increasing its exports by $150 billion in the next few years?

Export expansion may be possible, but it is a limited answer to the international debt problems of the United States.

Moreover, how soon can expansion of exports be made to happen by Government policies, such as intervening in currency trading to reduce the rate of exchange of the U.S. dollar?

The recent past is some guide. The administration reports that the U.S. dollar has already declined about 15 percent against European currencies since its high-water mark in February of this year. What has happened to the U.S. trade balance with the European Community—the Common Market—during that period?

Using Department of Commerce figures, it appears the U.S. trade deficit with Europe has actually grown worse, not better.

In February 1985, when the dollar was its strongest, the U.S. monthly merchandise trade deficit with the Common Market was $1.479 billion. In March, it was $1.442 billion; April, $1.275 billion; May, $2.052 billion; and June $2.337 billion. If reducing the value of the U.S. dollar will help to pay off our debts, it is going to take longer than 6 months, perhaps longer than 1 year.

Finally, consider the possibility of expanding exports by reducing unfair trading practices.

Since 1980, the Government of Japan has announced seven "packages," or sets of policy changes, to eliminate barriers to imports in Japan. Yet the trade deficit with Japan has never been worse.

I can tell Senators from years of dealing with trade problems that the word "unfair" is defined, for purposes of international trade, in terms of our international trade agreements. These are executive agreements, which are interpreted liberally by other trading nations. In fact, many nations we trade with—such as Mexico and Saudi Arabia—are not even parties to these agreements.

One case of how much matters work recently came to my attention, and I would like to share it with Senators.

In 1980, the United States signed an Executive agreement—which was subsequently implemented in every detail by Congress—to reduce export subsidies. This agreement permits the United States to apply special penalty

duties on U.S. imports to countervail against foreign subsidies.

Recently, I learned that the current administration and other governments are engaged in extensive discussions of various provisions of the subsidies agreement with a view to reaching agreed interpretations. Other governments were interested in getting an interpretation of the agreement that barred the United States from applying penalty duties when foreign subsidies were available to all industries in a country, as contrasted with subsidies that are made available to only a few exporters.

Our U.S. Trade Representative, Ambassador Yeutter, has now assured me that because legislation is pending in Congress to apply our antisubsidy law to such subsidies, which are called generally available subsidies, he has directed his staff to oppose adoption of any interpretation of the agreement on this subject until the congressional situation clarifies.

However, the lesson of this episode is that international agreements are subject to interpretations which can make nonsense of the concept of "fair" trade practices.

If we rely on pursuing unfair trade practices to expand our exports, a likely result is that the international rules will prove not to be a strong enough tool for this purpose.

If we are to pay off our debts, we will at some point be forced to have a trade surplus, or at least a surplus on current account, which is a broader measure of our international financial standing. We can continue to borrow for some time to buy imports, but ultimately we must pay off this debt. It is clear to this Senator that just trying to expand exports by the measures that have been taken in an effort to drive down the dollar and complaining about unfair trade barriers will not be sufficient to move us into a sound financial position. At some point, we must consider whether reducing imports is necessary in our national interest.

Let us keep in mind that we have very little control over exports. We have a lot of power to influence imports.

Mr. RIEGLE. Mr. President, I take the floor today to discuss the trade difficulties facing the United States and the fact that this is an urgent problem that requires very strong action by our Government.

And I will address aspects of that problem in the course of the remarks that I will be making.

This past week I initiated a monthly report which I have called a Monthly Trade Alert, which monitors 17 key measures of American economic strength in the intense international competition for jobs and product markets. This report picks up and extends the valuable work of the President's own Commission on Competitiveness which produced its findings earlier this year. The Monthly Trade Alert enables us as a nation to track carefully the current economic data to see how we are doing with respect to our trade position and to be able to see if we are gaining ground or losing ground.

After more than a year of study by top leaders of American business, labor, and Government, the President's Commission developed, I believe, a sound way to assess our competitive position. Taken together, these numbers give us a realistic picture of where this country stands in the struggle for good jobs, for economic security and a rising standard of living for our people.

My Monthly Trade Alert for September reviews U.S. performance during the first half of this year on key economic indicators of our position in world trade, labor productivity, real wage growth, returns on industrial investment, and other measures. One of the most disturbing developments that we find in this data over the first 6 months of this year is the fact that in March of this year for the first time since 1914 when the United States emerged as a major world economic power, we have become again a debtor nation.

The United States has borrowed more money from abroad in the past 12 months than the entire foreign debt of Brazil or Mexico accummulated over their entire histories. By the end of the year or early 1986, we will have become, if we remain on the current trend lines, the largest debtor nation in the world. And by election day next year, we will owe more than the next two largest debtors, Brazil and Mexico, combined.

So this debtor nation problem which has now come upon us is worsening at a terrifying rate.

The administration seems to have gone out of their way to confuse the public about the vitally important causes of this historic development of our debtor nation status, and its consequences for our standard of living. I think five important points need to be made and clearly understood by the American people:

First. The vast majority of foreign money coming into the United States has been going into interest sensitive debt instruments, not into real investments in plant and equipment as the administration often implies. Of the $172.4 billion of new foreign funds which came into the United States in 1983 and 1984, for example, only 20 percent went into direct business investments, while 47 percent went into various high-yield bank deposits, 18 percent into Treasury securities, and 13 percent into other securities.

The fact is, when foreigners send their money to the United States they are not giving our economy a vote of confidence as the administration wants to believe. Foreign interests are for the most part simply putting their money where interest rates are highest and U.S. interest rates have been far higher than in other major industrial countries. Three-month bank deposits in the U.S. currently draw about 8 percent interest, while the same deposits in Japan draw 3.5 percent. This higher cost of capital in the United States is also a major competitive disadvantage for American firms seeking to raise capital and compete with foreign companies in the international market peace.

The second factor I would cite in the rate of growth of foreign real investments in the United States has slowed dramatically in recent years. Foreign direct investment in the United States grew at a 20.5-percent annual rate from 1973–76, increased to 29 percent annual growth from 1977–80, but has declined to 18 percent growth from 1980–84. The last 2 years (1983–84) has seen the annual growth rate of real foreign investments in the United States decline even further, to 13.7 percent—barely half the growth rate of the 1970's. One reason for this is that real interest rates are so high the average return on investments in manufacturing assets have now fallen to only 63 percent of the yield available from safe investments in financial assets namely putting money in the form of a debt instrument whether by the government or private entity where one is assured a fixed percentage yield and virtually risk free.

The third factor I would mention is the small fraction of foreign money which does still go into real investments is now going largely into buyouts of existing business, rather than into new plant and equipment. In 1984, for example, three large buyouts of U.S. interests by foreign corporations accounted for half of all new foreign direct investments. Royal Dutch Shell of the Netherlands bought out Shell Oil for $5.7 billion, Nestle Corp. of Switzerland bought Carnation for $2.9 billion and Broken Hill Property of Australia bought General Electric's Utah International for $2.4 billion.

Most of the very small fraction of foreign funds which does go into new plants goes into final touch assembly plants where very little of the final value is added in the United States.

Much of the high value added subassemblies and aspects that make up the product are produced outside the country, brought in, and then finished up here in the United States.

These few, highly publicized investments, have been made primarily to maintain foreign import market share in the face of growing public concern over the loss of jobs and unfair international trading practices.

The fourth factor I would mention is the enormous net increase in U.S. foreign borrowing in recent years has been accompanied not by an investment boom as the administration often maintains but by a more than 50 percent reduction in the growth rate of total new business investment in plant and equipment. From 1977 to 1980, business investment in new plant and equipment grew at an average annual real rate of 7.5 percent. In the 5 years of this administration, business investment has grown at 3.5 percent—far less than half the previous rate—and is currently growing at only 5.8 percent.

Even these dismal figures understate the degree to which commercially productive business investment has been slowed in recent years as investments have been concentrated in noncommercial military production. We are not providing our workers with the tools and equipment they need to meet the foreign competitive challenge. Little wonder that U.S. productivity growth, which has been virtually flat for 10 years, is down by 2.8 percent in the first half of this year while our foreign competitors speed ahead with ever more efficient production.

If somebody wanted to take a look at the bottom line of how the economic strategies and policies of this administration have worked now as we end 5 years of that experiment, probably the most significant and troubling question that we have to ask is why was it in the first half of this year that American productivity actually declined? Why is it going down and not up? Why is it going down at a time when our toughest foreign competitors are showing impressive gains in their productivity? This is a very dangerous fact that needs to be understood and answered, and new strategies are needed—not just more of the same wishful thinking. It is not enough to say it is morning again in America when our productivity for the first half is declining as it is. We are going to have to change our policies and we are going to have to understand why we are in this difficulty in order to make the right kinds of adjustments. But we cannot allow these problems to drift. We have had drift now for almost 5 years.

We cannot allow ourselves to drift any longer or we will find ourselves in a situation where remedies that otherwise might be available to us will have disappeared or they will become so expensive we will not be able to afford them.

If present trends were allowed to continue, the United States could be a net debtor nation in terms of our relationships with the rest of the world by an amount of $1 trillion by 1990, which, with returns of only 10 percent, would require an annual outflow to foreign holders of these instruments of $100 billion annually, just as the interest cost to support that enormous burden of debt owed to foreigners.

The notion of being able to pile on that kind of additional debt service on top of the debt service that is accumulating from the out-of-control internal Federal deficits, is a back-breaking load by any measure. We would be fools if we were to allow ourselves to continue to move in this direction to amass that kind of fantastic debt burden. It literally is of an unmanageable size.

One does not have to be an expert in economics to know that if you get to the point in the future where the business cycle takes a downturn and we have to deal with a recession, presumably, at some point, a serious recession, the notion of being able to meet those debt service costs with an economy that is in difficulty will create even more damage and destruction in this country.

The time to see this problem is now, not to wait until it is upon us. We are at a point where we are so handicapped by our current adverse trends that we are not able to meet our financial requirements.

At some point in the future, in order to service today's foreign borrowing, we are going to be forced to play catchup and to consume and invest much less than we competitively produce. This is an enormous threat to the future.

Some say that U.S. foreign debt is different than that of Brazil or Mexico and that they have to trade for or buy U.S. dollars in order to service their debts. It is true in theory we can print dollars to pay our debts. However, this makes holders of dollar assets very nervous and increases the potential for a sudden run on the dollar or even a sudden dollar collapse which would be associated with the rekindling of inflationary fires and the skyrocketing of interest rates, possibly even ending in financial chaos. As Paul Volcker has said we are now hostage to foreign financing and the Federal Reserve is increasingly constrained. The budget deficits of Reagonomics has taken away the fiscal policy tool, and now the trade deficit and foreign debt is rapidly eliminating monetary policy as an effective policy tool.

The question is what are we to do in the next recession? We are offered no answers to that question. I think this is an especially important question to be asking today because we are now completing the 34th month since the last business cycle through in November 1982. In the six peacetime business cycles since 1945 the average expansion of trough to peak has been 34 months. We have had very slow economic growths for the past year and there are numerous danger signs of further slowdown and possible recession within the next year.

I hope that we can avoid that. We should do everything we can to try to avoid it.

In conclusion, there should be no confusion about the seriousness of the economic crisis we face. It is not enough just to talk tough about unfair foreign trading practices and to decry the loss of U.S. jobs and falling productivity. Token gestures will not turn around these negative trends and give us the economic security we need for the future. We need a national strategy now, one that is comprehensive, that brings American industry back into global markets as stronger and stronger competitors.

That means we need some external strategies and activities, changes, and we need some internally as well. The sooner we put that strategy together, the sooner we will put ourselves on trendlines that will offer a chance for the kind of economic security that I think the country needs and must have.

I thank the Chair.

The PRESIDING OFFICER (Mr. KASTEN). Under the previous order, the Senator from New Mexico [Mr. BINGAMAN] is recognized for not to exceed 15 minutes.

THE UNITED STATES AS A DEBTOR NATION

Mr. BINGAMAN. Mr. President, I want to begin by commending my colleague from Michigan for the excellent points he has made. I want to add my voice of concern as well about this trade issue and about the fact that this Nation has slipped into a debtor nation status for the first time in many, many decades.

Mr. President, I am pleased to say that the Democratic Working Group on Trade here in the Senate, which was created by the distinguished minority leader and chaired by the distinguished senior Senator from Texas—a group of which I am a member—has been concerned now since January, the time of its formation, with these serious problems.

We have issued one report, in April, which is a thorough analysis of the current situation and which makes several serious recommendations for change. Since April we have been working on proposed legislation to implement those recommendations.

REACTION TO THE PRESIDENT

I am also pleased to see that the President, in announcing a trade package Monday, is finally giving attention to the very serious problem of our trade deficit. I am concerned, however, that the steps he announced are perhaps too little and too late to realistically solve the deep problems of the weakening position of America in the world economy.

Unfortunately, I believe the President sees the entire issue of our declin-

ing competitiveness and growing trade problems as a political issue that needs to be dealt with by the administration at this particular time. I think this is wrong. These problems are fundamental, and serious in nature.

These trade problems which have been discussed both by the President and by many of us here in the Congress, require a long-term strategy to solve. It deeply worries me that there does not seem to be a concern for the development of a long-term strategy abroad in the administration today.

There also seems to be too little concern for the fact that this Nation, for the first time in 70 years, has now established itself as a debtor nation.

Much has been said of the fact that the United States is a debtor nation, but the issue of how it happened and what the prospects are for changing that situation have not been adequately explored.

In simple terms, it means that we owe foreigners more than they owe us. Although the United States owns about $1 trillion in assets abroad, foreigners own more than that in U.S. assets.

The United States, which just a few years ago was a big creditor, has now become a big debtor and promises to become a major debtor. It means that our once unmatched industrial power in the world is now somewhat suspect. In terms of our foreign debt, we could soon join the ranks of nations such as Mexico and Brazil, with regard to the size of that foreign debt.

While it is not yet known precisely how much our foreign debt is or what it will become, E. Gerald Corrigan, president of the New York Federal Reserve Bank, recently warned that public and private debt owed to foreigners because of mounting trade deficits could reach $500 billion by the end of this decade. Just servicing a foreign debt of this magnitude could require paying foreigners $35 to $45 billion each year.

We have accumulated this debt as a result of borrowing abroad by Americans, directly and indirectly, to finance the burgeoning trade deficit. That deficit this year is expected to reach $150 billion.

If we fail to come to grips with the causes of our debtor status and allow out debt to continue to grow, it will begin to affect our standard of living. According to the Congressional Budget Office, our debtor nation status will encourage foreigners to cut back on the dollar assets they want to hold:

> As capital inflows slowed, or ceased entirely, domestic interest rates could rise, perhaps sharply, and growth in the Federal debt could become explosive.

BUDGET DEFICIT

A major factor contributing to the rise in total debt has been the Federal budget deficit, which has grown to more than $200 billion a year in the 1980's and is still growing. This affects all of us. It creates the need for government borrowing, thus keeping interest rates high. This makes foreign capital attractive to U.S. markets and artificially drives up the value of the dollar relative to other currencies. Also, the money necessary to pay the interest on this huge national debt takes money from needed government defense and social programs. This year alone, the interest we pay on the debt amounts to $130 billion, an enormous amount of money that we could be spending on other, more important things, or that we could be applying to reducing the domestic deficit.

Most of all, the deficit hinders our effort to compete in the international marketplace. It increases the cost of our products overseas and threatens our economic growth. And it costs us jobs. In the past 5 years, close to 3 million American jobs have been lost to foreign competition. Over time, the burden of the debt brings a lower standard of living as money goes to pay off the debt and not to more productive uses. By creating such unprecedented levels of debt, we not only hurt ourselves, but worse, we hurt our children, who eventually will have to pay the bills for our mismanagement of the economy.

While some action has been taken this year to reduce the deficit, it is not enough, in my opinion. Congress needs to continue to find fair and responsible ways to reduce the deficit even more.

TAX POLICY

As we in Congress continue to address the need for tax reform, we must review our tax policies in terms of whether they provide incentives for savings and equity investment, as well as whether they encourage the competitiveness of our products in the global economy.

At this time, our tax policies have not been constructed with respect to how they impact our domestic economic situation.

Many of the proposals before us today in tax reform do not take into account adequately the need for continued economic growth. It is clear that we must find ways to encourage more personal saving and to free up capital for investment in research and development efforts.

TRADE DEFICIT

Our prolonged and continuing international trade imbalance is just as serious—stark evidence that our competitive position in the world economy is in decline. In August 1985, we imported more than we exported for the 116th month in a row.

This trade imbalance, along with the domestic budget deficit, has created serious concern about our economic future. Nearly all of the industries in the country now face fierce foreign competition—some of it unfair competition bolstered and subsidized by the national governments competing against us.

All sections of the United States' and New Mexico's economy that depend in part on trade have felt the sting of foreign competition. In many of these industries, there have been lost jobs and plant closings and slowdowns. The mining industry in our State—copper, potash, and uranium—has been particularly hard hit. And now the budding and critical semiconductor industry in New Mexico is being damaged by the same kind of unfair competition from abroad.

Mr. President, let me add at this point my concern for many of the industries of this country that have experienced unfair foreign trade practices.

In particular, the semiconductor industry, where we have always enjoyed a competitive advantage, has also experienced stiff foreign competition, some of it unfair.

In June, the U.S. semiconductor industry filed an unfair trade petition under section 301 of the 1974 Trade Act.

It concerns me that the President, in acknowledging unfair trading practices failed to mention the semiconductor case. Seven of ten high-tech industries have lost world market shares since 1965. In 1984, our bilateral trade deficit with Japan in electronics was greater than in automobiles. However, our semiconductor industry is not asking for protectionism, it is simply asking for fair trade.

Under section 301, the President has broad powers to deal with unfair trade practices and the harm it has caused to the American computer industry in New Mexico and in other States.

I personally encourage the President, if he is serious about improving our trade policies, to aggressively eliminate unfair trade by acting quickly on the semiconductor case.

The problem of our growing trade deficit is reversible. But we must act. We must first agree that there is indeed a problem, and I believe the President's statement on Monday is a sign that he recognizes the seriousness of the problem. Then we must meaningfully reduce our domestic deficit. And we must change our trade laws to combat unfair foreign trade practices without resorting to a policy that kills free trade. It will not be easy, but it has to be done.

I have introduced three pieces of legislation this year to attack some of these problems. One of these bills, S. 450, is a measure to create a national bipartisan trade commission along the lines of the blue ribbon panel named to solve the Social Security problem in 1983. This commission would develop a coherent, cohesive U.S. trade policy

designed to keep us strongly competitive in the new global economy. I have also recently cointroduced with Senator MITCHELL, S. 1476, the Fair Foreign Trade Practices Act to bring appropriate, sure relief to industries that have truly been hurt by unfair competition—industries such as mining and semiconductors. And just this last week I introduced S. 1672, the Export Promotion Information Center Act, to provide a vehicle to encourage trade promotion to upgrade U.S. aggressiveness in world markets.

Much more needs to be done to solve our trade problems and we must continue to work on these solutions. The Congress and the American people are faced with several options to reduce the trade deficit. We can limit imports, increase exports, or a combination of both. I do not believe that restricting imports will, in the long run, solve our trade problems or benefit the economy. We live in a global economy, and the United States is a major player in that economy. Over 12 percent of our gross national product is derived from international trade. For a lasting solution, we must reformulate our trade policies, improve enforcement of our trade remedy laws, and we must have an expansion of our exports, rather than a contraction of imports. We must continue to work on all these things in the coming weeks and months.

At this time, however, we must also find ways to address our domestic and foreign debt. We must reduce the Federal budget deficit while holding down inflation, we must address our currency imbalance, and we must reassess and correct our trade practices which are harmful to our economy.

I thank the Chair.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I yield to the distinguished Senator from Texas [Mr. GRAMM].

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished Senator from Wisconsin for yielding. I ask unanimous consent to proceed for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1702—BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

Mr. GRAMM. Mr. President, on behalf of myself, Mr. RUDMAN, Mr. HOLLINGS, Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. COHEN, Mr. EVANS, Mr. GOLDWATER, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. MATTINGLY, Mr. MCCLURE, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, Mr. ZORINSKY, Mr. DENTON, and Mr. KASTEN, I send to the desk the Balanced Budget and Emergency Deficit Control Act of 1985. I ask for its referral to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. GRAMM. Mr. President, I ask unanimous consent that the list of cosponsors be left open for the remainder of the day to allow those who wish to cosponsor it to add their names.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, we shall have the unhappy task in the first week in October of raising the debt ceiling to over $2 trillion. In doing so, we not only pass another landmark in the national debt, but we admit once again that the budget process has failed and that we have failed.

Often, I have heard, in my 7 years in Congress, the argument made on behalf of raising the debt ceiling that the situation is akin to one where your spouse has gone out and spent all this money and you may not like it, but as an honorable person and as an honorable family, you have to pay the bills.

But basically, Mr. President, that is where the analogy ends. The difference is that families do that every day, but the thing they do we do not is that after they paid the bills they sit down around the kitchen table, they call in the credit cards and they set into place a plan to try to do something about their prodigal spending. The proposal that I have introduced today, with 22 cosponsors, is exactly such a plan.

The Balanced Budget and Emergency Deficit Control Act of 1985 is a 5-year emergency measure which sets out a 5-year path to balance the budget by 1990. It begins with a deficit in the budget that we have adopted for fiscal year 1986 of $171.9 billion, and reduces that deficit in four increments to a balanced budget by 1990. While this emergency measure is in force, the President will be required to submit budgets to the Congress that have deficits no greater than the maximum allowable deficit. It will not be in order for the Budget Committee of the House or Senate under this emergency provision to send to the floor any budget which violates these maximum deficit ceilings. In consideration of such budgets for this 5-year emergency period, no amendment shall be in order except a zero-sum amendment which if it adds to spending or reduces legislative savings or cuts taxes in one area, it must within that amendment have a corresponding action to eliminate the impact on the deficit.

The budgets under this emergency bill after they are adopted will be binding down to the subcommittee level to effectively control spending. The requirement for a second budget resolution will be waived under these emergency provisions. Finally, and most importantly, on November 1 of this fiscal year, fiscal year 1986 and on October 1 of each year thereafter, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office will report jointly on projections for real GNP growth, the Federal deficit, and other relevant economic data. If those projections show that the expected deficit exceeds the maximum allowable deficit by 5 percent or more, then this joint report shall outline what reductions across the board in automatic increases and relatively controllable expenditures would be required to eliminate the amount by which the projected deficit exceeds the maximum allowable deficit. That report will be submitted jointly to the President and to the Congress, and if the projection for real GNP growth is nonnegative, that is, if there is no recession, the President will be required within 14 days to issue a sequester order under this bill which will suspend automatic increases and relatively controllable expenditures across the board to eliminate the deficit overage.

The President may at his volition at that time send to the Congress and to the two Budget Committees a proposed alternative to across-the-board sequestering to eliminate the deficit. Either Budget Committee of either House can on its own initiative or in response to the President's proposal send to the floor of the House and Senate a proposal containing an alternative way of terminating the deficit overage. That proposal will not be in order in a nonrecession year if it does not eliminate the total overage. Such an alternative would have to be adopted by both Houses of Congress and signed by the President to substitute for the across-the-board reduction.

In the event of war, this requirement and, indeed, all of the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985 would be suspended. In the event that the joint report of the Office of Management and Budget for the Congressional Budget Office shows a projection for a negative GNP growth, the President would have 30 days in which to produce his sequester order and could send to the Congress a proposed alternative including suspensions of the provisions of this emergency act. The two Budget Committees could then send to the floor resolutions to totally or partially eliminate the deficit or to take any action including the suspension of this bill while the rate of growth in real GNP is negative.

Mr. President, this is a substantial reform of the budget process. It eliminates the fundamental weakness of the process which is that while the process of the budget is relatively weak, it is weakened further by the fact that as it is set out in the rules of the House and rules of the Senate it therefore can be waived by either House.

This bill sets out a 5-year path to balance the budget, sets binding constraints on the President and the Congress, makes the deficits adopted binding down to the subcommittee level, and sets into place an automatic correction mechanism similar to that in force in 43 States to assure that the deficit is brought under control, that the budget is balanced by the end of the decade, and that we deal with the Nation's No. 1 concern. I know at the top of the President's list of wishes is tax reform. I hear my colleages talk about protectionism, but I believe the agenda of the American people calls for action on the deficit. This bill gives us that action. I am hoping that my colleagues and the American people will look with favor upon this proposal.

I thank the distinguished Senator from Wisconsin for yielding.

Mr. HOLLINGS. Mr. President, this legislation, the Balanced Budget and Emergency Deficit Control Act of 1985, which my distinguished colleagues, Mr. GRAMM and Mr. RUDMAN, and I, along with many others, offer today, will, we hope, finally provide a path for us to get to a balanced budget.

As one who has for over 3 years now advocated an across-the-board freeze, with calls for all aspects of the Federal budget to share in the sacrifice needed to end these unconscionable deficits, I am convinced that it will take an emergency plan to really bring us to our senses and bring the budget into balance.

One reason I am convinced that this plan can succeed is that the budget freeze I have offered has met or surpassed the deficit targets set out in this bill, and my budget freeze is nothing more than taking the budget that was passed the previous year by the Congress, approved by the President, and extending it for a year.

One of the great attractions to a budget freeze, in addition to actually doing the job and saving some $50 billion rather than increasing the deficit by a like amount is that last year those Members reelected to the House, those Members reelected to the Senate, and the President in his overwhelming landslide victory in November ran on last year's budget.

So what I have been asking for, pleading for, is just the reenactment of the 1984-85 budget for 1986. But I have been unsuccessful and so now the Congress must use another approach.

Under the Balanced Budget and Emergency Deficit Control Act of 1985, the budget process is amended to establish a maximum allowable deficit for each of the next 5 years. The targets are as follows: $172 billion in fiscal year 1986; $129 billion in 1987; $86 billion in fiscal year 1988; $43 billion in 1989; and a balanced budget for fiscal year 1990.

This Senator is convinced these targets are reasonable and attainable.

What we need is for Congress and the President to enact this law. My colleague from Texas has ably described, Mr. President, how the legislation works, so I shall not go into great detail at this particular point.

But I want all Senators to realize that we have been going back and forth with the best financial minds and budget minds with respect to those on the staff of our Budget Committee and of the Congressional Budget Office—in trying to intersperse their expertise with the common sense requirements that we have here for getting these things done in the National Congress.

But even though the Congress goes through the motions of passing a budget resolution and the President acts as if he knows and cares about deficit spending—and this Senator for one believes he does not—we never know how the budget looks until we look at the picture. We tell each other how we look when we pass that budget toward the end of the fiscal year. We have all the laudatory comments of the sacrifice, the pain, the leadership and all the great elements of character and consideration and everything else that have gone into adopting a budget.

And, thereafter, as the Senator from Texas says, we go to controverting it. The truth is, Mr. President, we do not have to controvert it. We just do not put in the right figures in the first place. I said that on the floor here a couple of months ago in adopting the budget. Item by item, line by line, I went down and showed where we were already at least $20 to $30 billion out of balance.

In other words, when the proponents of the fiscal year 1986 budget resolution said it would bring a deficit of $171.9 billion for fiscal year 1986, you can reasonably and assuredly go down the list of the various unreal estimates and the impossible dreams that are included in those hypothetical assumptions and you will come to a budget of about $193 billion to $200 billion or $20 to $30 billion over what the resolution states is the deficit. So, I have been trying to pressure for that truth in budgeting.

Under the Gramm-Hollings-Rudman legislation, the President must submit a budget with deficits no greater than the maximum allowable deficits contained therein and it will not be in order for the House or the Senate to consider any budget which violates these budget ceilings.

Now look at that for a second. The President of the United States, quite bluntly, last year submitted a budget that was voted on in the House of Representatives, and the vote was 420 against and 1 vote for. Out of the 435 Members, 421 Members participated in the vote. And the reason for the overwhelming 420 against to 1 for was, of course, that no one wanted to be associated with a budget with continued deficits in excess of $200 billion.

Similarly, this year, upon the submission of the President's budget to the Congress, here on the Senate side, the Sente Budget Committee voted 18 to 4 against that budget because, once again, it was totally out of balance, with continuing deficits in excess of $200 billion.

So the very first requirement, the whole thrust of our legislation is to bring about an impartial discipline, and not give an advantage to the President or an advantage to the Congress—no advantage to the House and no advantage to the Senate—an impartiality between Republicans and Democrats.

We are just trying to say here what we all said by a majority vote in both Houses on the budget. We said, "If that is the action of both bodies, if they really believe it, then here's a budget and let's have it analyzed. And for starters, let's also bring in the executive branch and with the estimates made by the Office of Management and Budget and the Congressional Budget Office immediately look upon the budget submitted by the President to make absolutely certain that it is not in excess of the maximum allowable deficit that has been required under this particular act."

And once the Congress has been presented with a budget whose deficits do not exceed the deficit levels set in this legislation, it will not be in order to offer a floor amendment to that resolution which is not a zero sum amendment—in other words, no one can offer an amendment that creates an increase in spending totals. So, thereupon, we begin to fix the discipline on each of us in the Congress that we are going to adhere to it, and we all adhere to it on an equal footing. So if I might want another $5 billion in education, I have to put in $5 billion more in revenues or find where I am going to have to take $5 billion from another particular program. So, at the time of voting, it is not just whether you are for or against education, it is whether you are for or against education and for a balanced budget or for fairness or for the discipline or, to be blunt again, for the law, if this becomes the law as it should, when we offer it on the debt bill.

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During the 5 years this measure is in effect, an automatic mid-course correction process will be used to eliminate any projected deficits exceeding the maximum deficit limit for each fiscal year based on a joint estimate of the Office of Management and Budget and the Congressional Budget Office. Projected deficits which exceed the limit will be eliminated by reducing automatic increases and controllable expenditures across the board by uniform percentage. The President could propose and Congress could legislate other ways for eliminating the deficit overage.

But a difference in this entire procedure depends upon whether or not we are in a recession. If you are not in a recession, the President's duty is more or less ministerial and effective immediately. In other words, when the President is given the OMB and CBO report, he comes with his sequestering of the funds in a balanced way between the controllable and the uncontrollable programs. And the controllable programs include defense, as versus the increases, let us say, and the uncontrollables or entitlement programs. And in no instance shall the entitlement programs be cut below an amount previously provided. It can only be applied to certain increases. So—let me emphasize—no one can be talking about cutting Social Security.

Incidentally, we withheld full discussion of Social Security for the debate that is bound to occur in the Congress before the end of the year—perhaps, about the time the debt limit is increased and this particular amendment is considered, to find the will of the body with respect to having Social Security on-budget or Social Security off-budget. We are not trying to settle that argument in this particular amendment but, rather, follow the will of the Congress once it makes its determination.

But on or off the budget, there is no intent to make cuts in Social Security or in the basic entitlement programs. Both automatic spending increases and controllable expenditures are treated in a balanced way and thereafter, under the procedures, the Congress has an opportunity to change the President's proposal in the normal fashion on an accelerated basis. But, if we are in a recession, the President would submit his plan and the Congress thereby would act to approve that particular plan.

Perhaps, Mr. President, the plan we offer on today might be better entitled the "Truth-in-Budgeting Act." It will once and for all remove the politics and the finger pointing from the Federal deficit. It will enable us to cut away the rhetoric and get to the task at hand by providing us with the discipline that we are so sorely lacking to make the budget process work.

We have tried several ways to win the discipline of both Houses, of both parties, at both ends of Pennsylvania Avenue, and the fact is that with all this so-called great leadership and wonderful Congress and wonderful executive branch and everything else, the national debt is about to exceed the numbing figure of $2 trillion. That, to me, is the most convincing argument that the discipline needed to make the budget process work is simply not there.

It is time to let realism take over. It is time to let the truth take over. And it is time that the measure we offer today is put into effect so that we can bring about exactly that, truth in budgeting.

It is not a wild, untried scheme. It is one that the overwhelming majority of the States—43 to be exact—have in effect right now. Some have it in their law, some have it in their constitution, some have varied ways to approach it. But, in essence, this is something that members of the legislature in both parties in all sections of the country experience each year.

We experienced it earlier this year in my State of South Carolina. Our distinguished Governor, acting under the State's Budget Act, had to make a percentage cut across the board because we are suffering from high unemployment and the exodus of our industry overseas.

When I was Governor of my State, it worked well then, and while it could be in some Member's mind a little cumbersome, the cumbersome nature is not such a burden as the burden of the $2 trillion debt itself. So now is the time for us to go to work and bring some kind of realism.

Let us bring into the Nation's Capital what is practiced around the Nation, and expose the budget to the budget process so that we can get the job done, enable the Federal Government to live within its means, and then solve all of these related problems—namely, the trade deficit problem, the industry productivity problems. It is an outright disgrace when we politicians travel the country and belabor industry—that American industry should compete, should become productive—that we in the Congress by our assorted politics, and failure to have truth in budgeting, actually exact anywhere between the 30- and 40-percent burden or tax on that productivity in the industry itself. No matter how productive they become we are going to make absolutely certain by these high deficits and the overvalued dollar that would be the result—that they will be burdened with 30 to 40 percent.

Failure to do this will only shift more and more debt to the generations ahead of us, and undermine the economic strength of the Nation.

Mr. President, what we in reality are doing is pulling in the credit cards with this particular amendment to the debt limit. I urge my colleagues to join with me in sponsoring the measure.

Mr. RUDMAN. Mr. President, I rise to support the Balanced Budget and Emergency Deficit Control Act of 1985 which I, along with Senator GRAMM, Senator HOLLINGS, and others are introducing today. I should note, at the outset, that it is our intention to offer this measure as an amendment to House Joint Resolution 372, the bill increasing the Federal Government's debt ceiling, when that measure is called before this body in the next couple of weeks.

Mr. President, our proposal would establish a reasonable and moderate, but also binding and enforceable, procedure for bringing the Federal budget deficit under control by fiscal year 1990. It sets mandatory maximum amounts for the Federal deficit, beginning with the $171.9 billion approved by Congress in the fiscal year 1986 budget resolution, and then reducing it in four equal stages until a balanced budget is achieved in fiscal year 1990. The proposal requires the President to submit budgets with deficits that do not exceed the statutory targets, and requires Congress to remain within those ceilings as it acts on the various measures affecting the Federal budget—budget resolutions, appropriations and tax bills, and entitlement legislation.

The most important feature of our proposal, Mr. President, is its creation of a mechanism which will automatically institute the budget cuts necessary to achieve the prescribed deficit targets. Under our proposal, the Congressional Budget Office and the Office of Management and Budget are required to jointly report to the President at the beginning of the fiscal year—November 1 in fiscal year 1986. That report is required to include first, the projected budget deficit for the fiscal year in question, second, the amount, if any, by which the projected deficit exceeds the ceiling in our proposal, and third, the specific percentages by which automatic spending increases and controllable expenditures need to be reduced during the fiscal year in order any "excess" deficit.

Following receipt of the joint CBO-OMB report, the President is required to issue an order within 14 days making the reductions specified as necessary in that report. Half the deficit overage will be eliminated by an equal percentage reduction in automatic spending increases and half will be picked up by an across-the-board reduction in discretionary percentage. However, automatic spending increases cannot be reduced to below zero—that is, our proposal precludes cutting into the program base—and

any excess which still remains at that point would have to be eliminated through the across-the-board discretionary cuts. It is important to stress that our proposal gives the President no discretion; both the need for the Presidential order and its content would be prescribed by law. Congress would then have a limited amount of time to pass a joint resolution containing an alternative package of measures to eliminate the excess deficit, but the alternative must do the job in its entirety.

Mr. President, rather than take the time of the Senate to describe the entire proposal in detail, I will ask unanimous consent that a summary of our proposed process be included in the RECORD at the conclusion of my remarks. Before concluding, however, I would like to make a few observations on why this measure is being offered.

When I came to the Senate in 1981, one of the first major votes to come before the body was a bill to raise the debt ceiling to over $1 trillion. Now, just over 4 years later, we are being asked to raise the debt ceiling to over $2 trillion. In a little over 4 years, the Federal Government has run up the same debt it took 200 years to accumulate through 1980. If one were to lay dollar bills end to end, $2 trillion would take a person to the Sun and back, with $100 billion left over. More to the point, the $2 trillion national debt now being called for represents a debt of nearly $10,000 for every man, woman and child in the United States. The cost of financing this debt will be about $200 billion in fiscal year 1986, and is increasing at the rate of $20 billion annually. In fact, gross interest of the national debt already consumes more than 1 out of every 2 dollars collected in individual income taxes. The average family of four, according to a chart in USA Today last week now pays $34.50 weekly to finance the national debt, or about $1,800 per year.

The unfortunate fact, Mr. President, is that the political process generally and the budget process of the Federal Government has failed. At the time the Budget Act was passed in 1974, annual deficits were in the range of $20 billion. Today, they are higher by a factor of 10. I will make no attempt to pinpoint blame for this failure; there is plenty to go around. But, it is clear that the status quo cannot be allowed to continue.

The problem has become so serious in the last few years that virtually every Member of Congress, as well as the President, concede the need for drastic action against the Federal deficit. Unfortunately, the Federal budget process has become so complex and convoluted and, more significantly, it has become so difficult to arrive at final decisions or to hold anyone accountable for the policy outcomes, that the result is gridlock. The major steps needed to bring the deficit under control fail to get done. Congress and the President confine themselves to a series of nickel-and-dime measures, some fudging of the numbers, and a promise to do better next year.

Mr. President, the purpose of our proposal is to establish an enforceable process which ensures there will be a balanced budget in fiscal year 1990. At the same time, it does so in a way which retains the current balance of power between the Congress and the President. And, other than to say that the Federal budget deficit will be brought under control, the proposal avoids altering the fiscal policy priorities of Congress.

Mr. President, the budget deficits we see are symptomatic of a political crisis in the Federal Government. Unfortunately, it is rapidly turning into a serious economic crisis. The initial signs are already here—record trade deficits, continued high real interest rates although inflation has been under control for several years, the farm credit crisis and the U.S. becoming a debtor nation. Ultimately, as the pressures on the economy build, these problems are going to manifest themselves in the most important way of all—a recession of unpredictable proportions.

The legislation we are introducing today will deal with the deficit in a realistic and measured way, and I urge my colleagues to support it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

[SEPTEMBER 20, 1985]

[To be introduced as an amendment to the debt ceiling]

Chronological Summary of Proposed Changes, in the Congressional Budget Process (to apply with respect to fiscal years beginning after September 30, 1985 and before October 1, 1990)

Period in the budget process	Proposed changes in the budget process
Federal Deficit Projections (Graph not reproducible for the Record: The Maximum Deficit Path in the adjacent figure corresponds to the above maximum deficit amounts and the Medium and High Growth Paths correspond to the First Concurrent Budget Resolution of 1986, under medium and high economic growth assumptions, respectively).	The following limits are imposed as the maximum deficit amounts allowable in each fiscal year, in order to achieve a balanced budget by 1990: Fiscal year 1986—$171.90 billion; fiscal year 1987—$128.92 billion; fiscal year 1988—$85.94 billion; fiscal year 1989—$42.96 billion; fiscal year 1990—$00.00.
By the 15th day after Congress convenes	The President is required to submit a budget for the fiscal year beginning October 1 with a deficit not exceeding the maximum deficit limit imposed for that fiscal year, as defined above. This requirement is suspended in any fiscal year for which a declaration of war has been enacted.
By April 15	The Budget Committee of each House of Congress is required to report a first concurrent resolution on the budget for the fiscal year beginning October 1, with a deficit not exceeding the maximum deficit limit imposed for that fiscal year, as defined above, and containing any reconciliation instructions that are needed to achieve the spending and revenue totals it sets forth.
Floor consideration and enactment of the first concurrent resolution on the budget and any required reconciliation bill or resolution.	It is not in order to consider a first concurrent resolution on the budget that provides for a deficit greater than the maximum deficit limit for that fiscal year. No amendment to a first concurrent resolution on the budget or to a required reconciliation bill or resolution, which increases any specific outlays, reduces any legislative savings, or reduces any specific Federal revenues is in order, unless it makes an equivalent reduction in other specific budget outlays or an equivalent increase in other specific Federal revenues. These prohibitions are suspended in any fiscal year for which a declaration of war has been enacted.

BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985—Continued

[SEPTEMBER 20, 1985]

[To be introduced as an amendment to the debt ceiling]

Chronological Summary of Proposed Changes, in the Congressional Budget Process (to apply with respect to fiscal years beginning after September 30, 1985 and before October 1, 1990)

Period in the budget process	Proposed changes in the budget process
Within ten days during which either House of Congress is in session after the House and Senate complete action on the first concurrent resolution on the budget.	The Appropriations, Ways and Means and Finance Committees, and the authorizing committees, are required to report their Section 302(b) allocations. Under Section 302(b), each panel is required to divide among its subcommittees or among the programs within its jurisdiction, the budget outlays and new budget authority allocated to it by the joint explanatory statement of the managers of the conference report on the first concurrent resolution on the budget.
After the House and Senate complete action on the first concurrent resolution on the budget, and the Section 302(b) allocations have been reported.	It is not in order to consider any bill, resolution or amendment thereto that provides for budget outlays or new budget authority in excess of the appropriate Section 302(b) allocations. It is not in order to consider any bill, resolution or amendment thereto that provides new entitlement authority which would require budget outlays or new budget authority in excess of appropriate Section 302(b) allocations, unless the Committee on Appropriations involved reports the bill, resolution or amendment favorably under Section 401(b)(2), along with a determination that its enactment or adoption will not result in a deficit in each fiscal year greater than the maximum deficit amount for that fiscal year.
By June 15	The House and Senate are required to complete action on any reconciliation bill or resolution required by the first concurrent resolution on the budget.
Reporting of the second required concurrent resolution on the budget.	The requirement for a second concurrent resolution on the budget is eliminated for the emergency period between September 30, 1985, and October 1, 1990. Should Congress choose to adopt a second or subsequent concurrent resolution on the budget or a required reconciliation bill thereto, all procedures and constraints imposed on the consideration and enactment of the first concurrent resolution shall apply.
On November 1 of fiscal year 1986 and on October 1 of each fiscal year until this emergency measure shall expire.	The Directors of the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) are required to jointly report to the President and the Congress on the projected level of: 1) nominal growth of goods and services produced, adjusted for inflation, for the new fiscal year [real GNP]; 2) the federal budget deficit for the new fiscal year; 3) the amount by which the federal budget deficit for the new fiscal year exceeds the maximum deficit limit for that year and whether this excess is five percent or greater and therefore represents a statistically significant overage; and 4) the specific percentages by which automatic spending increases and controllable expenditures shall be reduced during the fiscal year, as described below, in order to eliminate such deficit excess. In the case of disagreement between OMB and CBO on estimates or calculations within this joint report, the midpoints between all conflicting figures will become the binding figures. These requirements are suspended in any fiscal year for which a declaration of war has been enacted.
Within 14 days after receipt of the joint report from OMB and CBO projecting a non-negative real GNP growth for the new fiscal year and a deficit statistically exceeding the maximum deficit limits for that fiscal year.	The President is required to issue an order eliminating the deficit exceeding the maximum deficit limit for that fiscal year, which shall go into effect immediately upon promulgation. This order will divide total outlays between controllable expenditures and automatic spending increases, and sequester one-half of the dollar amount of the deficit excess from each outlay division, by reducing (but not below zero) the amount of each automatic increase across-the-board by a uniform percentage and sequestering sufficient budget authority to reduce each relatively controllable expenditure across-the-board by a uniform percentage. If the deficit excess is not eliminated after the full suspension of automatic spending increases, then the order will sequester controllable expenditures, as defined above, in order to eliminate the overage. The President is also required to transmit to both Houses of Congress a message supporting the sequestering order with full details and identifying: the total amount and percentage by which automatic spending increases are to be reduced; the total amount of budget authority which is to be sequestered; the amount of budget authority which is to be sequestered with respect to each such relatively controllable expenditure in order to reduce it by the required percentage; and the account, department, or establishment of the Government to which each amount of budget authority is available for obligation, and the specific project or governmental functions involved.

BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985—Continued

[SEPTEMBER 20, 1985]

[To be introduced as an amendment to the debt ceiling]

Chronological Summary of Proposed Changes, in the Congressional Budget Process (to apply with respect to fiscal years beginning after September 30, 1985 and before October 1, 1990)

Period in the budget process	Proposed changes in the budget process
In any fiscal year for which OMB and CBO jointly project negative real GNP growth and a deficit statistically exceeding the maximum deficit limit for that fiscal year.	The President may also submit to the Congress a proposed alternative to across-the-board sequestering which eliminates the deficit exceeding the maximum deficit limit for that fiscal year. Such a proposed alternative shall be supported by full details. The President shall have 30 days to issue his order for across-the-board sequestering, as defined above, which shall go into effect immediately upon promulgation. Within this period, the President may report to Congress alternative legislation which eliminates the deficit exceeding the maximum deficit limit for that fiscal year. The President may also call for a total or partial suspension of the requirements of the Balanced Budget and Emergency Deficit Control Act. Within this period, the Budget Committee of either House of Congress may act on the President's proposed alternative and a point of order shall not lie against legislation reported from a Budget Committee not totally eliminating the deficit exceeding the maximum deficit limit for that fiscal year. The Budget Act of 1974 as amended by this Act and all special procedures for expedited consideration in the House and Senate of concurrent resolutions on the budget and conference reports thereon shall apply to the consideration of these alternatives.
Not later than ten days during which either House of Congress is in session and after receipt by the Congress of a message from the President regarding his promulgation of an order sequestering automatic spending increases and budget authority to reduce controllable expenditures in order to eliminate a deficit exceeding the maximum deficit limit for that fiscal year.	The Budget Committee of either House of the Congress may report a joint resolution setting out an alternative to across-the-board sequestering which eliminates the deficit exceeding the maximum deficit limit for that fiscal year. It shall not be in order to consider such a joint resolution unless it eliminates this excess, and in consideration of the joint resolution and any amendments thereto all procedures and constraints imposed on the enactment of the first concurrent resolution shall apply. Such resolution can change permanent law to redistribute savings among discretionary programs, reform entitlement programs, or alter revenues, and must be supported by full details. All special procedures for expedited consideration in the House and Senate of concurrent resolutions on the budget and conference reports thereon shall apply to the consideration of joint resolutions setting out an alternative to the President's order.

Notwithstanding section 904 of the Congressional Budget Act of 1974 or any other provision of law, the provisions of this act may not be waived or amended in a House of the Congress unless both Houses of Congress shall have passed a bill directed solely to that subject and such bill has become law.

DEFINITIONS:

(1) Automatic spending increases shall include all Federal programs indexed directly or indirectly, whether appropriated or contained in current law. This shall include entitlements and other payments to individuals, openended programs and grants, and other similar programs, and shall not include increases in government expenditures due to changes in program participation rates.

(2) Relatively controllable expenditures shall include outlays with respect to all programs and accounts corresponding to current OMB controllability reports.

(3) The meaning of "automatic spending increase" and "relatively controllable expenditure" may be revised by joint resolution of Congress.

Mr. ZORINSKY. Mr. President, the bill to raise the debt ceiling is a perfect vehicle to force changes in the policies that brought us these runaway deficits. The amendment we are offering provides a mechanism which will force Congress simply to live up to its responsibility to reduce the deficit. Our amendment gives some teeth to the budget by mandating a steady reduction in the size of the deficit and a timetable for congressional action.

When is the message going to get through? I do not need to see any more mail or another editorial. I do not need to hear any more incredulous questions from audiences back home to understand how they feel. The American people want the deficit cut, they want spending curtailed, and they want action now. This past budget debate showed with excruciating clarity that Congress is incapable of reducing the deficit with the tools it currently has. With our amendment, we are adding some new tools to the toolbox.

The borrowing against our children's future must stop. Since 1975, the national debt has more than tripled. It has doubled since 1980. Every $1 billion we borrow adds roughly $100 million to the interest we pay. Interest on the debt alone will rise to almost $150 billion next year. How many of you know of a program in need of $150 billion next year? This must end.

I believe we have not done our best to cut the deficit. The obstacles to success are great, but we are equal to them. Our amendment can lead the way.

Mr. McCONNELL. Mr. President, extraordinary circumstances require extraordinary action. The Balanced Budget and Emergency Deficit Control Act of 1985 provides just such a response to a deficit that continues to expand at an unprecedented rate.

Only Congress is given the authority to spend America's tax dollars and only Congress can make the tough decisions required to reduce Federal spending. We must recognize that business as usual will never be good enough. Merely talking about the debt and then proceeding to approve deficit after deficit is an irresponsible way to manage the funds entrusted to us by the American people.

The legislation being introduced today, under the leadership of Senators GRAMM and RUDMAN, recognizes that we desperately need to create a framework for making deficit reduction decisions. We know all too well that there are hundreds of special interest forces wanting us to spend money. The time has come to create a force which provides us with the discipline to say no.

The action we take must be more than cosmetic—it must be a concrete response to a problem that threatens our economic security. The Balanced Budget and Emergency Deficit Control Act outlines a 5-year emergency

plan for reducing the annual level of deficit spending to zero. The President must submit budgets with deficits in line with the plan and Congress is prohibited from appropriating funds greater than the deficit levels established for each year. By 1990 we will be able, for the first time in nearly 20 years, to vote for a Federal budget that is balanced.

I recognize that the limitations and guidelines proposed by this legislation are bold and perhaps inappropriate in any other context than the crisis of fiscal integrity which hangs above our heads.

Within days, we will find ourselves in an embarrassing situation. We will be faced with a vote on whether or not we will raise the debt ceiling to a level that was inconceivable just a few short years ago—over $2 trillion. For me it is unconscionable to vote for this increase without also supporting an initiative that will prevent such a vote at a definite point in the future.

Last year we paid more in interest on the national debt than we spent on the entire budget just 25 years ago. This is one U.S. Senator that does not want to provide that kind of inheritance for future generations of Americans and will work tirelessly to assure that a balanced budget will become the rule and not the exception for future Congresses.

Mr. President, the cliches surrounding the deficit debate are legion. Hours of time and pages of the CONGRESSIONAL RECORD have been used to discuss the serious consequences of a Federal Government that is unable to live within its means. Now we have the opportunity to support an effort which takes our rhetoric and turns it into a real and effective solution. And now we have the opportunity to show the American people that the U.S. Congress does have the will and the resolve to address the tough issues of our day.

Mr. SYMMS. Mr. President, today Senators GRAMM and RUDMAN are introducing legislation which I am pleased to cosponsor—the Balanced Budget and Emergency Deficit Control Act of 1985. There is one word in the bill's title which catches the eye—"emergency." I believe that many of my colleagues share my view that this Nation is sliding toward a precipice, and that this spending gluttony, if we do not reverse it, is going to mean our ruination.

None of us know what the economic impact of $200 billion deficits stretching seemingly to eternity will bring. I am convinced of one thing, Mr. President, and that is that $200 billion deficits are not good for the economy, and we are wasting vast sums of money on interest payments on that deficit.

This proposal is not a cureall, but it would give us some additional tools to handle the spending albatross the Government seems incapable of addressing. Each year when we move through our stumbling budget process, we lose sight of our objectives. Through the snarl of the appropriations process, emergency spending bills, continuing resolutions, and supplemental appropriation bills, the budget resolution is prostituted, and the deficit outlook worsens.

One novel aspect of this legislation is its provisions for additional executive flexibility in budgeting. The Gramm/Rudman bill provides for a midyear review of the deficit outlook, and gives the President the capability to bring down the deficit level if the midyear review demands it, by modifying automatic increases and controllable expenditures across the board by a uniform percentage.

While arguments persist over whether this President or the Congress is to blame for the deficit, it will take both the Congress and the administration to work our way out of this colossal budgetary mess.

This bill would require that the President propose a budget meeting specific deficit projections. It would force the Congress to work with the administration in reaching that target, by binding the budget down to the subcommittee level—currently, committees are only generally bound to come up with savings within their domain—and by prohibiting all but zero-sum amendments to the budget resolution. I believe this legislation offers a practical solution to an ominous and perplexing problem, and I hope my colleagues will agree that this legislation is both necessary and prudent.

Mr. President, I am not convinced that we can devise a remedy for spending control. The Budget Act remains full of loopholes, and I am doubtful that any bill which contained tight spending control provisions would receive the blessing of this body. There will undoubtedly be cries of anguish about tilting the balance of power toward the executive branch, and stepping on congressional authority, but frankly, I dismiss these arguments as simply excuses not to try new prescriptions when old ones fail.

If the Senate chooses to adopt this legislation, the outlook for America's future will indeed be bright. Let's give the American people the chance they deserve to prosper in the world's greatest economy. We can enhance that prospect if we enact the Gramm-Rudman Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. COHEN. Mr. President, the Senate will soon act to raise the Federal Government's debt ceiling to over $2 trillion. The Senate must vote to raise the debt ceiling, for the Federal Government cannot continue to carry on its necessary business otherwise. The Senate must vote to raise the debt ceiling because the preceding votes of Congress have made the necessity inevitable. It is my hope that the Senate will note the grave significance of this impending necessity and take the opportunity to initiate action to halt the horrendous growth of the Federal debt. The legislation that my colleagues and I are introducing today will provide such an opportunity.

Thomas Jefferson considered the accumulation of debt by one generation to be a form of "taxation without represention" on the young and unborn. In his words:

> The principle of spending money to be paid by posterity under the name of funding, is but swindling futurity on a large scale * * *. We shall all consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves * * *.

The current policy of funding Government through massive Federal borrowing is indeed "swindling futurity on a large scale." Like a deferred tax, the addition to the national debt, year after year, of huge Federal budget deficits imposes the greatest costs on future taxpayers—our children. The mountainous debt we are amassing will compel our children to bear a great burden in debt service and will inflict insidious harm upon the economy that they will inherit. It is a most selfish and shortsighted legacy.

To a degree, we all have shared in the perpetuation of the practices which brought us to our current fiscal straits. We are all a part of a system and a process possessed of tremendous inertia. We can ill afford, however, to continue merely to ride the misguided momentum of the Federal budget process. Nor can we afford to waste our time and energies in debating who is to blame. Rather, we must devote our full attention and efforts to reasserting congressional control over the Federal budget and reestablishing fiscal equilibrium. We must all share in seeking a solution.

The record of the recent proceedings of this body is replete with denunciations of our Federal Government's dangerous fiscal imbalance and the seeming inability of the U.S. Congress to do anything about it. The problem of perennial huge Federal budget deficits is indeed very serious, but is it really beyond the wherewithal of Congress to address it? No, it cannot be so. It is only political nearsightedness which makes it seem that Congress is somehow prevented, by those whom it represents, from serving the best interests of the represented.

I, for one, refuse to believe that the Congress is incapable of fulfilling one of its most basic obligations, the preservation of the Nation's well-being through the maintenance of sound fiscal policy. Certainly, Congress wields the authority and the means to

address the problem. It lacks, however, the resolve to employ them.

The legislation that my colleagues and I are today introducing would enforce upon the Congress the resolve necessary to bring the Federal budget back into balance. The Balanced Budget and Emergency Deficit Control Act would amend the budget process to establish binding ceilings for the limitation of Federal budget deficits in each of fiscal years 1986 through 1990. Under the act, the Federal budget deficit for fiscal year 1986 could not exceed $172 billion—the deficit assumed in the budget resolution for fiscal year 1986. In successive years, the act would decrease the deficit ceiling to zero in four equal steps. The measure would require that the Federal budget be balanced in fiscal year 1990.

More importantly, the Balanced Budget and Emergency Deficit Control Act sets forth the means by which Federal budget deficits would be held to within the prescribed limits. Under this legislation, in each of fiscal years 1986 through 1990 the President would be required to propose, and the Congress to adopt, a budget resolution which provided for a deficit no greater than the limit established by the act. In the event that Congress should fail to adopt a budget resolution, or in the event that projections show that the actual Federal budget deficit will exceed that assumed under a budget resolution, this legislaticn would require the President to withhold Federal expenditures by a uniform percentage across the board as necessary to constrain the budget deficit to within the established limit. The President could also then propose to Congress an alternative plan for eliminating the deficit overage. The Budget Committees of the House and Senate could also, either in response to the President or at their own initiative, report legislation as an alternative to across-the-board curtailment of expenditures, but which would also accomplish the same end. These provisions would grant the President and the Budget Committees of the House and Senate, under certain circumstances, expanded powers. By foresight and resolve, however, the Congress could avoid the need for them.

Provisions of the act are waived in any fiscal year in which a declaration of war is in effect. Further, the President may delay the curtailment of Federal spending for 30 days if the country is in or entering a recession. In such an event, the President could propose to Congress alternatives to across-the-board spending curtailment, including suspension of the provisions of the act. However, any change in this emergency legislation must be adopted by both Houses of Congress and signed by the President.

This legislation is an emergency measure addressed to the fiscal crisis that this Nation has brought upon itself. The act does not specify which policy options the Congress should employ to close the gap between Federal spending and revenues, but it would commit the Congress to closing that gap. The proposed legislation may seem to some to be harsh medicine. Unfortunately, the circumstances in which we currently find ourselves demand nothing less.

Mr. McCLURE. Mr. President, I rise today as a cosponsor of the Balanced Budget and Emergency Deficit Control Act of 1985. We are all aware of the growing deficit and the need to reduce it to avoid future economic disruption. Time and time again, we take our turn coming to the Senate floor and denouncing the evils of deficit spending and the need for reform. Yet when it comes to making hard choices, we have been unwilling to come to grips with this problem. I am concerned that if some action is not taken to curtail Government spending growth that we will find ourselves on the brink of a financial crisis.

The Balanced Budget and Emergency Deficit Control Act of 1985 is not a perfect solution to our problem, but it is a balanced reform package that can be used to put us on the road of fiscal responsibility.

This package sets a maximum deficit ceiling over the next 5 years and will reduce the budget deficit in four equal steps to zero by 1990. This will balance the Federal budget in 1990. It is not a balanced budget amendment, which forces the Congress to take drastic steps in 1 year, but it is a reform plan that will allow us to tackle the problem a piece at a time until we reach the goal by 1990.

Mr. President, the national debt is approaching $2 trillion. This is double what it was just 4 years ago. It is projected to exceed $3 trillion by 1990 unless we take action.

Another staggering figure is that one-half of all personal income tax collected will be used to pay interest on the national debt. This breaks down to every taxpayer west of the Mississippi devoting their entire tax liability to service the national debt.

The interest on the national debt now exceeds 10 percent of the entire Federal budget. The amount to be paid in interest on the fiscal year 1986 budget exceeds the entire budget of 1962.

I have introduced a constitutional amendment to balance the budget, and I still believe strongly that we should adopt such a measure. Government spending is bleeding our Nation dry. Those on both sides of the aisle see this and should address it. The Balanced Budget and Emergency Deficit Control Act of 1985 would allow Congress to work in equal steps toward a balanced budget and provide a mechanism to help us achieve our goal.

Within the next few weeks the Congress will be asked to raise the debt ceiling limit to over $2 trillion. This will be an historic landmark in fiscal irresponsibility. There is no better time, nor a better vehicle, than the debt limit to reform the budget process.

Mr. President, if Congress fails to act on this crucial question, I intend to vote against any increase in the debt limit. Most of the economic woes we face today are the direct result of fiscal irresponsibility. The trade imbalance, the strong dollar, sluggish economic growth and a host of other items can be linked to massive deficit spending and an ever increasing national debt.

As an original sponsor of the Balanced Budget and Emergency Deficit Control Act of 1985, I encourage all my colleagues on both sides of the aisle to support this effort to control Federal spending before it further controls us.

Mr. President, I ask unanimous consent that my statement appear in the RECORD following the remarks of Mr. GRAMM and the introduction of the Balanced Budget and Emergency Deficit Control Act of 1985. Also, I ask unanimous consent this a copy of the New York Times article of August 30, 1985, by Martin Anderson appear in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the New York Times, August 30, 1985]

THE BUDGET AMENDMENT—NOT SO CRAZY AFTER ALL

(By Martin Anderson)

PALTO ALTO, CALIF.—Despite the fact that many people think a balanced budget amendment is crazy, there is a way to make it a practical solution to the deficit crisis. It will not require financial magic, nor will it be a futile exercise.

The solution lies in a balanced budget amendment that phases out the Federal deficit—steadily and surely—over a five-year period.

Ridding ourselves of a $175 billion deficit all at once would weaken our national defenses, ravage our social welfare programs, and raise tax rates to ruinous levels. Congress simply will not do it.

But reducing the deficit by $35 billion a year is an entirely different matter. Congress can do that. And if an amendment to the Constitution requires Congress to do something that is not impossible, but just difficult, then Congress will give it the same respect and deference it gives to the amendment that guarantees us freedom of the press, speech and religion.

This is not fantasyland. And the benefits could be huge. Assume that you and everyone else in this country, including our business executives and financiers, could go to bed tonight convinced that tomorrow morning the Federal Government would start

walking the road to fiscal responsibility. People could believe that the deficit would gradually be reduced from $175 billion a year to nothing in five years and then, starting in 1990, the Federal budget would stay balanced year after year.

What would you do? What would business executives do? What would happen to the economy? What would the economy look like in 1990 if we continued to balance our budget?

If you are like other people I have talked to, your reaction is extremely positive. You would be confident that inflation would stay low and maybe even go to zero, that interest rates would fall, and that unemployment would be reduced. Your confidence in our economy's future would be greatly strengthened. You would begin thinking about expansion and making long-term investments. If everyone believed as you did, the effect on the economy could be dramatic. No one knows just how good the results would be. But it is almost certain that we would see real economic growth, higher than most of us now think possible, for the rest of this century.

But the only way to achieve this happy state is through a constitutional amendment that forces Congress and the executive branch to do the right thing in spite of themselves. The alternatives court disaster.

To allow these deficits to stretch out in front of us as far as the eye can see guarantees harsh consequences. We have tried controlling Federal expenditures through our normal political institutions, and the power of the interest groups has made a mockery of the effort. We are trying to simplify the tax system, but this will not eliminate the deficit. A balanced budget amendment is not only the best alternative, it is the only one left.

I suspect the main reason we have not yet imposed this restraint on ourselves is that we secretly fear the cure may be worse than the disease. And there will indeed be serious consequences if we try to eliminate the deficit in one year.

But the important thing is to assure ourselves that it will be eliminated over time. If the amendment provided for a gradual, manageable but inexorable reduction, we could do the job and still enjoy the economic benefits that would flow from increased business confidence.

This means attacking the deficit on the installment plan. Five years seems a reasonable period to bring it under control. Once the amendment was ratified by the necessary three-fourths of the states, we could take the existing deficit at the time of ratification, divide it by five, and proceed to take a 20 percent bite each year until it was gone.

If such an amendment were in place today, we would be confronting a reduction next year of $35 billion. That is less than 4 percent of total Federal spending. We can manage a reduction of that size without damaging our national security or our social welfare programs or sharply raising taxes. And we would achieve something that is vital to the functioning of a free economy—confidence.

The last amendment to our Constitution, voting rights for 18-year-olds, took just three months to ratify. The amendment before that, succession of the Vice President to the Presidency, took 17 months. And the one before that, on electors for Washington D.C., took just 10 months.

A balanced budget amendment (to which a five-year phase-in provision could be added) is now pending in the Senate. Thirty-two states have passed resolutions calling for a constitutional convention to accomplish this end. National public-opinion polls show overwhelming support. If President Reagan mounts a campaign this fall for something he has strongly supported his entire political life, we could witness a profound revolution in our national economic policy as early as 1986.

If we do that, we will leave to our children a precious legacy—an economic prosperity that will enable us to build the defense necessary to keep us free, allow us to care decently for those who are not able to care for themselves, and provide steadily increasing real incomes to all who work.

If we don't, there just may be a special spot in hell reserved for those who did nothing while the greatest economy in the history of the world was wrecked by irresponsible economic policies.

THE U.S. ARMY

Mr. PROXMIRE. Mr. President, all of us in the Chamber remember Donald Rumsfeld. He was a distinguished Member of the House of Representatives, a Republican. I happen to be a Democrat. I have great admiration for Donald Rumsfeld. He went on to become Secretary of Defense and has earned the admiration of many of us for his excellent performance.

Mr. President, all of us hear a great many negative statements about those we disagree with, or those we support for that matter, in this body. This morning the Wall Street Journal carried a statement by Don Rumsfeld about the Army that I think is so upbeat, so positive, optimistic and encouraging that I would like to share it with my fellow Senators. I will read from the notable and quotable excerpt from the Wall Street Journal this morning. This is a statement by Don Rumsfeld:

> Over my years in public life, I have been asked again and again, "Where are the great leaders? Where are the giants to day?"
>
> I answer, "They are there, and they will be there when they are needed. Let there be no doubt."
>
> And, I ask in return, "Don't you suppose in the 1920s and the 1930s people also asked, 'Where are the great leaders, where are the giants?'"
>
> We know now where they were. They were people whose names we had never heard, who were being paid a few thousand dollars a year, posted in dry, unpleasant forts all across the country and the world, moving their families every few years, bringing their children up in difficult circumstances, stuck in the same rank for eight, 10, 12 years, neglected by Congress, and whose patriotism, dedication and service were at great cost to themselves and their families, and were essentially without appreciation by the people, whom they served.
>
> It was not until World War II, when the need was urgent, that the people discovered that the great leaders were there. Imagine our cause's good fortune that individuals of such character, stature, leadership qualities and dedication rose out of that difficult, rigorous and thankless environment.
>
> And when the call came, there, among that anonymous group, was a Dwight Eisenhower, an Omar Bradley, a Patton, a McAuliff, a MacArthur, a Taylor, a Grunther, a Lemnitzer and an Abrams and others. And yes, there was a George Marshall, the mighty warrior, the man of peace.
>
> What a wonderful thing to say about the U.S. Army. Despite all the hardships, the lack of support, of recognition, or even awareness on the part of the people, when the need came, they were there. Doesn't it tell us something about an institution that can attract, develop, foster, retain, encourage and motivate individuals of that size?

THE BIG MESSAGE FROM THE AMERICAN PUBLIC: CUT THE DEFICIT

Mr. PROXMIRE. Mr. President, on a subject that the distinguished Senator from Texas [Mr. GRAMM] has just addressed, all of us are aware that our Federal Government has been running mammoth, unprecedented deficits. Do the American people know this? Do they care? If my State of Wisconsin is at all representative, and I think it is, the Federal budget deficit is the No. 1 concern of the American people by a country mile.

Are there not other concerns that rival the budget deficit? Not in my State. Not only is the budget deficit No. 1. Most of my constituents see the budget deficit as the mischievous cause of the international problems that concern them. Wisconsin people are deeply unhappy about the continuing unemployment. What causes the unemployment? They blame the unemployment in large part on an obvious byproduct of the Federal deficit, the trade deficit.

We produce machine tools in our State. The foreign market for Wisconsin-produced machine tools has dwindled in the last few years. Why? Because the value of the dollar has bloated out of sight.

Why has the dollar risen so sharply compared to the value of the currency of our trading partners? Because the Federal deficit has forced the American Government to borrow as never before. Savings are limited in our country, so where does the American Government borrow? It borrows from abroad. Foreigners sell the yen and the pound and the mark. They sell their own currencies, so they can buy the dollar. They buy the dollar, so they can invest in riskless and high-yield securities. When foreigners sell their currency, the value of that currency drops. When they buy the dollar, the value of the dollar rises.

What does that do to American machine tools? It prices them right out of foreign markets. It does something else. It makes foreign-produced machine tools from Germany, for instance, cheaper. That means that our firms sell less in Germany and less in Chicago, because the German machine tools come in and compete. That means that Giddings & Lewis, in Fond

du Lac, WI, has to lay off some of its workers. The same story applies to many other major industries. Again and again, it is the same story. Exports falter and fall. Imports come on like gangbusters. Result: American jobs disappear.

Who is responsible for this tragic loss of jobs? We are. We in Congress appropriate every penny this Government spends. We and we alone have the responsibility for determining how much our Federal Government raises in revenue. The deficit is our baby. We in Congress are the father and mother. We alone can end it. But so far this year, we show not the slightest sign of doing so.

The budget resolution purports to make a big start toward bringing the deficit under control. Does it? No way. It claims to cut spending by $56 billion. It does not come close. Most of the $56 billion reduction comes not from painful reductions in spending on Federal programs. It does not come from raising revenues. Since those are the only genuine, honest ways Congress can reduce the deficit, how do the Budget Committees do it?

They reduced the deficit in the easiest way of all. They make happy and totally unrealistic assumptions about the economy. How do happy and unrealistic assumptions about the economy reduce the projected deficits? They assume that the American economy in 1986—the fourth year of the recovery from the 1982 recession—will grow by an exuberant 4 percent. Will it? So far this year, the economy has grown by less than 2 percent. Next year will be the fourth year of the recovery from the 1982 recession. Four years is about as long as most recoveries last.

Economies usually slow down as the recoveries progress. No one can predict for sure what the economy will do in 1986. It could grow by 4 percent. It could grow more rapidly. But on the basis of past experience, the chances are that it will not. The chances are that it will continue to putter along at about a 2-percent rate of growth or sink into a recession.

Faced with these possibilities, the Budget Committee and the administration picked the least likely but happiest prospect for 1986, an expansive 4-percent growth. And what does that unlikely prediction do for the deficit? It cuts it $25 billion or more—and that is just the beginning. If the economy does grow by 4 percent, what will happen to interest rates? As any freshman in economics will tell you, interest rates will rise. What does that do to the deficit? It will require that on our nearly $2 trillion debt, the Federal Government will have to pay many billions more in interest payments.

Does the Budget Committee recognize that? No, indeed. The Budget Committee assumes that interest rates will continue to fall, and they will fall while the economy is buzzing happily along with a 4-percent growth rate. Can this happen? Well, if you believe that water will run uphill or that the Sun sets in the east, you might accept this falloff in interest rates. I do not.

How about inflation? Will inflation continue to mosey along at a 3- or 4-percent pace with a galloping economy? No way. If inflation does resurge, Federal spending resurges right along with it.

What happens if we make more realistic assumptions about economic growth, interest rates, and inflation in 1986? What happens is that the deficit continues at an appalling $200 billion or more.

So, Mr. President, the conclusion of this tale of woe is that Congress is laboring under a serious case of self-hypnosis. Thanks to the Budget Committee, Congress has formulated a myth that it is shrinking the budget deficit. It is doing it with relatively little pain: no cut in spending on favorite programs, no increase in Federal revenues, just a lot of remarkable hocus-pocus forecasting on the economy, and, low and behold, the deficit shrinks out of sight.

Well, Mr. President, it will not work; and the country is not buying it. If they were buying it, we would not be hearing from our constituents over and over and over, like a drumbeat: Cut the deficit, cut the deficit, cut the deficit.

There is a lot to be said for the solid, common sense of the public in a democracy. Our constituents' absorption with the budget deficit proves it. They have a message for this Congress. It is loud and clear. We should listen. That message is to cut spending and to require everyone, especially the big corporations and the $200,000 a year and more earners—everyone—to pay their fair share of Federal taxes, so that we increase Federal revenues.

HOW TO KEEP ARMS CONTROL ALIVE

Mr. PROXMIRE. Mr. President, how does a U.S. President who opposes negotiating with the Soviet Union to stop the arms race win the people of this country and our international allies over to his position? It is not easy.

The citizens of our country, in statewide referendum after referendum, have voted overwhelmingly to support negotiations with the U.S.S.R. to stop the arms race. Competent, widely accepted professional public opinion polls have confirmed this emphatic public opinion in favor of stopping the nuclear arms race. So what does the Reagan administration do? How does an administration opposed to ending the nuclear arms race turn around that public opinion when they disagree?

First, it wisely recognizes that it cannot win over that public sentiment by a frontal attack on arms control. It cannot openly oppose continuing the nuclear arms race and win over public support. How can it gradually, subtly undermine public approval of negotiations to end the arms race?

The administration has come up with a very shrewd answer. The answer is first to attack arms control negotiations with the Soviets at their weakest point. That makes sense. But what is the weakest point? It is the dependence of any agreement with the Russians on Soviet compliance with the treaty. It is never difficult to persuade many persons in any country that their potential adversary is treacherous and not trustworthy. The administration has taken advantage of that. If the administration can convince the American people that the Soviets will violate any agreement we make with them, the support for any kind of arms control treaty with our super power adversary will soften and diminish.

The trick for the administration is to pose as the firm friend of arms control, ready and willing, in fact anxious to reach an agreement to reduce nuclear weapons in concert with the Soviets. But how does the administration handle the grim fact that after 5 years in office it is nowhere near such an agreement? First and foremost the administration argues—sure other Presidents have consistently made progress in arms control. They have indeed signed treaties with the Soviets but the Soviets have taken shameful advantage of those treaties with wholesale violations. According to this administration the Soviets will not comply with an arms control treaty, if they can cheat and get away with it. This is an extraordinarily difficult argument for any American who is elected to public office to dispute. Any Member of Congress who disagrees with it puts himself in the unhappy position of defending the Communists and disputing a popular American administration. How does a Member of Congress who wants to end the super power nuclear arms race win this kind of argument?

The administration last spring issued two reports purporting to document 19 types of arms control violations by the Soviets. A few days before the Reagan-Gorbachev summit conference on November 19, the Defense Department will report to the President on what military responses the United States can make to compensate for the alleged Soviet violations. Obviously, this Defense Department report provides President Reagan with a ready and strong response to any criticism of the administration for failing to make significant progress in reaching an arms control agreement at the crucial

and widely watched Reagan-Gorbachev meeting. So how about it? Have Soviet violations of arms control treaties in fact occurred?

In some cases, such as the advanced radar at Krasnoyarsk which is so located that it constitutes a prima facie violation of the ABM Treaty, there seems little doubt that the Soviets have violated the treaty. In other cases, such as the kilotonnage of Russian underground explosions allegedly in excess of the 1974 Threshold Treaty, there is at least some ambiguity.

But what do these alleged violations signify? In no case has the administration documented any significant military advantage that has accrued to the Soviet Union because of any alleged violations. And in each case the United States has been free to go to the Standing Consultative Commission, created for the express purpose of settling alleged violations of arms control treaties. Where the United States has gone in past administrations to the SCC as in the case of SALT I allegations of violations, the reported violations have either ceased or U.S. suspicions have been allayed. The administration should not be permitted to discredit arms control as the only effective way to end the arms race by charges of wholesale Soviet violations of past arms control agreements. We have a remarkable technological capability to verify compliance. We also have a procedure for reconciling allegations of violations in the SCC. If the SCC is not up to the job, we should strengthen it. We cannot, we must not quit on arms control.

HUMAN RIGHTS IN THE 1980'S

Mr. PROXMIRE. Mr. President, on July 19, the Congressional Quarterly produced a report entitled "Human Rights in the 1980's," which summarized the latest unsucessful attempt to establish a worldwide standard of human rights under the terms of the Helsinki accords.

Meetings held in Ottawa, Canada, from May 7 to June 17, are just the latest in a series held ever since the signing of the Helsinki accords in 1975.

These recent meetings ended without lessening the differences in what has largely boiled down to an East-West debate.

Western nations have stressed the freedoms protected in the U.S. Constitution and the Bill of Rights, such as the freedoms of assembly, press, and religion. The Soviet Union, on the other hand, has emphasized what it calls "economic freedoms," such as the freedom from want and the freedom of employment.

Mr. President, using human rights as just another political football must stop.

Human rights are flagrantly violated worldwide. What is necessary is an accepted standard of human rights clearly stating the protections governments must provide.

Amnesty International gave evidence in 1984 that prisoners had been tortured or poorly treated in one-third of the nations of the world in the last 5 years.

The most tragic and stunning human rights abuses are those directed against whole peoples. The genocide of Pol Pot in Cambodia in the late 1970's, the systematic torture and murder of the Ba'hai sect in Khomeini's Iran, and the opression of the black majority in South Africa are examples.

Because of its poor human rights record, the international community should hold countries to a uniform standard of behavior for protection of human rights.

Mr. President, the Genocide Treaty is such a standard. By ratifying the treaty, we will pledge ourselves against the greatest of human rights violations, genocide.

I fear that the Genocide Treaty has not passed the Senate for the same reason the world has no accepted definition of human rights: the cold war mentality.

Mr. President, I ask that my colleagues recognize the need for cooperation in protecting human rights and join the 96 nations that have already ratified the Genocide Treaty.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with statements therein limited to 5 minutes each.

A CALL FOR RESPONSIBLE TRADE LEADERSHIP

Mr. SIMON. Mr. President, I just want to join in the discussion that has been going on about our becoming a debtor Nation. I think this is a matter of some great significance.

We simply have to get a hold of our fiscal policies. The trade debt means a loss of at least 3 million jobs and it is getting worse.

Hobart Rowen the other day in the Washington Post had this to say, in the middle of a column:

> The key to the conversion of the United States from creditor to debtor status is the enormous Federal budget deficit.

Very clearly we have to get a hold of this thing.

People ask, what is the problem in our becoming a debtor nation? The problem is this: If we have another Ohio Savings and Loan scandal—"scandal" is probably too harsh a word—or some other blip in our economy, let us say a great number of rural banks closing—that is not too difficult to imagine at all—then people in other countries may start to ask: "I wonder if my money is safe in the United States."

And if we then start getting a great many people pulling their money out, then we have major problems. What do we do about our situation? No. 1, we have to get hold of the deficit.

I was interested in hearing my colleague from Texas, Senator GRAMM, speak about a bill that he, Senator RUDMAN, and Senator HOLLINGS are introducing. I am taking a look at that. It seems to me that that approach is at least worth taking a look at.

I have joined two of my colleagues on the other side of the aisle and one on this side of the aisle in sponsoring a constitutional amendment to require a balanced budget that is much simpler than those that we have had in the past. It simply says we have to balance the budget unless there is a three-fifths vote of the Congress to the contrary. In theory, we do not need that. In practice, we do need it. I am pleased to say that was reported out of the Judiciary Committee by a 14 to 4 vote. I think we need that discipline.

A second area where we clearly have to do a great deal more is within our culture. Here in Congress we provide a few carrots in this, but, basically, the answers have to come in New Hampshire, in Illinois, and in the other States of this Nation, and that is, we are going to have to teach more in the area of foreign languages. We are the only nation on the face of the Earth where you can go through grade school, high school, college, get a Ph.D., and never have a year of a foreign language. That has to change.

You can buy in any language. You cannot sell in any language. To sell, you have to speak the language of your customer. So we need some changes in our culture.

I remember reading some time ago that in New York City alone today, there are over 10,000 Japanese sales personnel, all of whom speak English. In all of Japan, we have about 900 American sales personnel, most of whom do not speak Japanese. Who sells more? Well, the answer is fairly obvious.

Finally, we need to beef up our trade policy. Our trade policy basically grew up after World War II when we were economically very, very wealthy and the rest of the nations were poor. We were generous. It was the right policy for that time.

Now, the situation has changed. I still favor being generous to Bangladesh, to Mauritania, to the poor countries of the world, but to the other countries who are no longer in that

status, I think we have to have a much more level field.

I was pleased about the meeting of the foreign ministers and the directors of the central banks that was called by the administration. Let me pay tribute to my colleague from Texas, Senator BENTSEN, who first suggested this idea, I guess, 2 or 3 months ago. The idea of Senator BENTSEN, which was finally moved on by the administration, has resulted, at least temporarily, in some drop in the value of the dollar. While that is not going to, overnight, improve our situation, eventually that will improve our situation.

But just in general, we have to be much tougher. In my State of Illinois, we make nails in Peoria, Sterling, and Rock Falls. The nails go into Canada. Canada charges us 50 cents a hundredweight. Nails made in Canada come into the United States. We charge Canada 5 cents a hundredweight. I am basically a freetrader. I would like to get rid of the tariff on both sides. But if it is 50 cents on one side, it ought to be 50 cents on the other; if it is 5 cents on one side, it ought to be 5 cents on the other.

When the President of the United States made the decision not to ask for a quota on Japanese cars, we became the only automobile market in the world without a quota on Japanese cars. I called a friend in the White House. I said, "What did we get in exchange?" I was told we got good will. I am for good will, but my banker will not credit it to my account. I think we have to be tougher. We need to get more than good will for major concessions in the field of trade.

If I have a car that I want to sell to the distinguished Senator from New Hampshire, he and I are going to dicker over the price and we are going to eventually agree on a price or not agree on a price. But I do not think you maintain friendship just by conceding and being generous without receiving something in return.

We are going to have to be tougher. We are going to have to recognize the world of 1985. And if we do not get a more balanced approach, then, inevitably, we are going to swing over to Smoot-Hawley days. That, we do not want. The pendulum is too far over to one side. We have to get it down the middle in terms that make sense for 1985 and make sense for the people of this Nation.

Mr. President, last week this Nation passed a milestone by becoming a "debtor" nation for the first time in 65 years. We used to be a "creditor" nation and the rest of the world owed us; but, now that we have achieved "debtor" status we owe more to the rest of the world.

Today, what this means in practical terms is that the people of the United States own about $1 trillion in foreign assets and foreign investors own slightly more than $1 trillion of the United States. People are beginning to compare us with Brazil, Mexico, the United Kingdom and other debtor nations. Shortly, foreign investors will begin to ask whether the United States is a good place to invest their funds.

I am concerned about this state of affairs because this was not the way it was just 5 years ago. Then the national debt was $900 billion—today it is $2 trillion; then the annual budget deficit was $60 billion—today it is $215 billion; then the international trade deficit was close to balance—today it is close to $150 billion annually and rising; then the value of the dollar was on balance with foreign country—today it is overvalued and driving up the cost of American-made products while permitting foreign-made goods to be purchased cheap. Every week Americans are spending $3 billion more on foreign goods than foreigners are spending on American goods. That is costing us at least 3 million jobs.

Unless changes occur in our trade and fiscal policies the United States will become a permanent debtor nation. We in Congress must awaken to the dangers of hiding behind the rhetoric of free trade while our trading partners grow strong by hiding behind high-tariff walls, nontariff barriers, and are further aided by policies which overvalue the dollar vis-a-vis foreign currencies.

I am concerned because if these trade and fiscal policies are continued then they will lead to some astonishing statistics which I want to pass on to my colleagues so that we can see the consequences and how they will affect our constituents.

By 1990, just 4 fiscal years from October 1, the national debt will be $3 trillion. The trade deficit—in the best of circumstances—will float at $150 billion annually but our foreign debt will grow to $500 billion by 1990. If the trade GAP grows with the economy all bets are off and the foreign debt position will grow to $1 trillion by 1990. Just servicing that debt will cost each American family $1,000 a year in interest which will be paid to overseas investors.

As that imblance grows more and more of our industrial base and the jobs associated with it will be shipped overseas.

We in Congress must act now to turn attention to this problem with action, not just words. The fact that the President now speaks about adjusting trade and exchange rate policies is good, but not enough. We must attack the deficit by cutting unnecessary programs and by finding new sources of revenue which will reduce the deficit and help to bring down the historically high real interest rates. Unless we in Congress act and continue pressuring the administration on these issues then our children and grandchildren will be faced with a much lower standar of living.

ADMS BLOCK GRANT

Mr. QUAYLE. Mr. President, I would like to clarify the intention of our committee, and the Senate, when we added two new requirements to the existing alcohol, drug abuse and mental health services block grant under Public Law 98-509. I wish to ask Senator HATCH to explain the nature of the changes, specifically the two set-aside provisions?

Mr. HATCH. Public Law 98-509 added two new earmark requirements to the alcohol, drug abuse and mental health services block grant. Section 1916(c)(14) requires each State to use not less than 5 percent of its total block grant allotment to initiate and provide new alcohol and drug abuse services for women. Section 1916(c)(15) requires that, of the amounts to be used in any fiscal year for mental health activities, a State shall use at least 10 percent of such funds to initiate and provide new comprehensive community mental health programs for underserved areas or for underserved populations with a priority for services to severely disturbed children and adolescents.

This language has caused considerable concern as to whether these set-aside percentages are to be applied in a cumulative or noncumulative fashion. States are asking whether the language of Public Law 98-509 requires them to set aside 5 percent of fiscal year 1985 funds, 10 percent for fiscal year 1986 funds, and 15 percent of fiscal year 1987 funds for new or expanded—as compared with fiscal year 1984—women's alcohol and drug abuse services, or whether the law requires only 5 percent of each fiscal year's total to be utilized? The question is exactly the same for the 10 percent set-aside of mental health moneys. That is, does the law require an increase of 10 percent per year to a total of 30 percent by fiscal year 1987, or simply 10 percent per fiscal year?

I want our answer to be clear and unambiguous on this point. These set-asides were meant to be noncumulative.

The conference report for Public Law 98-509 clarifies that each State should target these earmarked services based on local needs. Consistent with this and with the intent of Congress to allow the States flexibility in the implementation of the law, this amendment makes it clear that the statute requires States to use 1984 as the base year from which to calculate the amounts required to be allocated to the earmarked services. The new set-asides would be noncumulative percentages above that base.

The effect of using a cumulative interpretation would be to sweep into the two earmarking provisions an excessively large portion of a State's total allotment, to jeopardize funding of other programs begun by States in previous years under the block grant, and to largely negate the extensive planning and public participation process the statute requires States to undergo in deciding how to expend their allotments. Many States would have to terminate new services begun in one fiscal year in order to fund other new services in the next fiscal year, a result which is clearly not intended.

In addition, the question has arisen of how a new service is defined. The conference report accompanying Public Law 98-509 clarifies that Congress intended that the requirement for funding new programs under section 1916(c)(14), the Women's Alcohol and Drug Abuse Program, could be satisfied by funding either new programs or by funding the expansion of existing programs to serve women. This is consistent with the mental health set-aside. We do not wish to require the States to establish entirely new programs with their attendant overhead and start-up costs if expansion of existing programs could accomplish these goals. Obviously it is up to each State to determine whether a new or expanded program is the proper way to achieve these goals.

Mr. QUAYLE. Would I be correct in saying then that from its allotments in fiscal years 1986, 1987 and subsequent fiscal years a State will be required to at least maintain the level of required new services begun with the fiscal year 1985 allotment, but that a State is not required to keep adding to the level of new services in each fiscal year following fiscal year 1985?

Mr. HATCH. The Senator would be absolutely correct. This technical amendment is being offered to make that point in a way that no State can misinterpret.

Mr. QUAYLE. I wish to ask Senator KENNEDY if he agrees that this reflects the conference agreement?

Mr. KENNEDY. Yes; I do.

Mr. QUAYLE. I ask Senator GRASSLEY, as a member of the conference committee, does he also agree with the statement by Senator HATCH?

Mr. GRASSLEY. Yes; I do.

FAIRMOUNT'S FAVORITE TV REPORTER—PHIL JONES

Mr. QUAYLE. Mr. President, I rise today to pay tribute to a fellow Hoosier, CBS News correspondent Phil Jones, who is a native of Fairmount, IN.

I look forward to being in Fairmount this Saturday, September 28, when Phil receives the key to the city and serves as the grand marshal of the town's annual "Museum Days" parade.

A veteran political and war correspondent, Phil Jones is now CBS News' chief congressional correspondent. Phil won an Emmy Award in 1972 for his exclusive reports on the secret air war in Indochina, and in 1980 he was named the best Capitol Hill reporter by Washington Journalism Review magazine.

But it isn't necessarily safe to assume that his achievements have made him Fairmount's favorite son. This east-central Indiana town of 3,500 is flush with famous offspring and is never lacking for a celebrity to marshal its parades. In fact, it may be true that the only reason that Phil hasn't been so honored before 1985 is that they couldn't fit him into the lineup any earlier.

In 1982, the key to the city was awarded to "Garfield" comic strip creator Jim Davis. In 1983, President Truman's World War II historian, James Houston, received the award. Both were graduates of Fairmount High School, as was Phil Jones in 1955.

But Monday, September 30, marks the 30th anniversary of the death of Fairmount High's most famous graduate. It was on that date in 1955 that James Dean died in an auto wreck on a highway in southern California. Dean graduated from Fairmount High in 1949.

Saturday's ceremony recognizing Jones will be followed on Monday by a rededication of Dean's tombstone, which has been stolen from Fairmount Park Cemetery three times. In fact, Phil may have to struggle to emerge from Dean's shadow all weekend as he competes with airings of Dean's films, a James Dean look-alike contest, and a James Dean Memorial 10-kilometer run.

Phil's mother, Charlene Jones, will also be honored in Fairmount this weekend, along with Jim Davis' mother and James Dean's aunt, who raised the actor after his mother died. Phil's wife Pat, who hails from Terre Haute, will also attend the festivities.

Jones graduated with a journalism degree from Indiana University in 1959 and got his first job as news director of WTHI-TV in Terre Haute. Phil moved on to WCCO-TV in Minneapolis in 1961, where his coverage of Minnesotans fighting in Vietnam won him successive awards for top international reporting from the Radio-Television News Directors Association in 1965 and 1966.

Phil Jones joined CBS News in April 1969. Before being assigned to the Washington beat in 1972, Jones covered the civil rights movement in Atlanta, Chinese affairs in Hong Kong, and the war in Vietnam. There he uncovered exclusive information that a secret air war was being waged out of bases in Thailand and received an Emmy Award for his reports. He also covered the historic departure of the last American combat unit from Vietnam and the My Lai massacre trial of Lt. William Calley.

Since moving to Washington, Jones has covered the White House of President Gerald R. Ford, the Presidential campaigns of Ford in 1976 and Senator EDWARD M. KENNEDY in 1980, the Vice Presidential campaign of Geraldine Ferraro, the Republican and Democratic conventions in 1980 and 1984, as well as the Congress.

Phil Jones' wide ranging assignments, numerous awards and consistent prominence at CBS News all testify to his talent and endurance in a fiercely competitive business. Despite his successes, however, Phil Jones dares not rest on his laurels. He is kept running after the next scoop by the sure knowledge that the moment he pauses to rest he will be overtaken and outshown by the next rising young star from Fairmount, IN.

NATIVE AMERICAN AWARENESS DAY

Mr. DOLE. Mr. President, this year, September 27 marks the observance of Native American Awareness Day—the day we dedicate to recognizing and honoring America's first residents.

Native American Awareness Day originated in the early part of this century. In 1915, over 1,000 members of the Society of American Indians convened in Lawrence, KS, and directed their president, the Reverend Sherman Coolidge, an Arapaho, to appeal to the Nation to officially observe an American Indian Day. Reverend Coolidge accordingly issued a proclamation on September 28, 1915, calling for Indians to be recognized as citizens and urging Indian loyalty to the United States. His proclamation concluded:

> We call upon our country not only to consider the past but to earnestly consider our present and our future as a part of the American people. To them we declare our needs now and tomorrow as those primarily of Americans struggling for enlightenment and that competency that is consistent with American citizenship. We do avow our hopes and our destiny inseparably united to that of the people of the United States of America and that our hearts and minds are now and forever loyal to our country, which we would serve in our fullest capacity as men and Americans.

Improvements followed Reverend Coolidge's proclamation, albeit slowly. On June 15, 1984, Indians born in this country were finally granted U.S. citizenship. This was followed by the Indian Reorganization Act of 1934, which, among othe things, terminated the infamous Land Allotment Program of 1887 and began redirecting Federal policy toward self-government and responsibility for native Ameri-

cans. By 1948, native Americans were able to vote in virtually all States. Since the 1950's Federal policy has continued toward self-determination for native Americans. And though we have stumbled at times, the Nation has made significant progress since that historic gathering in Lawrence, KS, 80 years ago.

President Reagan once said:

The story of the Indian in America is a record of endurance, of survival, of adaptation and creativity in the face of overwhelming obstacles. It is a record of enormous contributions to this country—to its art and culture, its strength and spirit, its sense of history, and its sense of purpose.

Native Americans have survived and have risen to distinction in the business, professional, academic, artistic, and political world. Moreover, almost 500 years after the first meeting between native Americans and European immigrants, the Nation has begun to fully appreciate the precious value and rich diversity of Indian cultures and their contribution to America's social and spiritual development. The observance of a Native American Day has helped increase this awareness and appreciation, which underscores its importance on our calendars. I urge my colleagues to join me in paying tribute to native Americans on this special day.

THE STATUS OF THE UKRAINIAN FAMINE COMMISSION

Mr. DECONCINI. Mr. President, during the second session of the 98th Congress, a Commission to Study the Famine in the Ukraine was created by law. The sum of $400,000 was appropriated for the work of the Commission. Due to a delay in the appointment of the Commissioners, this sum was not expended. It is my view that the task of the Commission is an important one, and it is my hope that these funds can be reappropriated for the Commission. I would like to ask the distinguished senior Senator from Nevada [Mr. LAXALT], the chairman of the Appropriations Committee's State Justice Commerce Subcommittee, for his views on this issue.

Mr. LAXALT. Mr. President, in response to the question posed to me by my colleague from Arizona, I would like to say that I, too, am extremely interested in the results of the Ukrainian Famine Commission's study. Although the Commission will not be funded under House Joint Resolution 388, the short-term continuing resolution which we are considering today, it is my intention to do all I can during consideration of the fiscal year 1986 State, Justice, Commerce appropriations bill to ensure that the Commission is funded at the level of $400,000 and that these funds could be carried over from year to year until expended.

Mr. DECONCINI. I thank the Senator from Nevada for his attention to this issue.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, it is my understanding that we may begin work on the Treasury-Postal Service and General Government appropriations bill soon and that we may complete action on that bill today. If would be helpful if we did because we have the HUD appropriations bill, the D.C. appropriations bill, and perhaps the Agriculture appropriations bill. We would like to dispose of them this week. I know we have an order for no rollcall votes today because of the Jewish holiday, but we do believe that we could complete essential action on the bill.

As I understand it, the managers are prepared and we can lay down the bill. We still have the Compact of Free Association to dispose of, but there is some difficulty with that because there are a number of Members who would like to attach an amendment to that—called the textile bill. That could take several minutes to dispose of; probably several days.

In any event, Mr. President, we do hope to complete action on this bill today. We have passed a continuing resolution and I urge my colleagues to move as quickly as they can.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DANFORTH). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BYRD TOMORROW

Mr. DOLE. Mr. President, parliamentary inquiry: As I understand it, there will be a vote on final passage of the so-called Superfund legislation which will occur at 1 p.m. on Thursday, tomorrow. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. Mr. President, I ask unanimous consent that following that vote, the distinguished minority leader be recognized for not to exceed 3 hours without interruption so that he may discuss a matter of concern to himself during that time, and that he be allowed to yield to other Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 283, H.R. 3036, the Treasury-Postal appropriations bill.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3036) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 3036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; *maintenance, repairs and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business;* not to exceed **[**$22,000**]** *$105,000* for official reception and representation expenses; not to exceed $200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed $683,000, to remain available until expended, for repairs and improvements to the

Main Treasury Building and Annex; [$54,274,000] *$76,400,000.*

[INTERNATIONAL AFFAIRS

[For necessary expenses of the international affairs function of the Office of the Secretary; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,000,000 for official travel expenses; and not to exceed $73,000 for official reception and representation expenses; $22,442,000.]

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use *without regard to general purchase price limitation for the current fiscal year*) and hire of passenger motor vehicles; not to exceed $75,000 for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; not to exceed $2,100,000 for repair, alteration, minor construction, and related equipment for the Federal Law Enforcement Training Center facility, to remain available until expended; not to exceed $2,000 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109: *Provided,* That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; acceptance of gifts; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center; [$25,500,000] *$23,803,000.*

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $244,621,000, of which not to exceed $1,800,000 shall remain available until expended for systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of three hundred vehicles for police-type use for replacement only; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed $5,000 for official reception and representation expenses; [$174,212,000] *$178,825,000* of which $15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1986: *Provided,* That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further,* That the Federal Building at 1200 Pennsylvania Avenue, NW, Washington, DC, headquarters of the Bureau of Alcohol, Tobacco and Firearms, shall hereafter be known and designated as the Ariel Rios Federal Building. Any reference to this building in any law, regulation, document, record, or other paper of the United States shall be deemed to be a reference to such building as the Ariel Rios Federal Building; *Provided further, That notwithstanding any other provision of law, passenger motor vehicles for police-type use may be purchased without regard to the general purchase price limitation for the current fiscal year.*

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of two hundred motor vehicles for replacement only, including one hundred and ninety for police-type use; hire of passenger motor vehicles; not to exceed [$10,000] *$15,000* for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; [$725,000,000] *$709,000,000,* of which not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations and not to exceed $1,000,000, to remain available until expended, for research: *Provided,* That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further,* That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000: *Provided further,* That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further,* [*That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: Provided further,* [That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1986] *That notwithstanding any other provision of law, passenger motor vehicles for police-type use may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That none of the funds made available by this Act shall be available to close or consolidate the Milwaukee, Wisconsin Customs District and its offices during fiscal year 1986. The Commissioner of Customs shall assign no fewer than four additional full time, permanent personnel to the Milwaukee, Wisconsin Customs Office, including at least one additional import specialist.*

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; [$60,425,000] *$75,000,000.*

CUSTOMS FORFEITURE FUND

[(LIMITATION ON AVAILABILITY OF DEPOSITS)]

For necessary expenses of the Customs Forfeiture Fund, not to exceed $8,000,000, as authorized by Public Law 98-473 and Public Law 98-573; to be derived from deposits in the Fund.

CUSTOMS SERVICES AT SMALL AIRPORTS

[(TO BE DERIVED FROM FEES COLLECTED)]

Such sums as may be necessary for expenses of the provision of Customs services at certain small airports designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports, and to remain available until expended.

[BUREAU OF THE MINT]

UNITED STATES MINT

SALARIES AND EXPENSES

For necessary expenses of the United States Mint; [$46,954,000] *$46,500,000* of which $1,050,000 shall remain available until expended for research and development projects.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; [$197,225,000] *$195,225,000.*

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided; for executive direction and management services, and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services, as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$95,932,000] *$94,000,000,* of which not to exceed $25,000 for official reception and representation expenses and of which not to exceed $500,000 shall remain available until expended, for research.

PROCESSING TAX RETURNS

For necessary expenses of the Internal Revenue Service not otherwise provided for; including processing tax returns; revenue accounting; computer services; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$1,103,041,000] *$1,005,000,000* of which not to exceed [$50,000,000] *$35,000,000* shall remain available until expended for systems modernization initiatives.

EXAMINATIONS AND APPEALS

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; employee plans and exempt organizations; tax litigation; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [$1,425,902,000] *$1,400,000,000.*

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

For necessary expenses of the Internal Revenue Service for investigation and enforcement activities; including purchase (not to exceed four hundred and fifty-one for replacement only, for police-type use) and hire of passenger motor vehicles (31

U.S.C. 1343(b)); securing unfiled tax returns; collecting unpaid accounts; technical rulings; enforcement litigation; providing assistance to taxpayers; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner: *Provided,* [That notwithstanding any other provision of this Act, none of the funds made available by this Act shall be used to reduce the number of positions allocated to taxpayer service activities below fiscal year 1984 levels, or to reduce the number of positions allocated to any other direct taxpayer assistance functions below fiscal year 1984 levels, including, but not limited to Internal Revenue Service toll-free telephone tax law assistance and walk-in assistance available at Internal Revenue Service field offices: *Provided further,*] That the Internal Revenue Service shall fund the Tax Counseling for the Elderly Program at $2,200,000. The Internal Revenue Service shall absorb within existing funds the administrative costs of the program in order that the full $2,200,000 can be devoted to program requirements: *Provided further, That notwithstanding any other provision of law, passenger motor vehicles for police-type use may be purchased without regard to the general purchase price limitation for the current fiscal year,* [$1,064,325,000] *$1,055,000,000.*

ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SEC. 1. Not to exceed 1 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation.

SEC. 2. Not to exceed 15 per centum, or $15,000,000, whichever is greater, of any appropriation made available to the Internal Revenue Service for document matching for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation for document matching.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided,* That [approval is obtained in advance from] *notice thereof is transmitted to* the House and Senate Committees on Appropriations; for repairs, alterations and minor construction at the James J. Rowley Secret Service Training Center; and for research and development; not to exceed $7,500 for official reception and representation expenses; for uniforms without regard to the general purchase price limitation for the current fiscal year: *Provided further, That notwithstanding any other provision of law, passenger motor vehicles for police-type use may be purchased without regard to the general purchase price limitation for the current fiscal year,* [$283,805,000] *$298,805,000.*

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

SEC. 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishings of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

SEC. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communication in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 103. (a) None of the funds appropriated by this Act may be used to disqualify, pursuant to section 411(d)(1)(B) of the Internal Revenue Code of 1954, any plan which has vesting requirements or provides for nonforfeitable rights to benefits, equal to or more stringent than 4/40.

(b) None of the funds appropriated by this Act may be used to issue an unfavorable advance determination letter, pursuant to section 411(d)(1)(B) of the Internal Revenue Code of 1954, with respect to any plan which has vesting requirements or provides for nonforfeitable rights to benefits, equal to or more stringent than 4/40.

SEC. 104. Not to exceed [1] *2* per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 1 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 105. None of the funds made available by this Act may be used to place the United States Secret Service, the United States Customs Service, or the Bureau of Alcohol, Tobacco and Firearms under the operation, oversight, or jurisdiction of the Inspector General of the Department of the Treasury.

This title may be cited as the "Treasury Department Appropriations Act, 1986".

TITLE II

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

[For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to 39 U.S.C. 2401 (b) and (c) and for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004 and section 1724(a) of the Omnibus Budget Reconciliation Act of 1981; $961,121,000] *For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (b) and (c) of section 2401 of title 39, United States Code; $801,000,000: Provided,* That mail for overseas voting and mail for the blind shall continue to be free: *Provided further,* That six-day delivery and rural delivery of mail shall continue at the 1983 level: *Provided further,* That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further,* That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1986: *Provided further, That none of the funds made available to the Postal Service by this Act may be used to support in-county second-class rates of postage for any issue of a publication unless more than 50 percent plus one copy of the total paid circulation is distributed within the county of publication, or the total paid circulation of the publication is under 10,000: Provided further, That none of the funds made available to the Postal Service by this Act shall be used to support the mailing of nonsubscriber copies of such publications at the in-county second class rates of postage at any time during the calendar year in excess of 10 percent of the total weight of copies mailed to subscribers at the in-county rate during the calendar year.*

This title may be cited as the "Postal Service Appropriation Act, 1986".

TITLE III

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided,* That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further,* That none of the funds made available for official expenses shall be considered as taxable to the President.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; $15,597,000 including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For expenses necessary of the White House Office as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $24,906,000.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at

the White House and official entertainment expenses of the President; $4,577,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, and not to exceed $60,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $204,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, and hire of passenger motor vehicles; [$1,659,000] *$1,794,000.*

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); $2,301,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107 and other personal services as authorized by 3 U.S.C. 107; $2,726,000.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373, [$500,000] *$250,000.*

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; $4,627,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; [$37,689,000] *$36,909,000*: *Provided*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.)[: *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the review of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs.]

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; $1,611,000.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; $1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1986".

TITLE IV

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.); [$1,450,000] *$1,430,000.*

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended, 42 U.S.C. 4271-79; [$2,058,000] *$2,041,000.*

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; [$219,000] *$210,000.*

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28, including hire of passenger motor vehicles; $730,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; $12,433,000.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

[The revenues and collections deposited into the fund] *For additional expenses necessary to carry out the purposes of the fund established* pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, *$7,000,000 to be deposited into said fund. The revenues and collections deposited into said fund* including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of [$2,356,893,000] *$2,412,001,000*, of which (1) not to exceed [$198,444,000] *$243,419,000* shall remain available until expended for construction of additional projects as authorized by law at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California:

Los Angeles, Federal Building, Courthouse and parking facility, $137,198,000

Idaho:

Eastport, Border Station, $2,147,000

Missouri:

Overland National Personnel Records Center Extension, $48,932,000

New Jersey:

Newark, Federal Building, Courthouse, $44,975,000

Washington:

Seattle, Laboratory, $9,767,000

Construction Projects, less than $500,000, $400,000:

Provided, That each of the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, 1987, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than $50,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed $269,096,000, which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance [approval is obtained from] *notice thereof is given to* the Committees on Appropriations of the House and Senate [for] *of* a greater amount:

Repairs and Alterations:

California:

Hawthorne, Federal Building, $2,383,000

Los Angeles, Courthouse, $2,570,000

Colorado:

Denver, Federal Building and Customshouse, $8,540,000

District of Columbia:

General Accounting Office, $16,200,000

ICC Customs, $2,262,000

Steam Distribution System, $13,796,000

Pension Building, $16,700,000

Illinois:

Chicago, Kluczynski Federal Building, $4,152,000

Peoria, Federal Building, $1,041,000

Indiana:

Ft. Wayne, Post Office, Courthouse, $5,275,000
Kentucky:
Louisville, Post Office, Courthouse, $5,518,000
Kansas:
Wichita, Courthouse, $4,840,000
Louisiana:
Lafayette, Federal Building, Courthouse, $2,083,000
Maryland:
Beltsville, James J. Rowley Secret Service Training Center, $5,000,000
Michigan:
Detroit, McNamara Federal Building, $7,600,000
Missouri:
Kansas City, Federal Building, $6,569,000
New Hampshire:
Manchester, Post Office, Courthouse, $1,988,000
New York:
Utica, Federal Building, Courthouse, $1,764,000
Ohio:
Cleveland, Celebrezze Federal Building, $6,507,000
Oklahoma:
Oklahoma City, Federal Building, Courthouse, $2,416,000
Pennsylvania:
Scranton, Post Office, Courthouse, $3,863,000
Puerto Rico:
Hato Rey, Federal Building, Courthouse, $1,683,000
Texas:
Dallas, Cabell Federal Building, Courthouse, $3,943,000
Dallas, Terminal Annex, $4,600,000
Fort Worth, Warehouse #1, $1,986,000
San Antonio, Post Office, Courthouse, $6,078,000
Virginia:
Richmond, Federal Building, $1,125,000
Minor Repairs and Alterations, $128,614,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance [approval is obtained from] *notice thereof has been given* the Committees on Appropriations of the House and Senate: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 1987, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed $135,100,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed $866,000,000 for rental of space; (5) not to exceed $709,678,000 for real property operations; (6) not to exceed $55,481,000 for program direction and centralized services; and (7) not to exceed [$123,094,000] *$133,227,000* for design and construction services which shall remain available until expended: *Provided further,* That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490), and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further,* That none of the funds available to the General Services Administration shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further,* That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance [approval is obtained from] *notice thereof has been given* the Committees on Appropriations of the House and Senate: *Provided further,* That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056 as amended, shall be available from such revenues and collections: *Provided further, That $2,000,000 available herein for design and construction shall be available for transfer to the city of Mesa, Arizona for expenses in connection with the design and construction of a Federal building in Mesa, Arizona: Provided further,* That revenues and collections and any other sums accruing to this fund during fiscal year 1986 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of [$2,356,893,000] *$2,412,001,000* shall remain in the Fund and shall not be available for expenditure except as authorized in appropriation Acts.

PERSONAL PROPERTY ACTIVITIES

PERSONAL PROPERTY

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement (including royalty payments), inspection, standardization, property management, and other supply management activities, transportation activities, utilization of excess and disposal of surplus personal property, and the rehabilitation of personal property including services as authorized by 5 U.S.C. 3109; [$164,257,000] *$163,257,000.*

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of agency management of activities under the control of the General Services Administration, and general administrative and staff support services not otherwise provided for; including transportation audits by in-house personnel; for transportation audit contracts and contract administration for which payment to any contractor shall not exceed 50 per centum on the overpayment identified by any contract audit; for providing accounting, records management, and other support incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109; $124,310,000 of which $900,000 shall be available only for, and is hereby specifically earmarked for, personnel [costs associated with] *and associated costs in* support of Congressional District and Senate State offices: *Provided,* That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code: *Provided further, That not to exceed $2,500 shall be available for reception and representation expenses.*

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property; the utilization survey, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; the National Defense Stockpile established by the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98-98h), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166); including services as authorized by 5 U.S.C. 3109 and reimbursement for recurring security guard service; [$40,748,000] *$40,000,000,* of which $11,414,000 shall be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5), and of which $25,989,000 for the transportation, processing, refining, storage, security, maintenance, rotation, and disposal of materials contained in or acquired for the stockpile shall remain available through fiscal year 1987.

[NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

[For the year ending September 30, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. §8a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $10,000,000 is appropriated, to remain available until expended, for a grant to construct a strategic materials research facility at the University of Massachusetts at Amherst.]

OFFICE OF INFORMATION RESOURCES MANAGEMENT

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; [$30,630,000] *$30,000,000.*

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General; $19,305,000: *Provided,* That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; [$931,600] *$1,151,000*: *Provided,* That the Administra-

tor of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL SERVICES ADMINISTRATION

GENERAL PROVISIONS

SEC. 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); and (2) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451ff) and such appropriations or funds may be so transferred, with the approval of the Office of Management and Budget.

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 4. Not to exceed 1 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 5. Funds in the Federal Buildings Fund made available for fiscal year 1986 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

[SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing space in buildings erected by the lessor on land owned by the United States.]

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, [$103,513,000] *$101,363,000* of which $4,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, *not to exceed $2,500 for official reception and representation expenses,* and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; $99,846,000 in addition to [$52,844,000] *$54,202,000* for administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes: *Provided,* That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C. No part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose*: Provided further, That none of the funds appropriated by this or any other Act shall be used for preparing, promulgating, or implementing new regulations for the 1985 Combined Federal Campaign other than repromulgating and implementing the 1984 regulations for the 1985 campaign. Nothing in this provision shall be construed to apply to the regulations for the 1986 Combined Federal Campaign.*

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, $1,606,165,000, to remain available until expended.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special acts, to be credited to the Civil Service Retirement and Disability Fund, $4,407,234,000: *Provided,* That annuities authorized by the Act of May 29, 1944, as amended (22 U.S.C. 3682(e)), August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles; [$20,349,000] *$20,000,000,* together with not to exceed $1,200,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of the Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978 (Public Law 95-454), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; [$4,594,000] *$4,200,000.*

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; [$17,364,000] *$17,064,000*: *Provided,* That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C. 3109.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; $24,556,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1986".

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided,* That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans' Administration; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 503. No part of any appropriation made available in this Act shall be used for

the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of or for the payment of the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.

SEC. 508. [No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds is necessary to comply with a final order of the Federal court system] *No funds appropriated herein shall be available for administrative expenses in connection with issuing or carrying out by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms any rules regarding ingredient labeling of wine, distilled spirits and malt beverages until such time as all legal proceedings including appeals and remands have been concluded in the matter of the Center for Science in the Public Interest, et al. v. Department of the Treasury et al. with respect to alcoholic beverage ingredient disclosure.*

SEC. 509. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, excessing, surplusing or disposal of any portion of land identified on the date of enactment of this Act as Fort DeRussy in Honolulu, Hawaii.

[SEC. 510. None of the funds appropriated in this Act may be used for administrative expenses to close the Information Resources Management Office of the General Services Administration located in Sacramento, California.]

SEC. [511] *510.* None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

SEC. [512] *511.* None of the funds made available by this Act shall be available for any activity or for paying the salary of any government employee where funding an activity or paying a salary to a government employee would result in a decision, determination, rule, regulation, or policy that would prohibit or otherwise prevent the Customs Service from enforcing section 307 of the 1930 Tariff Act.

[SEC. 513. None of the funds appropriated under this Act shall be obligated or expended to implement, promulgate, administer, enforce, or reissue or revise the proposed Office of Personnel Management regulations and the proposed Federal Personnel Manual issuances published in the Federal Register on March 30, 1983, on pages 13341 through 13381, as superseded by proposed regulations and Federal Personnel Manual issuances published in the Federal Register on July 14, 1983, on pages 32275 through 32312, and as further superseded by proposed regulations and the Federal Personnel Manual issuances published in the Federal Register on October 25, 1983 on pages 49462 through 49498.]

SEC. [514] *512.* None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, out of the Treasury Department.

SEC. [515] *513.* Of the total amount of budget authority provided for fiscal year 1986 by this or any other Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 per centum of the amount intended for such purposes in the President's budget for 1986, as amended, for any agency, department, or entity subject to apportionment by the Executive shall be placed in reserve and not made available for obligation or expenditure: *Provided*, That this section shall not apply to any agency, department, or entity whose budget request for 1986 for the purposes stated above did not amount to $5,000,000.

SEC. [516] *514.* No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

SEC. [517] *515.* No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. [518] *516.* No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance or efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

SEC. [519] *517.* Except for vehicles provided to the President, Vice President and their families, or to the United States Secret Service, none of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than twenty-two miles per gallon. The requirements of this section may be waived by the Administrator of the General Services Administration for special purpose or special mission automobiles.

SEC. [520] *518.* No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverages for abortions.

SEC. [521] *519.* The provisions of section [520] *518* shall not apply where the life of the mother would be endangered if the fetus were carried to term.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at $6,600 except station wagons for which the maximum shall be $7,600: *Provided*, That these limits may be exceeded by not to exceed $2,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section shall not apply to elec-

tric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian and Laotian refugees paroled in the United States after January 1, 1975: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal-clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 606. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 607. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided,* That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

SEC. 608. No part of any appropriation contained in this or any other Act, shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 609. Funds made available by this or any other Act to (1) the General Services Administration, including the fund created by the Public Buildings Amendments of 1972 (86 Stat. 216), and (2) the "Postal Service Fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c).

SEC. 610. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract projects pursuant to section 5 of the Public Building Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, 1986.

SEC. 611. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 612. No part of any appropriation contained in, or funds made available by this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the current fiscal year and for which appropriations were granted.

SEC. 613. (a)(1) Notwithstanding any other provision of law, no part of any of the funds appropriated for the fiscal years ending September 30, 1986, or September 30, 1987, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title, on or after the applicable date the limitation imposed by section 616(a)(2) of H.R. 5798, incorporated by reference in section 101(j) of Public Law 98-473, ceases to apply, at a rate that differs from the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616(a)(2), except as provided under paragraph (2) of this subsection.

(2) The Office of Personnel Management shall provide for any necessary adjustments of wage schedules and rates for the period covered by paragraph (1) of this subsection for employees subject to paragraph (1) so as to ensure that—

(A) such wage schedules and rates are adjusted upwards or downwards, as the case may be, by an average percentage amount consistent with any adjustment taking effect for the General Schedule under section 5305 of title 5, United States Code, or other provision of law during such period; and

(B) any such adjustment takes effect in each affected wage area at a time that bears the same relationship to the normal effective date of wage adjustments in that wage area that the effective date of the General Schedule adjustment bears to the effective date specified in section 5305(a)(2) of title 5, United States Code.

(b) Notwithstanding the provisions of section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, the provisions of subsection (a) of this section shall apply (in such manner as the Office of Personnel Management shall prescribe) to any prevailing rate employee to whom such section 9(b) applies, except that the provisions of subsection (a) may not apply to any increase in a wage schedule or rate that is required by the terms of a contract entered into before the date of enactment of this Act.

(c) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at rates that exceed the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(d) For the purpose of this section, the rates payable to employees who are covered

by this section and who are paid from a schedule that was not in existence on September 30, 1985, shall be determined under regulations prescribed by the President.

(e) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section shall not be changed from the rates in effect on September 30, 1985, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(f) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, 1985.

(g) For the purpose of administering any provision of law, rule, or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

[SEC. 614. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices of the United States Customs Service.]

SEC. [615] *614.* During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to renovate, remodel, furnish, or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless such renovation, remodeling, furnishing, or redecoration is expressly approved by the Committees on Appropriations of the House and Senate.

[SEC. 616. Funds provided under this Act to the Executive Office of the President, or funds provided under this or any other Act to be allocated to and subsequently allocated for that purpose, may be used for the compilation, preparation, reproduction, and/or distribution of the "White House News Summary", or any similar successor document, if the distribution of such document is made in a manner which does not discriminate against any member of any Federal Government branch, department, agency, commission, board, or other entity on the basis of political party affiliation.

[SEC. 617. Notwithstanding any other provision of this Act, each amount appropriated by this Act not required to be appropriated by previously enacted law is hereby reduced by 2.65 per centum. The provisions of the preceding sentence shall not apply to funds appropriated or otherwise made available under title I of this Act for Federal Law Enforcement Training, the Bureau of Alcohol, Tobacco and Firearms, the United States Customs Service, the Internal Revenue Service, and the United States Secret Service, or title II of this Act for the Postal Service.]

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1986".

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I am pleased to present the fiscal year 1986 Treasury, Postal Service and General Government appropriation bill to the Senate for its consideration. This bill is the culmination of many hours of difficult work and hard decisions. I believe it is a good bill and deserves your support.

The funding levels in this bill total $12,990,301,000. The bill is $237,567,125 below the House-passed total.

As you will note in the report, it exceeds the President's request by $778,954,000. Of this amount, all but $18 million can be attributed to the committee's proposal to fund the revenue forgone subsidy.

I would briefly like to outline some of the actions the committee has taken in this bill. The President had proposed to reduce the Customs Service by 887 positions in fiscal year 1986. The committee does not feel that this is an appropriate step at this time. As the trafficking of illicit narcotics and fraudulent commercial goods continue to climb to alltime heights, the committee feels that steps should be taken to bolster the Customs Service, not dismantle it. We firmly believe that action can and should be taken to streamline administrative operations within the Customs Service. However, it is most important that we bolster line and enforcement operations.

It is for that reason that we have recommended funding to enable restoration of the proposed personnel cuts, plus hiring of 416 additional personnel. As these people come on line, much will be done to slow down drug trafficking and speed up legitimate cargo and passenger processing while considering in a positive manner our Nation's commercial requirements.

The committee has also taken steps, as I noted earlier, to provide some funding for the recipients of the revenue foregone postal subsidy. The President's budget originally proposed to eliminate the subsidy.

The committee believes, as does the Congress as outlined in the budget resolution, that this dramatic step at this time would have a severe impact on the Nation's small newspapers, which are vital to rural America and to the nonprofit organizations, as they go about their work. The committee has included $801 million for the subsidy.

The President also proposed that Federal employees take a 5-percent pay reduction. The Congress has overruled that suggestion. In order to save where we can, the committee has requested all agencies in this bill to absorb this total except for the Bureau of Alcohol, Tobacco, and Firearms, Federal Law Enforcement Training Center, U.S. Customs Service, U.S. Secret Service, and the Internal Revenue Service. The committee provides full restoration to the law enforcement agencies and about 50 percent for the IRS. The committee feels very strongly that cuts in law enforcement and tax collection cannot be sustained at this time, so it has taken this action. We must do what we can to keep spending down.

I would like to note at this point that if any agencies can prove that the forced absorption will adversely affect its mission, the committee will certainly consider appropriate supplemental funding requests.

The House included a general provision which cuts all discretionary accounts except the Federal Law Enforcement Training Center, Bureau of Alcohol, Tobacco, and Firearms, the Customs Service, the Secret Service, the IRS and the Postal Service by 2.6 percent. The committee has struck this section. This committee has spent considerable time and energy balancing funding necessities and interests. We made difficult decisions and believe they are the right ones. Arbitrary reductions such as this are not the way to legislate. I am sure the entire Senate agrees.

This bill includes funding for many agencies, most of which are people agencies. I have touched on but a few points. I, therefore, ask unanimous consent that a more detailed list be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ABDNOR. Mr. President, before yielding the floor to my distinguished colleague, the ranking member of the subcommittee, Senator DECONCINI, I would like to note that this bill is the result of a truly bipartisan effort. The few differences we had were easy to work out because our goals are similar. All members of the subcommittee were most helpful and deserve credit for a job well done.

We have a very excellent working relationship and, as I said, we have mutual goals. It has always been a pleasure to work with him. Without his contribution, the final product would not have been achieved.

EXHIBIT 1

	Amount
TITLE I—DEPARTMENT OF THE TREASURY	
Office of the Secretary	76,400,000
International affairs	
Federal Law Enforcement Training Center	23,803,000
Financial Management Service: Salaries and expenses	244,621,000
Bureau of Alcohol, Tobacco, and Firearms	178,825,000

	Amount
U.S. Customs Service:	
Salaries and expenses	709,000,000
Operations and maintenance, air interdiction program	75,000,000
Subtotal, Customs operating accounts	784,000,000
Customs forfeiture fund (limitation on availability of deposits)	8,000,000
Customs services at small airports	75,000
Total, U.S. Customs Service	792,075,000
Bureau of the Mint	46,500,000
Bureau of the Public Debt	195,225,000
Internal Revenue Service:	
Salaries and expenses	94,000,000
Processing tax returns	1,005,000,000
Examinations and appeals	1,400,000,000
Investigations, collections and taxpayer service	1,055,000,000
Subtotal, IRS operating accounts	3,554,000,000
Payment where energy credit exceeds liability for tax	
Federal tax lien revolving fund	
Total, Internal Revenue Service	3,554,000,000
U.S. Secret Service	298,805,000
Total, title I, new budget (obligational) authority, Department of the Treasury	5,410,254,000
TITLE II—U.S. POSTAL SERVICE	
Payment to the Postal Service Fund	801,000,000
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT	
Compensation of the President	250,000
Office of Administration	15,597,000
The White House Office	24,906,000
Executive residence at the White House	4,577,000
Official residence of the Vice President	204,000
Special assistance to the President	1,794,000
Council of Economic Advisers	2,301,000
Office of Policy Development	2,726,000
National Security Council	4,627,000
National Critical Materials Council	250,000
Office of Management and Budget	36,909,000
Office of Federal Procurement Policy	1,611,000
Unanticipated needs	1,000,000
Total, title III, new budget (obligational) authority, Executive Office of the President	96,752,000
TITLE IV—INDEPENDENT AGENCIES	
Administrative Conference of the United States	1,430,000
Advisory Commission on Intergovernmental Relations	2,041,000
Advisory Committee on Federal Pay	210,000
Commission on Executive, Legislative and Judicial Salaries	
Committee for Purchase From the Blind and Other Severly Handicapped	730,000
Federal Election Commission	12,433,000
General Services Administration:	
Federal buildings fund:	
Appropriation	7,000,000
Limitation on availability of revenue:	
1. Construction and acquisition of facilities	(243,419,000)
2. Repairs and alterations	(269,096,000)
3. Purchase contract payments	(135,100,000)
4. Rental of space	(866,000,000)
5. Real property operations	(709,678,000)
6. Program direction	(55,481,000)
7. Design and construction services	(133,227,000)
Real property activities	
Program direction	
Total, Federal buildings fund: (Limitations)	(2,412,001,000)
Operating expenses, personal property	163,257,000
By transfer	
General supply fund, personal property	
Federal property resources activities:	
Operating expenses	40,000,000
Expenses, disposal of surplus real and related property	
National defense stockpile transaction fund (limitation on availability of revenue)	
Total, Federal property resources activities	40,000,000
General activities:	
General management and administration salaries and expenses	124,310,000
By transfer	
Office of Information Resources Management:	
Operating expenses	30,000,000
Federal telecommunications fund	
Automatic data processing fund	
Office of the Inspector General	19,305,000
Allowances and office staff for former Presidents	1,151,000
Expenses, Presidential transition	
Working capital fund	
Total, general activities	174,766,000
Total, General Services Administration	385,023,000
National Archives and Records Service: Operating Expenses	101,363,000
Federal Personnel Activities	
Office of Personnel Management:	
Salaries and expenses:	
Appropriation	99,846,000
Limitation	(54,202,000)
Government payment for annuitants, employees health benefits	1,606,165,000
Payment to civil service retirement and disability fund	4,407,234,000
Total, Office of Personnel Management	6,113,245,000
Merit Systems Protection Board:	
Salaries and expenses	20,000,000
Limitation	(1,200,000)
Office of special counsel	4,200,000
Total, Merit Systems Protection Board	24,200,000
Federal labor relations authority	17,064,000
Total, Federal personnel activities	6,154,509,000
U.S. Tax Court: Salaries and expenses	24,556,000
Total, title IV, new budget (obligational) authority, independent agencies	6,682,295,000
General Provision	
General reduction	
Grand total:	
New budget (obligational) authority	12,990,301,000
(Limitations)	(2,467,403,000)

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I thank my colleague, the chairman, for his kind words.

Mr. President, I rise in strong support of the pending measure—the fiscal year 1986 appropriation bill that funds a number of crucial Government agencies, including the U.S. Customs Service, the IRS, the General Services Administration and most of the offices within the Executive Office of the President. Furthermore, this bill funds a number of vital national programs, including the backbone of our Air Anti-Drug Smuggling Program, the Customs Air Interdiction Program.

Mr. President, I am proud of the job Chairman ABDNOR and the committee members have done to craft a lean, fiscally prudent bill that still allows for significant improvements in critical Federal programs, particularly in the law enforcement area. As my distinguished chairman pointed out, the bill is over the President's amended budget request by approximately $779 million—virtually all of which is attributable to the committee's action on the revenue forgone Postal subsidy. On the other hand, this bill is $238 million less than the House passed bill and $85.2 million below the aggregate fiscal year 1985 Treasury appropriation bill levels. Furthermore, 25 of the 51 line-item accounts in this bill are funded at levels below fiscal year 1985 enacted levels. We have taken a hard line on spending throughout the bill, making a conscious decision to bolster our law enforcement agencies wherever possible, while holding the line or reducing other low priority activities to offset any increases. This is not something that the chairman or I enjoyed doing but in light of the specter of $200 billion deficits, we had to make the hard priority choices, and I think we have made them.

Finally, Mr. President, based on an informal agreement among the subcommittee chairmen and the chairman of the Appropriations Committee, the Treasury, Postal Service bill is targeted for an allocation of $13.2 billion under section 302(b) of the Budget Act. Using this allocation ceiling as a target, this bill is approximately $200 billion under that amount. On the outlay side, we are slightly over—about $20 million to be exact. So this bill conforms to the chairman's informal allocation for the Treasury bill next year.

On the other hand, Mr. President, the Budget Committee, in its ever-changing calculations, now estimates that our appropriation bill is $128 million over in both budget authority and outlays. Frankly, in analyzing their calcuations, it appears that the chairman's estimate of where the Treasury bill ought to be is much more accurate than the Budget Committee's guess. For example, the Budget Committee analysts have not granted the Treasury bill full credit for the President's July 29 restoration of the 5-percent salary reduction. That shortchanges the Treasury appropriation bill by $77 million. The Budget Committee has also double taxed our bill for the President's proposed 10 percent administrative expense cut—a cut that has been built into the Treasury appropriation bill as reported. Their failure to recognize that we already adopted that cut, costs the Treasury bill another $53 million in scorekeeping. Also, the conference agreement on the budget resolution assumes full restoration of all the Customs positions that the President proposed to cut in his February 1985 budget, plus another 800 Customs slots on top of that. Yet the Budget Committee has not provided any of that additional money to cover those positions, nor have they granted the Treasury bill any credit for this action. That robs another $28 million from the Treasury bill. Plus the Budget Committee analysts are giving the Treasury bill no credit for the $8 million requested by the President and assumed in the budget resolution for the forfeiture fund at Customs. Those four items that I have just outlined should have added $166 million to the Treasury bill ceiling, but the Budget Committee failed to do so in their calculations.

Mr. President, what all of this means is that this bill falls within the explicit and implicit funding assumptions built into the first budget resolution. And as I mentioned earlier, this bill is below the total spending level made available to the Treasury bill for fiscal year

1985. For all of these reasons, this bill merits the strong support of this body.

Mr. President, this bill keeps our war on drugs on track. It helps IRS continue its aggressive tax collection and examination functions.

Mr. President, I must say as far as that particular area is concerned—the IRS—it has caused me great consternation and problems, especially with the abuses reported on IRS. We have been asked by this administration to continue this aggressiveness. I hope that this committee and other committees will take a very careful look at some of the tax-collecting efforts by the Internal Revenue Service.

It provides for a new effort to train our Treasury law enforcement officers to combat terrorism at their assigned duty stations. And it provides adequate funding for the Government's supply and office space needs through the GSA. This is a good bill and it deserves the support of all of my colleagues in the Senate.

Mr. President, I would be remiss if I did not acknowledge the truly outstanding job Senator ABDNOR has done in putting this bill together. We often toss around loosely the word "bipartisan," but I think of no Senator who has been more willing to work with the minority; more willing to go the extra mile to accommodate Senators' requests; more responsive to the interests of this Senator, than by chairman, JIM ABDNOR, he handles the administration's agenda with skill and effectiveness, at the same time that he holds the hard line on being fiscally sound in his efforts to do so. He handles the administration's agenda with skill and effectiveness. Most importantly, he is always fair.

I also want to thank his fine staff director, Chuck Parkinson, and Bob Mills of the minority staff, as well as all the staff on this subcommittee for the outstanding job of helping both sides of the aisle deal with the complexities of these issues.

Mr. ABDNOR. Mr. President, I say to the Senator from Arizona that I deeply appreciate those kind words.

Mr. President, I ask unanimous consent that the committee amendments to H.R. 3036 be considered and agreed to en bloc, with the exception of the amendment on page 42, line 23 through line 7 on page 43, and the amendment on page 57, line 18 through line 2 on page 58, to be treated as original text for the purpose of further amendment and that no point of order be waived thereby.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

EXCEPTED COMMITTEE AMENDMENT—PAGE 42, LINE 23, THROUGH PAGE 43, LINE 7

Mr. ABDNOR. Mr. President, I now call up excepted committee amendment on page 42.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

On page 42, line 23, insert new language through page 43, line 7: No funds appropriated herein shall be available for administrative expenses in connection with issuing or carrying out by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms any rules regarding ingredient labeling of wine, distilled spirits and malt beverages until such time as all legal proceedings including appeals and remands have been concluded in the matter of the Center for Science in the Public Interest, et al. v. Department of the Treasury et al. with respect to alcoholic beverage ingredient disclosure.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment on page 42 begin on line 16. This is a correction.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, my purpose in objecting to the committee's amendment is simple: I believe the text as drafted goes beyond the intent of its sponsors and will unduly restrict the Bureau in implementing regulations of great importance to the public health. I have discussed this matter with the distinguished chairman of the subcommittee [Mr. ABDNOR] and with the distinguished ranking minority member [Mr. DECONCINI] and I believe that they agree with me that the text before us goes far beyond the committee's intent.

Before yielding to the chairman, let me put this issue into perspective for the record.

For several years, Congress has adopted language precluding the Bureau of Alcohol, Tobacco and Firearms from implementing an ingredient labeling rule that is the subject of a court decision. That issue is still before the courts and the Bureau is precluded from implementing that regulation unless ordered to do so by the courts.

The House adopted similar language again this year and I am proposing that we return to that language again this year.

The committee's language is simply too broad and I deeply appreciate the Senator from Ohio [Mr. METZENBAUM] for bringing this matter to my attention. He has been a tremendous advocate for the consumer and, once again, he has raised an excellent point.

If we were to adopt the committee amendment as drafted, the Bureau would be precluded from moving ahead on two issues of great importance to the public health.

The first issue is a proposed regulation, issued by the Bureau of Alcohol, Tobacco and Firearms on June 24, 1985, to require the labeling of sulfiting agents in wine, distilled spirits, and malt beverages. Sulfites have been shown to pose a serious health hazard for as many as 800,000 Americans and the consequences are often severe: Anaphylactic shock, brain damage, and, as a September 5 New York Times article reminds us once again, death can also result.

Our colleague, the Senator from Tennessee [Mr. GORE], has been a major force in prodding the Food and Drug Administration to finally take action. On August 9, the FDA announced its intention to ban six sulfite preservatives that have been used in fresh fruits and vegetables. By contrast, the BATF proposal for labeling is a minimum step that should be taken, particularly in light of the fact that one of the deaths reported by the New York Times involved a Texas man who died after drinking white wine.

Because of the importance of this issue, I ask unanimous consent that the New York Times report be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO MORE DEATHS LINKED TO SULFITE IN FOOD ARE UNDER SCRUTINY

(By Irvin Molotsky)

WASHINGTON, Sept. 4—Federal agencies are investigating two more deaths linked to food containing sulfite preservatives, one involving a California woman who ate commercially prepared potatoes and the other a Texas man who drank some white wine. In both cases, death was caused by extreme asthmatic reaction.

If sulfites are fully established as the cause of the asthmatic attacks, the two cases will bring to 15 the number of confirmed deaths associated with the preservative since 1983. William Grigg, a spokesman for the Food and Drug Administration, said today that he could not recall any similar case of a food additive's being directly linked to fatalities.

The drug agency announced Aug. 9 that it planned to ban the use of six sulfite preservatives that have been used in fresh fruits and vegetables. However, the potatoes and wine linked to the most recent deaths would not come under that order.

Commercially prepared potato products are excluded from the planned prohibition. Mr. Grigg said that a separate rule was being planned for potatoes because they are marketed in so many different forms. Alcoholic beverages are dealt with by the Bureau of Alcohol, Tobacco and Firearms, which has such an order affecting beer and wine under consideration.

Mitchell Zeller, a lawyer with the Center for Science in the Public Interest, a consumer group that has been campaigning against the use of sulfites in food, said that previous asthma deaths were linked to potatoes but that this was the first documented case of a death associated with wine.

BAN ON SULFITES URGED

"We think that the deaths are proof positive that there are many uses of sulfites beyond fruits and vegetables that are capable of killing people," Mr. Zeller said. "It is incumbent for the F.D.A. to ban all uses of sulfites in foods and drugs unless a particular use is needed to protect public health and cannot be substituted for."

Most of the sulfite use in recent years has been to keep foods fresh-looking. As salad bars have become more popular, the use of sulfites has increased. Mr. Grigg estimated that perhaps a million Americans were sensitive to sulfites and might suffer allergic reactions to the substance.

Mr. Zeller identified the following as the latest people to die, and local and Federal health officials provided confirmation:

Ann Weltman, 30 years old, of Los Angeles, who died of an asthmatic reaction on July 30 after eating an order of hash brown potatoes later found to contain a sulfite preservative.

Daniel Tsevat, 33, of Dallas, who died July 11 after drinking some German wine that contained sulfites.

Drawing on these cases and on previous incidents among some 500 reported to the Federal authorities, Mr. Grigg said, "A person who is sulfite-sensitive should not drink wine or beer or eat at a salad bar or eat potatoes in a restaurant where they might have been treated to keep them white."

Since restaurants are frequently unaware that some of their food supplies are treated with sulfites, Mr. Grigg suggested that such people avoid them altogether in restaurants instead of inquiring as to whether its substance is being used.

Sulfites are not used in distilled spirits like whisky, according to Dot Koester, a spokesman for the Bureau of Alcohol, Tobacco and Firearms.

DEATH AT DELI ON COAST

According to the San Francisco regional office of the F.D.A., Miss Weltman was eating a meal of eggs and hash browns at the Boston Deli in Los Angeles. "She began reacting to the meal and self-administered an injection of adrenalin," the drug agency report said. "The injection did not help and she died."

Mr. Zeller said that Miss Weltman had a history of asthmatic reactions to sulfites. In November 1984 she was treated in a hospital for two weeks after drinking some wine containing sulfites. Another time, he said, she was treated for a severe asthmatic reaction in a hospital where she was administered a drug that contained sulfites and went into respiratory arrest, from which she later recovered.

According to Miss Koester of the Federal alcohol agency, Mr. Tsevat drank some wine from a bottle whose label said in German "1983 Piesporter Michelsberg Riesling Spätlese," then in English "White Moselle Wine."

Mr. Zeller said that Mr. Tsevat suffered such a sudden reaction that he did not have time to inject himself with Epinephrine, which many asthmatics carry to counter life-threatening reactions. Bill Lene, chief field agent in the Dallas County Medical Examiners Office, said that the cause of death was acute asthma and that Mr. Tsevat had been advised not to consume sulfites.

Laboratory analyses showed that the sulfite content in both cases was within allowable Federal limits, measuring 242 parts per million in the California potato case and 92 parts per million in the Texas wine incident.

The potatoes that Miss Weltman ate were made by Cut 'n Ready Foods, which is in San Lorenzo, Calif. The president of the company, Marvin H. Feinstein, said that the report linking Miss Weltman's death to the company's product was "absurd."

"We have been using the same ingredients for 35 years and we have never had any problems," Mr. Feinstein said. "This is terribly distressing. We have never had a death associated with our company."

Mr. Feinstein faulted the long time from the date of Miss Weltman's death more than a month ago to the rising of the charges now. He also criticized the lack of an autopsy on Miss Weltman's body.

Mr. PROXMIRE. Mr. President, the other issue with which I am concerned is the possibility that the committee's language would preclude the enforcement of existing labeling requirements regarding yellow dye No. 5. As the author of comprehensive legislation regarding the dyes still provisionally listed for use by the Food and Drug Administration, I have become concerned with the increasing medical evidence of allergic-type reactions that some dyes, such as yellow No. 5, posed for many Americans. The BATF recognized this growing body of medical evidence and acted several years ago to require labeling and it is crucial that we not interfere with its enforcement.

In addition, there is the possibility that this language would preclude the Bureau from responding to unforeseen public health emergencies that might develop in the future and we must not tie their hands in that way, either.

Mr. President, in outlining these concerns, let me point out that in my discussions with the subcommittee chairman, Mr. ABDNOR, and the ranking minority member, Mr. DECONCINI, it is clear to me that it was never their intent to interfere with such important public health responses as I have just outlined. And I believe that they are willing to return to the House language on this issue.

Mr. ABDNOR. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am delighted to yield.

Mr. METZENBAUM. Mr. President, along with the Senator from Wisconsin, Mr. PROXMIRE, I support the restoration of the House language on the labeling of alcoholic beverages to section 508 of the Treasury appropriations bill. The Senator from Wisconsin is, as usual, right on the mark in raising an objection to this provision which could adversely affect the health of many consumers.

Mr. President, let me make one point clear from the outset. I am not convinced that the House language—section 508—really belongs in this bill either, but it is certainly preferable to the broad language in the Senate version. This language could prevent the Bureau of Alcohol, Tobacco and Firearms from warning people about the presence of sulfites in alcoholic beverages. We know, of course, that sulfites have been linked to 15 deaths around the country.

Two recent deaths from sulfites are also being investigated including that of a Texas man who died after drinking white wine.

In August, the FDA announced its plans to ban the use of six sulfite preservatives that have been used in fresh fruits and vegetables.

In addition, the Bureau of Alcohol, Tobacco and Firearms has issued a proposed rule requiring disclosure of the presence of sulfites on the label of alcoholic beverages.

The proposed Senate language would deny the Bureau funds for issuing or carrying out any rules regarding ingredient labeling of wine, distilled spirits, and malt beverages until all legal proceedings have been concluded in a suit between the Center for Science in the Public Interest and the Department of Treasury.

That could be up to 2 years. In the meantime, what about the proposed sulfite rule or the final rule on yellow dye No. 5? Of course, the committee can claim that is not the intent of the clause. The Bureau can maintain it will not interpret the clause in this way. The fact is the language is so broad that clearly the sulfites rule and other rules are jeopardized.

The question can and should be asked. Why is Congress interfering in this judicial matter in the first place?

Back in 1980, the Bureau issued final regulations requiring ingredient disclosure for alcoholic beverages. Those regulations were rescinded in 1981. That action was reversed by the U.S. Federal district court here in Washington in 1983. The court ordered that the regulation be reinstated no later than February 8, 1984. However, the Bureau again rescinded the rule in October 1983. Now that action is being challenged in court.

When the court originally ordered the reinstatement of the rule, the House put in this clause banning enforcement pending the appeal of industry and government. Well, in 1983 the U.S. Court of Appeals itself stayed the district court's order. Thus this restriction placed in the 1983 appropriations bill was superfluous.

This current provision is also unnecessary. The courts should be allowed to work their will and if there is a continuing justification for a stay on this rule pending final appeals—let the courts decide.

Ingredient labeling of alcoholic beverages was supported by 61 percent of Americans in a 1983 Gallup poll. The Center for Science in the Public Interest estimates that at least 1½ million Americans are allergic to alcoholic beverage ingredients.

The FDA has stated in a memorandum to the Bureau that "Reliance on ingredient declarations may be the only practicable means for these consumers to avoid the offending substances."

There is no doubt in my mind that the House language is better than the proposed Senate language. There is

considerable doubt in my mind that we need any language on this issue at all.

I understand that the manager of the bill is willing to withdraw the committee amendment. I appreciate his willingness to accept the House language and at the same time urge him to consider whether we really need this type of provision in the bill in the first place.

Mr. ABDNOR. Mr. President, there has been some confusion with regard to the committee language in section 508. I would like to clarify this situation. Our intention here is to suspend the ideological tug of war over which way we ought to go on new ingredient labeling requirements until all litigation on the issue is complete. ATF has expended a good deal of its time and scant resources on this question over the past 10 years, going one way under the previous administration and another way under the current one. We just do not think it is good management to pursue the broad ingredient labeling issue until the courts have fully clarified both ATF's jurisdiction and legal obligations under the Federal Alcohol Administration Act.

However, on the narrower issue of sulfite labeling, no new regulation would be required to mandate the listing of sulfites on the labels of alcoholic beverage products which contain it. ATF authored a Treasury decision in 1983 under which it could require listing of a specific ingredient on labels if it was found to be hazardous to health.

The language is intended to be prospective only, and since regulations under which ATF could require sulfite labeling are already in place, ATF and Treasury could move to require the listing of sulfites on labels without hindrance. However, to avoid further confusion, I believe we should drop the amendment.

I shall move to lay the amendment on the table.

Mr. ABDNOR. Mr. President, Senator DECONCINI, do you wish to comment?

Mr. DECONCINI. Mr. President, we concur in the motion to table.

Mr. ABDNOR. Mr. President, I move to lay the amendent on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the excepted committee amendment.

The motion to lay on the table was agreed to.

Mr. ABDNOR. I move to reconsider the vote by which the motion was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SECOND EXCEPTED COMMITTEE AMENDMENT

Mr. ABDNOR. Mr. President, I ask unanimous consent that the second excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 688

Mr. ARMSTRONG. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG] proposes an amendment numbered 688.

On page 2, line 20, before the semicolon insert: ": *Provided further*, That none of the funds contained in this or any other Act shall be available for the salaries and expenses for the Office of the Assistant Secretary of the Treasury for Enforcement and Operations, after March 1, 1986, unless U.S. Customs Service authorizing legislation is passed by the Congress.".

Mr. ARMSTRONG. Mr. President, there is no need to explain the effect of the amendment. It is plain from the reading of it that what this does is cut off the funding for the Office of the Assistant Secretary of the Treasury for enforcement after March 1 of next year unless the Customs Service authorization bill has been approved by Congress. The reason for that is not apparent on its face, so I shall explain.

For some time, about 3 years, some Members of the Senate have been trying to gain enforcement of that part of our statute against the entry into this country of goods produced by forced labor in the Soviet Union. Perhaps some Members will remember that we adopted a resolution requiring a statement of the veracity of reports that such goods were being moved into commerce and coming into this country in violation of the statute. We passed the resolution and sure enough, the State Department sent us back reports of information provided by the intelligence agencies that maybe more than 100 different classes of such production were being imported.

I asked the Senate to adopt a resolution, which the Senate was good enough to agree to, calling upon the Customs Service and the Treasury Department, of which the Customs Service is a part, to enforce the statute which plainly says such goods may not come into this country. That statute has been on the books a long time and was previously enforced against the Soviet Union and other countries.

It is my belief that while the dollar volume is not large, the principle involved here is very great indeed: First of all, that our country must not be ever a partner, even unwittingly, in a shameful practice such as this, of people being rounded up on trumped-up charges of hooliganism, charges which amount to little more than practicing their religious beliefs or some other forbidden thing in the Soviet Union, put behind barbed wire and forced to produce goods. We cannot stop that but we do not have to support it by purchasing their merchandise in this country. The principle involved is very clear.

There is a second principle which I treasure and I know many of my colleagues care about. That is the question of the integrity of our own legal process. When we fail to enforce the law as it is clearly written, it seems to me to make a mockery of our legal process and undermine our own respect for the law as well as the respect of other people around the world. So, Mr. President, it is important that this statute be enforced.

The Senate did indeed call upon the administration to do so, unsuccessfully. The reason we were given was that there were various legal difficulties—first, that it was hard to identify the goods; second, that it was hard to get the necessary proof that whatever goods were involved were in fact produced under conditions prohibited by the Tariff Act of 1930. We were told it was just as hard to get eyewitness accounts and the kind of standard of evidence and proof that was necessary to enforce this act.

Mr. President, that is all a smokescreen, as far as I am concerned. The statute does not require that level of proof and evidence. Indeed, the regulation which has been on the books a long, long time says plainly that the Commissioner of Customs does not require absolute proof of conclusive evidence but only, in effect, probable cause—reason to believe—that merchandise coming into this country is produced under proscribed circumstances. In that event, it is his duty to stop such importation, to impound the goods, put them in warehouses. Then, if somebody who is an importer wishes to argue the case, the importer has the right of appeal to the Commissioner of Customs.

The long and the short of it is that the Customs Commissioner did do that but in order to finally implement his findings—first, that quite a few such items of merchandise were coming in and, after some negotiations, a shorter list, I think of five or six classes of such merchandise—in order to get that implemented, he had to publish his findings in the Federal Register. Or at least he thought he did. I am not personally convinced that that was actually required, but that was the chosen procedure.

He was thwarted in this because he has to have the approval of his superiors in the Treasury Department for the publication. I honestly think that is a tortured reading of the regulation. The regulation says—I am not quoting, but paraphrasing accurately—when the commissioner finds that such merchandise is coming into this country, he shall send a communication to the district directors ordering

them to impound this merchandise, put it in warehouses. The kind of finding which is referred to in the regulation is, in my opinion and that of the lawyers whom I have consulted, not the sort of finding that one has at the conclusion of a legal process, a hearing on evidence. It is more in the common, everyday usage of the term—when you find it, when you learn of it, when you know it, when you see it happening, then you shall take the following action.

I am not concerned about that, because the Commissioner did what he thought he was required to do, which is to promulgate something and put it in the Federal Register. He could not get the approval of his superiors within the Treasury Department. I regret this very much. Other Senators regret it, I know. Our colleagues in the other body regret it. Indeed, 38 of them filed a lawsuit seeking to have this statute enforced. The case was dismissed, I think, primarily for lack of standing. I was not surprised that that happened.

I did not choose to be a party to that suit because I did not think it would be successful, even though I hoped it would. So we are back where we started with no enforcement of the statute, the blemish on the integrity and reputation of our country unremoved, and really the disdain for our legal process unresolved.

With this in mind, I called upon officials of the Treasury last week and asked them to take another look at it. I am pleased to report, Mr. President, that while I did not get any solid promises, they did tell me they would take another look; that to whatever extent people had been trying to avoid this problem or hoped that it might go away, they were going to take a fresh look and see if they could not find the necessary evidence to sustain the sort of finding that would in fact result in prohibiting this merchandise from coming into the country.

I do not know what will be the outcome. Frankly, I think there are, some places in our Government, people who just do not want to monkey with this issue, who just do not see it as an important issue, who see it as an embarassment, who see it as a problem of routine law enforcement, which I see it to be if we do it. If we do not do it, I see it to be the same kind of stain on our national honor that we must recall when our country failed to speak up when Hitler was sending people off to work camps and death camps, and someday we might have to answer the same kinds of questions asked by the survivors who said to the Western nations, "Where were you? Where were you when the camps were being constructed? Where were you when millions of people were being shipped around Europe on railroad trains to hard labor and in many cases to certain death?"

Mr. President, I do not want to overestimate the importance of this issue, but I am not prepared to underestimate it either. This is a major national and international issue. It is in my opinion one of the most significant human rights issues in the world today, not because of the dollar volume of the trade involved, which is miniscule, but because of the significance of the principle.

Well, that brings us up to date and now, why the amendment? The reason is very simple. Since the Treasury officials have indicated their willingness to take another look at this matter—and I hope that they will find a way to enforce it—it seems to me that it would be appropriate if we had a trigger mechanism to bring the whole question surely before the Senate in a reasonable length of time. Under this amendment, in effect, the Senate will be required to either revisit this appropriations bill on March 1, or between now and then to act on a customs authorization bill, the point being that if the Treasury is able to find the legal basis to enforce this statute, then we will not have to do anything; we will just lift the fencing that is proposed by my amendment.

On the other hand, if Treasury is unable to find the legal evidence, we will have a readily available vehicle to propose necessary amendments in order to get this statute enforced.

So that is the long and short of it, Mr. President. It is simply an amendment to get on with the task that has been too long delayed.

With that, I ask the support of my colleagues in this matter.

Mr. DECONCINI. Mr. President, if the chairman will yield, I compliment the Senator from Colorado. He and a number of us have signed letters and directed the Customs Service to institute these regulations. I think the Senator from Colorado has shown the patience of job. He has waited a long time and tried, indeed, to get some action. I admire him immensely for taking on, his own administration on this matter. For some reason there are changes in Treasury, I guess, that take some time to lapse, but we are today facing a human rights issue, as the Senator from Colorado pointed out.

I think this is going to send a clear message to Treasury.

I also appreciate the interest of the Senator in modifying the amendment, as we discussed. That gets to the heart of the problem of where the regulations are held up and not jeopardizing some other areas in this bill.

Mr. President, I ask unanimous consent that the Senator from Arizona be a cosponsor of the amendment, and I hope it is accepted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I am very grateful to the Senator from Arizona for joining in sponsoring this amendment. He has long been concerned about human rights issues in general and this matter in particular. He was one of the signers of correspondence to the President, and he was one of the sponsors of earlier legislation on this matter. So I am very grateful to him for what he has said and I am delighted to have his cosponsorship.

Mr. President, unless there are others who are interested in speaking, I think we are ready to vote on the amendment.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I should like to ask a question or two of the Senator from Colorado. I was presiding at the time the amendment was offered and was not able to look at the amendment.

Just so I understand this amendment before we act on it, it is my understanding the amendment provides that as of March next year the appropriation cuts off somehow?

Mr. ARMSTRONG. If the Senator will yield, my amendment merely fences that portion of the money contained in this bill which is otherwise to be expended in support of the Office of the Assistant Secretary for Enforcement after March 1, unless we have in the meantime passed the customs authorizing legislation.

Mr. DANFORTH. The Assistant Secretary of Enforcement in the Treasury Department?

Mr. ARMSTRONG. In the Department of the Treasury.

Mr. DANFORTH. How much money is involved in the appropriation? I do not have it in front of me. How much money is involved in the appropriation for the Assistant Secretary of Enforcement?

Mr. ARMSTRONG. Mr President, staff advises me that the dollar amount involved is less than one-half million dollars. So again we are not taking a drastic approach. In fact, the only reason for the amendment—it is not the amount. Obviously, a half a million in a budget the size of the Treasury is not large—what we are providing is a trigger mechanism to bring the Customs bill to the floor. It has already been reported by the Senate Finance Committee. It has already been reported by the House committee and has been acted upon by the other body. So we are in an action position. But the point is by having this trigger mechanism, we have the vehicle on which to put necessary amendments, if, indeed, any be required. If Treasury finds the way to enforce the existing statute, then there is nothing more to be done. But

if in the course of their study they discover some legislative change is needed, then we have got the vehicle on which to make those changes.

Mr. DANFORTH. Will the trigger mechanism be by the Senate passing the Customs Service bill?

Mr. ARMSTRONG. Yes.

Mr. DANFORTH. Or would it be simply the matter coming to the floor?

Mr. ARMSTRONG. No. It would be the passage of the Customs bill.

Mr. DANFORTH. So if the bill were defeated, for one reason or another, or if the bill were filibustered and pulled down by the leader, the appropriation for the Assistant Secretary of Enforcement would be cut off, is that correct?

Mr. ARMSTRONG. It would be fenced after March 1, by 1986; the Senator is correct.

Mr. DANFORTH. Does the Senator think that it would be wise to modify that somewhat and provide that if the matter were brought to the floor by the leader but not necessarily passed? Will that satisfy the Senator from Colorado?

Mr. ARMSTRONG. Mr. President, it really would not, I say to the Senator, because it is very, very possible that the Customs bill may not pass. Regrettably, the Customs Service has not had an authorization in most recent years. But, obviously, there are other ways to free up this money, if it is impossible to finally pass a Customs authorization—any kind of a continuing resolution. My amendment to any other piece of legislation that was going through could remove the fence. But it seems to me that we need to have a definite cutoff point and a definite point at which amendments dealing with this subject would be in order.

My concern is that if we let this go through without creating some kind of an occasion such as that in view of the circumstances that we might not get another shot at it for a year and if legislation should be required in order to implement our desire on forced labor, then we might have to add it to some bill of an unrelated subject.

Now, we could do that. Obviously, nongermane amendments are not uncommon around here, but I would kind of hate to do that on a matter of this kind because I would not want to have the argument over forced labor be tainted by some argument of procedure or germaneness or something else.

So I would just say to the Senator I am comfortable with this way of doing this, a way which is low key and what I thought was the least confrontational way to deal with this. It crossed my mind to simply object to the whole thing on the ground that none of this is authorized and it would be good practice to have authorizing legislation before we appropriate for a short time; or it would be appropriate to offer an amendment saying that none of the funds contained in this bill shall be used to facilitate or permit the entry of the following specified goods from the Soviet Union, which the Senate has found violate the provisions of the Tariff Act of 1930. That may be the kind of amendment we will ultimately enact, too. But I think that is taking a larger step than is necessary to take. I want to give the Department and the Customs Service the opportunity to work out this thing.

Mr. DANFORTH. I have two concerns with the amendment.

The first is that it is sometimes more difficult to pass an authorization bill than we would like.

I do not have in front of me what the history has been on passing Customs Service authorization bills, but it is not unusual for Congress to fail to enact authorization bills.

We passed in the Senate, just before the summer recess, due to the very effective work of Senator KASTEN, an FTC authorization bill that was the first authorization bill to be passed in 5 years for the Federal Trade Commission.

So that is my first concern—that it may be easier said than done.

My second concern is this: I have followed this issue not as intensely as the Senator from Colorado has, but I have followed the issue because I happen to be the chairman of the Subcommittee on International Trade of the Committee on Finance and chaired the hearing at which we considered this problem. It is my understanding that the problem is not so much that the laws are inadequate; the problems are problems of enforcement.

I am not sure how it is possible, by Congress passing laws, to compel enforcement on the part of the administration, especially when the argument of the administration is that there is a difficulty in determining, as a matter of fact, the origin of certain goods—in other words, that goods may be fungible and come from a variety of sources, and that it is very difficult to trace goods from a forced-labor source into the American market.

So if the question is one of enforcement rather than one of statutory scheme and if it is sometimes difficult, in any event, to enact authorization legislation, I am wondering, even on a relatively small amount of money, whether it is a wise thing for us to shut off an Assistant Secretary of the Treasury for this purpose.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. DANFORTH. I yield.

Mr. DECONCINI. I might be able to make a suggestion that might satisfy the concern of the Senator from Missouri. The Senator from Colorado can speak for himself, but what I think he is interested in accomplishing here is to adopt the regulations that Customs has put together regarding the human rights issue that he explained.

If we assume that they do that—if this amendment works and that happens—and then there is no authorization bill for some unknown reason, there would be no prohibition on the Senator from Colorado, the Senator from Arizona, or anyone else coming forward to repeal this or to restore the amount of $500,000 for the Assistant Secretary of the Treasury. We could do that on any other vehicle. If the authorization passes, it would take care of itself. Or we could restore the finding in the supplemental that would be coming forward at about that time.

I offer that to the Senator from Missouri to satisfy his concern that we might never be able to correct this. If I am correct, that is the main interest of the Senator.

Mr. ARMSTRONG. The Senator is correct.

In fact, to the extent that it is merely a matter of gaining the interest and agreement of the appropriate authorities in Treasury, they could satisfy my concern in it by just signing off on publication, which has long since been proposed by the Commissioner of Customs, who, in the course of his duty, read the regulation and has done his part but has been prohibited from going forward because he cannot get it approved.

So far as this being too hard to be approved is concerned, the regulations do not require that. The standard of proof involved here is much less than would be required in a lawsuit, and for an obvious reason; that we do not have access to the gulags to see what is going on, what the labor practices are, whether or not the people have been sent to that imprisonment in violation of reasonable standards of human rights, whether they have been rounded up—as is well known—on trumped-up charges.

We do not have that opportunity, and the regulations, wisely, do not require that. They say that when the Commissioner finds—has reason to believe—probable cause, he shall impound these goods. Then, if somebody wants to argue the case, he will hold a hearing and make a determination. First, he has two resolutions of the U.S. Senate. He has the admonition of the House Appropriations Subcommittee on Treasury and Post Office, in each of the last 2 or possibly 3 years, urging that this go forward.

He has the report, later modified by the State Department and the Central Intelligence Agency, which has sort of backed away from their original findings, but there are still plenty there.

This is something everybody knows as to what is going on. It is not in doubt. That part of the issue, in my opinion, is not really a problem. But in

an effort to avoid an unnecessary confrontation, in order to avoid a situation where I might be forced at some stage to point a finger of blame at some official of the Government for not doing his job, I have chosen this lower-key approach.

We could offer an amendment now—and there is precedent for it—which would say that these goods may not come in as a matter of law, and take away the discretion of the Treasury. At the right time, if we do not get any other action, I might do it. Or I might offer an amendment saying that the salaries of all the people involved will be cut off, or they shall not be eligible for office after a certain date.

Those things might carry under certain circumstances, because there is a great deal of underlying sentiment that something must be done. I thought it would be smoother to take a less confrontational approach, to accept, as I do, the assurances I have been given, that they will take a fresh look at it and it will be honored. If that is the case, there is nothing about this amendment that will pose any problem. If they find a way to enforce it, we can instantly lift the funds. If they do not find a way to enforce it but have a recommendation for legislative changes, to change the standard of evidence or to change the precedent, then we will have a vehicle to do that. If they ignore us and we have to have a fight, we will also have a vehicle for that.

That is the long and short of it.

Also, may I say publicly what I have said to the Senator from Missouri privately, how much I appreciate his interest and concern about this issue. One thing I did a few months ago was to ask if he would hold a hearing on this matter, and he did so, and represented not only the concerns and interests which I have expressed but also those of other Senators and of people who have no voice, who are trapped behind the barbed wire in the prison camps, producing these goods.

Mr. DANFORTH. I thank the Senator from Colorado.

I am certain that if 100 Members of the Senate were asked their opinion on forced labor within the Soviet Union, 100 Members of the Senate would say that it is absolutely abhorrent and that if there is anything effective we can do about it, anything reasonable and responsible that we can do about it, we should do that.

I am certainly not going to oppose the Senator's amendment. However, I do think it is important as we proceed to understand that there may be bona fide differences of opinion on the practicalities of the enforcement and those bona fide differences may materialize and I think already have between the Senator from Colorado and the administration.

I would hope that we would use the ability to cut off funds either for one Assistant Secretary or for a greater part of the Government to insist on the administration coming out with precisely the type of remedy that the Senator from Colorado likes.

I think what is going to be required as we move ahead is the degree of flexibility and a willingness to at least understand any of the practical concerns that might be forthcoming from the administration.

Mr. ARMSTRONG. Mr. President, if the Senator will yield to me, I wish to assure the Senator and any other Senators and interested persons who might read the record of this proceeding that I am ready to make a deal. I am ready to compromise. If anyone thinks for a minute that I had some preconceived list of products that have to be banned, I can disabuse them of that concern instantly. I am ready to take any reasonable response from the administration to this problem.

But to set the record absolutely straight, the CIA sent us in response to the inquiry of the Senate a list of 100 products that were involved, and there was a great uproar and everyone said, "Oh, that is too extreme," and so the Commissioner of Customs looked down the list and said, "Now, we have to have some facts here. We have to know what we are doing." And he came up with a list of three dozen such products and submitted that for approval of the people in the Treasury Department.

And they said, "Oh, my gosh, that is terrible." The dollar volume of these three dozen products is not even a blip on the graph as far as what it means in international trade. And they insisted upon a much higher standard of proof than the Commissioner had first thought necessary when he came up with this list of three dozen.

So he then came down with just five, and I forget what the five were. Gold was one. Farm machinery was another, and so on.

I do not want to leave anyone with the impression that it has to be a certain list of 5, or a certain list of 36, or that I am holding out for all 100. I am ready to compromise.

As far as I am concerned, this is an issue of principle, and the two principles are this country must not continue to be a partner in this shameful trade, in a trade which literally results in people being rounded up on trumped up charges in the Soviet Union.

I had not intended to go into this in such depth today but, Mr. President, let me mention that while I have been concerned about this matter for several years and have spoken about it in the Senate, within the last 2 weeks I have received word that a person whose home I visited in Leningrad 2½ years ago was taken prisoner by the KGB—he might be a refusenik, a person seeking to leave the Soviet Union—and he is being prosecuted because of his religion.

I also heard within the last 2 weeks, completely unrelated to this amendment or debate or this issue, that another person whom I visited in Moscow was called in for questioning by the KGB.

And the record is absolutely clear, not the opinion of the Senator from Colorado or something that someone might have written in a magazine, but the official record is absolutely clear that millions of people are behind barbed wire in the Soviet Union in these gulags and a lot of them have been rounded up on trumped up charges precisely to fill the labor needs, the requirements of producing goods which move in interstate commerce.

That is as close to a fact as we can get. I cannot prove that because I did not see it myself. I could not swear to it in court. But I call attention of Senators to the fact that that is the official report unchanged to this date of the Central Intelligence Agency to this body.

I want to make it plain that I am not hung up on this to the extent that I cannot compromise. I am ready to compromise. But we must enforce the law for the sake of our own national conscience and, second, if there is one thing which causes people at home to have eroding confidence in our legal process and which calls down the contempt of other nations, it is when we ignore our own legal process.

For that reason we also have to do something about it. I do not want to be so disingenuous to the Senator from Missouri to let him think, since I am willing to compromise, that I am not also willing to fight.

The Senator knows full well sometimes if you cannot get through to people with sweet reason, the way you do it is holding up appointments, holding up appropriations bills, and throwing the monkey wrench into the works.

I am not seeking to do that today. I could have done it today, yesterday, or any 1 of 100 occasions. But someday I will, if we do not get some satisfactory action of some kind, and I will bet that the vast majority of Senators will support me when I make that motion, including at the right time the Senator from Missouri, because this is a matter of conscience, and principle, and if we cannot resolve it peaceably, then we have to fight.

Mr. President, I have addressed the Senate on several occasions regarding forced labor in the Soviet Union. I earnestly hope the administration will take a special interest in putting a stop to importation of products made by forced labor in the Soviet Union. As

you know, such imports violate existing law. For us to fail in enforcing this statute virtually makes our country a partner in the shameful trade and makes a mockery of our legal processes.

The statute is clear:

All goods, wares, articles and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or/and forced labor * * * shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited.

I need not go into detail about the sheer brutality experienced by the estimated 4 million prisoners in Soviet forced labor camps. These prisoners, many of whom have been imprisoned for political reasons, or because of their religious faith, toil under barbaric conditions. The State Department's "Country Reports on Human Rights Practice for 1984" states that conditions include strenuous physical labor, a semistarvation diet, extreme cold, lack of medical care, beatings sometimes resulting in death, and arbitrary deprivation of prisoners' limited rights.

There is no doubt that these barbaric camps produce goods the Soviet Union exports. Nor is there real doubt these goods are imported into this country. By allowing the distribution and sale of forced labor made good in this country, the United States has become a not-so-unwitting accomplice to Soviet tyranny. Cronid Lubarsky, a Soviet astronomer and former gulag "graduate" states: "In one degree or another, the hand of a prisoner has touched everything that the West received from the Soviet Union."

The issue of forced labor in the Soviet Union is not new to the Senate; 3 years ago the Senate adopted Senate Resolution 449 which requested a report on forced labor from the State Department. The preliminary report stated: "There is clear evidence the Soviet Union is using forced labor on a massive scale." And the final "Report to the Congress on Forced Labor in the U.S.S.R." found that forced labor is used "to produce large amounts of primary and manufactured goods for both domestic and Western export markets."

In May 1983, the CIA, at the request of Congress, compiled a list of over three dozen products made by Soviet forced labor for export, including chemicals, petroleum products, gold, uranium, aluminum, electronics, auto parts, clothing, tea, wood products, and glassware. Based on this evidence, Commissioner von Raab reported his finding on September 28, 1983, that these items were or were likely to be imported into the United States and that they were made with forced labor.

It is important to understand the regulations enforcing the ban against these imports. Regulation 12.42 states that if the Commissioner of Customs finds that information available to him reasonably indicates that suspect products are being imported, he will promptly advise all district directors accordingly and the district directors shall thereupon withhold release of those products. Notifying the district directors and holding the merchandise are nodiscretionary duties under Federal regulation. Once this first step is taken, the Customs Commissioner, with the approval of the Secretary of the Treasury, publishes the finding.

Unfortunately, the Treasury Department has not allowed this two-step process to take place. Instead, it has prohibited Customs from carrying out the first step of holding the 36 products listed in Commissioner von Raab's original finding, thereby disregarding the existing regulations and prohibiting the Customs Service from implementing the law.

It should be pointed out that the only action needed to carry out the existing regulations is the issuance of a notice to the district directors authorizing them to hold the products listed in the Commissioner's finding.

Treasury's disregard of these regulations has triggered repeated steps by the House of Representatives, the Senate, and by individual Members of Congress to require the law to be enforced:

First, the Senate unanimously passed a sense of the Senate amendment urging the Treasury Secretary to use existing law to prevent the importation of products from the Soviet Union.

Second, the House passed a resolution condemning the use of forced labor in the Soviet Union by a vote of 402 to zero.

Third, 45 Senators signed a letter to the Treasury Secretary requesting enforcement of the law.

Fourth, 84 Members of the House signed a letter to the Director of the Customs Service asking that the law be enforced.

Fifth, hearings were held in both the House and Senate by a number of congressional committees on Treasury intentions to abide by the law.

Sixth, a lawsuit was filed and is now pending by Members of both Houses of Congress, the Washington Legal Foundation, the International Longshoremen's Association, and others asking Federal courts to direct the Treasury Department to enforce the law.

Seventh, a number of congressional resolutions have been introduced urging immediate enforcement of the ban.

Most recently, hearings were held both in July and August by the Subcommittee for International Trade and by the Helsinki Commission respectively. But still there is no indication of enforcement.

Why does Treasury refuse to enforce the law banning imports of goods made by forced labor? Here is what the Treasury department has stated:

* * * available evidence provides no reasonable basis in fact to establish a nexus between Soviet forced labor practices, and specific imports from the Soviet Union. Consequently, based upon the evidence currently available to me, I have decided that there is no basis upon which to prohibit or withhold from importation into the United States any goods produced within the Soviet Union."

This conclusion is based on two factors. First, a May 16, 1984, letter from Director William Casey in which he states that: "despite continued monitoring, we are unable to obtain sufficient facts to make a solid case that any particular good we receive from the U.S.S.R. is produced by convict, forced or indentured labor." Director Casey does confirm the CIA's earlier estimate that "3 percent of total Soviet labor is forced." Second, the Treasury cites the findings of a new report written by the U.S. International Trade Commission.

Mr. President, such reasons don't stand up under scrutiny.

First, Treasury does not need to determine which specific products being imported into the United States are made with forced labor. Customs Service own regulations state that if "any class of merchandise" is suspected of being made with forced labor, the district director shall inform the Customs Service Commissioner finds "at any time that information available reasonably but not conclusively indicates that merchandise within the purview of section 307 is being, or is likely to be imported, he will . . . withhold release of any such merchandise" until a final determination is made. The burden of proof clearly lies with the importer.

What could be more clear? The law forbids the importation of goods made with forced labor. Federal regulations state how the law should be implemented.

Second, Treasury asserts that "available evidence provides no reasonable basis in fact"—which is what the Treasury Department says it needs—to indicate which classes of Soviet products are being made with forced labor. This seems surprising in light of the following:

First, there is the 1983 CIA report identifying three dozen Soviet industries which used forced labor. Nothing in Director Casey's letter to Treasury substantively contradicts the CIA's 1983 finding.

Second, there is the September 1983 report from Commissioner von Raab finding these products were made with forced labor.

Third, even after using much stricter evidentiary standards in determining what constitutes products made with forced labor, the Customs Service identified five classes of goods which it believed were made with forced labor—gold ores, agricultural machines, tractor generators, refined oil products; and tea.

Fourth, there have been published reports in respected national publications documenting specific goods and classes of goods made with forced labor.

Fifth, former prisoners of Soviet forced labor camps have testified that many of the products of their labor are made for export and that these types of goods are reaching American markets.

Surely, enough evidence exists to conclusively state that the products on the Commissioner's original list meet the criteria of Federal regulations. However, it should be pointed out that such a high standard is not even necessary to properly carry out the law. The regulation simply states that the Commissioner can make his finding "at any time that information available reasonably but not conclusively indicates that the merchandise" is made with forced labor. The Customs Commissioner clearly met every criteria needed to enforce the law, but still the law is not being enforced.

Third, for the Treasury Department to decide not to enforce the law because of the findings of the ITC is simply an attempt to sidetrack the issue. The ITC report itself publicly states that it was merely a compilation of already available evidence from Customs, the CIA, and the Commerce and State Departments. In addition, event the ITC admits in its report that: "The Commission did not have the resources to verify independently information provided by other government agencies." Yet, incredibly, the Treasury Department has used the report to avoid enforcing the law.

Fourth, in 1984, when the Treasury Department announced it was withholding a final decision about enforcing the law on forced labor pending completion of the ITC study the Treasury Department announced that it was releasing "evidentiary standards recently established by Treasury and Customs to assist in future determinations of whether any foreign made good violates 19 U.S.C. 1307—law banning importation of goods made by forced labor. These standards will be applied to information available to the Secretary regarding Soviet-made goods upon completion of the ITC study."

Incredibly, even this minimal level of enforcement that the Treasury Department stated it would do is not now being implemented.

Fifth, enforcing this law will not be setting a new precedent. In fact, in 1950, 15 Congressmen filed a petition similar to the one sent to Customs in may 1984 based on summary information from the CIA that canned crabmeat from the Soviet Union was allegedly being produced by Japanese prisoners of war. The Customs Service properly banned the importation of canned crabmeat from the Soviet Union from 1950 to 1961.

Presently, the Customs Service bans the importation of certain Mexican furniture, clothes hampers and palm leaf bags because of the use of forced labor in their production.

It seems incredible to me that the law exists, the regulations exist, and the precedents exist for enforcing the ban against Soviet forced labor products, but here we are today still unable to get any action on the Customs Service findings.

Congress has expressed its concern about its importation of goods made with forced labor strongly and repeatedly. It is now up to the administration to either stand up for the principles of human freedom or once again attempt to thwart the law and continuing to act as accomplices to Soviet brutality.

Mr. President, I ask unanimous consent to have printed in the RECORD background material on this subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENFORCEMENT OF THE BAN AGAINST THE IMPORT OF GOODS MADE WITH FORCED LABOR

CURRENT LAW AND REGULATIONS

Current law provides that all goods mined, produced or manufactured in any country in whole or in part by forced labor shall not be allowed entry into the United States. Regulations enforcing this law state that if the Commissioner of Customs finds at any time that information available to him reasonably but not conclusively indicates that goods being imported are made with forced labor, he will advise his personnel to hold the goods until an investigation is completed. Once his finding has been made, it is published in the appropriate federal documents, with the approval of the Secretary of the Treasury.

BACKGROUND

The State Department estimates that there currently are some 4 million individuals in more than a thousand forced labor camps in the Soviet Union. Of these, more than 10,000 are considered political prisoners or prisoners of conscience. Conditions are brutal—extreme cold, lack of clothing, beatings and torture sometimes resulting in death, a diet bordering on starvation, denial of even the most basic of privileges such as mail and visitation.

While the Smoot-Hawley Tariff Act of 1930 expressly prohibited the importation of goods made with forced labor, the Department of the Treasury has refused to allow the Commissioner to enforce the law with respect to suspect goods coming in from the Soviet Union.

In September 1983, the Commissioner of Customs made a finding, that "on the basis of information reasonably available certain articles from the Soviet Union may be now, or are likely to be, imported into the United States, which are being produced . . . with the use of . . . forced labor." He based his finding on a CIA report identifying some 36 goods in which forced labor "is used extensively." Although not required to do so, the Commissioner notified the Secretary of the Treasury before issuing notification to his district directors to hold the goods. The Secretary of the Treasury, in turn, did not permit the Commissioner to carry out his duties under Treasury Department regulations.

Since that time, the Congress has made numerous attempts through hearings, resolutions, mark-up language, and finally a lawsuit to get the forced labor provision enforced. The Treasury Department has continued to thwart the law and the will of Congress on this issue for two years.

WHY THE PROHIBITION AGAINST GOODS MADE WITH FORCED LABOR SHOULD BE ENFORCED

1. There is ample evidence from both official and unofficial sources to indicate that many of the products being imported from the Soviet Union into the United States are being produced, at least in part, by forced labor. The State Department in its "Report to Congress on Forced Labor in the USSR (February 1983) stated that forced labor is used "to produce large amounts of primary and manufactured goods for both domestic and Western export markets." It further documented the fact that the USSR operates the largest forced labor system in the world, comprising some 1,100 forced labor camps, and that this system "gravely infringes internationally recognized fundamental human rights."

[From Code of Federal Regulations]

§ 1307. Convict made goods: importation prohibited

All goods, wares, articles, and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this section relating to goods, wares, articles, and merchandise mined, produced, or manufactured by forced labor or/and indentured labor, shall take effect on January 1, 1932; but in no case shall such provisions be applicable to goods, wares, articles, or merchandise so mined, produced, or manufactured which are not mined, produced, or manufactered in such quanitites in the United States as to meet the consumptive demands of the United States.

"Forced labor," as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily. (June 17, 1930, c. 497, Title III, Part I, § 307, 46 Stat. 689.)

HISTORY; ANCILLARY LAWS AND DIRECTIVES

Prior law: Corresponding provision in prior laws: Act Sept. 21, 1922, c. 356, Title III, § 307, 42 Stat. 937; Oct. 3, 1913, c. 16, § IV, ¶ I, 38 Stat. 195.

[From the Federal Register]

MERCHANDISE PRODUCED BY CONVICT, FORCED, OR INDENTURED LABOR

§ 12.42 Findings of Commissioner of Customs.

(a) If any district director or other principal Customs officer has reason to believe that any class of merchandise which is being, or is likely to be, imported into the United States is being produced, whether by mining, manufacture, or other means, in any foreign locality with the use of convict labor, forced labor, or indentured labor under penal sanctions so as to come within the purview of the first sentence of section 307, Tariff Act of 1930,[29] he shall communicate his belief to the Commissioner of Customs. Every such communication shall contain or be accompanied by a statement of substantially the same information as is required in paragraph (b) of this section, if in the possession of the district director or other officer or readily available to him.

(b) Any person outside the Customs Service who has reason to believe that merchandise produced in the circumstances mentioned in paragraph (a) of this section is being, or is likely to be, imported into the United States and, if the production is with the use of forced labor or indentured labor under penal sanctions, that merchandise of the same class is being produced in the United States in such quantities as to meet the consumptive demands of the United States may communicate his belief to any district director or the Commissioner of Customs. Every such communication shall contain, or be accompanied by, (1) a full statement of the reasons for the belief, (2) a detailed description or sample of the merchandise, and (3) all pertinent facts obtainable as to the production of the merchandise abroad. If the foreign merchandise is believed to be mined, produced, or manufactured with the use of forced labor or indentured labor under penal sanctions, such communication shall also contain (4) detailed information as to the production and consumption of the particular class of merchandise in the United States and the names and addresses of domestic producers likely to be interested in the matter.

(c) If any information filed with a district director pursuant to paragraph (b) of this section does not conform with the requirements of that paragraph, the communication shall be returned promptly to the person who submitted it with detailed written advice as to the respects in which it does not conform. If such information is found to comply with the requirements, it shall be transmitted by the district director within 10 days to the Commissioner of Customs, together with all pertinent additional information available to the district director.

(d) Upon receipt by the Commissioner of Customs of any communication submitted pursuant to paragraph (a) or (b) of this section and found to comply with the requirements of the pertinent paragraph, the Commissioner will cause such investigation to be made as appears to be warranted by the circumstances of the case and the Commissioner or his designated representative will consider any representations offered by foreign interests, importers, domestic producers, or other interested persons.

(e) If the Commissioner of Customs finds at any time that information available reasonably but not conclusively indicates that merchandise within the purview of section 307 is being, or is likely to be, imported, he will promptly advise all district directors accordingly and the district directors shall thereupon withhold release of any such merchandise pending instructions from the Commissioner as to whether the merchandise may be released otherwise than for exportation.

(f) If it is determined on the basis of the foregoing that the merchandise is subject to the provisions of the said section 307, the Commissioner of Customs, with the approval of the Secretary of the Treasury, will publish a finding to that effect in a weekly issue of the Customs Bulletin and in the Federal Register.

(g) Any merchandise of a class specified in a finding made under paragraph (f) of this section, which is implied directly or indirectly from the quality specified in the findings and has not been released from Customs custody before the date of publication of such finding in the Federal Register shall be considered and treated as an importation prohibited by section 307, Tariff Act of 1930, unless the importer establishes by satisfactory evidence that the merchandise was not mined, produced, or manufactured in any part with the use of a class of labor specified in the finding.

(h) The following findings made under the authority of section 307, Tariff Act of 1930 are currently in effect with respect to the merchandise listed below:

Merchandise	Country	T.D.
Furniture, clothes hampers, and palm leaf bags.	Ciudad Victoria, Tamaulipas, Mexico.	53408 54725

(Sec. 307, 46 Stat. 689; 19 U.S.C. 1307)

§ 12.43 Proof of admissibility.

(a) If an importer of any article detained under § 12.42(e) or (g) desires to contend that the article was not mined, produced, or manufactured in any part with the use of a class of labor specified in section 307, Tariff Act of 1930, he shall submit to the Commissioner of Customs within 3 months after the date the article was imported a certificate of origin in the form set forth below, signed by the foreign seller or owner of the article. If the article was mined, produced, or manufactured wholly or in part in a country other than that from which it was exported to the United States, an additional certificate in such form and signed by the last owner or seller in such other country, substituting the facts of transportation from such other country for the statements with respect to shipment from the country of exportation, shall be so submitted.

CERTIFICATE OF ORIGIN

I, ————————. foreign seller or owner of the merchandise hereinafter described, certify that such merchandise, consisting of ————————(Quantity) of ———————— (Description) in ————————(Number and kind of packages) bearing the following marks and numbers ———————— was mined, produced, or manufactured by ————————(Name) at or near ————————, and was laden on board ————————(Carrier to the United States) at ————————(Place of lading) (Place of final departure from country of exportation) which departed from on ————————; (Date); and that ———————— (Class of labor specified in finding) was not employed in any stage of the mining, production, or manufacture of the merchandise or of any component thereof.

Dated ————————

————————
(Signature)

(b) The importer shall also submit to the Commissioner of Customs within such 3-month period a statement of the ultimate consignee of the merchandise, showing in detail that he had made every reasonable effort to determine the source of the merchandise and of every component thereof and to ascertain the character of labor used in the production of the merchandise and each of its components, the full results of his investigation, and his belief with respect to the use of the class of labor specified in the finding in any state of the production of the merchandise or of any of its components.

(c) If the certificate or cetificates and statements specified in paragraphs (a) and (b) of this section are submitted within the time prescribed and the Commissioner finds that the merchandise is admissible, the collector of customs concerned will be advised to that effect, whereupon he shall release the merchandise upon compliance with the usual entry requirements.

(Sec. 307, 46 Stat. 689; 19 U.S.C. 1307)

§ 12.44 Disposition.

Merchandise detained pursuant to § 12.42 may be exported at any time before it is deemed to have been abandoned as hereinafter provided for. If it has not been exported within 3 months after the date of importation, the district director shall ascertain whether the proof specified in § 12.43 has been submitted within the time prescribed in that sector. If the proof has not been so submitted, or if the Commissioner of Customs advises the district director that the proof furnished does not establish the admissibility of the merchandise, the district director shall promptly advise the importer in writing that the merchandise is excluded from entry. Upon the expiration of 60 days after the delivery or mailing of such advice by the district director, the merchandise shall be deemed to have been abandoned and shall be destroyed, unless it has been exported or a protest has been filed as provided for in section 514, Tariff Act of 1930.

(Sec. 307, 46 Stat. 689; 19 U.S.C. 1307)

§ 12.45 Transportation and marketing of prison-labor products.

If any apparent violation of section 1761 or 1762, title 18, United States Code,[30] with

[29] "All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to enter at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this section relating to goods, wares, articles, and merchandise mined, produced, or manufactured by forced labor or/and indentured labor, shall take effect on January 1, 1932; but in no case shall such provisions be applicable to goods, wares, articles, or merchandise so mined, produced, or manufactured which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

"'Forced labor,' as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily." (Tariff Act of 1930, sec. 307; 19 U.S.C. 1307.)

[30] "(a) Whoever knowingly transports in interstate commerce or from any foreign country into the United States any goods, wares, or merchandise manufactured, produced, or mined, wholly or in

respect to any imported article comes to the attention of a district director, he shall detain the article and report the facts to the appropriate United States attorney. If the United States attorney advises the district director that action should be taken against the article, it shall be seized and held pending the receipt of further instructions from the United States attorney or the court.

CENTRAL INTELLIGENCE AGENCY,
Washington, DC, September 27, 1983.

U.S. IMPORTS OF SOVIET PRISON-PRODUCED GOODS

1. Attached is a list of Soviet industries which, in part, utilize forced labor and produce goods for export. We cannot determine the contribution forced labor makes to either the total output or exports in each industry, nor can we provide a list of brand names or products.

2. We know that, in 1982, about 80 percent of U.S. imports from the USSR were accounted for by metals, chemical and chemical products (mainly ammonia), fertilizers, furs and fur raw materials, and alcoholic beverages. The biggest single item was ammonia—39 percent—which was imported as part of the Occidental-USSR Fertilizer Exchange Agreement, under which the U.S. exports super-phosphoric acid to the USSR.

3. Some of the items we import are probably produced by corrective labor. A Reader's Digest article, for example, gives evidence of Western purchases of prison-made furniture. But the amount of U.S. imports of Soviet goods produced by forced labor cannot be large. Last year U.S. imports from the Soviet Union totalled $229 million (less than .1 of one percent of total U.S. imports). Corrective labor comprises about three percent of the total Soviet labor force and accounts for only a small proportion of total Soviet production of the listed items; and, presumably, a correspondingly small share of exports. We can assume, therefore, that only a very small proportion of U.S. imports from the USSR consists of prison-produced goods.

ENCLOSURE 1

Based on a variety of intelligence sources and open publications with information from former prisoners, CIA has compiled the following list of industries and products in which forced labor is used extensively.

I. Wood products: lumber, furniture, casings for clocks, cabinets for radio and TV sets, wooden chess pieces, wooden souvenirs, wooden crates for fruit and vegetables, cardboard containers.

II. Electronic: cathode ray tube components, resistors.

III. Glass: camera lenses, glassware, chandeliers.

IV. Automotive: auto parts, wheel rims, parts for agricultural machinery.

V. Mining/ore processing: gold, iron, aluminum, coal and peat, uranium, asbestos, limestone, construction stone and gravel.

VI. Clothing: coats, gloves, boots, buttons and zippers.

VII. Petroleum products and chemicals.

VIII. Food: tea.

IX. Miscellaneous: brick and title, watch parts, wire fences, mattresses, screens, steel drums and barrels, lids for glass jars, plumbing equipment, storage battery cases, concrete products, electric plugs/cords, electric heaters, electric motors, pumps, woven bags.

Mr. ARMSTRONG. Mr. President, this is taking longer than I expected. I thank the Senators for their interest and patience, and I believe we are ready to vote.

The PRESIDING OFFICER. If there be no further debate on this amendment, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 688) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. If the Senator will withhold for a moment, the regular order is on the question of the consideration of the second excepted committee amendment. Is there a unanimous-consent request?

Mr. ABDNOR. Mr. President, I ask unanimous consent that the second excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

AMENDMENT NO. 689

Mr. CHILES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 689.

Mr. CHILES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert: "None of the funds made available in this or any other Act may be used to fund more than 950 positions in the Headquarters staff of the U.S. Customs Service in the fiscal year ending September 30, 1986 and the Customs Service shall begin planning to reduce Headquarters staff to no more than 900 positions by September 30, 1987."

Mr. CHILES. Mr. President, I have an amendment which I understand is acceptable to Senator ABDNOR, the chairman of the subcommittee, and Senator DECONCINI, the ranking member of the subcommittee. The amendment I have would essentially cap Customs Service headquarters staff at 950 positions for fiscal year 1986. The amendment further directs the Customs Service to begin planning so that total headquarters positions are at our below 900 positions by the end of fiscal year 1987.

The President's request for headquarters staff at Customs is 1,027 positions. Based on the President's request, Customs would have 18 more positions in headquarters than are available in the entire Customs Service operation for Customs agents. Based on the President's request, the Customs Service would have 261 more people in headquarters than import specialists. Customs would have only 219 fewer people in headquarters than are assigned to the patrol officer functions along our borders.

I compliment Senator ABDNOR, the chairman of the subcommittee, and Senator DECONCINI for their fine work on this bill. They have recognized the situation in the headquarters staff and have recommended reducing it by 30 positions. The subcommittee's recommendation would reduce the total headquarters staff and the President's request of 1,027 to 997 positions and the bill makes a $1.2 million cut in overall funding associated with the recommended reduction in headquarters staff. My amendment would not cut any additional funding or positions from the U.S. Customs Service. It would instead force the reassignment of 47 positions from the headquarters operations to the field where they can be employed effectively as law enforcment agents.

Mr. President, these additional positions should be reassigned in the field as Customs agents actively involved in the law enforcement work of the U.S. Customs Service. Another illustration of what needs to be done is that within the total number of headquarters staff requested by the President, 219 positions would support the 779 import specialists in the field. So in other words, for every 3½ import specialists in the field doing important work for the Customs Service, there is one person in headquarters supporting

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part by convicts or prisoners, except convicts or prisoners on parole or probation, or in any penal or reformatory institution, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) This chapter shall not apply to agricultural commodities or parts for the repair of farm machinery, nor to commodities manufactured in a Federal, District of Columbia, or State institution for use by the Federal Government, or by the District of Columbia, or by any State or Political subdivision of a State." (18 U.S.C. 1761.)

"(a) All packages containing any goods, wares, or merchandise manufactured, produced, or mined wholly or in part by convicts or prisoners, except convicts or prisoners on parole or probation, or in any penal or reformatory institution, when shipped or transported in interstate or foreign commerce shall be plainly and clearly marked, so that the name and address of the shipper, the name and address of the consignee, the nature of the contents, and the name and location of the penal or reformatory institution where produced wholly or in part may be readily ascertained on an inspection of the outside of such package.

"(b) Whoever violates this section shall be fined not more than $1,000, and any goods, wares or merchandise transported in violation of this section or section 1761 of this title shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the seizure and forfeiture of property, imported into the United States contrary to law." (18 U.S.C. 1762.)

and directing that work. It seems to me that that sort of overhead ratio is excessive and needs to be corrected.

Mr. President, I think it is well recognized that the Customs Service headquarters is overstaffed. I think the time is now to correct the situation. I urge the adoption of this amendment.

Mr. ABDNOR. Mr. President, we are willing to accept the amendment. This is a goal that Senator DECONCINI and I have been striving to achieve. It seems to be a very livable request in the situation, and I am happy to accept the amendment.

Mr. DECONCINI. Mr. President, I think the amendment is satisfactory.

I wish to just call to the attention of the Senator from Florida that the committee has already cut the headquarter's staff by 30 positions in the fiscal year 1986, and this cut would triple that.

I suspect that the Senator from Florida is aware of that and that his own belief and feeling is that that is not sufficient.

I only wish to say that I hope the Commissioner will take a close look at this and report to the committee and to the Senator from Florida regarding how he intends to implement this amendment because my desire and objective is exactly that of the Senator from Florida, and that is to get the most people out into the field.

On the other hand, I do not want to overkill. But I am prepared to accept this amendment.

Mr. CHILES. I thank the Senator from Arizona. I believe that we are transferring those positions into the field. We are not cutting the Service, as such. I think when we look at, sort of, the tooth to the tail in the Customs Service, we can see that there is a heck of a lot more teeth in the headquarters and we need to get the teeth out in the field where the job is going to be done.

The Senator from Arizona, as well as the Senator from Florida, is continually pressing to get some more agents out there so we can fight on law enforcement matters. We know we need the trade people out there so we can get our imports and clear those and clear our exports. I think that there is plenty of room to be able to do this.

Mr. DECONCINI. I am willing to concur with the Senator's approach and objective. I just wanted to point out that the committee has not neglected attempts to cut headquarters staff.

Mr. CHILES. I believe the committee has worked in this regard already.

Mr. DECONCINI. Mr. President, I believe the Senator from Florida makes a good point, that it is not a cut of personnel in Customs. That is not the answer. We are just transferring people to the field. So I am willing to accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Florida [Mr. CHILES].

The amendment (No. 689) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 690

(Purpose: to increase staffing levels in the Seattle District Customs Office)

Mr. GORTON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. EVANS, proposes an amendment numbered 690.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 7, line 6, strike "." and insert in lieu thereof: "and shall assign no fewer than 40 additional permanent, full time personnel to the Seattle, Washington, Customs District Office, including at least 30 inspectors and 10 import specialists."

Mr. GORTON. Mr. President, over the course of my tenure in the Senate, no single issue has caused me as much frustration as my continued efforts to secure adequate staffing levels for the Seattle District Customs Service Office. Over the past 10 years, volumes of passengers and cargoes have increased at unprecedented rates through the ports of Seattle and Tacoma, the Seattle-Tacoma International Airport, and our border crossings at Blaine and Oroville.

During that period, Customs Service staffing has declined. Just in the last 2 years, inspection staffing dropped a full 5 percent, yet revenues collected in the Seattle district over that same period increased 37 percent.

For these reasons, I have offered, with my distinguished colleague from Washington, an amendment to this bill to provide an additional 40 permanent, full time personnel to the Seattle District Customs Office. I urge my colleagues to join me in supporting this amendment.

Mr. President, I ask unanimous consent that a more detailed justification for this proposal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOCUMENTATION FOR ADDITIONAL CUSTOMS SERVICE INSPECTORS FOR THE SEATTLE DISTRICT

In any port the international trading community can be seen as a chain: a series of links, each of which is vital to the survival and prosperity of the others. If one of those links is weakened or breaks, the entire chain is threatened. Within the Seattle Customs District, considerable investment has been made by ports, shipping lines, brokers, freight forwarders and carriers to enhance trading capacity and attract new customers and new investments. Yet over the last decade, one vital ink of the chain has been weakened. That link is the Customs Service. Despite tremendous growth in passenger and cargo volume through Washington's ports, there has been a decline in the number of Customs personnel to inspect and classify entries, and to enforce the nation's laws. That weak link impacts the ability of Washington ports to move imports and people, and could affect our plans for attracting new business in the future.

The U.S. Customs Service is one federal agency which returns more in revenue to the federal treasury than it costs. For example, last year a $700 million investment resulted in Customs revenues of more than $12 billion nationally. Customs inspectors return better than $17 to the treasury for each dollar they receive in salary.

Without adequate Customs staffing, private and non-federal investments designed to enhance capacity for international trade can be rendered almost useless. For example, to facilitate cargo and passenger entry, the Port of Seattle has spent more than $10 million since 1982 at Seattle-Tacoma International Airport to upgrade its international arrival area. The facility is now capable of processing 1,000 passengers and their bags every hour. Understaffing by Customs slows that processing rate to approximately 500 passengers per hour.

In conjunction with Customs, the Port of Seattle and its customers are participating in the implementation of the Automated Commercial System (ACS), an electronic network which facilitates cargo movement and enhances enforcement efforts. Significant investments have been made by the Port, the shipping lines and the brokerage community in computer technology to interface with the Customs system. Yet a shortage in Customs staffing has created a processing bottleneck: inspectors, who are untrained for the job of data entry, are acting as input clerks. These inspectors should be freed to perform the tasks for which they were trained, and clerks should be hired to input data. The job would be more quickly and efficiently performed, and at lower cost.

The shortage of inspectors within the Seattle District could be resolved with the addition of sixty new inspection positions.

There are four primary areas within the Seattle District which are understaffed. They are: the Blaine border crossing; the Tacoma waterfront; the Seattle waterfront; and Seattle-Tacoma International Airport (Sea-Tac).

Staffing should be distributed as follows:

BLAINE

This is America's third busiest northern border crossing, behind Detroit and Buffa-

lo/Niagara Falls. Blaine has two border clearance locations operating 24 hours a day. Customs schedules twenty-one shifts per week. There are presently thirty-one inspectors assigned to Blaine on a full-time basis. This is a decline from the number available a decade ago, yet traffic through Blaine's inspection stations has grown significantly in that time. Since 1974, commercial traffic is up 268 percent, while pssenger vehicle entries have grown 84 percent. The commercial entry count this year is projected to exceed 200,000 vehicles. It is interesting to note that Canadian Customs directly across the border has sixty inspectors performing the tasks that U.S. Customs is asked to perform with thirty-one inspectors. The workload justifies at least a staff of fifty inspectors. To achieve this number, an increase of nineteen positions would be required.

Ninteen new inspector positions should be created at Blaine.

TACOMA

The Port of Tacoma anticipates extremely rapid growth in the next several years. In May 1985, Sea-Land Services will move its operation to the Tacoma waterfront, resulting in a growth of 300 percent in cargo volume over a two-year period. The recent announcement that Maersk Lines will begin serving Tacoma in the summer of 1985, combined with additional new business, will mean a growth rate in excess of 500 percent over five years. At present, Tacoma has an inspection staff totaling eleven. Seven of those individuals are retirement-eligible. To handle the anticipated growth rate solely for the coming two years, Tacoma would need an additional six inspectors. This assumes the replacement of the current inspection workforce upon retirement and would bring Tacoma's total inspection complement to seventeen.

Six new inspector positions should be created at Tacoma, and retiring inspectors must be replaced.

SEATTLE-TACOMA INTERNATIONAL AIRPORT

Since 1979, the total number of international passengers entering and leaving Seattle increased from 803,000 to 1,008,000—a growth of 25 percent in five years. During that period, however, international arrivals grew 107 percent—from 260,500 to 540,000. It is these arriving passengers that Customs must inspect. Arrivals went from one-third of the international passenger total to nearly half of that total. At the same, time, imported air cargo grew 24 percent in volume. In fact, Seattle is currently ranked tenth in the nation in volume of imported air cargo.

Sea-Tac presently has thirty-two Customs inspectors: ten handling cargo operations and twenty-two dealing with incoming passengers. This number has actually declined during the past five years, though the workload has more than doubled. The addition of new service from the Far East (Japan and United Airlines) in the summer of 1983 brought no commensurate increase in inspection capability at Sea-Tac.

Sea-Tac experiences a morning peak in Customs workload. The bulk of Seattle's international flights arrive between the hours of 9:00 a.m. and noon. For this reason, ten additional inspection positions should be added to Sea-Tac's current workforce, but those positions should be authorized as Permanent Part-time Positions. By so designating these positions, flexibility to divide a single full-time position between two part-time people, each working during the morning peak period, is achieved. However, the Commissioner of Customs has not yet authorized the use of Permanent Part-time personnel. If the Sea-Tac positions could not be designated as Permanent Part-time Positions, ten new full-time inspector positions should be assigned.

SEATTLE WATERFRONT

The Seattle harbor has experienced rapid growth during the last decade. In the period from 1973 through 1983, containerized tonnage imported into Seattle grew 270 percent. Though grain shipments declined, both tanker and liner traffic were up significantly over the five-year period of 1979–1984. The value of cargo imported through Seattle has grown 51 percent since 1979. In Fiscal Year 1984, total Customs collections in the Seattle District exceeded $668 million, placing Seattle fifth in the nation in revenue collected. There are currently twenty-three inspectors assigned to Seattle's waterfront. This workforce handles more bills of lading per inspector than any other West Coast port. In addition to the twenty-three inspectors, the Seattle waterfront has ten agents assigned to the Contraband Enforcement Team and Operation Exodus. To handle the increased workload, six new inspectors should be assigned to special enforcement teams, and nineteen should be assigned to the waterfront, bringing the Seattle harbor total to fifty-eight inspectors.

In summary, sixty (60) new inspectors positions should be created within the Seattle Customs District. Those positions should be distributed at four locations: nineteen should go to Blaine; six should go to Tacoma; twenty-five should go to the Seattle waterfront; and ten should go to Seattle-Tacoma International Airport. Of the twenty-five at the Seattle waterfront, six should be assigned to special enforcement teams.

Mr. GORTON. Mr. President, I have discussed this with the Senator from South Dakota, who is managing the bill, and I understand that it has been cleared by my friend from Arizona, but they can speak for themselves.

Mr. EVANS. Mr. President, I am pleased to join my colleague from Washington in offering this amendment. As he pointed out, insufficient Customs staffing has been a long-standing problem for our State. It has resulted in unnecessary inconvenience for passengers arriving at our airport and border crossings, and serious delays at our ports which unfairly hinder their ability to properly serve their customers.

These problems will only become worse in the next few months, as our neighbor to the north prepares to open EXPO '86 in Vancouver, British Columbia.

Mr. President, I would also like to point out that increasing Customs staffing is a financially wise move. Last year, a $700 million investment in the Customs Service resulted in Customs revenues of more than $12 billion nationally.

Again, I wish to extend my strong support for this amendment.

Mr. GORTON. I would like to clarify an issue with my distinguished colleague from South Dakota. It is my understanding that this amendment requires Customs to provide permanent full-time positions—and that the Customs Service is to add these positions on top of positions that become vacant due to retirement, promotion, and so forth.

Mr. ABDNOR. That is correct.

Mr. EVANS. It is also my understanding that they are to be added above the 20 positions that have been recently created in the fiscal year 1985 supplemental appropriations bill.

Mr. ABDNOR. That is correct.

Mr. President, the Senator from Washington has made a very good case for his amendment. I am willing to accept it.

Mr. DECONCINI. Mr. President, I, too, agree with the Senator from Washington. I think his particular geographical area has been severely cut and there is, indeed, a great deal of traffic and suspected amounts of illegal high-technology transfers going through the port there.

I always hate to designate in a bill exactly where we are going to put people, but I must confess that it is something that is done around here, as the Senator from Washington knows. I am informed that there has been a cut of some 25 positions in that particular office over the last 12 months or less; am I correct in that observation?

Mr. GORTON. Yes, the Senator is correct.

Mr. DECONCINI. Based on that, Mr. President, we are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. GORTON].

The amendment (No. 690) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

TECHNICAL AMENDMENTS

Mr. ABDNOR. Mr. President, I have two technical amendments to correct printing errors in the bill.

The first is on page 9, lines 9 and 10; the words "of which not to exceed" should be roman type.

The second is on page 14, line 2; the number "1" should be line typed and the number "2" inserted in italic to conform to the change made on the preceding page.

I ask unanimous consent that the clerk be allowed to make these changes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 691

Mr. ABDNOR. Mr. President, on behalf of myself and Senator DECONCINI, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for himself and Mr. DECONCINI, proposes an amendment numbered 691.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 21 strike "two" and insert in lieu thereof: "up to five".

And on line 22 strike "one" and insert in lieu thereof: "four".

Mr. ABDNOR. Mr. President, this amendment is most important if the U.S. Customs Service is to continue to do its job. This amendment will enable Customs to replace an increased number of motor vehicles. Over 50 percent of the Customs motor vehicle fleet, of approximately 3,000 vehicles, currently meet replacement criteria. Under current replacement authority, the fleet will continue to deteriorate as more and more vehicles become eligible for replacement. The condition of Customs' motor vehicle fleet has a major impact on law enforcement operations as reliable vehicles must be readily available at all times for use by law enforcement officers.

Current authorization allows replacement at only 200 vehicles per year. This constitutes a 15-year replacement cycle for the entire fleet and an 11-year cycle for sedans. Up until a few years ago, customs was replacing vehicles under the 6-year or 60,000-mile criteria. Budgetary limitations have necessitated a longer cycle. This trend must be reversed if we are to see any return from the turnover of the fleet. This amendment does not require purchase, but sets a limit which may not be surpassed. It will go a long way toward getting newer and safer vehicles on the road.

This amendment has been cleared by both sides. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senators from South Dakota and Arizona.

The amendment (No. 691) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 692

Mr. ABDNOR. Mr. President, I send an amendment to the desk on behalf of myself and Senator DECONCINI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for himself and Mr. DECONCINI, proposes an amendment numbered 692.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 25 before the period insert the following:

: *Provided further,* That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below FY 1985 levels.

Mr. ABDNOR. Mr. President, I am offering this amendment only to strengthen language which is included in the report accompanying this bill which directs the Bureau of Alcohol, Tobacco and Firearms to continue to collect statistical data on the alcoholic beverage industry, and to continue to make such data available to the public.

The Office of Management and Budget has directed that AFT dramatically alter its statistical gathering system. The committee fails to see where such a directive serves any significant purpose: It will not save money, it will not streamline operations, and it will not help the alcoholic beverage industry.

On the contrary, OMB's directive accomplishes nothing except to hamper ATF in the exercise of legitimate oversight of the industry. This OMB action is therefore at variance with common sense, good management, and the committee's instructions.

The committee is concerned that the report language will not be followed, and that a stronger message is necessary. Therefore, we are proposing this amendment.

Mr. President, as far as I know, both sides agree completely with the amendment.

Mr. DECONCINI. Mr. President, the Senator from South Dakota is correct. We have no problem with the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Dakota.

The amendment (No. 692) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 693

Mr. ABDNOR. Mr. President, I send an amendment to the desk on behalf of myself and Senator DECONCINI, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for himself and Mr. DECONCINI, proposes an amendment numbered 693.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35 after line 4 insert the following:

SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected by the lessor on land owned by the United States.

Mr. ABDNOR. Mr. President, this amendment restores language which was originally included in the House bill and was inadvertantly stricken. In this amendment we have added a proviso which further clarifies the original House language. The amendment allows the Government to pay rent for leasing space in buildings constructed on Federal land. The period of lease is up to 30 years at which time the Government has title to the building. The 30-year period would apply only to buildings erected under the terms of this provision, that is buildings erected by the lessor on land owned by the United States. The committee is informed that the 30 year lease term,

commonly used in the private sector, is necessary to make such projects cost-effective.

Mr. DECONCINI. Mr. President, I concur with the position of the Senator from South Dakota on this amendment, and believe it is appropriate. We are ready to accept it.

Mr. ABDNOR. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Dakota.

The amendment (No. 693) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 694

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], proposes an amendment numbered 694.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 36, line 23 before the period insert the following:

: *Provided further,* That pursuant to section 4109(d)(1) of title 5, United States Code, costs for entertainment expenses of the President's Commission on Excecutive Exchange shall not exceed $12,000

Mr. ABDNOR. Mr. President, this is a simple amendment which authorizes the expenditure of up to $12,000 in connection with entertainment expenses of the President's Commission on Executive Exchange. These are not Federal funds, but funds contributed by participating organizations.

The funding limitation is the same as it has been since fiscal year 1983.

I believe I am correct in saying that this amendment is acceptable to the minority.

Mr. DECONCINI. Mr. President, I concur.

Mr. ABDNOR. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Dakota.

The amendment (No. 694) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 695

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR] proposes an amendment numbered 695.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, line 17, strike "$4,200,000" and insert in lieu thereof "$4,594,000".

Mr. ABDNOR. Mr. President, this amendment restores funding for the Office of Special Counsel to the level of the President's original request. The committee made the reduction initially because of concerns that the special counsel was not performing certain requirements. Those concerns have been satisfied and I am moving with this amendment to restore the funding.

This amendment, I believe, has been cleared by both sides.

Mr. DECONCINI. Mr. President, the Senator from South Dakota is correct. It is cleared. I want to say briefly, however, that I am not convincd that the Office of Special Counsel is really taking the bull by the horns to protect whistle blowers. We have had some discussions on the Judiciary Committee on the same subject matter. It is a great concern to me that the office is not aggressive and does not fulfill or even come close to fulfilling some of the commitments that allegedly made by them. There have been hearings on the House side under the chairmanship of Congresswoman PAT SCHROEDER that have shown that the Office is falling far short of their mandate to protect these whistleblowers from reprisals. The media has focused attention on the Office's failure to really make a difference, and has revealed almost a cavalier attitude about the whistle blowers community. The Office has made progress compared to prior years but that may not be good enough for this Senator. In any event, Mr. President, the Office has taken time to come up to make their case with this Senator, and I have to agree with the Senator from South Dakota that at this moment I am prepared to go ahead and support this amendment.

I want to launch a shot across the bow, I guess. We really owe a great deal to people who are legitimate whistle blowers, and this particular Office is charged to be sure that those people have some protection and safety from reprisals. It certainly has not been impressive to this Senator that that has been the case. So I do accept the amendment that the Senator offers with that caveat.

Mr. ABDNOR. If my colleague will yield, I say I am not satisfied with the performance. There will always be another day.

Mr. President, with that I would like to move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Dakota.

The amendment (No. 695) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 696

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR] proposes an amendment numbered 696.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 11, strike "$36,909,000" and insert in lieu thereof "$38,430,000".

Mr. ABDNOR. Mr. President, the amendment that I am offering today restores the budget for the OMB back to the President's fiscal year 1986 request. The committee had recommended about a 5-percent reduction. Since this reduction was made, it has come to my attention that it is going to be extremely difficult for OMB to achieve this reduction without significantly impacting the ability of the agency to serve the President. The reason for this difficulty is that OMB has already made a considerable effort to reduce its resource requirements. Since 1981, OMB funding has been reduced by 12 percent in real terms.

In spite of increased workload and responsibilities, OMB staffing has decreased over the past 8 years by 88 positions or 13 percent. The current level would result in an additional 38 positions having to be vacant in the fiscal year 1986. I thought it was a good place to cut and possibly got a little heavy with the knife in doing it.

Unlike agencies with substantial programmatic funds and overhead costs that can be juggled, 88 percent of the OMB budget is for line personnel and associated costs. A 5-percent reduction in funding would be very difficult to achieve without reductions in staff. Seventy-nine percent of funding is for employee pay, benefits and space costs, and 9 percent covers the cost of printing the budget and related documents.

I could go on, Mr. President, but I do think we got a little heavyhanded on this. There will be a new OMB Director who will soon be taking over that office. We do not always like what OMB, does, but I do not think any of us would consider that we could do without on Office of Management and Budget.

I think it is only fair to give the opportunity to the new man taking over to at least have the minimum necessary to make his office function properly.

Mr. DECONCINI. Mr. President, it is a rare occasion when I rise to oppose an amendment offered by the distinguished chairman, Senator ABDNOR. But in this case I must object to the restoration of any funding to the Office of Management and Budget.

Mr. President, let me say at the outset that it was not through some politically motivated move that the chairman and I agreed early on to cut the OMB budget request for fiscal year 1986. We cut a lot of agencies' budgets in this bill, including the IRS, the Federal Election Commission, GSA, and a number of small but important agencies. We did so in order to hold down the size of this bill and to make as much room as possible for the high-priority law enforcement programs that have to be funded at enhanced levels.

We did not pick on OMB or single them out for a cut that we did not impose on anybody else. In fact, as I mentioned in my opening remarks, 25 of the 51 accounts in this bill were cut below fiscal year 1985 funding levels.

Second, I understand that OMB has sent a number of folks up here, a lot of troops marching around the halls, to try to get this cut restored. Needless to say, OMB has not come and talked to this side of the aisle, at least not this Senator. There is no paper trail of any request being made by OMB to explain why this restored money is necessary. We hear today from the chairman that OMB needs the money and have no reason to doubt what he says. But I think it is important that the Acting Director tell us in a written request why OMB should be granted some restoration.

I heard of the trips by OMB staff around here. It troubled me. We talked to OMB and asked them to submit a letter outlining in detail why they needed the funding restored and what would happen to their operations if they did not get $2.5 million, or something approaching that amount, restored with this amendment.

I am still waiting today for that letter, Mr. President. Frankly, if they do not feel it is important enough to make a formal request when other agencies do that, it could not be too serious or detrimental to the agency if they are forced to live with the committee mark. Other agencies, including the Federal Election Commission, have formally appealed the cuts imposed by the committee, so I see no reason why OMB cannot formally appeal and play by the same rules as everyone else.

OMB is not going to shut down if this money is not restored.

I must admit, the chairman has indeed been a careful surgeon here in exercising his reductions and cuts, but I just happen to disagree with my good friend that he has cut too deeply here. I do not think so.

More importantly, I believe it is important for OMB to share in the rigid budget cuts that my good friend, Senator ABDNOR, has carefully crafted for the agencies in this bill. Even more importantly, OMB should set an example for all other agencies in Government by absorbing the cut of the size recommended by the committee, not running up to the Hill behind closed doors and requesting an exemption when they are out in the forefront of asking all to cut and reduce—or most all to cut and reduce—their budgets.

Mr. President, in no way is my opposition to Chairman ABDNOR's amendment a reflection on him. I want him to know that. It is an important job that he does here. It is a tough position that he is in. I understand that. Frankly, I believe that OMB should be ashamed for putting one of the administration's strongest supporters in the position that the chairman finds himself in here. I respect him and I understand that he feels an obligation to proceed here.

Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER (Mr. GRAMM). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DECONCINI. Mr. President, the yeas and nays are then ordered?

The PRESIDING OFFICER. The yeas and nays are ordered.

Mr. DECONCINI. I thank the Chair.

Mr. ABDNOR. Mr. President, again I thank the Senator, my colleague from Arizona, for his kind words. It is true; rarely do we have much difference of opinion. Obviously, this is one of those times.

I will once again point out that since 1981, OMB funding has been reduced in real terms. In spite of their workload—and I doubt if anyone will deny that the workload has been growing, even though we may not like what they sometimes work out—OMB staffing has decreased over the past years by 88 positions or 13 percent.

This budget, as I have pointed out, is principally made up of personnel, office space, and printing, so they really do not have many places to absorb the reduction.

The usual argument, let me just say, for across-the-board cuts is that increased productivity can be made up for the budget reduction. Well, OMB often makes that case itself, as I understand, and I know they do. OMB appears to practice what it preaches. Despite a 40-percent increase in telecommunication costs since 1981, OMB is requesting 35 percent less this year, in real terms, than in 1981. Since 1981, OMB, through automation, has cut the cost of printing the budget by 48 percent.

OMB has cut overgrading substantially. Since 1978—and certainly this is a reason to pay them a compliment—the average grade has fallen from GS-12.4 to GS-11.4. Part-time/temporary and consultant costs have been reduced by 20 percent since 1981. OMB space use has been reduced by 22 percent or 44,000 square feet.

All of these efforts have taken place during a period of steadily rising workload. Since 1981, Federal outlays scrutinized by OMB's budget examiners have increased by 52 percent. New responsibilities since 1980 include the Paperwork Reduction Act review of Government forms, regulatory review, substantial activity related to the President's Reform 88 management

initiative, and the new congressional mandates such as the annual infrastructure report that OMB has absorbed without increased resources.

Often, though, as I said, we may not always like what OMB does. I do not know how many meetings I had with OMB during this past year during consideration of the budget resolution. They do work. I guess each of us has our concern and we make sure we have an opportunity to discuss the changes they propose and dispute them if we want. But the workload gets greater. I have not heard anyone on this floor say we are not going to have to cut. Somebody has to pave the way and make those cuts, bring them to light.

I never have been critical that they do not work enough. Maybe I just do not always like what they do.

I say to my colleagues from Arizona, there is no way I would excuse OMB for not having the decency to come up and talk to the Senator about their budget or write him a letter. To me that, too, is uncalled for, but I do not think the best way to go about this is to cut them below their efficiency level, a level we need so badly if we are really going to attack Federal spending in Government. I sincerely hope that my colleagues in the Senate will give this very serious scrutiny and consideration and support this amendment.

Mr. DECONCINI. Mr. President, my feelings about not being contacted, I can live with; that happens all the time, and nothing new probably is going to change it. But I think it is important for us to note that we have only an acting OMB Director now and that there is a nominee whose name has been submitted. If I am correct, there are hearings on that nominee taking place, and it seems to me that that nominee ought to have an opportunity first to be confirmed and, assuming that the Senate does consent to that confirmation, the Director have an opportunity to visit this matter and see whether or not it is necessary. Mr. Miller, the designee for OMB Director, has a strong history of being close to the chest with expenditures, and maybe he might feel it is not necessary. We have not heard from him—at least I have not—and in my best judgment, there is not a case made here to restore this amount to OMB.

Mr. ABDNOR. Mr. President, is it my understanding the vote we just called for will occur tomorrow due to the agreement that there be no rollcall votes today?

The PRESIDING OFFICER. The Senator is correct.

Mr. ABDNOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

I ask unanimous consent that amendment No. 696 be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 697

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 697.

At the appropriate place, insert the following:

That the increase in postage rates for nonprofit and certain other mailers announced by the Governors of the Postal Service in Resolution No. 85-7 shall not take effect until January 1, 1986.

SEC. 2. TERMINATION OF RATE PHASING SCHEDULE.

(a) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a) In the administration of Subchapters II and III of this chapter, each time rates of postage are established for mail under former sections 4358, 4452 (b) and (c), and 4554 (b) and (c) of this title, the estimated revenues to be received for each class or kind of such mail shall be equal to the direct and indirect postal costs attributable to mail of such class or kind (excluding all other costs of the Postal Service).".

(b) The amendment enacted by this section is effective January 1, 1986.

SEC. 3. SUPPLEMENTAL APPROPRIATION.

If the postage rate delay required by the first section of this Act causes a shortfall in postal revenues from the amounts which would have been provided by the adjustment contemplated by section 3627 of title 39, United States Code, the Postal Service shall request a supplemental appropriation to avoid placing the burden of that shortfall on unsubsidized mailers.

Mr. STEVENS. Mr. President, I have sent to the desk an amendment to the Treasury, Postal Service, and General Government appropriations bill dealing with the revenue forgone portion of the bill. My amendment would delay the implementation of the scheduled postal rate increase from October 1 until January 1.

In order to remind everyone of the current status of this vital appropriation to over 375,000 entities, let me reiterate that earlier this month, the Board of Governors of the Postal Service put mailers on notice that their rates would increase on October 1 unless Congress directed otherwise. Their action was based on the fact that the House and Senate agreed that no more than $749 million should be appropriated for revenue forgone.

This amount of money would require that rates increase on October 1 from step 14 of the phasing to step 16. For an indication of what that increase means, I ask unanimous consent to have printed at this point in my remarks a table showing current rates, rates at step 15, rates at step 16, and commercial rates.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[In cents]

	$980,993,000		$748,749,000, step 16 prices	Regular (commercial rates)
	Step 14 prices	Step 15 prices		
2nd-class publications:				
In county	4.8	5.5	6.3	13.1
		14.6	31.3	172.9
Nonprofit	6.2	7.2	8.2	13.0
		16.1	32.3	109.7
Classroom	8.7	9.9	11.2	22.2
		13.8	28.7	155.2
Science of agriculture	12.3	12.3	12.3	13.1
		0.0	0.0	6.5
Limited circulation	7.2	8.2	9.3	13.1
		13.9	29.2	81.9
3rd-class publications:				
Carrier route presort	3.4	4.1	4.8	8.3
		20.6	41.2	144.1
Presorted to five digits	4.9	5.6	6.3	10.1
		14.3	28.6	106.1
Pequired presort	6.0	6.7	7.4	12.5
		11.7	56.7	108.3
4th-class library rate	$0.5	$0.6	$0.6	$0.9
		11.1	24.1	74.1

Mr. STEVENS. Mr. President, my amendment would delay the implementation date of that increase for 3 months. The purpose is very, very clear. A great many, if not most, of the charitable organizations do their fundraising during the holiday season. The funds raised during this appeal sustain a great many of these organizations for the entire year. If we allow an increase to go into effect on October 1, it totally throws off their fundraising campaigns.

I want to remind everyone that, as a practical matter, these organizations have already printed their brochures and return envelopes, with postage already in place. They are stored, awaiting the scheduled time to be mailed. These organizations are now caught between a rock and a hard place. Any sudden increase in rates will adversely affect when and if their appeal can go out, thus affecting their entire year's funding.

Now, of course, there is a cost to my amendment and according to the Congressional Budget Office it is $70 million. We have been working with the various mailers and affected parties as well as the members of the Govern-

mental Affairs and Budget Committees to come up with $70 million in savings so we can stay within the approved budget for revenue forgone.

For example, we would propose to eliminate subsidized mailings of political parties. I can find little justification for the Federal Government to continue to subsidize political mailings if that requires us to reduce the subsidy for fundraising appeals from the National Federation of the Blind, Boy Scouts and Girl Scouts of America, the American Cancer Society, the Salvation Army, and Father Flanigan's Boys Town, plus far too many more to mention.

We are also going to take a hard look at the use of subsidized mailing rates which allow commercial firms to sell tours of Europe, grandfather clocks, insurance, and other products and services. We are looking at the subsidies to magazines and newspapers to determine if the taxpayer really needs to be subsidizing publications that continually turn a profit. In that regard I ask unanimous consent to have printed in the RECORD a recent editorial from the Denver Rocky Mountain News.

If we are successful in the aforementioned action, we can easily cover the added cost for delaying the rate increase until after the holiday season. I urge support for this amendment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News (Denver, CO), Aug. 19, 1985]

MAIL RATE FOR NONPROFITS RESULTS IN GROWING SUBSIDY

When the American Medical Association sends its journal to its members, the wealthiest professionals in the land; when Playboy mails its unclad beauties to readers in Los Angeles; when Smithsonian magazine goes to its subscribers, average income $52,000; When colleges peddle expensive European vacations to alumni, a funny thing happens: Taxpayers subsidize them.

These unjustified hand-outs by the average citizen to the well-to-do stem from a wrinkle in the postal code that gives preferential mail rates to—brace yourself, now—870,000 nonprofit organizations.

And because their mail is cheap, those organizations overuse it. Moreover, there is no ceiling; the more they mail, the more we pay. In 1970, when Congress set up the Postal Service, the subsidy was $300 million. Now it's $1 billion, and growing.

There is of course a compassionate reason to give free or cut-rate postage to groups helping the blind and physically handicapped. But that costs only about $39 million a year. The rest of the subsidy should be eliminated to shrink the budget deficit.

For a case in point, take National Geographic magazine, technically non-profit but on whose staff it is extremely profitable to find oneself. In a recent pitch to advertisers, it stated:

"The total annual income of National Geographic readers is right up around $300,000,000,000 a year. That's more than the total sales of IBM, General Motors, General Electric, General Foods, General Mills, Procter and Gamble and Bristol-Myers put together, with Sears and Coca-Cola thrown in for good measure.

That was advanced as an argument for advertising in National Geographic instead of Time or Newsweek. Two thoughts occur. If the magazine's readers are so rich, why subsidize their postage? And Time and Newsweek are handicapped in competing with Geographic because they pay taxes and regular mail rates.

Similary, frankly political magazines such as The Nation, The Progressive and American Spector fob themselves off to the Postal Service as foundations to get the preferred rate. That gives them an unfair advantage over The New Republic and National Review, which pay their own way.

A historical digression: Back in 1851 the Post Office started giving cheap rates to newspapers printed and circulated in the same county. The goal was to help small local newspapers spread news and information, especially in rural areas.

That postal break is still in effect, and Playboy and other national magazines use the in-county rate to cut their mailing costs by $3.6 million a year in Los Angeles County.

In his proposed budget for fiscal 1986, President Reagan asked no funds for the preferential mail rate. Naturally, the so-called nonprofit mailers and fundraisers got their tame representatives to restore the abuse-ridden subsidy. When the measure hits Reagan's desk, it eminently deserves his veto.

Mr. STEVENS. Mr. President, we ask that this amendment be adopted at this time so there will be no disruption in the plans of charitable organizations for the fundraising they plan to do during the holiday season of 1985.

Mr. ABDNOR. Mr. President, I commend the Senator from Alaska for this very worthy amendment. It is very timely and very necessary, as far as I am concerned. On this side, we are happy to accept it.

Mr. DECONCINI. Mr. President, I join the Senator from South Dakota in accepting the amendment, and I ask unanimous consent that my name be added as a cosponsor of the amendment. I think this amendment is very timely.

Mr. ABDNOR. Mr. President, I wish to be a cosponsor, also.

Mr. STEVENS. Mr. President, I am happy to be supported by my two friends, and I ask unanimous consent that their names be listed as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 697) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I thank my two friends for giving me notice to be here in sufficient time to present this amendment.

Mr. ABDNOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I also ask unanimous consent that amendment No. 696 be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 700

(Purpose: To make the order of the Commissioner of Customs applicable to contract shipments of ethyl alcohol entered after September 30, 1985)

Mr. GRASSLEY. Mr. President, for myself, Senator LUGAR, Senator DURENBERGER, Senator EXON, Senator ABDNOR, and Senator DOLE, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] for himself, Mr. LUGAR, Mr. DURENBERGER, Mr. EXON, Mr. ABDNOR, and Mr. DOLE, proposes an amendment numbered 700.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, between lines 10 and 11, insert the following:

SEC. 106. Notwithstanding any other provision of law, the applicability of the order of the Commissioner of Customs regarding mixtures containing ethyl alcohol that was issued on August 2, 1985, and revised on August 27, 1985, is hereby extended to include any article entered, or withdrawn from warehouse, for consumption in the customs territory of the United States after September 30, 1985, without regard to whether such article is being important under a contract entered into on or before August 2, 1985.

Mr. GRASSLEY. Mr. President, the importation of foreign-produced fuel ethanol blended with various petrochemicals has increased substantially in the past several years as a means of outright avoidance of the 60-cent-per gallon duty on 100-percent ethanol im-

ports. These blends compete directly with domestically produced ethanol, both of which are provided a 6-cent exemption from the gasoline sales tax. Unless checked, foreign imports will continue to undermine our efforts to foster the growth of an effective domestic alternative to dependence on foreign energy.

In order to plug this loophole in our import program, legislation has been introduced to subject ethanol blends to the Federal tariff. The Committee on Finance is in the process of scheduling a hearing on this and other related issues sometime in the next several weeks. Given the strong interest in responding to our mounting trade imbalance, I am hopeful that congressional action will be swift.

In the interim, I have urged the administration to use its authority to impose the 60 cent duty on imported ethanol blends. Under letter rulings issued by Customs Service officials earlier this year, importers have been allowed to bring in ethanol-petrochemical mixtures exempt from the special tariff. On April 8, the International Trade Commission ruled unanimously that ethanol imports are threatening material injury to our domestic corn and ethanol industries. A number of legal actions were subsequently instituted by affected sectors against blend imports.

On August 2, Customs Commissioner Von Raab issued an order revoking the letter rulings on blended ethanol. On August 27, however, he modified his order to allow the entry of blends contracted for prior to August 2 up until November 1. Since most contracts would come under this "grandfather" exemption, the Department of Agriculture estimates that up to 200 million gallons of ethanol could enter the United States in the next 5 weeks.

Importation of large additional quantities of fuel ethanol could severely damage the U.S. corn and ethanol industries; 200 million gallons of ethanol is equivalent to about 80 million bushels of corn. Displacement of this amount would result in lowering corn prices by an estimated 5 cents per bushel, worth $400 million to U.S. farmers. In addition, the Treasury would lose tariff revenues of up to $120 million if the ethanol import duty were not assessed.

Under the circumstances, I joined the distinguished majority leader [Mr. DOLE] in sending a letter to Treasury Secretary Baker on September 10 asking that Commissioner Von Raab's decision to grandfather ethanol blend contacts be reversed. Joining us were my distinguished colleagues from Minnesota [Mr. DURENBERGER, from Indiana [Mr. LUGAR], and from Iowa [Mr. HARKIN].

While we have yet to receive a response from Secretary Baker, Mr. President, I am confident that the administration shares our concern for the possible impact of large imports of ethanol blends on the domestic farm economy. Last week, the Commerce Department made a preliminary determination that ethanol imports from Brazil are being dumped in the U.S. market. This action was accompanied by the imposition of a provisional tariff on further Brazilian ethanol shipment, pending a final ruling.

To remove any remaining ambiguity in this situation, Mr. President, I am offering this amendment to the Treasury appropriations bill which moves the termination date for the Customs Service window for exempted contracts forward from November 1 to October 1. While it is possible that no ethanol imports would be shipped from Brazil during this 1-month period, it is also clear that any imports would represent an income loss to U.S. farmers, an economic loss to our domestic ethanol industry, and it would very definitely result in less revenue to the Treasury.

So, Mr. President, I urge that we adopt this amendment and that we bring to a halt the importation of this ethanol that is coming in under the subterfuge of the fact that it is blended in with another product.

Mr. DURENBERGER. Mr. President, I support the amendment of my colleague from Iowa, Senator GRASSLEY, which mandates implementation of the 60-percent tariff on imports of ethanol/toluene blends on October 1, 1985 instead of November 1. I began my fight for ethanol fuels and an ethanol fuel industry in America, in my very first year in the U.S. Senate in 1979. I have continued that fight each year. Unfortunately, much of the fight—after the first year has been against my own Government, Treasury, State and Transportation Departments.

Customs has allowed imports of ethanol/toluene blends to enter this country duty free for the past 6 months and will allow them to continue to enter duty free until November 1. The amendment before us today directs the Customs Service to immediately restore the congressionally mandated tariff on ethanol imports.

Let me provide the Senate with a chronology of the events leading to this situation. In 1980, Congress, as part of an effort to promote long-term national energy security, imposed a 50-cent per gallon duty on ethanol imports. In 1982 when we raised our Federal gas tax 5 cents, we exempted ethanol fuel from the increased tax. This was reaffirmed in 1984 as a part of the Deficit Reduction Act when we increased the gas tax exemption for ethanol from 5 cents per gallon to 6 cents and raised the tariff accordingly to 60 cents.

On July 5, 1984, a letter was sent to the U.S. Customs Service from the U.S. Ambassador to Brazil, Diego Ascencio, requesting a letter ruling of dutiable status of anhydrous ethanol with additives to be used as gasoline additives. Mr. Ascenio wrote:

> What the Brazilians are interested in is finding some formula to export a product of alcohol, but which is different enough to qualify for a lower tariff.

Later that month, it was reported that Brazil was considering exporting ethanol to the United States mixed with gasoline additives in order to "circumvent" the ethanol tariff.

On September 12, 1984, a letter was sent by Athur P. Schifflin, Chief of the Central Classification Branch of the U.S. Customs Service, allowing 80 to 90 percent ethanol blended with benzene, toulene, and xylene to qualify for a duty of 5 percent ad valorem, rather than the fuel ethanol duty of 3 percent ad valorem plus 60 cents per gallon.

From January through June 1985, private letter rulings were issued by the area director of the Port of New York, John J. Martuge, interpreting both the Tariff Schedule of the United States [TSUS] and the September 1984 Schifflin letter.

From the time these letter rulings were issued through August 2, 1985, 20 million gallons of ethanol blended with toluene entered the United States from Brazil duty free.

On August 2, 1985, the U.S. Customs Service, under pressure from the U.S. ethanol industry, reversed its earlier interpretation of the two items of the TSUS and revoked the letter rulings permitting ethanol-petrochemical blends to qualify for the lower, 5 percent ad valorem duty. Customs also stated that "with respect to any entries made after the effective date of the instant ruling, Customs would consider all facts and evidence in connection with claims of reliance on the ruling previously issued." The question that remained unanswered was how much of this blended ethanol would enter the United States free of the 60-cent duty.

Then on August 27, 1985, the Customs and U.S. Treasury compromised on the August 2 decision. Customs announced it will allow a 90-day grace period, until November 1, for entry of imported ethanol blend at the lower duty. It is estimated that anywhere from 30 to 600 million gallons of ethanol blend, contracted prior to August 2, could enter the country at the lower duty under this restricted grandfather clause.

The effect of the higher estimate is staggering to a Federal Government with a deficit the size of ours and to the American agricultural economy that is in as bad a shape as ours.

Corn and feedgrains—600 million gallons of ethanol is the equivalent of 240 million bushels of corn. This loss

of consumption would depress corn prices by at least 15 cents per bushel and reduce farm income by $1 billion.

Farm Program—The CCC would acquire this quantity of grain at an initial outlay of about $1 billion—plus 30 cents per bushel per year for storage and 25 cents per year per bushel for interest. Furthermore, deficiency payments would increase.

Lost revenues—Up to $350 million in import duties would be lost to the General Treasury. Because imported ethanol is eligible for State as well as Federal subsidies established to benefit the domestic industry, State treasuries would also suffer.

Domestic ethanol industry—the domestic industry could be virtually shut down under the onslaught of ethanol imports.

In Minnesota, we have two small plants operating at 4.5 million gallons capacity. But we also have 11 proposed plants totaling over 40 million gallons. Record corn crops are projected this fall. Minnesota's projected harvest is a record 750 million bushels. It is essential for Minnesota farmers to have markets for their products. Customs has jeopardized the establishment of a strong ethanol industry in Minnesota.

We in this body are all too aware of the problems in the farm sector of this Nation. I urge my colleagues to support the Grassley-Lugar-Durenberger amendment and send a clear, strong signal to the American farmer, and an equally strong signal to the Treasury Department to immediately impose the 60-cent duty on ethanol imports.

Mr. ABDNOR. Mr. President, I think this amendment has my name on it and I have supported it since early in the Congress. We do think it would be a good suggestion to let the amendment, now that it is laid down, rest for the night and let the Finance Committee be aware of what is going on. Would the Senator from Iowa agree to that?

Mr. GRASSLEY. Yes, Mr. President.

Mr. DECONCINI. Mr. President, I personally have no objection to this amendment, let me assure the Senator from Iowa of that. However, we have not been able to contact the ranking member on the Committee on Finance, nor Senator EXON, who had, I think, an amendment similar to this on the floor. For that reason, I shall have to forestall going the full course this evening, at least, to accept the amendment. I hope that, first thing in the morning, we can accept this amendment and get it completed right away.

Mr. GRASSLEY. Will the Senator yield?

Mr. DECONCINI. Yes, Mr. President, I yield.

Mr. GRASSLEY. I agree to the procedure outlined by the Senator from Arizona. I suggest that we have obtained the cosponsorship of Senator EXON, so that speaks for itself. That does not resolve the other problems the Senator has. I also say that I was cosponsor of Senator EXON's sense-of-the-Senate resolution that was adopted earlier this month. I think when it is all said and done, we will see this as a solution to this problem and we can readily take care of it in the morning.

Mr. DECONCINI. Mr. President, if the Senator will yield, I want to assure him that this Senator has no objection. I voted for Senator EXON's amendment before and I understand what the Senator from Iowa wants to achieve here. I simply suggest that we put it over until tomorrow.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senator from Nebraska [Mr. EXON] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, that concludes out action on the bill for this evening.

I yield to the Senator from Arizona.

Mr. DECONCINI. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the managers of the Treasury-Post Office appropriations bill. It is my understanding they have completed action on a number of amendments and others will be voted on tomorrow. There will probably be four or five rollcall votes.

MESSAGES FROM THE HOUSE

At 12:57 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2409) to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. WAXMAN, Mr. SCHEUER, Mr. BROYHILL, and Mr. MADIGAN as managers of the conference on the part of the House.

The message also announced that the House has passed the following bill and joint resolution, without amendment:

S. 1689. An act to amend various provisions of the Public Health Service Act; and

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 1514. An act to approve the Interstate Cost Estimate and Interstate Substitute Cost Estimate;

H.R. 1042. An act to grant a Federal charter to the Pearl Harbor Survivors Association;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year";

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week";

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month";

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week";

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week";

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week";

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Month";

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the Agency's 25th anniversary 1985–86; and

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985.

The joint resolution (S.J. Res. 186) was subsequently signed by the President pro tempore [Mr. THURMOND].

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 25, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1792. A communication from the Assistant Secretary of the Navy (Shipbuilding

and Logistics), transmitting, pursuant to law, a report on the conversion of the facilities maintenance function at Camp H.M. Smith, HI, to performance by contract; to the Committee on Armed Services.

EC-1793. A communication from the Assistant Secretary of the Army (Installations and Logistics), transmitting a draft of proposed legislation to amend section 406 of title 37, United States Code, relating to travel and transportation allowances of members of the uniformed services, to authorize payment, and collecting for such payment, for nontemporary storage of a member's baggage and household effects in excess of that authorized under published maximum weight limitations; to the Committee on Armed Services.

EC-1794. A communication from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to repeal section 4351(b) of title 10, United States Code, relating to the reexamination and readmission of cadets of the U.S. Military Academy who fail to pass a required examination; to the Committee on Armed Services.

EC-1795. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, justification for an increase in funding for the program in Sudan; to the Committee on Foreign Relations.

EC-1796. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to September 20, 1985; to the Committee on Foreign Relations.

EC-1797. A communication from the Director of Personnel and Benefits, Farm Credit Banks, transmitting, pursuant to law, the annual report of the Twelfth Farm Credit District for plan year 1984; to the Committee on Governmental Affairs.

EC-1798. A communication from the President of the Jewish War Veterans USA National Memorial, Inc., transmitting, pursuant to law, the annual audit report of the Jewish War Veterans USA National Memorial, Inc. for the fiscal year ended March 31, 1985; to the Committee on the Judiciary.

EC-1799. A communication from the Director of the Equal Employment Opportunity Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1983; to the Committee on Labor and Human Resources.

EC-1800. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on activities under the Administration on Developmental Disabilities, Office of Human Development Services, Department of Health and Human Services, for fiscal year 1984; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-429. A resolution adopted by the Education Finance Division of the Minnesota House of Representatives Education Committee urging Congress to appropriate additional money to adequately fund the Chapter I needs of school districts; to the Committee on Appropriations.

POM-430. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION No. 39

"Whereas, Rail transportation is an integral component of our public transportation system and provides a vital service to the urban and rural communities of this country and encourages the steady economic growth and development of those communities within the State of California; and

"Whereas, The State of California and the urban and rural communities of the state have invested time and money in the maintenance and improvement of rail facilities and rail service through programs in partnership with the federal government; and

"Whereas, The Director of the United States Office of Management and Budget has proposed to eliminate all federal funding for the National Rail Passenger Corporation (Amtrak) and let the private sector provide any passenger rail service if there are any companies willing to do so; and

"Whereas, The result of the elimination of all federal support will result in higher fares, a drastic reduction in the level of rail service, decreased access to many urban and rural communities and correspondingly decreased revenues for businesses in those communities and accordingly lower taxes to the state, higher unemployment, and stifled economic growth and development; and

"Whereas, The President has the power to ensure that any proposals to eliminate federal funding for Amtrak are not implemented or included in the next federal budget; and

"Whereas, The program known as Amtrak has for several years steadily increased efficiency so that it now meets Congressionally mandated operating levels for ridership and revenue and promises to become increasingly self-supporting in the future; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the members respectfully memorialize the President to do all of the following:

"(a) Study ways to further improve passenger rail service.

"(b) Continue support and funding for Amtrak.

"(c) Support the Congress of the United States in its appropriations of those funds; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-431. A resolution adopted by the Council of the City of Jacksonville, FL, urging Congress to adopt legislation exempting state and local government employees from the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-432. A resolution adopted by the Council of the City of Denton, TX, relating to the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-433. A resolution adopted by the Commissioners Court of Lampasas County TX relating to the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-434. A resolution adopted by the County Commissioners' Court of Scurry County, TX urging Congress to amend the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-435. A resolution adopted by the Council of the City of Eden Prairie, MN, urging Congress to continue their efforts to halt the persecution of the Baha'i minority in Iran; to the Committee on Foreign Relations.

POM-436. A resolution adopted by the Board of Commissioners of Shelby County, TN urging Congress to support congressional action adopting sanctions as approved by the Senate and House Conferees on July 31, 1985 against South Africa; to the Committee on Foreign Relations.

POM-437. A joint resolution adopted by the General Assembly of the State of Illinois; to the Committee on Veterans' Affairs.

"SENATE JOINT RESOLUTION No. 16

"Whereas, the recently enacted Veterans Educational Assistance Act of 1984 does not provide for practical on-the-job training, and since 1944, literally hundreds of thousands of Illinois veterans have received some form of training under the G.I. 'Bills'; and

"Whereas, historically, practical on-the-job training is accepted as the most successful method of preparing quality job recipients, and many areas of skill and training are not available in educational institutions; and

"Whereas, some employers require a satisfactory period of on-the-job training, and a high percentage of high school graduates do not desire nor have aptitude for college; and

"Whereas, the cost of apprenticeship training has historically cost the government less, and benefits accruing to American business and industry have been substantial; and

"Whereas, the need is present, as pointed out by enactment of the 'Emergency Veterans Job Training Act of 1983'; and

"Whereas, the interests of all those not desiring institutional education would best be served; therefore, be it

"Resolved, by the Senate of the Eighty-Fourth General Assembly of the State of Illinois, the House of Representatives concurring herein, That we urge the Congress of the United States of America to amend the Veterans Educational Assistance Act of 1984 to include apprenticeship and on-the-job training programs; and be it further

"Resolved, That a suitable copy of this preamble and resolution be presented to the Speaker of the House and President of the Senate of the United States Congress, and to each member of the Illinois Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Appropriations:

Report to accompany the joint resolution (H.J. Res. 388) making continuing appropriations for fiscal year 1986, and for other purposes (Rept. No. 99-142).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAMM (for himself, Mr. RUDMAN, Mr. HOLLINGS, Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. COHEN, Mr. EVANS, Mr. GOLDWATER, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. MATTINGLY, Mr. MCCLURE, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, Mr. ZORINSKY, Mr. LAXALT, Mr. DENTON, and Mr. KASTEN):

S. 1702. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require a graduated reduction of the Federal budget deficit, to establish emergency procedures to avoid unanticipated deficits, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. KASTEN:

S. 1703. A bill for the relief of Martha Chavarria de Pineda, her husband, Noel Jesus Pineda-Escobar, and two of her children, Noel Antonio and Cesar Steven; to the Committee on the Judiciary.

By Mr. MCCLURE (by request):

S. 1704. A bill to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska; to the Committee on Energy and Natural Resources.

By Mr. WILSON:

S.J. Res. 207. Joint resolution to designate November 1, 1985 as "National Philanthropy Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WEICKER (for himself, Mr. KERRY, Mr. NICKLES, Mr. THURMOND, Mr. SIMON, Mr. KENNEDY, Mr. STAFFORD, and Mr. HATCH):

S. Con. Res. 71. Concurrent resolution to commemorate the accomplishments of Public Law 94-142, the Education for All Handicapped Children Act on the 10th anniversary of its enactment; to the Committee on Labor and Human Resources.

By Mr. SIMON:

S. Con. Res. 72. Concurrent resolution expressing the sense of Congress concerning human rights in Poland; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAMM (for himself, Mr. RUDMAN, Mr. HOLLINGS, Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. COHEN, Mr. EVANS, Mr. GOLDWATER, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. MATTINGLY, Mr. MCCLURE, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, Mr. ZORINSKY, Mr. DENTON, and Mr. KASTEN):

S. 1702. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require a graduated reduction of the Federal budget deficit, to establish emergency procedures to avoid unanticipated deficits, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

(The remarks of Mr. GRAMM and others, and the text of the legislation appear earlier in today's RECORD.)

By Mr. MCCLURE (by request):

S. 1704. A bill to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska; to the Committee on Energy and Natural Resources.

APPROPRIATION CEILING INCREASE FOR NORTH LOUP DIVISION, PICK-SLOAN MISSOURI BASIN

● Mr. MCCLURE. Mr. President, at the request of the Department of the Interior, I send to the desk for appropriate reference a bill to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Assistant Secretary, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1704

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 507 of Public Law 92-514 (86 Stat. 970) is amended by striking out "$79,500,000 (based upon January 1972 prices)" and inserting in lieu thereof "$333,865,000 (based upon July 1984 prices)".

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, September 10, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska."

We recommend that the draft bill be introduced, referred to the appropriate committee for consideration, and enacted.

The North Loup Division was originally authorized as an integral part of the Pick-Sloan Missouri Basin Program (P-SMBP) by the Flood Control Act of December 22, 1944 (58 Stat. 887), and was reauthorized by title V of Public Law 92-514 on October 20, 1972. The division is located in central Nebraska along the North Loup and Loup Rivers and is designed to serve the functions of irrigation, recreation, and fish and wildlife. Diversion facilities are located in Loup and Garfield Counties and the irrigable lands are located in Valley, Greeley, Howard, Merrick, and Nance Counties. Major features are Calamus Dam and Reservoir, Kent Diversion Works, and Davis Creek Dam and Reservoir.

Section 507 of Public Law 92-514 authorized to be appropriated "the sum of $79,500,000 (based upon January 1972 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering costs indexes applicable to the types of construction involved herein." The current appropriation ceiling, based on indexing to July 1984 price levels, is $193,174,000. The current estimated Federal obligation required, also based on July 1984 price levels, is $333,865,000. Thus, the total estimated appropriation required is $140,691,000 above the current appropriation ceiling. Based on current scheduling, an increase in the authorized appropriation ceiling will be required for project construction to proceed after FY 1986.

This increase above the adjusted authorization level can be attributed to numerous factors, including: design standard changes, revised inflow design floods, unavailability of various construction materials, updating concepts based on more complete design data, and a change in the makeup of the project to optimize service and facilitate operation and maintenance. Also, miscellaneous additional costs associated with cultural resources environmental and safety considerations, and other related factors, were not fully conceived or anticipated in the 1969 estimate, which was indexed to a January 1972 price level for authorization.

The enclosed draft bill would increase the appropriation ceiling for the North Loup Division from the present adjusted level to $333,865,000. The requested increase of $140,691,000 in the authorized appropriation level are outlined in the enclosed chart.

With the changes detailed in the chart, the feasibility of the project remains favorable with a direct benefit/cost ratio of 1.4 to 1.0 (at the authorized 3.25 percent discount rate).

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

ROBERT N. BROADBENT,
Assistant Secretary.

RATIONALE FOR REQUESTED INCREASE IN THE APPROPRIATIONS CEILING FOR THE NORTH LOUP DIVISION, PICK-SLOAN MISSOURI BASIN PROGRAM

Feature/category	Explanation of increase	Amount (millions)
Calamus Dam & Reservoir	Changes to accommodate new inflow design flood, increased outlet capacity, size and configuration of dam, added slurry trench, chimney drains, and instrumentation.	$36
Davis Creek Dam & Reservoir.	Changes to accommodate new inflow design flood. Also, changes in spillway location, increase in dam size, addition of instrumentation.	18
Mirdan Canal system	Concrete lining of main supply canal, increase in carrying capacity, cut-slope layback for safety and maintenance, and other related changes.	27
Geranium, Scotia, Kent & Fullerton Canal systems.	For canal stabilization and protection by gravel on curves and highfills, cut-slope layback, and concrete lining of Kent Canal.	23
Geranium, Scotia, Fullerton & Elba Lateral systems.	Alignments and lengths varied. Smaller laterals (below 27 ft/sec) are in pipe. Advantages include less O&M, better water management, and reduced water loss.	19
Subsurface drains	Requirements restudied in 1982; added more comprehensive drain system as result of study.	10

RATIONALE FOR REQUESTED INCREASE IN THE APPROPRIATIONS CEILING FOR THE NORTH LOUP DIVISION, PICK-SLOAN MISSOURI BASIN PROGRAM—Continued

Feature/category	Explanation of increase	Amount (millions)
Fish and wildlife enhancement facilities.	Addition of fish hatchery and various other facilities. These facilities will be funded on a 75/25 Federal/Non-Federal cost-sharing basis.	6
Miscellaneous adjustments		2
Requested increase in authorized appropriations.		141

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By Mr. WILSON:

S.J. Res. 207. Joint resolution to designate November 1, 1985, as "National Philanthropy Day"; to the Committee on the Judiciary.

NATIONAL PHILANTHROPY DAY

● Mr. WILSON. Mr. President, I rise today to introduce legislation to honor America's greatest resource—the American philanthropic community—by designating November 1, 1985, as "National Philanthropy Day."

The American philanthropic community includes our churches and syangogues, hospitals, research centers, colleges and universities, Boy Scouts and Brownies, Little League and YMCA, and the myriad of associations that care and protect the elderly and the young, the poor and the hungry, and the abused and neglected.

F. Scott Fitzgerald said that "America is a willingness of the heart." No quotation could better describe the contribution to America made by philanthropic organizations. For they are devoted to improving the lives of us all. American philanthropic organizations are the back stop of our society. When an individual has nowhere left to turn, there is always a philanthropic organization there to lend assistance.

America's philanthropic community consists of some 800,000 organizations and 10 million employees and volunteers. These organizations are supported by private gifts, from more than 30 million Americans, that have exceeded $70 billion since 1981.

Private sector involvement in philanthropic concerns represents a positive approach to tackling social problems. Without such support, the Government would be compelled to increase deficits to help feed, clothe, house, and care for the needy in America and throughout the world. Medicine, education, and the arts are among the vital institutions which depend on philanthropic support.

This legislation is supported by this Nation's philanthropic community. It was suggested to me by Douglas K. Freeman, the president and chairman of the American Institute for Philanthropic Studies. Mr. Freeman's commitment to this Nation's philanthropic organizations must be commended. Companion legislation has been introduced in the House of Representatives by Congressman DAN LUNGREN of California.

Voluntarism has always played an important role in American life. For instance, the United Way comprises the single largest volunteer effort in the world. The United Way's commitment to voluntarism can be traced back through 100 years of caring and concern for the needy. All Americans are familiar with the contributions of the American Red Cross. This organization, with some 1.4 million volunteers, has provided emergency assistance to thousands of Americans in disaster and crisis situations.

The philanthropic sector has always borne a major responsibility for providing social services to the citizens of our great land. As the Federal Government works to deal with ever-increasing budget deficits, even greater domestic and international responsibilities will be given to the private and voluntary sectors. Now, more than ever, it is appropriate to honor these vital institutions.

I hope all of my colleagues will join me in paying tribute to this Nation's philanthropies, and those individuals that participate in, and contribute to, philanthropic endeavors. Certainly, this honor is well deserved and long overdue.

I ask unanimous consent that the text of my joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 207

Whereas there are more than 800,000 nonprofit philanthropic organizations in the United States, employing more than 10 million individuals, including approximately 4.5 million volunteers;

Whereas contributions by people of the United States to support such organizations amounted to approximately $70,000,000,000 in 1984;

Whereas philanthropic organizations are largely responsible for enhancing the quality of life for Americans and other people throughout the world;

Whereas our Nation owes a great debt to the schools, churches, museums, art and music centers, youth groups, hospitals, research institutions, and other institutions and organizations which aid and comfort the elderly, the disadvantaged, and the sick; and

Whereas the people of the United States should demonstrate their gratitude and support for philanthropic organizations and the efforts, skills, and resources of individuals who carry out their missions: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 1, 1985, is designated as "National Philanthropy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 70

At the request of Mr. INOUYE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 70, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 237

At the request of Mr. THURMOND, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 237, a bill to amend title 18 to limit the application of the exclusionary rule.

S. 238

At the request of Mr. THURMOND, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 238, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 554

At the request of Mr. ROTH, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 625

At the request of Mrs. HAWKINS, the names of the Senator from Nebraska [Mr. EXON], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of S. 625, a bill to include offenses relating to sexual exploitation of children under the provisions of RICO and authorize civil suits on behalf of victims of child pornography and prostitution.

S. 1209

At the request of Mr. CHILES, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1251

At the request of Mr. DOMENICI, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 1251, a bill entitled "The Natural Gas Utilization Act of 1985."

S. 1477

At the request of Mr. CHAFEE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1477, a bill to amend title 38, United States Code, to increase the burial plot allowance for veterans from $150 to $250.

S. 1574

At the request of Mr. LUGAR, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S.

1574, a bill to provide for public education concerning the health consequences of using smokeless tobacco products.

S. 1601

At the request of Mr. LEAHY, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1601, a bill entitled the "Rural Transportation Equity Act of 1985."

S. 1654

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1682

At the request of Mr. BENTSEN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1682, a bill to provide emergency assistance to Mexican earthquake victims.

SENATE JOINT RESOLUTION 112

At the request of Mr. PELL, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 112, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 174

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 174, a joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

SENATE CONCURRENT RESOLUTION 71—COMMEMORATING THE ACCOMPLISHMENTS UNDER THE EDUCATION FOR ALL HANDICAPPED CHILDREN ON THE 10TH ANNIVERSARY OF ITS ENACTMENT

Mr. WEICKER (for himself, Mr. KERRY, Mr. STAFFORD, Mr. NICKLES, Mr. THURMOND, Mr. SIMON, Mr. KENNEDY, and Mr. HATCH) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 71

Whereas part B of the Education of the Handicapped Act, commonly known as Public Law 94-142 (The Education for All Handicapped Children Act), was signed into law ten years ago on November 29, 1975;

Whereas Public Law 94-142 established as policy for the United States of America the principle that all children, regardless of disabling condition, have the right to a free, appropriate public education in the least restrictive setting;

Whereas Public Law 94-142 currently serves over 4,000,000 handicapped children;

Whereas Public Law 94-142 ensures the full partnership between parents of children with disabilities and education professionals in design and implementation of the educational services to be provided handicapped children;

Whereas Public Law 94-142 has greatly enriched the classrooms of the Nation by allowing the potential of children with disabilities to be developed, together with the potential of nondisabled youngsters;

Whereas Public Law 94-142 has greatly enriched America's society as a whole by providing the means for disabled youngsters to contribute to the social and economic progess of the United States; and

Whereas Public Law 94-142 has succeeded even beyond the expectations of congressional supporters in marshalling the resources of the Nation to fulfill the promise of full participation in society of disabled youngsters: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the 10th anniversary of the enactment of Public Law 94-142 and the successful implementation of the law;

(2) acknowledges the many and varied contributions by disabled youngsters, parents, teachers, and administrators; and

(3) reaffirms its support for Public Law 94-142 and the primary goal of Public Law 94-142 that all children, regardless of disabling condition, have the right to a free, appropriate public education in the least restrictive setting.

SENATE CONCURRENT RESOLUTION 72—CONCERNING HUMAN RIGHTS IN POLAND

Mr. SIMON submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 72

Whereas, in August 1980, the Gdansk Agreement and other social accords were signed by representatives of the Polish workers union, Solidarity, and the Polish Government;

Whereas these historic agreements offered the promise of a new era in Poland with increased respect for human rights;

Whereas the imposition of martial law in December 1981 by the Polish Government abrogated these accords, led to the arrests or detention of thousands of Solidarity leaders and other Polish citizens and the denial of the basic rights of the Polish people;

Whereas, under the period of martial law, Polish citizens were denied their rights, abducted, threatened, assaulted, and murdered for their activities in support of human rights;

Whereas, in July 1984, the Polish government declared an amnesty for most political prisoners;

Whereas since the amnesty some progress has been made on behalf of human rights in Poland;

Whereas since the amnesty Polish Government officials have criticized and attacked Polish citizens who speak out on behalf of human rights;

Whereas Father Jerzy Popieluszko, a leading spokesman for workers' rights, was abducted, beaten, and murdered in October 1984, and officers of the Internal Affairs Ministry have confessed to these crimes;

Whereas throughout Poland, human rights monitoring committees are being established to collect and publish data on abuses of human rights and to grant legal, financial, and medical aid to the victims of persecution;

Whereas the Polish Government is intimidating members of the Polish human rights monitoring committees and is seeking to prevent their activities on behalf of human rights;

Whereas the Polish Government has threatened legal prosecution against journalists who meet with these Polish human rights monitoring committees;

Whereas it is the stated policy of United States law, including section 502B(a)(1) of the Foreign Assistance Act of 1961, and section 402 of the Trade Act of 1974, that human rights considerations are a vital element of United States foreign policy;

Whereas with the imposition of martial law in Poland in December 1981, the United States imposed economic sanctions on Poland and, when Poland demonstrated increasing respect for human rights, the United States eased these sanctions accordingly;

Whereas the Helsinki accords, of which Poland is a signatory, state that the "participating states * * * will promote and encourage the effective exercise of civil, political, economic, social, cultural, and other rights and freedoms, all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki accords, of which Poland is a signatory, state that the signatories of the accords will "Make it their aim to facilitate the freer and wider dissemination of information of all kinds, * * * to improve the conditions under which journalists from one participating State exercise their profession in another participating state, and * * * to increase the opportunities for journalists of the participating States to communicate personally with their sources, including organizations and official institutions.": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) Poland should comply with basic human rights agreements of which it is a signatory, such as the Helsinki accords, by pursuing policies of consistent tolerance toward and respect for the rights of the polish people;

(2) Poland should comply with the pledges and other social accords made to the Polish people;

(3) Poland should initiate a genuine policy of National Reconciliation;

(4) the prosecution of all those responsible for the death of Father Jerzy Popieluszko is an important step to improve human rights in Poland and should be supported;

(5) the human rights monitoring committees can be a positive force for human rights in Poland and should be allowed to function and be supported;

(6) the free flow of information on the activities of the human rights monitoring committees can improve human rights policies in Poland and relations with the United States and should be encouraged;

(7) the continued improvement of Poland's treatment of the Polish people and respect for human rights would better relations between the United States and Poland, as previously witnessed by the United States lifting of certain sanctions;

(8) the President or his representatives should convey to Polish and Soviet officials the concerns of the Congress expressed in this resolution at every opportunity; and

(9) the President or his representatives should also convey these concerns of the Congress to the governments of United States allies and urge the cooperation of those governments in efforts to encourage Poland's responsibility to assure the human rights of the Polish people.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he transmit such copy to the Government of the Polish People's Republic.

● Mr. SIMON. Mr. President, this week the Polish ruler, General Jaruzelski, is visiting the United States in order to participate in this year's opening proceedings of the U.N. General Assembly. Since December 1981, when martial law was imposed, the Polish free labor and human rights movements have been subjected to cyclical swings between supression and halting moderation. Unfortunately, of late the pendulum has swung toward greater and greater repression.

Three Solidarity and human rights activists—Adam Michnik, Bogdan Lis, and Wladyslaw Frasyniuk—were arrested earlier this summer for disturbing the public order. The three had called for a strike, which never took place. The trial's proceedings were heavily censored, and was open in name only. Their sentences range from 2½ to 3½ years.

This year saw not only the trial and renewed incarceration of these three, but an increase in the number of political prisoners and a further tightening of the penal code. Human rights are being steadily abused in Poland, and the U.S. Congress cannot let this increase in civil strife go unnoticed. It is imperative that we let the Polish Government know, in no uncertain terms, that we cherish human rights and that it remains an important part of our foreign policy agenda.

On October 13, Solidarity and three other free unions plan to boycott the Polish legislative elections. I don't want to get into the position of endorsing this boycott or condemning it; it would be best if Solidarity were unshackled and worker-government negotiations resumed. But I do know that United States-Polish relations continue to be strained by worker unrest and government harassment in Poland, and that a real need exists to convey this message to the highest Polish authorities. This resolution does just that, by calling on the President to express congressional concerns directly to the Government of Poland, to the Soviet Union, and to ask our allies to encourage Polish moderation and respect for human rights.●

AMENDMENTS SUBMITTED

TREASURY, POST OFFICE, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1986

ARMSTRONG (AND DECONCINI) AMENDMENT NO. 688

Mr. ARMSTRONG (for himself and Mr. DECONCINI) proposed an amendment to the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 2, line 20 before the semicolon insert: "*Provided*, That none of the funds contained in this or any other act shall be avaliable for the salaries and expenses for the office of the Assistant Secretary of the Treasury for Enforcement and Operations after March 1, 1986 unless U.S. Customs Service authorizing legislation is passed by the Congress.".

CHILES AMENDMENT NO. 689

Mr. CHILES proposed an amendment to the bill H.R. 3036, supra; as follows:

At the appropriate place in the bill insert: "None of the funds made available in this or any other Act may be used to fund more than 950 positions in the Headquarters staff of the U.S. Customs Service in the fiscal year ending September 30, 1986 and the Customs Service shall begin planning to reduce Headquarters staff to no more than 900 positions by September 30, 1987.".

GORTON (AND EVANS) AMENDMENT NO. 690

Mr. GORTON (for himself and Mr. EVANS) proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 7, line 6, strike "," and insert in lieu thereof: "and shall assign no fewer than 40 additional permanent, full time personnel to the Seattle, Washington, Customs, District Office, including at least 30 inspectors and 10 import specialists.".

ABDNOR (AND DECONCINI) AMENDMENT NOS. 691 THROUGH 693

Mr. ABDNOR (for himself and Mr. DECONCINI) proposed three amendments to the bill H.R. 3036, supra; as follows:

AMENDMENT No. 691

On page 5, line 21 strike out two and insert in lieu thereof: up to five.

On line 22 strike out one and insert in lieu thereof: four.

AMENDMENT No. 692

On page 19, line 25 before the period insert the following: :*Provided further*, That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below FY 1985 levels.

AMENDMENT No. 693

On page 35 after line 4 insert the following:

SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected by the lessor on land owned by the United States.

ABDNOR AMENDMENT NOS. 694 THROUGH 696

Mr. ABDNOR proposed three amendments to the bill H.R. 3036, supra; as follows:

AMENDMENT No 694

On page 36, line 23 before the period insert the following: *Provided further*, That pursuant to section 4109(d)(1) of title 5, United States Code, costs for entertainment expenses of the President's Commission on Executive Exchange shall not exceed $12,000.

AMENDMENT No. 695

On page 38, line 17 strike $4,200,000 and insert in lieu thereof $4,594,000.

AMENDMENT No. 696

On page 19, line 11 strike $36,909,000 and insert in lieu thereof $38,430,000.

STEVENS AMENDMENT NO. 697

Mr. STEVENS proposed an amendment to the bill H.R. 3036, supra; as follows:

At the appropriate place, insert the following:

That the increase in postage rates for nonprofit and certain other mailers announced by the Governors of the Postal Service in Resolution No. 85-7 shall not take effect until January 1, 1986.

SEC. 2. TERMINATION OF RATE PHASING SCHEDULE.

(a) Section 3626(a) of title 39, United States Code, is amended to read as follows:

"(a) In the administration of Subchapters II and III of this chapter, each time rates of postage are established for mail under former sections 4358, 4452(b) and (c), and 4554(b) and (c) of this title, the estimated revenues to be received for each class or kind of such mail shall be equal to the direct and indirect postal costs attributable to mail of such class or kind (excluding all other costs of the Postal Service.".

(b) The amendment enacted by this section is effective January 1, 1986.

SEC. 3. SUPPLEMENTAL APPROPRIATION.

If the postage rate delay required by the first section of this Act causes a shortfall in postal revenues from the amounts which would have been provided by the adjustment contemplated by section 3627 of title 39, United States Code, the Postal Service shall request a supplemental appropriation to avoid placing the burden of that shortfall on unsubsidized mailers.

APPROVAL OF COMPACT OF FREE ASSOCIATION

THURMOND (AND HOLLINGS) AMENDMENT NO. 698

(Ordered to lie on the table.)

Mr. THURMOND (for himself and Mr. HOLLINGS) submitted an amendment intended to be proposed by them to the joint resolution (S.J. Res. 77) to approve the "Compact of Free Association," and for other purposes; as follows:

At the end of the joint resolution, add the following:

"TITLE II—TEXTILE AND APPAREL TRADE ENFORCEMENT

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Textile and Apparel Trade Enforcement Act of 1985'.

"SEC. 202. POLICY.

"The policy of this title is—

"(1) to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and apparel manufacturers, and loss of jobs by United States workers by providing for orderly and nondisruptive growth of imports of textiles and textile products; and

"(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective enforcement of import levels of textiles and textile products contemplated by the Multi-Fiber Arrangement.

"SEC. 203. FINDINGS.

"(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations;

"(2) the Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was most recently extended in December 1981, through July 1986, contemplates a 6 per centum annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from significant exporting countries;

"(3) since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 per centum, far in excess of the 1 per centum growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 per centum that prevailed during the period 1974 through 1980;

"(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

"(5) import growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last six years, reaching a level of 50 per centum in 1984;

"(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 per centum of domestic consumption;

"(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

"(8) Imports of textiles and textile products into the United States are predominantly the product of significant exporting countries, with five large exporting countries now accounting for more than 50 per centum of all imports of textiles and textile products;

"(9) the domination of import trade by producers in the significant exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourage mutually beneficial trade and investment, with the United States;

"(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

"(11) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 per centum over 1983, and accounted for 13 per centum of the Nation's overall merchandise trade deficit;

"(12) the current level of imports of textiles and textile products, ten billion square yard equivalents in 1984, represents over one million job opportunities lost to United States workers;

"(13) imported textiles and textile products now account for 38 per centum (the equivalent of three million two hundred thousand bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1,000,000,000 loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that United States cotton producers, who are spending about $20,000,000 annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

"(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States producer raw wool; the Multi-Fiber Arrangement recognizes that imports of certain products, such as wool products, in certain countries, including the United States, pose particular problems for certain industries, such as, the wool products industries in those countries and import growth rates of 1 per centum or less have been permitted in such cases;

"(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

"(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last ten years at the average annual rate of 4.2 per centum and in the apparel sector at the average annual rate of 3.4 per centum, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 per centum;

"(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established under this Act;

"(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 per centum during the next several years;

"(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United States market with reduced domestic competition for imported products;

"(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

"(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

"(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 per centum annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 per centum in the case of wool products, or

"(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual import growth rate of less than 6 per centum,

whichever is the lesser,

"(B) to require the establishment of import levels for textiles and textile products supplied by exporting countries that reflect their 1984 import levels,

"(C) to require the establishment of import levels for textiles and textile products supplied by small exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such

shares consistent with the Multi-Fiber Arrangement, and

"(D) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocol extending the Multi-Fiber Arrangement;

"(21) the establishment of import levels, and limitation on future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and textile products will fulfill announced policy objectives of the United States regarding trade in textiles and apparel;

"(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States;

"(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

"(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United States textiles and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

"SEC. 204. DEFINITIONS.

"For purposes of this title—

"(1) The term 'textiles and textile products' includes, but is not limited to, all manmade fibers, tops, yarns, piece goods, made-up articles, apparel, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or manmade fiber, or blend thereof, that are classified under schedule 3, part 6 of schedule 6, part 1, 4, 5 (except subpart E), 7, or 13 of schedule 7, or part 1 of schedule 8 of the Tariff Schedules of the United States or part 1 of the Appendix to the Tariff Schedules of the United States;

"(2) The term 'category' means, with respect to textiles and textile products imported from each country, each of the following—

"(A) each category of textiles and textile products identified by a three-digit textile category number in the Department of Commerce publication 'Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated', dated January 1985 and, subsequently, in the first edition of such document that is revised to reflect the adoption by the United States of the Nomenclature Structure of the Harmonized System;

"(B) with respect to each country with which the United States has (i) an agreement on the date of enactment of this title limiting exports of textiles and textile products to the United States that includes specific limitations on subdivisions of a category described in subparagraph (A), or (ii) taken unilateral action to limit products entered under such a subdivision, each such subdivision;

"(C) a category consisting of the manmade fiber articles classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States; and

"(D) each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

"(i) yarn,

"(ii) fabric,

"(iii) apparel, and

"(iv) other textile products;

"(3) The term 'import sensitive category' means—

"(A) a category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication 'U.S. Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel', equals or exceeds 40.0 for the preceding calendar year; and

"(B) a category covering wool products;

"(4) The term 'country' means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship or political entity, whether affiliated with the United States or not, that is outside the customs territory of the United States;

"(5) The term 'major exporting country' means a country from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) that equalled or exceeded 10 percent of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(6) The term 'exporting country' means a country (other than a major exporting country and a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) that equalled or exceeded 1.25 per centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(7) The term 'small exporting country' means a country other than a major exporting country and an exporting country;

"(8) The term 'country in the Caribbean region' means Mexico and a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

"(9) The term 'wool product' means an article containing over 17 per centum by weight of wool;

"(10) The term 'cotton, wool and manmade fiber sweaters' means articles classified under categories 345, 445, 446, 645 or 646 as defined in the department of Commerce publication 'correlation Textile and Apparel Categories with Tariff Schedules of the United States Annotated,' dated January 1985;

"(11) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

"(12) The term 'imported' means entered; and

"(13) The term 'Milti-Fiber Arrangement' means the Arrangement Regarding International Trade in Textiles, as extended by the Protocol done at Geneva, December 22, 1981.

"SEC. 205. LIMITS ON TEXTILE AND APPAREL IMPORTS.

"(a) CALENDAR YEAR 1985.—Notwithstanding any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

"(1) in the case of textiles and textile products that are a product of a major exporting country other than textile luggage and textile flat goods subject (as of the date of enactment of this Act) to a specific limitation under an agreement with a major exporting country, the lesser of an amount equal to 101 per centum (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by 6 per centum annually, or 1 per centum annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983, and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than 6 per centum, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

"(2) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this Act) to specific limitation under an agreement with a major exporting country, the specific limitation quantity in effect as of the date of enactment of the Act;

"(3) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of (A) such products from such country classified under such category that entered during calendar year 1984, or (B) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this title) to specific limitation under an agreement with an exporting country, of the specific limitation quantity in effect as of the date of enactment of this title;

"(4) in the case of textiles and textile products that are a product of a small exporting country (other than cotton, wool, and man-made fiber sweaters described in paragraph (5)), an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) 15 per centum of such quantity, in the case of a category that is not an import sensitive category, or (B) 1 per centum of such quantity, in the case of a category that is an import sensitive category; and

"(5) in the case of cotton, wool and man-made fiber sweaters that are—

"(A)(i) the product of Guam, or (ii) the product of substantial assembly operations in Guam from otherwise completed knit-to-shape component parts, an aggregate amount equal to 160,000 dozen; and

"(B)(i) the product of the Commonwealth of the Northern Mariana Islands, or (ii) the product of substantial assembly operations

in such Commonwealth from otherwise completed knit-to-shape component parts, an aggregate amount equal to 70,000 dozen.

If application of paragraph (1) would result in the aggregate quantity of textiles and textile products from a major exporting country classified under a category permitted entry during calendar year 1985 to be less than 70 per centum of the aggregate quantity of such products from such country classified under such category that was entered during calendar year 1984, then, notwithstanding paragraph (1), the aggregate quantity of such products from such country classified under such category that may be entered during calendar year 1985 shall be 70 per centum of the aggregate quantity of such products from such country classified under such category that was entered during calendar year 1984. For purposes of this section, if during any calendar year after 1984 the United States imports from a small exporting country, other than a country in the Caribbean region, an aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) of section 104 that equals or exceeds 1.25 per centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during such calendar year, then such country shall be considered to be an exporting country for all succeeding calendar years.

"(b) GROWTH ADJUSTMENT.—For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

"(1) in the case of such products that are a product of a major exporting country or of an exporting country, be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year; and

"(2) in the case of such products that are a product of a small exporting country, be increased by an amount equal to—

"(A) in the case of a category (other than an import sensitive category), 6 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year, and

"(B) in the case of an import sensitive category, 1 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year.

If the aggregate quantity that could be entered under a category for a calendar year after 1985 is reduced under section 210(b), than in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 210(b) in previous calendar years.

"(c) MINIMUM QUANTITIES.—If, under section (a) or (b), the aggregate quantity of textiles and textile products from the country that may be entered during a calendar year under a category is—

"(1) less than one million square yard equivalents, in the case of a category covering yarn, fabric, madeups, and miscellaneous products, other than wool products;

"(2) less than seven hundred thousand square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

"(3) less than one hundred thousand square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be one million, seven hundred thousand, or one hundred thousand square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

"(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out this title.

"SEC. 206. IMPORT LICENSING.

"In order to ensure the equitable and efficient administration of section 205 of this title, the Secretary of Commerce shall, within six months after the date of enactment of this title, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

"SEC. 207. ANNUAL REPORT.

"Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this title during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 205. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

"SEC. 208. REVIEW.

"The Secretary of Commerce shall commence ten years after the date of enactment of this title a formal review of the operation of the Textile Import Control Program under the provisions of this title. The Secretary shall consult members and committees of Congress, representatives of the labor unions and the industries affected by the program, and appropriate government agencies. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings as well as his recommendations for the future conduct of the program.

"SEC. 209. DUTY FREE ENTRY OF CERTAIN SWEARERS FROM GUAM AND THE NORTHERN MARIANAS.

"Subpart A of part 7, schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding at the end thereof the following new item:

..385.97	Cotton, wool and man-made fiber sweaters that are entitled to enter under the quotas established under section 205(a)(5) of the Textile and Apparel Trade Enforcement Act of 1985 or the increased quotas under section 205(b) of such Act that adjust the quotas under such section 205(a)(5) and that do not contain foreign materials to the value of more than 50 percent of their total value as this standard is applied pursuant to Headnote 3(a) of the General Headnotes and Rules of Interpretation.	Free	

"SEC. 210. EFFECTIVE DATE.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the provisions of this title shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

"(b) CALENDAR YEARS 1985 AND 1986.—The Secretary of Commerce shall determine, and publish in the Federal Register, the aggregate quantity, if any, of textiles and textile products that may be entered under section 205 (a) or (c) of this title from each country under each category during the period beginning on the date of enactment of this title and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this title exceeds the quantity permitted entry for such country and such category during calendar year 1985 under subsection (a) or (c) of section 205, then the limit that would otherwise apply under section 205(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 205(b) for such category for such country for calendar year 1986, then the limit for such category and country for calendar years after 1986 shall be reduced until such excess is accounted for.

"TITLE III—FOOTWEAR

"SEC. 301. SHORT TITLE.

"This title may be cited as the 'American Footwear Industry Recovery Act of 1985'.

"SEC. 302. FINDINGS AND PURPOSE.

"(a) The Congress finds that—

"(1) The domestic nonrubber footwear industry is important to the national economy, and footwear firms are vital to the economic health of small towns throughout the United States.

"(2) The domestic nonrubber footwear industry is highly labor intensive, and low capital requirements for entry into footwear production make it a primary target for industrializing or newly industralized countries. As a consequence, footwear is produced in virtually every footwear consuming country in the world.

"(3) Tremendous competitive pressure has been created in the world footwear market in the last decade as a result of rapidly

growing production and capacity in numerous developing and developed countries. This development has resulted in the widespread erection of tariff and nontariff barriers by foreign countries designed to protect their domestic footwear industries.

"(4) The United States has historically resisted the protectionist trends of other producing nations and has instead maintained a market distinguished by its accessibility. As a result, the United States market has become a focal point for world trade in nonrubber footwear.

"(5) The diversion of international trade to the United States market has resulted in serious injury to domestic producers as manifested by—

"(A) the loss of 155,000 footwear jobs since 1968,

"(B) a decline in domestic production and production capacity, and

"(C) the permanent closure of over 500 plants during the same period.

"(6) The serious injury to domestic producers poses a significant danger to the industry's supplier base as well.

"(7) The domestic nonrubber footwear producers have made a significant commitment to the future of the industry through substantial capital investment.

"(8) Since the termination of temporary import relief in 1981, capital investment in the domestic nonrubber footwear industry has declined as the industry struggled to battle the massive surge in imports which increased the percentage share of imported footwear in the United States market from, 51 percent in 1981 to 77 percent in 1985.

"(9) Without the restriction of import levels, capital investment in this domestic industry will continue to decrease.

"(10) The domestic nonrubber footwear industry has thrice been judged by the International Trade Commission, as recently as May 1985, to be seriously injured by imports.

"(11) Since the termination of the two, four-year orderly marketing agreements in 1981, the harm to the domestic industry is even more critical than the serious injury which triggered the Commission's unanimous findings in 1976 and 1977.

"(12) The domestic nonrubber footwear industry has not been afforded adequate and appropriate relief from imports; therefore, the Congress concludes that—

"(A) the administrative process under sections 201, 202, and 203 of the Trade Act of 1974 has proven inadequate; and

"(B) in the absence of and effective remedy under such process, legislative relief is essential.

"(b)(1) It is the purpose of Congress in enacting this section to—

"(A) promote and expend the economic health of the United States nonrubber footwear industry,

"(B) preserve the jobs of American workers, and

"(C) prevent the further decline of this important domestic industry.

"(2) It is declared to be the policy of Congress that access to the United States market for foreign-produced nonrubber footwear should be on an equitable basis to ensure orderly trade in nonrubber footwear, reduce unfair trade in nonrubber footwear, and address United States balance-of-payment problems, of which footwear is the seventh largest component. In order to accomplish these objectives, it is deemed necessary and appropriate to limit imports of nonrubber footwear into the United States market.

"SEC. 303. DEFINITIONS.

"For purposes of this title—

"(1) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

"(2) The term 'Secretary' means Secretary of Commerce.

"(3) The term 'nonrubber footwear' means the following categories of nonrubber footwear products, identified by reference to the following item numbers of the Tariff Schedules of the United States (as in effect on January 1, 1985): 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95.

"(4) The term 'apparent domestic consumption' means, with respect to any 1-year period, the sum of imports plus domestic production less exports.

"SEC. 304. QUANTITATIVE LIMITATION ON NONRUBBER FOOTWEAR.

"(a)(1) During the 8-year period beginning on the date of enactment of this title, the aggregate number of pairs of nonrubber footwear which may be entered during any 1-year period shall not exceed 60 percent of the estimated apparent domestic consumption of nonrubber footwear for such period.

"(2) The quantitative limitation imposed by paragraph (1) for any 1-year period shall be distributed among the following categories of nonrubber footwear so that the aggregate number of pairs of nonrubber footwear in such category which may be entered during any 1-year period shall not exceed the quantity equal to—

"(A) in the case of nonrubber footwear with a customs value that does not exceed $1.25 per pair, 10 percent of apparent domestic consumption of nonrubber footwear for such period,

"(B) in the case of nonrubber footwear with a customs value that exceeds $1.25 per pair but does not exceed $2.50 per pair, 5.4 percent of apparent domestic consumption of nonrubber footwear for such period, and

"(C) in the case of nonrubber footwear with a customs value that exceeds $2.50 per pair, 44.6 percent of apparent domestic consumption of nonrubber footwear for such period.

"(b) Within sixty days after the effective date of this title, and on the first day of the fourth quarter of each 1 year period thereafter, the Secretary shall determine on the basis of the best information available, including his own or independent forecasts, the expected apparent domestic consumption of nonrubber footwear for, in the case of the initial determination, the remainder of the current 1 year period and in the case of the first day of the fourth quarter of each 1 year period thereafter, the next succeeding 1 year period. On each such date, the Secretary shall determine and publish in the Federal Register the allocation for the next succeeding 1 year period of permissible imports of nonrubber footwear as required by this section.

"(c) On the first days of the first, second, and third quarters of each 1 year period, the Secretary shall revise the determinations of expected apparent domestic consumption made under subsection (b) for the current 1 year period on the basis of the best information then available and shall make such adjustments in the quantity of nonrubber footwear permitted to be imported under this section as indicated by the revision. All revisions and adjustments made under this subsection shall be published in the Federal Register.

"(d) If the revised determination of expected apparent domestic consumption published in the Federal Register under subsection (c) on the first day of the third quarter in any 1 year period for nonrubber footwear varies from the actual apparent domestic consumption of nonrubber footwear for such 1 year period, the Secretary shall publish in the Federal Register on the first day of the second quarter of such succeeding 1 year period a revision to the determination of expected apparent domestic consumption for such 1 year period made under subsection (c) of this section. The revision shall be in the amount of such variance and shall be in addition to any other revision that would be made on any such first day of the second quarter under subsection (c) of this section.

"(e)(1) the Secretary and the Secretary of the Treasury shall take such actions within their respective jurisdictions as may be necessary or appropriate to enforce the provisions of this section, including without limitation, the issuance of orders to customs officers to bar entry to merchandise if the entry of such merchandise would cause the limitations established under this section to be exceeded.

"(2)(A) The Secretary and the Secretary of the Treasury are each authorized to issue such implementing regulations, including the issuance of import licenses, as may be necessary or appropriate to effect the purposes of this section and to enforce the provisions of this section.

"(B) Before prescribing any regulations under subparagraph (A), the Secretary or the Secretary of the Treasury, as the case may be, shall—

"(i) consult with interested domestic parties,

"(ii) afford an opportunity for such parties to comment on the proposed regulations, and

"(iii) consider all such comments before prescribing final regulations.

"SEC. 305. COMPENSATION AUTHORITY.

"For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), the imposition of the quantitative limitation under section 204 shall be treated as action taken under section 203 of the Trade Act of 1974 (19 U.S.C. 2253).".

APPROVAL OF COMPACT OF FREE ASSOCIATION

THURMOND (AND HOLLINGS) AMENDMENT NO. 699

(Ordered to lie on the table.)

Mr. THURMOND (for himself and Mr. HOLLINGS) submitted an amendment intended to be proposed by them to the joint resolution (H.J. Res. 187) to approve the Compact of Free Association, and for other purposes; as follows:

At the end of the Joint Resolution, add the following:

"TITLE II—TEXTILE AND APPAREL TRADE ENFORCEMENT

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Textile and Apparel Trade Enforcement Act of 1985'.

"SEC. 202. POLICY.

"The policy of this title is—

"(1) to prevent further disruption of the United States textiles and textile products markets, damage to United States textile

and apparel manufacturers, and loss of jobs by United States workers by providing for orderly and nondisruptive growth of imports of textiles and textile products; and

"(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective enforcement of import levels of textiles and textile products contemplated by the Multi-Fiber Arrangement.

"SEC. 203. FINDINGS

"The Congress finds that—

"(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations;

"(2) the Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was not recently extended in December, 1981, through July 1986, contemplates a 6 per centum annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from significant exporting countries;

"(3) since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 per centum, far in excess of the 1 per centum growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 per centum that prevailed during the period 1974 through 1980;

"(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

"(5) import growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last six years, reaching a level of 50 per centum in 1984;

"(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 per centum of domestic consumption;

"(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

"(8) imports of textiles and textile products into the United States are predominantly the product of significant exporting countries, with five large exporting countries now accounting for more than 50 per centum of all imports of textiles and textile products;

"(9) the domination of import trade by producers in the significant exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourage mutually beneficial trade and investment, with the United States;

"(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

"(ii) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 per centum over 1983, and accounted for 13 per centum of the Nation's overall merchandise trade deficit;

"(12) the current level of imports of textiles and textile products, ten billion square yard equivalents in 1984, represents over one million job opportunities lost to United States workers;

"(13) imported textiles and textile products now account for 38 per centum (the equivalent of three million two hundred thousand bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1,000,000,000 loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that United States cotton producers, who are spending about $20,000,000 annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

"(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; the Multi-Fiber Arrangement recognizes that imports of certain products, such as wool products, in certain countries, including the United States, pose particular problems for certain industries, such as, the wool products industries in those countries and import growth rates of 1 per centum or less have been permitted in such cases;

"(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

"(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last ten years at the average annual rate of 4.2 per centum and in the apparel sector at the average annual rate of 3.4 per centum, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 per centum;

"(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established under this Act;

"(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 per centum during the next several years;

"(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United States market with reduced domestic competition for imported products;

"(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

"(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

"(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 per centum annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 per centum in the case of wool products, or

"(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual import growth rate of less than 6 per centum,

whichever is the lesser,

"(B) to require the establishment of import levels for textiles and textile products supplied by exporting countries that reflect their 1984 import levels,

"(C) to require the establishment of import levels for textiles and textile products supplied by small exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such shares consistent with the Multi-Fiber Arrangement, and

"(D) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocol extending the Multi-Fiber Arrangement;

"(21) the establishment of import levels, and limitation on future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and textile products will fulfill announced policy objectives of the United States regarding trade in textiles and apparel;

"(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States;

"(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under

such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

"(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United States textiles and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

"SEC. 204. DEFINITIONS.

"For purposes of this title—

"(1) The term 'textiles and textile products' includes, but is not limited to, all manmade fibers, tops, yarns, piece goods, made-up articles, apparel, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or manmade fiber, or blend thereof, that are classified under schedule 3, part 6 of schedule 6, part 1, 4, 5 (except subpart E), 7, or 13 of schedule 7, or part 1 of schedule 8 of the Tariff Schedules of the United States or part 1 of the Appendix to the Tariff Schedules of the United States;

"(2) The term 'category' means, with respect to textiles and textile products imported from each country, each of the following—

"(A) each category of textiles and textile products identified by a three-digit textile category number in the Department of Commerce publication 'Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated', dated January 1985 and, subsequently, in the first edition of such document that is revised to reflect the adoption by the United States of the Nomenclature Structure of the Harmonized System;

"(B) with respect to each country with which the United States has (i) an agreement on the date of enactment of this title limiting exports of textiles and textile products to the United States that includes specific limitations on subdivisions of a category described in subparagraph (A), or (ii) taken unilateral action to limit products entered under such a subdivision, each such subdivision;

"(C) a category consisting of the manmade fiber articles classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States; and

"(D) each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

"(i) yarn,

"(ii) fabric,

"(iii) apparel, and

"(iv) other textile products;

"(3) The term 'import sensitive category' means—

"(A) a category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication 'U.S. Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel', equals or exceeds 40.0 for the preceding calendar year; and

"(B) a category covering wool products;

"(4) The term 'country' means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship or political entity, whether affiliated with the United States or not, that is outside the customs territory of the United States;

"(5) The term 'major exporting country' means a country from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) that equalled or exceeded 10 percent of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(6) The term 'exporting country' means a country (other than a major exporting country and a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) that equalled or exceeded 1.25 per centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(7) The term 'small exporting country' means a country other than a major exporting country and an exporting country;

"(8) The term 'country in the Caribbean region' means Mexico and a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

"(9) The term 'wool product' means an article containing over 17 per centum by weight of wool;

"(10) The term 'cotton, wool and manmade fiber sweaters' means articles classified under categories 345, 445, 446, 645 or 646 as defined in the Department of Commerce publication 'Correlation Textile and Apparel Categories with Tariff Schedules of the United States Annotated,' dated January 1985;

"(11) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

"(12) The term 'imported' means entered; and

"(13) The term 'Milti-Fiber Arrangement' means the Arrangement Regarding International Trade in Textiles, as extended by the Protocol done at Geneva, December 22, 1981.

"SEC. 205. LIMITS ON TEXTILE AND APPAREL IMPORTS.

"(a) CALENDAR YEAR 1985.—Notwithstanding any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

"(1) in the case of textiles and textile products that are a product of a major exporting country other than textile luggage and textile flat goods subject (as of the date of enactment of this Act) to a specific limitation under an agreement with a major exporting country, the lesser of an amount equal to 101 per centrum (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by 6 per centum annually, or 1 per centum annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983, and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than 6 per centum, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

"(2) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this Act) to specific limitation under an agreement with a major exporting country, the specific limitation quantity in effect as of the date of enactment of the Act;

"(3) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of (A) such products from such country classified under such category that entered during calendar year 1984, or (B) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this title) to specific limitation under an agreement with an exporting country, of the specific limitation quantity in effect as of the date of enactment of this title;

"(4) in the case of textiles and textile products that are a product of a small exporting country (other than cotton, wool, and man-made fiber sweaters described in paragraph (5)), an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) 15 per centum of such quantity, in the case of a category that is not an import sensitive category, or (B) 1 per centum of such quantity, in the case of a category that is an import sensitive category; and

"(5) in the case of cotton, wool and manmade fiber sweaters that are—

"(A)(i) the product of Guam, or (ii) the product of substantial assembly operations in Guam from otherwise completed knit-to-shape component parts, an aggregate amount equal to 160,000 dozen; and

"(B)(i) the product of the Commonwealth of the Northern Mariana Islands, or (ii) the product of substantial assembly operations in such Commonwealth from otherwise completed knit-to-shape component parts, an aggregate amount equal to 70,000 dozen.

If application of paragraph (1) would result in the aggregate quantity of textiles and textile products from a major exporting country classified under a category permitted entry during calendar year 1985 to be less than 70 per centum of the aggregate quantity of such products from such country classified under such category that was entered during calendar year 1984, then, notwithstanding paragraph (1), the aggregate quantity of such products from such country classified under such category that may be entered during calendar year 1985 shall be 70 per centum of the aggregate quanitity of such products from such country classified under such category that was entered during calendar year 1984. For purposes of this section, if during any calendar year after 1984 the United States imports from a small exporting country, other than a country in the Caribbean region, an aggregate quantity of textiles and textile products under the categories referred to in paragraph (2)(A) of section 104 that equals or exceeds 1.25 per centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Communi-

ty during such calendar year, then such country shall be considered to be an exporting country for all succeeding calendar years.

"(b) GROWTH ADJUSTMENT.—For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

"(1) in the case of such products that are a product of a major exporting country or of an exporting country, be increased by an amount equal to 1 per centum of the aggreagate quantity that could be entered under such category during the preceding calendar year; and

"(2) in the case of such products that are a product of a small exporting country, be increased by an amount equal to—

"(A) in the case of a category (other than an import sensitve category), 6 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year, and

"(B) in the case of an import sensitive category, 1 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year.

If the aggregate quantity that could be entered under a category for a calendar year after 1985 is reduced under section 210(b), than in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 210(b) in previous calendar years.

"(c) MINIMUM QUANTITIES.—If, under subsection (a) or (b), the aggregate quantity of textiles and textile products from a country that may be entered during a calendar year under a category is—

"(1) less than one million square yard equivalents, in the case of a category covering yarn, fabric, madeups, and miscellaneous products, other than wool products;

"(2) less than seven hundred thousand square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

"(3) less than one hundred thousand square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be one million, seven hundred thousand, or one hundred thousand square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

"(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out this title.

"SEC. 206. IMPORT LICENSING.

"In order to ensure the equitable and efficient administration of section 205 of this title, the Secretary of Commerce shall, within six months after the date of enactment of this title, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

"SEC. 207. ANNUAL REPORT.

"Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this title during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 205. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

"SEC. 208. REVIEW.

"The Secretary of Commerce shall commence ten years after the date of enactment of this title a formal review of the operation of the Textile Import Control Program under the provisions of this title. The Secretary shall consult members and committees of Congress, representatives of the labor unions and the industries affected by the program, and appropriate government agencies. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings as well as his recommendations for the future conduct of the program.

"SEC. 209. DUTY FREE ENTRY OF CERTAIN SWEATERS FROM GUAM AND THE NORTHERN MARIANAS.

"Subpart A of part 7, schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding at the end thereof the following new item:

"'385.97	Cotton, wool and man-made fiber sweaters that are entitled to enter under the quotas established under section 205(a)(5) of the Textile and Apparel Trade Enforcement Act of 1985 or the increased quotas under section 205(b) of such Act that adjust the quotas under such section 205(a)(5) and that do not contain foreign materials to the value of more than 50 percent of their total value as this standard is applied pursuant to Headnote 3(a) of the General Headnotes and Rules of Interpretation	Free .... '

"SEC. 210. EFFECTIVE DATE.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the provisions of this title shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

"(b) CALENDAR YEARS 1985 AND 1986.—The Secretary of Commerce shall determine, and publish in the Federal Register, the aggregate quantity, if any, of textiles and textile products that may be entered under section 205 (a) or (c) of this title from each country under each category during the period beginning on the date of enactment of this title and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this title exceeds the quantity permitted entry for such country and such category during calendar year 1985 under subsection (a) or (c) of section 205, then the limit that would otherwise apply under section 205(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 205(b) for such category for such country for calendar year 1986, then the limit for such category and country for calendar years after 1986 shall be reduced until such excess is accounted for.

"TITLE III—FOOTWEAR

"SEC. 301. SHORT TITLE

"This title may be cited as the 'American Footwear Industry Recovery Act of 1985'.

"SEC. 302. FINDINGS AND PURPOSE.

"(a) The Congress finds that—

"(1) The domestic nonrubber footwear industry is important to the national economy, and footwear firms are vital to the economic health of small towns throughout the United States.

"(2) The domestic nonrubber footwear industry is highly labor intensive, and low capital requirements for entry into footwear production make it a primary target for industrializing or newly industrialized countries. As a consequence, footwear is produced in virtually every footwear consuming country in the world.

"(3) Tremendous competitive pressure has been created in the world footwear market in the last decade as a result of rapidly growing production and capacity in numerous developing and developed countries. This development has resulted in the widespread erection of tariff and nontariff barriers by foreign countries designed to protect their domestic footwear industries.

"(4) The United States has historically resisted the protectionist trends of other producing nations and has instead maintained a market distinguished by its accessibility. As a result, the United States market has become a focal point for world trade in nonrubber footwear.

"(5) The diversion of international trade to the United States market has resulted in serious injury to domestic producers as manifested by—

"(A) the loss of 155,000 footwear jobs since 1968,

"(B) a decline in domestic production and production capacity, and

"(C) the permanent closure of over 500 plants during the same period.

"(6) The serious injury to domestic producers poses a significant danger to the industry's supplier base as well.

"(7) The domestic nonrubber footwear producers have made a significant commitment to the future of the industry through substantial capital investment.

"(8) Since the termination of temporary import relief in 1981, capital investment in the domestic nonrubber footwear industry has declined as the industry struggled to battle the massive surge in imports which increased the percentage share of imported footwear in the United States market from, 51 percent in 1981 to 77 percent in 1985.

"(9) Without the restriction of import levels, capital investment in this domestic industry will continue to decrease.

"(10) The domestic nonrubber footwear industry has thrice been judged by the International Trade Commission, as recently as May 1985, to be seriously injured by imports.

"(11) Since the termination of the two, four-year orderly marketing agreements in

1981, the harm to the domestic industry is even more critical than the serious injury which triggered the Commission's unanimous findings in 1976 and 1977.

"(12) The domestic nonrubber footwear industry has not been afforded adequate and appropriate relief from imports; therefore, the Congress concludes that—

"(A) the administrative process under sections 201, 202, and 203 of the Trade Act of 1974 has proven inadequate; and

"(B) in the absence of and effective remedy under such process, legislative relief is essential.

"(b)(1) It is the purpose of Congress in enacting this section to—

"(A) promote and expend the economic health of the United States nonrubber footwear industry,

"(B) preserve the jobs of American workers, and

"(C) prevent the further decline of this important domestic industry.

"(2) It is declared to be the policy of Congress that access to the United States market for foreign-produced nonrubber footwear should be on an equitable basis to ensure orderly trade in nonrubber footwear, reduce unfair trade in nonrubber footwear, and address United States balance-of-payments problems, of which footwear is the seventh largest component. In order to accomplish these objectives, it is deemed necessary and appropriate to limit imports of nonrubber footwear into the United States market.

"SEC. 303. DEFINITIONS.

"For purposes of this title—

"(1) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

"(2) The term 'Secretary' means Secretary of Commerce.

"(3) The term 'nonrubber footwear' means the following categories of nonrubber footwear products, identified by reference to the following item numbers of the Tariff Schedules of the United States (as in effect on January 1, 1985): 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95.

"(4) The term 'apparent domestic consumption' means, with respect to any 1-year period, the sum of imports plus domestic production less exports.

"SEC. 304. QUANTITATIVE LIMITATION ON NONRUBBER FOOTWEAR.

"(a)(1) During the 8-year period beginning on the date of enactment of this title, the aggregate number of pairs of nonrubber footwear which may be entered during any 1-year period shall not exceed 60 percent of the estimated apparent domestic consumption of nonrubber footwear for such period.

"(2) The quantitative limitation imposed by paragraph (1) for any 1-year period shall be distributed among the following categories of nonrubber footwear so that the aggregate number of pairs of nonrubber footwear in such category which may be entered during any 1-year period shall not exceed the quantity equal to—

"(A) in the case of nonrubber footwear with a customs value that does not exceed $1.25 per pair, 10 percent of apparent domestic consumption of nonrubber footwear for such period,

"(B) in the case of nonrubber footwear with a customs value that exceeds $1.25 per pair but does not exceed $2.50 per pair, 5.4 percent of apparent domestic consumption of nonrubber footwear for such period, and

"(C) in the case of nonrubber footwear with a customs value that exceeds $2.50 per pair, 44.6 percent of apparent domestic consumption of nonrubber footwear for such period.

"(b) Within sixty days after the effective date of this title, and on the first day of the fourth quarter of each 1 year period thereafter, the Secretary shall determine on the basis of the best information available, including his own or independent forecasts, the expected apparent domestic consumption of nonrubber footwear for, in the case of the initial determination, the remainder of the current 1 year period and in the case of the first day of the fourth quarter of each 1 year period thereafter, the next succeeding 1 year period. On each such date, the Secretary shall determine and publish in the Federal Register the allocation for the next succeeding 1 year period of permissible imports of nonrubber footwear as required by this section.

"(c) On the first days of the first, second, and third quarters of each 1 year period, the Secretary shall revise the determinations of expected apparent domestic consumption made under subsection (b) for the current 1 year period on the basis of the best information then available and shall make such adjustments in the quantity of nonrubber footwear permitted to be imported under this section as indicated by the revision. All revisions and adjustments made under this subsection shall be published in the Federal Register.

"(d) If the revised determination of expected apparent domestic consumption published in the Federal Register under subsection (c) on the first day of the third quarter in any 1 year period for nonrubber footwear varies from the actual apparent domestic consumption of nonrubber footwear for such 1 year period, the Secretary shall publish in the Federal Register on the first day of the second quarter of such succeeding 1 year period a revision to the determination of expected apparent domestic consumption for such 1 year period made under subsection (c) of this section. The revision shall be in the amount of such variance and shall be in addition to any other revision that would be made on any such first day of the second quarter under subsection (c) of this section.

"(e)(1) The Secretary and the Secretary of the Treasury shall take such actions within their respective jurisdictions as may be necessary or appropriate to enforce the provisions of this section, including without limitation, the issuance of orders to customs officers to bar entry to merchandise if the entry of such merchandise would cause the limitations established under this section to be exceeded.

"(2)(A) The Secretary and the Secretary of the Treasury are each authorized to issue such implementing regulations, including the issuance of import licenses, as may be necessary or appropriate to effect the purposes of ths section and to enforce the provisions of this section.

"(B) Before prescribing any regulations under subparagrpah (A), the Secretary or the Secretary of the Treasury, as the case may be, shall—

"(i) consult with interested domestic parties,

"(ii) afford an opportuntiy for such parties to comment on the proposed regulations, and

"(iii) consider all such comments before prescribing final regulations.

"SEC. 305. COMPENSATION AUTHORITY.

"For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), the impostion of the quantitative limitation under section 204 shall be treated as action taken under section 203 of the Trade Act of 1974 (19 U.S.C. 2253).".

TREASURY, POST OFFICE, AND INDEPENDENT AGENCIES APPROPRIATION ACT, 1986

GRASSLEY (AND OTHERS) AMENDMENT NO. 700

Mr. GRASSLEY (for himself, Mr. LUGAR, Mr. DURENBERGER, Mr. EXON, Mr. ABDNOR, and Mr. DOLE) proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 14, between lines 10 and 11, insert the following:

SEC. 106. Notwithstanding any other provision of law, the applicability of the order of the Commissioner of Customs regarding mixtures containing ethyl alcohol that was issued on August 2, 1985, and revised on August 27, 1985, is hereby extended to include any article entered, or withdrawn from warehouse, for consumption in the customs territory of the United States after September 30, 1985, without regard to whether such article is being imported under a contract entered into on or before August 2, 1985.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS

GORE AMENDMENT NO. 701

(Ordered to lie on the table.)

Mr. GORE submitted an amendment intended to be proposed by him to the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 17, line 8, strike out "$228,750,000" and insert "$229,250,000".

On page 17, line 23, before the period insert ": *Provided further,* That $500,000 of the funds under this heading shall be available to continue the research project relating to nonionizing radiation conducted at Research Triangle Park, North Carolina".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 25, 1985, in order to receive testimony on the following nominations:

David A. Nelson of Ohio, to be a circuit judge.

James L. Ryan of Michigan, to be a circuit judge.

Henry T. Wingate of Mississippi, to be a district judge.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE PANAMA CANAL TREATY

● Mr. NUNN. Mr. President, when Gen. Paul F. Gorman, the commander in chief of the U.S. Southern Command, testifed before the Armed Services Committee on February 27, I asked him a question about the impact of the Panama Canal Treaty on our security interests in the region. As Senators know, General Gorman is one of our most respected senior commanders. In his response, General Gorman praised the impact of the treaty, reiterating the strong endorsement of the treaty he gave last year in response to a similar question from Senator LEVIN.

I should like to call his remarks to the attention of all those who are conerned about the Panama Canal and Central America. I believe this indicates the role the Panama Canal Treaty played in our national security.

I ask that General Gorman's response of last year to Senator LEVIN and his recent response to me be printed in the RECORD.

The material follows:

HEARINGS BEFORE THE SENATE ARMED SERVICES COMMITTEE FOR DEPARTMENT OF DEFENSE AUTHORIZATION FOR FISCAL YEAR 1985—COMMANDERS OF THE UNIFIED COMMANDS, FEBRUARY 23, 1984

Senator LEVIN. Let me ask General Gorman this question relating to the Panama Canal?

There was quite a bit of debate at the time of that treaty as to whether or not our security would be enhanced or reduced by transferring that canal over a period of time to a different administration.

Is it your opinion that our security has been enhanced, reduced, or is about the same as it was by the ratification of that treaty?

General GORMAN. I think the ratification of a treaty was a significant contribution to the security situation not only in Panama, in the immediate environs of the canal, but in the region as a whole.

Within the past 2 year Panama has come forward as a leader in regional politics and security arrangements. Panamanian leaders have stated unequivocally that their security begins at the northern frontier of Costa Rica and have offered to be of direct assistance to the Costa Rican security forces in improving their professionalism, if I may use the term, Senator Quayle.

The Panamanians at this point in time have invited us back into all of the various military areas, from which we were excluded by the terms of the treaty, for combined training.

At the moment U.S. forces operate throughout the Republic of Panama with Panamanians and have indeed conducted with them combined operations throughout Latin America.

There is a degree of partnership that is striking and growing year by year.

Senator LEVIN. When you indicate that it added to the security of the area, would you be able to add thereby that it also added to American security?

General GORMAN. No question about that.

HEARINGS BEFORE THE SENATE ARMED SERVICES COMMITTEE FOR DEPARTMENT OF DEFENSE AUTHORIZATION FOR FISCAL YEAR 1986—COMMANDERS OF THE UNIFIED COMMANDS, FEBRUARY 27, 1985

Senator NUNN. Thank you very much, General Gorman.

Let me ask another question about your region, the Panama area. Where would we be now without, let's say, the Panama Canal treaty had failed in the Senate or had not been ratified? Where would we be in your opinion? And after you answer that, could you tell us where we are regarding Panama now in terms of smooth implementation of the treaty or lack thereof?

General GORMAN. We would be right where we were without that treaty, Senator. We would be right where we were in 1977, entrenched on the banks of the canal. I have just concluded exercise Kindle Liberty which is the biennial exercise for U.S. forces engaged in the defense of the canal. This year for the first time that exercise was conducted outside of the zone of the former canal, the former canal zone, out on the Azuero Peninsula. It was an exercise which moreover included a substantial amount of naval forces exercising against the terrorist threat of minings on the approaches to the canal.

The land forces were commanded by a Panamanian, and among the forces participating in the exercises, prominent among them was what the Panamanians referred to as Battalion 2000, a force that has been raised by the Panamanians expressly to meet their responsibilities for the defense of the canal in the future.

The unit did very well in the exercise, and I think that virtually all visitors to it, our own and those of other nations, left that exercise with a new appreciation for the growing, mature, close relationship among the armed forces of Panama and the United States.

Now, none of that, sir, would have been possible without that treaty.

Senator NUNN. Would you say that treaty has been a positive aspect of our Central American policy?

General GORMAN. I would tell you that treaty had made it possible to do our job in Panama with substantially fewer forces than we would have had to position in Panama, and they would have been beleaguered forces.

The treaty has in fact freed up the United States for the purposes, the larger purposes of policy in Latin America.

Senator NUNN. So you see it as a positive development.

General GORMAN. No question.●

EMPLOYEE OWNERSHIP OF ARCO PLANT AT COLUMBIA FALLS, MT

● Mr. BAUCUS. Mr. President, last week an historic event took place in Columbia Falls, MT.

It was the transfer of ownership of the Columbia Falls aluminum plant from ARCO to an employee group.

This transaction was the result of vision, foresight, courage, and cooperation.

It was the vision of a former ARCO executive, Brack Duker, the perseverance and courage of the plant's 1,000 employees, the foresight of the Montana State Board of Investments and Gov. Ted Schwinden, and the cooperative efforts of the Montana congressional delegation that helped keep this plant open.

Since last fall, the future of the Columbia Falls plant has been clouded with uncertainty.

ARCO had announced that it was getting out of the metals business and was putting the plant up for sale. The announcement sent shock waves up and down Montana's Flathead Valley.

The plant has been in operation for 30 years. It is the largest taxpayer in Flathead County. Much of the funding for schools, hospitals, and other important services comes directly or indirectly from company revenues.

Put simply, if the ARCO plant were to close, 40 percent of the Flathead Valley's economy would be lost.

The Montana congressional delegation, Gov. Ted Schwinden, plant employees, management, and the people of the local community feverishly began exploring ways to keep the plant open. After months of meetings, hundreds of telephone calls, and countless hours of negotiations, a deal was struck that would save the plant.

ARCO graciously turned over ownership of the plant to Brack Duker and a new employee-owned corporation for $1. ARCO has come a long way since the wrenching closure of Anaconda's facilities in Butte, MT, several years ago.

With the Governor's leadership, the Montana State Board of Investments provided $8 million needed for operating capital. Mr. Duker will raise the $2 million from private groups.

Clearing that financial hurdle opened the way for this week's formal transfer of ownership. The major crisis looming over the Flathead Valley was overcome.

There are many who deserve recognition for their work in the campaign to save the plant. First, the people of the Flathead Valley learned that they can influence big government if they band together.

Last fall, local residents formed a group called the "We want the Plant" Committee and began an ambitious campaign to organize grassroots support.

In April, the Bonneville Power Administration held a hearing in Columbia Falls to explore ways to help the ailing aluminum industry in the Northwest by reducing electricity rates.

The "We Want the Plant" Committee helped recruit more than 3,000 persons to the hearing, prompting BPA Deputy Director Robert Ratcliffe

to comment: "I am somewhat overwhelmed—this is magnificent."

That was just the beginning. Over the next 4 months, the committee members raised money and sent representatives to other BPA hearings in Washington and Oregon.

Other representatives went to Washington, DC, to make their case to the Montana congressional delegation and other Federal officials. Some 1,600 Valley residents were organized to phone the Department of Energy and express their support for the plant on the day the committee representatives met with Energy Secretary John Herrington.

This outpouring of local support played a crucial role in keeping the plant open.

Second, plant employees and management have been ready and willing to work out a deal that will keep the plant open. They provided a positive atmosphere for Mr. Duker and ARCO to work in.

The headline on a recent article in the Great Falls Tribune accurately summarized the key to success in this campaign: "Spirit of unity spear-heading drive to obtain ARCO plant."

But now that the plant has been saved, the road ahead is still filled with challenges. I see three major challenges that will determine the future of the plant.

First, electricity. The aluminum-smelting process requires large amounts of electricity. At present prices and power rates, aluminum costs more to produce than it brings on the open market.

This is not only a problem in Columbia Falls; it is part of a crisis facing the entire aluminum industry in the Northwest.

The aluminum industry was lured to the Northwest by cheap power. But within the last few years, the situation changed. Over the last 5 years, rates shot up by 800 percent, largely to pay for unneeded nuclear powerplants.

At the same time, worldwide costs for aluminum began to drop. Four years ago, aluminum was selling for over 80 cents a pound. Now it is selling for 48 cents a pound. And the average cost in the Northwest to produce the aluminum—60 cents—has changed only slightly.

The U.S. aluminum industry also has had to face competition with industries in other countries that are paying far less in electrical costs.

Electrical rates in the Northwest must come down and be more competitive with world rates if the aluminum industry is going to survive.

BPA recently offered Northwest industrial plants a lower rate on a temporary, incentive basis. That is good news. But BPA is also working on a plan for long-term changes in the rates next spring. This plan must give relief to the aluminum industry.

BPA is considering three main actions to implement:

A variable power rate for aluminum companies that would respond to fluctuations in the market price of aluminum; a partnership program that would modernize the plants to increase the electrical efficiency; long-term linkage between BPA industrial power rates for its direct service industries and its power rates for public utilities.

I have been urging BPA Administrator Peter Johnson to move quickly on implementing these actions.

The second challenge facing the future of the ARCO plant is employee compensation. Mr. Duker has yet to work out the details on the workers' stake in the company and the wage or benefit concessions they may be asked to make. The workers should be the last to make sacrifices and should get a fair shake in the deal.

The third challenge is the cost of transportation. I have assured Mr. Duker I will do what I can to get Burlington Northern to agree to new terms for the cost of hauling alumina and aluminum in and out of Columbia Falls.

Meeting these challenges will not be easy, but the future of the Columbia Falls plant depends on reaching positive solutions.

Montanans in the Flathead Valley should be proud of their successful campaign to keep the plant open. They set a shining example of what a spirit of duty can achieve. I am confident that this cooperative spirit will help meet the future challenges facing the plant.

Mr. President, I ask that certain letters and documents attached to my remarks be printed in the RECORD.

The material follows:

DEPARTMENT OF ADMINISTRATION,
Helena, MT, August 12, 1985.

Mr. BRACK DUKER, *Vice President, Atlantic Richfield Co., Los Angeles, CA.*

DEAR MR. DUKER: In response to your proposal of August 9, 1985, submitted to the Montana Board of Investments (the "Board"), and in light of the special meeting held by the Board on August 12, 1985, the Board has authorized me to make the following commitment:

1. The financing mechanism contemplated by the Board in this commitment would require a Montana bank or banks to submit an application to the Board for it to participate in financing the transaction contemplated in your proposal of August 9 in an amount of $10 million. The bank(s), in cooperation with you and your employee group, would negotiate and prepare a first mortgage and lien on all property, both real and personal, including all property described on page 14 of the document entitled "PRIMARY ALUMINUM PRODUCTION PLANT/COLUMBIA FALLS, MONTANA/ARCO METALS COMPANY", a copy of which was supplied to the Board in connection with your presentation on July 26, 1985. As such application to the Board shall include a commitment by the applying bank(s) to share in the financing risk in an amount of not less than 20% of the face value of the loan. The Board would also share in this risk in an amount not to exceed 80% of the proposed funds to be lent to your new enterprise, provided all of the conditions described in this letter are first completed to the reasonable satisfaction of the Board.

2. The Board would participate pro rata in such mortgage and liens to the extent of its loan and would have the first right of foreclosure.

3. The commitment made by this letter is explicitly conditioned upon completion of each and every one of your six conditions (denominated "a" through "f" in your written proposal to the Board dated August 9, 1985 a copy with which is attached and is incorporated by reference herein as Attachment "A"); said completion of these conditions to be determined exclusively by the Board. In addition, this commitment is further contingent upon satisfaction and approval by the Board of the following:

(i) All pension rights of the present employees shall be maintained and preserved in the transaction.

(ii) An independent fee appraisal must be obtained at no cost to us demonstrating a liquidation value on all assets that equals or exceeds any sums to be loaned in the transaction. The appraiser selected is subject to approval by the Board.

(iii) A commitment fee of 25% of that charged by the lending bank(s) shall be due the Board before or at closing.

4. Any loan made hereunder shall be on terms and conditions acceptable to the Board and negotiated at a later date. Any such loan shall be repayable in full on or before July 1, 1988. Any loan made under this commitment must be consummated on or before April 1, 1986.

5. This commitment shall expire on December 10, 1985 unless otherwise extended in writing by the Board.

6. Any modifications or changes in the proposal given to the Board on August 9, 1985 may require additional approvals by the Board and this commitment is contingent upon any additional approvals required by any such modifications or changes.

The Board sincerely appreciates the opportunity to consider this financing arrangement.

Sincerely,

JOSEPH B. REBER, *Chairman, Montana State Board of Investments.*

COLUMBIA FALLS ALUMINUM REDUCTION PLANT PURCHASE: A DRAFT PROPOSAL TO THE MONTANA BOARD OF INVESTMENTS

August 9, 1985

BACKGROUND

Columbia Falls, Montana is home to one of Atlantic Richfield Company's primary aluminum reduction plants which converts alumina to primary aluminum. The aluminum is then sold in ingot form for remelt, sheet, and foundary use. The plant is a dry top Vertical Stud Soderberg smelter that has been modified by state-of-the-art Sumitomo technology. The plant has five potlines with six hundred aluminum reduction cells which provide metal to a cast house with ten furnaces, five casting pits and one pig casting machine. The rated production capacity is 360 million pounds of primary aluminum per year.

The Columbia Falls plant site consists of 3932 acres and has more than 2 million square feet of covered floor space. The primary workforce of approximately 1,000

people come from the nearby community of Columbia Falls, population 3112 (1980 census). Firm industrial power is purchased from the Bonneville Power Administration.

THE EMPLOYEES' RIGHT TO PURCHASE THE FACILITY

The Atlantic Richfield Company has, for a limited time, given certain of its employees an option to purchase the Columbia Falls reduction plant. The employee group proposing to purchase the plant is comprised of Brack W. Duker, ARCO Vice President ARCO Aluminum Company management, and the current employees of the plant. The option to purchase the plant expires August 20, 1985 and is contingent upon the group obtaining a financial commitment of $10 million, which would guarantee sufficient financing for the new company following ARCO's withdrawal.

If the necessary financing is obtained, ARCO will sell the outstanding stock of the company to the employee group for $1.00. The alumina inventory needed for processing will be retained by the Company at a cost of $6 million. The remaining alumina raw material will be processed at the Columbia Falls plant for ARCO at a tolling or processing fee of cost plus one cent per pound. It will take approximately six months to process the remaining aluminum if the plant is used to capacity. After the six month period, the company will be free to obtain contracts from other sources.

SUMMARY OF PROPOSAL TO MONTANA BOARD OF INVESTMENTS

The employee group proposes to obtain a line of credit from the Montana Board of Investment for an amount up to $10 million lasting for a two year period which would end on or about June 30, 1988 or sooner if the Board would choose to withdraw its investment. The details of how this financial arrangement could be arranged would be the decision of the Board of Investments. Some ideas are offered below.

With respect to the legal authority of the Board to make this type of investment, the employee group believes that the Board of Investments, subject to the prudent investor rule, has the power to invest in any business activity in the state, including, in particular, activities that continue jobs. Considering this latter authority, which was given to the Board by the legislature in 1983, the employee group believes that the Board should take a close, hard look at investing in the Columbia Falls aluminum plant, because the investment represents a convergence of the Board's responsibility to undertake prudent investments and its authority to assist in the development of Montana's economy.

As an inducement to the Board of Investments to make available the $10 million in financing as required by the ARCO, the employee group proposed to give the Board of Investments a mortgage on the buildings, equipment and real property to be purchased. The buildings total 2,009,200 square feet, with the plant site and surrounding land totalling 3932 acres. The current value of the buildings real property, the plant's equipment is not known. However, tentative estimates supplied to the employee group suggest a valuation range of $20 to $33 million.[1] It must be emphasized these estimates of value presented here are not to be relied upon by the Board of Investments in measuring the risk of this investment. It is expected that the Board would want to obtain its own appraisal of the valuation of the assets that would secure its loan. To this end, prior to closing, an appraisal of the buildings and real property shall be completed by a competent appraiser selected by the Board and the cost of this appraisal shall be paid by the employee group and ARCO.

The Board will have complete control over the method of making the funds available. The Board may wish to invest the funds in a certificate of deposit or other time deposit funds with a major financial institution, with the funds then made available to the employee group at an interest rate 1 or 2 points above the interest earned on the deposit. The choice of how to make the funds available to the employee group would be the Board's.

To ensure the Board's security, the employee group's proposal to meet the following conditions prior to the disbursement of any funds:

a. The Company shall have entered into binding tolling agreements with substantial customers calling for tolling throughput of not less than 30,000,000 pounds of finished aluminum product per month for a period of not less than 24 months.

b. The Company and the Bonneville Power Administration ("BPA") shall have executed a Power Sales Contract to expire not sooner than June 30, 1988, whereby the maximum power charge from BPA to the Company shall average no more than 19 mills per ACKWH when the price of aluminum on the London Metal Exchange falls below 53 cents per pound and increasing ratably to 22.8 mills when the price of aluminum is 60 cents per pound.

c. The Company shall have negotiated a labor agreement covering not less than 90% of its hourly employees, which shall have the effect of reducing the hourly labor cost per pound of aluminum produced to 6 cents, including the value of all benefits. Such agreement shall not commit the Company in any way to increase hourly wages or benefits at any date prior to January 1, 1988.

d. The Company shall have acted to reduce overhead costs including salaries and costs of all benefits payable to salaried employees to an amount not greater than 4 cents per pound.

e. The capital stock of the Company shall have been acquired from ARCO subject to no unfulfilled conditions or events subsequent.

f. The Company shall have experienced no material adverse change in financial, physical or operational conditions.

As an added measure, periodic reports would be given to the Board to keep it fully apprised of the plant's financial condition. The goal of the employee group is to make any investment in the plant as safe as possible.

The employee group does not anticipate any need to draw down on the line of credit during the first six months of operation because of the guaranteed production work tolling ARCO's remaining raw material. During the following year and a half, the company expects to establish a satisfactory track record so that, to the extent it is necessary to fund through debt after July 1, 1988, financing may be obtained in the commercial market. Due to the new ownership of the plant and the proposed changes in its operations, commercial financing may not be available during the initial 30 months of operation.

THE ELEMENTS OF RISK FOR THE BOARD OF INVESTMENTS

To avoid much of the risk inherent in the metal market, the employee group will make two major changes in the plant's current structure. The first change will be to operate the business solely as a processing or tolling facility. As such, the plant will merely process the raw materials owned by another and return the finished product. The plant will not have to purchase the alumina or market the finished metal. This should reduce the required amount of working capital by 75%.

To ensure the viability of the processing concept, a survey was done in which the U.S.'s five largest metal traders were asked if they would utilize such a facility. Four of the five formally responded with offers of raw material to be processed totalling approximately 188% of the plant's capacity. Initial tolling fees mentioned were between 38 cents/lb and 45 cents/lb, increasing pro rata with the price of metal. Other potential customers outside the United States may be Australia, Jamaica, Brazil and Japan where companies exist with relatively high cost smelting capacity and a surplus of raw materials.

The second major change in the plant's structure would be to alter power and labor costs so that the unit cost of production will vary with the level of revenues. Thus, unit costs will rise when revenue levels are high and decrease when revenue levels are low. The first step in this direction has already been taken by BPA which is developing a base power rate which will be lower than the current rate and will be directly tied to the world price of aluminum. The next step is to negotiate a reduced labor charge in return for an increase in equity participation. This concept has been effectively incorporated into the current agreement between Kaiser Aluminum and its union.

Where necessary, costs will also be decreased by eliminating staff, projects, and facilities not essential to the processing of primary aluminum ingot. The effect of these changes can easily be demonstrated by the following cost comparisons:

PROCESSING COSTS

[in cents/pound]

	1984 actual figures	1985 year to date	Projected
Power	20	17	14
Labor/benefits	8	8	6
Other material	11	10	9
Natural gas, fuel, supplies	8	5	3
Overhead	5	5	4
Freight	3	3	2
Total cost pound	55	48	38

The resulting impact of the projected cost reductions on revenue and cash flow is encouraging. Assuming a "worst case" tolling fee of 41 cents/lb. and a more realistic tolling fee of 47 cents/lb, the cash flow before taxes and interest is fairly substantial:

[1] The high end of the range relies on the following estimates:

a. $19 million for the 2 million square feet plant based on a per square foot value of $10 minus $1 million for renovation.

b. $3 million for the land based on an average per acre valuation of approximately $750.

c. $5 million for equipment.

d. $6 million for chemical inventory.

Once again, these figures are offered only for illustrative purposes. This proposal contemplates that the Board will obtain its own independent appraisal.

	Cash flow	
Revenues:		
Tolling fees (per pound)	0.41	0.47
Annual pounds processed (per million)	360	360
Annual revenue (in millions)	$147.6	$169.2
Costs		
Unit Cost (per pound)	0.38	0.38
Annual pounds processed (in millions)	360	360
Annual cost (in millions)	136.8	136.8
Cash flow	$10.8	$32.4

SUMMARY

The employee group proposes to obtain a financial commitment of $10 million from the Board of Investments for a period of more than two years, ending on June 30, 1988. The investment would be secured by a mortgage on certain properties with an estimated value that is likely in excess of the actual investment.[2] The business plan for the new employee owned company contemplates the achievement of proven financial viability by June 30, 1988 at which time replacement commercial financing would be obtained from more traditional financing sources. The deadline for finalization of a conditional commitment from the Board for this purpose, based on commitments made to the employee group by ARCO, is August 20, 1985.

ATLANTIC RICHFIELD CO., FINANCE,
Los Angeles, CA, June 28, 1985.

Subject: Columbia Falls Aluminum Smelter.

Mr. BRACK W. DUKER,
Los Angeles, CA.

DEAR MR. DUKER: This letter sets forth the basic principles of a transaction that Atlantic Richfield Company ("ARCO") would be willing to enter into by which the Columbia Falls, Montana aluminum smelter of ARCO would be sold to you and your associates.

STRUCTURE OF TRANSACTION

(1) You and other individuals to be named by you will form a corporation for the purpose of implementing the transaction and initially managing the plant (the "Management Company"). You and your associates will be employees of, and work full time for, the Management Company.

(2) ARCO will transfer to a newly created subsidiary of "Columbia Falls Aluminum Company" the property, plant, and equipment of the Columbia Falls plant.

(3) At the closing of the transaction, ARCO will transfer all of the outstanding stock of Columbia Falls Aluminum Company to the Management Company for $1.00.

(4) Accounts receivable relating to the Columbia Falls plant existing at the time of closing will be retained and collected by ARCO. You will render your best efforts in assisting ARCO in collecting such receivables.

(5) Finished goods, supplies, inventory (including in process inventory), and similar current assets relating to the Columbia Falls plant at the time of closing will be retained by ARCO for a period not to exceed twelve months (the "Retention Period") during which time such current assets will be held by the Management Company and the Columbia Falls Aluminum Company as bailee for ARCO. During the Retention Period, the Management Company and the Columbia Falls Aluminum Company will liquidate such current assets for ARCO's account, by consuming and paying for supplies, by converting alumina into aluminum, and by selling aluminum as appropriate. An effort will be made to include in the definitive agreement a reasonable incentive fee in connection with your liquidation of such current assets.

(6) Specifically, the alumina inventory of the plant will be liquidated for ARCO's account by having the plant convert such alumina into aluminum pursuant to a fixed price tolling agreement at a fee to be agreed upon by the parties prior to the signing of a definitive agreement. Alumina tolled or processed by you in order received by you, all subject to paragraph 5 above.

(7) The remaining alumina that ARCO is obligated to purchase from Alumax under existing contracts will, at ARCO's option and subject to plant capacity, and agreement on a fee, also be converted into aluminum for ARCO pursuant to the tolling agreement.

(8) You are to assume ARCO's rights and obligations of the BPA power contract.

CONDITIONS TO CLOSING

(9) ARCO is to be satisfied that the Management Company has adequate financing commitments for the working capital needs of the plant.

(10) You are to be satisfied that the proposed transaction has the support of the Montana Congressional delegation.

(11) A definitive agreement is to be approved by ARCO's Board of Directors.

DATE OF CLOSING AND EXCLUSIVITY

(12) It is contemplated that the closing of the transaction will occur on July 31, 1985. ARCO agrees that between now and July 31, 1985 it will not enter into arrangements or negotiate with anyone other than you for the disposition of the Columbia Falls plant.

Other than the right of exclusivity referred to in 12, above, this letter creates no legal or other binding obligation on either you or ARCO.

If this Letter of Intent is acceptable to you, please so indicate by signing below.

Very truly yours,

RONALD J. ARNAULT,
Senior Vice President,
Atlantic Richfield Co.●

[2] Once again, the value of the security is a matter the Board would be expected to determine independently.

SOVIET JEWRY

● Mr. LUGAR. Mr. President, I am pleased to share with all colleagues a statement by Mr. Morris Abram, chairman of the National Conference on Soviet Jewry, delivered today for the Jewish high holiday season. His statement is eloquent testimony to the pressing problems of Soviet Jews, and of the need for continuing dedication to addressing those problems. I invite Senators to read and reflect on his statement on this occasion, and ask that it be reprinted in the RECORD in full:

The statement follows:

NCSJ CHAIRMAN ISSUES HIGH HOLIDAY MESSAGE

NEW YORK.—Morris B. Abram, Chairman of the National Conference on Soviet Jewry (NCSJ) issued the following statement today for the High Holiday season:

During Rosh Hashanah services throughout the world, Jews are summoned by the awesome call of the shofar to awake and prepare for the New Year—5746. It is a time for reconciliation with the events of the past, as well as a time for hope and renewal for the year ahead.

At this time of introspection and hope for the future, scores of Soviet Jews mark another year of denial—denial of the basic freedom to live and worship as Jews and denial to seek that freedom through repatriation to Israel.

While we, who are free to rejoice and worship, lift our voices and spirits in prayer, Soviet authorities intensify their efforts to silence and crush the spirit of Soviet Jews. For many the New Year will dawn through the bars of desolate prison cells, the "home" Soviet authorities reserve for those Jews "too vocal" in their desires to emigrate to the Jewish homeland. Others will observe the holiest season of Judaism in exile—isolated from family, friends, and the barest thread of Jewish culture. Even those Jews fortunate enough to live "freely" within a metropolitan area will find holiday worship difficult in a country where there are about 60 synagogues to service a community of more than two million.

As the High Holiday season commences, we welcome the arrival to this country of Soviet Foreign Minister Eduard Shevardnadze, and look foward to the November summit meeting between President Ronald Reagan and Soviet leader Mikhail Gorbachev. The opportunity for renewed dialogue between the U.S. and the USSR offers some hope. We are painfully aware, however, that since Mr. Gorbachev became the First Secretary of the Soviet Communist Party, there has been no significant improvement in the position of Soviet Jewry. In some respects, the situation has deteriorated even further. The hopes inspired by the signing of the Helsinki Final Act of 1975 have thus been further dimmed, even as the decade of its signing has been celebrated.

It remains a mystery as to why the USSR persists in squelching legitimate claims of repatriation and family reunification. The persistent suppression of Soviet Jewish emigration, which has remained at a fairly constant token level of fewer that 100 Jews per month, is a violation of all international law norms and standards of behavior.

Maimonides, the Medieval Jewish scholar and philosopher, summoned us to see our deeds "as just balanced between merits and faults; as if one more will tip the scales, as if the fate of the entire world hangs in the balance." As the shofar ushers in the year 5746, we are reminded of the need to strengthen and renew our efforts on behalf of Soviet Jews in the hopes of tipping the scales to the side of justice.

We call upon the Soviet Union to acknowledge and conform to international law by permitting Jews who wish to leave the right to do so, by granting to those who choose to remain the same rights accorded every other Soviet nationality and religious minority, and to halt the current crackdown against Jewish Hebrew teachers and cultural activists. We urge the Soviets to grace the New Year with a change in its policies towards Soviet Jews, adopting a tone of greater compassion and eased tensions. It is the only chance for success as the U.S. and the USSR lumber to negotiations at the summit.

The National Conference on Soviet Jewry is the central coordinating agency for policy and action in this country on behalf of more than two million Jews in the Soviet Union.●

A SMALL-TOWN STORY

● Mr. SIMON. Mr. President, while many farmers struggle to keep their farms, our small, rural communities are also struggling for their very existence. As these towns die, so, too, does a part of all of us. In a weekly column I write for newspapers in my State, I have written about a recent weekend in Illinois when this lesson was brought home to me. I ask that the article be printed in the RECORD.

The article follows:

A SMALL-TOWN STORY

Small town America contributes something important to the nation. I saw that recently in a dramatic way.

A few months ago Sen. Barry Goldwater asked me, "Have you ever heard of Bowen, Illinois?" I told him I thought I knew every small town in Illinois but that I could not place Bowen.

"My mother was born there," he told me.

I looked up Bowen and found it was a town of 539 people in Hancock County near Macomb.

I had a sign made: "Welcome to Bowen, Home of Josephine Williams, Mother of Sen. Barry Goldwater." It's at the four-way stop—the only four-way stop—in Bowen.

I presented it to Mayor Ronald Moormann, and gave Sen. Goldwater a copy of a picture of the sign.

He told me, "I have to go to Bowen."

And last Saturday (as I type this) he went there.

It was like an old Saturday Evening Post cover. The distinguished former presidential candidate fit into the small town like a hand in a glove. He liked Bowen, and the people of Bowen liked him.

After a parade through the few blocks of Bowen a reception was held in the small village park in the center of town. Several hundred people gathered to listen to the most famous person with a direct tie to Bowen.

Sen. Goldwater's grandparents were married in the nearby town of Liberty. His mother was born in the country near Bowen in a home that no longer exists, though Barry had a chance to see the farm land on which it once stood.

As we drove from the Quincy airport to Bowen, the Arizona senator commented about the importance of rural America to the country. He spoke of the values his mother received and passed on to him from that small town.

A disproportionately high number of the nation's leaders in every profession come from small towns.

That does not mean that big cities aren't important. They are. Big cities and small towns are like big rivers and the creeks that feed them. And ultimately if those creeks have problems, so do the rivers.

In Bowen, Barry Goldwater and I heard about the farm problem again and again and again.

One young farm wife told me she thought that 90 percent of the farmers in Hancock County had almost lost hope. That may be too high a figure, but desperation is out there.

If a sensible federal farm program does not emerge, Bowen will shrink and so will opportunity for a great many Americans all over this country.

I do not agree with Barry Goldwater on everything.

But he's a great American.

Part of that greatness was nurtured in ways we can never know in a small town in Illinois.

If we lose those small towns, inevitably we will lose some opportunities for greatness.

And all Americans will lose, no matter where they live.●

THE KIDS WHO BROUGHT ELECTRICITY TO HIGHWOOD

● Mr. BAUCUS. Mr. President, I wish to share with my colleagues a humbling example of achievement. Forty-seven years ago, electricity was brought to the small town of Highwood, MT. At that time, Highwood had only 150 people and was 70 miles from the nearest town. When their nearest neighbor first got electricity, the electric glow could be seen at night but, none of the town people threw out their gas lamps because they knew that Highwood was too small to convince the power company to bring electricity to it. So, gas lamps continued to be used in the school, the store, and the community hall. Nobody even tried to bring electricity to Highwood.

Highwood did not have electricity until the 13 teenagers, who were Highwood's eight grade, entered a citizenship contest. The class wanted to make their town just as good a place to live in as any other in the United States by bringing electricity to it. These children wrote to the Rural Electrification Administration, held town meetings, and sold the idea of electricity to their community. I join the people of that region who are grateful to those 13 who brought electricity to that 500 square mile area in 1940. Adults did not even believe in trying, whereas children not only tried but succeeded. We should be proud of their ingenuity, dedication, and ability.

I ask to have printed in the RECORD a recent Rural Electrification account of their achievement.

The account follows:

THE KIDS WHO BROUGHT ELECTRICITY TO HIGHWOOD

(By Martin L. Erickson)

"We started out to win a prize, but we don't care about that now," the eighth grade class in Highwood, MT, wrote in a letter to REA. "All we want is electricity for our town and community and to make it just as good a place to live in as any other in the United States."

There were 13 boys and girls in that eighth grade Current Events class that entered a citizenship contest. The topic was community betterment, and the prize was $100—a lot of money in 1938.

In the Depression, as now, Highwood was a tiny place with maybe 150 people. The town sits in the Big Sag, or valley, the ancient bed of the Missouri River, which now courses 15 to 20 miles to the north. Highwood is at the southern tip of Montana's Golden Triangle, the rich grain-growing region that extends almost to the Canadian border.

Forty-seven years later, on a sunny spring morning, I sat down and talked to two of the class members—rancher Miles Swan and Lucille Walker, a cook at the Highwood Cafe—to find out how they brought electricity to their isolated community in central Montana.

"Rural electrification was hot then. The time was right," Swan recalled. "We met with Carl Gunderson—he was the superintendent of schools in Highwood—to see what might be a project we could work on. A water system was out; the town wasn't incorporated. A sewer system was voted down; it wouldn't affect the whole community. We talked about telephones, but everything seemed to center around electricity."

"Electricity for the school was a big thing in our minds," Walker said. "Our school lighting was with gas lamps. Ben Gossack's store had a gasoline engine generator as did the Community Hall. Charlie Berkner's meat market had gas lamps."

The students voted to write to the Rural Electrification Administration in faraway Washington. REA responded that, yes, Highwood could have electricity, but it would take an organized community effort.

The nearest rural electric cooperative was in Fairfield, 70 miles to the west. Halfway in between was Great Falls, the "Electric City," where there had been lights and power since 1912, when the first of four hydroelectric dams was built on the Missouri River. At night, the ranchers and dry land farmers in the Highwood area could see the glow of Great Falls' lights, but they knew that it was a pipe dream to think that they would get lights anytime soon. The power company in Great Falls sure wasn't going to do it for them.

The 13 eighth graders ignored that sensible adult conclusion, and spent the winter of 1938-39 doing what they later told REA was their hardest job: "getting our parents and the people of the town interested in electricity." In February, they held a community meeting, and it attracted people from miles around. After that school board Chairman Ben Gossack, Floyd Davidson and "Torchy" Swan (Miles's dad) did most of the organizing, although the kids stayed close to the project, attending all the meetings and making certain "everything got to Washington all right."

One of the first things the adults did was to arrange a meeting with Sun River Electric Cooperative and REA. Out of it came the idea of extending a line from Fairfield, which REA later financed with a $69,000 loan.

Swan's family was one of the first in the community to appreciate what electricity could do for their lives: "Our ranch was seven miles out of town on the South Bench," he said. "We knew what electricity could do since we had a 32-volt light plant at the ranch. I went out night after night with my dad when he signed up people in the North Bench and Shonkin areas.

"Dad had to explain everything to the prospective members. Each pitch took an hour or more; but dad said he could sign up three people a night from 6 P.M. to 10 P.M. Of all the people he talked to, only two didn't sign up.

"At first REA said we needed three consumers per mile and a membership fee of $4.50. Dad, with the help of our class, who wrote the letters, got the REA to change the rules to one person per mile, but the sign-up was $10.50. To tell you the truth, it stretched it to get one person per mile."

Everybody pitched in. Lucille Walker's father, Fred, took time away from his farming to haul poles for the line construction crews.

We began as a class project brought lights and power to a 500-square-mile area in 1940, an accomplishment that made the $100 prize seem like kids' stuff.

Miles Swan had one more thing to say: "Be sure to put in the article that in all the time we've had the REA, we have had super service and super people. They will work day and night to maintain good service."●

HATTIE NESBY THOMS AND HARRIET McWILSON COLLIE

● Mr. HEINZ. Mr. President, I rise to salute Mrs. Hattie Nesby Thoms and Mrs. Harriet McWilson Collie, two longtime dedicated members of the Steel Valley Branch NAACP in Homestead, PA. Both will be honored at their organization's seventh annual human rights dinner in Pittsburgh, October 5, 1985.

Mrs. Thoms and Mrs. Collie are tireless workers in a community fallen on hard times. In numerous capacities, they each work selflessly to maintain the faith, health, and spirit of the Steel Valley. Their contributions have benefited countless of the area's residents, and we in Pennsylvania pray they continue their good work for many more years.

Mrs. Thoms, a resident of West Mifflin, PA, has served as president of the Steel Valley Branch NAACP for 7 years. On top of that, she is a committeewoman from district 2 in West Mifflin, a member of the Black Women's Health Network, coordinator of community development for the Methodist Union of Social Agencies [MUSA], and secretary of the loan committee at the Homestead Federal Community Credit Union. As an active member of the First Baptist Church in West Mifflin, she serves on the senior usher board and is the coordinator of the tape ministry, a member of Progressive Adults, and youth advisor for the Teen Youth Fellowship. Mrs. Thoms and her husband, Jackson Thoms, Sr., have three children and three grandchildren.

Likewise, Mrs. Collie and her husband, James Collie, have three children and three grandchildren. Mrs. Collie lives with her family in Homestead and is the second vice president of the Steel Valley Branch NAACP. Her other community duties include work for MUSA as program director and early school training consultant, and she serves honorably as coordinator of the Unemployed Feeding Program for the Steel Valley area. At the Park Place AME Church in Homestead, she is a member of the senior choir, chairperson of the hospitality committee, organist and member of the gospel chorus, and the Sunday school's superintendent and pianist. Mrs. Collie also serves her community as a member of the Mary A. Bumry Missionary Society.

Mr. President, it is clear that Hattie Nesby Thoms and Harriet McWilson Collie are individuals of exemplary devotion to their community and to this Nation. I ask you and my distinguished colleagues to join with me to express our thanks and congratulations to Mrs. Thoms and Mrs. Collie and to wish them the best for their health, their families, and their future endeavors.●

GENETICALLY ENGINEERED ORGANISMS IN THE ENVIRONMENT

● Mr. GORE. Mr. President, today I call attention to an important scientific matter that affects the success of the promising new field of biotechnology.

Before my election to the Senate last November I had the great privilege to serve as a Member of the House of Representatives. While chairman of the Investigations and Oversight Subcommittee of the House Science and Technology Committee, I presided over the first congressional hearing on the environmental implications of genetic engineering. That hearing was held on June 22, 1983.

One purpose of that hearing was to assess the current state of knowledge about the potential ecological disruption that could result when a new, genetically engineered organism is introduced into the environment. Among other things, that hearing made it clear that serious disagreement exists among the various scientific disciplines about the potential environmental hazards of engineered organisms. Representatives of the disciplines that are primarily concerned with molecular biology were confident of the safety of organisms engineered specifically for environmental uses. Ecologists and other environmental scientists, however, expressed doubts about safety, and asked for caution in moving ahead with approvals of field experiments involving their deliberate release.

Since the time of that hearing, this lack of scientific consensus developed into a full blown controversy with the result that all field testing of genetically engineered organisms has been halted while various suits and countersuits have been debated in the courts largely on procedural, not scientific, grounds. To date, no recombinant organism has yet been field tested, and therefore, no progress has been made in the development of new products for environmental applications.

The halting of the proposed field tests has mixed implications. On the one hand, the threat of inhibiting a promising new commercial technology is serious in today's economic climate, and runs counter to a genuine desire to help the United States maintain its lead in biotechnology. On the other hand, it is vitally important that public and environmental health and safety not be sacrificed in the rush to bring sophisticated new products to market. What is clearly needed is a new partnership between the molecular and environmental scientists so that they can begin to address the uncertainties, to find the answers to the unknowns, and to forge a new consensus on assuring the safety of engineered organisms in the environment.

To help foster this needed cooperation, I asked the American Society for Microbiology to organize a national symposium on the scientific issues involved in this complex subject. The ASM, in collaboration with eight other scientific societies—the American Entomological Society, American Institute for Biological Sciences, American Phytopathological Society, American Society of Plant Physiologists, Ecological Society of America, Federation of American Societies for Experimental Biology, Genetics Society of America, and the Society for Industrial Microbiology—organized a cross-disciplinary program entitled "Engineered Organisms in the Environment: Scientific Issues." The meeting took place in Philadelphia, PA, from June 10 through 13, 1985. The conference was superb, and I extend my deepest congratulations to its organizers and participants.

The meeting brought together distinguished scientists from many of the different branches of biology and enabled them to exchange information that described the state of the art in each area. What is already known was better defined, while areas of uncertainties or unknowns were pinpointed and research needs explored. The cross-disciplinary communication that began at this meeting should serve as the basis for much progress in the future, and will greatly help to replace paralyzing controversy with productive dialog.

I shall briefly mention some of the specific points of agreement that came out of the symposium:

First, whether an introduction involves an old—naturally occurring—organism in a new environment, or a new—genetically engineered—organism in an old environment, the concern is the same. Will the ecosystem be affected in a harmful or undesirable way? Although the vast majority of introductions of new species have been harmless, the evidence of at least the potential for a negative outcome is too abundant to be ignored.

Second, organisms can probably not be designed for only limited survival following a release. It is not feasible to engineer self-destruction characteristics in organisms at present. Therefore, for now risk must be minimized

by selecting parental strains with appropriate characteristics such as those with low ability to transfer genes or that are already in widespread use and are recognized as safe—for example, vaccinia virus for vaccine construction.

Third, small genetic changes of the magnitude common in genetic engineering will usually decrease or have no effect on the fitness of the engineered organism. Nevertheless, a small but significant number of such changes could increase fitness. It should therefore not be assumed that an engineered organism will invariably be less competitive than a naturally occurring one, or that it will always die out completely after a release.

Fourth, microorganisms, particularly bacteria, are generally of more concern than are engineered plants and animals.

Fifth, in attempting to predict the outcome of an environmental release, general principles of ecology are likely to be inadequate, but will still be of great importance in defining the kinds of risk assessment tests that should be done. Each proposal for a release will therefore need to be evaluated on a case-by-case basis for the foreseeable future.

Sixth, there is a high potential for productive collaboration between molecular biologists and ecologists, not only to better assess enviromental risk, but also to design better and more effective organisms for environmental application.

The ASM will publish the proceedings of the symposium as a book this fall. In addition to the scientific papers presented, I have asked ASM to include a lay person's summary of the meeting, and they have agreed to do so. I look forward to seeing this document, and am confident that it will provide much useful information for scientists and policymakers alikg as we attempt to chart the wisest course in regulating biotechnology.

I also take the opportunity at this time to share with my colleagues an article which recently appeared about the conference. I urge them to read it closely.

Finally, Mr. President, I extend my most sincere appreciation to Dr. Frances Sharples. Dr. Sharples, a scientist at the Oak Ridge National Laboratory in Oak Ridge, TN, served on my staff for the last year under a fellowship sponsored by the American Association for the Advancement of Science. Dr. Sharples provided me with tremendous assistance on a wide range of issues and was a key organizer of the ASM Conference. Dr. Sharples was a valuable addition to my staff, and she will be greatly missed.

Mr. President, I submit for the RECORD the article to which I have made reference.

The article follows:

RELEASING ENGINEERING ORGANISMS IN THE ENVIRONMENT

(By Laura Tangley)

In some ways, biology is no different from any other line of work. Like many fields, especially in science, biology has become highly specialized and fragmented in recent years. Today, biologists who study cells, parts of cells, organisms, populations, or entire ecosystems may have trouble talking with one another because each discipline has evolved its own jargon. Struggling to keep up with rapid advances in their own specialties, many life scientists have already given up trying to follow development in other disciplines, and the trend toward specialization continues.

Yet greater collaboration between at least some biological disciplines may turn out to be an unexpected, and essential, outcome of a recent controversy in the field. For the last two years, biologists as well as policymakers have been debating the safety of releasing in the environment organisms carrying recombinant DNA (see May 1985 BioScience 35: 270-275). Trying to assess the risks these organisms pose to plants and animals in nature is now forcing some cooperation between biology's most distant disciplines, ecology and molecular biology, although at first it looked as though the opposite might happen.

In 1983, when environmentalists sued the federal government to stop the first release proposal, several ecologists joined in the suit (see December 1983 BioScience 33: 681-682). Although some have since changed their minds about that particular experiment, others have not, and contacts between molecular biologists and ecologists on the topic have remained somewhat acrimonious. Molecular biologists, ready to proceed with release experiments, say their engineered creations are nothing more than well-known organisms with well-defined and predictable alterations. They regard concerned ecologists as alarmists. Ecologists, unwilling to endorse release experiments before their environmental effects are better understood, accuse molecular biologists of oversimplifying ecology and confusing professional ecologists with amateur naturalists or environmental activists.

Signs that such unproductive discord will soon end may have been the most important outcome of a recent symposium on the problem. Organized by the American Society for Microbiology in collaboration with seven other biological societies, including AIBS, the meeting was the first specifically designed to bring together an interdisciplinary group of biologists to discuss strictly scientific rather than policy questions.[1] The objectives of the meeting were twofold—first, to consolidate scientific knowledge needed to assess the risks of engineered organisms as well as identify areas needing more research and second, "to encourage cross-disciplinary communication and elicit a synthesis of thinking on scientific issues."

Long before the meeting started, symposium organizers put a great deal of effort into ensuring their second goal was met. Limiting participation to a maximum of 150 scientists, they asked all potential participants to apply to a program committee that made sure a good mix of disciplines would be represented. Program committee chair David Pramer of Rutgers University, in his welcoming remarks to the group, called on the chosen participants to "overcome their professional parochialism and interdisciplinary illiteracy."

To many participants' surprise, Pramer and the other organizers were remarkably successful. "Most of us have managed at least one essential step," ecologist Robert Colwell of the University of California, Berkeley, said as the meeting drew to a close. "We've moved from a battle of absolutes to a disagreement about adjectives. . . . I don't hear as many 'alls' or 'nones' as I heard before and I myself am changing some of my views." Elliott Norse, a member of the program committee and public affairs director for the Ecological Society of America, also felt optimistic after the symposium. "Although there was considerable tension [between molecular biologists and ecologists] at the beginning, there was steady progress toward resolution of that tension as the meeting progressed. That kind of progress is important not only for the future of this industry and environmental quality, but also for relations between the two ends of the biological sciences."

FIELD TEST PROPOSALS

That the two ends of biology remain far apart, however, became clear at the outset of the symposium. The meeting opened with presentations from four molecular biologists eager to test genetically engineered products in the field. The scientists described their work in detail, including the steps they had taken to ensure the experiments would not create an ecological catastrophe.

The first proposal, presented by Steven Lindow of the University of California, Berkeley, would test a genetically altered form of the bacteria Pseudomonas sylingas designed to make potato plants frost resistant. This experiment, proposed to NIH's Recombinant DNA Advisory Committee two years ago, has been held up by a lawsuit ever since (see July/August 1984 BioScience 34: 413). Lidia Watrud of Monsanto described another proposal to field test a microbe, the soil inhabitant Pseudomonas fluorescens, that carriers a gene producing a toxin lethal to insects on corn plant roots. Monsanto submitted a proposal to EPA last December to field test this microbial pesticide; the agency has requested more information and is still reviewing the application (see March 1985 BioScience 35: 147). The only genetically altered plant proposed for field testing so far is a tobacco plant with an added gene that makes the plant tolerant to the herbicide glyphosate. Robert Goodman of Calgene, Inc., said his company has applied to USDA for field testing permission and is still waiting for a reply (see June 1985 BioScience 35: 391). Finally, Bernard Moss of the National Institute of Allergy and Infectious Diseases described experiments there to produce genetically engineered vaccines from vaccinia virus, the virus used to make smallpox vaccinations.

Ecologists who participated in a panel discussion after these presentations expressed skepticism about the safety of at least some of them. "I'm impressed by what's being accomplished and excited about the future of biotechnology," said Fakhri Bazzaz of Har-

[1] The symposium, Engineered Organisms in the Environment: Scientific Issues, was held in Philadelphia, Pennsylvania, 10-13 June 1985. In addition to ASM and AIBS, other biological societies involved were the American Phytopathological Society, American Society of Plant Physiologists, Ecological Society of America, Federation of American Societies for Experimental Biology, Genetics Society of America, and Society for Industrial Microbiology. Support for the meeting was provided by several federal agencies involved in funding or regulating recombinant DNA research.

vard University. "But as an ecologist, I also have a few concerns about introducing engineered organisms into the environment."

Bazzaz and other ecologists are worried that genetic engineers have not looked rigorously enough at the possible effects their organisms could have on the ecosystems they enter. These ecologists have learned from experience with introductions of nongenetically engineered organisms that such introductions can have devastating impacts on plants, animals, and even ecosystem processes such as energy and nutrient cycling. Areas of particular concern include the accidental transfer of introduced genes from the intended organism to others by way of viruses or mobile bits of DNA like transposons and plasmid. Even when genes stay where they are put, ecologists say that the altered organisms may affect nontarget organisms in unexpected and harmful ways. They suggest, for example, the possibility that Monsanto's toxin-producing microbe could kill predators of the pest insects as well as earthworms and other beneficial soil inhabitants.

Although these scientists expressed no special concerns about the other three experiments, they said the arguments used to justify the safety of all four field tests pointed to a dangerous tendency on the part of genetic engineers to misunderstand the science of ecology. Such naiveté could lead to truly risky releases in the future, they said.

ECOLOGICAL MYTHS

Among the myths these ecologists said molecular biologists hold about their science is the argument that, because genetic engineers are making only single-gene changes in well-characterized organisms, the altered organisms will behave basically like the originals and should not therefore be treated as ecological equivalents of truly exotic species. But according to Frances Sharples, an ecologist with Oak Ridge National Laboratory and a member of the symposium planning committee, "we know that this argument is false. There are many instances of drastic changes in the ecological, medical, and economic status of organisms known to have been caused by changes in single genes." She cites as examples antibiotic resistance in bacteria and pesticide resistance in insects. "It's not the number of new genes but what their functions are that are ecologically important."

Some molecular biologists have also argued that biotechnology is really nothing new because organisms in nature, especially microorganism exchange genes all the time. To this, ecologists respond that mutations and gene recombinations among individual organisms are a lot different than dumping thousands of organisms with the same mutation or recombination into an ecosystem all at once. Another argument, that all genetic combinations have been tried by nature in the past and have thus proven to be naturally controllable, "just doesn't hold up," said the meeting's dinner speaker, Philip Regal of the University of Minnesota, Minneapolis.

But Regal and other ecologists voiced their strongest objections to what Sharples calls the "amateur naturalist belief" that plants and animals in nature are so well adapted to one another and their environment that an introduced organism will not disrupt the balance unless humans have already interfered—by eliminating predators, for example. "This perception does not match the facts as they're known to ecologists," she says.

"There is no reason to believe that species are so perfectly adapted in nature that something else can't replace them," said Regal. "Organisms are adequately, not perfectly, adapted. . . . The concept of niche is not even used that much in ecology anymore." Regal said that associations between organisms are constantly shifting and that populations may fluctuate dramatically even without any human interference. Ecosystems are particularly "invasible," he added, by organisms specially engineered to avoid control by biotic and abiotic limiting factors such as predation, nitrogen availability, and freezing.

CASE-BY-CASE APPROACH

Although ecologists were quick to point out all the ways molecular biologists misunderstand ecology, they did not offer in return any general principles to guide genetic engineers in designing safe organisms or even in assessing risks. Most meeting participants agreed that such general principles are impossible, at least for now. Instead, they urged consideration of each case on its own merits. Given enough time and data, ecologists said they could predict quite well, even if not with 100% accuracy, the impact a particular genetically altered organism will have on a particular ecosystem.

To do this, the scientists can draw on a vast amount of largely unanalyzed data from research in related areas of ecology. Much information could be gleaned, for example, from studies of natural outbreaks of pests and pathogens as well as past species introductions, both deliberate and accidental. David Pimentel of Cornell University said studying predators and pathogens introduced to control agricultural pests would be particularly helpful. So far, he has examined data from 447 of these biological control attempts and is now analyzing them to pinpoint which factors made some successes and others failures.

This emphasis on an organism, rather than the source of that organism, is one area where ecologists and molecular biologists have agreed all along. Throughout the controversies of the last two years, genetic engineers have urged federal regulators to "look at the product, not the process" and not treat an introduced plant, animal, or microorganism any differently just because it contains recombinant DNA. Whether an organism becomes established or causes problems in a new environment "is an ecological question regardless of the origin of the new aspects of that organism," says Sharples. "The ecological processes will be the same whether an organism is moved from one continent to another or from the laboratory to the field."

ARE GENERAL RULES POSSIBLE?

Some ecologists hope that, once data from analogous areas of ecology are combined with those gained from the first few releases, they will be able to devise a set of general safety principles to guide genetic engineers. "I think we'll find out we can form generic guidelines that say in such and such a case we have to exercise extreme caution but in another kind of case routine screening will be appropriate," says Norse. But he adds, "It's going to take time."

Norse says that scientists are already beginning to agree that some kinds of experiments need less rigorous screening than others. These include experiments that, like Steven Lindow's so-called ice-minus bacteria, simply duplicate with recombinant DNA techniques an organism nature has already produced. "If an organism is really a laboratory recreation of something that occurs in the field, the question is no longer what happens if this organism gets into an ecosystem, but what happens if large numbers are released," says Norse. "That's an easier question to answer." Other categories of experiments, however, such as those conferring pathogenic traits or changing the host range of existing pathogens, should only be undertaken after the most thorough environmental assessments.

Some of Norse's colleagues are less optimistic that general rules will ever be possible. "I don't think we'll come up with any body of rules and regulations or simple guidelines," says David Pramer. "Instead, I think we'll develop an understanding that there are a series of stips one must go through in order to know whether there is risk and the extent of the risk." Those steps, he says, would be a series of well-designed experiments conducted first in the laboratory and moving progressively to the greenhouse, isolated field plots, and finally, an open ecosystem. At each stage, researchers will have to answer questions about all possible effects the introduced organism could have on native organisms and ecosystems processes, about the routes that organism could take to move to new ecosystems and exert similar effects, and about the ways an introduced gene could accidentally get into other organisms.

Once these questions have been satisfactorily answered in laboratory and greenhouse experiments, "there has to be permission to move to well-contained but outdoor field plots," said Edward A. Adelberg, a geneticist from Yale University who summarized proceedings at the end of the meeting. Adelberg's words mirrored the sentiments of the majority of meeting participants regardless of biological discipline. Most biologists agree that after a series of careful lab and greenhouse test, well-controlled field trials, now tied up in court or lengthy regulatory reviews, should be allowed to proceed.

ECOLOGY AS A WHETSTONE

To answer the questions necessary to reach field testing, however, ecologists say they must be brought into genetic engineering research and brought into it sooner. Today, they say, ecologists are called on only at the last minute, when federal agencies or judges demand a company come up with an environmental impact statement or assessment. Even then, commercial secrecy and unrealistic deadlines prevent the researchers from doing the kind of risk assessment they say they can do.

Bringing ecologists into genetic engineering research from the beginning would also help companies design better products, several participants noted. "Ecologists, I assure you, have more to contribute to genetic engineering than worrisome carping," said Robert Colwell. With specific expertise in the ways organisms interact with each other and their environment, ecologists could advise genetic engineers on the precise behavioral changes they need for an organism to have a commercially important effect. "If genetic engineering is the cutting edge," said Colwell, "then maybe ecology is the whetstone."

By the end of the meeting, it looked as though at least some genetic engineers were coming around to this way of thinking. Many of them, says Norse, "realized for the first time that they are not dealing with irrational, unscientific elements of society when they are dealing with ecologists. Rather, they came to see that our science

stands on a sound empirical base and that the theory we've generated from it has considerable relevance to genetic engineering." For their part, ecologists at the meeting began to see that molecular biologists are not as unaware of ecological processes as they had supposed and that apparent disagreements beween the two disciplines often turn out to be just misunderstandings.

Molecular biologist Robert Goodman says the two-way educational process begun in Philadelphia must continue, and this will require more communication between genetic engineers and ecologists. Although his company, Calgene, has never employed ecologists before, that soon could change. "I came away from the meeting convinced I will spend more time talking to ecologists." Goodman says, "and convinced there are experiments we ought to do that would benefit greatly from having some ecologists involved."●

THE BUDGET COMPROMISE

● Mr. SIMON. Mr. President, as I traveled across Illinois during the congressional recess, I sensed a growing concern about the disorder of our Nation's fiscal house. I heard about it in town meetings, and read about it in the papers.

It is important that we balance the budget because we are like a family living on a giant credit card, that year after year spends more money than it takes in. We just cannot continue that pattern or we are heading for some serious trouble.

The editor of the Union Banner in Carlyle, IL, has explained the passage of the budget compromise in a letter to his 4-year-old granddaughter. Joe Bryant's editorial conveys my own concern about the dangers of the Federal deficit for our children and our grandchildren.

I voted reluctantly for the budget compromise a month ago, though it did not reduce the deficit enough, and I am worried about this legacy of fiscal disaster that we have created for generations to come.

I ask that Joe Bryant's editorial be printed in the RECORD.

The editorial follows:

YES, TONYA LYNNE, THERE REALLY IS A SANTA CLAUS IN AUGUST

(By Joe B. Bryant)

(A letter to my four-year-old granddaughter.)

Dear Tonya Lynne, You're too young to read this letter yourself, but perhaps Mommy will read it to you. It's about a wonderful thing that happened in a place called Washington, D.C., on Aug. 1, 1985. You know I don't usually write letters to you (although I give you birthday cards and love notes), but this was an especially important event. It is going to have an effect on even the little children like you for years and years to come.

This wonderous event in Washington was that a bunch of men and women called U.S. representatives and senators (or congressmen) agreed on something called a budget compromise. They did so after fussing with each other and another man called President Reagan about the budget for weeks and weeks.

I think the reason that they finally did agree with each other was because they wanted to go on vacation the next day. You know, it was sort of like when we tell you that you can have an ice cream cone after you've cleaned up your plate at dinner.

Now, Tonya, a budget is supposed to be a piece of paper listing the money you are going to have coming to you and the things you want to spend your money to buy. You are supposed to make your money and your spending come out the same with the budget.

The congressmen didn't quite do that. They decided to spend 967.6 billion dollars in the next year. (I won't try to explain what 967.6 billion dollars means, Tonya. I have no idea.)

Unfortunately, the congressmen only expect to get 795.7 billion dollars to buy things with. That means they are going to lack 171.9 billion dollars of the money they plan to spend. That is called a deficit.

The congressmen say it is not so bad to have a deficit. They're even saying that they did a good thing by "reducing" the deficit 55.5 billion dollars from what they had expected to spend. They also say they will reduce the deficit 90 billion dollars the next year when you will be five years old, and 130.7 billion dollars the year after that when you are six.

The amount the congressmen say they are "saving" isn't going to be nearly as much as the money they are not saving. They are planning to buy a whole lot of things without having money to pay for them.

The man called President Reagan seems to agree with the congressmen that this deficit is not so bad. He said the congressmen have made a good-faith beginning to quit spending so much more than they get.

I'm a little worried though. That's why I'm writing this letter to you, Tonya. You and the other little children are going to have to take care of this thing called the deficit as you grow up. Your grandparents and parents aren't going to be here long enough to take care of it for you. Neither are the congressmen.

I'm sorry, Tonya.

Love,

PAW-PAW BRYANT.

P.S. Have Mom keep reading to you. I tried to use words you would understand in my letter but, looking back, I'm not sure this is clear to a grandpa, much less a four-year-old. Let me try again.

Tonya, pretend that Washington, D.C., is the North Pole. You know where that is—a long way off from Carlyle, Ill.! The congressmen I told you about are Santa's elves and President Reagan is the chief elf. The budget I told you about is Santa Claus himself.

The elves made a whole lot of toys for Santa to deliver to us at Christmas, which came on Aug. 1st when they finished work so they could enjoy the holidays. The elves didn't earn enough money to pay for all the presents they wanted to give, however.

To get around that problem, they decided to put the bills for the presents on their charge cards. That way they won't have to worry about the bills until sometime after Christmas.

In fact, Tonya, you and the other little children like you are going to get those bills to pay when you grow up. Paying the bills for this Christmas may mean that you won't have as much money to spend on yourself and to buy presents for your family later.●

CBS COVERAGE OF THE WAR IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, in 3 months, the Soviet Union will recognize the sixth anniversary of the brutal invasion of Afghanistan. The past 6 years have been calamitous for the innocent people of Afghanistan who have been subjected to Nazi-like atrocities perpetrated by 115,000 Soviet troops which are now in Afghanistan. Over 1 million Afghans have died as a direct result of the Soviet invasion, and almost one-third of the prewar population has fled Afghanistan. Thousands of innocent children have been kidnapped from their parents and shipped to Soviet indoctrination camps where they are taught to fight on behalf of the Soviets. Those children who escape such a fate, face being maimed or killed by "toy bombs," murdered by Soviet incursions into villages, or a childhood in Pakistani refugee camps. No segment of the Afghan population has been spared as women and elderly have been beaten, tortured, and executed. The indisputable message is that there are no human rights today in Afghanistan.

The frightening and disturbing reality however is that this has gone largely unnoticed by the vast majority of Americans. As we have been focusing our attention in the past 6 years on disturbing events in Poland, Central America, Ethiopia, and the Middle East, the Soviets have been busily perpetrating genocide and systematically destroying the nation of Afghanistan. Forty years ago the gates of Auschwitz were opened and only then did the world learn with horror of the Jewish Holocaust. Today we are well aware of what is happening in Afghanistan, yet the major networks have decided to ignore the Afghan tragedy. Despite the magnitude of Soviet atrocities, and the unparalleled courage that the Afghan freedom fighters have demonstrated, Afghanistan is virtually treated as a "nonissue" by our major media. One network, however, has recently taken note of this disturbing fact, and has presented the American public with dramatic footage of Soviet offensive moves in Afghanistan. Mr. President, in the past 2 months CBS News has shown several outstanding segments which highlight the valiant struggle of the Afghan freedom fighters against the most brutal army in the world. I would like to take this opportunity to commend Dan Rather and the "CBS Evening News" for bringing this issue to the attention of American viewers. I call upon the other major networks to follow CBS's outstanding example so that the Soviet Union cannot continue to carry out these crimes in the dark.●

NERVE GAS

● Mr. PRYOR. Mr. President, I would like to call the attention of our colleagues to an editorial which appears in this morning's New York Times.

This summer, Congress reversed its stand of earlier years and voted to begin production of binary chemical weapons. Although the House voted to delay production for 2 years and added several conditions, including agreement with our NATO allies on the deployment of these controversial weapons, most of those conditions were dropped in conference.

In addition to several other good reasons not to begin production, today's editorial stresses the need to insist on thorough and rigorous testing of the new weapons, particularly the Bigeye bomb, which, according to the General Accounting Office, showed critical deficiencies in its developmental tests. The Bigeye is now finishing up its operational tests, and I urge my colleagues to take a close look at the test record before voting on appropriations for this new weapon. We recently spent $1.8 billion on 150 Divad's before recognizing that the weapon was a failure and canceling the program. I hope we will not make the same mistake on the Bigeye.

Mr. President, I ask that the Times article be printed in the RECORD.

The article follows:

[From the New York Times, Sept. 25, 1985]

HOW TO GET TOUGH WITH NERVE GAS

Nerve gas is a hideous weapon, but as long as Soviet troops are equipped with chemical munitions, American troops cannot be denied an effective response. That's why the Defense Dapartment's plan to build a new generation of chemical arms—so-called "binary" weapons—is so dismaying. Never mind their vast extra cost, their destabilizing effect on NATO or the initiation of a new race in chemical arms; the new binary weapons will be less effective.

Every new weapon has defects, often serious, which field tests may remedy. Binary weapons surely have their share, but these as-yet-unknown flaws remain undetected because Congress has restricted field tests. No soldier should be asked to fight with untested weapons. And the Bigeye bomb, one of the proposed binary weapons, is still plagued with manifest design flaws.

Advocates say binary weapons will be safer to handle, since the nerve gas is not generated until two chemicals are mixed, in flight, in the delivery shell. Maybe, but the present shells, and bombs have a long and excellent safety record, without a single serious accident. Why fix a non-problem? Advocates of binaries contend the present stockpile has sprung leaks. Yes, there are minute leaks—in 0.0006 percent of artillery shells. All other stockpiled shells are usable.

The only practical reason for moving to binary weapons would be evidence that the present stockpile might later deteriorate beyond use. That's an answerable technical question. A blue-ribbon panel appointed by the Department of Defense is conducting aging tests. Why rush to start making binary weapons, costing $2.3 billion over five years, when these tests may well show the present stockpile has a long life ahead?

What truly needs fixing is not chemical offense but defense. The Pentagon has so far failed to institute advice by the defense Science Board to remedy gaps in manpower, training and equipment. The Army has no medical products in the field for care of chemical casualties, no proper decontaminants of equipment and no antidote against the standard Soviet nerve gas. Commanders often subvert training requirements, such as showing troops how to eat in a contaminated environment, according to the General Accounting Office.

Maintaining deficient chemical defenses, and replacing effective weapons with unproven ones, is hardly the best way of deterring the Soviet Union from first use of chemical weapons.

For the last three years the House has refused to allow production of binary weapons. This year, under the shadow of the hijacked Americans taken hostage in Lebanon, it mistakenly changed position, but required that production not begin until NATO requests that binary weapons be stored in Europe. Since several NATO countries are highly unlikely to allow present stockpiles to be replaced with binaries, the condition is highly desirable insurance. Yet it was surrendered in conference with the Senate.

The House has a chance to redress its error next month as it writes the Pentagon's appropriations bill. Binary weapons are a bad buy, and there's no good reason for the House to abandon its longstanding distrust of them.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 23, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-58 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $41 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAR Director.

Attachments.

TRANSMITTAL NO. 85-58.—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Pakistan.

(ii) Total Estimated Value:

	Million
Major defense equipment [1]	$32
Other	9
Total	41

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Four AN/TPQ-37 FIREFINDER radar systems with ancillary and support equipment.

(iv) Military Department: Army (JEE, VJF).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 June 1985.

(viii) Date Report Delivered to Congress: 23 Sep 1985.

POLICY JUSTIFICATION—PAKISTAN—AN/TPQ-37 FIREFINDER RADAR SYSTEMS

The Government of Pakistan (GOP) has requested the purchase of four AN/TPQ-37 Firefinder radar systems with ancillary and support equipment. The estimated cost is $41 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan.

The GOP needs these weapon-locating radar systems as a primary means of locating the source of hostile artillery fire. These systems are part of Pakistan's overall force modernization plan. Pakistan will have no difficulty absorbing these systems and equipment into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Corporation of Fullerton, California.

Implementation of this sale will require the assignment of eight additional U.S. Government personnel for one month and one contractor representative for one year in Pakistan.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

STRATEGIC DEFENSE INITIATIVE

● Mr. DURENBERGER. Mr. President, in the current debate on the strategic defense initiative, it is worthwhile to review some of the basic principles of warfare that have come down to us from such great military leaders as Sun Tzu and Clausewitz. Prof. Rodney Loehr of the University of Minnesota has written an excellent article in the fall/winter edition of the Journal of Cultural Geography which equates space to the concept of taking the high ground in conventional warfare.

I would like to submit it for the RECORD.

HIGH GROUND

(By Rodney C. Loehr)

(Abstract. The possession of high ground may decide a battle, war or the fate of a nation. But high ground has a weakness; it can be turned and surrounded. The airplane added mobility to its version of high ground. Space may be the high ground of the future.)

Several thousand years ago, Sun Tzu, the earliest military writer, evaluated the military value of high ground: "He who first takes high sunny positions convenient to his supply routes can fight advantageously."[1] Nicolo Machiavelli reinforced this opinion by saying that a commander who lacked knowledge of the use of ground lacked the first qualities of a soldier.

Sun Tzu pointed out that the high ground must be occupied first to be of value, and he also linked high ground to supply routes, a matter of equal importance to the soldier. The supply factor is generally overlooked by the amateur strategist, but is the limiting factor for the professional soldier. In the American Revolution Sir William Howe's slowness has often been criticized, but when it is realized that even hay for the oxen which pulled his supply trains had to be brought from England, 3000 miles away, perhaps his slowness may be forgiven.

In the American Civil War, generals had to plan for three pounds of food daily for the men and 20 pounds of provender for the animals, plus clothing, ammunition, medical and other supplies. Unless supply lines were secure enough to provide these items, movement was impossible. An army of 100,000 men, such as Ulysses S. Grant had in Wilderness Campaign, needed 300,000 pounds of food every day. To provide these rations while he moved through the tangled brush of the cutover area, Grant had 6,000 wagons to haul supplies. These wagons were placed for security in the center of his army and limited his ability to maneuver.

The supply factor, then, is critical, and the skillful general uses terrain to protect his supply lines and to threaten those of the enemy. When both high ground and supply lines are neglected, disaster will follow. The French at Dien Bien Phu placed 12,000 men where they were surrounded by high ground under the control of the Viet-Minh. Supply lines could not be maintained and surrender was inevitable. This disaster led to the French loss of its former empire in Indo-China.

COMMANDING VALUE OF HIGH GROUND

In an apparently seamless plain even a slight elevation may provide a military crest behind which prone men may be safe from grazing fire. Most terrain has enough variety so that some ground is significantly higher than the rest. In that particular locality one crest may dominate all the rest if occupied by a resolute force. General Carl Von Clausewitz in discussing high ground noted that through the ages certain key positions were considered "commanding" in the battles of the past. High ground, he pointed out, gives its possessor observation of what is below and denies an enemy a view of the other side of the hill. High ground, he said, also posed an obstacle to an enemy's movements. Its possession also gave the advantage of shooting down, rather than up. If an enemy were cramped in his movements, he wrote, by a large river on one side and high ground on the other, the disadvantage of his position might be decisive. "No army," he wrote "can maintain itself in the valley of a great river if it is not in possession of the heights by which the valley is formed." The holder of high ground, Clausewitz concluded, is in a position to dominate the battlefield.

If the high ground is not held or is abandoned, the result may be disastrous. In the American Revolution, the British military plan called for segmentation of the colonies, so that separate parts could be isolated and then conquered. Although the military conquest of the colonies was not possible, segmentation has been the method frequently used in conquering an area. English opinion called for military measures to reduce the colonies to obedience and something had to be done.

As part of the plan Sir John Burgoyne was to move south out of Canada and another English force was to move up to the Hudson River. The two forces were to meet at Albany. Burgoyne moved south in June, 1777. The Americans held the important fort at Ticonderoga but had failed to fortify Mt. Defiance, which commanded the fort. Benedict Arnold had climbed the hill and had had a cannon shot fired to its crest to prove that cannons on the hill would make the fort untenable, but the American commanders insisted that the hill was inaccessible. When the British forces arrived, General William Phillips said that where a goat could go, a man could go, and where a man could go, guns could go. A rough road was cut and with the aid of ropes cannons were dragged to the top of the hill. The Americans promptly evacuated the fort, now British property without firing a shot.

In World War I Fort Douamont commanded the high ground at Verdun. It had been abandoned by the French as useless, but when the great battle of Verdun opened in 1916, its possession was immediately recognized as decisive. In the struggle Douamont changed hands several times, and in the terrible battle around Douamont the French army was put through the meatgrinder, with effects that were felt as late as the French collapse in 1940. Mistakes of that order can affect the life of a nation.

If commanding high ground is held successfully, the results may be just as decisive for the victor. Cemetery Ridge at Gettysburg was the dominant feature of the battlefield. Frontal assaults on defended high ground rarely succeed, unless surprise is achieved. The recommended method is to seize one end of a ridge and then work one's way along the ridge. Confederate attempts to seize one end of Cemetery Ridge at Culp's Hill on the first day of the battle failed. The try on the second day of the battle to seize the other end of the ridge at Little Round Top also failed, and the charge by General George Pickett up the face of the ridge was bound to be a disaster on the third day. If the battle at Gettysburg was the turning point in the Civil War, the possession of Cemetery Ridge was of vital importance.

In World War II, Hill 609 was the key to the hill mass in Tunisia and when the 34th Division captured the hill, the end of the war in North Africa was assured. Another example of the decisive value of high ground came with the crossing of the Rhine River at Remagen. The Rhine is a formidable military barrier. Its current of six to eight miles an hour between steep, forbidding heights poses a real problem to an invader. Fortunately for the American troops the railroad bridge at Remagen had not been destroyed. American troops captured the bridge and then secured the high ground—a hill mass—beyond the crossing. The Nazis' final protective line had been pierced and German vitals lay exposed to destruction.

RIVERS AND HIGH GROUND

If an enemy were cramped on one side by a river and on the other side by high ground, Clausewitz had noted, the result for the enemy might be disastrous. Indeed, such an event turned the scales in the American Revolution and led to American independence. It had to do with Burgoyne's movements after his success at Ticonderoga. Burgoyne left Ticonderoga and moved along the Hudson River toward his goal at Albany, where supposedly he would meet an English force coming up the river. New England then would be cut off from the rest of the country. If segmentation could be continued, the revolt might be crushed.

Such a notion was nonsense, for although the English had sent 39,000 troops at one time to the colonies and had recruited more Tories in the colonies, they simply did not have enough men to conquer and occupy a geographical area 1,800 miles long and several hundred miles deep. The solution was political and not military, and once independence had been declared, the war was lost for England, if George Washington could keep even a semblance of resistance alive.

Still Burgoyne persisted. His supply lines stretched back hundreds of miles to Canada and then 3,000 miles to England. Living off the country was impossible in view of the scorched earth policy of the rebels. He needed at least 30,000 pounds of food every day for his troops and campfollowers. He had to protect these supply lines or all was lost. It did not matter which side of the Hudson River he chose for his descent to Albany, for he could not leave an American force behind him that was able to cut his supply lines.

The Americans had retreated on the west side to Bemis Heights where high ground approached the river. Defensive works were placed on the road between the high ground and the river, and more defensive works were dug on the high ground with a sharp ravine in front of the defenses. It was a

strong position that could not be carried by a frontal assault without heavy casualties.

Burgoyne's choices were limited. He could return to Ticonderoga or even to Canada, but that would be a confession of failure and he had promised success. He could cross the other side of the river and continue toward Albany but that would leave a strong force in his rear which would promptly cut his supply lines, and he could then starve or surrender. He could brush aside the defenses on the road and continue down the road but that would leave the main American force astride his supply lines, a sure recipe for disaster. His final choice was the only one that had any promise of success. He established a position on the high ground opposite the American main position and then tried to turn the American force out of its position by going around its left flank. If he could get in behind the American position, he would be in a position to threaten the American supply lines, and the Americans would then have to fight, retreat or surrender.

Burgoyne tried a turning movement in the first battle of Freeman's Farm on September 19, 1777 but was beaten back with significant losses. At that point he should have promptly retired to Ticonderoga for the winter. But Burgoyne was a gambler and in desperation he tried a second turning movement in the second battle of Freeman's Farm on October 7, 1777, and was badly defeated. Now retreat was too late and when it was attempted, the surrender came at Saratoga, which led to the French entering the war and eventually to American independence. It was a costly blunder.

Burgoyne did not have enough men for a successful turning movement, but General William T. Sherman did have enough at Kennesaw Mountain in the American Civil War. In 1864 Confederate forces under General Joseph Johnston held a strong position at Kennesaw Mountain on the approaches to Atlanta. Infantry were dug in at the foot of the mountain, and the cannon placed on the top interdicted movement on the road and railroad going to Atlanta. Sherman depended particularly on the railroad for supplies for his army. He could always move men past the mountain at night but could not depend upon getting supplies to them with a large army at his flank. His situation was similar to that of Burgoyne, except that a river was absent and that he had enough men for a turning movement.

Sherman's first reaction was a frontal assault on the trenches at the foot of the mountain. The assault was bloodily repulsed and then Sherman used his superior force, turned Johnston's flank and forced the Confederates back to Peach Tree Creek in Atlanta. Sherman had enough men for the turning movement that Burgoyne had lacked.

WEAKNESS OF HIGH GROUND

As Clausewitz says, high ground beside a river does make a strong military position. But a military genius may be able to overcome its advantages. Perhaps the greatest and certainly the boldest American campaign was Ulysses S. Grant's Vicksburg campaign. Vicksburg was located on high ground on the east side of the Misissippi River which made a hairpin bend at that point. North of Vicksburg was a ridge that ran east, and north of the ridge were impassable swamps. Cannons along ten miles of the hairpin bend could interdict traffic on the unfordable river. It was a very strong position but its weakness was that the Confederates did not control the west bank of the river.

Grant moved men down the west bank of the river, had his gunboats and supply ships run the gauntlet of the cannons, and crossed the river to the east bank. His solution of the supply line problem was not to have supply lines for food and provender but to live off the country. He would depend upon the west bank for ammunition and medical supplies but took as much as he could with him. To be successful, he had to move fast. Fortunately for him, the Confederate commander had been ordered by Jefferson Davis to hold Vicksburg at all costs. In the end this stupid decision by Davis cost the South both Vicksburg and Geneal John Pemberton's army.

Grant moved quickly around Pemberton's flank, cut his supply line at Jackson, Mississippi, and then turned and headed back toward Vicksburg. Defensive positions at Champion's Hill and the Big Black River were turned and Pemberton was pinned against the unfordable Mississippi River. Surrender was then just a question of when food ran out.

As Pemberton's fate illustrates, high ground is useless if it is surrounded. In August, 1777, Burgoyne sent Lt. Col. Frederick Baum with a mixed force of German dismounted dragoons, English, Tories, Canadians and Indians to Bennington, Vermont where large numbers of horses and cattle were reported. On the way Baum encounterd an American force, retreated to a hill position and asked for help. Before help could come, his troops were surrounded by a large American force under Col. John Stark. Baum's force was almost totally destroyed at a minimal American loss.

Another example of a hill position that becomes folly when surrounded was the battle of King's Mountain, in North Carolina on October 7, 1780. The flat-topped mountain has rather steep sides and then as now was covered with a heavy growth of trees and underbrush that gave protection to the surrounding forces as it climbed the hill. Major Patrick Ferguson with over a thousand Tories had been moving down the foothills to protect the flank of General Charles Cornwallis' army. When Ferguson was attacked by a strong American force, he fled to the top of the mountain. He was quickly surrounded by three divisions of Americans, and when he turned to meet one attack, another hit at his flank or rear. His force was wiped out and suffered over a thousand casaulties. The defeat was fatal to Cornwallis' plans. After another disaster at Cowpens and losses at Guilford Courthouse, Cornwallis moved the war to Virginia and to Yorktown, with fatal results and victory and independence for the American cause.

THE AIRPLANE AND SPACE AS HIGH GROUND

In recent times the airplane has added a new feature to the concept of high ground. That the airplane itself is high ground was recognized rather quickly. Its first use was for observation, which one will recall, is one of the values of high ground. Then weapons systems were added to the airplane and it acquired the other features of high ground: obstacles and the ability to shoot down. Indeed, in World War II wherever the fighter or bomber was, it was an obstacle to movement. Allied control of the air over the Normandy landing area was absolutely essential to the success of the Overlord operation. It prevented German reinforcements from reaching the beachheads in time to repel the assault. Indeed, the greatest danger to the assault was the German fighter-bomber. Allied control of the air kept the German airplanes away and dominated the succeeding battlefields as though the Allies controlled commanding high ground. At the time of the Battle of the Bulge, bad weather kept Allied aircraft grounded and so a surprise eruption from German-held high ground led to the German break-through which was not contained until the weather cleared. Then Allied control of the airplane's high ground led to the defeat of the German sortie.

Today space is military high ground. Already, space vehicles are used by the superpowers for observation purposes. High resolution cameras on these spy satellites faithfully record observation of a most intimate kind. If history is any guide, it will be only a matter of time before weapons systems, both defensive and offensive, provide the other values of high ground, namely obstacles to movement and the ability to shoot down.

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 10 a.m. on Thursday, September 26, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Following the recognition of the two leaders under the standing order, I ask unanimous consent that the Senator from Wisconsin [Mr. PROXMIRE] be recognized for a special order not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the Proxmire special order, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at the conclusion of morning business, the Senate will resume consideration of the Treasury-Postal Services appropriations bill.

I might indicate to my colleagues that we hope to conclude action on that bill. There will be a number of

votes on amendments that have been offered and there may be additional debate. But if not, we could possibly conclude our action on that measure prior to 1 p.m.

At 1 p.m., by previous unanimous-consent agreement, there will be a vote on final passage of H.R. 2005, the Superfund legislation.

Following that vote, by previous unanimous-consent agreement, the minority leader will be recognized for not more than 3 hours for debate only to discuss a matter of some interest to him.

I also indicate that I will be making a statement tomorrow morning, and I advise my colleague that the conference report papers which were temporarily absent from the Chamber on South Africa are now back in the Chamber in good condition.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess until 10 a.m., Thursday, September 26, 1985.

There being no objection, the Senate, at 6:25 p.m., recessed until Thursday, September 26, 1985 at 10 a.m.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 26, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 27

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on the economic deregulation of the trucking industry.
SR-253

Joint Economic
To hold hearings on August trade deficits.
2118 Rayburn Building

10:00 a.m.
Environment and Public Works
To hold hearings on the nominations of Orson G. Swindle III, of Georgia, to be Assistant Secretary of Commerce for Economic Development, and Jennifer J. Manson, of Virginia, Lawrence J. Jensen, of Virginia, both to be Assistant Administrators of the Environmental Protection Agency.
SD-406

Governmental Affairs
To hold hearings on the annual report of the Postmaster General of the United States.
SD-342

SEPTEMBER 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

2:00 p.m.
Judiciary
To hold hearings on S. 850, to make it a Federal Offense for any person to operate or direct the operation of a common carrier while under the influence of alcohol or drugs.
SD-226

3:00 p.m.
Judiciary
Immigration and Refugee Policy Subcommittee
Business meeting, to mark up S. 377, to provide for a GAO investigation and report to Congress relating to the temporary stay of detention and deportation of certain Salvadorans.
SR-385

OCTOBER 1

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on activities of the Federal Aviation Administration, Department of Transportation, focusing on windshear, aircraft inspection, and air traffic control safety.
SR-253

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on pension policy implications of the President's tax proposals of fringe benefits and retirement savings.
SD-430

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Servcies Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 1305, to establish criminal penalties for the use of computers in the transmission of obscene matter, or other matters pertaining to the sexual exploitation of children.
SD-192

Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on the Department of Justice investigation of alleged procurement fraud.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the exploitation of runaway children.
SD-628

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

2:00 p.m.
Appropriations
Business meeting, to mark up H.R. 3244, appropriating funds for fiscal year 1986 for the Department of Transportation and related agencies, H.R. 2965, appropriating funds for fiscal year 1986 for the Departments of Commerce, Justice, State, the Judiciary, and related agencies, and proposed legislation appropriating funds for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

3:00 p.m.
Budget
Business meeting, to consider proposed legislation to provide for reconciliation pursuant to section 2 of S. Con. Res. 32, First Concurrent Resolution on the budget for fiscal year 1986.
SD-608

OCTOBER 2

9:30 a.m.
Armed Services
To hold hearings on nuclear winter and its implications.
SR-222

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-116

Judiciary
To hold hearings on S. 237, to limit the application of the exclusionary rule, and S. 238, to revise the rules governing habeas corpus claims brought by State prisoners.
SD-226

Judiciary
Security and Terrorism Subcommittee
To hold hearings on mercenary counter-terrorism training camps.
SD-106

Select on Indian Affairs
To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.
SR-485

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

Rules and Administration
Business meeting, to consider S. 581, S. 582, and S. 583, bills authorizing funds for activities of the Smithsonian Institution, proposed amendment to the mass mail regulations to provide for printing pictures of missing children on Senate mail, and other legislative and administrative business.
S-128, Capitol

OCTOBER 3

9:00 a.m.
Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and idemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nominations of Anthony G. Sousa, of Hawaii, to be a Member of the Federal Energy Regulatory Commission, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).
SD-366

Governmental Affairs
To hold hearings on the President's management initiatives and related measures.
SD-342

Labor and Human Resources
To hold hearings on alternative programs for troubled youth.
SD 430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

2:30 p.m.
Armed Services
To continue hearings on nuclear winter and its implications.
SD-562

4:00 p.m.
Select on Intelligence
Closed briefing on international terrorism.
SH-219

OCTOBER 4

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on certain land conveyance measures, including S. 304, S. 360, S. 446, S. 565, S. 567, S. 829, S. 1503, S. 1625, and S. 1690.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold oversight hearings on the implementation of the Randolph-Sheppard Act of 1936.
SD-342

OCTOBER 8

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, the Clean Campaign Act.
SR-253

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold joint hearings with the Committee on Environment and Public Works' Subcommittee on Nuclear Regulation on S. 1517, to provide continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and S. 1578, to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Energy Research and Development on S. 1517, to provide continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and S. 1578, to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste.
SD-366

OCTOBER 9

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a Member of the Marine Mammal Commission.
SR-253

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

OCTOBER 10

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Labor and Human Resources
To hold hearings on mandatory nutritional labeling.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

10:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on the Philippines.
SH-219

OCTOBER 16

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 17

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on espionage activities in the United States.
SD-342

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings to examine measures to discourage students from dropping out of high school.
SD-430

Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SD-628

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 22

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342

Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on the impact of trade on employment and productivity.
SD-430

OCTOBER 23

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 24

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the role of the entertainment industry in deglamorizing drug use.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 28

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1551, to provide for administrative appeals and judicial review under Part B of Medicare, and to review the beneficiary and provider appeals provisions under Part A and B of the Medicare program.
SD-215

OCTOBER 29

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).
SD-430

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the Federal enforcement of the Bank Secrecy Act (title 31 of the U.S. Code).
SD-342

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the effects of domestic violence.
SD-628

OCTOBER 31

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 1209, to establish the National Commission to Prevent Infant Mortality.
SD-342

Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

NOVEMBER 6

9:30 a.m.
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430

NOVEMBER 12

9:30 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

HOUSE OF REPRESENTATIVE—*Thursday, September 26, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O give thanks to the Lord, call on His name, make known His deeds among the peoples!—Psalm 105: 1.

We come before You, O God, with grateful hearts for all Your good deeds to us and to all people. As we give thanks for Your love, Your forgiveness, Your grace, encourage us to share that spirit of thanksgiving to people everywhere in acts of justice, compassion, and good will. In Your holy name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1200. An act to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; and

S.J. Res. 155. Joint resolution to designate the month of November 1985 as "National Hospice Month."

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills and joint resolutions on Wednesday, September 25, 1985:

H.R. 1042. An act to grant a Federal charter to the Pearl Harbor Survivors Association;

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week";

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week";

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Awareness Month";

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the agency's 25th anniversary, 1985-86;

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985;

S. 1514. An act to approve the interstate cost estimate and interstate substitute cost estimate;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year";

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week";

S.J. Res. 173. Joint Resolution to designate the month of September 1985 as "National Sewing Month"; and

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

VETERANS' HOSPITAL AND OUTPATIENT CARE IN THE PHILIPPINES; REHABILITATION AND JOB TRAINING IN PUERTO RICO AND THE VIRGIN ISLANDS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1671) to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities; and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such act, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not intend to object, I yield to the distinguished chairman of the Veterans' Affairs Committee for an explanation of his unanimous-consent request.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Arkansas for yielding.

Mr. Speaker, on May 21, 1985, the House considered and passed H.R. 505, the Veterans' Health Care Amendments of 1985. On July 30, 1985, the Senate considered and passed the bill with an amendment in the nature of a substitute. Mr. Speaker, we have been trying to work out our differences with the other body; however, in order to ensure that several expiring programs are not inadvertently terminated, it is necessary that we adopt the bill which the Senate passed last Friday.

S. 1671 is an interim extension, through October 31, 1985, of the Veterans' Administration's authority to administer a regional benefits office in the Republic of the Philippines, to contract for certain health care services in Puerto Rico and the Virgin Islands, and to contract with halfway houses for treatment of veterans with alcohol and drug abuse disabilities. It would also extend from September 1, 1985, until July 1, 1986, the deadline for entering into training under the Emergency Veterans' Job Training Act.

The substance of all of these provisions were previously endorsed by this body when it considered H.R. 505, H.R. 1408, and H.R. 2343. There is no authority in this measure which we have not previously considered and adopted, and I urge my colleagues to support the measure.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, I rise in support of S. 1671 which the Senate passed September 20. I urge its passage by the House.

The current authority of the Veterans' Administration to provide certain contract health care services in Puerto Rico and the Virgin Islands will expire on September 30 of this year. This bill would simply extend for 30 days the authority of the VA to provide those contract services.

Also, this bill would extend for 30 days the expiring authority of the VA to contract with halfway houses for veterans with alcohol and drug abuse disabilities, and would extend the deadline for entry into training under the Emergency Veterans Job Training Act from September 1, 1985, to July 1, 1986.

Finally, the bill would extend the VA's authority to operate a regional benefits office in the Philippines.

Without the continued authority, veterans who would otherwise receive the health-care services, administration of benefits in the Philippines, or the job training will lose them until the House and Senate can resolve differences on the legislation affecting the future authorization of these programs.

This body voted favorably on each of these measures on May 21 in H.R. 505. The other body amended H.R. 505, but these extensions are not in controversy. Therefore, the House should immediately pass this bill so that these authorizations will not expire.

Mr. EDGAR. Mr. Speaker, I rise in support of S. 1671, which would provide interim extensions of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, contract for care of nonservice-connected veterans in Puerto Rico and the Virgin Islands, contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities, and amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such act.

H.R. 2343, which passed the House on May 20, extended the authority of the Administrator to operate a regional office in the Republic of the Philippines. H.R. 505, as amended, which passed the House on May 21 contained an extension of the VA's authority to contract with halfway houses and other community treatment facilities for treatment of veterans with alcohol or drug abuse problems from September 30, 1985, to September 30, 1988, as well as a 3-year extension of the VA's authority to contract for care of non-service-connected veterans in Puerto Rico and the Virgin Islands, and a 3-year phaseout of the so-called extraordinary authority to contract at levels which exceed levels of comparable service in the 48 contiguous States. H.R. 1408, which passed the House on May 20, extended the deadline by which a veteran participant must be enrolled in a job training program from September 1, 1985, to July 1, 1986.

The Senate acted upon H.R. 505, as amended, with an amendment in the nature of a substitute containing the language of S. 876 on July 30. The extension provisions contained in H.R. 1408 and S. 2343, which I mentioned above, were a part of the Senate amendments to H.R. 505, as amended.

The differences in the House and Senate versions of these various measures are now being worked out in informal negotiation. As we all know, the end of the fiscal year 1985 occurs on September 30. S. 1671 would provide a 30-day interim extension of the programs discussed above until these differences can be resolved, and I urge my colleagues to support it.

Mr. DASCHLE. Mr. Speaker, I rise in support of S. 1671. The interim extensions provided in this bill are necessary to ensure that several important programs which are facing expiration are not terminated. I do want to express, however, my disappointment in the extension provided in this legislation for the Emergency Veterans' Job Training Act [EVJTA].

On May 20, the House unanimously passed H.R. 1408, a bill to extend and improve the program established under EVJTA. This highly successful program has placed over 36,000 long-term unemployed veterans of the Vietnam era and Korea in stable, permanent jobs. In passing H.R. 1408, the House expressed its desire to provide an extended period of time for veterans to be placed in approved programs of job training and an opportunity for additional veterans to participate in EVJTA. Under S. 1671, however, only the date by which a veteran must enter employment is extended. No provision is made to allow new veterans to be certified for participation under EVJTA.

A recent indepth report, which evaluated the operation and impact of the Emergency Veterans' Job Training Act Program, had high praise for this program, both in terms of veteran and employer satisfaction with EVJTA. Job service offices from around the country have indicated their strong support for extending EVJTA but make it clear that legislation should include an advancement of the date for new entrants as well as the date by which a certified veteran must enter training. Their reason for requesting new veterans is quite simple—the remaining number of certified veterans is not adequate to meet employer demands. Additionally, they point out that there are thousands of eligible veterans who continue to seek employment assistance but who cannot be certified because the cutoff for new entrants was February 28, 1985.

The limited extension provided in S. 1671 is a stopgap measure which allows for the continuance of EVJTA while the other body further considers its position on EVJTA. The Senate Veterans' Affairs Committee held hearings on veterans employment issues recently, with particular emphasis on EVJTA, and it is my hope that the testimony presented at that hearing convinced our colleagues in the other body that Vietnam era and Korean conflict veterans deserve the opportunity for assistance in their efforts to find meaningful and stable employment.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 230(b) of title 38, United States Code, is amended by striking out "September 30, 1985" and inserting in lieu thereof "October 31, 1985".

SEC. 2. Section 601(4)(C)(v) of title 38, United States Code, is amended by striking out "September 30, 1985" and inserting in lieu thereof "October 31, 1985".

SEC. 3. Section 620A(e) of title 38, United States Code, is amended by striking out "the last day" and all that follows through "initiated" and inserting in lieu thereof "October 31, 1985".

SEC. 4. Section 17(2) of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77; 29 U.S.C. 1721 note) is amended by striking out "September 1, 1985" and inserting in lieu thereof "July 1, 1986".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed on Monday, September 23, 1985, in the order in which that motion was entertained.

Votes will be taken in the following order:

H. Con. Res. 192 de novo; and

S.J. Res. 127 by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote.

EXPRESSING SUPPORT OF CONGRESS FOR EARLY AND PEACEFUL RETURN OF DEMOCRATIC RULE IN CHILE

The SPEAKER. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution House Concurrent Resolution 192, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Maryland [Mr. BARNES] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 192, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

THE GRANTING OF ADDITIONAL POWERS TO BI-STATE DEVELOPMENT AGENCY BY STATES OF MISSOURI AND ILLINOIS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the Senate joint resolution, S.J. Res. 127.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Kansas [Mr. GLICKMAN] that the House suspend the rules and pass the Senate joint resolution, S.J. Res. 127,

on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 373, nays 2, not voting 59, as follows:

[Roll No. 317]

YEAS—373

Ackerman	Dornan (CA)	Kildee
Akaka	Downey	Kindness
Alexander	Dreier	Kolbe
Anderson	Duncan	Kolter
Andrews	Durbin	Kostmayer
Annunzio	Dwyer	Kramer
Anthony	Dyson	LaFalce
Applegate	Early	Lagomarsino
Archer	Eckart (OH)	Latta
Armey	Eckert (NY)	Leach (IA)
Atkins	Edwards (CA)	Leath (TX)
AuCoin	Edwards (OK)	Lehman (FL)
Barnes	Emerson	Leland
Bartlett	English	Lent
Barton	Erdreich	Levin (MI)
Bateman	Evans (IA)	Levine (CA)
Bates	Evans (IL)	Lewis (FL)
Bedell	Fascell	Lightfoot
Beilenson	Fawell	Lipinski
Bennett	Fazio	Livingston
Bentley	Feighan	Lloyd
Bereuter	Fiedler	Loeffler
Berman	Fields	Long
Biaggi	Fish	Lott
Bliley	Flippo	Lowery (CA)
Boehlert	Florio	Lowry (WA)
Boggs	Foglietta	Lujan
Boland	Foley	Luken
Boner (TN)	Ford (MI)	Lundine
Bonior (MI)	Ford (TN)	Lungren
Bonker	Fowler	Mack
Borski	Frank	Madigan
Bosco	Franklin	Manton
Boulter	Frenzel	Marlenee
Boxer	Frost	Martin (IL)
Breaux	Fuqua	Martinez
Brooks	Gallo	Matsui
Broomfield	Gaydos	Mavroules
Brown (CA)	Gejdenson	Mazzoli
Brown (CO)	Gekas	McCain
Broyhill	Gephardt	McCandless
Bruce	Gibbons	McCloskey
Bryant	Gilman	McCollum
Burton (CA)	Gingrich	McCurdy
Burton (IN)	Glickman	McDade
Bustamante	Gonzalez	McEwen
Callahan	Gordon	McGrath
Campbell	Gradison	McHugh
Carney	Gray (IL)	McMillan
Carper	Gray (PA)	Meyers
Carr	Green	Mica
Chandler	Gregg	Michel
Chapman	Grotberg	Mikulski
Chappell	Guarini	Miller (CA)
Chappie	Gunderson	Miller (OH)
Clay	Hall (OH)	Miller (WA)
Clinger	Hall, Ralph	Mineta
Coats	Hamilton	Moakley
Cobey	Hammerschmidt	Molinari
Coble	Hatcher	Mollohan
Coelho	Hawkins	Monson
Coleman (MO)	Heftel	Montgomery
Coleman (TX)	Hendon	Moody
Collins	Henry	Moore
Combest	Hertel	Moorhead
Conte	Hillis	Morrison (CT)
Conyers	Holt	Morrison (WA)
Cooper	Hopkins	Mrazek
Coughlin	Horton	Murphy
Courter	Hoyer	Murtha
Coyne	Hubbard	Myers
Crockett	Huckaby	Natcher
Daniel	Hughes	Nelson
Dannemeyer	Hunter	Nichols
Daschle	Hutto	Nielson
Daub	Jeffords	Nowak
Davis	Jenkins	O'Brien
de la Garza	Johnson	Oakar
Dellums	Jones (NC)	Oberstar
Derrick	Jones (OK)	Obey
DeWine	Jones (TN)	Olin
Dickinson	Kanjorski	Ortiz
Dicks	Kaptur	Owens
Dixon	Kastenmeier	Oxley
Donnelly	Kemp	Packard
Dorgan (ND)	Kennelly	Panetta
Parris	Schuette	Tauzin
Pashayan	Schulze	Taylor
Pease	Schumer	Thomas (CA)
Penny	Sensenbrenner	Thomas (GA)
Perkins	Sharp	Torres
Petri	Shumway	Torricelli
Pickle	Shuster	Traficant
Porter	Sikorski	Traxler
Pursell	Siljander	Valentine
Quillen	Sisisky	Vander Jagt
Rahall	Skeen	Vento
Rangel	Slattery	Visclosky
Regula	Slaughter	Volkmer
Reid	Smith (IA)	Vucanovich
Richardson	Smith (NE)	Walgren
Ridge	Smith (NH)	Walker
Rinaldo	Smith (NJ)	Watkins
Ritter	Smith, Denny	Waxman
Roberts	Smith, Robert	Weiss
Robinson	Snowe	Wheat
Rodino	Snyder	Whitehurst
Roe	Solarz	Whitley
Roemer	Spence	Whittaker
Rogers	Spratt	Whitten
Rose	Staggers	Williams
Rostenkowski	Stallings	Wise
Roth	Stangeland	Wolf
Roukema	Stark	Wolpe
Rowland (CT)	Stenholm	Wortley
Rowland (GA)	Stokes	Wright
Roybal	Strang	Wyden
Russo	Studds	Wylie
Sabo	Stump	Yates
Savage	Sundquist	Yatron
Saxton	Sweeney	Young (AK)
Schaefer	Swift	Young (MO)
Scheuer	Swindall	Zschau
Schneider	Synar	
Schroeder	Tauke	

NAYS—2

Goodling	Mitchell

NOT VOTING—59

Addabbo	Hartnett	Price
Aspin	Hayes	Ray
Badham	Hefner	Rudd
Barnard	Hiler	Seiberling
Bevill	Howard	Shaw
Bilirakis	Hyde	Shelby
Boucher	Ireland	Skelton
Byron	Jacobs	Smith (FL)
Cheney	Kasich	Solomon
Craig	Kleczka	St Germain
Crane	Lantos	Stratton
Darden	Lehman (CA)	Tallon
DeLay	Lewis (CA)	Towns
Dingell	MacKay	Udall
DioGuardi	Markey	Weaver
Dowdy	Martin (NY)	Weber
Dymally	McKernan	Wilson
Edgar	McKinney	Wirth
Garcia	Neal	Young (FL)
Hansen	Pepper	

□ 1225

So (two-thirds having voted in favor thereof), the rules were suspended and the Senate joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS BILL, 1986

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for the Departments of Labor, Health and Human Services, and Education and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TODAY DURING 5-MINUTE RULE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be permitted to sit on today, Thursday, September 26, 1985, while the House is reading for amendment under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERMISSION FOR LEGISLATION AND NATIONAL SECURITY SUBCOMMITTEE OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TODAY DURING 5-MINUTE RULE

Mr. ENGLISH. Mr. Speaker, I ask unanimous consent that the Legislation and National Security Subcommittee of the Committee on Government Operations be permitted to meet today while the House is proceeding under the 5-minute rule. This request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FEDERAL EMPLOYEES FLEXIBLE AND COMPRESSED WORK SCHEDULES ACT OF 1982 EXTENSION

Mr. ACKERMAN. Mr Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H.R. 3414), to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through November 14, 1985, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. GILMAN. Mr. Speaker, reserving the right to object, I snall not object, but I rise to ask the gentleman from New York [Mr. ACKERMAN] to explain what this measure is.

Mr. ACKERMAN. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Speaker, H.R. 3414 is a noncontroversial bill, which has been cleared with the minority. It is an emergency measure which will permit the continuation of alternative work schedules, which are now being used by more than 300,000 Federal employees. The present authority for the program is due to expire next Monday, September 30. H.R. 3414 is the only way to avoid the costly and unnecessary disruption which would result if that authority is permitted to lapse.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 3414, an act to extend for a 30-day period, until October 31, the Federal Employees Flexible and Compressed Work Schedules Act.

Since the authorization by Congress in 1978 of experimental programs in the use of flexible and compressed work schedules, the great majority of comments concerning this program have been very positive.

The experimentation, sometimes referred to as flexitime, afforded Federal public employees the opportunity to participate in a number of work schedule designs other than the traditional 5-day, 40-hour workweek.

The program has not been without some weaknesses when used improperly outside the framework of management consultation, but as with the private sector experience, flexible work schedules result in innumerable benefits; increased usage of buildings and equipment, decreased traffic congestion, improved attendance, and heightened productivity and worker morale.

Recently, the results of a GAO and OPM study accessing the success of the program was released and the data showed that the program is highly productive; beneficial to both Government and to its employees and represents a permanent step toward accessible, efficient Government.

Accordingly, I urge my colleagues to support H.R. 3414.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Federal Employees Flexible and Compressed Work Schedules Act of 1982 (5 U.S.C. 6101 note) is amended to read as follows:

"SEC. 5. The amendments made by this Act shall not be in effect after November 14, 1985.".

AMENDMENT IN THE NATURE OF A SUBSTITUTED OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ACKERMAN: Strike out all after the enacting clause and insert in lieu thereof the following:

That section 5 of the Federal Employees Flexible and Compressed Work Schedules Act of 1982 (5 U.S.C. 6101 note) is amended to read as follows:

"SEC. 5. The amendments made by this Act shall not be in effect after October 31, 1985.".

Mr. TAYLOR. Mr. Speaker, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Kentucky.

Mr. TAYLOR. Mr. Speaker, I rise to take this time to assure my colleagues that we on the minority side of the committee have no objection to the bill now being considered or the amendment.

I want to commend the chairman for bringing forth another extension of this program because I believe it has proven to be one of the more successful programs we have authorized and, hopefully, we will have a permanent authorization bill shortly.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I thank the gentleman for yielding.

I want to thank the gentleman from New York [Mr. ACKERMAN] for moving this bill so quickly. It is a bill that he has been very persistent on, and I thank him, and I hope we can have a unanimous vote for it.

Mr. PARRIS. Mr. Speaker, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Virginia.

Mr. PARRIS. Mr. Speaker, I thank the gentleman for yielding.

This measure is critical to literally thousands of people in the Washington metropolitan area, including in my district. I thank the gentleman for moving this legislation and thank him for yielding.

Mr. PARRIS. Mr. Speaker, the flexible and compressed work schedule has generated more phone calls to my office than any other Federal issue in recent memory. And every one of these callers, from managers to entry-level employees, support permanently extending this program.

Flexitime works. It is supported by Republicans, Democrats, the White House and Congress. We have reams of hearing testimony from almost every faction of Federal Government lauding the merits of this program.

I regret we do not have a permanent extension for flexitime at this moment. Nevertheless, I ask my colleagues to support H.R. 3414 to extend the program until October 31, 1985. Unless we pass this legislation before adjournment this week, flexitime will expire and the countless number of vital services provided by Government employees under this program will be adversely affected.

Mr. Speaker, I don't believe my colleagues on either side of the aisle want this. Please support H.R. 3414.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from New York [Mr. ACKERMAN].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter on H.R. 3414, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

FOOD SECURITY ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 267 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2100.

□ 1033

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, with Mr. BONIOR of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Friday, September 20, 1985, all time for general debate had expired.

Pursuant to the rule, the substitute committee amendment recommended by the Committee on Agriculture now printed in the reported bill, as modified by the amendments recommended by the Committee on Merchant Marine and Fisheries now printed in the reported bill, shall be considered by title as an original bill for the purpose of amendment under the 5-minute rule, and each title shall be considered as having been read.

No amendments to the bill or the substitute are in order except amendments printed in the CONGRESSIONAL RECORD on or before September 24, 1985, and except an amendment offered by the chairman of the Committee on Agriculture or his designee to strike section 1141 of said substitute and insert section 1141 of the substitute reported by the Committee on Agriculture.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Food Security Act of 1985".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

TABLE OF CONTENTS

SEC. 2. The following is the table of contents for this Act:

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TITLE I—SUGAR

Sec. 1. Sugar price support.

Division A—Commodity Programs

TITLE II—DAIRY

Sec. 201. Short title.

Subtitle A—Milk Price Support and Producer-Supported Dairy Diversion and Research

Sec. 211. Level of milk price support for fiscal years 1986 through 1990; reductions in the price of milk.
Sec. 212. Extension of milk diversion program.
Sec. 213. Application of amendments.
Sec. 214. Avoidance of adverse effect of dairy diversion program on beef, pork, and lamb producers.
Sec. 215. Study relating to casein.
Sec. 216. Congressional evaluation of the cost of production schedule.

Subtitle B—Dairy Research and Promotion

Sec. 221. National Dairy Research Endowment Institute.
Sec. 222. Dairy promotion program.

Subtitle C—Milk Marketing Orders

Sec. 231. Minimum adjustments to prices for fluid milk under marketing orders.
Sec. 232. Adjustments for seasonal production; hearings on amendments; determination of milk prices.
Sec. 233. Cooperative association representation.
Sec. 234. Marketwide service payments.
Sec. 235. Status of producer handlers.

Subtitle D—National Commission on Dairy Policy

Sec. 241. Findings and declaration of policy.
Sec. 242. Establishment of Commission.
Sec. 243. Study and recommendations.
Sec. 244. Administration.
Sec. 245. Financial support.
Sec. 246. Termination of Commission.

Subtitle E—Miscellaneous

Sec. 251. Transfer of dairy products to the military and veterans hospitals.
Sec. 252. Extension of the dairy indemnity program.

TITLE III—WOOL AND MOHAIR

Sec. 301. Extension of Price Support Program.
Sec. 302. Foreign promotion programs.

TITLE IV—WHEAT

Sec. 401. Loan rates, target prices, disaster payments, acreage limitation and set-aside programs, and land diversion for the 1986 through 1989 crops of wheat.
Sec. 402. Nonapplicability of section 107 of the Agricultural Act of 1949.

TITLE V—FEED GRAINS

Sec. 501. Loan rates, target prices, disaster payments, acreage limitation and set-aside programs, and land diversion payments for the 1986 through 1989 crops of feed grains.
Sec. 502. Nonapplicability of section 105 of the Agricultural Act of 1949.

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

Sec. 551. Referenda and production acreages, marketing certificates, and minimum loan rates for the 1986 through 1990 crops of wheat and feed grains.

TITLE VI—COTTON

Sec. 601. Loan rates, target prices, and acreage limitation and land diversion programs for the 1986 through 1989 crops of upland cotton.
Sec. 602. Commodity Credit Corporation sales price restrictions.
Sec. 603. Miscellaneous cotton provisions.
Sec. 604. Skiprow practices.
Sec. 605. Marketing certificates.

TITLE VII—RICE

Sec. 701. Loan rates, target prices, and acreage limitation and land diversion programs for the 1986 through 1989 crops of rice.
Sec. 702. Nonapplicability of section 101 of the Agricultural Act of 1949.
Sec. 703. Export marketing certificates.

TITLE VIII—PEANUTS

Sec. 801. Suspension of marketing quotas and acreage allotments.
Sec. 802. Poundage quotas.
Sec. 803. Sale, lease, or transfer of farm poundage quota.
Sec. 804. Marketing penalties; disposition of additional peanuts.
Sec. 805. Price support program.
Sec. 806. Reports and records.
Sec. 807. Suspension of certain price support provisions.

TITLE IX—SOYBEANS

Sec. 901. Soybean price support.

TITLE X—GENERAL COMMODITY PROVISIONS

Subtitle A—The Agricultural Efficiency and Equity Act of 1985

Sec. 1001. Short title.
Sec. 1002. Acreage base and program yield system for the wheat, feed grains, upland cotton, and rice programs.
Sec. 1003. Repeal of outdated program provisions.
Sec. 1004. Price support levels for cooperators under permanent law.
Sec. 1005. Conforming changes.

Subtitle B—Miscellaneous Commodity Provisions

Sec. 1011. Payment limitations for wheat, feed grains, cotton, and rice.
Sec. 1012. Nonrecourse loan limit.
Sec. 1013. Extension of the National Agricultural Cost of Production Standards Review Board.
Sec. 1014. Commodity Credit Corporation sales price restrictions for wheat and feed grains.
Sec. 1015. Application of terms in the Agricultural Act of 1949.
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Sec. 1021. Cost reduction options.
Sec. 1022. Producer Reserve Program for wheat and feed grains.
Sec. 1023. Advance deficiency payments.
Sec. 1024. Discretionary wheat and feed grain export certificate programs.
Sec. 1025. Required disposition of surplus commodities.
Sec. 1026. Noncompliance based on excess idled acres.
Sec. 1027. Advance recourse commodity loans.
Sec. 1028. Liquid fuels.

Division B—Trade, Conservation, and Credit

TITLE XI—TRADE

Subtitle A—Public Law 480 and Use of Surplus Commodities in International Programs

Sec. 1101. Title II of Public Law 480—Funding levels.
Sec. 1102. Title II of Public Law 480—Minimum for fortified or processed food and nonprofit agency proposals.
Sec. 1103. Extension of the Public Law 480 authorities.
Sec. 1104. Facilitation of exports.
Sec. 1105. Farmer-to-farmer program under Public Law 480.
Sec. 1106. Use of surplus commodities in international programs.

Subtitle B—Food Security Wheat Reserve

Sec. 1111. Extension of the reserve.

Subtitle C—Maintenance and Development of Export Markets

Sec. 1121. Trade policy declaration.
Sec. 1122. Agricultural trade consultations.
Sec. 1123. Department of Agriculture export development programs.
Sec. 1124. Cooperator market development program.
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Sec. 1127. Agricultural export credit revolving fund.
Sec. 1128. Intermediate credit for agricultural exports.
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Sec. 1130. Export subsidy reports.

Sec. 1131. Contract sanctity.
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Sec. 1306. Rural industrial assistance.
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Sec. 1312. Reauthorization.
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Sec. 1420. Agricultural research at 1890 land-grant colleges, including Tuskegee Institute.
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Sec. 1422. International trade development centers.
Sec. 1423. Agricultural information exchange with Ireland.
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Sec. 1426. Organic farming study.
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Sec. 1429. Authorization of appropriations for extension education.
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Sec. 1703. Program.
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Subtitle B—Nutrition Monitoring
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Sec. 1862. Limitation on authority to terminate marketing orders.
Sec. 1863. Confidentiality of information.

Subtitle F—Grain Inspection

Sec. 1871. Grain standards.
Sec. 1872. Improved quality standards for exported grain.

Subtitle G—Agricultural Stabilization and Conservation Committees

Sec. 1881. ASC committee reform.

Subtitle H—Miscellaneous

Sec. 1891. Commodity Credit Corporation storage contracts.
Sec. 1892. Weather and climate information in agriculture.
Sec. 1893. Emergency feed program.
Sec. 1894. Illegal activities.
Sec. 1895. Department of Defense land.

TITLE XIX—NATIONAL AGRICULTURAL POLICY COMMISSION ACT OF 1985

Sec. 1901. Short title.
Sec. 1902. Definitions.
Sec. 1903. Establishment of Commission.
Sec. 1904. Conduct of study.
Sec. 1905. Reports.
Sec. 1906. Administration.
Sec. 1907. Authorization of appropriations.
Sec. 1908. Termination.

Mr. DE LA GARZA. Mr. Chairman, I ask unanimous consent that section 2 be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer a number of technical amendments, and I ask unanimous consent that they be considerd en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. DE LA GARZA: Page 2, strike out line 3 through 4 and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Food Security Act of 1985".

Page 2, in the matter following line 7:

After the heading "TABLE OF CONTENTS" but before the item "TITLE I—SUGAR" insert the following:

Sec. 1. Short title.

Sec. 2. Table of contents.

Strike out

Sec. 1. Sugar price support.

And insert in lieu thereof:

Sec. 101. Sugar price support.

In the item relating to subtitle A of title II, strike out "AND RESEARCH".

On page 3:

In the item relating to section 301, strike out "Price Support Program" and insert "price support program" in lieu thereof.

In the item relating to section 401, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 501, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 601, strike out "1989" and insert "1990" in lieu thereof.

In the item relating to section 701, strike out "1989" and insert "1990" in lieu thereof.

Page 3, in the item relating to title V-A, strike out "VA" and insert "V-A" in lieu thereof.

Page 4, in the item relating to section 1022, strike out "Producer Reserve Program" and insert "Producer reserve program" in lieu thereof.

Page 5, in the item relating to section 1141, strike out "Limitation on requirements." and insert "Effect on other laws." in lieu thereof.

Page 10, after the item relating to section 1908, insert the following:

TITLE XX—NATIONAL AQUACULTURE IMPROVEMENT ACT OF 1985

Sec. 2001. Short title.

Sec. 2002. Findings, purpose, and policy.

Sec. 2003. Definitions.

Sec. 2004. National Aquaculture Development Plan.

Sec. 2005. Functions and powers of Secretaries.

Sec. 2006. Coordination of national activities regarding aquaculture.

Sec. 2007. Authorization of appropriations.

Page 10, line 3, strike out "Section 1." and insert "Sec. 101" in lieu thereof.

Page 12, line 10, strike out "Effective October 1, 1985, section" and insert in lieu thereof "Section".

Page 12, line 17, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1990".

Page 12, line 20, strike out "such fiscal years" and insert in lieu thereof "the fiscal years 1987 through 1990 (or on the date of the enactment of the Dairy Unity Act of 1985 in the case of fiscal year 1986)".

Page 12, line 24, insert "(or in the case of fiscal year 1986, throughout the period beginning on the date of the enactment of the Dairy Unity Act of 1985 and ending on September 30, 1985)" before the period.

Page 16, starting on line 5, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 16, line 9, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period involved".

Page 16, starting on line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 3, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 7, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,"

Page 17, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 17, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 18, line 6, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 8, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 18, line 11, strike out "fiscal year" and insert in lieu thereof "period".

Page 18, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year (or the first nine months of 1990)".

Page 18, line 18, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "use,".

Page 18, line 20, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 18, line 24, insert ", or three-fourths of such amount in the case of the first nine months of 1990," before the semicolon.

Page 19, line 3, strike out "fiscal year" and insert in lieu thereof "period involved".

Page 19, line 12, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 20, line 10, strike out "(7)(A)(i)(I)" and insert in lieu thereof "(A)(i)(I)".

Page 20, beginning on line 10, strike out "fiscal years 1986 through 1990" and insert in lieu there of "calendar years 1986

through 1989 (or the first nine months of 1990)".

Page 20, line 15, insert "or three-fourths of such amount in the case of the first nine months of 1990," after "(milk equivalent)".

Page 20, line 17, insert "or three-fourths of such amount in the case of the first nine months of 1990" before the comma.

Page 20, line 19, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 20, beginning on line 20, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 20, line 25, insert "or three-fourths of such amount in the case of the first nine months of 1990" after "(milk equivalent)".

Page 21, beginning on line 1, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period, as the case may be".

Page 21, line 5, strike out "a fiscal year" and insert in lieu thereof "the period involved".

Page 21, line 9, strike out "such fiscal" and insert in lieu thereof "the respective calendar".

Page 21, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 22, strike out "fiscal" and insert in lieu thereof "calendar".

Page 21, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 3, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 4, strike out "August 1 preceding any fiscal year" and insert in lieu thereof "November 1 preceding any calendar year or nine-month period".

Page 22, line 6, strike out "August" and insert in lieu thereof "November".

Page 22, line 7, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 13, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 22, line 14, strike out "the year" and insert in lieu thereof "such calendar year or nine-month period".

Page 22, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, line 16, strike out "fiscal" and insert in lieu thereof "calendar".

Page 22, beginning on line 19, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or nine-month period (or for calendar".

Page 22, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 23, line 7, strike out "fiscal year" and insert in lieu thereof "such calendar year or nine-month period".

Page 23, line 10, insert "or three-fourths of such amount in the case of the first nine months of 1990" after "(milk equivalent)".

Page 23, beginning on line 12, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 23, beginning on line 15, strike out "August 1 preceding such fiscal year" and insert in lieu thereof "November 1 preceding such calendar year or nine-month period".

Page 23, line 18, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 23, beginning on line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 23, line 21, after "period" insert a period.

Page 24, beginning on line 16, strike out "fiscal years 1986 through 1990" and insert in lieu thereof "calendar years 1986 through 1989 (or the first nine months of 1990)".

Page 24, beginning on line 19, strike out "August 1 preceding such fiscal year" and insert in lieu thereof "November 1 preceding such calendar year or nine-month period".

Page 24, line 24, strike out "November 1 of such fiscal year" and insert in lieu thereof "February 1 of such calendar year or nine-month period".

Page 25, line 8, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 11, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 25, beginning on line 22, strike out "fiscal year in the months of October, November, December, January, February, and September" and insert in lieu thereof "calendar year in the months of January, February, September, October, November, and December (or in such nine-month period in the months of January, February, and September)".

Page 26, line 2, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 26, line 14, strike out "and".

Page 26, after line 14, insert the following:

(C) in subclause (I), as so redesignated, inserting the following before the semicolon at the end thereof: "(or not less than 5 per centum, and not more than 30 per centum, of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 26, line 15, strike out "(C)" and insert in lieu thereof "(D).

Page 26, beginning on line 19, strike out "August 1 immediately preceding the fiscal year" and insert in lieu thereof "November 1 immediately preceding the period".

Page 26, line 22, strike out "fiscal year" and insert in lieu thereof "period".

Page 26, beginning on line 23, strike out "August 1, 1985, and ending on September 30," and insert in lieu thereof "November 1, 1985, and ending on December 31,".

Page 26, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 28, line 20, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 22, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 28, line 24, strike out "and".

Page 28, after line 24, insert the following:

(iii) inserting after "marketing history period" the first place it appears the following: "(but 30 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 28, line 22, strike out the semicolon.

Page 29, line 1, strike out "(iii)" and insert in lieu thereof "(iv)".

Page 29, line 3, insert "and" at the end thereof.

Page 29, after line 3, insert the following:

(v) inserting the following before the semicolon at the end of subclause (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 7, strike out "fiscal year" and insert in lieu thereof "calendar year or nine-month period".

Page 29, line 8, strike out "and".

Page 29, after line 8, insert the following:

(ii) inserting the following after "marketing history period" the first place it appears: "(but 5 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)";

Page 29, line 9, strike out "(ii)" and insert in lieu thereof "(iii)".

Page 29, after line 11, insert the following:

(iv) inserting the following before the semicolon at the end of subclause (II): "(or 3 per centum of three-fourths of such quantity in the case of milk marketed in the first nine months of 1990)"; and

Page 29, line 16, strike out "October 1 of the fiscal year" and insert in lieu thereof "January 1 of the period".

Page 29, line 17, strike out "October 1, 1985" and insert in lieu thereof "January 1, 1986".

Page 29, line 19, strike out "fiscal" and insert in lieu thereof "calendar".

Page 29, beginning on line 23, strike out "November 1 of a fiscal year (or November 1, 1985" and insert in lieu thereof "February 1 of a calendar year (or February 1, 1986".

Page 29, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 30, beginning on line 4, strike out "fiscal year (or for fiscal" and insert in lieu thereof "calendar year or the nine-month period of 1990 (or for calendar".

Page 30, line 6, strike out "fiscal" and insert in lieu thereof "calendar".

Page 31, line 13, strike out "December 1 of the fiscal year" and insert in lieu thereof "March 1 of the period".

Page 31, line 14, strike out "December 1, 1985," and insert in lieu thereof "March 1, 1986".

Page 31, line 15, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, beginning on line 1, strike out "June 30 immediately preceding the fiscal year" and insert in lieu thereof "September 1 immediately preceding the period".

Page 32, line 6, strike out "fiscal year preceding the fiscal year" and insert in lieu thereof "calendar year preceding the period".

Page 32, line 10, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 13, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 17, strike out "fiscal" and insert in lieu thereof "calendar".

Page 32, line 25, strike out the period at the end thereof and insert in lieu thereof a semicolon.

Page 33, beginning on line 3, strike out "October 1 of the fiscal year (or October 1, 1985" and insert in lieu thereof "January 1 of the calendar year (or January 1, 1986".

Page 33, line 5, strike out "fiscal" and insert in lieu thereof "calendar".

Page 33, line 8, strike out the period and insert in lieu thereof a semicolon.

Page 34, line 4, strike out "Effective October 1, 1985, paragraph" and insert in lieu thereof "Paragraph".

Page 34, line 6, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 3, strike out "section 212(1)" and insert in lieu thereof "section 211(1)".

Page 35, line 18, insert "under such section" after "program".

Page 36, line 1, strike out "fiscal" and insert in lieu thereof "calendar".

Page 36, line 2, strike out "August" and insert in lieu thereof "November".

Page 36, line 7, strike out "October 1, 1985" and insert in lieu thereof "the date of the enactment of this Act".

Page 36, line 12, strike out "fiscal year" and insert in lieu thereof "of the calendar

years 1986 through 1989 (or the first nine months of 1990)".

Page 36, line 14, strike out "fiscal year" and insert in lieu thereof "period".

Page 36, line 18, insert an open parenthesis before "7 U.S.C. 612c)".

Page 36, line 25, insert "(or three-fourths of such amount in the case of the first nine months of 1990)" after "pounds".

Page 47, line 16, strike out ", on conviction,".

Page 48, line 21, strike out "fiscal" and insert in lieu thereof "calendar".

Page 48, line 25, strike out "fiscal" and insert in lieu thereof "calendar".

Page 55, line 12, after "1990" insert a comma.

Page 62, line 12, after "agency" insert a comma.

Page 62, line 26, strike out "Export" and insert "Dairy" in lieu thereof.

Page 75, beginning in line 12 and ending in line 13, strike out "the date of".

Page 78, line 10, strike out "the date of".

Page 89, line 21, strike out "1989" and insert "1990 in lieu thereof.

Page 91, line 10, strike out "(D)" and insert "(C)" in lieu thereof.

Page 91, line 11, strike out "(per bushel)" and insert ", per bushel," in lieu thereof.

Page 98, line 25, strike out "the date of".

Page 102, line 1, strike out "The date of".

Page 105, line 6, strike out "setaside" and insert "set aside" in lieu thereof.

Page 109, line 26, strike out "1989" and insert "1990" in lieu thereof.

Page 110, line 1, strike out "VA" and insert "V-A" in lieu thereof.

Page 112, line 16, strike out "year".

Page 113, line 7, after "referendum" insert "are".

Page 114, line 20, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 12, strike out ", times" and insert "times" in lieu thereof.

Page 120, line 25, strike out "is" and insert "are" in lieu thereof.

Page 125, line 2, strike out "1989" and insert "1990" in lieu thereof.

Page 156, line 3, strike out "Sec. 602." and insert "Sec. 702." in lieu thereof.

Page 156, line 17, strike out "may" the second place it appears and insert "shall" in lieu thereof.

Page 158, line 20, strike out "101(i)" and insert "101(j)" in lieu thereof.

Page 179, line 19, strike out "1989" and insert "1990" in lieu thereof.

Page 179, line 22, strike out the dash in insert in lieu thereof a colon.

Page 179, line 23, strike out "the" and insert in lieu thereof "The".

Page 181, line 3, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 4, strike out "the" and insert in lieu thereof "The".

Page 181, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 181, line 20, strike out "in" and insert in lieu thereof "In".

Page 182, line 18, strike out the semicolon and insert in lieu thereof a period.

Page 182, line 19, strike out "the" and insert in lieu thereof "The".

Page 183, line 24, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

Page 184, line 19, strike out the semicolon and insert in lieu thereof a period.

Page 184, line 20, strike out "notwithstanding" and insert in lieu thereof "Notwithstanding".

Page 228, line 24, strike out "1024" and insert "1023" in lieu thereof.

Page 236, beginning in line 14, strike out "guilty" and all that follows through "on conviction" in line 15 and insert in lieu thereof "subject,".

Page 237, beginning in line 2, strike out "deemed guilty" and all that follows through "shall be" in line 3.

Page 238, lines 19 and 20, strike out "adding at the end thereof" and insert "inserting after section 425, as added by section 1026 of this Act," in lieu thereof.

Page 277, line 25, strike out "third" and insert "other" in lieu thereof.

Page 278, line 11, strike out "America" and insert "United States" in lieu thereof.

Page 278, line 12, strike out "United States" and insert "Federal Government".

Page 279, line 15, strike out "the" before "Congress".

Page 279, line 19, strike out "utilizing" and insert "using" in lieu thereof.

Page 279, line 21, strike out "agricultural" and insert "agricultural" in lieu thereof.

Page 288, line 7, strike out "wetlands" and insert "lands" in lieu thereof.

Page 366, in the matter after line 22, strike out "alternate" and insert in lieu thereof "alternative".

Page 367, line 19, strike out "and".

Page 368, line 9, insert "; and" after the closing quotes.

Page 388, beginning on line 7, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 390, beginning on line 1, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 390, beginning on line 17, strike out "Low Income Home Energy Assistance Act" and insert in lieu thereof "Low-Income Home Energy Assistance Act of 1981".

Page 411, line 13, strike out "and ".

Page 411, beginning on line 17, strike out the dash and all that follows through "State" on line 18, and insert in lieu thereof ", but not more than 15 per centum, of a claim, asserted against the State agency".

Page 432, line 17, strike out "Labelling" and insert "Labeling" in lieu thereof.

Page 435, line 15, strike out "chemical" and insert "chemicals" in lieu thereof.

Page 450, line 22, strike out ", on conviction,".

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, these are technical amendments to make the bill comply with the wishes of the committee.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendments were agreed to.

The CHAIRMAN. Are there other amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—SUGAR

SUGAR PRICE SUPPORT

SECTION 1. Effective only for the 1986 through 1990 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949 is amended by—

(1) striking out in the first sentence "honey, and milk" and inserting in lieu thereof "honey, milk, sugar beets, and sugarcane"; and

(2) adding at the end thereof the following:

"(i) The price of each of the 1986 through 1990 crops of sugar beets and sugarcane, respectively, shall be supported in the manner specified in this subsection. Effective October 1, 1986, the Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18 cents per pound for raw cane sugar for the 1986 through 1990 crops. Effective October 1, 1986, the Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines to be fair and reasonable in relation to the level of loans for sugarcane. Notwithstanding the foregoing provisions of this subsection, the Secretary shall consider making annual adjustments in the loan rate for each of the 1986 through 1990 crops of domestically grown sugarcane and sugar beets, based upon changes, during the period in which the two crops immediately preceding the crop for which the determination is made were produced, in such factors as inflation, costs of production as reasonably determined by the Secretary, and other circumstances that may adversely affect domestic sugar production. If the Secretary determines not to make any such adjustment in the loan rate, the Secretary's findings, decision, and supporting data shall be submitted to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate prior to any public announcement of the loan rate for the crop involved. The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of that fiscal year as practicable consistent with the purposes of this subsection. Loans during any fiscal year shall be made available not earlier than the beginning of the fiscal year and shall mature before the end of that fiscal year.".

Division A—Commodity Programs

AMENDMENT OFFERED BY MR. DOWNEY OF NEW YORK

Mr. DOWNEY of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWNEY of New York: Page 10, strike out line 3 and all that follows thereafter through page 11, line 24, and insert in lieu thereof the following:

SEC. 101. Effective only for the 1985 through 1990 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended—

(1) by striking out "honey, and milk" in the first sentence and inserting in lieu thereof "honey, milk, sugar beets, and sugarcane"; and

(2) by adding at the end thereof the following new subsection:

"(i)(1) The price of each of the annual crops of sugar beets and sugarcane shall be supported in accordance with this subsection.

"(2) The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less

than 18 cents per pound for raw cane sugar for the 1985 crop, 17 cents per pound for the 1986 crop, 16 cents per pound for the 1987 crop, and 15 cents per pound for the 1988, 1989, and 1990 crops. In the event of a default on a loan made for raw cane sugar in accordance with this subparagraph, the borrower shall bear the cost of transporting the sugar securing such loan to a refining facility designated by the Secretary.

"(3) The Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines necessary to reflect a fair and reasonable relationship between the level of price support for sugarcane and sugar beets.

"(4) The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of such fiscal year as is practicable consistent with the purposes of this subsection.

"(5) Loans under this subsection during any fiscal year shall be made available not earlier than the beginning of such fiscal year and shall mature before the end of such fiscal year.".

Mr. DOWNEY of New York (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. DOWNEY] for 5 minutes.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, my colleagues, the distinguished gentleman from New York and chairman of the subcommittee and I, and other sponsors of the amendment were discussing a timeframe, that we might not unduly discuss this amendment and take the time of the Members. My problem at the time was that we have on our side a need for the proponents for basically a half and hour or 45 minutes. My problem is that I would have to yield with my ranking minority Member the time, and I wondered if the distinguished gentleman from New York [Mr. DOWNEY] would inform us of basically the time that he feels he would need for debate on the amendment.

Mr. DOWNEY of New York. Mr. Chairman, I would say to the chairman of the Agriculture Committee that we would need approximate a half an hour. The gentleman from Ohio [Mr. GRADISON], who is coauthoring the amendment with me, will be more than happy to divide the 15 minutes that we would get among the proponents of the amendment on his side so that the gentleman from Illinois [Mr. MADIGAN] would be free to divide his time among supporters of the act.

If the chairman could agree to a half hour equally divided, or 40 minutes equally divided between both sides, I think we would accomplish what we need to accomplish.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, is the gentleman from New York proposing a half hour for proponents of the Downey-Gradison amendment and a half hour for opponents of the amendment?

Mr. DOWNEY of New York. That would be my initial offer.

Mr. MADIGAN. Is it the gentleman's idea that the time of the opponents would be divided equally between the majority and the minority?

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Mr. DOWNEY of New York. However the gentleman would like to do it. That would be one way; another way would be for you to share the time among yourselves.

Mr. DE LA GARZA. Will the gentleman yield to me?

Mr. MADIGAN. I would be happy to yield.

Mr. DE LA GARZA. That is exactly my problem. I already have requests or have been advised of Members who would like to participate in the debate that could not be accommodated, if I were to have only 15 minutes.

Mr. DOWNEY of New York Well, the gentleman, if I could make a point, does not have just 15 minutes; both gentlemen have 15 minutes. If the gentlemen need 20 or 25 minutes, I would be happy to accommodate them, if we can reach an agreement. I just do not think we need to take 2 or 3 hours to debate this amendment.

Mr. DE LA GARZA. If the gentleman would yield, I would suggest that the gentleman be given a half hour, and our distinguished ranking minority member, Mr. MADIGAN, be given a half hour, and we be given a half hour, and that would satisfy me.

My problem is that I need about a half hour, maybe a little more.

Mr. DOWNEY of New York. Let me suggest this compromise: Between opponents and proponents, why do we not divide the time 45 minutes each and if we have some extra time and we do not have speakers, and your cup is overflowing, we would be happy to give you a little of our time.

Mr. DE LA GARZA. The gentleman is very gracious and I think we probably can accommodate within that timeframe. That will be 45 minutes?

Mr. DOWNEY of New York. Divided between proponents and opponents with the understanding that if you can accommodate people and we have some extra time, we will give it to you.

Mr. MADIGAN. Will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman.

Mr. MADIGAN. Then is it the gentleman's suggestion that the 45 minutes for the proponents and 45 minutes for the opponents would be equally divided between the two sides of the aisle?

Mr. DOWNEY of New York. Yes.

Mr. MADIGAN. I have no objection.

Mr. DOWNEY of New York. Mr. Chairman, I ask unanimous consent that the time be divided between proponents and opponents of the amendment, that each side would have 45 minutes, and that within that 45 minutes, the 45 minutes be divided 22½ minutes between Republicans and Democrats.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. DOWNEY] will control the 22½ minutes for the proponents.

The Chair recognizes the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Chairman, I yield myself such time as I may consume.

Over the last weeks and months we have been subject to a flurry of "Dear Colleague" letters on this issue, both explaining and not explaining what this amendment does. Let me take a moment to try and explain what our amendment does do.

We are attempting to lower the price of sugar in two ways. One by freezing the loan rate and then reducing it a penny over the next 3 years, and changing the computation for transportation costs, which would also have the effect of reducing the price of sugar somewhat.

This I believe would restore some balance to a program that is not currently in balance. Right now if you take a look at who this program favors, it favors one unique segment of our society; that segment of the society being the 12,000 people who grow sugar and the thousands of people who work in the sugar producing industry.

If you also take a look at some of the history of this program, you will see in 1980 that the price of sugar was very high and that the producers profited greatly and that over the years, as the price of sugar reduced, the price to the producers reduced somewhat but that they were supported by a program that kept the price high.

There were a number of segments of our society that were not benefited by the sugar program, and I want to talk about those segments of our society for a few minutes.

First of all, there were the consumers. If you are a consumer you are paying, and the estimates depend on whether you believe private studies, or the U.S. Department of Agriculture;

anywhere from $300 million for every penny of sugar that is increased, to $120 to $140 million.

There are estimates that sugar is—and 40 percent of it, I would point out to my colleagues, does not go in to products but is consumed privately, and I have a graphic display here for those of you who are interested in this.

This is a 2-kilo bag of sugar that was purchased the other day in Ottawa, the Canadian capital. When you account for the difference in size of the bag and also for the exchange difference in the dollar and the Canadian dollar, if you are a consumer in Canada you are paying basically 73 cents for a 5-pound bag of sugar, in Canada.

This was purchased at a Safeway locally, recently, and if you can get it at this price you are pretty well off. This is $1.80. This is what you pay for it here in the United States. Tremendous difference.

The difference is simply that the Canadians just don't allow the price of sugar—and they have sugar producers—to go as high as we do in this country.

Now our amendments are not going to reduce the price, lamentably, down to 73 cents, but it is going to move in that direction. For all of the people who have said, "Oh, well, you know the price of sugar has nothing to do with what the consumer pays," that just violates every known market principle as well as testimony and positions of the U.S. Department of Agriculture.

The fact is there is a direct relationship when we reduced the price of sugar to what the consumer pays and what manufacturers who use sugar pay.

Now there is another segment of our society other than consumers, which is all of us, who are concerned about putting this program back in balance. That group of people happens to be the people who refine sugar and deal and make candy and soda drinks and a whole variety of other things.

Five refineries have shut since this program has been in place over the last 4 years. That is 2,000 jobs. We are going to hear a lot about jobs in the next couple of minutes as we debate this issue, and it is important to understand that jobs are being lost and are being threatened by this artificially high price of sugar.

Reducing the price of sugar somewhat, and we are not suggesting that it is going to be reduced dramatically, will make a very, very big difference in keeping the refineries that are in existence in operation.

If we allow the sugar program to continue as it is, refinery jobs will be lost.

There is another group, not necessarily in this country, but that is deeply concerned about the price of sugar. The gentleman from New York [Mr. SOLARZ] and other Members of the body will address this issue in more detail, but let me just touch it deeply.

There is a $350 billion Latin debt out there, waiting to consume us. How are they going to pay us? Presumably, they are going to pay us if they can earn the money to do so. They cannot earn the money to do so if we have robbed them of one of the most important economic competitive advantages they have; the production of sugar. If they cannot sell us their sugar they cannot earn the money to pay us our debts.

That has profound implications for the future financial stability not only in this country but certainly in Latin America. One of the things that needs to be pointed out, and the numbers are really quite astonishing when one goes through them, about the reduction in the amount of foreign earnings that has been afforded to these countries.

In Latin America, it was about $1.3 billion in 1981. It is down to $600 million. This is sugar earnings.

In the Caribbean Basin Initiative, one of the amazing things that sometimes our Government does is it offers with one hand a helping hand and in the other hand it offers the mail'd fist. The offer of helping hand to the Caribbean Basin countries was the offer to send us products that you produce to our country without tariffs and without duties. The other hand was the mail'd fist that said, "Well, you may be able to do a lot of things, but don't do the thing that you can do the best; send us sugar; we are going to reduce that."

So what we have, in effect, is a program that benefits one segment of our society at the expense of several others. It keeps the price of sugar high to the consumers; it threatens the jobs of people who refine sugar in this country as well as the people who use sugar as a major constituent part in the manufacture of candy and cookies and other things; and last, it has a profoundly negative impact on the countries in Central and Latin America that we seek to help.

This is a modest amendment; it is not going to put anybody out of business; it is going to reduce the price of sugar, move it closer to what the world price is, and hopefully restore some balance to a program that has been out of balance over the last 4 years.

The CHAIRMAN. The gentleman from New York [Mr. DOWNEY] has consumed 7 minutes.

The Chair will suggest to the Members that he will recognize a Member in the minority, that time being controlled by the gentleman from Illinois [Mr. MADIGAN] for opponents and the gentleman from Ohio [Mr. GRADISON] for the proponents; we will go back then and recognize a Member in the majority, the time to be controlled by the chairman of the committee, the gentleman from Texas [Mr. DE LA GARZA].

Then we will alternate that way amongst the four.

Mr. DE LA GARZA. Mr. Chairman, the chairman of the subcommittee, Mr. HUCKABY, will control the time allotted to the committee.

Mr. HUCKABY. If I might point this out to the Chair, we would like to basically do what the Chair suggested, with the exception of answering the initial rebuttal.

Mr. Chairman, at this time, I yield myself 5 minutes.

The CHAIRMAN. The Chair will move over to the Republican side, and then move back to the gentleman from Louisiana [Mr. HUCKABY].

The Chair recognizes the gentleman from Illinois [Mr. MADIGAN].

□ 1050

Mr. MADIGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. Mr. Chairman, sugar is certainly one of the most emotional and most controversial parts of the farm bill. I realize many of my colleagues here are not familiar with the provisions of the existing sugar bill and the world situation as such.

I would like to briefly explain what takes place in the world of sugar.

There are 100 million tons of sugar produced annually in the world. Seventy percent of that amount is consumed in the nation which produces it. Fourteen percent of that amount is traded under long-term trade agreements such as the Cubans with the Russians. Thirteen percent is traded on the so-called free market or the dump market that is traded for 5 cents a pound, far below the cost of production of any nation.

I might point out that the European Common Market, basically France, is the largest trader in this dump market, contributing more than one-third to this. In the European Common Market they support their price of sugar at 22 cents a pound to the farmer, more than the United States.

Sugar is unique in America because it is one of the few commodities that we import instead of export. We import approximately 25 percent of our sugar requirements. Sugar is also unique in the fact that it does not cost the American Government one penny. In fact, in the first 3 years of this farm bill the U.S. Government made approximately $300 million on the sugar program through tariffs.

Now is has been suggested that the Latin American countries whom we

import sugar from are being penalized under this bill. That is not true.

The Latin American countries receive 18 cents for the sugar that comes into the United States instead of 5 cents, the world dump market.

If I might quote from the testimony of the Dominican Republic before our subcommittee: "Although lowering sugar price supports in stages will eventually lead to a greater volume of exports to the United States, it could also result in an additional loss of income for the Dominican Republic."

The gentleman from New York compared the price of sugar in the United States with the price of sugar in Canada. He forgot to tell you that there is a price war going on in Canada today. Sugar is being used as a loss leader.

Last month the price of sugar was not 73 cents for 4 kilos; the price was $1.47 for 4 kilos.

The price of sugar in Canada and the price of sugar in the United States has historically been very close, both at the farm level as well as for the consumers.

That is true today except during the short time window when it is being used throughout Canada as a loss leader in the grocery stores. In fact, the Canadian Government guarantees their sugar beet farmers within 1 cent of what American farmers receive for their sugar. If you take into account the strong American dollar, that means that the Canadian farmer is significantly better off than the American sugarcane farmer is.

Back in the years when we did not have a sugar bill, 1980 and 1981, the two most recent years, the chart before me points out that the American consumer paid significantly more for sugar than he has in the last 3 years when we have had sugar legislation.

Let me point out to my colleagues that only about one-fourth of the sugar consumed in the United States is domestic sugar as we think of it in the trade. The remaining sugar, so-called manufactured products such as icecream, candy bars, these type things. Let us look at the amount of the cost of sugar: 1.3 cents in a candy bar, 1 cent in another, 1 cent in a scoop of icecream. Coca-Cola recently went from using sugar to high-fructose corn, approximately 2 cents the value of the sweetener in a bottle of Coke.

Do you think if you lowered the price of sugar—and three-fourths of sugar consumed in the United States is in these types of products—that the consumer is going to get a break? Do you think soft drinks are going to come down?

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. HUCKABY] has expired.

Mr. HUCKABY. Mr. Chairman, I yield myself 1 minute.

I suggest the consumer will not benefit if you significantly reduce the price support, which is what the Downey amendment does. It reduces it by one-quarter.

In conclusion, let me point out, this is the first opportunity you are going to have to vote on a trade bill, on a jobs bill. There are 100,000 American jobs at stake in this industry. American industry cannot survive if the Downey amendment passes with a one-quarter reduction.

The French support higher than we do. They dump abroad. They sell for 5 cents, and they guarantee their farmers 22 cents. This is not fair trade. It is time that we stood up. I urge my colleagues in this House let us send a clear message as far as international trade is concerned that we demand fair free trade.

Mr. GRADISON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the amendment. The debate we begin today, is critical to the direction our agricultural policy will take for the balance of this century. The sugar title is significant posing for the House a distinct policy choice.

The amendment offered by Mr. DOWNEY and myself is a moderate approach to the problems that have arisen as a result of the current Sugar Program, which the House Agriculture Committee has recommended for extension. We propose to reduce the floor for the nonrecourse loan rate for sugarcane by 1 cent per year until the rate reaches 15 cents per pound in the 1988 crop year. The proposed sugar title would set the floor at 18 cents per pound and would only permit upward adjustments in the loan rate.

The amendment also seeks a technical correction to current law by requiring a borrower who forfeits his loan to bear the cost of transporting the commodity to USDA-designated facilities. This correction, Mr. Chairman, is consistent with the method of dealing with forfeitures of other commodities.

In 1981, the House voted to strike the current program from the 1981 farm bill. We are not advocating the elimination of the price support program, which would prove harmful to the sugar industry. Rather, we are suggesting that the current price support program is at a level that does not benefit consumers, our Latin American and Caribbean neighbors, and threatens thousands of U.S. jobs in related industries. In addition, a program which was not supposed to affect adversely the Federal budget is beginning to cost the taxpayer millions of dollars.

In order to ensure that the sugar program would not result in forfeited loans, the administration devised a quota system that would support the comparatively high price of sugar in the American domestic market. Historically, the United States imported 50 percent of its sugar requirements. As late as 1978–80, the United States imported 46 percent of its needs. Currently, this country imports only 26 percent of the sugar consumed here.

The forced reduction in American imports over this period has kept the domestic price of sugar artificially high. Until 2 weeks ago, the system kept loans from forfeiture. That has changed. The Federal Government is going to assume ownership of 435,000 tons of forfeited sugar at a cost to the taxpayer between $175 and $200 million. The Department of Agriculture is expecting loan forfeitures in the next fiscal year of at least 600,000 tons. That can only add to the Federal deficit.

At the current level of price support and without a reduction in the current quota level, increased forfeitures are inevitable. The administration is faced with a policy dilemma and it has made a choice under the program as it now exists. A determination has been made that a tightening of import restrictions is not in the interest of American foreign policy, particularly in Latin America and the Caribbean.

The impact of American sugar policy has eroded the ability of Latin American countries, with a collective debt of over $350 billion, to accrue needed foreign exchange. Sugar exports are the third most important source of these revenues. In 1981, Caribbean nations earned $686 million in the American market. In 1985 they will earn only $250 million. Current American sugar policies have contributed to a deterioration in economies in the region that may not be offset by increased levels of American economic assistance while encouraging an expansion in the Soviet role as a sugar market for these countries.

The American consumer has also been saddled with a significant burden. USDA has determined that every cent reduction in the price of sugar saves consumers approximately $150 million annually. Under Downey-Gradison, the poorest 30 percent of U.S. households would benefit most from a gradual reduction in the support price since they spend a higher proportion of their gross income—35 percent—on food. The Department of Agriculture estimates that the amendment would save consumers from $4.2 to $4.8 billion through 1991.

While there are significant consumer and taxpayer savings to be realized in the enactment of this proposal, jobs are also at stake. The number of sugarcane refineries in the United States has declined by 20 percent since 1981. American refinery capacity is down 25 percent. Two thousand jobs have been lost to date and another

4,000 in the refining industry are threatened.

The escalating importation of various chocolate and confectionary products since 1981 has raised a cloud over the 60,000 jobs at stake in the industry. The cost of sugar in Canada is far below the cost in the United States. Canadian exports to the United States of these products increased 462 percent in the 4-year period ending in 1984. Foreign, and particularly Canadian, manufacturers have gained a significant foothold in the American marketplace as a result of their marked comparative advantage due to the real differences in raw material costs. The potential job loss is serious.

Mr. DOWNEY and I do not seek to bring American sugar prices to the world market level. We are, however, attempting to narrow the gap gradually in an effort to alleviate some of the strains caused by the current program and avoid large loan forfeitures in future years.

I would like to close by addressing the impact of our amendment on corn farmers across this Nation. Like many of my colleagues, I have the honor to represent corn growers.

Corn farmers will not be affected by our modest proposal in my judgment. A large differential exists in the cost of production for high fructose corn syrup and that of sugar. The current price support program has provided an umbrella under which corn syrup has captured a significant share of the U.S. sweetener market, and that umbrella will continue in place under our amendment. Thus the impact on corn would be negligible. Distinguished agricultural economists at the University of Illinois and Iowa State University concur with this judgment.

I urge you to join me in voting for the Downey-Gradison amendment.

□ 1305

Mr. Chairman, at this time I am happy to yield to the distinguished gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture.

Mr. DE LA GARZA. I thank the gentleman for yielding.

I appreciate the gentleman's concern and, naturally, we basically do not agree. But I did want to clear up one point that might be misinterpreted. The gentleman knows that we do not produce cocoa beans or chocolate or any of the products related to the cocoa bean; right?

Mr. GRADISON. The gentleman is, of course, correct.

Mr. DE LA GARZA. It appeared that the gentleman said 4,000 jobs, and the price was escalating because of the basic elements included in confectionery and chocolate use, so I think it should be made clear that those jobs, 4,000, or however many, related to cocoa or to chocolate are from imported items, not from the basic, from this program or any other program.

Mr. GRADISON. I would respond to the gentleman, of course, that cocoa is imported by all of the major producers of chocolate products and, therefore, their cost is about the same.

I would also point out that the other three principal raw materials which go into the products we are discussing are sugar, peanuts, and dairy products, all of which are supported relatively high levels in the United States compared with some of the other countries, when all three are examined.

The bottomline concern of many of us from areas which produce confectionery products—and there are about 60,000 such jobs in the United States, concentrated in the Northeast—is the possibility that these companies might simply move their machinery across the border into Canada where, on balance, it appears possible to purchase the other three raw materials other than cocoa at prices which are very attractive compared with those in the United States.

That is the reason for the concern about those 60,000 jobs.

Mr. DE LA GARZA. I think the gentleman should add honey, the bulk of which is now coming from the People's Republic of China. Our honey industry is in trouble also.

I do not want to take the gentleman's time unnecessarily, but I would like to add that we need to be clearly identifiable in that the cocoa, the honey and other items, some specialized nuts, come from other countries; so you cannot blame it at the feet of the sugar industry, but it is a combination.

We disagree, but to the extent that we can agree is that you cannot lay it solely at the feet of the sugar industry. There are other areas that impact.

Mr. GRADISON. The gentleman, of course, is correct. And I dare say that before the debate on this total bill is completed, some of these other areas will be discussed in depth by the House.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. GRADISON. I thank the gentleman for his useful comments.

Mr. DOWNEY of New York. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in full support of the Downey-Gradison amendment, which would provide a very modest, yet very necessary reduction in the sugar price support program.

Specifically, this amendment would gradually lower sugar price supports from the existing 18 cents per pound to 15 cents per pound for the fiscal year 1988 sugar crop. In addition, the amendment would require that the sugar producer who forfeits sugar under the loan program pay the cost of transporting the commodity to a Government-designated location—the same as a corn or wheat or cotton producer must already do—nothing more, nothing less.

This amendment offers a very fair solution to what has become a very unfair situation for U.S. sugar refiners and the American consumer. Consider, for instance, that our Nation's Sugar Program is far more generous than any other farm program. Yet, H.R. 2100 would leave the sugar loan rate at existing levels, while reducing the support levels for other commodities. Such a policy does not make good sense and it is putting thousands of U.S. sugar refining employees out of work, while also costing the American consumer about $3 billion a year in added sugar-related costs.

One of the largest sugar refineries in the United States is located in my home district. Its name is Refined Sugars and it employs some 450 people. It is one of only 10 U.S. sugar refineries left in the entire Nation. Significantly, since the 1981 Sugar Program was enacted, seven cane sugar refineries have been forced out of business. More than 2,000 Americans lost their jobs as a result. If we do not take a more responsible approach to this problem, it is only a matter of time before the remaining 4,000 workers employed by the sugar refining industry lose their jobs, too. We must prevent that from happening and that means passing the Downey-Gradison amendment.

Frankly speaking, the sugar price supports included in the 1981 farm bill were too high. They have raised sugar prices to about 22 cents a pound in the United States compared to 4 cents a pound on the world market. I have already mentioned the domestic problems that have resulted, but there are also several very serious foreign policy considerations that should not be overlooked. Consider that the only way we can find a domestic buyer for sugar at these artificially inflated prices is to prevent any of the lower priced foreign imports from entering our country. Our Government has done just that through a strict program of quotas, duties, and fees. But, while this puts money in the pockets of the U.S. sugar producers, it also impacts very negatively on other aspects of our economy. For example, in Canada, the price of sugar is about half of what it is here, making it very attractive for food processors dependent upon sugar to simply relocate across the border, taking with them thousands of U.S. jobs.

Don't forget that the approximately 13,000 sugar farmers in our country already receive far more in Federal support than any other food grower, and

it's worth noting that this amendment will not change that situation. Consider, for example, that during 1982 in Minnesota and North Dakota, the average return over variable cost from sugar beets was $411 per acre, while the average return on the primary alternative crop in those States—corn—was only $121 per acre. It would take a reduction of 7 cents a pound in the price of sugar for the return on these two crops to be equal. The Downey-Gradison amendment does not come close to that.

Second, our sugar policy is placing a severe hardship on our foreign neighbors in Latin America and the Caribbean, who we are giving millions of dollars to in foreign aid, largely in the name of political stabilization. Yet, at the very same time, we seem to be ignoring the fact that the unrest in those nations is mainly the result of economic problems—problems that could be eased if we would buy their sugar. Instead, much of our foreign aid to those nations is being offset by their sugar income losses. In a rather ironic twist, because those sugar producing nations are not able to sell their sugar crops to the United States, those same countries are unable to afford American agricultural products. The end result: The American farmer, who we are trying to help, is actually a big loser under the sugar portion of this bill.

The Downey-Gradison amendment would significantly improve this inequitable situation. Passage of Downey-Gradison will save jobs, cut consumer costs, and promote equity among our agricultural support programs. It makes good sense from both a domestic and international perspective and it deserves our support.

Mr. STANGELAND. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to the Downey-Gradison amendment.

Let me say that the Downey-Gradison amendment would absolutely gut the domestic sugar program and decimate the domestic sugar industry.

First of all, the authors say they are only reducing the loan rate over the next 3 years at 3 cents. But I would advise the members of the committee that their amendment also mandates that sugarcane processors pay the cost of transporting Government-acquired sugar to the refineries the Secretary chooses. This would reduce the effective support price another 2.5 cents. It is really not the same as requiring a grain farmer to forfeit his crop to deliver to a storehouse, because there are 6,339 USDA-approved warehouses a grain farmer can deliver to. There are only 15 U.S. refineries a sugar mill can deliver to, and it would be like requiring a Minnesota wheat farmer to pay the cost of transporting his crop to New Orleans.

Even with the present program, since 1981 there have been eight beet processing plants closed and there have been three sugarcane mills closed as well. Unlike wheat or corn, without a local beet factory or cane mill, the farmer has no market for his crop. Once a plant shuts down, it stays closed.

Red River Valley sugar beet acreage would be converted to wheat and other surplus crops, driving up Government costs.

Freezing the loan rate at 18 cents only covers the production costs of the most efficient beet and cane growers.

And I might say that our attempt in this farm bill is to freeze farm income so that it does not go down, at least maintain it at current levels. And so we are freezing target prices in other commodities. There is no target price in sugar. There is only the price support level. And there is no deficiency payment in sugar. So if we are going to treat sugar like the other commodities, it is essential that you adopt the provisions in H.R. 2100 that freezes the price support level at the current level.

The sugar program is working. Prices are lower today than before the sugar program went into effect.

I would like to just refer to this chart when we compare costs of sugar in this country to other parts of the world. This is a chart that shows the number of minutes the average wage earner works for a pound of sugar. And right at the top, 1.47 minutes, to buy a pound of sugar in the United States. In Canada, 2.06 minutes to pay for a pound of sugar. Australia, 2.30, and on down.

Sugar, to the consumer, is the cheapest for the amount of time you work of anywhere in the world, and this chart has been documented and it is factual.

Let me say that sugar prices are lower and, with the import fees, the Government has actually made a profit on the sugar program of $300 million, and it has maintained a viable domestic industry.

Passing the Downey-Gradison amendment would jeopardize 250,000 sugar-related jobs; it would decimate our domestic sugar industry; it would create even greater distress in an embattled farm sector, and it would increase the likelihood of volatile, skyrocketing prices in the future.

Freezing the support level, as I said, has the same effect as the target price freezes in other commodities.

A vote against Downey-Gradison is a vote for consumers, as well. Over the last 4 years of this bill, the price of sugar has gone down on the CPI from 40 down to 20. Bakery goods have gone from 140 to 165. Confectionery goods have gone from 140 to 165, soft drinks, from 290 points on the CPI to over 320.

The consumer will be protected under this legislation.

Let me advise this House that the average consumption per capita of granulated sugar is 5 pounds, 5 pounds per year. And at less than 40 cents a pound, that is less than $2 per capita. When the consumers groups talk about reducing prices to consumers, what impact is this going to have on the consumer? As my colleague from Louisiana pointed out, the amount of sugar in a candy bar, 1.5 cents in a 35-cent candy bar. Give them the sugar free and how much will they reduce the price of that candy bar? You have guessed it. Not 1 penny.

Let me say that our farmers are being protected from the world residual dump market.

The gentleman from New York, my good friend, Mr. BIAGGI, talks about that 4-cent world market price. That is not a world market price. Every sugar producing nation is an exporting nation with the exception of the United States, Canada, and Russia. Let me say this: Those nations sell what sugar they cannot consume on preferred contracts substantially higher than what we offer our farmers. And then whatever they cannot sell on preferred contracts, whatever they cannot consume themselves, they put out on the world market and say, "What will you give me for it?"

Four years ago, the world market was 8 cents. Today it is 3.5 to 4 cents. So I say that is a dump market. The workers will not lose their jobs due to unfairly subsidized imports flooding into the United States, and there are about 250,000 jobs in this industry. This program is budget responsible. CBO estimates no cost. If this program is administered properly, there is no cost to the taxpayer and the Government.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to my friend, the gentleman from Washington.

Mr. MORRISON of Washington. I thank the gentleman for yielding.

Mr. Chairman, I want to tell a sad story to illustrate a point that the gentleman has made. I represent an area that grew about 100,000 acres of sugar beets prior to Congress eliminating the program in 1977. The processor decided to go out of business. And those 100,000 acres basically shifted to wheat, to supported crops, because they had no other choice, and, as a result, they cost taxpayers a lot of money and, of course, farmers have suffered. During these days when we are concerned about the income levels for farmers is not the time to change this program because of the devastat-

ing impact it has in many areas of the United States that can compete and provide American consumers with adequate supplies of sugar under the existing program. Do not take it away.

Mr. STANGELAND. I thank the gentleman for his contribution.

Mr. HUCKABY. Mr. Chairman, I yield 4 minutes to the gentleman from Hawaii [Mr. HEFTEL].

Mr. HEFTEL of Hawaii. Mr. Chairman, the sugar program is working well. Our sugar producers are operating at peak efficiency, and are, in fact, among the most efficient sugar production industries in the world. The sugar program assures not only a stable supply of sugar but a steady price to consumers. Yet, the Downey-Gradison amendment is proposing to guarantee destruction of this American industry because the sugar refinery industry thinks that if we have no sugar industry they will be able to buy all the sugar they need at less than 5 cents a pound.

Removal of the sugar program would not result in free trade. On the contrary, there is ample indication that sugar will never be freely traded. The European Economic Community [EEC] pays its farmers 22 cents per pound to produce sugar. Colombia pays its farmers 21 cents a pound, and the American Government guarantees its farmers 17¾ cents per pound for sugar.

The United States consumes all the sugar it produces. The major sugar producing countries in the world, including the EEC countries, Brazil, and Australia receive such generous subsidies to produce more sugar than they need that they dump their surplus on the world market.

This chronic oversupply of sugar does not lower the price of sugar, however, because cartels control the world sugar trade. Sugar is not now, never has been, and never will be freely traded, regardless of what the United States does. If we lose our sugar industry, we will totally lose control over the price we pay for sugar. It is not likely that the end result of the loss of our industry will be lower prices. Rather, we will be controlled the same way we are controlled by other international cartels, including the coffee and oil cartels. It costs European taxpayers $350 per ton in sugar subsidies. How long can we realistically think that our foreign neighbors will continue to provide such heavy subsidies to their farmers?

In reviewing 8 years of falling sugar prices in the latter half of the seventies and the early eighties, nowhere is there evidence of a drop in the price of sugar products. Manufacturers have used increases in sugar prices as an excuse to raise prices, yet decreases in sugar prices never seem to be translated down. Rather, lower sugar prices are used to offset other production costs to avoid decreasing manufacturers' profit margins. Food processing industries have become among the most profitable industries in the Nation, with the soft drink manufacturers leading with a profit margin of 27.5 percent. Yet domestic sugar prices are blamed for high prices to consumers. Where is there reason to think that our consumers would benefit from not having a domestic sugar program?

Our current sugar program is a reasonable response to ensure the viability of the U.S. sugar industry in a world marketplace that bases its selling price on neither the free market nor actual costs of production. Repeal of this system would not provide consumers with the benefit of lower prices.

It makes no sense to tamper with a program that has protected our Nation from highly fluctuating sugar prices and dependence on the whims of foreign countries. I urge you to reject the Downey-Gradison sugar amendment to the 1985 farm bill.

□ 1120

Mr. HUCKABY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. I thank the gentleman for yielding me this time.

Mr. Chairman, sugar in the area of the country that I come from is akin to the Bible, and this amendment clearly is heresy. Sugar and a domestic sugar program provides substance and income to the American sugar growers, the sugar farmers. I represent 2,000 of them in my district, and it is the only bright spot in their economic horizon; it is the only place where they are going to make any money this year. Now, through this amendment, if you force my growers out of production and into other crops, you are going to pay for it through greater subsidies for corn and wheat. That is their alternative to beets. The land is not going to stand idle.

The second point I want to make is this: There are two points that I think the authors of this amendment make. First, that it is good for consumers. I categorically deny that. That is false; it is not true. Second, we ought to do this for the benefit of the Caribbean nations so they can make their payments to the Wall Street international bankers. It is the first time I have ever heard an argument on the floor of the House that said, "Hey, we want to increase our trade deficit; it is good for us."

That is absurd. Absolutely ridiculous. I cannot believe a Member of this House would stand on the floor and make that suggestion. We do not need to increase our foreign trade debt, which is now $130 billion. We need to decrease it. We do not need to buy more overseas; we need to buy less. We need to produce more in America.

Currently, nearly half of the sugar that is consumed in this country is produced in this country. We give away almost half of it; how much more do you want? You talk about jobs, what are you going to do for the 1,000 people that work in my production facilities? What are you handing them besides an unemployment check? What are you doing for the 2,000 farm families who are making their mortgage payments. That is the human side of this.

What about the consumer side? Do you tell me that in the midseventies, when the price of sugar went to all-time highs of 75 cents a pound, followed by a dramatic drop down to 9 cents a pound, that the price of candy, or pop, or whatever dropped with it? Are the CEO's of those companies paid to cut profits or are they paid to make money? I leave that for your judgment. The fact of the matter is the consumer did not benefit. The consumer did not get the break when the price dramatically dropped at that point in time.

What about other countries? The Canadians pay their producers virtually the same thing as we pay ours. They subsidize their industry the same way we do. The reason they do that is because they recognize the benefit of having a domestic sweetener industry, and we have, and we do, and we will.

What about Brazil? They set prices related to production costs. Australia has an import embargo; local prices are controlled. Thailand maintains a domestic sugar price five times the world price. The European Economic Community, boy, this is a good one. They pay about 28 cents a pound to their producers, and then they sell it at the world price on the world market to New York, and get this: What they sell it for does not even pay them the cost of transporting it from their storage bins to the port.

How can we possibly compete? In conclusion, please reject the Downey-Gradison amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. DOWNEY] and the gentleman from Ohio [Mr. GRADISON].

I want to urge all of our colleagues to vote against this amendment and to support the House Agriculture Committee's position on the continuation of the sugar program because it is the right thing to do.

The amendment's sponsors would have us believe that if their amendment succeeds, sugar prices will come down for our consumers, the free market will prevail, and only a small number of people will be hurt. All of these assertions are false, and I want to tell you why.

First, the idea that sugar prices will come down is based on the belief that commercial sugar users will pass on the savings to their customers. History tells us that this

simply is not the case. While the price of sugar has dropped over the past 4 years, the price of sugar-containing products has continued to increase, according to the U.S. Department of Agriculture. In fact, the price of sugar is lower today than it was in 1980 when we had no sugar program.

You may remember that in the midseventies we saw sugar prices that went up to nearly 75 cents per pound on the world market. The prices of sugar-containing products went sky high, and they have stayed there ever since. According to Forbes magazine, over the last 5 years the soft drink industry was found to be the most profitable of all U.S. industries with a return on equity of 27 percent. Does this sound like an industry that is hurting?

The proposal contained in the bill before us does not harm the American consumer. In fact, the bill freezes the support price where it is, unless we experience substantial increases in production costs or inflation. Sugar will hold the line on prices. Will sugar containing products?

The assertion that sugar prices will come down is also based on the supposition that current world market prices will continue in the years to come. Please understand that the world market represents only about 10 percent of the total sugar production in the world. There is really no such thing as a free market for sugar. According to a study conducted by the Congressional Research Service, this sugar is a minority of a supply that does not have a secure outlet at protected prices. The rest is sold where it is produced under price support levels which are more generous than we are proposing today.

I think it would be helpful at this point to remind our colleagues of the policies of some of the major sugar producing countries.

Brazil's Institute for Alcohol and Sugar sets prices at a level related to production costs. This agency is the sole exporter, and when export prices are below domestic prices, it bears the difference. Argentina operates a similar system.

Australia has an import embargo, and local prices are controlled. A large portion of the amount exported is sold under negotiated long-term contracts.

Thailand maintains the domestic price at five times the world price, and also uses long-term contracts.

The European Economic Community has a three-tier quota with a domestic price, a subsidized export price, and the world market price on the balance. This system has turned the EEC from a net importer into a net exporter of sugar.

Canada provides a supplementary payment to its growers to make up the difference.

All of this information was contained in the CRS study, the summary of which Mr. AKAKA, Mrs. SMITH of Nebraska, and myself sent to you recently.

And this CRS study points out that the current world price of around 3 cents per pound doesn't even pay the shipping costs between the storage point and the export dock.

The CRS study pointed out that average production costs for sugar around the world are somewhat over 15 cents per pound. Given this fact, it has to be obvious that this cheap sugar cannot go on for much longer, and in the event that we do not have a domestic industry, our consumers will fall victim to the vagueries of world prices which will be much higher.

As the CRS study said:

In present conditions, a world price that reflects such a minor share of world sugar production and consumption provides a very poor basis on which to make rational decisions about resource allocation at the national level.

You see, we do more for consumers in keeping this program because it means that our domestic industry and our domestic supply of sugar will continue to be available at reasonable prices.

And it isn't true that only a small number of producers will be affected by what we do. There are over 250,000 sugar-related jobs in our economy. There are about 2,000 farmers who grow beets in my congressional district, and about another 1,600 people who are employed by the processing plants in Michigan. Together their efforts have an impact on my State's economy of over $1 billion. We can't just say that only a few people are involved.

As Governor Blanchard recently wrote to the Michigan congressional delegation:

Farmers in Michigan have been facing some difficult times. Those who grow sugar beets have been in a better position with the current sugar program than they would have been without it. I believe that it would be a serious blow to Michigan's farm economy if the sugar program is not continued.

And even if you do believe that the number is small, a large number has never been an essential test of worth in our Nation. Sugar beet production and processing is an important profession for many of the people I represent. Many of these farms have been producing beets for nearly 100 years, so it has become a way of life to these people. We cannot very easily tell them that their way of life no longer matters because then any group of a "few" is suspect. Remember, there are only 435 of us in this body. Some of my constituents believe that we would be missed even less than our sugar beet and cane producers around the country.

We are concerned about consumers, and we are equally concerned about producers. We are not asking for a guaranteed profit, but for the continuation a system which gives our producers a chance to survive in a world filled with government programs.

I urge your opposition to the Downey-Gradison amendment.

Mr. GRADISON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, much has been made in the debate so far about what is alleged to be special circumstances in the market in Canada. To listen to that debate one would have the impression that with the exception of a recent price war in Canadian supermarkets, the price is all the same, not just between the United States and Canada, but in other countries around the world.

Mr. Chairman, unless there is a price war underway in every major country in the world, and I do not believe that to be the case, our point continues to be that here, for example, in Washington, DC, the price paid by consumers for sugar is higher than in any other major Western capital with the exception of Tokyo.

Let me give you the specifics before this Ottawa example is taken totally out of context. These are the average retail sugar prices in May of this year in cents per kilo:

Bern, 54; Bonn, 60; Brazilia, 33; Buenos Aires, 54; Canberra, 51; London, 57; Madrid, 54; Mexico City, 31; Ottawa, 42; Paris, 54; Pretoria, 57; Rome, 65; Seoul, 81; Stockholm, 82; Tokyo, 110; and Washington; 85.

Mr. Chairman, the question is simply whether we continue a program which takes an unbalanced view of the needs, which are very real, of the producers and the needs, which are also very real, of the consumers.

□ 1130

Mr. Chairman, this is precisely what the very moderate approach of the Downey-Gradison amendment attempts to do.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. GRADISON. Of course, I yield to the chairman of the committee.

Mr. DE LA GARZA. Mr. Chairman, I appreciate the gentleman's yielding, and I really feel badly about interrupting, but again I do not think we want to leave the wrong impression.

The cost to the American family in disposable income for food is lower than in any other country in the world. So the gentleman may cite Tokyo, or Washington, or whatever, but the American family, on the basis of per family disposable income, has the lowest cost.

If the gentleman will allow me to continue, he mentioned Canada, and we should not even be discussing how good it is in Canada. We are suffering from Canadian imports. First, there is hogs, then pork, then timber, and then potatoes. All of New York is suffering. We held hearings in New York, I would tell the gentleman, and all we heard was how the Canadians were undercutting the vegetable industry in the spring and in the summer with fresh vegetables in New York. We had the pork producers, we had the hog raisers, and we had the timber people.

So the gentleman is saying Canada is doing better, they are doing better at the expense of the producers on our side. We have continuing negotiations with them, they are our friends, and we have to live with them, but they are competing unfairly with us.

So the gentleman is saying they can produce sugar, but they cannot produce it cheaper than we can. It is at about the same level. So we should not confuse it with erroneous figures or with figures that could be interpreted erroneously. The issue should be made clear so the Members can decide.

Mr. Chairman, I thank the gentleman very much for yielding.

Mr. GRADISON. Mr. Chairman, reclaiming my time, I thank the gentleman very much for his comments which have attempted to divert us from the issue, which is: What does the consumer pay in these countries? And I stand by my statement that as of May 1985 the only capital in the world in which a higher price was paid by the consumer for sugar was in the country of Japan, in Tokyo.

Mr. Chairman, I yield back the balance of my time.

Mr. DOWNEY of New York. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, I thank the very distinguished gentleman from New York for yielding this time to me, and at the risk of sounding or seeming like a heretic to the people who live in the district of my very good friend, the gentleman from Michigan [Mr. TRAXLER], I rise in support of the Downey-Gradison amendment.

So far during the course of the debate on this amendment we heard several arguments advanced in favor of the proposition which is now before the House. We have heard about the consequences for American consumers and the extent to which the current Sugar Program, according to a variety of independent estimates, is costing the consumers of our country—somewhere in the vicinity of $3 billion a year above and beyond what they would otherwise be paying if it were not for the current Sugar Program.

We heard about the consequences for sugar refinery workers in our country, 2,000 of whom have been thrown out of work since the establishment of the Sugar Program in 1981, 400 of whom, by the way, had jobs in my district back in Brooklyn and several thousand of whom may very well lose their jobs in the years ahead if this program is continued and the Downey-Gradison amendment is rejected.

Mr. Chairman, it seems to me that these are good and sufficient reasons in and of themselves for supporting the Downey-Gradison amendment, but I want to concentrate my remarks not on the consequences for consumers, with the implications for refiners, but on the consequences of the current Sugar Program for U.S. foreign policy.

There can be little doubt, Mr. Chairman, but that the current Sugar Program has helped to undermine some of our vital U.S. foreign policy objectives.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I will be more than happy to yield to my very good friend as soon as I have finished my statement. After that I will be happy to yield to hear what he has to say. If the gentleman will give me a chance just to complete my statement, I would very much like to get the benefit of his intervention, but I would like to finish first, if I may.

Mr. Chairman, since the establishment of the sugar quota in 1981, sugar exports from Latin America to the United States have declined in dollars terms by almost 50 percent, from roughly $1.4 billion in 1981 to approximately $700 million in 1984. That decline of $700 million in the dollar value of sugar exports from Latin America to the United States is the equivalent of approximately 50 percent of the totality of U.S. economic assistance to the countries of Latin America and the Caribbean.

In the Dominican Republic, to take but one example, 1984 sugar sales to the United States were $140 million less than the totality of their sugar sales to the United States in 1981, which happens to exceed the total amount of our economic assistance to that country in 1984. In Honduras, to take another example, there has been a 50-percent decline in the dollar value of their sugar exports to the United States between 1981 and 1984.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield on that point?

Mr. SOLARZ. Mr. Chairman, I will be happy to yield to both the gentleman from Louisiana and the gentleman from Texas as soon as I have finished. I am approaching the conclusion of my statement.

In view of a growing recognition in our country and in the Congress of the overriding American security interests which we have in the Caribbean basin and Latin America, in view of the support in the Congress and in the country for the Caribbean Initiative and for the recommendations of the Kissinger Commission for increases in economic aid which we have been providing to our friends in our own hemisphere, this sugar program as it is currently constituted is a classic example of taking away with the left hand what we provide with the right hand.

It seems to me, Mr. Chairman, that we have two overriding interests in the Caribbean Basin and Latin America. The first is the promotion of democracy, and the second is the survival and viability of the international economic system. Insofar as democracy is concerned, one of the most encouraging trends and developments of the last several years is the emergence throughout Latin America and Central America of democratic governments as military regimes in one nation after another went back to the barracks. But the ability of the newly emerging and elected democratic governments of Latin America to survive will be very much a function of their ability to meet and satisfy the economic aspirations of their own people, and to the extent that we deprive them of one of their major sources of export earnings—and sugar is the third largest export earner for the countries of Latin America—we deprive those nations of the resources they need in order to sustain democracy.

Insofar as the viability of the international economic system is concerned, we are all familiar with the $350 billion debt which hovers over Latin America, and the ability of those nations to service and pay off that debt is obviously a function of their capacity to generate export earnings.

In Brazil, which has an enormous debt, the dollar decline in the value of their sugar exports to the United States from 1981 to 1984 was a quarter of a billion dollars. In Argentina the decline in the dollar value of their sugar exports from 1981 to 1984 was $150 million.

So I would submit, Mr. Chairman, that if we want to strengthen the prospects for democracy and if we want to sustain the viability of the international economic system—and we are talking here not just about bailing out American banks, we must realize that if those countries are unable to pay off their debts, it could jeopardize the viability of the entire international economic system and our own economy as well.

Mr. Chairman, in conclusion, I would just like to point out to my colleagues that over 40 years ago, during the Second World War, the Prime Minister of the United Kingdom, Sir Winston Churchill, addressed a joint session of the Congress of the United States, and he began his very famous address by observing that his mother had been born in the United States—in my district, by the way—and his father had been born in England, and he went on to say that he could not help but think that if it had been the other way around and his mother was born in the United Kingdom and his father here, he might have come to the House of Representatives in his own right.

I can only say, Mr. Chairman, that if Winston Churchill had come here in his own right and if he were a Member of this House today and were asked to comment on this Sugar Program, which is costing consumers $3 billion in order to help 13,000 producers, he might be tempted to say, "Never before have so few extracted so much from so many."

Mr. Chairman, I urge the Members to support the Downey-Gradison amendment.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I am happy to yield first to the chairman of the committee, but I am told that I have very little time left.

Mr. DE LA GARZA. Mr. Chairman, if the gentleman has concluded, then, may I ask, would the gentleman from Minnesota [Mr. STANGELAND] yield 1 minute to me?

Mr. STANGELAND. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman from Minnesota.

Mr. Chairman, the gentleman who just concluded his remarks is a distinguished member of the Foreign Affairs Committee, and he has traveled the world and knows the intricacies of diplomacy, but to have him say the Sugar Program has undermined the foreign policy of the United States of America is completely erroneous. On the contrary, you do not bolster democracy abroad by killing American jobs. I repeat, Mr. Chairman, you do not bolster democracy abroad by killing American jobs, and that is what this amendment is going to do.

We must protect the national security interests, the best interests of our Government, and foreign policy should be made to protect the best interests of America and the American people. That is what our foreign policy is for. Maybe the gentleman and the State Department go astray and get too enamored of exotic places around the world. The best foreign policy of this country is to protect the basic jobs of people, and the national security remains here. You do not bolster democracy by killing American jobs.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

Mr. STANGELAND. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, let me begin today by commending the chairman of the Cotton, Rice and Sugar Subcommittee, the gentleman from Louisiana [Mr. HUCKABY], and the ranking member, the gentleman from Minnesota [Mr. STANGELAND], for their leadership and dedication in bringing the sugar provisions of H.R. 2100 to the floor.

Mr. Chairman, today Members of this body will be asked to decide the fate of the U.S. sugar industry. The issue before us is very simple: Do we want to preserve a farm program which, if administered properly, costs the Government no money, ensures adequate supplies of sugar at stable prices for the American consumer, permits CBI nations to sell a major portion of their sugar to the United States at preferential prices, provides for 250,000 to 300,000 jobs, and, finally, gives economic stability and security to sugar growers, their families, and their entire communities throughout America?

Or do we want to weaken this solid and successful program by passing the Downey-Gradison amendment, which will destroy our sugar industry, give our foreign competitors complete control over what we as American consumers pay for sugar, allow food conglomerates to receive lower costs for sugar but continue to keep the prices of sugar-containing products at the rate they are now, impose further economic problems on farm communities who are already reeling from poor, even disastrous, credit problems, and, finally, seriously damaged the benefits to those CBI nations who are importing sugar into the United States?

Over the past several weeks, Members of this body have been bombarded with information stating the untold evils of the U.S. sugar program. I, as a Member who supports the current U.S. sugar program and who is fully convinced of its worth to this Nation and her consumers, believe it is time to set the record straight.

I would hope, Mr. Chairman, that the supporters of the Gradison-Downey amendment would pay attention to this, because I understand that opponents of the domestic sugar program claim that consumers are forced to pay more for sugar-containing products because of the domestic sugar program.

Mr. Chairman, today sugar prices in the United States are lower—let me repeat that—lower than in 1980 when we had no sugar program.

□ 1145

And is it not strange that while the price of sugar has dropped over the past 4 years, the price of soft drinks, candy bars and other sugar-containing products remain the same.

Think about it. Over the past 4 years, can you remember the price of M&M's or Butterfingers or any other sugar-containing product going down when the price of sugar dropped?

In fact, during a subcommittee hearing on this very issue, manufacturers of sugar-containing products could not tell us, the members of the subcommittee, that the price of their product would go down indeed if the price of sugar dropped.

The truth of the matter is the price of sugar will have no bearing on the price of sugar-containing products.

Opponents would have you believe the program seriously undermines trade with our Caribbean and Central American neighbors. However, according to the U.S. Department of Agriculture, the Downey-Gradison amendment would reduce—I repeat, reduce—the market price received by the CBI nations for sugar imported into the United States. Compared to the income from sugar sales that these countries would receive under the committee bill, CBI nations would suffer a revenue loss under the Downey-Gradison amendment. In fact, we heard the gentleman from New York [Mr. DOWNEY] say there was a $350 million Latin debt, and the gentleman from New York stated, how are we going to pay for that debt if we keep a good U.S. sugar program.

Let me tell you the fact is the revenue loss that could amount by the Downey-Gradison amendment could be up to $505 million to our Latin neighbors based on the statistics of the U.S. Department of Agriculture who support the Downey amendment.

I would like to conclude by stating that the U.S. sugar program is a bargain and we ought to keep it.

Mr. HUCKABY. Mr. Chairman, I yield 3 minutes to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Chairman, I rise in opposition to the Downey-Gradison amendment and in support of the sugar title contained in the committee bill.

I am always amazed by the amount of misinformation that is circulated about the sugar program and its effect on consumer prices just before consideration of the farm bill. I hope my colleagues in the House take time to learn the facts before they consider voting for any amendment to cut the sugar program. The graphs I have with me today will help you understand the real story about the effect of the sugar program on consumer rates and prices.

Today, sugar prices are actually lower than in 1980 when we had no sugar program. According to the U.S. Department of Agriculture, in 1980 sugar was trading at a wholesale price of 51 cents per pound. The current sugar program came into effect in 1981, and in 3 years of successful operation the wholesale price for sugar has never exceeded 30 cents per pound. Clearly, the sugar program is a good deal for America's consumers.

The graphs I have prepared for today's floor debate illustrate this important point. These graphs compare the rate of increase in consumer goods and what consumers pay for three major groups of sugar containing products—bakery goods, confectioneries, and soft drinks—with the wholesale cost of the sugar that goes into those products. As you can clearly see by looking at these graphs, at a time when the cost of sugar has actually been dropping, the cost of sugar-containing products—baked goods, candy, and soft drinks—has risen dramatically.

These graphs illustrate what sugar farmers have known for years. The cost of sugar—the raw material used

to manufacture these food items—has been dropping in price. Despite this decline in the price of sugar, the manufacturers of sweetened products have been charging consumers more and more for baked goods, candy, and soft drinks. I ask you—who is really to blame for higher consumer prices? Not the beet or cane sugar farmers but the manufacturers of sugar-containing products.

It is sad, but true, that none of the reduction in sugar prices has been passed on to consumers. The graphs I have presented to you clearly demonstrate that although the price of sugar has dropped over the past 4 years, the price of sugar-containing products has been moving higher and higher. The manufacturers of sugar-containing products have merely been pocketing the savings from lower sugar prices, reaping higher and higher profits at the expense of consumers. While these manufacturers are the first to criticize our sugar program, they are really the ones to blame for high consumer prices.

The soft drink industry serves as a classic example to illustrate this point. In a recent survey of 1,000 companies by Forbes magazine, over the last 5 years the soft drink industry was found to be the most profitable of all U.S. industries with a return on equity of 27 percent. While the price of sugar has dropped as a result of the sugar program, the manufacturers of sugar-containing products have merely used these savings to increase their profits at the expense of American consumers.

The facts are clear. Sugar prices have actually dropped since the current program was enacted. I wish I could say the same for sugar-containing products. Think about it, when was the last time that soft drinks, candy, or other sweetened products dropped in price?

Don't be fooled. Critics of high sugar prices should look to the real villains—the manufacturers of sugar-containing products—as they fight to reduce food prices.

The sugar program in the committee bill is fair to both the consumer and the producer. The 1985 farm bill freezes the sugar program at the current loan rate on 18 cents per pound.

I have taken time to speak in opposition to this amendment because sugar has a long and prominent place in the economic and social history in Hawaii. We are proud of our sugar heritage. In 1985, Hawaiian sugar achieved a milestone. This year marks the 150th anniversary of cultivating sugarcane in Hawaii.

Favorable weather, rich soil, abundant rainfall, and a continuous growing season make Hawaii one of the most efficient sugar producers in the world. In Hawaii, we produce 1 million tons of sugar annually; nearly 1 out of every 5 pounds of sugar produced in the United States comes from Hawaii's cane fields.

Despite the advantages nature has given us, the future for our sugarcane industry is bleak. As the sugarcane farmers I represent recognize, unless the current sugar program is renewed the United States will be overrun by a tide of cheap, subsidized, sugar imports. Without the current sugar program and the economic base it provides our State, the way of life we have known in rural Hawaii for a century and a half will rapidly disappear.

The fears expressed by my people in Hawaii are probably no different from those being voiced by many of your constituents. The Midwest is concerned about Japanese auto imports and its declining industrial base. The Southeast wants protection for its textile industry. The Pacific Northwest is concerned about the health of its timber industry. In New England, the issue is how to halt the flow of shoe imports. In Hawaii and in the 15 other States where beet or cane sugar is grown, there are similar concerns about import competition.

Those of us who have fought for a strong domestic sugar policy know of the hardship that U.S. sugar farmers have experienced. Over the past 10 years, 24 sugar refineries and processing plants have closed their doors. During the same period in Hawaii, 30 percent of our cane acreage has been put out of production, and 4 of our 17 plantations have gone out of business. Unless our domestic sugar program is renewed, the situation will get much worse. I ask you, if our sugar farmers were making a killing on sugar, would our acreage be declining so rapidly?

Few people realize why the domestic sugar industry is facing this difficult situation. In 1975, the European Economic Community [EEC] initiated an aggressive policy of direct subsidization of its sugar beet producers. A net importer of sugar in 1975, the EEC quickly began producing sugar well in excess of both EEC consumption and international demand. In order to maintain high employment in its sugar industry and to avoid stockpiling its enormous annual surplus, the EEC for years has simply dumped surplus sugar on the world market at whatever price such distressed sugar could fetch.

Unfortunately, the volume and intensity of EEC dumping has completely wrecked the world sugar market for every international producer including such major producers as Australia, Brazil, the Caribbean nations, the Philippines, and the United States.

In recent months we have witnessed a renewed determination in Congress to preserve American jobs in the domestic textile, footwear, steel, timber, and automobile industries which are threatened by foreign unfair trade practices. As Congress pursues legislation to prevent the intolerable loss of American jobs in our basic industries, I hope you can appreciate my concern for the 250,000 American workers directly or indirectly employed in the domestic sugar industry whose jobs are similarly in jeopardy.

It's time to stop exporting American jobs in our basic industrial and agricultural industries. For the sake of our American consumers and sugar workers, I urge you to support the sugar program in the committee bill and oppose this damaging amendment. Without your support, the sugar farmers in Hawaii and in 15 other States where beet and cane sugar is grown will certainly face a bitter future.

Mr. HUCKABY. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, it seems to me our goals ought to be two: First, to create stable and reasonable prices for our consumers; and second, to maintain some structure of an American sugar industry.

In my judgment, if the Gradison-Downey amendment passes, we are going to do two things. No. 1, we are going to kill the domestic sugar industry, and No. 2, we are going to chain those consumers, to a roller coaster ride. Those consumers are going to ride that international sugar price roller coaster up and down to the vagaries and uncertainties of an international price. I do not think that is in the interest of the consumers, and it is certainly not in the interest of the producers.

With deference to my good friend from New York, Winston Churchill has not recently spoken on the Downey-Gradison amendment.

That amendment makes no sense for the consumers or the producers of this country, and I hope that in the next few moments this House will understand that stability for the consumer and preservation of a domestic industry are the two twin goals that we ought to be working for for this country.

Mr. Chairman, there has been a lot of rhetoric heard lately on the issue of whether or not to continue the current sugar program as is. Consumer advocates have said they would like to see the sugar support price lowered, because that would save buyers of candy bars and soft drinks money. Those of us who represent the sugarbeet and sugarcane growing areas of the country want to see that price support maintained, feeling strongly that farmers just can't afford any less.

Although I will touch on both of these arguments shortly, I would like to point out that there is also a larger issue involved here, and that is the issue of world trade.

Congress is now beginning a debate on the trade issue. Seeing the growing anger in Congress over other nations' unfair trading practices, the President has recently softened his strict antiprotectionist stance to talk not just about free trade, but also about fair trade. Grudgingly, he has had to admit that there just may not be such a thing as free world trade. The European Economic Community subsidizes exports. Japan maintains strict quotas and regulations which keep out United States products. Argentina has such a need for hard currency that it is willing to sell its agriculture commodities on world markets at fire sale prices.

The very same issues apply to a discussion about the world price of sugar. The European Community has gone from being a net importer of sugar to the second largest exporter of sugar in the world, as the result of the large subsidies to its sugarbeet growers, which have increased production. Even allowing for the strong dollar, the EC support price for sugar is still higher than our rate, by 4 cents. Using the 1981 exchange rate, a more accurate measurement, the current price is 31 cents per pound under the EC; the U.S. price support is 18 cents.

By way of contrast, acreage planted to sugarbeets and sugarcane has actually declined in this country; eight beef processing plants and three sugarcane mills have closed since 1981. Our support price has not been an incentive to expand. In my own State of North Dakota, the number of sugarbeet acres harvested has dropped from a high of 155,000 acres in 1977 and 1978, to 142,000 in 1983.

Now I would like to talk about the points I made in the first paragraph. First, the importance of the price support to sugarbeet growers in my State of North Dakota. The agriculture committee's farm bill freezes the price support at 18 cents a pount. Even though production costs have been rising, our growers have accepted that freeze.

Anything lower would result in sugarbeet growers leaving the business—and that business generates 300 million dollars' worth or income in the Red River Valley area of North Dakota and Minnesota. Economists estimate that those dollars turn over three times before they leave my State—in other words, sugarbeets generate almost 1 billion dollars' worth of business in the area's economy—business which my heavily agricultural state sorely needs, given the over-all depressed farm economy.

The final point I would like to speak to is the consumer argument which is brought against maintaining the sugar support price. If we lowered the price, this argument goes, then the price of consumer items which contain sugar would also go down. The price of sugar is now actually less than it was when the 1981 farm bill was passed, according to USDA statistics. Yet when was the last time the price of a candy bar or a can of soda pop went down?

In fact, the price of bakery goods, candy, and soft drinks have all steadily risen, again according to USDA numbers. The soft drink industry, notes Forbes magazine, is the most profitable industry in the country. So much for saving the consumer money.

So let's put the sugar issue in the context where it belongs—against the background of a world sugar price that is actually a dump price. Against the background of how most sugar is actually traded—through special marketing agreements, such as between Cuba and the Soviet Union, under which the Russians pay Cuba more than 10 times the current world market price in cash and goods. Against the background of a recent Congressional Research Service report, which concluded "Even if the United States aligned itself with world prices, these prices would remain very volatile, and would continue to fluctuate wildly in response to small changes in world sugar flows."

That's the proper context for our debate here on the U.S. sugar program. I urge my colleague to vote to maintain the current sugar price support.

Mr. HUCKABY. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I just have a moment, but let me say the gentleman from New York made a plea to protect Latin Americans. As one from Florida who supported this CBI, I think that is nonsense the way we put it in the context of the sugar industry.

We could make that same plea and say do away with our entire oil industry and become dependent on the Middle East to help the Middle East in our foreign policy, or do away with our entire auto industry and become dependent totally on Japan, or do away totally with our textile industry and become dependent on the rest of the world. In fact, we could say that about all labor in America and all jobs because you can hire people lower than the minimum wage throughout the rest of the world. You are not just killing sugar, you are killing an industry, an American industry, that we should have some domestic presence and visibility in.

This is an important industry in this country. It is not just a few producers; it is hundreds of thousands of jobs, an American industry that is vital. I admit it is an industry with problems that we need to work out as we do with so many other industries, but we should not kill an American industry.

Mr. STANGELAND. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. I thank the Chair. I thank the gentleman from Minnesota [Mr. STANGELAND] and the gentleman from Louisiana [Mr. Huckaby]. I would like to commend my colleagues on the fine work on this title.

I rise in opposition to the Downey-Gradison amendment, because this amendment will have a devastating impact on the American sugar industry, jobs associated with the sugar industry, and American farmers.

This amendment quite simply is a blueprint for the elimination of the American sugar industry. We are not talking pennies or technical adjustments. No, do not be misled. The effect of this amendment will mean millions of dollars in lost income to farmers and billions of dollars to the farm economy as a whole.

The processing plants in my district in mid-Michigan have shared with me that they will be in great financial difficulty and will not be able to modernize if this amendment passes, and cause hardship to farmers, to beet growers, the only stable income in times of great stress, as my colleague from Michigan pointed out. We are pulling the rug out from farmers if we pass this amendment.

We are not debating a few cents. No. The choice we are asked to be making today is the life or death of a significant and important aspect of American agriculture.

Before I continue further, I yield to my colleague, the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Chairman, I thank the gentleman from Michigan [Mr. SCHUETTE].

Mr. Chairman, I would just like to mention that I associate myself with the gentleman from Michigan's remarks in opposition to the Downey-Gradison amendment, and mention that during the time we are considering a farm bill to try to keep agriculture healthy and try to keep the American consumer paying the lowest price of food and fiber of any place in the world, we have a program under the farm program that is working.

I would urge my colleagues to oppose this amendment and to keep this program there because it is one that is working. If it is not broken, let us not fix it.

Mr. SCHUETTE. Mr. Chairman, I thank the gentleman from Texas [Mr. COMBEST].

Mr. Chairman, one final comment. This is a farm bill for American farmers. This is not a farm bill for international bankers. Let us make sure of our focus and our intent today. We are freezing target prices on other crops, but by passing Downey-Gardison we are reducing farm income to sugar beet and sugar cane farmers.

Again, one final word. We have heard a lot of talk and discussion about the tough times that farmers are having, and it is true because I represent a farm district. We have an opportunity today to help farmers in a time of crisis, help the sugar beet grower and the sugar cane grower. So we are asked today to help farmers, and we and the Members of this House can help farmers by voting against Downey-Gradison. Let us not turn our

back on an important and significant segment of the American agriculture machine.

I urge my colleagues to vote against Downey-Gradison.

Mr. GRADISON. Mr. Chairman, at this time I yield 4 minutes to the gentlewoman from Maryland [Ms. MIKULSKI].

Ms. MIKULSKI. I thank the Chair.

Mr. Chairman, I rise in support of the Downey amendment because I believe sugar is one import that creates jobs in America.

Every Member of Congress received this little bag of Domino sugar. This was manufactured in my congressional district. Here today, may be gone tomorrow. Behind this yellow bag lies 650 jobs in the Baltimore community that will go down the drain if we do not pass the Downey amendment.

It is not only the 650 constituents that I have, but under the current sugar program, we have already lost 2,000 jobs and stand to lose 4,000 more jobs in American sugar refineries.

We have also lost jobs at the docks. Right now there are only 14 men working for the ILA at the Baltimore sugar docks, a far cry from what they once were.

And not only are we talking about jobs in sugar refineries and dockside jobs, we are talking about jobs in small business like the baker shops. I represent the ethnic communities. They need low-cost sugar to make cannoli at Vaccaro's Bakery, baklava at the Ikaries, and Polish raisin bread at shops that have names like Mikulski or Harchowski.

This Downey amendment is a jobs bill for those kinds of communities that I represent.

Mr. DE LA GARZA. Will my colleague, the gentlewoman from Maryland, yield?

Ms. MIKULSKI. I will yield at the conclusion of my statement.

And then we are also talking about the American consumer. Yes, my constituents manufacture sugar that sells at $1—excuse me, it seems like it—$1.80 at local supermarkets. Yes, you might refute the sugar stuff from Canada, and even if it sells for $1.40, that is still 40 cents more than we are now paying in the United States. The consumers need a break. We need a break in our paychecks and in our checkout counters. And at the same time, there is this argument about saving jobs in the sugar industry. Somehow or another it is being presented like a little save the family farm, a sugar-coated version of Sissy Spacek in "The River," or a sugar-coated version of Jessica Lange in "The Country," or a sugar-coated version of Sally Fields in "Places in the Heart."

□ 1200

I have places in the heart, too, that I have to worry about, and they are called Baltimore, and they are called Locust Point. When we talk about places in the heart, I do not want to pit one American worker against the other, but I will be darned if I think my constituents should subsidize the megacorporations of this country.

Who do the big-buck subsidies go to? It is not some little family farm toiling day and night, some nostalgic memory. In Hawaii, five corporations get 98 percent of the Hawaiian crop, and the sugar beet industry, 11 processors receive 40 percent of the subsidy benefits.

I think that when we talk about protecting those places in the heart and those places in the marketplace, the Downey amendment is the amendment that creates those kinds of opportunities.

Mr. DE LA GARZA. Mr. Chairman, will the gentlewoman yield?

Ms. MIKULSKI. I would be happy to yield to the chairman of the Committee on Agriculture, the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentlewoman for yielding.

Again, as I have throughout the morning, I will say those jobs, if they were to be lost, are not going to be replaced in the United States. They are going to a foreign country.

Second, do you think the workers at the McCormick plant in Baltimore get the bulk of the money McCormick makes? No. It is the corporate stockholders and the president of the company.

So that is not a valid argument. My district is ethnic also, but we do not want to pit your ethnic against my ethnic. The solution to that problem, to the problem of the gentlewoman, is in the Committee on Ways and Means, not in our jurisdiction. It is in the tax needed by the refiner, and I have been working personally with the cane refiners. The solution is in the Committee on Ways and Means, not here.

Mr. STANGELAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in support of the sugar provision as passed by the House Agriculture Committee, and against any amendment that would attempt to reduce the support prices for the sugar program. The current sugar program is one of the most efficient farm programs in operation, for both producers and consumers.

The sugar program, when operated properly, operates at no cost to the Government. In fact, the United States has collected an estimated surplus of $355 million in import duties and fees in administering this program over the past year. This program provides the U.S. consumer with a stable market and since the passage of the 1981 farm bill, a lower average price of the consumer.

The American sugar beet and sugarcane producer needs some kind of protection as long as the world market continues to dump cheap excess sugar on to the market. There is no possible way the sugar producers can compete when foreign producers are paid more per pound than the American producer and their excess is dumped into the world market at a subsidized cost of 4 cents a pound.

In my home State of Idaho, producers harvested over 3 million tons of sugar beets in 1984. This represents the livelihood for hundreds of families who work on the farm and in the processing plants. Nationwide, it has been estimated that more than 100,000 workers are directly employed in the sugar industry with another 250,000 indirectly involved.

Opponents of the current sugar program argue that it keeps costs artificially high for consumers. This is not the case, for example, a USDA report on sugar and sweetener products indicated that these products have increased in price by 15.8 percent on average from 1981 to July 1985. At the same time, raw sugar prices increased only 4.3 percent and retail prices for refined sugar declined 10.3 percent.

I would only ask that my colleagues and opponents of the current sugar program look at this program in terms of overall budget costs, its stability and low cost to consumers, and the thousands of individuals who depend on this commodity, and I believe you will find it is an acceptable and responsible measure. I urge my colleagues to vote in favor of retaining the bill as reported.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I support the sugar program included in the committee bill for one very simple reason; it works. The sugar program is one of very few commodity programs that isn't broken; it therefore should not be fixed.

This program is simply an extension of the very successful program that was approved by Congress in the 1981 farm bill. It has worked to the benefit of producers, taxpayers, and consumers.

Producers receive a modest safety net loan in a program similar to those for other commodities. Support levels are modest. In fact some growers and processors have gone out of business since implementation. That alone should prove that the program is not overgenerous.

Taxpayers benefit since the program has no adverse effect on the budget. Commodity loans are made by the Commodity Credit Corporation to sugar processors. These loans are later paid back to the CCC, with interest,

within the same fiscal year. The only loan forfeiture has been the result of a bankruptcy of a sugar beet processor. That was a unique situation and loan forfeitures are not expected if the program is properly administered.

Consumers benefit from the stable prices and supplies resulting from the program. Industrial users of sugar are no longer subject to the old ratchet effect, common to the volatile sugar price era, prior to this program. When sugar prices would increase, sugar containing product prices went up. When sugar prices came back down, the cost of sugar containing products stayed high. Both consumers and producers were hurt.

The sugar program helps to maintain the jobs and other economic benefits of a viable domestic sugar industry. It benefits my constituents who are both sugar consumers and taxpayers. Administered properly, the program works. Therefore, I urge approval of the program without amendment, and urge defeat of the Downey amendment.

Mr. HUCKABY. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The Chair will advise the gentleman from Louisiana that he has 5½ minutes remaining.

Mr. HUCKABY. Mr. Chairman, I yield 2½ minutes to the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, it goes without saying that I have great admiration for the gentleman from New York and others who are supporting this amendment. However, I hope my colleagues will not begin a process of unraveling this farm bill, which has been very carefully constructed, and which the committee has worked long and arduously to bring to the floor. Further, this farm bill was constructed in an environment of greater farm and farmer financial difficulty than at any time since the last Great Depression.

Farmers are suffering, and the farm income in the United States has been steadily declining. That includes not only farmers producing wheat and feed grains, which is most closely associated with my area, but in sugar and in other crops that we are going to be considering this afternoon and next Tuesday.

This bill is not an overly generous bill; in fact, most people from farm areas would say it is not sufficiently generous. But it is the best that the committee can do considering the budget restraints that press upon us all. This bill is within the budget. It does not expand or increase price supports. It does not even maintain farm income if these price support levels are further eroded by inflation.

All in all, it is an extremely moderate bill and one that can be supported justifiably by Members from all parts of the country, urban and rural, and I urge that support.

Mr. DOWNEY of New York. Mr. Chairman, may I inquire as to how much time I have remaining?

The CHAIRMAN. The Chair will advise the gentleman from New York that he has 4 minutes remaining.

Mr. DOWNEY of New York. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentleman for yielding this time to me.

Mr. Chairman, we have had people here speaking from the consumer perspective and the producer perspective. I am here speaking from the former consumer perspective of sugar. From that standpoint, I would like to speak in favor of the amendment offered by the gentleman from New York [Mr. DOWNEY].

I appreciate the remarks of the majority whip, who just spoke, because he set this in the broader context properly, and that is really what we have to talk about. The question is—and I am puzzled time and again when some of the more conservative Members of the Chamber come forward on behalf of this legislation. I keep missing, when I reread Adam Smith and all the other great conservative texts thereafter, where the footnote is that says none of this free enterprise stuff applies to agriculture.

The free market, which is such a wondrous thing in so many different aspects of American life, apparently is not relevant at all when we come to farming, because we are dealing here in the United States with the most heavily regulated and subsidized industry that we have.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield on that point?

Mr. FRANK. I would be glad to yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I would like to point out to the gentleman that the French Government supports sugar higher than the American Government does and they are the largest exporter there is.

Mr. FRANK. Mr. Chairman, I reclaim my time, because the fact that the French Government, under the Socialist Francois Mitterrand, supports sugar would not seem to invalidate my point about free enterprise. I only have 3 minutes and I cannot take any more time for any more countries. I know there are a lot of them. But that was not all that relevant. I have to be honest with the gentleman.

The point is that: We are being told that somehow this one industry, along with a lot of others, the market does not work and we must subsidize it, and so forth, and so forth. This amendment is, in my judgment, too moderate. I will support it because it is realistic and I congratulate the gentleman from Ohio and the gentleman from New York for being so realistic in bringing it forward.

We have got to begin to reduce these subsidies, because what we are doing, and we focus on the existing farmers, and I have sympathy for them and would be prepared to vote, as I voted earlier this year, for bailouts for their mortgage loans, and so forth, we in this country, and we perpetuate it in this farm bill, pay more people to farm than we have any conceivable use for their products. There is a fundamental flaw in the approach to agriculture.

We begin by subsidizing people to produce more than we have a market for. Then to deal with that, and it used to be——

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. FRANK. No; I already yielded for France, and I only have 3 minutes.

Mr. DE LA GARZA. I will speak about Massachusetts.

Mr. FRANK. I said I would not yield.

The point is that: Once you get a flawed system, and you try and fix it, it is like in the 17th century and 16th century, I am a little hazy here, but when they were still trying to argue, when Galileo was in trouble and they had him in the slammer, that the Sun still went around the Earth and it was not working and they came up to try and save that theory with loops and whirls and epicycles and wiggles and jiggles, that is our agriculture bill.

We start out with a fundamental flaw. We pay people taxpayers' dollars and limit in other ways to have more people in farming than we can deal with. Then we have to come up with quotas and limits and marketing orders, and everything else and the result is really very bad.

Yes, in the short term we have some people to whom I am sympathetic, some of the farmers. The sensible approach is to stop subsidizing them to overproduce, and we do not do that for any other industry. We do not subsidize the auto industry or the shoe industry and say, "We will buy whatever you put out at such-and-such an amount." We do not do that, and it is time to stop doing it in farming.

Mr. GRADISON. Mr. Chairman, I would like to reserve the balance of my time to permit me to make a closing statement at the appropriate time.

The CHAIRMAN. The Chair will state that traditionally the opponents in the majority would have the right to close the debate.

So we are at a point now at which the gentleman from Ohio [Mr. GRADISON] has 3 minutes remaining, the gentleman from New York [Mr. DOWNEY] has 1½ minutes remaining, the gentleman from Louisiana [Mr. HUCKABY] has 4 minutes remaining,

and the gentleman from Minnesota [Mr. STANGELAND] has 3½ minutes remaining.

The Chair now recognizes the gentleman from Ohio [Mr. GRADISON].

□ 1210

Mr. GRADISON. Mr. Chairman, the last time the House of Representatives considered this overall issue of sugar was in 1981. At that time, the House voted to strike the sugar provision and eliminate the program entirely.

This time around, the U.S. Department of Agriculture came before the Agriculture Committee and they recommended a reduction in the loan rate from its present level of 18 cents eventually to a level of 12 cents.

If you listen to our opponents in this debate, Mr. Chairman, you might have the impression that we want to scrap the program. That is simply not correct. That is not what the amendment does.

The amendment, indeed, avoids the extremes of the action taken by the House in 1981 when it voted to strike the program and of the recommendation of the administration which would reduce the loan rate to 12 cents. What we are trying to do is bring this program in line with other programs. I think the point is to recognize that sugar and sugar products under our current law have been given a privileged position over other crops and other growers, and I want to give you the numbers to back that statement up.

The return per acre in the most recent figures available for sugar beets in this country is $403, and for cane is $353. For rice, it is $114, corn $114, cotton $111, soybeans $105, wheat $66, and oats $62.

What this says is that under the present program, the return per acre for sugar beets and sugar cane is three times the level of rice, corn, cotton, and soybeans, and five times that for wheat and oats within our own country.

Our plan would reduce the price from 18 cents to 15 cents and ask the growers to pay for transportation if they forfeit their corp, the same as happens in other crops under present law.

How has this present program worked? Who are the winners?

The winners are the producers and their employees and the Soviet Union, and I want to develop that point.

How many workers are there? There are 19,000 full-time workers and a larger number of part-time workers involved in the sugar industry. Most of those part-time workers are actually foreign workers brought in from Haiti, Jamaica, and the Dominican Republic.

As has been already pointed out, five corporations produce 98 percent of all the sugar from Hawaii. Two corporations produce more than 50 percent of the sugar grown in the State of Florida.

I am not suggesting there are not small producers, but let us see that in perspective. I mentioned the Soviet Union, and why did I do that? Our Caribbean neighbors earned $686 million by sales of sugar in the U.S. market in 1981. This year, they will earn $350 million.

Who has picked up the slack? Who is importing the sugar which used to come to the United States from our own neighbors?

It is the Soviet Union. This plan which is now on the books, I know quite unintentionally, has had the unintended effect of pushing some of our closest neighbors into the willing arms of our own adversary. And I do not consider that a very powerful argument for continuing the program in its present form.

We have already touched upon the effects on consumers, on taxpayers, and on workers. Let me just close in the limited time I have by indicating that this is a vote which is going to be watched. It is going to be watched by sugar growers if you are from a sugar-growing area. It is going to be watched by consumers if you are from the other side.

But it also, since it is the first amendment we have taken up, has a bearing on whether we are going to have a bill that can be signed. This legislation offered by the gentleman from New York [Mr. DOWNEY] and myself is supported by the administration. I have letters from the Secretary of Agriculture and the Secretary of State to that effect.

Let us pass this amendment and move toward a bill that can become law.

Mr. STANGELAND. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Chairman, I would like to commend the gentleman from Louisiana [Mr. HUCKABY], the gentleman from Minnesota [Mr. STANGELAND], and the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA].

Mr. Chairman, the program that is being challenged here is a responsible, income-generating program. The program has generated an annual income of over $75 million.

It prevented additional losses of $900 million by corn farmers and has prevented additional outlays of $1.5 billion by the Commodity Credit Corporation in grain price support payments.

Consumers should be pleased with the outcome of the sugar program. The retail price of refined sugar has declined 10 percent from 1981 to July 1985.

A recent Library of Congress study of the world sugar market; let me share a few findings of that study:

Approximately 12 percent of the world sugar production is sold at the world "market" price, which is essentially a world dumping price.

If it were not for the EC's dumping of sugar onto the world market, the current world market price would be as much as 24 cents higher.

The current world market price is less than one-third of the cost of production for the world's most efficient producers.

Sugar beet and sugarcane producers in 15 States and a work force of more than 100,000 are dependent on the continuation of the domestic sugar program.

I wish we had more programs with the results of sugar. We have a program that is returning a net profit to the Government, bringing great stability to sugar prices, and resulting in lower refined sugar prices over the past few years. All we're asking here is for a freeze. No COLA, no cost of production—a total freeze.

I urge my colleagues' opposition to the amendment.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I certainly yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

I want to point out quickly to the House about the large sugar corporations in Florida. I would like to just say that the U.S. Sugar Corp. in Florida is an employee stockholder-owned company. All employees own stock in that corporation.

The Florida Sugarcane League is a corporation made up of a lot of small growers. They are not gigantic corporations.

I thank the gentleman for yielding.

Mr. MOORE. I thank my colleague.

Let us ask ourselves, what is the point of this amendment? What is going to happen if it passes?

First, is it going to reduce imports in the United States and help us with our balance of trade? No. It will increase imports and worsen the balance of trade.

Second, is it going to help farmers in this country, farmers who are on their backs? No. It is going to put more of them out of business because they cannot exist as the price support declines in this amendment.

Third, is it going to reduce deficit spending in this country? The answer is no again. This program is not costing the Treasury any money now. It is one of the very few farm programs that does not. So you are not helping the deficit, you are simply going to put some farmers out of business who will then no longer pay taxes which will worsen the deficit.

Fourth, and finally, is it going to help the consumers? Does any consumer know what she is paying for sugar today? The sugar prices have been relatively stable. They are not exorbitant, they are a good and fair price.

If we become 100 percent dependent upon foreign sugar, which we will under passage of this amendment, sugar prices may actually go up, not down.

When we did not have a sugar program in 1974, what happened? Sugar prices went up, not down, so the consumer will not gain anything from this amendment either.

So why pass the amendment? What are you accomplishing by this amendment?

It appears to me what you are doing is displacing American farmers. We do not have large corporate farms in Louisiana. They are all individual farmers, many of them small. You are simply replacing them with farmers somewhere else, Costa Rica, Cuba, Nicaragua, wherever.

So I ask: What are you trying to accomplish with this amendment? Think about that, and that this is the oldest farm program in existence. It goes back to the 1700's. I ask you to defeat the amendment.

The CHAIRMAN. The gentleman from New York [Mr. DOWNEY] has 1½ minutes remaining.

Mr. DOWNEY of New York. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, in 1980, we got about half of our sugar from abroad. Today we get about 26 percent of our sugar from abroad. There is an imbalance there. The price is stable, but it is also too high.

What we seek is not to throw small farmers out of business. As the gentleman from Ohio [Mr. GRADISON] pointed out, this is a modest amendment. What we seek is to restore the balance to a program that is out of balance. We seek to reduce the price to the consumer. We seek to make it fair to the thousands of refining jobs that hang in the balance, that we offer them some hope as well.

If we continue on the current path, we will accomplish a number of things. We will certainly see jobs lost in this country. They will be lost in the refineries and in the bakeries and in the confectionery stores.

We will also see greater problems in Central America. We will spend a lot more in foreign aid when, frankly, we do not have to.

My colleagues, for those of us who come from consuming parts of the country, we want to support the farm bill. Only someone who has spent the last few years in a time capsule would not realize the problems in the farming community. No one seeks to put farmers out of business.

But we seek to be fair to the people who are spending more for sugar than they need to, and to force the sugar refiners, the sugar people who are producing this sugar, to be a little more competitive, not a lot more competitive.

We could have offered to eliminate this program. We did not.

This restores the balance. Please support it.

Mr. HUCKABY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. DE LA GARZA], the chairman of the committee.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] is recognized for 4 minutes.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to my distinguished colleague, the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, I thank the gentleman for yielding.

I rise in opposition to this amendment. The sugar that was held up earlier by our distinguished colleague from New York is supposed to have come and did come from Canada, probably came into Canada by way of Cuba for about a nickel a pound.

I submit that we have got a sugar program that protects an important domestic industry. We have balanced this carefully in the House Agriculture Committee.

I urge my colleagues to vote down this mischievous amendment and support the Agriculture Committee.

Mr. DE LA GARZA. I thank the gentleman.

To conclude, yes; we have labored almost for a year and one-half in the Agriculture Committee to have a balanced package. But there has been so much erroneous information, I am sure not intentionally.

Workers in the sugar industry, in the refineries, on the docks who support our sugar program include the International Longshoremen's and Warehousemen's Union, the Seafarers' International Union of North America, the Oil, Chemical & Atomic Workers International Union, the Distillery, Wine and Allied Workers International Union, the American Federation of Grain Millers, and the International Association of Machinists.

My friends, we have a Jenkins textile bill, we have a Gephardt-Benson import bill. My friends, this will be the first vote on whether we protect American producers and manufacturers this year. This is the first vote.

If you cosponsor the textile bill, you cannot but vote with us against this amendment. If you want to support the shoe industry, you cannot but vote with us against this amendment. If you support the automobile industry, you cannot but vote with us against this amendment. That is what it is all about.

Reduce the deficit, yes; but not if you kill the sugar industry.

I remember a movie "To Kill a Mockingbird," a defenseless, lovely bird that only sings. Would you kill the industry which is defenseless?

This is the time, my friends, to show the flag. Are we going to buy American? Are we going to protect American industry?

This thing about the whole world going Communist, if you kill the sugar industry in a few States, that El Salvador and all the others, Nicaragua will go Communist because of foreign policy implications? I tell the State Department that this Congress demands that the foreign policy of the United States be for Americans first, and that second, we help our neighbors.

We are helping Mexico in their disaster. We are helping Mexico, but how can we help Mexico if we do not have jobs here to get the money in taxes for the Treasury, to help the other peoples of the world?

My friends, I cannot see how one Member of this Chamber can vote for this amendment because if you do, you are not showing the flag. You are giving the jobs away to foreign countries.

This illusory thing, that it will help the consumer, the best way to help the consumer is to have jobs. It all begins in the farm.

If you kill the farm, you are killing the taproots of what America is.

This is the first vote. This may well be the beginning of a war, and we are going to have a trade war. You cannot desert this industry at its worst hour.

We have to fly the flag. We have to let the world know that we will protect American manufacturers, producers, jobs. It is jobs, jobs, with "Made in the USA" on them.

Vote against the amendment.

Mr. CONTE. Mr. Chairman, I wanted very much to be present for this debate but my duties as ranking member of the Health and Human Services Appropriations Subcommittee obligated me to be present during the consideration of the HHS appropriations bill in full committee. I consider this amendment to be very important for our sugar industry and I am disappointed to have missed this debate.

Mr. Chairman, the Gradison-Downey amendment is the first of a series of amendments to get this farm bill moving in the right direction to get at the heart of the overall farm problem. The future of this great sector of our economy is at stake. Many of the problems in farming that exist today are part and parcel of a system that was designed to fine tune production based on demand but has now gotten wildly out of hand. The plight of the sugar producer, the dairyman, the wheat farmer, the honey maker, and so on and on, is similar. In the

face of changes in demand coupled with increased production, the grower is getting less and less for his goods. The original purpose of our farm programs was not to subsidize our farmers—rather they were devised and approved by Congress to ensure a steady supply of food at reasonable prices while providing the farmer an adequate return without soaking the taxpayer.

These programs may have worked at one time but they are sadly out of kilter now. We are certainly not fine tuning the dairy market when we put billions and billions of pounds of milk product in storage simply to rot. We cannot be said to be managing wheat and feed grains when we have them stored everywhere with little prospect for sale. It is laughable to think that honey producers buy honey from foreign countries to distribute to our consumers while selling their domestic product to the Government. Did you know that there is almost no domestic honey on the shelves of our grocery stores—it comes from Argentina, Brazil, Canada, and China. I do not think farming can be considered a healthy pursuit when the farmer is making his decisions based on growing for Uncle Sam.

We have to move to correct this situation and we have to move now. The stop-gap measures that are being proposed in this farm bill will eventually drive more and more farmers out of the business. It is awful to realize that we have farmers whose land has depreciated in value to such an extent that they cannot use that land as collateral. It is difficult to stand still for the invasion of subsidized products while our products are kept out of foreign markets.

It is disgusting to think that we continually ask the farmer to be the point man for our foreign policy and then embargoing the sale of his products. It is a horrible situation out there. We must act to make our agriculture industry healthier, not treat it with a band-aid in the form of an unrealistic support price which will fall on the backs of the American taxpayers in hopes that we may limp through to another year. The irony of this whole situation is that for these farm programs to work, the farmer has to fail. After enacting these supports we must hope that the American farmer will become less and less efficient by producing less in order that prices will rise and thus reduce the payments we are required to make from the CCC. That is an insane way to run a railroad or a farm in the light of modern technology and world hunger.

Sugar is the flagship of this year's fleet of farm programs that will try to sail through this Congress. You can bet that, if a program as out of line with reality as this sugar program is, gets through, the rest will follow easily.

Not only will we not move to solve the farm crisis, we will be creating more uncertainty when the bill is vetoed. The President has threatened a veto of the bill in its present form and I have no reason to believe otherwise.

The world price of sugar—not subsidized—is between 4 and 5 cents. When we add import quotas, as well as transportation charges, we wind up supporting sugar somewhere in the neighborhood of 22 cents. This differential has all but put sugar out of business in the soft drink industry as corn sweeteners have undercut sugar. In effect we have seen sugar, a supported commodity, get worse and worse over the long run under the support program while artificially keeping the consumer paying higher prices. If farm programs are designed to eventually put farmers out of business while driving up the price to the consumer, then we need to do some soul searching.

I know full well that there are bad sides to readjusting our farm programs. That is why I want to support the gradual winddown of the support price over the next few years. I know that as we readjust our programs to bring them in line with reality, some farmers are going to have difficulties. Support the Gradison-Downey amendment and let's get started on readjusting our farm sector so that it can get healthy.

Mrs. LONG. Mr. Chairman, I oppose the Downey-Gradison amendment. The sugar provision in the 1985 farm bill is absolutely vital for the continuation of the sugar industry in the sugar producing States, such as Louisiana. This legislative body must vote to maintain the current price support level of 18 cents per pound. We're debating the lives and jobs of hundreds of thousands of American workers dependent on a stable domestic sugar industry. In many rural areas and small towns there are no other employment opportunities available.

Opponents claim our program is protectionist and will adversely affect our trading partners. That's not accurate. The statistics show that the earnings of the Caribbean nations from sugar exports to our country are significantly higher because they receive the U.S. price for their sugar rather than the world dumping price.

How can we justify passing the cuts in this amendment when the current program has made money for the Government in the form of fees and duties levied on imported sugar, when the sugar prices are actually lower now than in 1980 when we had no sugar program and when we have a program that is working and has a net cost of zero when we consider the fees and duties collected.

Also, opponents claim that the sugar price support costs consumers $3 billion. Well, lower prices to farmers just don't equate into cheaper sugar prices at the grocery store or cheaper prices for sugar products. When sugar prices were high and unstable, before we had a sugar program, manufacturers raised prices. When sugar prices dropped and stabilized, one would have expected prices to decrease but they never did.

Again, I urge my colleagues to join me in opposition to the Downey-Gradison amendment.

□ 1225

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. DOWNEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DOWNEY of New York. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 263, answered "present" 2, not voting 27, as follows:

[Roll No. 318]

AYES—142

Ackerman	Gejdenson	Nowak
Andrews	Gekas	Packard
Annunzio	Goodling	Parris
Archer	Gradison	Pease
Armey	Green	Petri
Atkins	Gregg	Porter
Barnes	Guarini	Ridge
Bartlett	Hall (OH)	Ritter
Bates	Hamilton	Rodino
Bellenson	Holt	Rostenkowski
Bentley	Howard	Roukema
Biaggi	Hoyer	Rowland (CT)
Bilirakis	Hughes	Saxton
Boehlert	Jacobs	Schneider
Boland	Johnson	Schroeder
Boner (TN)	Kanjorski	Schulze
Borski	Kasich	Schumer
Burton (IN)	Kemp	Sensenbrenner
Byron	Kennelly	Sharp
Callahan	Kolbe	Shaw
Carney	Kostmayer	Shelby
Carper	LaFalce	Slaughter
Cheney	Lehman (FL)	Smith (NH)
Coats	Leland	Smith (NJ)
Conte	Lent	Snowe
Conyers	Levine (CA)	Solarz
Cooper	Lipinski	Solomon
Coughlin	Lowery (CA)	St Germain
Courter	Luken	Stratton
Coyne	Lundine	Studds
DeLay	Markey	Sundquist
DeWine	Mazzo'i	Swindall
DioGuardi	McDade	Torricelli
Donnelly	McGrath	Traficant
Downey	McHugh	Visclosky
Dwyer	McKernan	Vucanovich
Early	McKinney	Walker
Eckart (OH)	Meyers	Waxman
Eckert (NY)	Mikulski	Weiss
Fawell	Miller (OH)	Whitehurst
Feighan	Miller (WA)	Wolf
Fields	Mitchell	Wortley
Fish	Moakley	Yates
Florio	Molinari	Yatron
Ford (TN)	Moody	Young (FL)
Frank	Morrison (CT)	Zschau
Gallo	Mrazek	
Garcia	Nielson	

NOES—263

Akaka	Breaux	Coelho
Anderson	Brooks	Coleman (MO)
Anthony	Broomfield	Coleman (TX)
Applegate	Brown (CA)	Collins
AuCoin	Brown (CO)	Combest
Barnard	Broyhill	Craig
Barton	Bruce	Crockett
Bateman	Bryant	Daniel
Bedell	Burton (CA)	Dannemeyer
Bennett	Bustamante	Darden
Bereuter	Campbell	Daschle
Berman	Carr	Daub
Bliley	Chandler	Davis
Boggs	Chapman	de la Garza
Bonior (MI)	Chappell	Dellums
Bonker	Chappie	Derrick
Bosco	Clay	Dickinson
Boucher	Clinger	Dicks
Boulter	Cobey	Dixon
Boxer	Coble	Dorgan (ND)

Dornan (CA)	Leach (IA)	Roberts
Dowdy	Leath (TX)	Robinson
Dreier	Levin (MI)	Roe
Duncan	Lewis (CA)	Roemer
Durbin	Lewis (FL)	Rogers
Dyson	Lightfoot	Rose
Edwards (CA)	Livingston	Roth
Edwards (OK)	Lloyd	Rowland (GA)
Emerson	Loeffler	Roybal
English	Long	Russo
Erdreich	Lott	Sabo
Evans (IA)	Lowry (WA)	Savage
Evans (IL)	Lujan	Schaefer
Fascell	Lungren	Schuette
Fazio	Mack	Shumway
Fiedler	MacKay	Shuster
Flippo	Madigan	Sikorski
Foglietta	Manton	Siljander
Foley	Marlenee	Skeen
Ford (MI)	Martin (IL)	Skelton
Fowler	Martin (NY)	Slattery
Franklin	Martinez	Smith (IA)
Frenzel	Matsui	Smith (NE)
Frost	Mavroules	Smith, Denny
Fuqua	McCain	Smith, Robert
Gaydos	McCandless	Snyder
Gephardt	McCloskey	Spence
Gibbons	McCollum	Spratt
Gilman	McCurdy	Staggers
Gingrich	McEwen	Stallings
Glickman	McMillan	Stangeland
Gonzalez	Mica	Stark
Gordon	Miller (CA)	Stenholm
Gray (IL)	Mineta	Stokes
Gray (PA)	Mollohan	Strang
Gunderson	Monson	Stump
Hall, Ralph	Montgomery	Sweeney
Hammerschmidt	Moore	Swift
Hartnett	Moorhead	Synar
Hatcher	Morrison (WA)	Tallon
Hawkins	Murphy	Tauke
Hayes	Murtha	Tauzin
Hefner	Myers	Taylor
Heftel	Natcher	Thomas (CA)
Hendon	Neal	Thomas (GA)
Henry	Nelson	Torres
Hertel	Nichols	Towns
Hillis	Oakar	Traxler
Hopkins	Oberstar	Valentine
Horton	Obey	Vander Jagt
Hubbard	Olin	Vento
Huckaby	Ortiz	Volkmer
Hunter	Owens	Walgren
Hutto	Oxley	Watkins
Ireland	Panetta	Weber
Jeffords	Pashayan	Wheat
Jones (NC)	Penny	Whitley
Jones (OK)	Perkins	Whittaker
Jones (TN)	Pickle	Whitten
Kaptur	Pursell	Williams
Kastenmeier	Quillen	Wilson
Kildee	Rahall	Wise
Kindness	Rangel	Wolpe
Kleczka	Ray	Wyden
Kolter	Regula	Wylie
Kramer	Reid	Young (AK)
Lagomarsino	Richardson	Young (MO)
Latta	Rinaldo	

ANSWERED "PRESENT"—2

Scheuer	Sisisky

NOT VOTING—27

Addabbo	Grotberg	Pepper
Alexander	Hansen	Price
Aspin	Hiler	Rudd
Badham	Hyde	Seiberling
Bevill	Jenkins	Smith (FL)
Crane	Lantos	Udall
Dingell	Lehman (CA)	Weaver
Dymally	Michel	Wirth
Edgar	O'Brien	Wright

The Clerk announced the following pairs:

On this vote:

Mr. Scheuer for, with Mr. Pepper against.

Mr. Price for, with Mr. Smith of Florida against.

Mr. Crane for, with Mr. Allexander against.

Mr. Hyde for, with Mr. Grotberg against.

□ 1235

Messrs. WATKINS, EDWARDS of Oklahoma, and TORRES changed their votes from "aye" to "no."

Mr. JACOBS and Mr. MRAZEK changed their votes from "no" to "aye."

Mr. SCHEUER. Mr. Chairman, I have a live pair with the gentleman from Florida [Mr. PEPPER]. If he had been present, he would have voted "no." I voted "aye." I withdraw my vote and vote "present."

So the amendment was rejected.

The result of the voted was announced as above recorded.

PERSONAL EXPLANATION

Mr. O'BRIEN. Mr. Chairman, I was not at a place where I could hear the bells, and by the time I returned I missed the vote.

I would like the RECORD to reflect that had I been here for rollcall 318, I would have voted "aye."

PERSONAL EXPLANATION

Mr. DINGELL. Mr. Chairman, due to official business, I was unable to vote on the Downey and Gradison amendment to title I of H.R. 2100, which would have reduced the price support for sugar to 15 cents per pound by the fiscal year 1988 crop. Had I been present on the floor during the vote, I would have voted "no" on the amendment.

□ 1250

The CHAIRMAN. Are there any other amendments to title I?

The Clerk will designate title II.

The text of title II is as follows:

TITLE II—DAIRY

SHORT TITLE

SEC. 201. This title may be cited as the "Dairy Unity Act of 1985".

Subtitle A—Milk Price Support and Producer-Supported Dairy Diversion

LEVEL OF MILK PRICE SUPPORT FOR FISCAL YEARS 1986 THROUGH 1990; REDUCTIONS IN THE PRICE OF MILK

SEC. 211. Effective October 1, 1985, section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by—

(1) redesignating paragraphs (3), (4), (5), and (6) as paragraphs (7), (8), (9), and (10), respectively; and

(2) striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) During the fiscal years 1986 through 1990, the price of milk shall be supported as provided in this subsection.

"(2)(A) On October 1 of each of such fiscal years, the Secretary shall establish the level of price support per hundredweight of milk having 3.67 per centum of milkfat, which level of price support shall be in effect throughout the fiscal year.

"(B) Such level of price support for a fiscal year shall be an amount equal to the product of (i) the preliminary support price for the fiscal year determined in accordance with paragraph (3) and (ii) the percentage determined in accordance with paragraph (4).

"(3)(A) For the fiscal year for which the level of price support is being determined, the preliminary support price per hundredweight of milk having 3.67 per centum milkfat shall be equal to the product of—

"(i) $8.83 per hundredweight; and

"(ii) the adjusted cost of production index.

"(B)(i) For purposes of subparagraph (A)(ii), the adjusted cost of production index for the fiscal year shall be equal to—

"(I) the cost of production index; less

"(II) the product of the cost of production index and the milk productivity factor.

"(ii) For purposes of subclauses (I) and (II) of clause (i), the cost of production index for the fiscal year shall be equal to the ratio of (I) the cost of production (determined in accordance with subparagraph (C)) for the one-year period ending June 30 preceding the fiscal year for which the preliminary support price is being determined to (II) the cost of production (determined in accordance with subparagraph (C)) for the three-year base period consisting of calendar years 1976, 1977, and 1978.

"(iii) For purposes of clause (i)(II), the milk productivity factor for the fiscal year shall be equal to the product of 0.2 per centum per hundredweight of milk having 3.67 per centum milkfat and the difference between—

"(I) the average quantity (measured in pounds) of milk produced annually per cow during the one-year period ending June 30 preceding the fiscal year for which the preliminary support price is being determined; and

"(II) 11,101 pounds.

"(C) For purposes of subparagraph (B)(ii), the cost of production for milk shall be determined by the Secretary in the same manner as the cost of production for milk is determined under section 808 of the Agricultural Act of 1970, except that the cost of production for purposes of such subparagraph shall be computed on the basis of the prices for the items (other than the Consumer Price Index for All Urban Consumers), and of the proportional value of each of the items, specified in the following schedule:

"Item	*Contribution to Costs of Production*
Consumer Price Index for All Urban Consumers, determined by the Bureau of Labor Statistics	*10 per centum*
Prices received by farmers for meat animals	*10 per centum*
Feed (consisting of: corn, 6.5 per centum 16 per centum dairy concentrate, 25 per centum hay, 1.5 per centum)	*33 per centum*
Interest (consisting of: production credit association rate, 3 per centum Federal land bank rate, 5 per centum)	*8 per centum*
Taxes	*2.5 per centum*
Fuel and energy	*4 per centum*
Milk hauling (consisting of: automobiles and trucks, 2 per centum bulk gasoline, 0.5 per centum diesel fuel, 0.5 per centum)	*3 per centum*
Machinery and building repair (consisting of: non-farm wage rate, 2 per centum farm and motor supplies, 1.5 per centum building and fencing, 0.5 per centum)	*4 per centum*
Hired labor	*7 per centum*
Farm services and cash rent	*8.5 per centum*
Seed	*1.5 per centum*
Fertilizer	*3 per centum*
Agricultural chemicals	*0.5 per centum*
Tractor and self-propelled machinery	*3 per centum*
Other farm machinery	*2 per centum*

"(4) For the fiscal year for which the level of price support is being determined, the Secretary shall estimate the level of purchases of milk and the products of milk (measured in billions of pounds milk equiv-

alent), less sales under section 407 for unrestricted use, that the Secretary would acquire under this subsection if the level of price support were equal to the preliminary support price determined under paragraph (3) for the fiscal year. For purposes of paragraph (2)(B), the level of price support for the fiscal year shall be calculated in accordance with the following schedule:

"If the Secretary estimates that the amount of such purchases (in billions of pounds milk equivalent) for the fiscal year at such preliminary support price would be—	then for the fiscal year the level of price support shall be equal to the following percentage of such preliminary support price:	
	Not less than	Not more than
Less than 1	107.8	A percentage determined by the Secretary to be appropriate
Not less than 1 but less than 2	105.2	107.8
Not less than 2 but less than 3	102.6	105.2
Not less than 3 but less than 4	100.0	102.6
Not less than 4 but less than 5	97.4	100.0
Not less than 5 but less than 6	94.8	97.4
Not less than 6 but less than 7	92.2	94.8
Not less than 7	92.2	92.2

"(5) The price of milk shall be supported through the purchase of milk and the products of milk.

"(6)(A) During any of the fiscal years 1986 through 1990 for which a milk diversion program is in effect under paragraph (7), the Secretary shall provide for a reduction (subject only to downward adjustment by the Secretary during the fiscal year) to be made in the price received by producers for all milk produced in the United States and marketed by producers for commercial use.

"(B) The amount of such reduction for a fiscal year shall be the amount per hundredweight that when multiplied by the quantity of milk so marketed is equal to the sum of—

"(i) the cost in the fiscal year, as estimated by the Secretary, of the quantity of milk and the products of milk in excess of five billion pounds (milk equivalent), less sales under section 407 for unrestricted use, required to be purchased under this subsection;

"(ii) the cost, as estimated by the Secretary, of making payments to producers who reduce marketings in the fiscal year under the milk diversion program under paragraph (7); and

"(iii) $50,000,000 in each of the fiscal years 1986 and 1987, to be deducted by the Secretary from the funds remitted under subparagraph (C) and deposited in the Dairy Research Trust Fund established by section 135 of the Dairy Production Stabilization Act of 1983.

"(C) The funds represented by the reduction in the price required under subparagraph (A) to be applied to the marketings of milk by a producer shall be collected and remitted to the Commodity Credit Corporation, at such time and in such manner as prescribed by the Secretary, by each person making payment to a producer for milk purchased from such producer, except that in the case of a producer who markets milk of the producer's own production directly to consumers, such funds shall be remitted directly to the Corporation by such producer.

"(D)(i) If the funds remitted under subparagraph (C) for any fiscal year exceed the amount of funds necessary to satisfy the requirements of subparagraph (B) for the fiscal year, the Secretary shall refund the excess funds (together with interest determined in accordance with clause (iii)), on a pro rata basis, to producers who marketed in the fiscal year milk for commercial use.

"(ii) If for any fiscal year for which a milk diversion program is in effect under paragraph (7), the level of purchases of milk or the products of milk under this subsection does not exceed 5 billion pounds (milk equivalent on a milkfat basis), less sales under section 407 for unrestricted use, the Secretary shall refund, on a pro rata basis, to producers who marketed milk in the fiscal year for commercial use an amount equal to the difference between—

"(I) the cost, as estimated by the Secretary, of purchasing 5 billion pounds (milk equivalent on a milkfat basis); and

"(II) the sum of the actual cost of purchases by the Commodity Credit Corporation under this subsection for the fiscal year, and the amount, if any, deposited in the Dairy Research Trust Fund under subparagraph (B)(iii);

together with interest as determined in accordance with clause (iii).

"(iii) For purposes of clauses (i) and (ii), interest shall be paid at an annual rate established under section 6621 of the Internal Revenue Code of 1954 for the period beginning forty-five days after the end of the fiscal year involved and ending on a date (to be determined by the Secretary) preceding the date of the refund check by not more than thirty days, whether or not the refund check is accepted by the producer after tender of the refund check to the producer. The acceptance of a refund check shall be without prejudice to any right of the producer to claim any additional refund or interest thereon.

"(E) The funds remitted to the Corporation under this paragraph with respect to a producer, including any funds refunded under subparagraph (D) other than interest paid, shall be considered as included in the payments to the producer for purposes of the minimum price provisions of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.".

EXTENSION OF MILK DIVERSION PROGRAM

SEC. 212. (a) Effective October 1, 1985, paragraph (7) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(3)), as redesignated by section 211(1), is amended by—

(1) amending subparagraph (A) to read as follows:

"(7)(A)(i)(I) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed five billion pounds (milk equivalent) but will not exceed seven billion pounds (milk equivalent), the Secretary may establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(II) If for any of the fiscal years 1986 through 1990 the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary and adjusted in accordance with subclause (III), will exceed seven billion pounds (milk equivalent), the Secretary shall establish and carry out under this paragraph a milk diversion program for such fiscal year.

"(III) For purposes of adjusting under this clause the estimated level of purchases of milk and the products of milk for a fiscal year, the Secretary shall deduct from such level the net amount (measured in milk equivalent) of all reductions occurring during the period beginning on June 15, 1985, and ending on the first day of such fiscal year, in the quantitative limitations in effect on June 15, 1985, under section 22 of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, with respect to milk and the products of milk imported into the United States. For purposes of determining the amount of such reductions, milk equivalent shall be determined on either a solids-not-fat or milkfat milk equivalent basis, whichever produces a higher milk equivalent.

"(IV) Notwithstanding any other provision of this clause, if the Secretary establishes a milk diversion program for fiscal year 1986 under this paragraph, the program so established shall be carried out for fiscal years 1986 and 1987. Any contract entered into with a producer under the reduced production program formulated under clause (iii) for fiscal years 1986 through 1987 shall require the producer to make an equal reduction in the marketings of milk by the producer in each of such fiscal years.

"(ii) Not later than August 1 preceding any fiscal year for which a milk diversion program may or shall be so established under this paragraph (or August 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)) the Secretary shall publish in the Federal Register—

"(I) the estimated level of purchases of milk and products of milk under this subsection (less sales under section 407 for unrestricted use) in such fiscal year if no program is carried out during the year under this paragraph (or in each of fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)); and

"(II) if a milk diversion program is to be established under this paragraph for such fiscal year (or for fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under clause (i)(IV)), notice of the establishment of the program and a detailed description of the nature of the program.

Any milk diversion program so established shall consist of the reduced production program formulated under clause (iii) and the production termination program formulated under clause (iv). The aggregate amount of the reduction, under the milk diversion program so established, in marketings of milk in each fiscal year for which such program is in effect shall be not less than the difference between the level of purchases so estimated and 4 billion pounds (milk equivalent), unless producers decline to enter into contracts to effect such aggregate amount of reduction.

"(iii) For each of the fiscal years 1986 through 1990 for which a milk diversion program will be in effect under this paragraph, the Secretary shall formulate, not later than August 1 preceding such fiscal year, a reduced production program under which the Secretary shall offer to enter into a contract, at any time before the beginning of such fiscal year, with any producer of milk in the United States for the purpose of reducing the quantity of milk marketed by such producer for commercial use during the contract period Such contract shall be in effect

throughout such fiscal year unless such contract is terminated under subparagraph (E). Each producer of milk in the United States seeking to enter into a contract for diversion payments under this clause shall, before entering into such contract, provide the Secretary with a plan that describes the manner in which the producer intends to achieve the reduction in milk marketings that would be required under such contract, and includes an estimate by the producer of the amount of such reduction that the producer intends to achieve through increased slaughter of dairy cattle (including the approximate number of dairy cattle that will be sold for slaughter during each month of the contract). In setting the terms and conditions of such contracts, the Secretary shall take into account any adverse effect of the reductions in milk production on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such effect.

"(iv) For each of the fiscal years 1986 through 1990 for which a milk diversion program will be in effect under this paragraph, the Secretary also shall formulate, not later than August 1 preceding such fiscal year, a production termination program under which the Secretary may offer, at the request of a producer of milk in the United States who submits to the Secretary a bid, to enter into a contract, at any time before November 1 of such fiscal year, with the producer for the purpose of terminating the production of milk by the producer in return for a payment to be made by the Secretary. In setting the terms and conditions of each contract made under this clause, the Secretary shall take into account any adverse effect of such contract, and of all contracts made under this clause, on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such effect.

"(v) For any fiscal year for which a milk diversion program under this paragraph is in effect, the Secretary shall determine, before the beginning of such fiscal year, the total number of dairy cattle the Secretary estimates will be marketed for slaughter as a result of such program and shall by regulation specify marketing procedures to ensure that not more than 40 per centum of the number of such dairy cattle that the Secretary estimates will be marketed for slaughter by the producers participating in the program, in excess of the number of dairy cattle such producers would market for slaughter (based on the historical dairy cow herd culling rate) during such fiscal year in the absence of such program, will be so marketed in such fiscal year in the months of October, November, December, January, February, and September. Such procedures also shall ensure that such sales of dairy cattle for slaughter shall occur on a basis estimated by the Secretary that maintains historical marketing patterns. During such fiscal year, the Secretary shall limit the total number of dairy cattle marketed for slaughter under the program in excess of the historical dairy cow herd culling rate to no more than 7 per centum of the national dairy cow herd.".

(2) in subparagraph (B)—

(A) striking out "(B) Each such contract" and inserting in lieu thereof "(B)(i) Each contract made under the program formulated under subparagraph (A)(iii)";

(B) redesignating clauses (i), (ii), (iii), and (iv) as subclauses (I), (II), (III), and (IV), respectively; and

(C) in subclause (III), as so redesignated—

(i) striking out "after November 8, 1983" and all that follows through "unless such cattle are sold", and inserting in lieu thereof "during the period beginning August 1 immediately preceding the fiscal year for which such contract is in effect and ending on the last day of such fiscal year (or during the period beginning on August 1, 1985, and ending on September 30, 1987, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)), unless, as established by evidence satisfactory to the Secretary (including any sales contract), such cattle are sold in good faith"; and

(ii) striking out "this subsection" and inserting in lieu thereof "the program for such fiscal year";

(D) in subclause (IV), as so redesignated, striking out "this paragraph" each place it appears and inserting in lieu thereof "the contract"; and

(E) adding at the end thereof the following:

"(ii) Each contract made under this program formulated under subparagraph (A)(iv) shall provide that—

"(I) the producer shall sell for slaughter or for export all the dairy cattle in which such producer owns an interest;

"(II) during a period of three, four, or five years specified by the Secretary and beginning on the day the producer completes compliance with subclause (I), the producer shall neither acquire any interest in the production of milk nor acquire, or make available to any person, any milk production capacity of a facility that becomes available because of compliance by any producer with such subclause; and

"(III) if the producer fails to comply with such contract, the producer shall repay to the Secretary the entire payment received under the contract, including simple interest payable at a rate prescribed by the Secretary, which shall, to the extent practicable, reflect the cost to the Corporation of its borrowings from the Treasury of the United States, commencing on the date payment is first received under such contract.";

(3) striking out "this paragraph" in subparagraph (C) and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(4) in subparagraph (D)—

(A) in clause (i)—

(i) inserting "under a contract made under the program formulated under subparagraph (A)(iii) for a fiscal year" after "any reduction";

(ii) inserting "in such fiscal year;" after "marketed" the first place it appears; and

(iii) striking out "the producer has entered into under this paragraph" in subclause (I);

(B) in clause (ii)—

(i) inserting "under a contract made under the program formulated under subparagraph (A)(iii) for a fiscal year" after "any reduction"; and

(ii) striking out "the producer has entered into under this paragraph" in subclause (I); and

(C) in clause (iii), striking out "as of the date of enactment of the Dairy Production Stabilization Act of 1983" and inserting in lieu thereof "throughout the fifteen-month period ending on October 1 of the fiscal year for which such contract is in effect (or ending on October 1, 1985, in the case of a program carried out under subparagraph (A)(i)(IV) for fiscal years 1986 and 1987)";

(5) in subparagraph (E)—

(A) in the first sentence—

(i) inserting "before November 1 of a fiscal year (or November 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)) and" after "The Secretary may,";

(ii) inserting "for such fiscal year (or for fiscal years 1986 and 1987 in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV))" after "this paragraph" the first place it appears;

(iii) in clause (i), striking out "there would be an excessive reduction in the level of milk production in the United States" and inserting in lieu thereof "the level of milk marketings in the United States would be reduced in excess of the aggregate amount of the reduction required by subparagraph (A)(ii)";

(iv) striking out "under this paragraph" each place it appears and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(v) striking out "dairy cattle,"; and

(B) striking out "reduce" in the third sentence and inserting in lieu thereof "lessen"; and

(C) adding at the end thereof the following:

"In acting to lessen the required reduction in milk marketings among all contracts made under the program formulated under subparagraph (A)(iii), the Secretary may apportion changes in the reduction among contracts so as to give preference to any small- or medium-sized producer who requests that the producer's reduction not be lessened. A producer who enters into a contract under subparagraph (A)(iii) may terminate such contract if the Secretary modifies such contract under this subparagraph and if such producer gives written notice of such termination, and returns any payment received under such contract, to the Secretary not later than December 1 of the fiscal year for which such contract is made (or December 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)).";

(6) striking out the second sentence in subparagraph (F) and inserting in lieu thereof the following:

"The marketing history, as established by the Secretary, of such producer shall be as follows:

"(i) Except as provided in clause (ii) and clause (iii), the marketing history of the producer shall be the marketings of milk by the producer for commercial use during the one-year period ending on June 30 immediately preceding the fiscal year for which the contract is sought.

"(ii) Except as provided in clause (iii), if the producer participated in a reduced production milk diversion program under this paragraph in effect for the fiscal year preceding the fiscal year for which the marketing history of the producer is being determined, the marketing history shall be the marketing history of the producer for the diversion program for the preceding fiscal year.

"(iii) If a reduced production milk diversion program is in effect under this paragraph for fiscal years 1986 and 1987, and if the producer participated in the milk diversion program carried out under paragraph (3) of this subsection as in effect on September 30, 1985, the marketing history of the producer for each of fiscal years 1986 and 1987 shall be, at the option of the producer—

"(I) the marketings of milk by the producer for commercial use during calendar year 1982, increased by 2.2 per centum; or

"(II) the average annual marketings of milk by the producer during calendar years

1981 and 1982, increased by 2.2 per centum.".

(7) in subparagraph (G), striking out "after December 31, 1982" and inserting in lieu thereof "in the fifteen-month period ending on October 1 of the fiscal year (or October 1, 1985, in the case of a program carried out for fiscal years 1986 and 1987 under subparagraph (A)(i)(IV)) for which the producer is seeking to enter into a contract for diversion payments under this paragraph".

(8) inserting "payable under a contract made under the program formulated under subparagraph (A)(iii)" in subparagraph (I) after "diversion payments";

(9) in subparagraph (J)—

(A) in clause (i), inserting "payable under a contract made under the program formulated under subparagraph (A)(iii)" after "diversion payments" the first place it appears; and

(B) in clause (ii), striking out "under this paragraph" and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)";

(10) in subparagraph (L), striking out "under this paragraph" and inserting in lieu thereof "under the program formulated under subparagraph (A)(iii)"; and

(11) striking out "paragraph (2)" in subparagraph (N) and inserting in lieu thereof "paragraph (6)".

(b) Effective October 1, 1985, paragraph (9)(B) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(5)(B)), as so redesignated by section 212(1), is amended by—

(1) striking out "paragraph (2)" and inserting in lieu thereof "paragraph (6)";

(2) striking out "paragraph (2)(B)" and inserting in lieu thereof "paragraph (6)(C)";

(3) striking out "paragraph (3)" and inserting in lieu thereof "paragraph (7)";

(4) inserting "(i)" after "(B)"; and

(5) adding at the end thereof the following:

"(ii) Each person who buys, from a producer with respect to whom there is in effect at the time of such sale a contract entered into under paragraph (7), one or more dairy cattle sold for slaughter, who knows that such cattle are sold for slaughter, and who fails to cause the slaughter of such cattle within a reasonable time after receiving such cattle shall be liable for a civil penalty of not more than $5,000 with respect to each of such cattle.".

(c) Paragraph (10) of section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(6)), as so redesignated by section 212(1), is amended by striking out "paragraphs (2) and (3)" and inserting in lieu thereof "paragraphs (6) and (7)".

(d) Section 201(c) of the Agricultural Act of 1949 (7 U.S.C. 1446(c)) is amended by striking out "The price" and inserting in lieu thereof "Except as provided in subsection (d), the price".

(e) Section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by adding at the end thereof the following:

"(11) The Secretary shall carry out this subsection through the Commodity Credit Corporation.".

(f) Notwithstanding section 201(d)(7) of the Agricultural Act of 1949, as added by this title, the Secretary of Agriculture—

(1) shall establish a milk diversion program, and publish the information required by such section, not later than 30 days after the date of the enactment of this Act; and

(2) shall offer to enter into contracts under such program with producers until 60 days after the date of the enactment of this Act; if a milk diversion program is to be in effect for fiscal year 1986 and if this Act is enacted after August 1, 1985.

APPLICATION OF AMENDMENTS

SEC. 213. The amendments made by this subtitle shall not affect any liability of any person under section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) as in effect before October 1, 1985.

AVOIDANCE OF ADVERSE EFFECT OF DAIRY DIVERSION PROGRAM ON BEEF, PORK, AND LAMB PRODUCERS

SEC. 214. To minimize the adverse effect of the milk diversion program on beef, pork, and lamb producers in the United States during any fiscal year for which a milk diversion program is in effect under section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)), in such fiscal year—

(1) the Secretary of Agriculture shall use funds available for the purposes of clause (2) of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes" 7 U.S.C. 612(c), approved August 14, 1935, including the contingency funds appropriated under such section 32, and other funds available to the Secretary under the commodity distribution and other nutrition programs of the Department of Agriculture, and including funds available through the Commodity Credit Corporation, to purchase and distribute two hundred million pounds of red meat in addition to those quantities normally purchased and distributed by the Secretary;

(2) the Secretary of Defense and other Federal agencies, to the maximum extent practicable, shall use increased quantities of red meat to meet the food needs of the programs that they administer, and State agencies are encouraged to cooperate in such effort; and

(3) the Secretary of Agriculture shall encourage the consumption of red meat by the public.

STUDY RELATING TO CASEIN

SEC. 215. The Secretary of Agriculture shall conduct a study to determine whether imports of casein tend to interfere with or render ineffective the milk price support program of the Department of Agriculture. Not later than 60 days after the date of the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate.

CONGRESSIONAL EVALUATION OF THE COST OF PRODUCTION SCHEDULE

SEC. 216. It is the sense of Congress that two years after the date of the enactment of this Act the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate should—

(1) determine the value of each of the items specified in the schedule established in section 201(d)(3)(C) of the Agricultural Act of 1949, and the contribution of each of such items to the cost of production referred to in such section, in order to assess the effect of each of such items on the cost of production index and the level of price support for milk determined under section 201(d) of such Act; and

(2) assess the effect of such index on the operation of the milk diversion program provided for in section 201(d)(7) of such Act.

Subtitle B—Dairy Research and Promotion

NATIONAL DAIRY RESEARCH ENDOWMENT INSTITUTE

SEC. 221. Effective October 1, 1985, the Dairy Production Stabilization Act of 1983 (7 U.S.C. 1421 note, et seq.) is amended by adding at the end thereof the following:

"Subtitle C—Dairy Research Program

"DEFINITIONS

"SEC. 130. For purposes of this subtitle—

"(1) the term 'board' means the board of trustees of the Institute;

"(2) the term 'Department' means the Department of Agriculture;

"(3) the term 'dairy products' means manufactured products that are derived from the processing of milk, and includes fluid milk products;

"(4) the term 'fluid milk products' means those milk products normally consumed in liquid form as a beverage;

"(5) the term 'Fund' means the Dairy Research Trust Fund established by section 135;

"(6) the term 'imported' means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States;

"(7) the term 'importer' means a person who imports any dairy product into the United States for commercial use;

"(8) the term 'Institute' means the National Dairy Research Endowment Institute established by section 131;

"(9) the term 'milk' means any class of cow's milk marketed in the United States;

"(10) the term 'person' means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity;

"(11) the term 'producer' means any person engaged in the production of milk for commercial use;

"(12) the term 'research' means studies testing the effectiveness of market development and promotion efforts, studies relating to the nutritional value of milk and dairy products, and other related efforts to expand demand for milk and dairy products;

"(13) the term 'Secretary' means the Secretary of Agriculture unless the context specifies otherwise; and

"(14) the term 'United States' means the several States and the territories and possessions of the United States, except that for purposes of sections 131, 133(a), and 136, and paragraphs (6), (7), and (9) of this section, such term means the forty-eight contiguous States in the continental United States.

"ESTABLISHMENT OF NATIONAL DAIRY RESEARCH ENDOWMENT INSTITUTE

"SEC. 131. There is hereby established in the Department of Agriculture a National Dairy Research Endowment Institute whose function shall be to aid the dairy industry through the implementation of the dairy products research order, which its board of trustees shall administer, and the use of monies made available to its board of trustees from the Dairy Research Trust Fund to implement the order. In implementing the order, the Institute shall provide a permanent system for funding scientific research activities designed to facilitate the expansion of markets for milk and dairy products marketed in the United States. The Institute shall be headed by a board of trustees composed of the members of the National Dairy Promotion and Research Board. The board may appoint from among its members an executive committee whose membership, other than importers, shall reflect equally each of the different regions in the United States in which milk is produced. The executive committee shall have such duties and powers as are delegated to it by the board. The members of the board shall serve without compensation. While away from their homes or regular places of business in the

performance of services for the board, members of the board shall be allowed reasonable travel expenses, including a per diem allowance in lieu of subsistence, as recommended by the board and approved by the Secretary, except that there shall be no duplication of payment for such expenses.

"ISSUANCE OF ORDER

"SEC. 132. (a) After the effective date of this subtitle and not later than thirty days after receipt of a proposed dairy products research order, the Secretary shall publish such proposed order in the Federal Register and shall give notice and reasonable opportunity for public comment on such proposed order. Such proposed order may be submitted by an organization certified under section 114 or by any interested person affected by the provisions of subtitle B.

"(b) After the Secretary complies with the requirements of subsection (a), the Secretary shall issue a dairy products research order. The order shall become effective not later than ninety days after publication in the Federal Register of the proposed order.

"(c) The Secretary may amend, from time to time, the dairy products research order issued under subsection (b).

"REQUIRED TERMS OF ORDER; AGREEMENTS UNDER ORDER; RECORDS

"SEC. 133. (a) The dairy products research order issued under section 132(b) shall—

"(1) provide for the establishment and administration, by the Institute, of appropriate scientific research activities designed to facilitate the expansion of markets for dairy products marketed in the United States;

"(2) specify the powers of the board, including the powers to—

"(A) receive and evaluate, or on its own initiative develop and budget for, research plans or projects designed to—

"(i) increase the knowledge of human nutritional needs and the relationship of milk and dairy products to these needs;

"(ii) improve dairy processing technologies, particularly those appropriate to small- and medium-sized family farms;

"(iii) develop new dairy products; and

"(iv) appraise the effect of such research on the marketing of dairy products;

"(B) make recommendations to the Secretary regarding such plans and projects;

"(C) administer the order in accordance with its terms and provisions;

"(D) make rules and regulations to effectuate the terms and provisions of the order;

"(E) receive, investigate, and report to the Secretary complaints of violations of the order;

"(F) recommend to the Secretary amendments to the order;

"(G) enter into agreements, with the approval of the Secretary, for the conduct of activities authorized under the order and for payment of the cost of such activities with any monies in the Fund other than monies deposited in the Fund by the Secretary;

"(H) with the approval of the Secretary, establish advisory committees composed of individuals other than members of the board, and pay the necessary and reasonable expenses and fees of the members of such committees; and

"(I) with the approval of the Secretary, appoint or employ such persons, other than members of the board, as the board deems necessary and define the duties and determine the compensation of each;

"(3) specify the duties of the board, including the duties to—

"(A) develop, and submit to the Secretary for approval before implementation, any research plan or project to be carried out under this subtitle;

"(B) submit to the Secretary for approval budgets, on a fiscal year basis, of the board's anticipated expenses and disbursements in the administration of the order, including projected costs of carrying out dairy products research plans and projects;

"(C) prepare and make public, at least annually, a report of the board's activities and an accounting for funds received and expended by the board;

"(D) maintain such books and records (which shall be available to the Secretary for inspection and audit) as the Secretary may prescribe;

"(E) prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe; and

"(F) account for the receipt and disbursement of all funds entrusted to the board;

"(4) prohibit any monies received under this subtitle by the board to be used in any manner for the purpose of influencing governmental policy or actions, except as provided in paragraph (2)(F);

"(5) during fiscal years 1986 and 1987, require each importer to pay, in the manner prescribed by the order, an assessment to the Secretary, at a rate determined by the Secretary from time to time under subsection (d) and based on the number of hundredweights of milk having 3.67 percent milkfat contained in the quantity of dairy products imported into the United States in such fiscal years for commercial use by such importer; and

"(6) require that each person receiving milk from producers for commercial use, any person marketing milk of that person's own production directly to consumers, and each importer maintain and make available for inspection by the Secretary such books and records as may be required by the order and file with the Secretary reports at the time, in the manner, and having the content prescribed by the order.

"(b) Any agreement made under subsection (a)(2)(G) shall provide that—

"(1) the person with whom such agreement is made shall develop and submit to the board a research plan or project together with a budget that shows estimated costs to be incurred to carry out such plan or project;

"(2) such plan or project shall become effective on the approval of the Secretary; and

"(3) such person shall keep accurate records of all of its transactions, account for funds received and expended, make periodic reports to the board of activities conducted to carry out such plan or project, and submit such other reports as the Secretary or the board may require.

"(c)(1) Information, books, and records made available to, and reports filed with, the Secretary under subsection (a)(6) shall be kept confidential by all officers and employees of the Department, except that such information, books, records, and reports as the Secretary deems relevant may be disclosed by such officers and employees in any suit or administrative proceeding that is brought at the request of the Secretary or to which the Secretary or any officer of the United States is a party, and that involves the order issued under section 132(b).

"(2) Paragraph (1) shall not be construed to prohibit—

"(A) the issuance of general statements, based on such information, books, records, and reports, of the number of persons subject to the order or of statistical data collected from such persons if such statements do not specifically identify the data furnished by any one of such persons; or

"(B) the publication, at the direction of the Secretary, of the name of any person violating the order, together with a statement of the particular provisions of the order violated by the person.

"(3) No information obtained under the authority of this section may be made available to any agency, officer, or employee of the United States for any purpose other than the implementation of this subtitle and any investigatory or enforcement action necessary to implement this subtitle. Any person who violates this paragraph, on conviction, shall be subject to a fine of not more than $1,000, or to imprisonment for not more than one year, or both, and, if such person is employed by the board or the Department, shall be terminated from such employment.

"(d) The rate of the assessment per hundredweight of milk required to be paid under an order issued under section 132(b) by importers shall be equal to that part of the amount of any reduction in the price per hundredweight received by producers for milk, in effect under section 201(d)(6)(B) of the Agricultural Act of 1949, that is attributable to satisfying the requirement of clause (iii) of section 201(d)(6)(B).

"PETITION AND REVIEW; ENFORCEMENT; INVESTIGATIONS

"SEC. 134. The provisions of sections 118, 119, and 120 shall apply, except when inconsistent with this subtitle, to the Institute, the board, the persons subject to the order issued under section 132(b), the jurisdiction of district courts of the United States, and the authority of the Secretary under this subtitle in the same manner as such sections apply with respect to subtitle B.

"DAIRY RESEARCH TRUST FUND

"SEC. 135. (a) There is hereby established in the Treasury of the United States a trust fund to be known as the 'Dairy Research Trust Fund'.

"(b)(1) Monies shall be deposited in the Fund by the Secretary in accordance with section 201(d)(6)(B)(iii) of the Agricultural Act of 1949. The Secretary shall also deposit in the Fund monies received under section 133(a)(5) from importers.

"(2) If no monies are so deposited for a fiscal year in accordance with section 201(d)(6)(B)(iii), then the Secretary shall transfer from monies available to the Commodity Credit Corporation, and deposit in the Fund, $50,000,000 for such fiscal year.

"(3) Monies deposited in the Fund under paragraph (1) or (2) shall be invested by the Secretary of the Treasury in obligations of the United States or any agency thereof, in general obligations of any State or any political subdivision thereof, in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System, or in obligations fully guaranteed as to principal and interest by the United States. Interest, dividends, and other payments that accrue from such investments shall be deposited in the Fund and also shall be so invested, subject to subsection (c).

"(c) Monies in the Fund, other than monies deposited or transferred under paragraph (1) or (2) of subsection (b), shall be available to the board, in such amounts, and for such activities authorized by this subtitle, as the Secretary may approve.

"TERMINATION OF ORDER, INSTITUTE, AND FUND

"SEC. 136. (a) After September 30, 1991, the Secretary, whenever the Secretary finds that the order issued under this subtitle or any

provision of such order obstructs or does not tend to facilitate the expansion of markets for milk and dairy products marketed in the United States, shall terminate or suspend the operation of the order or such provision.

"(b) If the Secretary terminates the order, the Institute shall be dissolved 180 days after the termination of the order.

"(c) If the Institute is dissolved for any reason, the monies remaining in the Fund shall be disposed of as shall be agreed to by the board and the Secretary.

"ADDITIONAL AUTHORITY

"SEC. 137. (a) No provision of this subtitle shall be construed to preempt or supersede any other program relating to milk or dairy products research organized and operated under the laws of the United States or any State.

"(b) The provisions of this subtitle applicable to the order issued under section 132(b) shall be applicable to any amendment to the order.".

DAIRY PROMOTION PROGRAM

SEC. 222. (a) Section 110(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501(b)) is amended by inserting "and dairy products imported into" after "produced in" each place it appears.

(b) Section 111 of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502) is amended by—

(1) redesignating paragraphs (a) through (f) as paragraphs (1) through (6), respectively,

(2) redesignating paragraphs (g) through (l) as paragraphs (9) through (14), respectively; and

(3) inserting after paragraph (6), as so redesignated, the following new paragraphs:

"(7) the term 'imported' means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States;

"(8) the term 'importer' means a person who imports any dairy product into the United States for commercial use;".

(c) Section 113 of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504) is amended by—

(1) in subsection (b)—

(A) in the first sentence, striking out "thirty-six" and inserting in lieu thereof "thirty-seven";

(B) in the second sentence, striking out "Members" and inserting in lieu thereof "Except as provided in the following sentence, members";

(C) in the third sentence, striking out "such" and inserting in lieu thereof "producer"; and

(D) inserting after the second sentence the following:

"One or more members of the Board shall be importers appointed by the Secretary from nominations submitted by importers in the manner authorized by the Secretary. The number of importers to be appointed to the Board shall be determined by the Secretary on a proportional basis, taking into account the number of hundredweights of milk contained in the quantity of dairy products imported into the United States for commercial use during a representative period, except that not fewer than one importer shall be appointed to the Board.";

(2) in subsection (g)—

(A) inserting after the first sentence the following:

"The order shall also provide that each importer shall remit to the Board, in the manner prescribed by the Board, an assessment based on the number of hundredweights of milk contained in the quantity of dairy products imported into the United States for commercial use by such importer."; and

(B) in the third sentence, inserting ", in the case of dairy products other than milk," after "or"; and

(3) in the first sentence of subsection (k), striking out "farmers for commercial use" and inserting in lieu thereof "producers for commercial use, each importer".

(d) Section 116(b) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4507(b)) is amended by—

(1) inserting "and importers" after "producers" each place it appears; and

(2) in the last sentence, inserting ", or the importation of dairy products into the United States," after "the production of milk".

(e) The amendments made by this section shall take effect on October 1, 1985.

Subtitle C—Milk Marketing Orders

MINIMUM ADJUSTMENTS TO PRICES FOR FLUID MILK UNDER MARKETING ORDERS

SEC. 231. (a) Section 8c(5)(A) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(A)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following: "Throughout the 2-year period beginning on the effective date of this sentence (and subsequent to such 2-year period unless modified by amendment to the order involved), the minimum aggregate amount of the adjustments, under clauses (1) and (2) of the preceding sentence, to prices for milk of the highest use classification under orders that are in effect under this section on the date of the enactment of the Dairy Unity Act of 1985 shall be as follows:

"Marketing Area Subject to Order	Minimum Aggregate Amount of Such Adjustments Per Hundredweight of Milk Having 3.5 Per Centum Milkfat
New England	3.24
New York-New Jersey	3.14
Middle Atlantic	3.03
Georgia	3.08
Alabama-West Florida	3.08
Upper Florida	3.58
Tampa Bay	3.88
Southeastern Florida	4.18
Michigan Upper Peninsula	1.35
Southern Michigan	1.75
Eastern Ohio-Western Pennsylvania	1.95
Ohio Valley	2.04
Indiana	2.00
Chicago Regional	1.40
Central Illinois	1.61
Southern Illinois	1.92
Louisville-Lexington-Evansville	2.11
Upper Midwest	1.20
Eastern South Dakota	1.50
Black Hills, South Dakota	2.05
Iowa	1.55
Nebraska-Western Iowa	1.75
Greater Kansas City	1.92
Tennessee Valley	2.77
Nashville, Tennessee	2.52
Paducah, Kentucky	2.39
Memphis, Tennessee	2.77
Central Arkansas	2.77
Fort Smith, Arkansas	2.77
Southwest Plains	2.77
Texas Panhandle	2.49
Lubbock-Plainview, Texas	2.49
Texas	3.28
Greater Louisiana	3.28
New Orleans-Mississippi	3.85
Eastern Colorado	2.73
Western Colorado	2.00
Southwestern Idaho-Eastern Oregon	1.50
Great Basin	1.90
Lake Mead	1.60
Central Arizona	2.52
Rio Grande Valley	2.35
Puget Sound-Inland	1.85
Oregon-Washington	1.95

Effective at the beginning of such two-year period, the minimum prices for milk of the highest use classification shall be adjusted for the locations at which delivery of such milk is made to such handlers.".

(b) The amendment made by this section shall take effect on the first day of the first month beginning more than 120 days after the date of the enactment of this Act.

ADJUSTMENTS FOR SEASONAL PRODUCTION; HEARINGS ON AMENDMENTS; DETERMINATION OF MILK PRICES

SEC. 232. Effective October 1, 1985, section 101(b) of the Agriculture and Food Act of 1981 (7 U.S.C. 608c note) is amended by striking out "1985" and inserting in lieu thereof "1990".

COOPERATIVE ASSOCIATION REPRESENTATION

SEC. 233. Effective October 1, 1985, the second sentence of section 8c(17) of the Agricultural Adjustment Act (7 U.S.C. 608c(17)), as added by section 101 of the Agriculture and Food Act of 1981 and made effective for the period beginning January 1, 1986, and ending December 31, 1990 under section 132, is amended by striking out "not".

MARKETWIDE SERVICE PAYMENTS

SEC. 234. Effective October 1, 1985, section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end thereof the following:

"(J) Providing for the payment, from the total sums payable by all handlers for milk (irrespective of the use classification of such milk) and before computing uniform prices under paragraph (A) and making adjustments in payments under paragraph (C), to handlers that are cooperative marketing associations described in paragraph (F) and to handlers with respect to which adjustments in payments are made under paragraph (C), for services of marketwide benefit, including but not limited to—

"(i) providing facilities to furnish additional supplies of milk needed by handlers and to handle and dispose of milk supplies in excess of quantities needed by handlers;

"(ii) handling on specific days quantities of milk that exceed the quantities needed by handlers; and

"(iii) transporting milk from one location to another for the purpose of fulfilling requirements for milk of a higher use classification or for providing a market outlet for milk of any use classification.".

STATUS OF PRODUCER HANDLERS

SEC. 235. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, shall be the same after the amendments made by this title take effect as it was before the effective date of such amendments.

Subtitle D—National Commission on Dairy Policy

FINDINGS AND DECLARATION OF POLICY

SEC. 241. (a) Congress finds that—

(1) the Federal program established to support the price of milk marketed by producers in the United States was created to provide price and income protection for milk pro-

ducers as well as to assure consumers of an adequate supply of milk and dairy products at reasonable prices;

(2) the milk production industry in the United States is composed primarily of small- and medium-sized family farm operations;

(3) consumers in the United States benefit financially from a milk price support program that prohibits large fluctuations in the price and supply of milk and dairy products;

(4) consumers in the United States also benefit financially from the current structure of the domestic milk production industry; and

(5) the Office of Technology Assessment, in its report entitled "Technology, Public Policy, and the Changing Structure of American Agriculture", found that larger milk production operations already enjoy a major advantage in the production of milk and that, under current Federal policy, the development and use of new technologies will permit a continued trend toward fewer and larger milk production operations throughout the country.

(b) It is hereby declared to be the policy of Congress to respond to the development of new technologies in the domestic milk production industry by reviewing the present milk price support program and its alternatives, and by adopting such policies as are needed to prevent significant surplus production in the future while ensuring that the current small- and medium-sized family farm structure of such industry will be preserved for new generations of producers and consumers alike.

ESTABLISHMENT OF COMMISSION

SEC. 242. (a) There is hereby established in the executive branch a National Commission on Dairy Policy, which shall study and make recommendations concerning the future operation of the Federal program established to support the price of milk marketed by producers in the United States.

(b) The Commission shall be composed of eighteen members who are engaged in the commercial production of milk in the United States, to be appointed by the Secretary of Agriculture. Not fewer than twelve members shall be appointed from nominations submitted to the Secretary by the following Members of Congress, after consultation with the other Members of Congress who sit on the specified committee of the respective House of Congress:

(1) The Chairman of the Committee on Agriculture of the House of Representatives.

(2) The ranking minority member of the Committee on Agriculture of the House of Representatives.

(3) The Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(4) The ranking minority member of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Each such Member of Congress shall make not fewer than eighteen such nominations for appointment to the Commission, but not more than two such nominations for any particular vacancy on the Commission. The Secretary shall appoint not fewer than three individuals from among the nominations submitted by each such Member of Congress. Each member of the Commission shall represent a milk-producing region of the United States. A region may be made up of more than one State and may be represented by more than one member of the Commission. In making such appointments, the Secretary shall take into account, to the extent practicable, the geographical distribution of milk production volume throughout the United States. In determining geographical representation, whole States shall be considered as a unit.

(c) A vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(d) The Commission shall elect a chairman from among the members of the Commission.

(e) The Commission shall meet at the call of the chairman or a majority of the members of the Commission.

STUDY AND RECOMMENDATIONS

SEC. 243. (a) The National Commission on Dairy Policy shall study—

(1) the current Federal price support program for milk;

(2) alternatives to such program;

(3) the future functioning of such program;

(4) new technologies that will become a part of the milk production industry before the end of this century;

(5) the effect that developing technologies will have on surplus milk production; and

(6) the future structure of the milk production industry.

In conducting such study, the Commission shall consider, among other things, how effective the current Federal price support program for milk will be in preventing significant surpluses of dairy products in the future, how well such program will respond to the challenges to the family farm structure of the milk production industry created by developing technologies, and whether or not a better response to those challenges could be achieved through modifications or revisions of current Federal policy.

(b) On the basis of its study, the Commission shall make findings and develop recommendations for consideration by the Secretary of Agriculture and Congress with respect to the future operation of the Federal price support program for milk.

(c) The Commission shall submit to the Secretary of Agriculture and Congress, not later than March 31, 1987, a report containing the results of its study and recommendations based on such results.

ADMINISTRATION

SEC. 244. (a) The heads of executive agencies, the General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office, to the extent permitted by law, shall provide to the National Commission on Dairy Policy such information as the Commission may require to carry out its duties and functions.

(b) Members of the Commission shall serve without compensation for work on the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government service under section 5703 of title 5 of the United States Code.

(c) To the extent there are sufficient funds available to the Commission in advance under section 245, and subject to such rules as may be adopted by the Commission, the Commission, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to the classification and General Schedule pay rates, may—

(1) appoint and fix the compensation of a director; and

(2) appoint and fix the compensation of such additional personnel as the Commission determines necessary to assist it to carry out its duties and functions.

(d) On the request of the Commission, the heads of executive agencies, the General Accounting Office, and the Office of Technology Assessment may furnish the Commission with such personnel and support services as the head of the agency or office, and the chairman of the Commission agree are necessary to assist the Commission to carry out its duties and functions. The Commission shall not be required to pay or reimburse any agency or office for personnel and support services provided under this subsection.

(e) The Commission shall be exempt from sections 7(d), 10(e), 10(f), and 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

(f) The Commission shall be exempt from the requirements of sections 4301 through 4305 of title 5 of the United States Code.

FINANCIAL SUPPORT

SEC. 245. (a) Following the appointment or designation of the members of the National Commission on Export Policy, notwithstanding the provisions of section 1342 of title 31 of the United States Code, the Secretary of Agriculture may receive on behalf of the Commission, from persons, groups, and entities within the United States, contributions of money and services to assist the Commission to carry out its duties and functions. Any money contributed under this section shall be made available to the Commission to carry out this subtitle. In no event may the Secretary accept an aggregate amount of contributions from any one person, group, or entity exceeding 10 percent of the budget of the Commission.

(b) If the contributions under subsection (a) are insufficient to carry out this subtitle, the Secretary of Agriculture may transfer to the Commission, from funds available to the Commodity Credit Corporation, an amount not to exceed $1,000,000 to carry out this subtitle.

TERMINATION OF COMMISSION

SEC. 246. The National Commission on Dairy Policy shall cease to exist thirty days following the submission of its report to the Secretary of Agriculture and Congress.

Subtitle E—Miscellaneous

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND VETERANS HOSPITALS

SEC. 251. Subsections (a) and (b) of section 202 of the Agricultural Act of 1949 (7 U.S.C. 1446a) are each amended by striking out "1985" and inserting in lieu thereof "1990".

EXTENSION OF THE DAIRY INDEMNITY PROGRAM

SEC. 252. Section 3 of the Act entitled "An Act to provide indemnity payments to dairy farmers" (7 U.S.C. 450l), approved August 13, 1968, is amended by striking out "1985" and inserting in lieu thereof "1990".

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON: Page 17, line 18, strike out the period and insert in lieu thereof a semicolon.

Page 17, after line 18, insert the following: "but not to exceed 50 cents per hundredweight.".

Page 47, beginning on line 23, strike out "equal" and all that follows through line 2 on page 48, and insert in lieu thereof the following: "equal to $50,000,000 divided by

the number of hundredweights of milk estimated by the Secretary to be produced in the United States in the fiscal year involved.".

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GUNDERSON. Mr. Chairman, as we have discussed the committee proposal on dairy for the last few weeks, there has been one area where there seems to be a lot of scare tactics. That happens to be in the area of exactly what will the assessment be under the so-called dairy unity bill. Let us understand what has happened here.

If there is one thing that is very clear and very important for everyone to understand, under the dairy section of the farm bill we have capped the cost to the taxpayer at $800 million for purchases of surplus dairy products in this country. Anything above and beyond that, the dairy farmer will pay for through assessments.

In addition, he will also pay for the cost of the diversion program, the incentive to farmers to cut back production.

And third, he will pay for the research endowment, which is also a part of this program, a part of the new farm bill.

Now, the amendment which I have offered caps the assessment at 50 cents per hundredweight. The reason it does that is because, as I have indicated, the assessment is only needed to make the diversion payments, fund the research endowment, and to excess purchases above 5 billion pounds.

In fact, both the Congressional Budget Office and the Ag Committee economists agree that the necessary assessment for the proposal in front of us averages only 42 cents a hundredweight, not 50 cents. Actually, that 42 cents a hundredweight is a very conservative set of assumptions, erring on the side of what the greatest possible cost might be.

Let me give you an example. First of all, the economists suggest that the undiverted production would be 141 billion pounds of milk in this country in the first year of the farm bill. That is 5 billion pounds above even what USDA suggested production would be when they sent their farm bill up to the House Ag Committee in February. It is far more than any independent dairy economists suggest it will be.

Second, the dairy economists at CBO and the Ag Committee suggest there will be only a 2-percent increase in consumption among consumers next year. That is less than what last year's increased consumption was.

Third, they are assuming we are going to need $10 per hundredweight payments to make the whole herd buyout work. That is three times as much as economists at Cornell University suggest; over twice as much as the Wisconsin dairy economist Bob Cropp suggests.

Even so, with all of these conservative estimates and a 50-cent cap, we are still looking at more than $100 million in leeway each year in what the cost of the program ought to be to the dairy farmer in the amount of revenue we would bring in under a 50-cent cap.

So I would encourage my colleagues to simply support this amendment. It really verifies what every one of us on the committee believes will be the case.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to my colleague, the gentleman from Wisconsin.

Mr. OBEY. I would like to express support for the gentleman's amendment. As the gentleman knows, I filed a similar amendment, to make certain it was offered. I think, as the gentleman said, it simply puts in black and white what we believe to be a fact, and I think people ought to know what the realities really are as we deal with this bill.

Mr. GUNDERSON. I appreciate the gentleman's comments.

Mr. Chairman, the other thing that it does is to make sure USDA implements the program by virtue of the intent we have tried to bring forth in the committee proposal. It makes sure that they implement the whole herd buyout, that they implement the dairy diversion program, and try to make our committee proposal work.

Mr. OLIN. Mr. Chairman, I rise in opposition to the amendment, with mixed feelings. I am quite surprised that the amendment is being offered by the gentleman from Wisconsin. My mixed feelings arise from the fact that I am not really in favor of assessments at all, and I would far prefer them to be lower than larger. But I have been consulting with the Department of Agriculture for the last 4 or 5 months with regard to what the assessment is likely to be in the event that the committee's bill is approved and goes through, and also in the light of what has been happening to dairy production since the diversion program ended on April 1.

You probably all know that, right after that diversion program ended, production began to shoot up. It went up 3 percent the first month, then 4, then 5, then 6. In the month of August, dairy production in this country was up 10 percent over a year before; 5 percent over what it was back in 1983.

The committee bill has worked up the numbers based on the fact that 10 billion pounds would be the maximum amount they would have to take care of, they plan to divert down to 5; in other words, pay for 5 billion pounds of diversion. That would leave a surplus that we would buy of 5 billion pounds. And on that basis, they came up with a number that maybe the assessment would be 40 to 50 cents.

The Department of Agriculture presently estimates, based on what has been happening to production, that in the next year, 1986, the probable Federal purchase, given the way that the situation is right now, is going to be at least 13 billion, maybe 16. That is quite a ways above what the committee is recommending. And if it is 16, the assessment is going to have to cover the cost of diverting from 16 down to 5. That is 11 billion pounds.

On top of that, the committee is going to have to pay for the other things that the assessment pays for, the $50 million for that year for the research program, the 15 cents that the marketing program calls for, and it all adds up, when you finally get down to it, that the Department of Agriculture has analyzed, based on their records, that the assessment is going to have to raise about $1.3 billion. With the expected production, $1.3 billion, you got about 130 billion pounds of milk, 132 billion pounds of milk, and their estimate is that the assessment is going to be at least a dollar, it might be as high as $1.25.

Mr. Chairman, I like low assessments. I like no assessments. But it would be ridiculous for us to pass this amendment putting a cap on because what would happen if it turns out that is not enough money? There will not then be enough money to take the surplus off the market. And the CCC will pay the difference, and the committee's financial proposal there is down the drain.

I urge the committee to consider this subject. We are going to hear a lot of numbers today. Of course, you have no idea of knowing which numbers are right. Those of us who look into the numbers should recognize that the Department of Agriculture is not a neophyte in this area. They are saying that a cap of 50 cents is totally contradictory to the financial plan of the committee amendment.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this amendment and I wish to associate myself with the remarks of the gentleman from Wisconsin [Mr. GUNDERSON], my friend on the Agriculture

Committee. I think it is important that this amendment capping the assessment at 50 cents be passed by this House to clear up some of the confusion and some of the questions as to how much might the assessments be under a dairy diversion program. This makes a clear statement capping it at 50 cents to give dairy producers a clear signal and this House a clear signal as to what will be the specifics involved in any dairy diversion program.

I thank my friend and colleague, the gentleman from Vermont [Mr. JEFFORDS], for yielding to me.

Mr. JEFFORDS. Mr. Chairman, I want to briefly speak in favor of the amendment.

I think it is important to remove what has been a scare tactic used by the administration and the opponents of the committee bill here. This will put in black and white that the assessment will not go above 50 cents. And even the most conservative estimates, as set forth by the gentleman from Wisconsin, indicate that it is going to be for 1986 and 1987, for any event, below 50 cents.

Not only that, but there has been little said about the whole herd provisions here. CBO, because they do not know how the program will work has not given us any estimate. But if we do use the whole herd, in combination with a diversion program, it will save even more than the generous figure that CBO gives us when compared against the Olin amendment. So I can understand why the gentleman from Virginia opposes this amendment, because it removes something that obviously should not be in the argument, that the 50 cent assessment will not do the job.

I would urge everyone to vote for this amendment.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, another reason for the amendment, it seems to me, is that, while it resembles the diversion bill of 2 years ago, the fact is that for many producers, their situation economically has deteriorated to the point that some assurance on the 50-cent assessment is necessary, otherwise it was not so relevant 2 years ago, but it certainly is today. I think the amendment should be supported.

Mr. JEFFORDS. I agree with the gentleman.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding.

Mr. Chairman, I think our colleague, Mr. GUNDERSON from Wisconsin, has an excellent amendment. I want to tell you why. CBO has calculated, for example, that production, 134 billion, the diversion, 7 billion, consumption 129 billion, a surplus, 4.6 billion, means that if we have 46 cents, we are well covered. So these are the facts. This is not rhetoric. These are the facts from CBO. So I think we are well within the range. I think the gentleman has an excellent amendment. I compliment him for it. I think we should vote in the affirmative.

Mr. COELHO. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

In all of our figures in the Congressional Budget Office there was never any indication at all that the assessment would be over 50 cents. It would be substantially under. I congratulate the gentleman from Wisconsin for offering the amendment. It is a necessary amendment. I agree with it and I urge my colleagues to support it.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the distinguished member of the subcommittee has stated, we on our side have no objection to the amendment. We think that it enhances this part of the bill and would urge all of the Members to accept it.

□ 1305

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OLIN

Mr. OLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIN: Page 12, strike out line 4 and all that follows through line 2 on page 36, and insert in lieu thereof the following:

SEC. 201. This title may be cited as the "Responsible Dairy Act of 1985".

Subtitle A—Milk Price Support

LEVEL OF MILK PRICE SUPPORT FOR FISCAL YEARS 1986 THROUGH 1990

SEC. 211. Effective October 1, 1985, section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended to read as follows:

"(d)(1) In order to achieve a balance between milk production and the availability of milk and milk products to consumers at reasonable prices, to protect producers and consumers from disruptive fluctuations in the prices of milk and milk products, and to provide that benefits of increased productivity in milk production resulting from new production techniques are shared with consumers, the price of milk shall be supported in fiscal years 1986 through 1990 as provided in this subsection. Notwithstanding any other provision of law and except as provided in paragraphs (2) and (3), during the period beginning on October 1, 1985, and ending on September 30, 1990, the price of milk shall be supported at the level of $11.60 per hundredweight of milk having 3.67 per centum milkfat.

"(2)(A) On January 1, 1986, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 10 billion pounds (milk equivalent) in the absence of a reduction in the level of price support for milk, then the level of price support in effect for such period shall be $11.10 per hundredweight of milk having 3.67 per centum milkfat.

"(B) On January 1 of each of the years 1987, 1988, 1989, and 1990, if the Secretary estimates that in the 12-month period beginning on such date purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will exceed 5 billion pounds (milk equivalent) in the absence of an additional reduction in the level of price support for milk, then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents less than the level of price support in effect immediately before such date.

"(C) On January 1 of each of the years 1987, 1988, 1989, and 1990, if the Secretary estimates that in the 12-month period beginning on such date and under the level of price for milk in effect immediately before such date, purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use) will not exceed 2 billion pounds (milk equivalent), then the level of price support in effect for such period per hundredweight milk having 3.67 per centum milkfat shall be 50 cents greater than the level of price support in effect immediately before such date.

Page 36, line 4, strike out "SEC. 213." and insert in lieu thereof "SEC. 212.".

Page 36, line 10 and strike out "SEC. 214." and insert in lieu thereof "SEC. 213.".

Page 37, line 11, strike out "SEC. 215." and insert in lieu thereof "SEC. 214.".

Page 37, strike out line 19 and all that follows through line 7 on page 54.

Page 54, after line 7, insert the following:

"Subtitle B—Milk Marketing Orders"

Page 55, line 3, strike out "SEC. 232." and insert in lieu thereof "SEC. 221.".

Page 55, line 8, strike out "SEC. 233." and insert in lieu thereof "SEC. 222.".

Page 55, strike out line 14 and all that follows through line 12 on page 56.

Page 56, line 14, strike out "SEC. 235." and insert in lieu thereof "SEC. 223.".

Page 56, line 20, strike out "Subtitle D" and insert in lieu thereof "Subtitle C".

Page 56, line 22, strike out "SEC. 241." and insert in lieu thereof "SEC. 231.".

Page 58, line 7, strike out "SEC. 242." and insert in lieu thereof "SEC. 232.".

Page 60, line 2, strike out "SEC. 243." and insert in lieu thereof "SEC. 233.".

Page 61, line 8, strike out "SEC. 244." and insert in lieu thereof "SEC. 234.".

Page 62, line 25, strike out "SEC. 245." and insert in lieu thereof "SEC. 235.".

Page 63, line 18, strike out "SEC. 246." and insert in lieu thereof "SEC. 236.".

Page 63, line 21, strike out "Subtitle E" and insert in lieu thereof "Subtitle D".

Page 63, line 24, strike out "SEC. 251." and insert in lieu thereof "SEC. 241.".

Page 64, line 4, strike out "SEC. 252." and insert in lieu thereof "SEC. 242.".

Mr. OLIN (during the reading). Mr. Chairman, I ask unanimous consent

that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. OLIN. Mr. Chairman, I rise to explain the Olin-Michel amendment to the dairy title, title II of the farm bill of 1985. We are offering this amendment because we feel that dairy farmers want and need a stable policy that helps them focus on the market and plan their business on a predictable basis.

I do not think the dairy farmers want to be jerked around with fancy special policies that involve payoffs of one type or another. They are good, honest, hard-working people. They are not afraid of the market; they are not afraid to try to make money in selling their milk to consumers. I have plenty of evidence in my dairy farmers that they are not at all worried about the implications of this particular bill.

Let me explain what is in the amendment. First of all, we are going to continue the Government purchases of dairy surplus. The purpose of the surplus is to stabilize the dairy industry, not to provide income for the dairymen. They make their own income. Basically, what the amendment would do would be to start with the present price support level of $11.60. On each January 1, we would take a look at the projected surplus. In the first year, if the projected surplus is 10 billion pounds or more, we would lower the price support 50 cents. In subsequent years, if it is over 5 billion pounds, we would lower the price support 50 cents. We would keep on doing that until we get down to the point where it is only marginally profitable to sell milk manufactured products to the Government. We think it would probably take three reductions to get there; $10.10 appears to be where that would stabilize.

After that, if on any January 1st the projected surplus is 2 billion pounds or less, the price support would go up 50 cents. We also would remove the legislated minimums for class I milk differentials that are in the committee bill. We think it is improper to legislate those differentials. They are politically oriented and not factually oriented. We think that our amendment would extend the current administration by the Department of Agriculture of these differentials.

We leave in our amendment the very commendable features of the committee bill, provisions for red meat purchases if a diversion plan is used. Provisions for casein imports, for a National Commission on Dairy; the transfer of dairy products to military and veterans. The Indemnity Program, and the protection for handlers.

We are offering this amendment for two reasons: One is that over the last 36 years we have had the policy of trying to regulate milk production by adjusting the support price. Every time we have gotten off and we have started to get too much surplus, it has been corrected in 3 or 4 years by bringing the price support down. It has happened time and time again. It works. We are in trouble right now because in the late seventies we legislated an increase in price supports that is too high, and we have stimulated too much production. We can correct that simply by doing what we have done before. It works; it is not unusually disruptive.

The cost of this program is going to be less than the cost of the committee bill. In the second year, the Government cost of our program is lower than the committee bill. In the third year, our CCC cost alone is lower. In the fifth year, the cost of the dairy program that I am recommending would be $600 million a year. The committee stabilizes about $1.1 billion for CCC alone, and the cost of the Government's food programs gets up to $770 million by 1990.

If you favor responsible action with regard to the deficit, you are going to get the deficit down by bringing Government costs down and keeping them down. You are not going to get them down by gimmicks and by trying to fudge up some numbers that show a 1-year result that is not going to be sustainable. You get them down with good policy. Those people that want a balanced budget will vote for this amendment.

What is wrong with the committee bill? First of all, it stimulates production. It keeps price supports right up where they are and every year they go up. They finally get up to over $13 in 1990. We know today that $11.60 is stimulating production higher than we have ever had before. That is going to continue and get worse.

Because of the stimulation of production, the committee bill requires a diversion program. That means paying some farmers to reduce milk while we are stimulating other farmers to produce milk. We had a diversion program. Look what happened. We did get a little reduction in production. Consumption went up because we were lowering the price support level.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. OLIN] has expired.

(By unanimous consent, Mr. OLIN was allowed to proceed for 5 additional minutes.)

Mr. OLIN. We paid dairy farmers one whale of an amount of money for that diversion program. In one congressional district, the average dairy farmer that participated got $400,000. The largest payment was $2.8 million. In the new plan, dairy farmers that signed up before are going to be able to go back to their same base, 1982. If they cut back production and get paid money, they are going to be able to get paid for that reduction again in 1986 and again in 1987. They will get paid 2 more years. It is unconscionable to have a program that has that degree of incentive in it; it does not make any sense.

The committee program will probably require a diversion program every year. We are talking about 400,000 to 600,000 cows coming on the market. In my amendment, this would be a gradual process. We would do it once. We would be reducing about 100,000 cows a year gradually over a period of about 6 years. Production is going to rise so it will not have to go as far.

The regional differences that occur here are tremendous. In the other program, Pennsylvania, for example, received $26 million in diversions and paid out $61. New York received $34 and paid out $74. Florida, the other way around, they received $40 million and paid out $13. It is not right to pay farmers to reduce production while we are paying them to increase production.

We have talked about the assessment. I think the numbers that I have given on assessment are accurate. It is not a fact that the assessement can be held to 50 cents or less with the production the way it is streaming along. The committee is not going to meet the budget requirement in actual fact. Their numbers say they do but they are not going to meet it. We are going to have a shambles on our hands inside of at least 2 years, maybe 3, and we will be rewriting a dairy bill.

The bill mandates class I differentials. This was an idea that came about because the southeastern farmers did not like the idea of the bill. The idea developed to increase their milk differential which they can pass on to the consumer. They were told, do not worry about the assessment program because we are going to increase your differentials; it will not cost you a nickle. Well, it is going to cost somebody a nickle. Not the kind of policy we ought to have; it does not make sense. It is unfair. It is particularly unfair to the Midwest.

The gentleman from Wisconsin, it is unfair to his district. He is going to try to amend the thing to get that out. I think he ought to vote for my amendment. We delete that provision. The other body, incidentally, does not have that provision in its bill either. It is not likely to have it in its bill. The dairy farmers that are counting on that differential to pay their bills may be very rudely awakened one day when the other provisions of the bill may go through, if they go through, and they do not get their differential. They are really going to be hornswaggled. It is a very bad deal. They will be disappointed.

The committee proposal, Mr. Chairman, is too complicated, it is too costly. There are innumerable games that can be played with it. It is going to cause regional problems. It is going to fall of its own weight inside of 2 or maybe 3 years and we will be writing a new dairy bill at that time. We need to fix this problem right once and for all. The solution is not complicated. We know what it is; it has worked before. I urge all the members of the committee to adopt the Olin-Michel amendment.

□ 1315

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. OLIN. Certainly, I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to compliment the gentleman on his amendment and on his presentation.

I do not pretend to be a dairy expert, but I have been forced to grapple with this problem and try to look at it from a commonsense viewpoint as to what is in the best interest of the people of this country. I think the gentleman in the well has come up with a most straightforward, commonsense approach to this problem, one which will look to the interests of not only the taxpayers but the dairy industry and the consumers of this country and will produce a net savings on balance. And it will do so in a way which is simple and straightforward.

Mr. Chairman, I certainly hope that the gentleman's amendment prevails.

Mr. OLIN. Mr. Chairman, I thank the gentleman for his comments.

I urge all the Members of the House to really look seriously at this subject. The dairy part of this farm bill is an important part of the bill. We have dairy farmers all over the country, thousands and thousands and thousands of dairy farmers. We do not want to give them a policy that is going to be unpredictable and one which does not allow them to do the job. We do not want to get a policy that will collapse in a couple of years.

Mr. Chairman, I ask the Members to please vote for the Olin-Michel amendment.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. OLIN] has expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. OLIN was allowed to proceed for 2 additional minutes.)

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. OLIN. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman tell the committee how his proposal differs from the administration's proposal? How does it differ from the administration's proposal, or, first, does it differ from the administration's proposal?

Mr. OLIN. Mr. Chairman, as I understand it, the administration is supporting my proposal 100 percent.

Mr. KASTENMEIER. But is it the same proposal as that made by the Secretary of Agriculture 2 or 3 months ago?

Mr. OLIN. It is not the same as the Secretary's original proposal. He proposed originally, if the gentleman may recall, taking the Government totally out of surplus milk purchasing. I leave that in. The Secretary has come around to my way of thinking, and, to my knowledge, he currently totally endorses this amendment. I believe the administration totally takes that position.

Mr. KASTENMEIER. Mr. Chairman, I thank the gentleman for his clarification.

Mr. MADIGAN. Mr. Chairman, I ask unanimous consent that I be recognized for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, I rise for the purpose of attempting to determine whether or not there would be any interest in the body on adopting some kind of a time limit on the debate on the Olin-Michel amendment. It seemed to work very well on the previous title of the bill.

I understand that we have some bad weather coming in, and there is a desire on the part of the leadership to leave later this afternoon because of possible transportation problems that could become rather complex if we do get the kind of weather they are expecting.

So, Mr. Chairman, I would like to see if we can determine whether or not there would be any interest in a time limit of 1 hour and 30 minutes on the Olin-Michel amendment, with 45 minutes to be given to the proponents and 45 minutes to be given to the opponents, with the time to be equally divided between the majority and the minority in both proponent allocation and opponent allocation.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, I believe that on my side of the amendment we would have perhaps 10 speakers. I am not sure of the exact number. I think an hour and a half in total would be reasonable and would allow Members who wish to be heard an opportunity to be heard.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the committee chairman.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding.

Am I to understand that the time would be divided, a half hour, a half hour, and a half hour?

Mr. MADIGAN. Mr. Chairman, I am proposing that we divide the hour and a half, 45 minutes to Mr. OLIN and Mr. MICHEL, and 45 minutes to Mr. COELHO and Mr. JEFFORDS, with each of the four of them controlling 22½ minutes.

Mr. COELHO. Mr. Chairman, if the gentleman will yield, that is all right.

Mr. DE LA GARZA. Mr. Chairman, we have no objection, because we have the same concern, in that we have many Members from the eastern seaboard, from the Carolinas up to the Northeast, and we would like to see that they get ahead of this hurricane that is on the way. We do not want to impose a time element on them, so we would have no objection to that agreement.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to my colleague, the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I appreciate my distinguished leader's yielding.

Would this time allocation include in it any amendments offered to the Olin-Michel amendment? For example, I have an amendment, and I think it is fairly well known that I very likely will offer that amendment to Olin-Michel. I wonder if we could have, say, at least 10 minutes for that amendment outside of the general debate on this issue. I wonder if that would be possible?

Mr. COELHO. Mr. Chairman, if the gentleman will yield, that is fine with us.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, that would be cutting it pretty tight.

Mr. MADIGAN. No, we would be adding that time.

The CHAIRMAN. Let the Chair interject at this time to let the Members know that there are, as far as the Chair is aware, two amendments which might be offered to the Olin amendment, the one that was just suggested by the gentleman from Wisconsin [Mr. GUNDERSON] and one at the desk by the gentleman from Vermont [Mr. JEFFORDS].

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the committee chairman.

Mr. DE LA GARZA. Mr. Chairman, I would respectfully suggest that we continue with the hour and a half. I do not expect that the two amendments that are pending will be very controversial, aside from this one, and I think they could be handled with, I suppose, 5 minutes on each side. I would hope that would be sufficient.

So we might allocate 10 minutes to the gentleman from Wisconsin, 5 to him and 5 for any opposition, and continue with the hour and a half. That would still have us finish at about 3:30 or so.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MADIGAN] has expired.

(By unanimous consent, Mr. MADIGAN was allowed to proceed for 2 additional minutes).

Mr. OLIN. Mr. Chairman, will the gentleman yield once again?

Mr. MADIGAN. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, I thank the gentleman for yielding.

The issue we are dealing with here is one that is extremely important, and it is deeply felt by many, many Members. It is important that we not limit debate to the point where Members would not be adequately heard. It would be a big mistake if we did that.

I feel that on the pro side the full 45 minutes is really going to be needed. If the opponents to my amendment can accommodate within their time other amendments that might be offered, that would be completely satisfactory.

Mr. MADIGAN. Mr. Chairman, if the gentleman will let me reclaim my time, let me state a unanimous-consent request.

Mr. Chairman, I ask unanimous consent that debate on the Olin-Michel amendment be limited to 1 hour and 30 minutes, with the time to be equally divided between the proponents and the opponents of the Olin/Michel amendment, and the time to be equally divided between the majority and the minority, with an additional 10 minutes to be allocated for the consideration of the two amendments pending to Olin-Michel.

Mr. COELHO. That is 10 minutes per amendment?

Mr. MADIGAN. Yes, 10 minutes per amendment.

Mr. OLIN. Mr. Chairman, I have no objection to that.

The CHAIRMAN. Does the Chair understand that the reference is to any amendment that might be offered to the Olin amendment?

Mr. MADIGAN. I am referring, Mr. Chairman, to the amendments printed in the RECORD, an additional 10 minutes for each of the amendments printed in the RECORD.

The CHAIRMAN. How about amendments that are not printed in the RECORD?

Mr. MADIGAN. I understand they would not be in order, Mr. Chairman.

The CHAIRMAN. They could be in order if they are to the Olin amendment.

Mr. MADIGAN. Well, Mr. Chairman, we know of no such amendments, but they could come up after the debate whether Olin-Michel was adopted or not. If it were adopted and some Members wanted to amend it, I suppose the title can be further amended. But we know of no such amendments.

Mr. OLIN. Mr. Chairman, if the gentleman will yield, is the gentleman suggesting that no other amendments be in order?

Mr. MADIGAN. Mr. Chairman, I will repeat the unanimous-consent request.

Mr. Chairman, I am asking unanimous consent that debate on Olin-Michel be limited to an hour-and-a-half, with the time to be divided equally between the proponents and the opponents and the time of the proponents and the opponents to be equally divided between the majority and the minority.

I am further requesting that an additional 10 minutes beyond the hour-and-a-half be allocated for consideration of the Gunderson amendment and the Jeffords amendment to Olin-Michel should that time be necessary and be used. And I know of no other amendments or of any interest in any other amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. DE LA GARZA. Mr. Chairman, I have no objection to the request.

Mr. OLIN. Mr. Chairman, reserving the right to object, in the event another nonpublished amendment is made, would that amendment be in order?

The CHAIRMAN. It could be offered to the Olin amendment.

Mr. OLIN. If that amendment is offered?

The CHAIRMAN. The amendment could be offered, that is correct.

Mr. OLIN. Further reserving the right to object, would the gentleman specify in his request——

Mr. MADIGAN. I am going to withdraw the request.

Mr. Chairman, I withdraw my unanimous-consent request.

The CHAIRMAN. The unanimous-consent request is withdrawn.

Mr. MICHEL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me say to the members of the committee that I rise in strong support of the amendment offered by the gentleman from Virginia [Mr. OLIN].

This is the third time now in 4 years that I have been involved in an effort to solve the dairy problem, not perpetuate it. The dairy price-support program has been in effect since 1949. That, incidentally, was the year that I first came to Washington, and for most of its life it has worked well. For nearly 30 years the price-support mechanism was in balance with what consumption required. I do not think our dairy program in any one of those years ever cost us over $100 million.

From 1949 to 1979, some 30 years, the program operated, as I said, at a minimum cost to the taxpayers and with fair prices to dairy farmers because the Government price support was kept below the prevailing market prices. Then in the late 1970's something went wrong, and it has not been corrected yet. Surpluses began to develop because price supports were set too high, and later those supports were not reduced. Instead, a series of gimmicks like the 1983 diversion program were tried, and now we have a situation where we face a 12-billion-pound surplus and a $2 billion annual cost for an obviously failing dairy program.

In 1981 I joined with Representative FRANK on the Democratic side and Mr. Findley on our side to lower the dairy support price. We failed at that time.

In 1983 I joined with Representative Conable, our former colleague, to lower the dairy support level, and we failed.

Today I am joining with Representative OLIN to lower the dairy support level again, and hopefully we will succeed this time. We should succeed because at this time the public, I think, is both informed and aroused about what is happening in this program. We should succeed this time because the best vote for taxpayers, consumers, and dairy farmers clearly is the Olin-Michel amendment.

The Congressional Budget Office and the Office of Management and Budget both agree that taxpayers will be better off during the life of this bill under our amendment—anywhere from $200 million to $500 million better off. And I might add that this amendment that was just adopted a little while ago by voice vote, putting a 50-cent-per-hundredweight cap on the assessment, really is significant in the sense that it would cost twice that much to keep those figures in balance as the committee recommended. In other words, putting a cap on that assessment is going to make the program cost more. It has got to come out of somebody's pocket someplace.

So all that argument that is made here, that what we are proposing does not save that much money in 1986 and 1987, is all washed out with the adoption of the Gunderson amendment by voice vote capping assessment at 50 cents.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding.

I just again rise to interject what we feel are accurate figures. The CBO estimates that the assessment would never reach 50 cents, so it is no money taken away from the proposal.

Mr. MICHEL. Well, if you were going to get something over a dollar from the assessment and now you are

going to get no more than 50 cents, somebody has got to eat the difference. You cannot just keep pulling the wool over our eyes or putting more cream and sauce on this thing, because we have had it.

As I recall from my conversation with the President within the last week, recalling that I prevailed upon him the last time that these diversion payments were somehow going to hopefully cause a big reduction in the supply of dairy products and in reducing production to the degree that we would get things more in balance, we found that that did not happen.

□ 1330

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I totally agree with the gentleman's comments.

I would like to add additionally that I am not a real fan of the committee bill, but one of the things in the bill which made eminent sense was the idea of having an open-ended assessment because nobody knows for sure what it is going to be. We just do not know. Having put a cap on the assessment really in a considerable fashion scuttles that committee proposal. It is going to be just too dangerous to proceed that way.

I thank the gentleman for yielding.

Mr. MICHEL. Mr. Chairman, I thank the gentleman from Virginia [Mr. OLIN].

Mr. Chairman, let me proceed, and then I will be happy to yield to the gentleman from Vermont [Mr. JEFFORDS].

In my judgment, there is no question that consumers are going to be ahead with the adoption of our amendment. In addition you have any number of significant editorial comments around the country, and the USDA also has fully documented that the poor people of this country will be the prime beneficiaries of our amendment.

Finally, we should not forget the dairy farmer himself.

I think that eventually everyone will understand that our amendment is not antifarmer or antidairyman. It is carefully crafted to keep the provisions of the committee bill that deals with dairy indemnities with the red meat purchases as well as the veterans and armed services dairy programs, casein study, and other constructive provisions.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MICHEL] has expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. MICHEL was allowed to proceed for 5 additional minutes.)

Mr. MICHEL. Mr. Chairman, I thank the gentleman from California [Mr. BROWN] for his courtesy.

Our amendment only deletes the milk assessment, the diversion payments, the mandatory increase of consumer prices for milk under federal market orders and the whole herd buy-out provisions of the bill.

In conclusion, let me make one final point. This is I believe an historic time for farm programs. We are the deciders of whether or not American agriculture is going to continue to drift into a maze of government regulation that will eventually bring us all an ineffective, expensive and unpopular farm program, or whether we are going to rededicate our hope and faith in an enterprise agriculture that uses the market as a vehicle for prosperity, opportunity and freedom.

The amendment the gentleman from Virginia [Mr. OLIN] and I are cosponsoring here and offering gives us that clear choice, government intervention through a cartel-like system or faith in markets and freedom. I think the time is historic, the issues are very clear here, and we hope this time a sufficient number of votes will be there to pass our amendment and get us back on the right course again to balance our dairy production and consumption needs.

If the gentleman from California [Mr. BROWN] would ask me to yield, I would be happy to in view of the gentleman getting us the extension of time for which I am most appreciative.

Mr. BROWN of California. Mr. Chairman, as I indicated earlier, I am in basic agreement with the thrust of the amendment which the gentleman from Illinois [Mr. MICHEL] is sponsoring along with the gentleman from Virginia [Mr. OLIN]. I think I am in agreement for the same basic philosophical reasons that the gentleman is.

This business about trading numbers is not all that important. I think it is the philosophical approach that we are taking here, which I think Democrats as well as Republicans should be committed to, that is giving the market a larger role in the determination of prices. It is absolutely important.

I commend the gentleman for undertaking to change the committee bill in the way that the gentleman has.

The point that the gentleman made with regard to the effect of the cap I wanted to make a specific comment on, because we are relying upon Congressional Budget Office figures. I just happen to have, and I used these in my speech last Friday, the CBO estimates with regard to the last diversion bill. They estimated that the Government outlays for 1985—these are CBO figures—would be $1.3 billion. The actual outlays were $1.9 billion. They missed it approximately 50 percent, and there is no question that they will miss it again. And they missed the other figures correspondingly for production and consumption.

The numbers game can be played by anybody. Nobody has any miraculous answers in terms of the numbers. The figures being used by the supporters of the committee bill I think are fatally flawed for the reasons that the gentleman in the well gave.

Mr. MICHEL. Mr. Chairman, I thank the gentleman from California [Mr. BROWN] for bringing up those figures particularly and our ability or inability to really project. I guess one of my problems around here is with the whole budget process. Here we are finitely making dimensions of what we are going to be spending in 3 or 5 years out. Shucks, we do not know today what we are going to be spending tomorrow around here the way this place is being run. And to think that we can absolutely guarantee that that is going to be the case, I think we are just kidding ourselves.

The gentleman from California [Mr. BROWN] is so eminently correct, and particularly when the gentleman cites the projections that we were snowed with last time of $1.2 billion and then had grown to $1.9 billion. It is part and parcel of our entire problem here.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I would be happy to yield to my friend, the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Chairman, I thank the distinguished minority leader for yielding.

The gentleman just made a very good point I think with respect to the out-year projections. This is one of the reasons why I have to tell the distinguished minority leader that I am going to oppose the Olin-Michel amendment and support the committee bill, because in the first year, next year, it is very clear from the indications that I have received that we are looking at a cost projection of some $600 million less under the committee proposal than under the proposal the gentleman is offering.

Mr. MICHEL. Mr. Chairman, if I can reclaim my time, I made that point, but I think that figure now has got to be considerably increased in view of the amendment we adopted of the gentleman from Wisconsin [Mr. GUNDERSON] by voice vote here capping the assessment. The gentleman can say anything the gentleman wants to out here, but nobody knows what this baby is going to cost. So lets gear ourselves up for the long haul and ensure reductions over a 5-year period.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman

from Illinois [Mr. MICHEL] and the gentleman from Virginia [Mr. OLIN].

Mr. DERRICK. Mr. Chairman, will the gentleman yield for about 20 seconds?

Mr. JEFFORDS. I am happy to yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Chairman, I thank the gentleman.

You know, we discussed this when it came before the Budget Committee. We can argue what figure we want to argue, whether it is $600 million or $400 million or what, but there is one thing that is not arguable. That is that the committee bill over the first 3 years saves more money than the amendment does.

I agree with the distinguished minority leader. You cannot depend on those out-year figures. As far as I am concerned, that is more reason that we should support the committee amendment as opposed to the others.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for his comments, and I think that is an important point to make.

I would like to straighten out some of the problems we are having with the figures here. It is important that we rely upon those figures that we have the best reason to believe are valid.

With respect to the assessment, I do not think that there is any question that in the first 2 years of the program the assessments will be less than 50 cents. I will be candid, however, and say that there is considerable dispute as to what they would be in the out-years.

The Minority Leader made a good point when he said that if we try to rely upon those out-years, we will be in deep, deep trouble if that is what we count on to save us.

In addition, I think that it is important to straighten out exactly what did happen with respect to the last diversion program.

Let us take a look at a report which was not requested by the friends of the bill—I do not know whether or not it was by its enemies. The GAO recently released an analysis of what happened under the 1984 diversion program. There is no question that, as against the Conable amendment, rediversion saved $650 million.

I would point out that both of those propositions reduced the support price by a dollar-and-a-half price cut.

To say therefore, that the resurgence in production is due to the diversion program is wrong, as the Conable program would not have ended that problem either.

Let me now run through some of the information that I would like to go over with you. First of all, the dairy industry of this country ought to have the unanimous support of everyone. It is the most productive industry in this country, bar none. Their role in keeping consumer prices down is unexcelled by any other industry.

In 1983 dairy farmers got together and said, "We want to help the Nation out of its budget problems. We want to do what we can to work together to help bring down the cost of our program." And they did get together and they did do that.

Now let us take a look at what happened with respect to the amount of production.

In 1983, we produced a surplus of 16.8 billion pounds milk equivalent. Through the diversion program, we cut that in half. What would the Conable price cut alone have done? It would only have reduced removals to 13.3 billion pounds. The 1983 program cost $2.5 billion. The diversion program reduced the program's cost to $1.5 billion. What other farm program can make that kind of a claim?

Let us take a look at what happened to consumer prices with the last price cut. I think that you will see why certain people are supporting this bill. We have cut the support price from 1980 to the present by 12 percent. What happened to the retail prices of cheese, ice cream, butter and whole milk? They went up substantially. Was it the farmers' fault? No.

Well, why did they not go down? Because the middle man took those profits.

Now let us take a look at what happens when you have a stable dairy program. This chart shows what has happened because of the productivity of our dairy farmers over the years. From 1979 to 1983, the retail price index for dairy products in red has risen 53 points less than the CPI.

Now take a look at all food. Dairy prices are also below the index for foods. That is because of the productivity of our dairy farmers.

Consumers ought therefore to be cheering dairy farmers on with their efforts to improve the dairy program.

Let us next take a look at what the program would do with respect to the price cut amendment.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has expired.

(By unanimous consent, Mr. JEFFORDS was allowed to proceed for 5 additional minutes.)

Mr. JEFFORDS. Now let us take a look at the bill we have before us now, and get down to the bottom line.

The reason we have too much milk production is that we have 600,000 too many cows out there. The central question is, how do we get rid of them and thereby work ourselves out of this situation?

There are two propositions before us. Ask yourselves, which one seems to be the most logical, the most humane and the one that you would want to support? You have, on the one hand, a price reduction phased in over some time. How does that work? The proponents of this amendment will not disagree that it works because it forces farmers out of business. It forces them into bankruptcy, foreclosures or voluntary liquidation because they lose money. It will take 48,000 farms to do that and will therefore take 48,000 farms out.

While it does all of this to farmers, the cost of the program will be close to $1 billion over the committee alternative.

Now let us examine the one that the committee offers you and ask yourself, is it not the better approach? The committee bill says, "Let's get together, farmers."

"Let's pitch in some money and fund a diversion, if necessary, but concentrate on a whole herd buy-out. Let's put together enough money to buy 12,000 farms out. One voluntarily buy out takes care of the whole herd by taking it out of production. By bankruptcy, it takes four farms to achieve the same effect because their cattle go on the auction block, are sold and end up in somebody else's herd."

This then is the other option, a program paid for by farmers which reduces the burden on taxpayers, and prevents the overloading of our already overloaded situation. If you think our farm banks are having problems now, think of adding 48,000 bankrupt dairy farmers to their problems. That is the bottomline question.

These charts emphasize that the committee bill will reduce costs as against the price-cut amendment by $600 million in 1986.

Incidentally, if we go ahead with the Olin amendment, the farm bill will be over the budget limit for 1986. You are going to have to do something about that—somewhere, some other program is going to have to lose.

In addition, through 1986, the 3 years that we deal with in the budget area, you will find that we are still a half billion dollars, a half billion dollars under the Olin amendment, and again that you will put the whole farm bill over the budget.

So when it comes right down to it, how do you want to solve this problem? Do you want to put 48,000 farmers out of business by reducing their gross income 30 percent over the period of 3 years and their net income by 72 percent and force them into bankruptcy and overload our credit system, or do you want to go the committee route which will get the cows out of production, bring the production down, bring the cost to the taxpayer down. We will come back and revisit it if it does not work. This is the route to go, the committee route.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I appreciate the gentleman from Vermont [Mr. JEFFORDS] yielding.

I am not going to go into any kind of debate on the numbers, but I would like to call the gentleman's attention to a couple of things.

The gentleman talked about consumers. There is not anything totally bad about the dairy farmer pursuing the good will of consumers and having a product that the consumer has placed value and pay money for and keep him in business.

□ 1345

The fact that consumer groups are in favor of an amendment is not something that the dairy industry needs to feel very bad about. That is entirely good.

The gentleman talks about having 600,000 too many cows. It might be a little simpler to get rid of 100,000 of those cows each year and phase the thing out, because people are leaving the dairy business all the time. There is no basis at all, I do not think, for the 48,000 dairy farmers, but it is true that there is turnover in dairy industry and there always has been.

Mr. JEFFORDS. Mr. Chairman, reclaiming my time, it might be more favorable to the cows that way because they would live longer, but I am more worried about the dairy farmers who will be going out of business than I am about the cows that may live a couple years longer.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman on his excellent statement and his presentation here. He has thought it through. This is more than rhetoric. The gentleman has the facts here and I appreciate that very fine explanation.

I want to say that our friend, the gentleman from Virginia, says the dairy farmer should be in favor of the consumer, and the dairy farmer is the best friend the consumer has, but what the gentleman from Illinois and the gentleman from Virginia want to do is for the dairy farmer to give his product away to the consumer for nothing. The dairy farmer cannot do that, because he has overhead also.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has expired.

(On request of Mr. ROTH and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 5 additional minutes.)

Mr. ROTH. Mr. Chairman, will the gentleman yield further?

Mr. JEFFORDS. I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for continuing to yield to me.

Mr. Chairman, I want to make this point, and it is a very important one, as the gentleman mentioned before.

Since 1983, the dairy farmer has taken a 12½-percent cut. What other group in our society has taken a 12½-percent cut? According to this legislation, we are going to have a 50-cent cut as of January 1, and continue to have a 50-cent cut every year thereafter as long as the Government continues to purchase a certain amount of milk, a 5-billion-pound equivalent, the assertion being that it is going to help the consumer, and second, it is going to bring inventory down. Neither of those can stand up to an accurate analysis.

No. 1, since 1983 we have had a 12½-percent cut for the dairy farmer. When you, my friends, go to the store, are your dairy products going down any? Have the milk prices or cheese prices gone down? Not 1 cent. They have gone up, but the dairy farmer's price has gone down. So that argument does not hold water.

Second, it is asserted that we are going to have less inventory. No. We are going to have more inventory.

The dairy farmer has a certain overhead. He has to make his payments, and if we here in Congress drive his price down, what is he going to do? Either he is going to go bankrupt or he is going to go out and add on more, which is exactly what they are doing today. They are going to produce more to meet those payments, and my good friends, and I love both of them, the gentleman from Virginia [Mr. OLIN] and the gentleman from Illinois [Mr. MICHEL], would do the very same thing if they were on a dairy farm. I can guarantee them that.

We in the House have cut the dairy farmer $1.50 in the last 2½ years and it has not solved the problem and it is not going to solve the problem as long as we force the dairy farmer to produce more, and that is what OLIN and MICHEL would do, to force the dairy farmer to do more. We would aggravate the problem.

There is another problem that we have to give some consideration to. As the gentleman from Vermont pointed out, we have agribusiness that is in trouble. We have banks that are in trouble. Last year we had 79 banks fail in this country. This year we are projected to have 100 banks fail, and according to FDIC and others, we have 1,000 banks in trouble. If we drive the dairy farmer into bankruptcy, what is going to happen to the banking institutions in this country? Think about it.

So we have more than just, "Let us go and slash away and beat up on the dairy farmer." We have other things to consider, and that is why I appreciate the analysis here on the floor by my friend, the gentleman from Vermont, because he has laid it out not in rhetoric but in cold, hard facts and I hope the people of this Congress have the foresight to join him, and I think they will.

Mr. JEFFORDS. I thank the gentleman for those kind words.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, I just want to follow on the statement by the gentleman from Wisconsin, to back up what he said about increased production resulting from lower support prices. Obviously farmers have fixed costs. They have the land, they have machinery, they have buildings, and all that goes with permanent investments. If the support price is lowered, the result will be for many dairy farmers to add more cows, work more hours. Most dairy farms are family farms, and it simply means that the family will put in extra time but production will stay the same; in fact, it will probably go up.

One of the factors that is not included in the cost of Olin-Michel is storage costs. Obviously reducing the support price will increase very substantially the volume of milk because dairy farmers are going to keep the cashflow even. They have to in order to meet their fixed costs.

The result will be increased volumes of surplus and increased storage costs. I think my colleagues would be interested in the following information. One of the large marketing co-ops in Ohio gave me some statistics that show that in January 1983 the average producer was getting $7,100 a month in a milk check. The price support dropped $1.50 per hundredweight between 1983 and 1985. How much is the average monthly milk check as a result—$7,200. This shows very clearly what will happen under Olin-Michel.

In Ohio the experience was that the actual cash amount received by the average member of the co-op of some 8,000 members, went up even though price supports went down $1.50. Obviously what the farm family was doing was adding cows and adding labor in order to keep up the flow of cash to meet the payments.

I think the experience in the past makes it very clear that instead of an amendment that will cost less money, Olin-Michel will result in additional costs for a dairy program because of the increased production mentioned by the gentleman from Wisconsin, plus the additional storage costs.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has again expired.

(On request of Mr. BROWN of California and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 5 additional minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I would be most happy to yield to the gentleman from California.

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, I am a great admirer of the gentleman from Vermont. I respect his position. I know that he understands this problem probably better than any Member of the House of Representatives, and I have been pleased to follow his leadership many times in the past. I am not able to do so at this time, but it does not diminish my respect for his point of view.

The gentleman has said many things that are absolutely true about the dairy industry. It is the most productive industry in the country. We ought to be thankful for the dairy industry that we have and for the fact that they have had the great productivity improvement that they have. We want to continue to see that they provide us with the benefit of that great productivity improvement.

At this point I would like to pay my respects to the distinguished chairman of the subcommittee, because I think he has done an excellent job also.

Of course, the gentleman knows that this is a prelude to saying that I do not agree with him in his opposition to the Olin-Michel amendment.

Mr. JEFFORDS. The gentleman can take the whole 5 minutes doing that, if he wants to.

Mr. BROWN of California. Specifically, after my heartfelt complimentary remarks, I wanted to refer back to that chart that the gentleman used with regard to milk prices and how they have gone up less than the rate of increase in the cost of living. Could we see that?

Mr. JEFFORDS. That chart is available, yes.

Mr. BROWN of California. I wanted to point out one thing with regard to that chart, which is interesting, and it may bear on this situation.

The "all dairy foods," line on the chart is of course, a composite and I presume that it includes fresh milk prices, butter, cheese, and the other components.

Mr. JEFFORDS. That is correct.

Mr. BROWN of California. I have a table here showing dairy prices for the last 10 years, and it bears out the gentleman's chart, I am not trying to contradict it, but it shows this with regard to the components:

Over the last 10 years, fluid milk prices, which are not regulated by the support prices established in this bill, but are regulated by regional marketing orders, have gone up 53 percent, way below the increase in the cost of living.

Butter prices, on the other hand, have gone up 105 percent. It is the average of those two that the gentleman has on his chart there, plus the cheese prices. It is butter that we have several hundred million pounds of surplus in storage, and it is cheese that we have several hundred million pounds of surplus in storage, while the price has gone up over 100 percent as compared with a 50 percent increase in the price of fluid milk, which is not governed by the price support that we are legislating here.

□ 1355

I wonder if the gentleman would concur with me that this represents the final detail of his red line there on all dairy prices?

Mr. JEFFORDS. I have no problem and will not quarrel with the gentleman on the specifics that he is talking about, other than to say that, at least until very recently, we have had very little butter stores. There are some now as a result of the end of the diversion.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I do so to make mention of one fact. Probably throughout this amendment and the rest of the bill, we will be hearing the phrase called "market clearing." Somehow this gives the connotation that it is good for the farmer, the dairy farmer, or the wheat farmer, the producer of any kind. It is not.

What market clearing means is that you sell at the dump price, regardless of your cost of production.

So I wanted the membership and my colleagues to remember now when someone says market clearing, that means that it is detrimental to the producer, because market clearing has no respect or regard for the cost of production. And the fact is, and the history is, as my colleague from California respectfully mentioned about the great productivity. As the gentleman knows, in the mid-1970's, we were flat running out of milk. We had to chase around the world to our friends and our allies saying, "Hey, send milk, send milk."

Why were we running out of milk? Because the price had escalated on the grains and the feed because of the Russian grain deal. And the farmer sat there, the milk producer with no control over it whatsoever.

That is part of the history that brought us to where we are now, because they came to the Congress. We need to do something.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has again expired.

(On request of Mr. DE LA GARZA, and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 3 additional minutes.)

Mr. DE LA GARZA. So they came to us, and with human error, we overcorrected and it enticed some people in.

Then when we saw that, then we started, and the gentleman was a major partner in the endeavor of starting to reduce again, and to bring also another phrase that you might hear throughout the debate which is supply and demand. No, it should be demand and supply. This is what we are trying to do with our basic committee legislation, that we look at the demand, that the Secretary looks at the demand and then we, to the extent we can, put supply in.

I do not know why they say supply and demand. It should be demand and supply. And the gentleman has worked assiduously in that respect.

So I want to put it into perspective so that we do not go off, and we know what happened. We were running out of milk. We know why we are here, because we overcompensated. We are now trying to bring it back.

The fact is that also will be mentioned about the free market. No free market. Every other country in the world that produces milk and its derivative products subsidizes. We try to do the best we can utilizing the farmer cooperation by investing, by reducing, and that is why we need to remain in support of the committee version.

I thank the gentleman.

Mr. JEFFORDS. I thank the gentleman.

I just want to point out in that, during that period in the 1970's, it was milk support price cuts that exacerbated the problem. They were put on at exactly the wrong time. This committee program is a cautious one which will prevent that kind of reversal in the event we do get a change in the grain situation.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I will be happy to yield to the gentleman from South Dakota.

Mr. DASCHLE. I thank the gentleman for yielding.

Much has already been said, beginning, of course, with the very eloquent and persuasive statements made by the gentleman from Vermont, followed by the gentleman from Wisconsin, and certainly the gentleman from Texas, our chairman. Most of the confusion may come about from Members who may be listening to the argument posed by the gentleman from Virginia [Mr. OLIN] that by cutting the price support, we may be cutting the cost of the program. No one should fall for

that argument, because certainly that will not be the case.

One could guarantee that if we cut the program by another 50 cents, we will increase the cost of the program to the Federal Government.

Why? We will do so because producers are going to be making up in volume what they cannot in unit price. We have seen it time and again. And unless we really have the tools that we have set out in this bill, very delicately put together to ensure not only a reduction in supply by providing an adequate price, not only by ensuring, second, that we have a market for that product, and third, through promotion, then there is no doubt but that we are going to destroy that fragile balance and fail in our goal in this farm bill.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. JEFFORDS] has again expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. JEFFORDS was allowed to proceed for 5 additional minutes.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. Has the gentleman from South Dakota finished his statement?

Mr. DASCHLE. I would ask the gentleman from Vermont if he would agree with that contention that by reducing the price support by 50 cents, we could actually increase the cost of the program to the Federal Government?

Mr. JEFFORDS. There is no question that that is a correct analysis. And the facts of the past, and of the I am sure future, if that were to occur, would bear him out.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding. I would like to ask the chairman and the gentleman from South Dakota a question.

We now have this, I must say, rather stupefying theory that by lowering the support price, we are going to increase the overall cost to the Government. The gentleman apparently is of the view that the more we pay the farmer, the less it is going to cost.

So I would just ask the question, in the interest of reducing the deficit, which people are usually interested in, except when we talk about agriculture, then why not double the price and wipe out the program altogether.

Mr. JEFFORDS. To take my time back, what we are comparing is the committee bill with the price cut. Perhaps we did not phrase it correctly.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I appreciate the gentleman yielding. I know he may feel he is being beleaguered a little bit here. But I cannot think of anyone better qualified to lead a discussion here than the gentleman in the well. And if I make a mistake or someone else makes a mistake on his time, you can correct it on your time, and I know that you will.

The point that I think is illustrated by the recent interchange is that it is in all likelihood possible that the cost to the Government would go up in the short term as a result of the cuts that are proposed here.

But I think what this illustrates more than anything else, and I will ask the gentleman to comment, is that we need a long-term program, which the dairy farmers will understand and be able to count on in order to make the prudent business judgments which you and I know, dairy farmers are quite capable of making, if they understand the framework within they are making their business decisions.

Mr. JEFFORDS. I have no qualms with the statement of the gentleman from California, and I would expect that by the time we are finished with this whole process that we will consider those questions and try to end up with a very stable program for dairy farmers which will hold down the cost to the taxpayers, and give us the kind of future that we all want for our dairy farmers.

I would end up by saying that the gentleman comes from a very unique area of this country—California. His farmers, through a very nice program that they have from the government of California, have been able to protect themselves from most of these price cuts because of the geographic limitations of that area. I would just say that I wish that all of the farmers had the kind of producing area that the gentleman has, and the kind of market guarantees by the State. Then we would not have to worry about these cuts.

Mr. BROWN of California. If the gentleman will yield further, the gentleman knows full well that all fluid milk prices are regulated not by this bill, but by Federal market orders.

Mr. JEFFORDS. That is correct.

Mr. BROWN of California. Except in a few cases where they are regulated by State market orders, which happens to be the case in California.

Mr. JEFFORDS. And in most parts of the country, they are regulated by Federal market orders, and are dependent on the Minnesota/Wisconsin price.

If no one else desires to converse with me, I shall depart by saying again that the bottom line is simply this: On the one hand, you have a program which allows dairy farmers to get their program under control and save the taxpayers a half billion dollars. On the other hand, you have an alternative, which I oppose, which would put 48,000 farmers into bankruptcy over a period of years. Add them to the already serious credit problems of rural banks and you destroy what is a very good situation now, which has been beneficial to the consumers, to the taxpayers, and to the dairy farmers.

I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, I do so first because we do not seem to have but a few more Members who wish to participate in the debate. There was an amendment that was noticed that would be offered to this section by the gentleman from Wisconsin [Mr. GUNDERSON]. I wonder what the gentleman's intentions are now.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, I appreciate the distinguished gentleman for yielding. I think many people are aware that I had an amendment that was intended to go to one nationwide marketing order. I think the concept of that is very clear. It is to tell those who advocate a supply market and price that you also offer a free market in terms of distribution and sale of milk.

I will agree, if we want to conclude debate on this at this point in time, and simply go to a vote, I think the merits of the issue are pretty well known, and if that is the understanding of the distinguished chairman as well as the gentleman from Virginia [Mr. OLIN] and our distinguished ranking member, I will agree then at this point not to offer my amendment.

Mr. DE LA GARZA. I thank the gentleman profusely, as he might well understand our situation.

Mr. Chairman, further, I know of about three Members still desiring to speak. The author of the main amendment says that he is ready for a vote, which we are also. Unless there is a great demand by someone who just has to address the issue, I will try to get us a limit.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, I believe there are a few Members that just entered the hall that would like to take a small amount of time.

Mr. DE LA GARZA. I would suggest would 15 minutes take care of the three or four people?

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, we just had about 15 minutes with one member of the committee. I think 15 minutes is too short, and I think, frankly, given the magnitude of the program that it is kind of a rush to judgment that seems to be a little excessive. I do not know how many people plan to speak. We need to see how many people wish to speak.

Mr. DE LA GARZA. The gentleman can only utilize 5 minutes. This is under the 5-minute rule. If there be objection, the gentleman would be limited to 5 minutes.

Plus, we are trying to get the gentleman on an airplane to get him to his district ahead of that hurricane, as he is probably causing more of a furor here than Gloria out there.

Mr. FRANK. If the gentleman will yield, I appreciate the gentleman seeing to my travel arrangements. If he arranges my travel as expensively as he arranges my food in this bill, I will not be able to afford to go.

Mr. DE LA GARZA. Surely, the gentleman jests.

Mr. Chairman, I suggest 15 minutes.

Mr. FRANK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DE LA GARZA. Mr. Chairman, let me continue with my time. How much time do I have remaining?

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] has 2 minutes remaining.

Mr. DE LA GARZA. Let me continue with my time against the amendment.

One, it is amazing to me and unbelievable that the authors of this amendment know that it will bust the budget. I mean, take whatever figures you want, we are over the budget with this amendment.

The committee is under the budget.

The President calls us big spenders. People here say that we are the big spenders.

Our committee has come in with a balanced bill, with the budget limitation imposed on us in reconciliation and beyond that, and this amendment will, no question, cause about 30 percent, 48,000 farms, to be put out of business.

It will not result in lesser consumer prices.

The final thing that I would like to leave with you, and it will be mentioned throughout, and I will mention it again, we feel that we are putting money into the farmer's pocket. But does he take it to a savings account or does he go to Las Vegas or Ocean City? No way. The farmer, especially the dairy farmer, is but a conduit. The money, if it is taxpayers' money, goes to the fellow that supplies all of his equipment, very expensive milking equipment. he has to feed his cattle. The farmer does not hold that money. It goes for rent, for taxes, for feed, for equipment, to Main Street, U.S.A.

If it is a subsidy, you are subsidizing rural America and Main Street, USA. So do not confuse it with the issue that the farmer is going to get rich, or that this money is going into the farmer's pocket. It is not. It is not going into the farmer's pocket.

That is part of the problem, that the costs have escalated, the taxes, the cost of his equipment, the feed for his cattle. All of that has escalated, and we are trying to keep him afloat. That is all we are trying to do.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

Mr. OLIN. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. DE LA GARZA] have 2 additional minutes.

The CHAIRMAN. Does the gentleman from Texas [Mr. DE LA GARZA] desire 2 additional minutes?

Mr. DE LA GARZA. No, Mr. Chairman.

The CHAIRMAN. The gentleman does not desire the 2 additional minutes.

□ 1410

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I truly am reluctant to take this time, because I know the Chairman and other Members desire to expedite this process. Yet we have an issue here which has been the focus of national attention now for months.

This particular issue has been the subject of editorials in every major newspaper in the country, and I think it is not quite fair to rush this through in an hour or so in the hopes that something can be achieved here that will have significant impact.

I would ask the chairman to allow at least a reasonable time for discussion on this matter.

Now the chairman, for whom I have the highest respect, and he knows that, just finished making a point about the budgetary impact. In a rather lengthy speech last Friday, I examined some of this question of budgetary impact.

We are not allocating dollars in this bill; we are creating entitlement programs; and we do not know how much is going to be spent in this bill. Five years ago we estimated that the bill that we wrote at that time would have a certain budgetary impact. What actual impact did it have? About $40 billion more than we anticipated, and we had to pay it.

It did not make any difference that we figured, or the Budget Office figured, that the impact would be somewhat different. When the chairman says that the budgetary impact of one version or the other will be this or that, what he really means is that somebody estimated, on the basis of a certain set of facts, that this entitlement program would result in the figures that he gave. They are honest figures; they are given in good faith; they just do not bear much resemblance to reality.

I cited the CBO figures from 1983; they have missed the Federal budgetary impact on the dairy program we passed then by 50 percent, the difference between $1.3 and $1.9 billion; maybe 48 percent.

What we are writing is an entitlement program. It is not spending specific dollars; it is saying that this is the framework of agricultural law and programs for the next 5 years. That is why it is equally nonsensical to talk in terms of projection for 1 year or 2 years or 3 years; you might as well look at what the bill provides; it is a 5-year program. So figure out what it is going to cost.

Now what this dairy provision does is shift somewhere between $6 and $10 billion from the consumers and taxpayers of this country to the dairy producers of this country, over that period of time. It is that simple.

If it is just looked at in terms of, "Well, what is the budgetary impact? What are the CCC outlays going to be?" you are engaging in a little game of fantasy which does not really make that much difference. There is no fundamental disagreement on the point that this bill shifts $6 to $10 billion from the consumers and taxpayers to the dairy producers of this country.

The argument goes, "Well, they deserve it; they are all good people," and I am inclined to agree with that; they are good people. There are just too many of them and they are too productive.

The question is, how do we resolve this problem? The problem is not resolved by shifting this income under the guise that it is not going to cost anybody anything or any subterfuge of that sort. It has to be faced up to realistically.

Now, we are not going to affect the price of fluid milk in this bill to any great degree. It tends to follow, in some rough correlation, the price that we set for support of dairy products in this bill, but it is not a very close relationship.

We do not have a problem with fluid milk, frankly. If all dairy farmers produced just for the fluid milk market, they would all be making a profit because the milk marketing orders are geared to the cost of production, and we would have a reasonably good situation.

What you have is a fluid milk situation for which I gave the figures a while ago; over 10 years, the price has

gone up 50 percent. In the processed milk, the manufactured milk things, you had a price rise of over 100 percent, which is not unreasonable, but at the same time that you got a price rise of 100 percent, the Government has been buying most of this stuff, and you want to avoid that.

There are those tremendous stockpiles of butter and cheese and powdered milk—and you know why? Not because the dairy farmers like this, but because the big milk processors like to be able to continue to produce for a guaranteed market and the CCC.

Mr. BROWN of California. Mr. Chairman, I have honestly tried to analyze why we are in this situation. My dairy farmers do not like it; the dairy farmers in Mr. OLIN's district do not like it; I have heard from some of the dairy farmers in Vermont that they do not like it; there are dairy farmers all around the country who resent the fact that somewhere between 10 and 15 percent of their gross income is coming from the taxpayers; they really do not like that.

I wonder what perpetuates this kind of a situation. The only thing I can look to logically is, there are some very large, wonderful institutions—the big dairy co-ops—that are deeply into the processing of this surplus milk. They make money on the process. They get an automatic make-charge or something like that which helps them to make a little money on it, and they do not want to see the volume of this surplus reduced because there are guaranteed markets for that surplus butter and cheese and powdered milk.

I am taking a particular interest in this because the world's largest and best cheese plant has just been constructed immediately in the vicinity of my district; it is a couple miles outside. I visited it over the recess. I am deeply impressed with the operation.

They do not intend to sell to the Government. They intend to sell the best cheese at the lowest price, and to make money on it. That is the kind of spirit I like to see.

Mr. DE LA GARZA. Will the gentleman yield?

Mr. BROWN of California. I yield to the chairman.

Mr. DE LA GARZA. I do so, and I will not take much time, except that we do not want to confuse the issue with the big manufacturers, and the gentleman has all big dairy producers in his area, but I had a call last week from Naomi Woods of Fort Morgan, CO, and they are about to lose their farm; 3,700 acres.

She told me, "I rise a few hogs; I'm not doing very good. We raise a little grain, we're not doing very good." She says, "The only reason we are still on the farm is because of the dairy part." And I think she mentioned 100 cows.

To tell you something very interesting that impressed me, she said "Mr Chairman, you've got to do something." I said well, we are trying. She said, "We're in our fifties. My husband and I could still move to Denver," she says, "but we can't all move to Denver. All of rural Colorado can't move to Denver."

She says, "They've already closed the sugar mill; they've already closed the grain elevator; they've already closed the slaughterhouse," and it would be foolish, really, to think that shutting down rural America, that cutting down 48,000 farms—where are they going to go? They are going to go to Denver, New York, Chicago, Omaha, and the cost to the Government is going to be insurmountable; much more.

I sat there and the lady cried. I felt real badly and I felt "We ought to do something." So it is not the big guy; it is Naomi Woods from Fort Morgan, CO.

Mr. BROWN of California. Mr. Chairman, you have almost got me crying. You know the admiration I have for the sympathy and the support you give to the American farmers. It is really wonderful, but I want you to ask yourself if you are doing them a favor.

About 25,000 dairy farmers go out of business every year anyway; they just cannot make it. For one reason or another, they cannot make it; and we have still got 10 percent surplus capacity.

What we want to do here is to draft a bill that will keep the most productive dairy farmers in business. Do the Members know what the cost of dairy production is? It ranges anywhere from about $10 per hundred up to about $20 per hundred; $20 per hundred is not competitive. They have to live off their capital to survive if that is their real cost; they are deeply in debt, they are paying high interest, and they should not be in the business.

Now that is a cruel, hard thing to say, but we do not live in a perfect world; and what we want to do is to give encouragement to those things which are good for the country; and what is good for the country is to get the best, most productive dairy farmers in this country to the point that they can make a profitable living, so that they can supply us, as they have for so long, with the food and the other things that we need.

The number of dairy farmers in this country has gone down 50 percent in the last 10 years. Are you trying to stop it? It is impossible. The number of dairy cows has gone down 50 percent, but the remaining cows are 50 percent more productive. In the next 10 years, they are going to be 100 percent more productive, and the committee writes a bill that maintains the artificial kinds of support that is here; a mickey mouse, jerry-built system.

What this does is perpetuate that little family in Colorado who probably ought to be moving out to something more productive.

Mr. Chairman, I rise in support of the Olin-Michel amendment to H.R. 2100. It is a direct approach to the dairy surplus problem, it saves more money than the committee proposal over the 5 year life of the bill, it reduces the burden on the consumer, and it deserves our favorable consideration.

Over the last few weeks we have been subjected to convoluted arguments, proported facts, and obtuse analyses that are as illogical as the dairy program constructed in this bill. The proposal in H.R. 2100 seeks to bring dairy production into line by raising dairy prices to pay for an excise tax imposed on dairy farmers so that they can pay to remove surplus dairy production. The Olin-Michel amendment seeks to bring production into line by dropping support prices until decreased supplies of dairy products intersect increased demand prompted by lower dairy prices.

You have heard that the dairy proposal in H.R. 2100, the unity plan, is patterned after the old diversion program. That old program reduced production, but GAO reports that only about 50 percent of the reduction paid for in 1984 was due to the diversion program. In other words, many producers were paid for reductions that had already occurred for other reasons.

What the old diversion program did do was raise market prices, according to statements made by Mr. JEFFORDS on Friday. Mr. JEFFORDS said that New England farmers received 27 cents more per hundredweight for milk under the diversion. You have also heard others argue that price cuts do not translate into consumer savings since the 13-percent reduction in support prices under the old program did not cut consumer prices. Of course the price cuts had no effect! The gentleman from Vermont told us on Friday that the diversion program raised market prices.

Since the diversion program expired in April, another price cut was imposed which is starting to show up in wholesale dairy prices, according to a report by the Economic Research Service at USDA. Price cuts take time to work through the system and will not result in consumer savings while a diversion program is in place, pulling market prices in the other direction.

But let's turn this argument around. What kind of consumer savings can you expect if you raise support prices, as is proposed in the unity plan? Dr. Andrew Novakovic of Cornell University examined the dairy alternatives recently and found real prices increasing under the unity plan by 27 cents per hundredweight by 1989. Under Olin-Michel, retail prices would drop by over $2 in the same period. He also predicts that by 1989 consumer expenditures would be $2 billion more under the unity plan.

You have heard that the budget savings over the next 3 years under Olin-Michel are less than under the unity plan. But we are writing a 5-year farm bill and over the life

of the program, Olin-Michel will save more, $460 million more, than the unity plan. If we take 1-year or 3-year approaches to setting agriculture policy, timetables set by the budget process, then why even have a 5-year bill?

Incremental, short-term approaches are what got us into this mess. The temporary solution enacted in 1983 resulted in temporary gains but we have seen record jumps in milk production since the 15-month diversion program ended. Farmers kept production back during the diversion but jumped into production again in April. We need a long-term solution to our dairy problem. The first 3 years of Olin-Michel should be seen as the last 3 years, the transition years, of our old dairy program mistakes.

You have heard that our dairy sector is under great stress and that this is the wrong time to change dairy policy. When is there ever a good time to change the status quo? Dairy farmers are in bad shape because they, like all farmers, are carrying heavy debt loads. Where in this bill is short-term relief to cure this problem? Mr. JONES, the chairman of the Conservation and Credit Subcommittee, is diligently working on the credit crisis in agriculture, but there will be dislocation under any program, including the unity plan.

What the unity plan does is send the wrong message to dairy producers, given the problems in American agriculture. New technologies in dairy production are predicted to increase per-cow production by 43 percent by the end of the century. The unity plan will encourage increased total production with these new technologies, rather than stable production and decreased production costs.

Also, we can expect to see a period of low feed prices, further encouraging production increases. According to Dr. Novakovic, we currently have a milk-feed price ratio which has historically caused production increases. The unity plan would provide the incentive to produce more, not cut back, given low feed prices.

By again taking a short-term view, we will encourage production and create an even larger problem in the future. Will we have the ability to make the tougher choices which will face us in the 1991 farm bill?

You may have heard that this is a large farm versus small farm issue. Rather it is an efficent farm versus inefficient farm issue. Large dairy versus small dairy, western dairy versus northern dairy all comes down to the management skills of the farmer and his or her ability to use new technologies, take advantage of low feed prices, and cut production costs. The unity plan, as I have said, does not move us in that direction. Rather it taxes some farmers to pay off other farmers with the consumer getting stuck with the bill.

When you step back from the tangle of arguments, the issue becomes a simple choice between repeating past mistakes or setting a new direction for dairy policy. Olin-Michel moves us in that new direction and deserves our support.

Mr. STANGELAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

□ 1420

Mr. STANGELAND. Mr. Chairman, I rise in strong support for the dairy title in H.R. 2100, the so-called dairy unity bill.

I particularly favor this approach when it is compared to the alternative—the Olin-Michel amendment which would drive countless family farmers out of dairying by repeatedly imposing wrenching price support reductions until dairy supply and demand conditions are in balance.

Imposing price support cuts on hard-working dairy farmers will not solve the problem, as we have already seen the failure of this strategy over the past 4 years. Cutting the support level for already hard-pressed dairy producers only forces them to further expand their production in hopes of making up with added production what they are losing in price.

In vehemently opposing past initiatives which merely cut the price support level, I have repeatedly warned my colleagues in this body that such cuts only force producers struggling to keep their heads above water to expand output and further exacerbate the imbalance in supply and demand. And this is exactly what we have seen happen.

My strongest regret regarding the dairy title in H.R. 2100 is that in the interests of obtaining nationwide unity in the dairy industry to avoid the price support reductions being advocated by the administration and dairy program opponents, serious consideration was never given to a family farm targeted approach that I proposed to improve the returns received by family-sized dairying operations.

I believe that consideration should be given to a three-tier price support program for dairy farmers depending upon their annual level of production. A support price of, for example, $13.10 per hundredweight would apply for production from any producer up to 1 million pounds per year, a $10.10 support level could be offered for production from any farm in the 1-to-2-million-pound range, and a $7.10 price support would cover any additional production in excess of 2 million pounds annually per farm.

The dairy sector has traditionally been the least concentrated and has overwhelmingly been made up of relatively smaller, family sized operations. In light of the continuing budgetary pressures that threaten additional price support cuts in the future, along with expected technological advances that could further aggravate the supply and demand imbalance in dairy, it is important that Congress make future price support modifications with the small- and medium-sized efficient family farmer in mind.

We will soon be considering on the House floor my targeting amendment to the wheat and feed grains titles which would direct maximum farm program benefits to family sized operations. There is a growing awareness in this body that, during this time of limited fiscal resources. it makes sense to more cost-effectively allocate farm program benefits to that medium tier of family sized farmers most dependent upon price support protection. I think the concept of targeting farm program benefits makes sense in the wheat and feed grains programs and I think the same holds true for dairy.

I feel confident that this is an issue that will be revisting in the not-too-distant future. I am hopeful that, in the meantime, my farm State colleagues and the entire dairy industry will more closely explore the targeting concept in hopes that we might place some limits on the amount of surplus milk being purchased from enormously large-scale operations—many of which are operated solely for tax shelter purposes—and instead focus greater attention and support on those family sized dairy farms that are the backbone of this important sector.

I would just like to relate to the Members of the House that what we have right now is a situation where we have a number of dairy farmers who have fixed costs. All of our dairy farmers have fixed costs. Those fixed costs have been rising.

You heard the gentleman from Wisconsin talk about dairy farmers taking a 12.5-percent reduction in their price supports over the last number of years. I have correspondence from dairymen in my district, one here from Larry Van Hooser of Foley, MN. I would like to point out that while their income from their milk, per hundred pounds, has gone down since 1979, from 1979 to 1985, here is what happened to their expenses: Fertilizer up 22 percent, diesel fuel up 67 percent, gasoline up 105 percent, real estate taxes up 71 percent. An individual veterinarian call is up 40 percent. Milk to be trucked per hundredweight is up 14 percent. The cost of trucking and shipping cattle up 33 percent. Telephone up 29 percent, electricity up 81 percent. This is what is happening to fixed costs on farms. The costs are going up while the prices are going down.

If you pass this amendment, yes, you will probably over the long haul get some supply management, but at the expense of a lot of dairy farmers. But what you are going to get more than likely for the short term is a tremendous acceleration of milk production. The Van Hoosers, the Spiczkas, other dairy farmers have said, "If we have to take a reduction in our price per hun-

dredweight that we get for our milk, we are going to have to put more cows on the line. We just have to maintain a certain volume of income to handle these increases in costs."

We are also looking at a period of time when we have come through excessively high inflation, excessively high interest rates. Dairy farmers, young dairy farmers who are getting started, having to pay those excessively high costs, those high building construction costs, high interest costs on the debt that they have already incurred and to pull the price back on these kinds of dairy farmers means that we will lose a good number of our good, solid, young dairy farmers, the kind of farmers that we need producing milk to assure the consumers of this country a constant, steady source of supply of good high quality product. Now is not the time to cut the price support levels. Very frankly, many of my dairy farmers are not happy with this compromise bill, but the alternative to reduce the price support level is absolute disaster to them. So they are much more pleased to go along with a compromise than to see that price support level reduced.

I would hope that the Committee would vote down the amendment and support the dairy provision as we find it in H.R. 2100.

Mr. Chairman, I yield back the balance of my time.

Mr. ROSE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I will not take all of my time. I want to say something to the agricultural or near-agricultural districts that are represented here in this Congress. I want to remind them that every piece of legislation that we bring out of the Agriculture Committee is a carefully crafted compromise. It is something that we worked hard on in the Peanut Program, for example, to get the various regions of the country to agree on a peanut program. The same thing has happened here in this dairy legislation.

I urge my southern colleagues to very carefully consider the consequences of voting for the Olin amendment. I urge them to vote it down and to stick with the unified nationwide type dairy approach that Congressman COELHO's subcommittee and the full committee have adopted.

I think all my colleagues ought to notice also how important dairy is to this Congress and to the Agriculture Committee. We used to have a picture of George Washington over here and a picture of Lafayette over here, but the Agriculture Committee today has a picture of milk on the right side and ice cream on the left side. And please remember that when you vote.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. ROSE. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement and join in his statement that this is a bill that has been carefully crafted in the committee, and I hope we can support the bill.

Mr. ROSE. Mr. Chairman, I yield back the balance of my time.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, someone once said that for every complex problem there is a simple solution and it is usually wrong. I think in this instance the authors of this amendment have crafted a more simple approach and rather than being wrong I think they might in this instance be right. This is a tough issue for me. It is a tough issue, I think, for most of us, simply, to understand. This is a complex issue, and it is one that I know the subcommittee chairman, the committee, and so forth have wrestled with, and they have done their best to come up with a workable solution.

Basically I asked myself three questions, three fundamental questions in trying to decide where I come down on this issue.

The first of those is in terms of really reducing the deficit: Which approach, over the 5-year authorization period, does the most toward getting the job done? It is a tossup, it is close. We could quibble about half a million dollars, but I think on balance I would have to give the nod to the Olin-Michel amendment.

That is only if we consider the moneys that will be spent from the Commodity Credit Corporation, completely ignoring, for example, the moneys for Federal Food Program costs.

How about the tax on the dairy farmers, the tax that the dairy farmers themselves will pay by virtue of the committee's approach? I think in terms of clearly the billions of dollars there that I have to say that the Olin amendment is the better approach.

Finally, the last question is which of these approaches is really better for consumers, for people like myself who drink milk? Again I say the approach outlined by Messrs. OLIN and MICHEL is the better approach.

I have talked to the farmers in my State, and most of us have farmers in our district. The farmers in my district do not speak with one voice on this issue. On balance they give me four basic messages that I want to share with you today.

The first of those is they would like to see us lower Federal budget deficits. The second message that I get is they would like lower interest rates if that is possible.

A third message I get from most of my farmers is they would like a lower valued dollar so that they can compete in the international markets.

Finally, the last message that I get almost from everybody is they want less Federal Government intervention. Again, I think the Olin-Michel approach does a better job in meeting those four concerns from my own point of view.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Virginia.

Mr. OLIN. I thank the gentleman for yielding, and I commend the gentleman from Delaware for his very thoughtful, balanced approach.

I wonder if I could mention just three points. They will not take a long time.

My good chairman who is no longer in the chair made the statement that the author of the amendment knows that the amendment is a budget buster. And I respectfully submit to the chairman that the gentleman does not know that. The gentleman feels, as the gentleman in the well knows, that the amendment really is the only one of the proposals that is going to do us much good on balancing the budget.

There is a very good chance in the year 1986 it is going to be ahead in terms of meeting budget obligations.

One of the other points made that dairy farmers are going to be driven out of business when they should not be, the effect of the action of the amendment will be that the people who are in business making milk products and selling milk products to the Government are going to have to cut back some. Their price will go down.

The gentleman from California said it would go down, and it should go down. The price of those who supply milk to the fluid market, fluid milk market, to consumers, will not be particularly affected. Their price is set by the laws of supply and demand. They have got a stabilizing thing in the milk marketing orders which help to supply a minimum, but they sell above that minimum.

The idea that the average dairy farmer is going to be wiped out by a price support change is fallacious. People who are in the business of selling milk to the Government are going to have a problem, and maybe they should, because the Government should not be buying so much.

I just cannot in my own heart believe that we are in a situation which requires that we stimulate production for all the dairy farmers, all the co-ops, and find out we are getting too much production and so at the same time we get a very fancy diversion pro-

gram which pays some farmers a lot of money each year not to produce. What is going to happen is that you will have farmers, one group of farmers will not produce this year or next year and other farmers will go like crazy, they will play that game back and forth. And then you will be much worse off than you were before.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Olin-Michel amendment.

Mr. Chairman, when the committee first started work this year we were attempting to meet three broad guidelines. First, we wanted to move agriculture to a more market-oriented direction; second, we wanted to protect farm income; and third we wanted to be budget responsible.

As difficult as that is, I submit that the committee bill has made an approach to all three of those guidelines.

But today I want to speak to a fourth objective that I think needs to be taken into consideration, and that is agricultural credit problems.

I agree when Mr. OLIN states that the price of milk has been too high. Not all dairymen agree to that today, or most everyone in the dairy business agrees the price has been too high. But for the record let it be shown that the price in the committee bill will be $11.23 or 26 cents less than it was in 1979. So the price direction and the price needs of a more market-oriented dairy is being met in the committee bill.

Now when the gentleman from California speaks with an impassioned plea for market orientation, as a dry west Texan it is difficult to hear with total credibility from an area that enjoys the subsidization of water, as California does, to the benefit of all of the United States, I would add. But for someone to plead with market orientation while having some of the advantages of taxpayers' dollars in other areas leaves a little bit to be desired as far as credibility is concerned.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I would be happy to yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, the gentleman wounds us to the quick in California when he talks about this. I do not know really what the appropriate response is unless I retaliate in kind of bringing out the oil depletion allowance or some factor of that sort which has benefited the barons of Texas for lo these many generations.

And we think it is probably a little better to subsidize water that benefits agriculture than it is to produce more oil tycoons in Texas, if the gentleman will allow me to make that comment.

Mr. STENHOLM. I perfectly accept that comment in the spirit in which it was given. I would further add that our tractors would have difficulty running up and down the rows without oil and gas.

Let me say that the bill before us is quite controversial. Let there be no doubt, at least in 1986 the committee bill is the most budget responsible. I do not believe even Mr. OLIN disagrees with that.

The amount of $450 million less spending in fiscal year 1986 which this House must, must come under if we are going to meet the budget guidelines.

□ 1435

Now, the point that I want to reemphasize, though, today, I agree with market orientation. I think that is the direction that we must go. There is no question about that. But the problem we have today is agricultural credit, particularly cash flow and, were we to do as the gentleman from Virginia has suggested, take the big bite today, I will submit that we are going to increase the problems we are going to have with the cash-flow ability of our farmers to meet that which we have borrowed under current and past law. Flawed as they might have been, we will not debate our mistakes of the past. But if in fact we see a material decline in dairy farmer income, I will submit to this House that we are going to have even more credit problems than we are anticipating today with the next farm bill which will deal with credit that comes before us.

We have made some mistakes in agricultural policy. We are attempting to correct that. The unity bill that is before us today, the committee bill, has attempted to balance all of the desires as best we could. It is not a perfect bill. But I submit that, were we to vote——

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has expired.

(On request of Mr. PENNY and by unanimous consent, Mr. STENHOLM was allowed to proceed for 3 additional minutes.)

Mr. STENHOLM. Were we to vote for the Olin bill and take a bigger bite out of dairy farmer income, we are going to exacerbate the problems of farm credit. The committee bill is budget responsible. By the numbers we have all agreed to play under, the Olin bill is not, by the rules we have agreed to play. We can go from 3 to 5 years and we could make all kinds of projections, but the gentleman from Illinois makes a good argument on that one. We have to look at this year, and no one disagrees with the $450 million savings in this year.

So I submit that everyone give careful thought to this. The bill the committee has put together is the best we could do that meets the criteria that many have spoken to today. It is more market oriented, it protects farmer income as best we can, but it lacks a great deal in that area. It is budget responsible. And it does address the immediate needs of credit, the problem that is going to come before us, by not cutting dairy farmers' income at a time we are having difficulty paying our bills under the current situation.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Virginia.

Mr. OLIN. The gentleman is probably aware that this gentleman really is not aware that the committee bill is budget responsible and the amendment is not budget responsible. We talked a little while ago about the effects of putting a cap on the assessment. That throws into complete confusion that subject. It is not evident to me or to anybody else what the program is going to cost.

So with all due respect, I take exception to the gentleman's remark about how I feel.

Mr. STENHOLM. Again, the confusion of the cap is no confusion from what we know today, September 26, as far as what the cost of the program that begins October 1. If we talk 2, 3, 4 years, you bet. But today there is no confusion with the cap and the budget responsibility.

Mr. OLIN. If the gentleman will yield for one second more, working from the assumptions that were made back in January, the projections at that time may be true, but if you look at the projections today, we are now in the ninth month of the year, it is quite different.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Minnesota.

Mr. PENNY. I appreciate the comments the gentleman from Texas has made in focusing on the budget issue here. What we are doing with the committee bill is saving money in this program, but we are also helping to save family farmers. It is clear that under the amendment being proposed, we would increase the cost of the program and we would lose additional farmers in America.

I do not see any good reason for us to come down here to the floor of the House and vote for an amendment that increases the budget and decreases the number of dairy farmers across our Nation. We have an opportunity with the committee proposal to save those family farmers and to save some budget outlays at the same time.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to support the amendment.

Members are a little bit confused, who are not on the committee, be-

cause once you grant the committee its assumptions, you start getting into these loops and whirls, and none of it is very sensible. Just as an example of what we are doing, part of what this bill does is to continue this diversion program, and it gets into a program to buy out dairy farmers. To deal with the buyout of dairy farmers, there is in this title a new program now to subsidize beef farmers, because as a way in which they are going to fix the dairy program, they are now going to cause problems for the cattle farmers, they are going to have to satisfy the cattle farmers. Two years from now they will be back helping the poultry farmers, and if they keep going, they will be subsidizing everything short of tofu before they are through, all the while telling you how much money they are saving.

Now, we are told that it saves money. That is true. This product of the Agriculture Committee on Dairy saves money compared to their last product, and that saved money compared to their previous product. It is like the Defense Department, if you shoot high enough, then you can always come in and claim you are saving money. But they continue the fundamental fact of their mind set.

Under this bill, the Federal Government says to farmers in the dairy program, "Produce and don't worry about whether or not there is a market. We will buy it from you."

You have heard about entitlements, and we have heard about means tested entitlements and non-means-tested entitlements. Do you know what we have here? An anti-means-tested entitlement. The more you produce, the more money the Federal Government gives you. It is an entitlement. You are legally entitled to get so much, whatever you produce, and the bigger you are, the more you get.

Now, I know our friends would like us all to worry about poor Ma and Pa Kettle, six chickens, a couple cows, a row of lettuce. That is not who gets this program. The Agriculture Committee has not brought us a bill that targets those people. In fact, it goes the other way. It is anti-means tested. The more you produce, the more you get.

What the gentleman from Virginia is trying to do is to say that since we now have enough butter to slather Wyoming into complete slipperiness, let us stop paying the people all this much money to produce this butter for which there is no earthly purpose—and no one has suggested a celestial one, in my judgment, although, perhaps as part of star wars we are going to slip and slide off those missiles by greasing something up there—but what we are doing is paying people more money than we have to produce more butter than we need.

The gentleman from Virginia comes in and he is not yet talking about the market. He is talking about beginning to reduce that price.

Now, there is one thing in this bill that I like, and I give credit to my friend from California. He says, and I think correctly, having helped sucker these people into it, let us buy some of them out. I think that is a fair point. If this substitute passes, I intend to offer—and it has been noticed in the RECORD—that buyout provision. I do think, in the short term, we should buy these people out. But what you are now doing is giving them no incentive to be bought out because you are continuing to pay them. What I think makes sense is, let us reduce what we are paying them.

By the way, this is not the market price coming down. This is the subsidy price that goes to the Government, and the bigger you are, the bigger your subsidy. This is an anti-means-tested entitlement, which will lead to a beef subsidy program, which God knows where that will lead to next year.

But what we are saying in our amendment here is, let us reduce that price, let us buy some of these people out.

Yes, it is true, we are told this is a unity bill. It is true, it is a unity bill. The milk producers from here and the milk producers from there and the milk producers from there got together with the cotton people from here and the wheat people from here. This is not a unity bill; this is guild socialism. This is all of the producers getting together and cutting up the pie—a heavily subsidized pie, I might add.

What we should be doing is beginning to move to the market.

Now, my friend from Texas says he agrees we should move toward the market. And I agree with him we cannot get there right away. But if I look at this bill, from the standpoint of moving toward the market, I am reminded of the old Chinese saying that the journey of 1,000 miles begins with seven steps backwards. This is not a move toward marketability. It is a continuation of the view that the way to deal with agriculture is for the taxpayer to pay people to produce more than we can dispose of.

If there are better methods of getting this to hungry people, let us look at them. But our recent tragic experience with famine shows it is not simply the availability of food. You cannot go in and undercut everybody else's market. The dairy people are telling you now—I hope people will go back in the RECORD and look at 1981, look at 1983—every couple of years they come here and they tell you how much money they are saving. Our friend from South Dakota said, "Don't you realize that when you cut the amount you give to the farmer you are going to cost the Government more money?" These people will save us into bankruptcy. We will continue to have a situation in which the larger you are, the more money you get from the taxpayer to produce something for which there is no earthly need. We will quibble and quarrel about small details. That is the fundamental choice. Do we begin to say that we are going to stop spending billions of taxpayers' money to buy products and keep people artificially in business when we have no need for them? Or do we move toward a reduction in the price and, with the amendment I will offer later, help them get out of business?

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as we discuss the dairy section, I would remind everyone of what our goals ought to be in the farm bill. It seems to me that we ought to have three particular goals. We ought to, First, try to at least stabilize if not increase farm income in the short run; second, we ought to try to make that transition toward a market orientation; but, third, we have got to live within the budget.

When you look at those three criteria by which you are going to judge the two options we have in front of us, whether it be the committee bill or whether it be the Olin-Michel substitute, there is only one conclusion that you can reach, and that is to stick with the committee proposal, because that is the one that does the job.

Let us take a look at the farm income. One of the things I think is so absolutely interesting it that in 1981, we had the dairy price support in this country of $13.10. We are now down to $11.60. Do you know what? Every year, from 1981 to 1985, the price of the program has gone up, with one exception, 1984, when we had a dairy diversion in effect.

So lowering the price does not help the farmer. Obviously, it does not help the Government. Because what does this do? It causes the farmer to increase his production, which, in turn, casuses a larger surplus, which, in turn, causes the Government to purchase more. So, even at a lower price, we have a higher cost to the Government.

Take a look at what the committee bill contains. In the first year, the dairy farmer has a support price of $11,28, $11.41 the second year, and $12.06 the third year, in terms of support on 100 pounds of milk.

What does the Olin amendment call for? $11 the first year, $10.13 the second year, and $9.63 the third year.

The proponents of Olin-Michel are talking about the third, fourth, and fifth year where they say they are

going to cost less money. Of course they are going to cost less money. If you put enough farmers out of existence, you are obviously not going to have them there and they are not going to produce milk, and you are going to save money. If our goal is to solve America's farm crisis by culling 48,000 farmers in this country, then I suggest you support the Olin amendment.

The second thing I would like to suggest is the argument about the budget—which of the alternatives is going to live within the budget. The first thing we have got to do is deal with the 1986 budget year. We always talk about outyears. In the 5 years I have been in Congress, everyone wants to talk about outyears. I have never seen anybody in this Congress, Republican, Democrat, conservative, liberal, ever live with out-years. I do not even know why we talk about them. The only reality we have, the only budget that is binding, is 1986. The fact is the committee proposal in front of us saves $775 million in 1986 over present policy. USDA ought to be happy about that—not upset. Further it saves $585 million the first year over the Olin substitute.

It is always interesting to see the price cutters quoting USDA as saying that "the numbers that we are using for the cost of the assessment are different than yours." Of course, USDA's numbers are different. They do not like the committee's proposal. They are going to do everything they can to generate numbers supporting their position. But since when did we in Congress start accepting USDA or administration numbers? We use CBO numbers, Congressional Budget Office numbers, and the Congressional Budget Office numbers absolutely say with an average 42-cent assessment is all we need to fund everything. Forty-two cents is all we need—we do not need 50 cents or anything above and beyond that.

Now, the real concern I have and I happen to agree more or less with and have a great deal of respect for my colleague form Virginia and our distinguished minority leader—is that they say they want to move toward a market oriented system in agriculture and particularly in dairy. I happen to agree with that. I happen to believe that it is absolutely essential that we get out of the business of producing for an automatic sale to the Government. I have told every processor in my district that. I told every farmer in my district that. I believe we ought to do it.

What I would suggest, however, is that if you want to go to a market oriented system, there is only one option, and that option is the committee bill.

Take a look at the numbers. The fact is that under the committee proposal, the Government the first year will buy 4.9 billion pounds. Under the Olin proposal, in the first year they will buy 9.4 billion pounds. In the second year, under the committee proposal, the Government will buy 4.4 billion pounds. Under Olin, they will buy 7.9 billion. In the third year, under the committee proposal, 5.2 billion, under Olin, 5.6 billion.

The fact is, under the Olin proposal, the Government will have to buy over 8.4 billion pounds more of surplus milk than they will under the committee proposal.

Now, how in God's green earth are you ever going to get a market oriented system in dairy in this country if you have a system that produces such a surplus that for the next 3 years the Government is buying 8 billion pounds more under the Olin amendment than they are under the committee proposal.

And the other hypocrisy of this whole issue that I want to bring up——

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for 3 additional minutes.)

Mr. GUNDERSON. The other concern that I want to bring up is in the chart that I have just to the left of me here. Everyone talks about free market in price, if you want to go to free market, if you got too much surplus compared to demand, well, you ought to reduce the price.

Do you want free market in dairy? I am all for a free market. But then go all the way. Do not tell the farmers in this country that you are going to reduce their support price and then you are going to turn around and limit them where they can sell their product.

This map shows you 44 different Federal marketing orders in this country, and all the white spaces show you that about a third of the area is regulated by State marketing orders, not Federal marketing orders.

Let me tell you something that is very interesting, and I do not mean this to pick on my colleague from Virginia. He is a good friend. But it is kind of interesting.

□ 1450

Do you know what the class I price for milk in Virginia is today? It is $15.66 under a State, not a Federal marketing order. So he comes to us with an amendment and says, "Let us reduce the support price, the Federal support price from $11.60 down 50 cents a year."

Why does he say that? He can say that; it does not affect his farmers. Class I milk consumption in his area is $15.66. Now, really, is that the way to go? My colleague from California stands up here and says, "We on the committee are doing the wrong thing." California has a State marketing order. When we do assessments they include that assessment in the calculation of what their price is going to be in California. Southern California talks about the big cheese plant. I visited your big cheese plant in May. I think it is most interesting. That big cheese plant, No. 1, is all Danish equipment. No. 2, it is all financed by tax-exempt bonds from the Danish Government. You give tax-exempt financing to every one of my dairy farmers in Wisconsin, they are going to tell you that you can lower the Dairy Price Support Program.

Members of the House, let us be a little bit credible; let us be a little bit honest. If you want to live within the budget, if you want to stabilize or increase farm income, and you want to make that true transition to a market orientation, there is only one option, it is the committee proposal.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to spend a little time explaining to those urban Members, who, as well as the gentleman from Massachusetts, who is in support of this amendment that cannot understand how, when support prices go down, production goes up and therefore the cost to the Government goes up.

I think Members should understand that at the present time we have $11.60 for a support price, while a couple of years ago we had $13.10. Yet, we have increased production at this time over what we had 2 years ago. That occurs because the farmer basically has his dairy operation in place as far as his barn, and his farm, and the amount of cows that he can milk. When the price goes down, many of them raise their own heifers, when those heifers are fresh, they were brought into the dairy operation, and they continue to produce more milk. As they produce more milk, their basic cost of production per unit of milk is less and therefore they are able to continue to make a little bit as the price goes down. But as you continue to reduce the price, then it gets below their unit cost and they are out of business.

So that is why, as has been said here on the floor, if the Olin amendment would be adopted, and that program put in place, then the cost to the Federal Government, to the taxpayers, next year, will dramatically increase over and above what is in the program in the bill.

I would also like to agree with the statements that have been made here on the floor by the gentleman from Wisconsin that preceded me and the gentleman from Texas also in regard to stabilizing the dairy industry in this country. The Olin amendment would

already impact on the dairy farmers in my area, and I just met with some of my dairy farmers yesterday at lunch, and I would lose many of my dairy farmers after a couple years under the Olin amendment.

In deference to the gentleman from Virginia, we are already, in my area, we are deficient as far as fluid milk is concerned, and we are already having fluid milk brought into the St. Louis metropolitan area. All he is going to do is exacerbate that to the extent where we would have to bring more milk in from other areas and we would lose many of my farmers.

I sincerely hope that the Members will oppose the Olin amendment and stick with the committee, which I think is a very good provision for the dairy program.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement. I wanted to refer back to the comments that the gentleman from Wisconsin made with regard to the price of fluid milk. He is absolutely correct; that is not set by what we are doing in this.

Mr. VOLKMER. That is correct.

Mr. BROWN of California. It is higher by far in practically every part of the United States than the levels we set here. Nevertheless, despite that, the overall rise in the price of fluid milk over the last 10 year has been about one-half of what the rise in cheese and butter and other prices have been.

I want the Members to understand that clearly that we are talking about two different things here really, and despite the good performance of milk and the poor performance of cheese and butter, it is the cheese and butter that we are buying under the high support prices in this legislation.

Mr. VOLKMER. That may be true, but some of the prices go to the retailers that retail that. As far as the Olin amendment, I think it has been brought out here and it should be brought out, and people should remember, the Olin amendment is attempting to be sold on the basis that if we adopt the Olin amendment, all of a sudden consumers are going to have cheaper fluid milk in the stores. Now, gentleman, that is not correct. That is not what is going to happen. The fluid milk price is not necessarily going to drop, and I think the gentleman understands that.

Mr. BROWN of California. If the gentleman would yield further, I would like to confirm what the gentleman says. It is not the fluid milk price that would drop. If it did drop, it would be a small fraction of what the drop in the support price would be. It is the price of the butter and the cheese.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. ENGLISH. I thank the gentleman for yielding.

Mr. Chairman, I would like to say very briefly, and I am not going to take a lot of time on this, but I would like to rise in opposition to the Olin amendment and make a couple of very quick points.

First of all, the bill as it stands, coming out of committee, is within the budget. It is a reduction of over $800 million. It is something that quite frankly is going to make it more difficult on the dairy farmers. It is something that is certainly not going to improve their lot. The real question in reduction of the production of milk is how it is reduced. This gives the farmer a chance to survive; Olin does not.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. VOLKMER] has expired.

(On request of Mr. SENSENBRENNER and by unanimous consent, Mr. VOLKMER was allowed to proceed for 1 additional minute.)

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the Olin amendment, and I believe the gentleman from Missouri's statement, together with the two previous statements shows that the choice is very clear. That is, if the Olin amendment is adopted, we are going to be culling farmers in this country. If the committee bill is supported, we are going to be culling cows. I think that that is a pretty clear choice.

Mr. VOLKMER. Very aptly said.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. OLIN. I thank the gentleman.

Mr. Chairman, if the price of fluid milk is not going to be much affected, 95 percent of the milk production in this country is in the fluid milk market. How are all these farmers going to be so badly affected?

Mr. VOLKMER. Because, simply, that much of their excess milk goes into the commercial sector, and that is how they are affected.

Mr. SLATTERY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Olin-Michel amendment for several fundamental reasons. It is seldom that I have to disagree with my good friend from Virginia, but I do it for several reasons.

First of all, the dairy diversion program does work. It accomplishes the purpose for which is was originally intended. It will increase the price for farmers and help the farm-income problem that we are all concerned about in rural America. In addition to that, it is going to reduce the cost of this program to the taxpayers of this country. I will rely upon the comments of none other than the minority leader on this point. Next year we are looking at a cost under the committee approach of $600 million less, to the taxpayers of this country, than if we adopt the Olin-Michel amendment.

Now, when you talk about the outyears, I think the minority leader is exactly right. Who knows what the outyears are going to bring? What we do know, based on CBO assumptions and CBO numbers, is that over the next 3 years we will save nearly a half a billion dollars in taxpayers money under the committee approach. I for all of us who are concerned about deficit reduction we need to focus on that point.

The other point I think we need to focus on again is the fact that the 1983 program has worked, and we should not lose sight of that. This past July, the General Accounting Office analyzed the impact of the 1983 program and the GAO report makes a very important point. It concluded that the 1983 program reduced 1984 production by some 4 billion pounds compared to the estimated production levels had the program not been passed. This reduction in production kept the surplus down, and this reduced the cost to the taxpayers by $600 million in 1984.

The Congressional Budget Office, comparing the diversion program with the price cut alternative, came to a similar conclusion. According to CBO, the committee approach would result in significant budget savings. By choosing the diversion program, we would save at least $500 million next year and at least that much over the 3-year period. My colleagues, I really hope that as you make your decision in the final minutes of this debate, you will focus on these fundamental points.

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So in summary, Mr. Chairman, we have an opportunity here to address an income problem that is critical in rural America. We can increase income for farmers, and we can cut costs to taxpayers. I do not think the choice is a difficult one.

Mr. Chairman, I urge my colleagues to oppose the Olin-Michel amendment and support the committee position.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Olin-Michel amendment.

Mr. KINDNESS. Mr. Chairman, I rise in support of the dairy unity plan and in opposition to the Olin-Michel amendment.

Because of the critical state of the agricultural economy today, I do not believe that dairy farmers in the Eighth Congressional District of Ohio can afford the kind of financial blow delivered by the Olin-Michel price-cut amendment. As I see it, the purpose of the amendment is to attempt to reduce dairy surpluses by forcing dairy farmers out of business.

Mr. Chairman, let me state this briefly. I speak not in defense of the committee position with regard to the dairy program because of its perfection nor in opposition to the Olin-Michel amendment for its deficiencies, for I suspect that neither is perfect, and I suspect that we all know that. but I would like to address myself to just one aspect that is at the tip of the arguments that have been made here, and that is that culling farmers instead of culling cows does not seem to me to be acceptable.

What farmers would we be culling by the use of the method that is involved in the Olin-Michel amendment? What farm families would we be culling? We would be culling those who are going to be our future producers of dairy products, of milk.

We need those people to remain in dairy production to an even greater extent than we do those who are more settled and more capable of dealing with this rough time in dairy production. Those who would survive are the ones who are further along in their careers, whose debt is more limited or paid off, not the younger farmers whose efforts at production we will need in future years. I would just like to ask my colleagues to think about that in terms of the out years that have been mentioned here. Let us think of a few more years than just the outyears involved in this bill. Let us look at the out years in the future when we are going to need people to produce milk. We are going to need dairy farmers, and they are not going to be those who are now in their late fifties and who can survive these hard times; they are going to have to be the younger ones.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I think the gentleman has made an excellent point, and I want to commend him on his statement because that is exactly what would happen.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for his comments and for his hard work in this effort. I thank all those members on the committee who have been so involved. Not being on the committee, I have watched their efforts with a great deal of concern and interest, and I cannot keep quiet and see the young farmers in this country who are caught in a worse position ignored in this debate. We have got to be cautious that the approach that we take does not destroy our future production of milk and dairy products.

Mr. Chairman, in the Eighth District, it is estimated that the Olin-Michel amendment would reduce our dairy farmer's income by some $2.2 million next year alone. Over the next 4 years, Eighth District dairy farmers could expect to lose about $8.8 million if the amendment is approved. Across the State of Ohio, dairy farmers could lose some $86.6 million over the next 4 years under the Olin-Michel amendment.

The dairy unity plan in H.R. 2100 makes dairy farmers responsible for reducing their dairy surpluses and more importantly, allows them the chance to do so without losing their farms.

Further, the dairy unity plan achieves the important budget savings necessary to reduce budget outlays and to address concerns about the crippling budget deficit.

Finally, Mr. Chairman, it does not necessarily follow that a reduction in the dairy-price support results in reduced dairy production. I would argue that, based on my observations in Ohio over the last year or so, a reduction in the dairy-price support is followed by increased production to increase a dairy farmer's cash-flow.

For these reasons, I would urge my colleagues' support of the dairy unity plan as approved by the House Agriculture Committee.

Mr. MRAZEK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to speak for just a few minutes to Members of Congress who do not have dairy farm interests in their congressional districts. I say that not because I plan to speak in an adversarial way about those Members of Congress who do not have dairy farm interests in their districts. In fact, I sometimes tend to think that these parochial concerns lead to very hot tempers and, perhaps, less logic and more anger on this floor, and I was somewhat disappointed to hear my respected colleague, the gentleman from Wisconsin, indulge in words like "hypocrisy" and "a lack of honesty" in describing the motivations of the sponsor of this amendment.

There is no one I can think of in this House who would be more worthy of being called honest, and to suggest that there is hypocrisy behind the motivation of his amendment is, I think, rather sad.

By the same token, the gentleman from Wisconsin made some very persuasive arguments, as he invariably does, in this debate. But there are two issues I briefly want to speak about that are important to consider here.

One is that the Olin approach is straightforward and fair. It does not just say to the dairy farmer, "Here's what you are going to have next year, and then we are going to have to scramble like hell the year after that to try to come up with something similar." It has a course of action that dairy farmers can plan on with gradually lower price supports over the next 5 years.

Needless to say, opponents of the Olin amendment are intent on keeping price supports artificially high so that the Government will continue to purchase dairy surplus at a guaranteed high price.

It is incumbent upon us, I think, in this House, to try to be fair and equitable, and to do the kind of work which will lead to a workable dairy policy not just for the next year but for 4 or 5 years down the line.

I might add that there are a number of Members who have spoken on behalf of the full committee position, and who have suggested that the amendment offered by the gentleman from Virginia [Mr. OLIN] is a budget-buster. I think that really does an injustice to the amendment. It is important to keep in mind that the committee bill establishes a brand new beef subsidy because of the necessity to begin killing dairy cattle, as a result of which the beef producers are concerned about the implications on their industry.

So, in this bill we are going to vote for a brand new $200 million beef subsidy, and we are going to start another new program, and Lord knows where it is going to go in the future.

Again, I would just conclude, Mr. Chairman, by urging those Members who have listened to the persuasive arguments on both sides to support the Olin amendment, which I believe is the fairest and more equitable approach of the two.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would say to the gentleman from New York that I rise as a Member who is extremely interested in the dairy industry. It is the single largest agricultural product in my district. My district is a very heavy agricultural district, with the economy of my area being very heavily dependent on the dairy industry. So I look at this from the standpoint of the dairy industry, and having talked to dairy farmers in my district extensively over the August recess, I have found them, a majority of them, saying a number of things—not all of them but a majority of them. They say a number of things.

They do not want a diversion program, and they do not want an assessment program. The option on the floor is, if you do not want diversion and you do not want assessment, the Olin-Michel amendment. I think we have to realize that if we are going to speak to dairy farmers who are concerned about those two tools, we need to understand that our vote is for Olin-Michel if we are going to vote with dairy farmers who have problems with those two kinds of tools.

It also occurred to me, as I listened to the debate, that there is an old playground statement that I remember as a kid that says, "Fool me once, shame on you; fool me twice, shame on me." Well, the thing is how about 10 times?

We have had a dairy bill, more than one dairy bill, out here a year since 1977, and every time they have come out here with the same kind of language. We have always heard the same kind of talk, that we were being assured that this was the solution, this was the thing that was going to get us back to the market economy. They said, "Just go along with us this time, and we are going to get you back to that market economy that we all want."

Well, the problem is that all those solutions did not work, and when they did not work, what we ended up with then was more government, because what we always did was we took that which was in place and said, "OK, it didn't work because we didn't get it exactly right. Just pile on a little more government."

That is exactly what we are doing here. We are taking all the things that failed us in the past, and we are piling on a little more government. We are piling on now a herd buyout to that which we have already done and which gave us a problem.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I just want to make sure the gentleman is correct on that one part.

In the last 4 years anyway, and I think in about the last 6 years, only once has this body accepted the recommendations of this committee, and as a result of that, according to GAO, we cut surpluses in half for the first time in 5 years, and we saved a billion dollars to the taxpayers by following this committee.

Mr. WALKER. Well, let me say this to the gentleman.

Mr. JEFFORDS. I would say to the gentleman that when we do not follow this committee, that is when we get in trouble.

Mr. WALKER. Mr. Chairman, if the gentleman will let me reclaim my time, I think there is some reason to raise some questions about whether or not it was the committee's program or whether or not it was the market that brought about the changes to which the gentleman refers. The committee wants to take credit for the diversion program having solved some part of the surplus problem. I think it is also very interesting that dairy consumption went up over that period of time by a considerable extent, and that in fact it probably was the promotion program we passed that was more influential in getting some of those surpluses down than it was the diversion program.

It seems to me that is one of the things we need to look at as well, that in fact it was the market side that worked better than the diversion side, the point being that we had very little participation in diversion. In my area it was less than 5 percent of the farmers who were willing to participate in the diversion program.

What that leads us to believe is that as we stretch out the time, as we are now talking about doing because we are told the diversion program failed because we did not have enough time, well, then if we are not going to get very much participation and we are going to extend the time, then my guess is that what we are going to begin to suggest to the farmers is that we are going to mandate them to participate in diversion at some point in the future when we have stretched this time, and I think that could also end up being the problem.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I want to point out to the Members of the body that they ought to take a look at the GAO report which indicates that a third of the savings was due to an increase in consumption and two-thirds of the savings was due to the diversion program. So the gentleman is correct in saying that promotion is a good way to go, and that is a good part of the bill, but there is no question, at least according to the GAO report, that that diversion program saved the taxpayers $650 million.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I am glad to yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Chairman, just to build on the point that my colleague, the gentleman from Vermont, made, that should be obvious because the diversion program went into effect long before the promotion was off and running. We had to take money into the system, we had to put together the board establishing a marketing program for dairy commodities, and once that kicked in, that achieved some savings for us.

But there is no question in my mind that the gentleman from Vermont is right, the dairy diversion program may not have met all the targets we had hoped it would meet, but it did move us in the right direction, it saved money, and it did reduce Government purchasing.

Mr. WALKER. Well, whether it moved us in the right direction is all relative, but we in fact have more dairy production since the diversion program than we had before it. That leads us to question whether it moves us in the right direction.

Mr. OLIN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding.

Mr. Chairman, I do not always agree with the gentleman from Pennsylvania, and in fact not too frequently do I agree with the gentleman's comments, but on this subject he has a firm grip on reality.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. OLIN, and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. OLIN. Mr. Chairman, will the gentleman yield.

Mr. WALKER. I yield to the gentleman from Virginia.

Mr. OLIN. Mr. Chairman, the facts of the gentleman from Pennsylvania are right on this issue, and his conclusions are right.

The basic problem we have here is this: What is a reasonable amount of Government involvement in this segment of the agriculture industry? We are talking about maintaining some kind of stability with a reasonable support price.

There is no justification, and nothing demands an extreme acceleration of Government involvement in this segment of the agriculture industry—nothing.

Mr. Chairman, I thank the gentleman for yielding.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his comments.

I am going to make one more point that I think is important about this issue. We have heard a lot of budget arguments out here, that the committee bill, when brought to the floor, was within the budget.

Let me point out that you changed the committee bill that you brought to the floor. You changed it knowingly out here a few minutes ago when you adopted an amendment that limited the amount of the assessment to 50 cents. That changes the whole budgetary analysis. Those Members who are

arguing budget cannot argue budget out here anymore. They changed it, and they have changed it markedly. As a matter of fact, if you believe the Agriculture Department figures at all, you may have doubled the price of the program to the taxpayers. So at that point it seems to me that you have changed the whole budgetary analysis of this question.

Mr. Chairman, let me make one final point. I have heard a number of times from my colleagues in the course of this debate that what we have here is a carefully crafted bill. I am a little tired of "carefully crafted bills." I have a feeling that carefully crafted bills have gotten us into a lot of trouble. It leads me to make this statement in finality here: When Congress says a bill is carefully crafted, you can bet that the country is about to be shafted.

Mr. LUNDINE. Mr. Chairman, I rise in opposition to the Olin-Michel amendment. For the most part, I am not pleased with the dairy title of the Food Security Act, H.R. 2100, but, I do not feel this amendment is an acceptable alternative.

The approach advocated by my colleagues from Virginia and Illinois, Mr. OLIN and Mr. MICHEL, is a straight price cut which would provide the Secretary of Agriculture with the authority to reduce the dairy support price by $1.50 per 100 pounds of milk (cwt) by January 1, 1988, bringing the support price down to $10.10 per cwt. It seems to me that if we can pay farmers $10.00 per cwt not to produce, as we did in the last diversion program, we cannot expect them to produce milk for $10.10 per cwt. In the area which I represent, the southern tier of New York State, it is simply impossible for many farmers to survive in dairying with a $10.10 milk price.

The strength of this proposal is its simplicity. But because of its simplicity, it fails to address the basic causes of the current dairy surplus problem. The dairy industry suffers from both overproduction and weak demand—overproduction due to the large number of dairy cows that have been brought into production, and declining consumption as a result of a gradual aging of our population and changes in consumer tastes.

We do not contribute to the surplus problem in the southern tier of New York. Unlike many of the large dairy operations in the Southwest and the West which produce solely for Government purchase, we do not sell our milk products to the Government. In fact, during the last 15-month diversion program, Leprino Cheese which is located in Horseheads, NY, had to close down temporarily, for lack of adequate supplies of fluid milk. Dunkirk Ice Cream and Cuba Cheese had to ship in milk from way outside our region for the same reason. I simply cannot expect my farmers to accept a very low price support level in order to combat a surplus they did not help to create.

The Olin-Michel amendment does not even claim to deal with these problems. It is offered primarily as a means of reducing Government costs and providing some price benefits to consumers. But even these claims are questionable. In fact, this amendment causes the 1985 farm bill to exceed the budget resolution in fiscal year 1986–88. In addition, the substitute offers no supply management tools to prevent additional increases in milk production or to reduce the number of cows in production. As a result, some farmers will respond to price cuts by increasing production and forcing the Government to purchase more, rather than less, surplus products. I am reminded of a meeting I attended several years ago in Allegany County, NY, where an older farmer raised his hand and said to me, "Mr. Lundine, it ain't farmers that produce milk, it's cows!"

As for the potential benefit to consumers, recent experience would show this is unlikely. In 1961, and again in 1972, efforts were made to reduce milk prices, either directly through support price cuts or by flooding the U.S. market with foreign dairy production. In both instances, farm prices and farmer receipts dropped significantly, with little or no reduction in retail milk prices.

Where the Olin-Michel approach will be successful is in reducing farm receipts to the point where thousands of dairy producers are forced out of business. The dairy farmers that remain in business will survive by buying cows and relying on increased marketings to offset lower milk prices.

Both from a national and an equity point of view, I am troubled by a proposal which will starve out farmers, especially the younger highly leveraged farmers in the southern tier of New York and across the country. These young farmers who got into the business in the 1970's were encouraged, not only by the Government, but by Cornell and the other land grant agriculture universities to be high-tech farmers and to go way into debt. Now we are trying to pull out the rug from under their feet.

My colleagues from urban areas need to realize that dairying isn't just a business, it's a way of life. If an average guy loses his job, or if his business fails, he has such things as unemployment compensation and workers training funds to help him get by. However, if a farm fails, the farmer in most cases loses everything, his land, his home, his car, and virtually all his assets. The Olin-Michel amendment does not give farmers the option to get out of dairying if they feel that they cannot survive at the prescribed level of support.

Mr. Chairman, I am not implying in my criticism of the Olin-Michel amendment that I wholeheartedly support the so-called dairy unity provisions in the Food Security Act. In fact, I am nearly as troubled by these provisions as I am with the Olin-Michel approach.

The most unacceptable aspect in this bill is the standby diversion program. I supported diversion in 1983 because the oversupply situation in dairy had reached a crisis level and I felt that we needed to do something, temporarily, to remedy it. I said it was temporary and I meant it was temporary. I simply cannot support diversion again, especially in a permanent standby form.

I stress this point, Mr. Chairman, because in New York State, our farmers paid in $71.3 million and received only $38.4 million in return during the 15 month diversion program—almost twice as much paid in milk taxes as received in diversion payments. While I am sensitive to the fact that we are passing through a period of overproduction in the dairy industry, it need not take on the crisis label given to it by the supporters of diversion.

In testimony earlier this year, I urged the Dairy Subcommittee to consider a system of two-tier pricing whereby the Government will provide a reasonable level of support for the amount of milk which will meet estimated national consumption needs. For any additional milk marketings, the Government should pay a much lower price and then aggressively market this surplus on the world market.

We need to think about ways to use our agricultural productivity to redress our trade problems. We ought to be willing to enter into informal marketing agreements with our trading partners, and to revise our support programs, so as to encourage our agriculture exporting potential. We need to eliminate quotas, which are currently in place on several commodities including dairy, sugar, and peanuts in order to create a better environment for increased agricultural trade.

Casein imports, however, I feel should be limited. I cosponsored legislation introduced by my colleague, Representative CHARLIE ROSE, to limit imports of milk protein products to 50 percent of the level of imports over the past 5 years. We need a limit on casein imports so that the specialty and industrial needs can be met without displacing domestic milk solids. I was very pleased that the Dairy Subcommittee held hearings on this topic and I am hopeful that within the context of this farm bill, an acceptable agreement on this issue can be reached.

Furthermore, I am disappointed that the Agriculture Committee did not include a cap on payments to producers for dairy and grain farmers as well, The Federal Government does not need to subsidize enormous corporate farms. We set up these farm programs with the family farmer in mind, and others come in and abuse them. I firmly believe that it is this type of unintended abuse of the system which has made the current dairy program virtually unaffordable.

One worthwhile provision in the dairy title of the farm bill is the whole-herd buyout. I believe that this mechanism will allow farmers a chance to get out of dairying without losing their dignity and all of their assets. The whole-herd buyout will allow the Agriculture Stabilization and Conservation Service to address our over-

supply problem without starving out farmers.

To conclude, we need to be mindful that the other body is likely to approve a dairy program which will be similar to the one called for in the Olin-Michel amendment. In the House and Senate conference we need to have a firm position to bargain from, and I believe that the dairy title of the farm bill, while it is far from what I would like to see, provides us with a stronger bargaining position that we would have if we pass this amendment. It is likely that the diversion program will be stripped out of the House bill and, hopefully, we will be left with a price support freeze and supply management in the form of whole-herd buyout.

The future of America's family-sized dairy farms is in our hands. I hope my colleagues will favorably consider my arguments and join me in opposing the Olin-Michel amendment.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment offered by my good friends and colleagues, Congressmen OLIN and MICHEL. This amendment would devastate the dairy industry in New York, and all across the Nation.

New York State is the third largest producer of dairy products in the country. In 1983, alone, 15,316 dairy farms sold $1,574 billion worth of milk. The bad news is that the industry is in deep economic trouble. More than 34 percent of the New York dairy farms operating during 1970, no longer exist.

Because the issues reflected in the 1985 farm bill hold such importance for dairymen in my State and across the country; and because my State does not have representation on the Agriculture Committee; I have worked closely with the committee and the agriculture community in New York to develop a proposal which would reduce the dairy surplus, meet our budget goals, and preserve our dairy industry. I spent a great deal of time analyzing the various proposals and am convinced that the committee title offers the best opportunity for our farmers.

Recent debate on these proposals has focused on their expense to the Federal Government. I, too, am concerned about the budget deficit, but believe that this concern must be weighed against the impact of these proposals on our farmers. Simply stated over the course of 3 years, the Olin-Michel amendment will reduce farm cash receipts by nearly 30 percent. This isn't right and it isn't fair.

The Agriculture Committee bill, which is supported by a majority of the farm groups in my home State of New York, is not perfect. It contains some provisions that are difficult to support. It does, however, offer the best available option for reducing the dairy surplus, meeting our budget goals, and protecting our domestic dairy industry.

I urge my colleagues to join me in opposing this amendment and support the committee bill.

Mr. TRAXLER. Mr. Chairman, I rise in opposition to the amendment offered by Mr. OLIN and Mr. MICHEL, and in support of the dairy program contained in the committee's bill, as amended with a 50 cents per hundredweight limit on the dairy assessment.

Over the past few months, I have met with dairy farmers in my district, some of whom are proponents and others who are opponents of this amendment. It is they who are most affected by our decisions here today, and for this reason it is they who should be my closest advisers on this issue.

Their majority message to me was very clear: They support what the committee has recommended, particularly with the limit of 50 cents per hundredweight on the assessment. They do not believe that cutting support prices will do enough alone to cut production to end the difficulties we have with dairy production. Instead a very large majority of my dairy farmers tell me that if their price is cut, they will have to increase their production in order to maintain their economic viability.

They also tell me that the ability to sell entire herds under the whole-herd buy-out provisions will do more to reduce dairy production quickly than any other provision of the dairy program, and that it would be a mistake to delete this provision.

The dairy farmers of Michigan's Eighth Congressional District say that balancing the Federal budget will help improve the economic climate in which they operate, and give them the chance to survive. For this reason they tell me that we should resist any expensive farm programs that do not have adequate concern for budgetary costs.

The amendment before us according to very reliable estimates exceeds the limits imposed by our House and Senate passed budget resolution by $500 million in fiscal 1986. To adopt this amendment is to ignore our concern about the budget.

President Reagan has also said that if the cost of this farm bill exceeds certain levels he will veto it. It would be a great disservice to our farmers for us to adopt a provision whose cost could invite such a veto.

Mr. Chairman, I believe that we have an obligation to represent the views of our constituents. Having heard from my dairy farmer constituents, including some who support the Olin-Michel approach, on balance I find that in order to represent the majority will of my dairy constituents I must oppose this amendment and urge my colleagues to support the dairy provisions contained in the committee's bill.

Mrs. LONG. Mr. Chairman, I stand in support of the Olin-Michel amendment. The dairy farmers in the State of Louisiana are adamantly opposed to one of the major provisions of the dairy title: the diversion program. The implementation of a diversion program is not the most direct and effective method to cut dairy production. We should remove the incentive to overproduce via meaningful cuts in the price support system. Why should farmers who have established an efficient operation pay for the inefficiencies in the dairy industry? There are farmers in States, such as Louisiana, that do not produce huge surpluses. They are not willing to have their profit margins taxed away through assessments or be a financial burden on the Federal Government at a time when self-sufficiency is needed. Also, with the adoption of the current dairy provisions, retail milk prices will increase more than under the Olin-Michel amendment. The higher milk prices inherent in the dairy title will result in increased costs of the Food Stamp Program, the WIC Program and Child Nutrition Programs. These increased costs mean fewer poor women and children will be able to participate in these programs. Again, I urge my colleagues to support the Olin-Michel amendment.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. OLIN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OLIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 166, noes 244, not voting 24, as follows:

[Roll No. 319]

AYES—166

Ackerman	Fiedler	Michel
Anderson	Fields	Miller (WA)
Annunzio	Foglietta	Moakley
Archer	Frank	Molinari
Armey	Franklin	Monson
Atkins	Garcia	Montgomery
AuCoin	Gekas	Moorhead
Barnes	Gingrich	Morrison (CT)
Bartlett	Glickman	Mrazek
Barton	Gradison	Nelson
Bateman	Green	Nichols
Bates	Gregg	Nielson
Beilenson	Hall (OH)	Olin
Bentley	Hamilton	Packard
Berman	Hartnett	Parris
Biaggi	Hiler	Porter
Bilirakis	Hillis	Pursell
Bliley	Holt	Rinaldo
Boggs	Howard	Ritter
Boland	Hunter	Roberts
Bosco	Ireland	Roe
Boucher	Jacobs	Rostenkowski
Boulter	Kemp	Roukema
Broomfield	Kennelly	Rowland (CT)
Brown (CA)	Kolbe	Schaefer
Callahan	Kostmayer	Scheuer
Campbell	Lagomarsino	Schroeder
Carney	Latta	Schulze
Carper	Lehman (FL)	Schumer
Chandler	Lent	Sharp
Chappie	Levine (CA)	Shumway
Cheney	Lewis (CA)	Shuster
Clinger	Livingston	Slaughter
Coats	Loeffler	Smith (NH)
Conte	Long	Smith (NJ)
Coughlin	Lowery (CA)	Smith, Denny
Courter	Lowry (WA)	Solomon
Dannemeyer	Luken	Spence
Davis	Lungren	Spratt
DeLay	MacKay	St Germain
Dickinson	Markey	Staggers
Dicks	Martin (NY)	Studds
DioGuardi	Mavroules	Stump
Donnelly	Mazzoli	Sundquist
Dornan (CA)	McCain	Sweeney
Downey	McCloskey	Swindall
Dreier	McCollum	Thomas (CA)
Dwyer	McGrath	Vander Jagt
Early	McKernan	Visclosky
Eckert (NY)	McKinney	Vucanovich
Edwards (OK)	McMillan	Walker
Fawell	Meyers	Waxman

Weiss	Wortley	Young (FL)
Whitehurst	Wyden	Zschau
Wise	Yates	
Wolf	Yatron	

NOES—244

Akaka	Gonzalez	Obey
Alexander	Goodling	Ortiz
Andrews	Gordon	Oxley
Anthony	Gray (IL)	Panetta
Applegate	Gray (PA)	Pashayan
Barnard	Grotberg	Penny
Bedell	Guarini	Perkins
Bennett	Gunderson	Petri
Bereuter	Hall, Ralph	Pickle
Boehlert	Hammerschmidt	Quillen
Boner (TN)	Hatcher	Rahall
Bonior (MI)	Hawkins	Rangel
Bonker	Hayes	Ray
Borski	Hefner	Regula
Boxer	Heftel	Reid
Breaux	Hendon	Richardson
Brooks	Henry	Ridge
Brown (CO)	Hertel	Robinson
Broyhill	Hopkins	Rodino
Bruce	Horton	Roemer
Bryant	Hoyer	Rogers
Burton (CA)	Hubbard	Rose
Burton (IN)	Huckaby	Roth
Bustamante	Hughes	Rowland (GA)
Byron	Hutto	Roybal
Carr	Jeffords	Russo
Chapman	Jenkins	Sabo
Chappell	Johnson	Savage
Clay	Jones (NC)	Saxton
Cobey	Jones (OK)	Schneider
Coble	Jones (TN)	Schuette
Coelho	Kanjorski	Sensenbrenner
Coleman (MO)	Kaptur	Shelby
Coleman (TX)	Kasich	Sikorski
Collins	Kastenmeier	Siljander
Combest	Kildee	Sisisky
Conyers	Kindness	Skeen
Cooper	Kleczka	Skelton
Craig	Kolter	Slattery
Daniel	Kramer	Smith (IA)
Darden	LaFalce	Smith (NE)
Daschle	Leach (IA)	Smith, Robert
Daub	Leath (TX)	Snowe
de la Garza	Leland	Snyder
Dellums	Levin (MI)	Stallings
Derrick	Lewis (FL)	Stangeland
DeWine	Lightfoot	Stark
Dingell	Lipinski	Stenholm
Dixon	Lloyd	Stokes
Dorgan (ND)	Lujan	Strang
Dowdy	Lundine	Stratton
Duncan	Mack	Swift
Durbin	Madigan	Synar
Dymally	Manton	Tallon
Dyson	Marlenee	Tauke
Eckart (OH)	Martin (IL)	Tauzin
Edgar	Martinez	Taylor
Edwards (CA)	Matsui	Thomas (GA)
Emerson	McCandless	Torres
English	McCurdy	Torricelli
Erdreich	McDade	Towns
Evans (IA)	McEwen	Traficant
Evans (IL)	McHugh	Traxler
Fascell	Mica	Valentine
Fazio	Mikulski	Vento
Feighan	Miller (CA)	Volkmer
Fish	Miller (OH)	Walgren
Flippo	Mineta	Watkins
Florio	Mitchell	Weber
Foley	Mollohan	Wheat
Ford (MI)	Moody	Whitley
Ford (TN)	Moore	Whittaker
Fowler	Morrison (WA)	Whitten
Frenzel	Murphy	Williams
Frost	Murtha	Wilson
Fuqua	Myers	Wolpe
Gallo	Natcher	Wright
Gaydos	Neal	Wylie
Gejdenson	Nowak	Young (AK)
Gephardt	O'Brien	Young (MO)
Gibbons	Oakar	
Gilman	Oberstar	

NOT VOTING—24

Addabbo	Crane	Lehman (CA)
Aspin	Crockett	Lott
Badham	Hansen	Owens
Bevill	Hyde	Pease
Coyne	Lantos	Pepper
Price	Shaw	Udall
Rudd	Smith (FL)	Weaver
Seiberling	Solarz	Wirth

□ 1530

The Clerk announced the following pair:

On this vote:

Mr. Price for, with Mr. Smith of Florida against.

Mr. DYMALLY changed his vote from "aye" to "no."

Mr. HALL of Ohio and Mrs. BOGGS changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PEASE. Mr. Chairman, when the vote occurred on the Olin-Michel amendment, rollcall 319, I was unavoidably detained in my office and thereby missed the vote.

Had I been present, Mr. Chairman, I would have voted "no" on the amendment.

The CHAIRMAN pro tempore (Mr. KILDEE). The Committee will rise informally.

APPOINTMENT OF ADDITIONAL MEMBERS OF COMMISSION ON THE U.S. HOUSE OF REPRESENTATIVES BICENTENARY

The SPEAKER. Pursuant to the provisions of section 3 of House Resolution 249, 99th Congress, the Chair appoints as additional members of the Commission on the U.S. House of Representatives bicentenary, the following Members of the House:

Mr. SHUSTER of Pennsylvania; Mr. GINGRICH of Georgia; Mr. HENRY of Michigan; and the following former Member of the House: Mr. Rhodes of Arizona.

The Committee will resume its sitting.

FOOD SECURITY ACT OF 1985

The Committee resumed its sitting.

The CHAIRMAN. Are there other amendments to title II?

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON: Page 282, after line 18, insert the following:

CASEIN IMPORT REQUIREMENTS

SEC. 1155. (a) The Agricultural Act of 1949 (7 U.S.C. 1421 note) is amended by adding at the end thereof the following new section:

"QUANTITATIVE RESTRICTIONS ON MILK PROTEIN PRODUCTS

"SEC. 424. (a) For purposes of this section, the term 'milk protein products' includes—

"(1) casein,

"(2) caseinates,

"(3) lactalbumin,

"(4) whey protein concentrates, and

"(5) mixtures containing not less than 5 per centum of any product referred to in paragraphs (1) through (4).

"(b) To ensure that quantities of milk protein products imported into the United States will not render ineffective, or materially interfere with, price-support operations undertaken under this Act and materially interfere with the domestic dairy industry, the President shall by proclamation limit the quantity of milk protein products that may be entered in any calendar year (or portion of a calendar year in the case of the calendar year in which this section is enacted) beginning on the day after the effective date of this section, to a quantity equal to 50 per centum of the average annual quantity of milk protein products that was entered during the period beginning January 1, 1979, and ending December 1, 1983 (or, in the case of such portion of a calendar year, a proportionately lesser quantity).

(c) In implementing a quantitative restriction proclaimed under subsection (b), the Secretary of Agriculture shall establish an import licensing system for foreign milk protein products under which—

"(1) first preference shall be given to those importers or users who establish that their importation or utilization of such products is for purposes for which no substitutes are available;

"(2) second preference shall be given to those importers or users who establish that their importation or utilization of such products is for purposes for which domestically produced skim milk or skim milk solids cannot be substituted; and

"(3) third preference shall be given to importers or users not qualifying for allocation under paragraph (1) or (2).".

(b)(1) Subpart B of part 13 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 493.12 and inserting in lieu thereof the following new items and the superior heading thereto:

	Casein:		
"493.11	For human or animal consumption, or for use in a product for human or animal consumption.	0.2¢ per lb.	0.2¢ per lb.
493.13	Other	Free	Free".

(2) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

Mr. HORTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. DE LA GARZA. Mr. Chairman, reserving the right to object, I would inquire of the distinguished gentleman from New York if this is one of the casein amendments.

Mr. HORTON. This is a casein amendment, and it was printed in the RECORD.

Mr. DE LA GARZA. In that case, Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] reserves a point of order against the amendment.

Mr. DE LA GARZA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. HORTON] for 5 minutes in support of his amendment.

Mr. HORTON. Mr. Chairman, my amendment will solve a problem that is raising havoc with our dairy industry, and which, unchecked, will destroy the work we do today to reduce the dairy surplus and meet our budget goals. This amendment will control the flood of imported casein.

Casein in a milk protein derived from milk. It has been allowed into the United States for many years to make paint, glue, plastics, paper coatings, and to meet other industrial needs of the Nation. More recently, however, casein has begun replacing natural dairy products in animal feed and human foods such as cheese, coffee whitener, whipped toppings, and frozen desserts. Despite the fact that casein was never intended to enter duty free for nonindustrial purposes, last year, casein displaced about 300 million pounds of nonfat dry milk—at a cost to the Treasury of over $300 million. This isn't fair to the farmer and it isn't fair to the American taxpayer.

My amendment is simple. In order to prevent milk protein imports from rendering ineffective or materially interfering with the dairy support system, the President is directed to restrict casein imports to 50 percent of the average amount imported annually between January 1, 1979, and December 1, 1983.

To ensure that our industrial needs are met, and so that products which require casein may still be manufactured, the Agriculture Secretary is directed to establish an import licensing system for foreign milk protein products. This system will grant first preference to users who establish that they need casein for a purpose for which no substitute exists. Second preference will be given to users or importers who demonstrate that they require casein for a purpose for which domestically produced skim milk or skim milk products cannot be substituted. Third preference shall be given to all other importers or users.

Finally, my amendment will close the "chemical" loophole in the tariff schedule by clarifying that casein imported for human or animal consumption be subject to the 2-cent-per-pound tariff intended by Congress.

The need for this action is clear. Over the past decade, at rapidly escalating rates, casein has entered the country through a loophole in the tariff schedule. In 1983, casein imports equaled 48 percent of the CCC purchases of nonfat dry milk. In 1984, casein imports equaled 90 percent of the Government purchases. Astoundingly, casein production is being subsidized by many of our trading partners as a means of dumping their own dairy surplus on our markets.

I offer this amendment because the dairy industry needs relief now. In 1979, the Ways and Means Committee asked the ITC to conduct a study of the impact of casein on the dairy price support system. Although a study was released, no action was taken. In 1980, the Department of Agriculture conducted its own investigation and reported that the importation of casein displaced 333 million pounds of nonfat dry milk at a cost to the Treasury of over $300 million. The ITC still refused to take action. In 1981, this time at the request of President Reagan, the ITC reviewed casein again, and once again refused to take action.

This year, my colleagues Congressmen ROTH and ROSE introduced bills which would restrict casein imports in much the way my amendment would. Despite the support demonstrated for their efforts, neither Congress nor the adminstration has acted to resolve the problem. Six years have elapsed since the dairy industry first asked for help. The time has come to take direct and immediate action.

Today's debate over the dairy title of the 1985 farm bill will focus on how we can reduce the dairy surplus, meet our budget goals and protect our dairy industry. None of these things can be accomplished unless we restrict the importation of casein. I urge my colleagues to join me in solving this problem today.

□ 1540

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I am glad to yield to the gentleman from Wisconsin.

Mr. PETRI. I thank the gentleman for yielding and would like to commend my colleague from New York for offering this amendment.

Mr. Chairman, I rise in support of the gentleman's amendment.

In H.R. 2100, a study is authorized to determine whether casein imports are a problem. What we have before us is an amendment which says there is already a problem of foreign casein flooding American markets and what we need now are solutions.

Since my election to this body, I have been working with many of our colleagues to address the problem of the overwhelming flow of foreign casein into this country. This flood of casein displaces domestic dairy products which we have in surplus.

In fact, a 1981 Department of Agriculture study showed that for every pound of foreign casein brought into this country the Federal Government winds up buying 3 pounds of nonfat dry milk which, like casein, is derived from skimmed milk. Domestic casein is virtually nonexistent because there is no incentive to make casein when the Government will buy nonfat dry milk for a better price than powdered drink manufacturers and other casein users are willing to pay for casein.

I share my New York colleague's belief that what we need now is a solution to the problem of casein imports. Developing a domestic casein industry could greatly reduce Government stocks of nonfat dry milk and ease our dairy surplus situation.

I urge my colleagues to support the amendment.

The CHAIRMAN. The time of the gentleman from New York [Mr. HORTON] has expired.

(By unanimous consent, Mr. HORTON was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding. Although I am disappointed that we cannot consider the amendment of the gentleman from New York, I am very encouraged that we are finally going to address the casein loophole.

I am very pleased that the distinguished gentleman from Florida has agreed to hold hearings on casein imports. Import levels of this nonfat dry milk substitute have been growing steadily over the last decade. While some foreign producers of casein engage in some form of subsidization, the U.S. Government buys up surpluses of nonfat dry milk. It seems that without heavy imports of casein, these surpluses might not have existed. During this time of high deficits, we must question the logic of this loophole.

Although we have known about this problem for several years, this agreement would represent substantial progress toward aiding our dairy farmers in these troubled times. Our family farmers are struggling for survival. It is vital that we help them get through these tremendously difficult times.

Mr. HORTON. I thank the gentleman for his comments and would certainly agree with him. This is the time for action and nothing has happened, as I indicated, in 6 years. It is time something did happen.

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I am glad to yield to the gentleman from New York.

Mr. MOLINARI. Mr. Chairman, I would just like to briefly say that this

issue of the importation of casein has become a very serious problem in this country, one that we must look at very carefully, one that I have been studying for the last year or so since we have had our problems with our partner in ANZUS; namely, New Zealand. If there is one area where we are going to be able to help our farmers, this is one area where we should be able to all agree.

I am distressed to hear that we may have a point of order raised on this very good amendment.

The CHAIRMAN. The time of the gentleman from New York [Mr. HORTON] has again expired.

(By unanimous consent, Mr. HORTON was allowed to proceed for 1 additional minute.)

Mr. MOLINARI. Mr. Chairman, I would hope the gentleman from Texas [Mr. DE LA GARZA] would think carefully before he raises this point of order. This is a very serious question. The gentleman made a very emotional appeal and I listened intently.

I think this is one area where we should move and now, and if the gentleman would waive his right to raise the point of order, I think he would be doing a great service to all of us and to the country.

I thank the gentleman for yielding.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Regretfully I will make the point of order at the request of the chairman of the Subcommittee on Trade who insists on claiming his jurisdiction. He has assured me and asked me to assure the gentleman from New York and others that he will forthwith look at this issue and address this issue and have whatever hearings are necessary.

I sympathize. I appreciate the great work the gentleman from New York has done, the author of the amendment. But I have no alternative.

The CHAIRMAN. The time of the gentleman from New York [Mr. HORTON] has again expired.

(By unanimous consent, Mr. HORTON was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Will the gentleman continue to yield?

Mr. HORTON. I continue to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I have no alternative but to yield to the jurisdictional request of the chairman of the subcommittee who clearly under the rules has jurisdiction. If it were up to the gentleman from Texas, we would discuss it. But basically the jurisdiction lies in another committee.

I do not want any problem with another committee, and we want to have them on our side when we discuss the issues before them, as properly it should be done.

Mr. HORTON. I would say to the gentleman that the gentleman from Florida [Mr. GIBBONS] has talked to me also. I know they are concerned about the jurisdictional problem. I am sympathetic to that. I certainly understand the jurisdictional problem that the Committee on Ways and Means has with this.

The gentleman from Florida [Mr. GIBBONS] did assure me, as he has assured you, that they will have hearings very shortly on this subject. I think it is very important that we do have these hearings.

Mr. COELHO. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. COELHO. Mr. Chairman, I just want to compliment the gentleman for his amendment and the assurances that he has received from the gentleman from Florida [Mr. GIBBONS]. The gentleman from Florida [Mr. GIBBONS] has also told me that he would work with our subcommittee to make sure that the proper data comes to his subcommittee and so forth.

But I appreciate the contribution of the gentleman from New York.

Mr. HORTON. As I pointed out, there is a bill pending now before that subcommittee authored by the gentleman from Wisconsin [Mr. ROTH] and the gentleman from North Carolina [Mr. ROSE]. I am one of the cosponsors.

With that understanding, I will withdraw the amendment.

Mr. Chairman, I ask unanimous consent that the amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. HORTON]?

There was no objection.

The CHAIRMAN. Are there any other amendments to title II?

Mr. DASCHLE. Mr. Chairman, the dairy unity title of the legislation before us today represents the culmination of many hours and days of discussion, negotiations, and hearings, with literally hundreds of people interested in the future of our Nation's dairy policy as active participants. Our distinguished chairman of the Livestock, Dairy and Poultry Subcommittee, Mr. COELHO, and the subcommittee's ranking member, Mr. JEFFORDS, deserve the highest of commendations for their diligence in fashioning this bipartisan program, one with a goal of insuring a continued, viable dairy industry, and a consistent supply of dairy products to the Nation's consumers.

There are many, many critics of the dairy unity package who believe that lowering support levels will result in decreasing consumer costs for dairy products. If this had been the case, the $2 per hundred pound reduction in support prices between December 1983 and September 1985 should have translated to a dramatic decrease in retail milk prices.

Why then, have milk prices increased over the past year, by a minuscule 5 to 10 cent per gallon? The answer is simple. Dairy farmers, like any other small business person, had to increase production to offset the loss in income. Not unlike other components of the agriculture sector, this increase in production did not translate to a decrease in consumer prices, or an increase in producer income.

The dairy unity title of the 1985 farm bill contains a number of very important provisions, including:

First, a support level determined by a formula which combines cost of production estimates and the extent of surpluses. A support level of $11.74 is estimated for the marketing year beginning October 1, 1985.

Second, authorization for USDA to operate a producer-financed dairy diversion program if Government purchases exceed 5 billion pounds of milk. Dairy farmers would enter contracts to reduce production 5 to 30 percent, receiving $10 per hundred pound cut in production. A "whole herd buyout" provision is included, with funding for this program obtained from an assessment on dairy farmers.

Third, an adjustment in class I fluid milk differentials in 35 of the 44 existing milk marketing orders.

Fourth, establishment of a new dairy pricing index, used to calculate the support price for milk. This index would be based on actual cost of production factors.

Mr. Chairman, if only one argument is clearly understood during this debate, I would hope it would be that reducing farmer income, as some have characterized this administration's farm program, will only result in losers among all segments of our Nation. The farmer loses, the consumer loses, we all lose.

It has been said that every American farm generated dollar translates to $5 of economic activity throughout our entire national economy. Mr. Chairman, I urge the adoption of the dairy unity title of this important farm bill. Our dairy farmers deserve this commitment so they can continue to provide this country with a reasonable and consistent food supply.

AMENDMENT OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHLERT: Page 37, after line 9, insert the following:

DOMESTIC CASEIN INDUSTRY

SEC. 215. (a) The Commodity Credit Corporation shall provide surplus stocks of nonfat dry milk of not less than one million pounds annually to individuals or entities on a bid basis.

(b) The Commodity Credit Corporation may accept bids at lower than the resale price otherwise required by law in order to promote the strengthening of the domestic casein industry.

(c) The Commodity Credit Corporation shall take appropriate action to assure that the nonfat dry milk sold by the Corporation under this section shall be used only for the manufacture of casein.

Redesignate succeeding sections in the subtitle accordingly.

Mr. BOEHLERT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, my amendment deals with a problem that everyone talks about and virtually studies to death, but a problem with which we have failed in our attempt to do something that is positive and constructive.

The problem? Casein imports.

Rising casein imports in recent years have caused excessive spending on the part of the Commodity Credit Corporation for purchases of nonfat dry milk.

According to a U.S. Department of Agriculture report published in 1981, as much as $300 million in CCC outlays could have been saved in 1980 if not for casein imports.

By allowing the CCC sell surplus stocks of nonfat dry milk to domestic companies, on a bid basis, for the expressed use of the manufacture of casein, we can cut casein imports drastically, while providing a boost to the American economy.

Think about all the benefits.

For openers, we will save taxpayers a good deal of money in the form of reduced CCC storage costs. That, in and of itself, is a most worthy objective. Somehow, the average American—and I place myself in this category—simply cannot understand why we spend billions of dollars a year to store goods that are wanted and needed in the marketplace.

Saving storage costs is just one facet of a many-faceted public benefit plan.

In addition to the CCC being able to cut total operation costs with the revenue from the nonfat dry milk sales for the manufacture of casein, the proposal I am outlining will help in further developing our domestic casein industry.

At a time when there is so much talk about protectionist legislation involving quotas, tariffs, and the like, isn't it refreshing to be thinking in terms of a program which is designed to help our guys rather than one which focuses so much on hurting the other guys? This is positive rather than negative in its thrust.

Further, by enhancing the domestic casein industry with products made by American farmers rather than relying on the flood of imported casein, we will also be making a positive contribution to our monumental balance-of-payments problem.

And, at a time when there are still far too many of our friends and neighbors on the unemployment rolls, isn't it another plus to be thinking in terms of creating more jobs right here at home. I think so!

Finally, we will alleviate the pressure on dairy farmers to further cut production or worse yet be forced to accept further decreases in income which, as we know all to well, is at the crisis level.

American farmers have suffered greatly in years past and they are still hurting as is forcefully brought to our attention by the ever-increasing number of farm foreclosures.

I want to see the trend reversed.

Truman Graf, a distinguished agricultural economist, has said:

> The dairy industry is confronted with a myriad of problems including stagnant prices, increasing costs, surpluses, lagging per capita consumption, subsidized imports, an unfavorable international market, and imitation dairy products.

That's some list.

I wish I could wave a magic wand and come up with instant, simple solutions to all of these many problems. Unfortunately, I can't.

But all of us do have an opportunity, by supporting this amendment, to help remove one of the festering thorns in the sides of the American dairy farmers—the flood of imported casein which is displacing what our people are working so hard to produce.

Here's a chance to give the American dairy farmer a break at the same time we would be giving the American economy and our hard-pressed taxpayers a break.

I urge support of this significant amendment.

Mr. COELHO. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I am glad to yield to the gentleman from California.

Mr. COELHO. Mr. Chairman, I want to thank my colleague from New York for bringing up this amendment. I just want the gentleman from New York to know that we are willing to accept the amendment on this side. We have no objection and we wish to proceed with the discussion.

Mr. BOEHLERT. I commend the distinguished chairman of the subcommittee for his eloquent statement in support of this much-needed amendment, because we have to come to grips with the problem of casein imports, and we can do it with this amendment in a way that is constructive, that will create more jobs, help the domestic economy, and avoid the wave of protectionism.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I would add further in behalf of the committee that we will accept the gentleman's amendment and would cooperate with him in his endeavor.

Mr. BOEHLERT. I thank the gentleman.

AMENDMENT OFFERED BY MR. JEFFORDS TO THE AMENDMENT OFFERED BY MR. BOEHLERT

Mr. JEFFORDS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS to the amendment offered by Mr. BOEHLERT: At the end of section 211, after the word "date", insert the following new section:

SEC. 243. MISBRANDED FOOD SUBSTITUTES FOR CHEESE.

For purposes of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.), any food which is an imitation of cheese and which does not comply with any standard of identity in effect under section 401 of such Act for any cheese shall be deemed to be misbranded if its label contains the word "cheese".

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, I reserve a point of order at this time on the amendment.

Mr. JEFFORDS. Mr. Chairman, what this amendment does is purely say that if a food is sold as cheese, it is supposed to be cheese and must meet the requirements which are already set in the law for cheese.

I do not believe that a point of order should lie. It has to do primarily with the fact that casein is utilized in the imitation cheese bases.

Mr. WORTLEY. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from New York.

Mr. WORTLEY. Mr. Chairman, I just want to commend my colleague from Vermont for this amendment. The committee has not adequately addressed the casein problem that devastates American dairy producers and costs the taxpayers millions of dollars.

Casein is a milk protein product. It is not very glamorous and it is not very exciting. But our domestic market is flooded with enormous quantities of imported casein.

In fact, in the last 5 months of 1984, casein imports have exceeded Government purchases of nonfat dry milk. Today the problem continues.

Your amendment, and the amendment of my other colleague from New York [Mr. BOEHLERT] properly addresses this problem. I commend the amendments to my colleagues and hope they will support them.

Mr. JEFFORDS. Mr. Chairman, I yield back the balance of my time.

□ 1555

POINT OF ORDER

Mr. DE LA GARZA. Mr. Chairman, at this point, I insist on my point of order.

Mr. Chairman, this amendment addresses the Food and Drug Act, which is under the jurisdiction of the Committee on Energy and Commerce, and it therefore would not be germane to this legislation. We have no item in the bill that this amendment would be germane to.

The CHAIRMAN. Does the gentleman from Vermont [Mr. JEFFORDS] wish to respond?

Mr. JEFFORDS. Mr. Chairman, I would like to respond by saying it is difficult for me to see how anything that talks about cheese could not be relevant to the dairy provisions of the farm bill.

I recognize that there may be some others with concurrent jurisdiction, but certainly the protection of the cheese industry and the ability of our dairy farmers to ensure that imitation products are not sold under the guise of cheese certainly ought to be within the province of this committee.

The CHAIRMAN. Does the gentleman from New York [Mr. BOEHLERT] wish to be heard on this?

PARLIAMENTARY INQUIRY

Mr. BOEHLERT. Mr. Chairman, just a point of clarification. Am I correct in understanding that the distinguished chairman's point of order is against the amendment to my amendment?

The CHAIRMAN. That is correct.

Mr. BOEHLERT. But that my amendment will then be considered. Is that correct?

The CHAIRMAN. Yes, that is correct.

Mr. BOEHLERT. Fine.

The CHAIRMAN (Mr. BONOIR of Michigan). The Chair is prepared to rule.

The Chair will rule that No. 1, the amendment offered by the gentleman from Vermont [Mr. JEFFORDS] is to the Boehlert amendment and not to the farm bill in general, and the Boehlert amendment deals with Commodity Credit Corporation subsidies for dry milk; and so it is not germane to that amendment.

Second, the point of order raised by the gentleman from Texas [Mr. DE LA GARZA] is correct in regards to the committee jurisdiction argument.

So the Chair will rule that the amendment is not germane to the Boehlert amendmemt.

The question is on the amendment offered by the gentleman from New York [Mr. BOEHLERT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON: Page 53, strike out line 7 and all that follows through line 7 on page 54 (and redesignate references and succeeding sections accordingly).

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GUNDERSON. Mr. Chairman and Members, this amendment is the so-called differential amendment that would eliminate from the bill the legislative increases and the differentials in the bill.

Up to this point in time, differentials is something that has always been dealt with through the administrative process within the Department of Agriculture. This is the first time we have ever by law legislated into law increased prices in differentials in certain regions.

We really have two separate and distinct Federal dairy programs. We have the purchase program to guarantee an adequate supply of dairy products; we have the marketing program to guarantee orderly transportation.

Now, we have had some shortages in certain areas of the country; in particular the Southeast, over the past year, but those are not shortages due to a lack of dairy products in this country; rather, there are shortages that are due to a maldistribution of the milk that we have in this country; and clearly the solution is not increasing consumption.

I would like to call this amendment the so-called honesty amendment because on the one hand, as has been indicated earlier, we have in this dairy diversion, an incentive to cut back in the production of milk in this country. It would be wrong in the same bill to legislate increases in differentials which in reality will also increase production in certain regions of the country. That is sort of hypocritical and we ought to try to purify that one mistake that is in the bill today.

We have included, and I do nothing in my amendment to eliminate, the transportation pools, which is where an area chips in to pay for the extra costs of bringing class I food milk into that area, and we also have the standby pools with reserve plans whereby designated processing plants in this country would be required to ship their milk to regions of shortages whenever that shortage occurred.

We have those two options still available. The Department of Agriculture held hearings on the whole issue of differentials earlier this year, and they have not taken action. The reason they have not taken action is because, No. 1, there has not been a need since that shortage of a year ago for some kind of increased differential.

Second, we will look at the proposal in the bill: These are not differential increases to cover the cost of transportation because they do not adequately reflect the cost of transportation. What they really are is some kind of an increase that is in the bill which is directed, frankly, to certain regions of the country is only an incentive to increase production.

It has been calculated that the differentials that are legislated as increases in this particular committee proposal will do two things: It will increase production by 120 million pounds in certain regions of the country and as a result of that will cost the dairy price support program some $25 million additional simply by virtue of the increases.

So I would hope that we would accept this amendment, bring about a diversion bill that is honesty and purity.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I rise in support of the amendment.

The milk market order system which controls and promotes the movement of milk throughout the country has justly earned the reputation of being one of the most complicated and difficult-to-grasp Government programs in existence. This does not mean that it is a bad program. In point of fact, with few exceptions it has been moving milk very efficiently for years.

But the milk market order system is an economic creation. It is not a political creation. Its function is economic, not political. And we should absolutely resist the temptation to indiscriminately enact changes in this system in this body. That does not show good judgment on our part. I have had printed in the RECORD an amendment which might have been a logical compromise to the changes contained in the committee bill. But I will not offer that amendment because, ultimately, it does not behoove us to be legislating these changes, not even on a compromise basis.

The system does need to be looked at. Overorder premiums are playing too great a role in the movement of milk. We probably do need to review and change this system. But let's have the Department take a careful look first. Let's have serious hearings aimed at accomplishing meaningful reforms. Let's not just pass the changes into law because a majority of the congressional districts will get milk price rises. Let's not sacrifice the heartland of our dairy industry, the upper midwest.

The bill before us is intended to cut milk production. Let's not frustrate

that intent by encouraging increased production in certain areas of the country by suddenly increasing their milk payments. Let's pass the Gunderson amendment and leave the administrative regulation to the Department of Agriculture.

Mr. GUNDERSON. Mr. Chairman, I appreciate the comments of the gentleman from Wisconsin [Mr. KASTENMEIER] and yield to my other colleague from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I urge the adoption of the amendment of the gentleman from Wisconsin [Mr. GUNDERSON] if we are going to have an equitable approach to the dairy program in this country.

I know that many people from urban areas are not aware of these very arcane issues; but the fact is that the way this bill is structured there is what amounts to a very large financial increase for dairy farmers who are in these very far southeast regions of the country.

That amounts to about $55,000 per farmer, in contrast to the zip which is being provided for farmers in the upper Midwest. It just seems to me that there is no provision in this bill that exhibits more outrageous favoritism than that provision; and I think the gentleman's amendment is essential if we are going to get farmers from all regions of the country treated equally.

I would also point out, the Congress should not be in the business of making these decisions; these decisions historically have been made administratively in order to keep the politics out of it; to keep the regional politics out of it.

It would seem to me that if the Congress wants to keep its skirts clean on this issue, they would adopt the amendment.

Mr. GUNDERSON. I appreciate the comments of the gentleman from Wisconsin [Mr. OBEY].

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for 3 additional minutes.)

Mr. GUNDERSON. Mr. Chairman, I yield to my colleague from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Chairman, I rise in support of the amendment offered by my colleague from Wisconsin [Mr. GUNDERSON].

Mr. PETRI. Mr. Chairman, part of Federal dairy law is designed to ensure the orderly transportation of fluid milk from surplus areas to areas where shortages exist. This policy has been implemented in the form of a price differential to cover the costs of moving fluid milk from one place to another.

Presently, these differentials are changed administratively through a regulatory hearing process. H.R. 2100 alters this process by legislatively increasing the differentials for 33 of the 45 market order regions.

It is true that the differentials have not kept pace with transportation costs through the years. However, H.R. 2100 does not raise the differentials to match these increased transportation costs. Rather, the differentials are increased just enough to spur increased production in certain areas of the country by offering the farmers in shortage areas a better price. Thus, the farmers in surplus areas will lose a potential market as farmers in shortage areas increase production. To me, spurring increased production anywhere is the last kind of provision we should enact into law when the whole purpose of this title is to encourage dairy farmers to reduce production because of the enormous surpluses of dairy products.

If there are areas suffering from a shortage of milk, then let us encourage the movement of milk from surplus areas, to shortage areas, rather than encouraging additional production in shortage areas when there is so much surplus milk.

There are ways to achieve constant supplies of fluid milk in all areas of the country efficiently. For example, we can establish transportation pools or reserve pools with standby plants as authorized in section 232 of the bill.

But what we should not do is offer an incentive for increasing production in some areas of the country when we are overproducing in other areas. I urge my colleagues to support this amendment to keep the differential payments at their current level without inequitable increases for farmers in certain regions of the Nation.

Mr. GUNDERSON. I appreciate the remarks of the gentleman from Wisconsin.

I yield to my good friend and colleague on the committee—not from Wisconsin, but from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. I thank my friend for yielding.

Mr. Chairman, let me say that during this time of surplus we should, as the previous speaker said, not be stimulating production in milk to deficit areas. Rather, we should look to move that milk from surplus areas into those areas where it is needed.

Second, as economists have estimated that the increased transportation differentials in this bill will stimulate an additional 120 million pounds of milk production annually, and increase the cost of the program by $25 million.

Third, the differentials work against the traditional dairy producing areas of the upper Midwest, and I would urge that the committee support the Gunderson amendment.

Mr. GUNDERSON. I appreciate the remarks of the gentleman from Minnesota [Mr. STANGELAND] and I yield to my colleague, the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. I thank the gentleman for yielding, and I simply want to rise in support of the amendment. I supported this proposal when the gentleman presented it to the Committee on Agriculture some weeks ago, and I think that it makes eminent sense. It provides fairness in our milk marketing system, and I urge adoption of this amendment.

Mr. GUNDERSON. Mr. Chairman, I appreciate the remarks of the gentleman from Minnesota [Mr. PENNY], and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I apologize to my colleagues for using the phrase again that we worked very diligently to have a bill that was compatible with the needs, the broad spectrum that we could formulate for all of the issues that we were addressing in our farm bill.

Dairy is one of those. Very simply, we have a provision in the legislation, in the permanent legislation. We have marketing orders here and here and there throughout this country.

The gentleman from Wisconsin had a poster there which showed where they were. Now, the price that you stipulate under the legislation and the support has differences, and in many instances very simply it costs more to bring from this area of the United States to the area in need. All we do is that we provide a differential so that we can keep the price equalized.

This is all that the bill does. This will strike out that section of the bill and allow the status quo, which causes a hardship in particular areas of our country.

□ 1605

We do not want to cause a hardship. We do not attempt to discriminate the high producing areas. So this, under what we call the unity bill, the original version of the committee, is an attempt to bring equity, to see that those that have the surplus that in some instances may be mandated under the marketing order, or legislation, that we equalize to the extent possible so that the consumer may not be charged additional costs, without trying to charge the area that is supplying it. If we were not to do this, then it would not be equitable. Then we might have had problems on the other side: "Let's not assist the area where the major production is."

We had a balancing act here, and the best we could do is what is in the legislation. All of those that signed off on it called it unity. This would be dis-

ruptive of that unity and to the other areas that my dear friend from Wisconsin is interested in. And the most prudent course at this time would be to vote against the amendment.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from North Carolina.

Mr. ROSE. I thank the gentleman for yielding.

You know, it is a little passing strange that all of us in the South got up on our feet and spoke against and worked against the Olin amendment which would have given a regional advantage to the South. And here 10 minutes after we all vote to put the Olin amendment to sleep, here you guys from another part of dairyland are coming along asking for special treatment. Come on fellows. Listen, the chairman has spoken very clearly. We have put a carefully balanced act here together.

I am glad to see that my good friend has a sense of humor, and I yield to him at this time.

Mr. DE LA GARZA. Mr. Chairman, reclaiming my time at this point, Mr. Chairman, this is plainly what I was speaking about. Our unity bill tries to keep equity and keep balance. We should not have, we cannot have regional differences. So let us knock the amendment out and avoid all these regional problems that we might have in trying to move our unity bill.

Mr. THOMAS of Georgia. Mr. Chairman, I move to strike the requisite numbr of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to associate myself with the remarks and words of my colleague from North Carolina [Mr. ROSE].

Coming from Georgia which is a dairy-deficit State where we have markets for all of the milk we can produce, certainly no State in the Union had a more unique situation than did Georgia, and we went along with the provisions of this bill for the sake of unity. The one provision perhaps that was constructive to Georgia dairymen was dealing with the differentials.

So I rise in strong opposition to this amendment and say that all along I think we would never have gotten Georgia dairymen to go in favor of this bill had we not received that consideration on differentials.

I think at this stage of the game to turn our back on that unity that was put together and to attempt to wreck that unity, in the way of the statement of the gentleman from North Carolina, is certainly unthinkable.

Mr. Chairman, I rise in very strong opposition to this amendment.

Mr. MOORE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON] to delete section 231 on changes in differentials from the dairy title of the farm bill.

It is true that the Southeastern United States is a deficit dairy producing area. Most of the production there is class I, fluid milk, and has its own local market. It is also true that the current Federal order system does not adequately provide for a supply of milk in local areas where it is needed for fluid use. The purpose of the Federal milk marketing orders is to attract an adequate supply of fluid milk in all areas of the country.

Because the price alone is not enough to attract milk to deficit areas, one major element of the class I differential system is a transportation allowance. When the transportation allowance is inadequate to cover the transportation costs, one of two things occur. Either milk is not attracted, and the need is not fulfilled, or it becomes necessary for handlers or cooperatives to import milk to meet the demand. To appropriately attract this milk, handlers or cooperatives must subsidize the imported milk through overorder pricing, placing them at a substantial competitive disadvantage.

With consumption demand increasing, and as supply reduction programs are put into place, the Southeast will become more and more a deficit producer. Until class I differentials are increased to adequately cover realistic transportation costs, the milk supply will diminish and handlers or cooperatives will become more and more at a competitive disadvantage.

In summary, the purpose of the Federal order class I pricing structure and location adjustments within an order is to provide incentives for the delivery of adequate supplies of milk to meet the demand of all areas of the country. It is clear that the cost of hauling milk to the Southeastern deficit areas is in excess of the transportation allowance provided under the orders and that inequities among producers and handlers have resulted in an inability of the overorder pricing structure to effectively recover the cost or to apportion the costs equitably among handlers. Consequently, some handlers and producers have at various times had to subsidized the costs incurred in shipping milk to the Southeastern deficit areas. The differentials have not been adjusted since the 1960's, so we need to do so now.

I urge my colleagues to defeat this amendment, and support the provisions making the necessary adjustments in the differential structure as provided in H.R. 2100.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was rejected.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNDERSON: Page 38, after line 11, insert the following new section:

APPLICATION OF SUPPORT PRICE FOR MILK

SEC. 217. For purposes of supporting the price of milk under section 201(d) of the Agricultural Act of 1949, the Secretary of Agriculture may not take into consideration any market value of whey.

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the chairman of the committee.

Mr. DE LA GARZA. Mr. Chairman, I am happy to inform my distinguished colleague that the chairman of the subcommittee [Mr. COELHO] and I, as chairman of the committee, in consultation with our membership on this side would accept the gentleman's amendment.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, I would also be happy to join in the acceptance of the gentleman's most wonderful amendment.

Mr. GUNDERSON. Mr. Chairman, I thank both gentlemen.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment Offered By Mr. OBEY: Page 12, insert at the end of line 19 the following: If a milk marketing base program is in effect under paragraph (11) for fiscal years 1986 through 1990, then paragraphs (2) through (7) shall not apply with respect to such fiscal years.

Page 35, after line 12, insert the following: "(11)(A) Not later than 30 days after the date of the enactment of the Dairy Unity Act of 1985, the Secretary shall conduct a referendum, by secret ballot, of milk producers in the United States to determine whether producers favor the implementation, during fiscal years 1986 through 1990, of the national milk marketing base program described in this paragraph.

(B) Any person who is engaged in the production of milk for commercial use, in the 30-day period ending on the date the referendum is conducted is eligible to vote in the referendum. No person may vote on behalf of a milk producer.

"(C) If the Secretary determines that not less than 60 per centum of the milk producers voting in the referendum favor the na-

tional milk marketing base program described in this paragraph, then during fiscal years 1986 through 1990—

"(i) the program shall be in effect;

"(ii) paragraphs (2) through (7) of this subsection shall not be in effect; and

"(iii) the level of price support per hundredweight of milk having 3.67 per centum milkfat shall be—

"(I) 63 per centum of the parity price for milk for fiscal years 1986 and 1987; and

"(II) 70 per centum of the parity price for milk for fiscal years 1988, 1989, and 1990.

"(D)(i) For each fiscal year during which the national milk marketing base program is in effect, the Secretary shall determine individual milk marketing bases of milk producers.

"(ii) For a fiscal year and subject to subparagraph (E), each milk producer shall have a milk marketing base equal to the product of—

"(I) 99 per centum of the producer's milk marketing history; and

"(II) the milk marketing allocation factor for the fiscal year; but not to exceed 99 per centum of the milk marketing history.

"(E)(i) In addition to any amount of marketing base determined for a producer under subparagraph (D), a producer shall have any amount of marketing base transferred to the producer under clause (iii) by the county committee.

"(ii) There shall be available for a fiscal year to the county committee for transfer among producers in accordance with clause (iii) an aggregate amount of milk marketing base equal to the sum of—

"(I) a pro rata share of the product of the allocation factor and 1 per centum of the aggregate of the milk marketing histories determined for the fiscal year for all producers in the United States,

"(II) if the production allocation factor for the fiscal year exceeds 100 per centum, a pro rata share of the product of the percentage of the allocation factor in excess of 100 per centum and the aggregate amount of the milk marketing histories determined for the fiscal year for all producers; and

"(III) the product of the allocation factor and any amount of milk marketing history of a producer in the county who does not engage throughout the fiscal year in the production of milk and who does not transfer such amount under clause (v) to another person.

"(iii) Subject to clause (iv) and to the extent practicable, the county committee shall transfer any milk marketing base available under clause (ii) to the committee among producers, in accordance with such rules as the Secretary shall issue.

"(iv) Not less than 25 per centum of the amount of milk marketing base available under subclauses (II) and (III) of clause (ii) shall be available for transfer by the county committee to milk producers who, as determined by the committee, demonstrate a need for additional base as a result of unusual or special circumstances, except that no additional base may be transferred under this clause to a producer other than a forming one, who has a base exceeding 1,000,000 pounds (milk equivalent).

"(v) A producer may transfer the producers' marketing history to any person by devise, sale, or lease of the farm on which is located the milk production facility owned by the producer. Except as provided in the preceding sentence, no producer may transfer a marketing history by sale, lease, exchange, or other means.

"(vi) The State director of the Agricultural Stabilization and Soil Conservation Service shall select an Appeal Committee composed of 5 milk producers who are members of county committees. The Appeal Committee will be responsible for the prompt hearing and judgment of appeals of base determinations and base transfers made under this paragraph.

"(vii) Any action taken by a county committee or the Appeal Committee under this paragraph is subject to disapproval by the Secretary.

"(F) In any fiscal year for which a national milk marketing base program is in effect under this paragraph, no milk producer may market for commercial use any quantity of milk of his own production in excess of the milk marketing base established under this paragraph for the producer for the fiscal year.

"(G) Any milk producer who violates subparagraph (F) shall be liable for a civil penalty, to be assessed by the Secretary after reasonable notice and opportunity for a hearing on the record, equal to the product of—

"(i) 75 per centum of the level of price support per hundredweight of milk having 3.67 per centum milkfat in effect for the fiscal year in which such violation occurs; and

"(ii) the quantity of milk (measured in hundredweights) with respect to which such violation occurs.

The Secretary may waive or reduce such penalty if the Secretary determines that the severity of such violation does not warrant the full payment of such penalty.

"(H) Any milk producer against whom a civil penalty is assessed, under subparagraph (G) may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than 30 days after such penalty is assessed. As part of the Secretary's answer, the Secretary shall file in such court a certified copy of the record upon which the findings and decision complained of are based. The findings of the Secretary may be set aside only if found to be unsupported by substantial evidence.

"(I) The district courts of the United States shall have jurisdiction to review and enforce any civil penalty assessed under subparagraph (G).

"(J) Civil penalties collected under this paragraph shall be available to the Secretary for expenditure without fiscal year limitation to carry out the Food for Peace Act of 1966, to the extent provided in advance in appropriate Acts.

"(K) For purposes of this paragraph—

"(i) the term 'milk marketing allocation factor' means the ratio of (I) the aggregate quantity of milk, as estimated by the Secretary, necessary to satisfy domestic consumption and exports of milk and the products of milk in the fiscal year (II) to the aggregate quantity of milk produced in the United States in the fiscal year;

"(ii) the term 'county committee' means a county committee established under the Soil Conservation and Domestic Allotment Act;

"(iii) the term 'family member' means a spouse or child; and

"(iv) the term 'milk marketing history' means the average annual quantity of milk marketed by a producer for commercial use in the period of 5 fiscal years (excluding the fiscal year in which the largest quantity is marketed and the fiscal year in which the smallest quantity is marketed) ending on September 30 preceding the fiscal year for which the milk marketing base is being determined. For any period in such 5 fiscal years during which the producer participated in the milk diversion program under this subsection as in effect before the date of the enactment of the Dairy Unity Act of 1985, the marketing of milk by the producer shall be deemed to be equal to the marketings of milk by the producer in the corresponding period of the marketing history determined under such diversion program.

"(iii) Each milk producer and each county committee shall provide to the Secretary such information and records as the Secretary may require by rule to permit the Secretary to determine the milk marketing base of the producer.

"(L) The Secretary shall devise administrative methods to ensure the effective operation of this paragraph.

"(M) The price of milk shall be supported through the purchase of milk and the products of milk.

Page 35, line 13, strike out "(11)" and insert in lieu thereof "(12)".

Page 38, strike out line 13 and all that follows through line 11 on page 50.

Page 50, line 13, strike out "SEC. 222." and insert in lieu thereof "SEC. 221".

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Chairman, the amendment that I am offering would do for dairy farmers what the committee provision does for wheat and corn farmers. Very simply, it would let them vote on their own future.

For grain, as I think Members of the House know, the committee bill essentially freezes prices for grain but then it adopted the Bedell amendment which says to wheat and feed grain farmers that if 60 percent of farmers so vote on a referendum that they could obtain somewhat higher prices in return for effective supply management or, in plain English, tough production controls.

The advantge of the Bedell amendment is that it cuts Government costs, reduces surpluses faster, and it takes a lot of pressure off the production system which has put into production a lot of fragile land which should not be producing, which should be lying fallow.

This amendment says that if you are going to do what the committee bill does for grain farmers you ought to do the same thing for dairy.

Now the reason I believe we need this gets right back to the discussion which we just had on the Gunderson amendment, and this will take a little time, and I will have to ask unanimous consent to extend my remarks for several additional moments when this period expires, in order to explain what I am talking about because it is complicated.

Basically, especially Members from urban areas need to understand how

milk prices are set. Essentially milk prices are set by establishing a basic support price for what is known as the Minnesota-Wisconsin series. That price is established for manufacturing milk which goes into milk which is to be used to manufacture products such as cheese, you name it, nonfluid products.

In addition to that, there is then a differential paid for what is called class I milk which goes into fluid, and that differential increases as you get further from the Minnesota-Wisconsin base area. So by the time that you get down to the southeastern portion of Florida, for instance, you are paying a very high differential, indeed, for that milk. That means that the highest priced milk in the country, by and large, comes from the southeast section of the country.

Now what happened on the dairy bill, as is in the committee proposal right now, is very simply this, and I understand why the deal was made and perhaps if I had been the committee chairman, not coming from my area, I might have made the same deal. But the fact is, there was a choice made.

The question was: How are you going to get votes from the Southeast region of the country to defeat the Olin amendment, That was the question. So the decision was made that in order to do that you would provide a higher price for the fluid milk which is sold by the farmers in the Southeastern region of the country.

The problem with that, on the merits, is that, as was indicated by the gentleman from Wisconsin [Mr. PETRI] that means that you are going to be stimulating more production for milk which is already the most expensive in the country, and you are going to be squeezing the rest of the farmers of the country closer and closer to the wall.

That differential which for the first time would be applied legislatively rather than administratively, that differential would mean on average about $55,000 more for an average farmer living in the southeastern Florida area but it would mean on an average about $200 for a farmer in my area before you assess those farmers the costs that they are going to be assessed under the committee diversion program.

That means in effect that you are going to be increasing the price of the most expensive milk in the country and you are going to be increasing the pressure on the most efficient farmers in the country to go out of business. That is what the committee version means, and that is why I cannot support it. That is why I would urge you to give dairy farmers an opportunity to vote on whether that is fair or not. I am not asking the Congress to decide, I am not asking the House to decide whether they agree or disagree with the committee provision.

What I am saying is that if you are going to stick with the Bedell amendment, if you are going to allow corn farmers from Iowa and wheat farmers from Kansas to vote on their own future to give the same privilege to dairy farmers. Our farmers may lose. For all I know, most farmers in Wisconsin might vote against strong production controls.

But the question is whether or not a lot of people in this chamber who do not know a support price from a cow, whether those people are going to wind up voting for a committee provision that mandates a certain proposal for dairy while it gives grain farmers an opportunity to vote on their future or whether you are going to treat every farmer the same.

I would like to make one other point: If you do not allow this amendment, if you do not allow the referendum which I am proposing under this amendment, what you are doing is something which we have told, time and time again, for the last 10 years we ought not do, and that is, you will be gearing a dairy support program to benefit the biggest producers. If you take a look at the average-sized producer in the region of the country that benefits most from the committee version and you compare the size of an average producer in the Midwest, let us say, you will see that the farmers who are going to be bearing the biggest burden under the committee version are farmers who run the smallest operation, the middle and small farmers who virtually everybody tells us we ought to be supporting.

So I would urge you, if you believe in the Bedell amendment for grain, give us the same shot in the dairy area.

We are not asking you to decide between Coelho and Obey, between Gunderson and Obey, we are not asking you to decide between anybody. We are simply asking you to let farmers in dairy areas make the same choice that they are giving grain farmers, and I urge you in the interest of equity to support the amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(On request of Mr. GUNDERSON and by unanimous consent, Mr. OBEY was allowed to proceed for 3 additional minutes.)

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I thank the gentleman for yielding.

Mr. Chairman, I just simply want to take a moment to compliment my colleague from Wisconsin on this particular issue. We in Wisconsin have a tradition and I think a positive situation that most of our dairy industry, whether they be Farmers Union, NFO, et cetera, most of the time have been able to come to some kind of consensus on dairy policy. That has not happened this time. Generally we in the Midwest believe that supply management is the only way to go. We have been unable back in 1981, 1982, and since then to get any kind of supply management on a mandatory basis enacted in this Congress. There are all kinds of people who give up earlier this afternoon and said they do not like assessments. Assessments are necessary if we are going to have a voluntary supply management through a diversion program.

The alternative is what my colleague has offered, and that is have a referendum and decide once and for all whether the dairy farmers, the dairy producers in this country do or do not want mandatory supply management. I think it is a good movement. I think it is a credible move. I commend the gentleman on it. I certainly rise with the intention of supporting it.

Mr. OBEY. I would like to make one additional point.

If this amendment passes it will cost, on the budget next year, according to CBO, $215 million less than the committee amendment, and I think that is a good budget reason to support the amendment.

I would also make the point, and I really must take issue with the gentleman from North Carolina's comments a moment ago about reciprocity; the fact is that I have supported the sugar program, I have supported the peanut program, I have supported the cotton program. I did that because I think it is in the interests of this country to protect the rights of producers everywhere.

□ 1620

What I do not appreciate is a dairy provision which singles out one specific area of the country for special treatment. I do not think that, in addition to getting what you want on peanuts and what you want on cotton and getting what you want on sugar, you also ought to get what you want on dairy. I think you ought to spread the "gets" around.

Mr. KASTENMEIER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I will not take 5 minutes, but I do think that the Obey amendment should be adopted. I say that, even though there are many in this Chamber who clearly support the unity provisions of the farm bill on dairy. In fact, it gives an alternative. If farm producers, at least in numbers, if not 60 percent or more, do not support the supply management program offered by the gentleman from Wisconsin, then they will have the diversion

program, the whole herd buyout alternative provided in the bill.

I say this as one who, whether or not this amendment which I consider a good amendment is adopted, I will support this bill. As a matter of fact, many of us in our State went around the State almost 2 years ago selling the diversion bill to our dairy producers. And one of the things I said was that the diversion bill was not going to help price, certainly not in the short run; it was designed to manage supply, to bring production and consumption under control. And it did in its short 15-month life go at least halfway toward that goal.

Now, however, what has changed? Why would someone, myself, I am referring to, who in March went before the Rules Committee and asked to make in order to the farm credit bill an extension of diversion, now support the Obey amendment? Because I think in many parts of the country where we have dairy farmers the situation has so deteriorated that, even though we can give them with the committee bill a supply management program, we cannot in the short term give them price. When I say "price" I mean a high enough price so they can survive.

Furthermore, if they elect by referendum to adopt the program that the gentleman from Wisconsin [Mr. OBEY] has described, it will in the long run by a simpler program, it will not be a question of having to phase out of that into again a resumption of higher production as we faced when we phased out of the 15-month program so we are back up at a 12-billion pound surplus level. We will have a management supply program which certainly dairy farmers in the exigencies of 1985 could adopt and could well be a solution to their problems.

In any event, I want to compliment the committee because I do think, given the time frame in which they developed this legislation, they did a good job. I am certainly reassured that the committee rejected the Olin-Michel amendment. But I do think we can take another step forward, add another dimension of opportunity to dairy producers by adopting the Obey amendment.

Mr. Chairman, I hope the Committee will do so.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Again, Mr. Chairman, I make the plea: Let us keep the unity.

This amendment disrupts that very delicate arrangement that we have. We think we can do as best we can for the American dairy producer, and I would hope that the membership would vote against the amendment.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the distinguished gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Texas and say, in friendship to the gentleman from Wisconsin, the sponsor of the amendment, who, in his opening remarks said that he wanted to do the same thing for dairy that had been done for wheat and feed grains, that I just want to point out to the gentleman that it has not been done for wheat and feed grains yet. It was defeated about three times in the committee and then finally adopted once on a 22-to-18 vote. But there are 18 of us who hope that we are still going to get that provision out of the bill doing away with that referendum, and we think that this is an excellent opportunity to set the stage for that by defeating the gentleman's amendment to propose a referendum on dairy.

I thank the gentleman from Texas for yielding.

Mr. DE LA GARZA. Mr. Chairman, I urge my colleagues to vote no on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 36, noes 351, not voting 47, as follows:

[Roll No. 320]

AYES—36

Atkins	Kleczka	Roth
Bates	Lowry (WA)	Sabo
Bedell	Lundine	Schroeder
Daschle	Markey	Schumer
Dorgan (ND)	Moody	Sensenbrenner
Downey	Mrazek	Sikorski
Early	Nowak	Stangeland
English	Oberstar	Towns
Gejdenson	Obey	Vento
Gunderson	Owens	Volkmer
Hall (OH)	Penny	Weber
Kastenmeier	Petri	Williams

NOES—351

Ackerman	Bonior (MI)	Chappie
Akaka	Bonker	Cheney
Alexander	Borski	Clay
Andrews	Bosco	Clinger
Annunzio	Boucher	Coats
Anthony	Boulter	Cobey
Applegate	Breaux	Coble
Archer	Brooks	Coelho
Armey	Brown (CA)	Coleman (MO)
AuCoin	Brown (CO)	Coleman (TX)
Barnard	Broyhill	Collins
Barnes	Bruce	Combest
Bartlett	Bryant	Conte
Barton	Burton (IN)	Cooper
Bateman	Bustamante	Coughlin
Bennett	Byron	Craig
Bentley	Callahan	Daniel
Bereuter	Campbell	Dannemeyer
Berman	Carney	Darden
Bilirakis	Carper	Daub
Billey	Carr	Davis
Boehlert	Chandler	de la Garza
Boggs	Chapman	DeLay
Boner (TN)	Chappell	Dellums
Derrick	Kennelly	Regula
DeWine	Kildee	Reid
Dickinson	Kindness	Richardson
Dicks	Kolbe	Ridge
Dingell	Kolter	Rinaldo
DioGuardi	Kostmayer	Ritter
Dixon	Kramer	Roberts
Donnelly	LaFalce	Robinson
Dornan (CA)	Lagomarsino	Rodino
Dowdy	Latta	Roe
Dreier	Leach (IA)	Roemer
Duncan	Leath (TX)	Rose
Durbin	Lehman (FL)	Rostenkowski
Dwyer	Leland	Roukema
Dymally	Levin (MI)	Rowland (CT)
Dyson	Levine (CA)	Rowland (GA)
Eckart (OH)	Lewis (CA)	Russo
Eckert (NY)	Lewis (FL)	Savage
Edgar	Lightfoot	Saxton
Edwards (CA)	Lipinski	Schaefer
Edwards (OK)	Livingston	Scheuer
Emerson	Lloyd	Schneider
Erdreich	Loeffler	Schuette
Evans (IA)	Long	Schulze
Evans (IL)	Lott	Sharp
Fascell	Lowery (CA)	Shelby
Fawell	Lujan	Shumway
Fazio	Luken	Shuster
Feighan	Lungren	Siljander
Fiedler	Mack	Sisisky
Fields	MacKay	Skeen
Fish	Madigan	Skelton
Flippo	Manton	Slattery
Foglietta	Marlenee	Slaughter
Foley	Martin (IL)	Smith (IA)
Ford (MI)	Martin (NY)	Smith (NE)
Ford (TN)	Martinez	Smith (NH)
Fowler	Matsui	Smith (NJ)
Franklin	Mazzoli	Snowe
Frenzel	McCain	Snyder
Frost	McCandless	Solomon
Fuqua	McCloskey	Spence
Gallo	McCollum	Spratt
Garcia	McCurdy	Staggers
Gaydos	McDade	Stallings
Gekas	McEwen	Stark
Gephardt	McGrath	Stenholm
Gibbons	McHugh	Stokes
Gingrich	McKernan	Strang
Glickman	McKinney	Stratton
Gonzalez	McMillan	Stump
Goodling	Meyers	Sundquist
Gordon	Mica	Sweeney
Gradison	Michel	Swift
Gray (IL)	Mikulski	Swindall
Green	Miller (OH)	Synar
Gregg	Miller (WA)	Tallon
Grotberg	Mineta	Tauke
Guarini	Mitchell	Tauzin
Hall, Ralph	Molinari	Taylor
Hamilton	Mollohan	Thomas (CA)
Hammerschmidt	Monson	Thomas (GA)
Hartnett	Montgomery	Torres
Hatcher	Moore	Torricelli
Hawkins	Moorhead	Traficant
Hayes	Morrison (CT)	Traxler
Hefner	Morrison (WA)	Valentine
Heftel	Murphy	Vander Jagt
Hendon	Murtha	Visclosky
Henry	Myers	Vucanovich
Hertel	Natcher	Walgren
Hiler	Neal	Walker
Hillis	Nelson	Watkins
Hopkins	Nichols	Waxman
Horton	Nielson	Weiss
Hoyer	O'Brien	Wheat
Hubbard	Oakar	Whitehurst
Huckaby	Olin	Whitley
Hughes	Ortiz	Whittaker
Hunter	Oxley	Whitten
Hutto	Packard	Wilson
Ireland	Panetta	Wise
Jacobs	Parris	Wolf
Jeffords	Pashayan	Wolpe
Jenkins	Pease	Wortley
Johnson	Perkins	Wright
Jones (NC)	Pickle	Wyden
Jones (OK)	Porter	Yates
Jones (TN)	Pursell	Yatron
Kanjorski	Quillen	Young (AK)
Kaptur	Rahall	Young (FL)
Kasich	Rangel	Young (MO)
Kemp	Ray	Zschau

NOT VOTING—47

Addabbo	Florio	Rogers
Anderson	Frank	Roybal
Aspin	Gilman	Rudd
Badham	Gray (PA)	Seiberling
Beilenson	Hansen	Shaw
Bevill	Holt	Smith (FL)
Biaggi	Howard	Smith, Denny
Boland	Hyde	Smith, Robert
Boxer	Lantos	Solarz
Broomfield	Lehman (CA)	St Germain
Burton (CA)	Lent	Studds
Conyers	Mavroules	Udall
Courter	Miller (CA)	Weaver
Coyne	Moakley	Wirth
Crane	Pepper	Wylie
Crockett	Price	

□ 1635

Mr. YATES changed his vote from "aye" to "no."

Messrs. DORGAN of North Dakota, TOWNS, and SCHUMER changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1645

LEGISLATIVE PROGRAM

Mr. LOTT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to discuss the legislative schedule, and I am very pleased to yield to the distinguished majority leader so we can receive the schedule for the balance of the day and for next week.

Mr. WRIGHT. Mr. Chairman, will the acting minority leader yield?

Mr. LOTT. I yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Chairman, it is the expectation of the committee, as I understand it, that there will be no more recorded votes on amendments today. There are some amendments which the chairman of the committee expects to accept, and there will be discussion on those amendments, so we are not entirely through with the business but we are finished with votes for today.

There will be no session tomorrow, Friday, and under permission granted earlier, when we adjourn today, we will adjourn to meet at noon on Monday next.

On Monday, we will have two suspensions, and possibly more. Those two suspensions are as follows:

H.R. 1963, Allegheny Portage National Historic Site and Johnstown Flood National Memorial; and

H.R. 3384, Federal Employees' Benefits Improvement Act of 1985.

Mr. Chairman, we would expect to postpone any recorded votes on those suspensions until Tuesday, October 1. We will meet at noon on Tuesday and vote on any suspensions that have been postponed from the preceding day, and then we will return immediately to this farm bill. We want to stay on this farm bill and finish it if we can. We hope to finish it on Tuesday.

Then for Wednesday and the balance of the week, we would ask unanimous consent to meet at 11 o'clock on Wednesday, that because of a Democratic caucus taking place earlier that day, and we will meet at 10 o'clock for the balance of the week, Thursday and Friday.

Here is what we have to do: There are four fairly substantial pieces of legislation that we want to act on, on Wednesday, Thursday, and Friday of next week, as follows:

Labor, Health and Human Services appropriations for the coming fiscal year;

A resolution to prevent explosive nuclear testing;

The Equity Pay Practices and Civil Service bill, which we have already had on the floor, and under debate we would like to complete consideration of that bill;

And also we would complete consideration of the Arts and Humanities authorization.

Of course, conference reports may be brought up at any time.

This is the program that we anticipate for next week.

Mr. LOTT. Mr. Chairman, I thank the leader for that information. I do have a few questions or clarifications I would like to make.

First, on the suspensions, the gentleman indicated that there may be additional suspensions. Can the gentleman give us a list of those suspensions? Does he expect to have those suspensions before the day is out today?

Mr. WRIGHT. If we have them, we will certainly list them. I know of no others. I merely expressed that caveat so that some Member might not be disappointed.

Mr. LOTT. Mr. Chairman, let me ask the gentleman this: There had been some information earlier that perhaps we would take up the so-called textile bill under suspension, and then I understood that would not be the case, that they would take that bill to the Rules Committee and seek a rule of some kind, and that it would come to the floor at a subsequent time in the week. But it is not either under suspension or listed later on in the week, as I understand it?

Mr. WRIGHT. It is my understanding that the authors of the bill do not want to bring it under suspension but would prefer to bring it under a rule and consider it in that regular order. If so, it will have to await its turn, and it probably will not get up for consideration next week.

Mr. LOTT. So it would probably be the next week then before we get to that bill?

Mr. WRIGHT. That is the way I would have to guess it. I think the week after next week is a likely time to expect the textile bill to be up for consideration.

Mr. LOTT. Mr. Chairman, there are a couple of other things I know the Members are concerned about.

For instance, on the farm bill, I see we have just 1 day scheduled, and I assume if we do not complete it on Tuesday, that would then go over to Wednesday. But recognizing the fact that we are at the end of the fiscal year, has there been any allowance made for some sort of a temporary bill? How are we going to address that problem that affects a number of parts of the farm community, the dairy, tobacco, and other programs? Do we have an answer on that?

Perhaps the distinguished chairman of the committee could give us some information on that, as to whether or not we could expect to act on a stopgap or temporary bill early next week.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I am glad to yield to the chairman of the Agriculture Committee.

Mr. DE LA GARZA. Mr. Chairman, I have no firm information except that there is some desire on the Senate side to send us a resolution or legislation attached to another bill of some kind for a continuation for x number of days. That is basically all of the information I can give the gentleman, with the exception that I understand it would have to be done on Monday.

Mr. LOTT. It would have to be done on Monday?

Mr. DE LA GARZA. That is the last day of the fiscal year. I think we could drag it for a few days, but technically it should be done then. But I have no firm information on that.

Mr. LOTT. Mr. Chairman, I would be glad to yield to the gentleman from South Carolina [Mr. CAMPBELL] for a question with regard to that matter.

Mr. CAMPBELL. Mr. Chairman, I thank the gentleman for yielding.

The question I have is related to the expiration of the tobacco tax, which expires on October 1. I would inquire, if I might, of the majority leader if he knows of any vehicle that is going to keep that tax in place, because the loss is about $4 million a day if in fact it expires. And, of course, there is a trigger for a number of States that is pending on the 1st of October.

I wonder if the majority leader can enlighten us on that.

Mr. WRIGHT. Mr. Chairman, it is my understanding that there are two vehicles which propose to retain that tax. One of them is the reconciliation bill passed already by a vote in the House Ways and Means Committee and awaiting a rule. The other is an action in the other body. I am informed that they are working on that right now in the other body.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield further?

Mr. LOTT. I yield further to the gentleman from South Carolina.

Mr. CAMPBELL. Mr. Chairman, if that does not become enacted in time,

then I understand that there are trigger mechanisms in a number of States that move into that tax, and that would greatly complicate things. Would we understand that it is the majority leader's opinion that the vehicle would move in time to prevent that from taking place?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield further?

Mr. LOTT. I am glad to yield to the majority leader.

Mr. WRIGHT. I do not think it likely that the vehicle would necessarily move through the House and the Senate and wind up signed by the President on next Monday, and that is the 30th of September. Therefore, at least technically and for a little while, it seems more likely that the tax would expire. But I think anybody expecting the expiration to be permanent would be acting foolishly, because it will be resurrected. It is not dead, and there is permanence, in my opinion.

I think States that enacted legislation contingent upon the expiration of this tax may find themselves in the position of seeing their tax which they have enacted to take up that slack and turn it into State treasuries triggered and in effect for a very short while. Those other States which do not have a built-in mechanism for the expiration of such a State tax in the event the Federal tax is reinstituted may find themselves simply with a tax upon the purchasers of cigarettes in their States which would be that much higher than the tax elsewhere.

Mr. LOTT. Mr. Chairman, does the gentleman from Mississippi wish me to yield to him?

Mr. MONTGOMERY. I do, Mr. Chairman.

Mr. LOTT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the majority leader two questions. Pertaining to the military authorization conference report, there seems to be some problem with getting a rule that would affect the House Appropriations Committee. Is there a possibility that we will get the military authorization conference report up for consideration next week?

Mr. WRIGHT. It is a possibility but, I think, not a likelihood. If we had planned to do that next week, we would have advised the gentleman. Everybody has been advised for some several weeks that it is the plan ultimately to bring up that bill but, prior to the conference report coming to the House floor, to bring a rule which stipulates the procedure under which any appropriations exceeding a certain level would be subject to a point of order.

As far as I know, that still is the gentleman's agreement, and there still is the plan to bring up a rule on which the Members will have an opportunity to vote, establishing for practical purposes a ceiling within the House on military appropriations, immediately prior to the vote on the conference report.

Mr. MONTGOMERY. In other words, that rule would come up, as far as the leadership is concerned, before we could get a vote on the military conference report?

Mr. WRIGHT. Unless I am mistaken, the plan is to bring it up immediately before the conference report. I would say to my friend, the gentleman from Mississippi, that doing so may make the conference report easier to pass.

Mr. MONTGOMERY. Mr. Chairman, I have one other question. The subcommittee chairman on the military construction is in the Chamber, and I noticed for the last 2 weeks that the military construction bill has been listed on the whip notice, and it is not on it at this time.

After we get rid of the rule on the appropriations for military and after we handle the conference report, does the leadership have any idea of bringing up that authorization on military construction?

Mr. WRIGHT. The leadership follows the general rule of not bringing a bill to the floor unless and until the manager of the bill or the chairman of the affected committee or subcommittee is ready to bring it. We think that is a courtesy that we owe to the chairman of the committee.

Perhaps the gentleman from California [Mr. DELLUMS], who occupies that role, might be able to address himself to this subject.

Mr. LOTT. Mr. Chairman, I am glad to yield to the gentleman from California [Mr. DELLUMS] if he can provide us that information concerning the schedule for the military construction bill.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

I simply say to the majority leader that it is the desire of the leadership of the Armed Services Committee that the military construction authorization bill for fiscal year 1986 come up as rapidly as possible once the conference report gets resolved.

□ 1700

So I would say to the leadership that once we have resolved the matter of the rule and once we have voted upon the conference report dealing with the full authorization bill, the Subcommittee on Military Facilities and Installations is prepared to schedule the military construction authorization bill for fiscal year 1986.

Mr. LOTT. I realize our time has about expired. I do have just one more question about the schedule.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

(By unanimous consent, Mr. LOTT was allowed to proceed for an additional 30 seconds.)

Mr. LOTT. Mr. Chairman, I have asked for this additional time so we can understand the schedule and Members are very much interested in what might be the timeframe in which that bill might come to the floor.

Mr. WRIGHT. The Superfund bill is involved with the bill out of the Ways and Means Committee to reconcile and that bill contains some provisions to provide additional revenues for the Superfund for the cleanup of toxic wastes.

Now, the authorization bill probably will be before us in a couple weeks.

Mr. LOTT. We have one more question, and I would be glad to yield to the gentleman from Kentucky with regard to the tobacco tax that might expire next week.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman very much for yielding.

If the majority leader would accommodate me in answering a question for clarification, it is my understanding that there are 17 States that will enact State tax increases of 8 cents if in fact our cigarette tax reverts back to 8 cents as of midnight Monday.

Now, of those, I say to the distinguished majority leader, it is my understanding that 10 of those States will not drop this provision once it is enacted, so it would appear to me that because of the lack of action of this Congress, we are forcing this tax on 10 States by our lack of doing something here.

Can we pass a sense of Congress of what our intentions are as a signal to these people, or how do we intend to communicate with these 10 States and inform them that people who buy cigarettes there are going to have to pay an additional tax?

Mr. WRIGHT. Well, if the gentleman will yield, I do not know the precise provisions in the State statutes, but if they are as I understand them to be, a sense-of-the-Congress resolution would not forestall the effectuation of that tax. There are other States which without any particular encouragement from Congress have seen fit to enact such contingency legislation to try to take up the slack and latch on to those taxes if the Federal Government lets loose of them permanently, with a provision, as the gentleman is aware, that their State tax would expire, assuming that the Federal Government did reinstitute the tax, in which case it all goes up in

smoke, if the gentleman will forgive the expression.

Mr. LOTT. Well, I think now we should terminate this discussion on the schedule, but if the Chairman could give us any additional information of any stop-gap action that might take place, I would be glad to yield to the gentleman on that particular question.

Mr. WRIGHT. I do not know of any stop-gap action that is planned.

Mr. LOTT. Well, I am sure we will be working on that particular point for the rest of the day and Monday and Tuesday.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Title II, on page 36, line 25 strike out "two hundred million" and insert in lieu thereof "three hundred and fifty million".

Mr. BEREUTER. Mr. Chairman, I ask unanimous consent that the number "three hundred and fifty million" be reduced to "two hundred and fifty million".

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska [Mr. BEREUTER] to modify his amendment?

There was no objection.

The amendment, as modified, reads as follows: Title II, on page 36, line 25 strike out "two hundred million" and insert in lieu thereof "two hundred and fifty million".

Mr. BEREUTER. Mr. Chairman, I yield to the Chairman of the subcommittee, the gentleman from California [Mr. COELHO].

Mr. COELHO. Mr. Chairman, I would like the gentleman to know that we appreciate very much that he brings up this amendment. In our discussions with subcommittee members, we have no objection to the amendment. We accept it as amended.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for that statement.

I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I also concur. I have no objection to my knowledge on this side.

I would additionally like to point out that since the original proposal was added to the bill to assist in the beef producers and others to be able to adjust to what might occur under the dairy bill, we have also added a whole-herd buy-out which will give the Secretary the discretion as to when to phase in the meat out of the market, which should also greatly reduce any concerns that the beef producers and others might have. Certainly this with the addition of the gentleman's amendment ought to remove most if any concerns they have left.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for his statement.

In conclusion, I would just say that I believe this is a move in the direction of fairness. I very much appreciate the committee's work on it.

During fiscal year 1984, the USDA purchased 220 million pounds for food nutrition programs and for the school lunch program. The move to 250 million pounds is within the budget constraints and I believe it is within the range of the expected loss to the red meat industry of somewhere between 242 and 267 million pounds.

Mr. Chairman, I offer this amendment today in the interest of fair treatment for ranchers and livestock feeders of this country who will be impacted by this dairy bill.

I would point out to my colleagues that the cattle industry is the last bastion of free market agriculture that we have left in this country. This farm bill seems to have something in it for every farm program from eggs to watermelons, but I would point out that there is very little in this bill for the livestock industry. The one item that they have requested is the $1 checkoff for a beef promotion program, but this is a program which the livestock producers are paying themselves—not the consumers or the taxpayers.

The other major provision of this bill which an impact on the livestock industry is, of course, the provision in the dairy bill for a dairy diversion/whole-herd buyout.

I recognize that the committee has attempted to address the problems that are created for cattlemen if a large number of dairy cattle are sent to slaughter. The committee has included in the bill a provision to require the Federal Government to purchase up to $200 million pounds of red meat in the event of diversion. While I think this is certainly a correct and necessary approach, I have reservations that such amount is adequate to offset the negative market impact that a diversion will have on the livestock industry.

By my own estimates, if the total number of dairy cows are culled—770,000—this would cause more than 250 million pounds of meat to hit the market. Actually during fiscal year 1984, the USDA purchased 220 million pounds for the school lunch and other nutritional programs, excluding the purchases by the Defense Department. I understand that my amendment to increase the purchase of red meat by 50 million pounds is within the budget constraints.

But beyond actual displacement in the marketplace, there is also the psychological impact that a diversion/whole-herd buyout will have on the market price of beef.

In 1983, when we passed the last dairy bill with a diversion there was an immediate psychological impact on livestock market prices. Within 1 month, market prices for beef cattle dropped between $8 to $10 per hundredweight. This drop occurred not because we immediately had thousands of dairy cows coming to the market. It dropped for psychological reasons, people anticipated a large number of dairy cows being culled. After a few months, everyone realized that participation in the diversion was not as high as originally anticipated and the market price for beef producers eventually increased. However, the damage had already been done.

In the fall of 1983, the dairy bill, coupled with the impact of the PIK Program, provided a double whammy which devastated many of the ranchers and livestock feeders in my State and across the Nation. Many of these producers did not survive these programs and have since gone out of business.

Today, we are on the verge of recreating this scenario all over again, 2 years ago, cattle prices fell from almost $70/cwt to below $60/cwt. Today, prices for steers on the Omaha market are hovering close to $50/cwt., when just a year ago they were close to $65/cwt. My cattle feeders are losing nearly $150/head on the cattle they send to market.

All through this debate on the farm bill we will hear grim stories and statistics about how different sectors of agriculture are going through difficult economic times. But I can assure you that no sector of agriculture is having a more difficult time than the ranchers and cattlemen in this country.

For my State of Nebraska, the economic problems of the cattle industry are compounding the economic difficulties we are facing in Nebraska because receipts from the sale of cattle account for over one-half of all agricultural receipts. While wheat, corn, soybeans and yes, dairy are important to my State, there is no question that cattle still reign supreme in Nebraska and many other States.

During the past 6 months my office has been visited by producers from every imaginable sector of agriculture asking, if not demanding, that certain programs and prices be included in this bill. But the cattlemen have not asked for one thing in this bill which would cost the consumer or the taxpayer one dime.

The increase that I ask for in this dairy bill is not an unreasonable request for an industry that provides so much, yet asks for so little. It is fair if the issue of a diversion was not before us, we would not need to address the red meat issue. But the diversion is before us, and all that I ask is that America's cattlemen be reasonably insulated from the negative impact that a diversion will create for them.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment, as modified, was agreed to.

Mr. DORGAN of North Dakota. Mr. Chairman, putting together a farm bill under the current circumstances was not easy. On one hand, we have a seriously depressed farm economy. My own State of North Dakota has lost over 4,000 farms since 1980. On the other, we are looking at a bumper harvest of grain, which will, ironically, further depress prices. The situation is the same in the dairy industry. Dairy

farmers are going broke at the same time we have dairy surpluses.

Congress recognizes that the dairy situation needed corrective action 2 years ago. We passed a dairy diversion program which assessed farmers 50 cents a hundredweight in order to fund a diversion program. That diversion program paid milk producers who reduced their production.

While the program was in existence for only 15 months, hardly a fair test of its effectiveness, there were encouraging results. The Government bought far less surplus cheese, butter and powdered milk under the program—8.6 billion pounds—than it had in the previous year without the program—when it purchased 16.6 billion pounds.

The dairy unity bill we are considering today, as reported by the Agriculture Committee, is in many ways an extension of that diversion program. It is a carefully balanced proposal which gives our milk producers a fair chance at survival until current economic circumstances moderate.

The bill also takes note of the concerns of cattlemen over any diversion program, by providing that the Secretary of Agriculture purchase an additional 200 million pounds of red meat during the diversion program. In addition, the bill limits the number of cows that can be slaughtered during certain times.

I believe the dairy title as reported by the Agriculture Committee, while not a perfect bill, merits passage. I urge my colleagues to support it.

Mr. GALLO. Mr. Chairman, as we take up consideration of the 1985 farm bill, I would like to bring to the attention of my distinguished colleagues some concerns I have regarding title VIII of the legislation which determines the structure of the peanut price support and marketing quota programs.

As presently formulated, title VIII leaves intact the unjust two-tier price system and marketing quotas outlined in the 1981 farm bill. The two-tier price program is a system providing for a higher support price for "quota" peanuts—edible peanuts sold for the domestic market—$560 per ton—and a lower price support for "additional" peanuts used for export, feed, meal, or oil products—$185 per ton. Only farmers who hold the rights to poundage quotas are allowed to produce edible peanuts for American consumption. Thus, farmers who are interested in growing peanuts for the U.S. edible market are prohibited from doing so unless they were enfranchised with the right during the peanut program's infancy in the 1930's or have procured the right from the original owner at great expense.

In 1977, Congress, in an attempt to reduce budget outlays caused by peanut surpluses, began restricting the amount of peanuts to be sold in the United States. An artificial shortage now exists due to the fact that since 1975, the domestic quota peanut supply has been cut over 40 percent. Therefore, the market price for quota nuts used for peanut butter and other edible products in the United States is guaranteed at a excessive level. This results in artificially high peanut and peanut product prices for American consumers. In 1984, the price support level for quota peanuts was 27.5 cents per pound. Yet, research conducted by USDA analysts concluded that the actual cost of production to the farmer was 12 to 15 cents per pound.

The Department of Agriculture estimates that the current peanut program adds an additional 13 percent to the cost of every jar of peanut butter. It is my belief, Mr. Speaker, that our lower income citizens, who spend a greater portion of their disposable income on food, should not bear the cost of this unwarranted subsidy to the small segment of farmers taking advantage of this program.

With these points in mind, I rise today in support of an amendment to be offered by my distinguished colleague Congressman STAN LUNDINE. If adopted, the Lundine proposal, which has the strong support of President Reagan, would remove the artificial distinction between quota and additional peanuts. The Secretary of Agriculture would be required to establish one-level price support that would apply to all peanuts produced in the United States. In establishing this level, the Secretary would be required to take into consideration such factors as cost of production and world market prices, as well as supply and demand for peanuts.

You will recall that Congressman LUNDINE offered a similar proposal to terminate the peanut program during consideration of the 1981 farm bill. His proposal passed the House 250 to 159. Although the Senate defeated similar language proposed by Senator LUGAR by four votes, I have reason to believe that our colleagues in the Senate will be more receptive during their consideration of the 1985 farm bill.

With Congressman LUNDINE's continued perseverance and leadership on this issue, we now have another opportunity to end this unfair, outdated and costly approach to peanut farming in America. I hope my colleagues will join me and take advantage of this chance to stop a price system that hinders productivity, inflates prices and protects a small segment of the farming community at the expense of other farmers and the consuming public.

Ms. OAKAR. Mr. Chairman, the farm bill that we are considering today is one of the most important pieces of legislation before this House in many years. Every American has a stake in the outcome of this bill, as well as hundreds of millions of people throughout the world. As an urban representative, I am fully aware of the importance of this bill to my constituents who want to continue to enjoy abundant and affordable food.

By many standards, American agriculture is an incredible success story. High-quality food is available in every corner of our land. American grain feeds starving masses in Africa and constitutes the margin between hunger and sufficiency in the Soviet Union. At a time of disastrous trade imbalances for our Nation, agricultural exports show a wide surplus over imports.

Despite this impressive record, American agriculture faces its most desperate moments since the Great Depression. Net farm income, that peaked at more than $30 billion in 1981, has fallen to half that level in just 5 years. In that time, 200,000 American farmers have gone out of business. Aggregate farm debt exceeds $200 billion. For the first time since the Depression, land values have been falling for 4 straight years. The social impact has been profound. Emotional problems abound in our farming communities. Tragically, suicides are on a sharp upswing. Families are displaced and entire communities are shut down.

This alarming situation has to concern all of us. The human dimensions of this tragedy require prompt and compassionate action on the part of all Americans. There are also profound economic considerations that are of great concern to all of us, not the least my own urban constituents in the industrialized areas of northeast Ohio. Just as we are consumers of agricultural commodities, rural America has been a major customer of the durable goods manufactured in our industrial heartland.

The chairman and members of the Agriculture Committee are to be commended for their efforts in listening to people from every State in America and for crafting a complex bill. The committee rejected suggestions that our farmers be thrown to the mercy of marketplace, where they would be forced to compete with subsidized food products from other countries. The bill promotes price stability, recognizing that cheap prices one year, can lead to ruinous prices for the consumer the next. History has demonstrated that wild rollercoaster prices exact a heavy social as well as economic cost.

A vital consideration in developing farm policy is the nature of our farming sector. The American family farm has contributed bedrock values for our Nation that must be preserved. These values are preserved by helping the family farm survive. The huge corporate farm might very well provide our society with food, but we dare not depend on it exclusively for our agricultural needs. If we lose the family farm, America loses a large part of its soul.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of the Food Security Act of 1985 (H.R. 2100). This bipartisan legislation addresses many of the concerns of American farmers including mounting farm debt, reductions in farm income, and market disincentives due to unfair foreign subsidies while also staying within this year's budget resolution. Certainly, the committee should be commended for achieving these very important objectives.

As chairman of the international task force of the Select Committee on Hunger, I am particularly pleased with title XI section 1106 of this act which makes surplus agricultural commodities held by the Commodity Credit Corporation available for the first time for overseas food donation to hungry people in developing countries. This new program will provide approximately 1 million metric tons of grains and oilseeds

in fiscal 1986 and 600,000 metric tons in fiscal 1987 to those countries experiencing severe food shortages, hunger and malnutrition. The new program will also make available approximately 150,000 metric tons of dairy products in both fiscal years 1986 and 1987 for overseas donation.

By making this level of agricultural commodities available for overseas food assistance, we will help save thousands of people's lives who are suffering from famine in sub-Saharan Africa and also help to avert such disasters from ocurring in other developing countries experiencing hunger and malnutrition. In addition, this new program will also help increase farm income by reducing the cumbersome oversupply of agricultural commodities held by the U.S. Government. While the committee faced enormous pressures to reduce spending, I am very pleased that the committee was able to authorize this new program.

In closing, I would like to note that this new program is clearly a bipartisan initiative brought about by the efforts of the members of the Select Committee on Hunger and the Committee on Agriculture. Mr. Speaker, working together, Chairman DE LA GARZA, Agriculture Committee and Select Committee on Hunger members Representatives PANETTA, LELAND, EVANS, FAZIO, MORRISON, EMERSON, MADIGAN, and ROBERTS should be commended for their perseverance and diligent efforts to develop a program that would best utilize U.S. agricultural abundances to meet urgent humanitarian needs in developing countries around the world.

The CHAIRMAN. Are there other amendments to title II? If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—WOOL AND MOHAIR

EXTENSION OF PRICE SUPPORT PROGRAM

SEC. 301. Section 703 of the National Wool Act of 1954 (7 U.S.C. 1782) is amended by—

(1) striking out "1985" in subsection (a) and inserting in lieu thereof "1990"; and

(2) striking out "1985" in subsection (b) and inserting in lieu thereof "1990".

FOREIGN PROMOTION PROGRAMS

SEC. 302. The second sentence of section 708 of the National Wool Act of 1954 (7 U.S.C. 1787) is amended by striking out "mohair or goats" and inserting in lieu thereof "wool, mohair, sheep, or goats".

The CHAIRMAN. Are there amendments to title III?

Mr. JEFFORDS. Mr. Chairman, I move to strike the last word.

I just want to indicate that as far as I know, there are no amendments on this side.

I yield to the gentleman from California [Mr. COELHO].

Mr. COELHO. Mr. Chairman, we have no amendments on our side, either.

The CHAIRMAN. The Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—WHEAT

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, ACREAGE LIMITATION AND SET-ASIDE PROGRAMS, AND LAND DIVERSION FOR THE 1986 THROUGH 1990 CROPS OF WHEAT

SEC. 401. Effective only for the 1986 through 1990 crops of wheat, the Agricultural Act of 1949 is amended by inserting after section 107C (7 U.S.C. 1445b-2) the following:

"SEC. 107D. Notwithstanding any other provision of law—

"(a)(1) For any crop of wheat for which a national marketing certificate program is not in effect under title V, loans and purchases shall be made available to producers of wheat as provided in this subsection.

"(2) Unless the Secretary, at the Secretary's discretion, makes available loans to producers under paragraph (3) for a crop of wheat, the Secretary shall make available to producers on each farm loans and purchases for each of the 1986 through 1990 crops of wheat for an amount of wheat of such crop produced on the farm equal to the acreage on the farm planted to wheat for harvest times the farm's program yield for the crop. Loans and purchases under this paragraph shall be made available during each of the five marketing years for such crops of wheat, beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat. The level of wheat loans and purchases for a marketing year, including the marketing year for the 1986 crop of wheat, may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year (as determined prior to any reduction in the level of loans and purchases made under the following sentence). Notwithstanding the foregoing provisions of this paragraph, if the Secretary determines (A) that the average price of wheat received by producers in the previous marketing year (including the marketing year for the 1985 crop of wheat) was not more than 105 per centum of the level of loans and purchases for wheat for such marketing year, or (B) that the loan level computed under the foregoing provisions would discourage the exportation of wheat and cause excessive stocks of wheat in the United States, the Secretary may reduce the level of loans and purchases for wheat for the marketing year by the amount the Secretary determines necessary to maintain domestic and export markets for grain, except that the level of loans and purchases shall not be so reduced in any year to a level less than 80 per centum of the level of loans and purchases as determined under the preceding sentence. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(3)(A) The Secretary may make available recourse loans to producers during each of the five marketing years for wheat, beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat. The level of wheat loans and purchases for a marketing year, including the marketing year for the 1986 crop of wheat, may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year for the 1986 crop of wheat. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination. The maximum term for any loan under this paragraph shall be 270 days.

"(B) A producer may repay a loan made under subparagraph (A) at a level, per bushel, that is the lesser of—

"(i) the original loan level; or

"(ii) at any time through the maturity date of the loan that the producer redeems the wheat under loan—

"(I) the then current State monthly weighted average market price (per bushel) for wheat, as adjusted for each county in the State, received by farmers, as determined by the Secretary; or

"(II) the then current State weekly or daily weighted average market price (per bushel) for wheat, as adjusted for each county in the State, received by farmers, as determined by the Secretary, if the Secretary determines that it is administratively feasible and reduces the fluctuation in the repayment market price for producers.

"(b)(1)(A)(i) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of wheat for which a national marketing certificate program is not in effect under title V in an amount computed as provided in this paragraph. Payments for any crop of wheat shall be computed by multiplying (I) the payment rate, by (II) the farm program acreage for the crop, by (III) the farm's program yield for the crop.

"(ii) Whenever an acreage limitation program is in effect for a crop of wheat, if producers on a farm devote a portion of the farm's permitted wheat acreage (as determined under subsection (e)(2)) equal to more than 5 per centum of the farm's wheat crop acreage base for the crop to conservation uses or nonprogram crops, such portion of the wheat permitted acreage in excess of 5 per centum of the base devoted to conservation uses or nonprogram crops shall be considered as part of the farm's wheat program acreage and the producers shall be eligible for payments under this paragraph on such acreage, subject to the producers' compliance with the next sentence. To be eligible for payments under the preceding sentence, the producers on the farm must actually plant wheat for harvest on at least 50 per centum of the farm's wheat crop acreage base. The farm's wheat crop acreage base and wheat program yield shall not be reduced due to the fact that such portion of the farm's permitted acreage was devoted to conserving uses or nonprogram crops.

"(iii) Other than as provided in clause (ii), payments may not be made under this paragraph for any crop on a greater acreage than the acreage actually planted to wheat.

"(B) The payment rate for a crop of wheat shall be the amount by which the established price for the crop of wheat (less 13 cents per bushel if the Secretary establishes a wheat export certificate program for the crop under section 107F(a)) exceeds the higher of—

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(ii) the loan level determined under subsection (a), prior to any adjustment made under the fourth sentence in subsection (a)(2) for the marketing year for such crop of wheat.

"(C) The established price for the 1986 and 1987 crops of wheat shall be $4.38 per bushel, and for each of the 1988, 1989, and 1990 crops of wheat shall be a price determined by the Secretary that is not less than 110 per centum nor more than 125 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the marketing years for the immediately preceding five crops, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period. The established price for a crop of wheat may not be established under the foregoing formula at a level that is less than 95 per centum of the established price for the preceding crop of wheat, nor may the Secretary set the established price for the 1988, 1989, and 1990 crop of wheat at a level less than the level for the preceding crop of wheat unless the Secretary certifies to Congress at the time the Secretary announces the program for the crop that the costs of production for such crop of wheat for all producers, as estimated by the Economic Research Service of the Department of Agriculture in consultation with the National Agricultural Cost of Production Standards Review Board, will be 5 per centum below the cost of production for the preceding crop of wheat for all producers. The simple average market price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(D)(i) Notwithstanding the foregoing provisions of this section, if the Secretary adjusts the level of loans and purchases for wheat in accordance with the fourth sentence of subsection (a)(2), the Secretary shall provide emergency compensation by increasing the established price payments for wheat by such amount as the Secretary determines necessary to provide the same total return to producers as if the adjustment in the level of loans and purchases had not been made.

"(ii) In determining the payment rate, per bushel, for established price payments for a crop of wheat under this subparagraph, the Secretary shall use the national weighted average market price, per bushel of wheat, received by farmers during the marketing year for such crop, as determined by the Secretary.

"(iii) Any payments under this subparagraph shall not be included in the payments subject to limitations under the provisions of section 1011 of the Food Security Act of 1985.

"(E) The total quantity of wheat on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2).

"(2)(A) Except as otherwise provided in subparagraph (C), if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for wheat to wheat or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to wheat for harvest (including any acreage that the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm's program yield for wheat established by the Secretary for such crop times a payment rate equal to 33⅓ per centum of the established price for the crop. Payments made by the Secretary under this subparagraph may be made in the form of cash or from stocks of wheat held by the Commodity Credit Corporation.

"(B) Except as otherwise provided in subparagraph (C), if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of wheat that the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm's program yield for wheat established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for prevented planting disaster payments under subparagraph (A) if prevented planting crop insurance is available to them under the Federal Crop Insurance Act with respect to their wheat acreage. Producers on a farm shall not be eligible for reduced yield disaster payments under subparagraph (B) if crop insurance on the growing crop is available to them under the Federal Crop Insurance Act with respect to their wheat acreage.

"(D) Notwithstanding the provisions of subparagraph (C), the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as a result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting wheat or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) crop insurance indemnity payments under the Federal Crop Insurance Act and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to ensure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1) The Secretary shall proclaim a national program acreage for each of the 1986 through 1990 crops of wheat. The proclamation shall be made not later than July 1 of each calendar year for the crop harvested in the next succeeding calendar year, except that for the 1986 crop, the proclamation shall be made as soon as practicable after the date of the enactment of the Food Security Act of 1985. The Secretary may revise the national program acreage first proclaimed for any crop for the purpose of determining the allocation factor under paragraph (2) if the Secretary determines it necessary based on the latest information, and the Secretary shall proclaim such revised national program acreage as soon as it is made. The national program acreage for wheat shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the wheat program yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be used domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of wheat are excessive or an increase in stocks is needed to ensure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of wheat. The allocation factor for wheat shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event may the allocation factor for any crop of wheat be more than 100 per centum nor less than 80 per centum.

"(C) Except as provided in subsection (e)(2), the individual farm program acreage for each crop of wheat shall be determined by multiplying the allocation factor by the acreage of wheat planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage on the farm planted to wheat for harvest from the wheat crop acreage base established for the farm for the crop under title VI by at least the percentage recommended by the Secretary in the proclamation of the national program acreage. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage planted to wheat for harvest is less than the wheat crop acreage base established for the farm for the crop under title VI, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for wheat, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(d) The program yields for farms for each crop of wheat shall be determined under title VI.

"(e)(1) Notwithstanding any other provision of law—

"(A) Except as otherwise provided in subparagraph (B), the Secretary may provide for any crop of wheat either a program under which the acreage planted to wheat would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) if the Secretary determines that the total supply of wheat, in the absence of such a program, will be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. The Secretary shall announce any wheat acreage limitation program or set-aside program under this subsection not later than July 1 prior to the calendar year in which the crop is harvested, and the Secretary may make appropriate adjustments in such announcement for the wheat acreage limitation program or the set-aside program not later than July 31 prior to the calendar year in which the crop is harvested, if the Secretary determines that there has been a significant change in the total supply of wheat since the earlier announcement. Notwithstanding the preceding sentence, the Secretary shall announce the wheat acreage limitation program for the 1986 crop under subparagraph (B) as soon as practicable after the date of the enactment of the Food Security Act of 1985.

"(B)(i) For the 1986 crop of wheat the Secretary shall provide for an acreage limitation program, as described in paragraph (2), under which the acreage on the farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the crop reduced by a total of 30 per centum, except that, for producers who plant the 1986 crop of wheat before the announcement by the Secretary of the wheat acreage limitation program for that crop, the Secretary shall provide for a combination of (I) an acreage limitation program, and (II) a paid diversion program, as described in paragraph (5), under which the acreage on the farm planted to wheat for harvest will be limited to the wheat crop acreage base for the farm for the crop reduced by 20 per centum under the acreage limitation program and by an additional 10 per centum under the paid diversion program.

"(ii) With respect to any of the 1987 through 1990 crops of wheat, if the Secretary estimates, not later than July 1 of the year prior to the calendar year in which the crop is harvested, that the quantity of wheat on hand in the United States on the first day of the marketing year for that crop (not including any quantity of wheat of that crop) will exceed 800,000,000 bushels, the Secretary (I) shall provide for an acreage limitation program, as described in paragraph (2), under which the acreage planted to wheat for harvest on a farm would be limited to the wheat crop acreage base for the farm for the crop reduced by not less than 20 per centum, and (II) may provide for a paid diversion program, as described in paragraph (5), or an additional acreage limitation for any desired reduction in planted acreage in excess of 20 per centum of the wheat crop acreage base for the farm.

"(iii) As a condition of eligibility for loans, purchases, and payments for any such crop of wheat, the producers on a farm must comply with the terms and conditions of the acreage limitation program and, if applicable, the paid diversion program.

"(2) If a wheat acreage limitation program is announced under paragraph (1), such limitation shall be achieved by applying a uniform percentage reduction to the wheat crop acreage base for the crop for each wheat-producing farm. Producers who knowingly produce wheat in excess of the permitted wheat acreage for the farm shall be ineligible for wheat loans, purchases, and payments with respect to that farm. Wheat crop acreage bases for each crop of wheat shall be determined under title VI. A number of acres on the farm determined by dividing (A) the product obtained by multiplying the number of acres required to be withdrawn from the production of wheat times the number of acres actually planted to wheat by (B) the number of acres authorized to be planted to wheat under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. If an acreage limitation program is announced under paragraph (1) for a crop of wheat, subsection (c) shall not be applicable to such crop, including any prior announcement that may have been made under such subsection with respect to such crop. Except as otherwise provided in subsection (b)(1)(A)(ii), the individual farm program acreage shall be the acreage on the farm planted to wheat for harvest within the permitted wheat acreage for the farm as established under this paragraph.

"(3) If a set-aside program is announced under paragraph (1), as a condition of eligibility for loans, purchases, and payments for wheat authorized by this Act, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of wheat planted for harvest for the crop for which the set-aside is in effect. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. If a set-aside program is established, the Secretary may limit the acreage planted to wheat. Such limitation shall be applied on a uniform basis to all wheat-producing farms. The Secretary may make such adjustments in individual set-aside acreages under this paragraph as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4) The regulations issued by the Secretary under paragraphs (2) and (3) with respect to acreage required to be devoted to conservation uses shall ensure protection of such acreage from weeds and wind and water erosion. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing, or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely. In determining the amount of land to be devoted to conservation uses under an acreage limitation or set-aside program with respect to land that has been farmed under summer fallow practices, as defined by the Secretary, the Secretary shall consider the effects of soil erosion and such other factors as the Secretary considers appropriate.

"(5)(A) The Secretary may make land diversion payments to producers of wheat, whether or not an acreage limitation or set-aside program for wheat is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of wheat to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(B) Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion program for the 1986 crop of wheat as provided in subsection (e)(1)(B)(i) (for producers who plant the 1986 crop of wheat before the announcement by the Secretary of the wheat acreage limitation program for that crop) under which the Secretary shall make crop retirement and conservation payments to any such producer of the 1986 crop of wheat whose acreage on the farm planted to wheat for harvest is reduced so that it does not exceed the wheat acreage base for the farm less an amount equivalent to 10 per centum of the wheat acreage base in addition to the reduction required under paragraph (2), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the wheat acreage base under this paragraph. Payments under the preceding sentence shall be made in an amount computed by multiplying (i) the diversion payment rate by (ii) the acreage diverted under this paragraph by (iii) the farm program yield for the crop. The diversion payment rate shall be $2.00 per bushel.

"(6) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may also pay an appropriate share of the cost of approved soil and water conservation practices (including practices that may be effective for a number of years) established by the producer on reduced acreage, set-aside acreage, or additional diverted acreage. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit of the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such par-

ticipation not later than such date as the Secretary may prescribe. The Secretary, by mutual agreement with producers on the farm, may terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(8) Notwithstanding the foregoing provisions of this subsection, in carrying out the program conducted under this subsection, the Secretary may prescribe production targets for participating farms expressed in bushels of production so that all participating farms achieve the same pro rata reduction in production as prescribed by the national production targets.

"(f) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary, nevertheless, may make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provision of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2), but may be required if a set-aside program is established under subsection (e)(3).".

NONAPPLICABILITY OF SECTION 107 OF THE AGRICULTURAL ACT OF 1949

SEC. 402. Section 107 of the Agricultural Act of 1949 (7 U.S.C. 1445a) shall not be applicable to the 1986 through 1990 crops of wheat.

The CHAIRMAN. Are there amendments to title IV?

Mr. COELHO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McHUGH) having assumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers and abundance of food and fiber at reasonable prices, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION DISMISSING ELECTION CONTEST AGAINST RICHARD HOWARD STALLINGS

Mr BATES, from the Committee on House Administration, submitted a privileged report (Rept. No. 99-290) on the resolution (H. Res. 272) dismissing the election contest against RICHARD HOWARD STALLINGS, which was referred to the House Calendar and ordered to be printed.

HOUR OF MEETING ON WEDNESDAY, OCTOBER 2, 1985

Mr. COELHO. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourns to meet at 11 a.m. on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. COELHO. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. BATES. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks and to include therein extraneous material on the bill, S. 1671, which passed the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEVERAGE CONTRACTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, I have today introduced legislation, that would require all leverage contracts to be traded on futures exchanges designated by the Commodity Futures Trading Commission as contract markets under the Commodity Exchange Act.

Congress has struggled with the problem of leverage contracts for more than 10 years. Having heard representations from the leverage firms in 1982 that leverage contracts were not futures contracts, Congress directed the CFTC to regulate leverage. In hearings this year, however, we have learned from the Commodity Futures Trading Commission and others that leverage contracts are indistinguishable from commodity futures contracts, as defined by the Commodity Exchange Act. Unlike all other futures contracts, however, leverage contracts are not now required to be traded on exchanges.

Congress' 60-year requirement that futures trading must occur on exchanges is based upon the historic lesson that off-exchange instruments are prone to fraud. This has proven to be sadly true in the leverage area; approximately 11 percent of all customer reparation claims filed with the CFTC since 1980 have concerned four firms marketing leverage. Hundreds of millions of dollars in customer funds are at stake each year in leverage trading. To make matters worse, leverage contracts, unlike other futures contracts, are not required to satisfy an economic purpose requirement. The leverage firms readily admit that their contracts serve no risk shifting or hedging purpose.

Urgent attention to the problem of leverage is needed for two important reasons. First, the registering or licensing of leverage firms by the Commodity Futures Trading Commission, which is now under consideration, will lend respectability to off-exchange futures trading in direct contravention of Congress' 60-year ban on such trading. Such an action by the Commission would underscore the fact that the Commission is in the unworkable position of defining and regulating these futures contracts in contradiction of its basic statutory mandate. Second, the fact that the Commission has failed to rule out the transferability of these licenses, despite the clear language and intent of the Commission's leverage moratoria regulations, raises the imminent possibility that Congress will soon be dealing with greatly expanded off-exchange futures trading, which we have never envisioned or sanctioned.

To address these serious problems, I am introducing this bill designed to put leverage contracts on a regulatory par with all other futures contracts. This bill imposes a statutory moratorium on new entry into the leverage business, and gives existing leverage firms until January 1, 1988, to bring their activities into compliance with all laws applicable to other futures contracts.

This approach will reduce the potential for fraud on consumers, stem any movement toward an even larger leverage industry, and affirm Congress' 60-year view that the economy and the public are best served when futures trading is subject to the oversight of approved contract markets.

SUMMARY OF PROPOSED LEGISLATION

The proposed amendment to section 19 of the Commodity Exchange Act, 7 U.S.C. 23, requires regulation of leverage transactions

under the existing statutory scheme for futures contracts.

The amendment does not affect existing section 19(a). Section 19(a) prohibits certain leverage transactions, generally those involving agricultural commodities.

Amended section 19(b) establishes criteria that must be satisfied for any person to engage in the leverage business during the period from the effective date of this amendment until January 1, 1988. This requires any such person to have applied with the Commodity Futures Trading Commission for registration as a leverage transaction merchant [LTM] as of September 4, 1985; met all requirements of the Commission for such registration, including having "grandfathered" status under the Commission's regulatory moratoria; and received approval for its LTM application. Amended section 19(b) also prohibits "nongrandfathered" firms from entering the leverage business by acquiring a registered LTM; the registration of the LTM would be suspended upon transfer of ownership.

Section 19(c) is deleted as unnecessary. Amended sgction 19(c) requires the CFTC, as of January 1, 1988, to regulate leverage transactions under every provision of the Commodity Exchange Act applicable to futures contracts. Most significantly, this subsection requires that leverage trading occur, if at all, only on and subject to the rules of "contract markets" designated by the Commission. Moreover, leverage contracts must satisfy the requirement of section 5(g) of the act that transactions for future delivery of a commodity be shown to be not contrary to the public interest. Amended section 19(c) thus makes clear that leverage transactions are economically and legally indistinguishable from futures contracts and must be regulated as futures contracts under the Commodity Exchange Act as of January 1, 1988.

The Commission will continue to have exclusive jurisdiction over lawful exchange-traded leverage transactions under this proposed amendment, pursuant to section 2(a)(1)(A) of the act, just as the Commission retains such jurisdiction over lawful futures contracts. However, under sections 12(e)(2)(A) and 12(e)(3) of the act, other Federal and State regulators, including securities regulators, may take action with respect to any leverage transaction not conducted on or subject to the rules of a designated contract market, and with respect to persons who fail or refuse to obtain required registration or designation.

This amendment essentially imposes a moratorium and transition period so that the existing leverage industry will not expand and will be able to bring its business into compliance by January 1, 1988. Existing leverage firms may engage in numerous lawful commercial enterprises as of that date, such as the following: First, the firms may apply to become CFTC-designated contract markets and trade their contracts on these new exchanges; second, the firms may convince existing exchanges to apply to trade futures contracts based upon the commodities that are now the subject of leverage contracts, allowing the leverage firms to continue to retail these contracts, but as futures contracts, or third, the firms could alter their instruments so that the transactions are not subject to the Commodity Exchange Act, but are subject to the full panoply of applicable State and Federal regulation; this could include restricting such transactions to cash and forward sales of commodities.

Leverage transactions have been subject to none of the statutory safeguards that have governed other futures contracts for more than 60 years. The proposed scheme for regulating leverage transactions closes this unwarranted and perilous regulatory gap.

NEED FOR TAX REFORM IN THE AREA OF "TAX DEDUCTIBLE" RESEARCH "VACATIONS"; THE EXAMPLE OF A CRUISE TO THE BRITISH VIRGIN ISLANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, when the Ways and Means Committee works on the tax reform bill, I intend to offer amendments to correct what appears to be a growing abuse of charitable contribution deductions to research organizations which then take the donor on as a worker on a safari, voyage, or other scientific project. Some of these operations are undoubtedly very worthwhile and useful. But frankly, some of these tax deductions look like a great way to help pay for what most people would call a vacation.

The October 7, 1985, issue of Forbes discusses this growing movement in an article entitled "The call of the wild." To quote from the article: "This is a real area of abuse," moans an IRS spokesman: "There are lots of organizations that advertise what they're doing as research, but many times the trips are only shallowly disguised vacations. In those cases the IRS won't allow a deduction. If you're really working day in and day out, we don't have any problem. But some of the brochures I've seen are blatant. You don't even have to read between the lines—they're saying, 'Come and have your vacation and charge it off to the IRS.'"

The August 5, 1985 issue of the New Yorker—not exactly the best place to reach a sailor or student market—had a small ad which attracted my attention. "Sail a Tall Ship" was the headline. In the text was the phrase, "tax deductible." I wrote for more information. It leads me to believe legislative change is needed.

The following is the data sent to me by the Ocean Research and Education Society. This may be a wonderful organization. It may indeed do great research of lasting importance to our environment and the future of the planet. and it sure sounds like fun. It doesn't list anything in the way of faculty or books to be read, etc. In short, whether legitimate or not, it sounds like a wonderful vacation to me and places a terrible burden of determination on the IRS. Do people who like the sea and wildlife really need this tax gimmick to encourage them to go on legitimate expeditions? With the knowledge that ending this provision may put a crimp in some worthwhile projects, I think it should be done before a new tax gimmick industry gets too far out of hand.

Enclosed is the material from the Ocean Research and Education Society and a letter from me to the ITS questioning their and other similar programs. I would leave to each individual to decide whether they believe their tax dollars—or in the current climate, their increase in deficit spending—should be used in this type of tax subsidy.

The material follows:

THE OCEAN RESEARCH
AND EDUCATION SOCIETY, INC.,
Gloucester, MA.

DEAR ——: Thank you for your interest in the Ocean Research and Education Society. Enclosed you will find several items describing the many facets of our organization along with an application for our courses.

The Sail & Study semester is a 12-week program, consisting of a 6-week shore component where students study oceanography, marine mammalogy, nautical science, and participate in a seminar. The shore component prepares students for their next 6 weeks abroad our research vessel *Rambler*, a 106-foot, three masted, stay sail schooner.

The shorter expeditions we offer take place entirely at sea aboard *Rambler*. These courses give people with an interest in sailing and marine research an opportunity to participate as a volunteer research assistant.

If sailing with us intrigues you, please examine the enclosed schedule and course descriptions. Then complete and return the application at your earliest convenience.

If you are unable to participate in an expedition at this time, I would appreciate your support as a member. To join simply fill out and return the enclosed response card. ORES is a non-profit organization and your donation is tax deductable.

Thank you again for your interest. Please write or call me at 1-800-447-2022 if you have any questions. I look forward to hearing from you.

Sincerely,

LAURANCE R. LEE,
Director of Admissions.

1985 SHORT COURSE SCHEDULE

The ORES short courses are designed to provide people with an interest in sailing and marine research with an opportunity to participate as volunteer research assistants aboard R/V *Rambler*. Volunteer research assistants will attend informal lectures by ORES scientists, assist with data collection, and participate in all aspects of the daily operation of the ship.

Your financial contribution to the Society made in conjunction with your participation as a volunteer research assistant is fully tax deductible. To apply, you must return the enclosed application along with a $100.00, non-refundable deposit to ORES.

It is important to note that the admissions process is on a first-in basis. Only those people who are not admitted to both their first and second choices will have their deposit returned. Payment in full is due 3 weeks prior to the embarkation unless by special arrangement. At the time of final payment, you will be supplied with exact instructions for boarding *Rambler*.

Class 85-A, Marine Mammals and Sea, Birds Interactions A, 10 Jun. 1985-23 Jun. 1985, Gloucester, MA—$1050.00 donation.

Class 85-B, Marine Mammals and Sea, Birds Interactions B, 25 Jun. 1985-07 Jul. 1985, Gloucester, MA—Halifax, Nova Scotia, $975.00 donation.

Class 85-C, Marine Mammals and Sea, Birds Interactions C, 11 Jul. 1985-19 Jul. 1985, Halifax, Nova Scotia—St. John's Newfoundland, $675.00 donation.

Class 85-D, Marine Mammals and Sea, Birds Interactions D, 03 Sept. 1985-15 Sept. 1985, Gloucester, MA—$1040.00 donation.

Class 85-E, Marine Mammals and Sea, Birds Interactions E, 17 Sept. 1985-29 Sept. 1985, Gloucester, MA—$1040.00 donation.

Class 85-F, Blue Water Oceanographic, Sampling, 15 Oct. 1985-31 Oct. 1985, Gloucester, MA—Tortola, British Virgin Islands, $1,275.00 donation.

Exact points of departure and ports of call are subject to change with little notice.

MARINE MAMMALS AND SEA BIRDS INTERACTIONS—A, B, C

85-A: 10 June, 1985-23 June, 1985.

85-B: 25 June, 1985-07 July, 1985.

85-C: 11 July, 1985-19 July, 1985.

In this series of short research voyages, volunteer research assistants will participate in research into the structure of marine foraging assemblages. These assemblages will include humpback, fin and pilot whales in addition to dolphins and sea birds, such as puffins, gannets, razor billed auks, and kittiwakes. Our studies will include examinations of physical, chemical, and biological aspects of the water column and how they relate to distributions of marine birds and mammals.

MARINE MAMMALS AND SEA BIRDS INTERACTION—D, E

85-D: 03 September, 1985-15 September, 1985.

85-E: 17 September, 1985-29 September, 1985.

This pair of short voyages will continue the research effort that began with 85 A-C. The feeding activities and social interactions of humpback and right whales will be observed as will the foraging activities of sea birds and other marine mammals. Likely ports of call include Provincetown, MA, Portsmouth, NH, and Bar Harbor, ME. These courses will include the most intense study of individually recognizable humpback whales of any ORES course.

BLUE WATER OCEANOGRAPHIC SAMPLING

85-F: 15 October, 1985-31 October, 1985.

On this voyage, research assistants will make an ocean passage of over 2,000 miles from Gloucester via Bermuda, across the Gulf Stream and the Tropic of Cancer, to Tortola, British Virgin Islands. This short course is recommended to those people with an interest in blue water sailing. Research will include the collection of oceanographic data and the examination of organisms and seaweeds in the Sargasso Sea.

THE SOCIETY

The Ocean Research and Education Society is a non-profit educational membership society, born from a conviction that knowledge and appreciation of the oceans and the fragility of their ecosystems must be vastly expanded if their enormous resources are to be conserved for future generations.

The Society, founded in 1975, pursues a combined program of research and teaching in open ocean ecology, working hard toward the realization of three goals:

1. To expand current knowledge and understanding of the ocean and its inhabitants through a continuing research program at sea.

2. To offer students of marine life a unique opportunity to study marine mammals and ocean ecology while participating in ocean-going field research.

3. To create a well informed constituency concerned with the oceans and the problems surrounding their preservation.

Current studies conducted aboard our primary research vessel center on whales and dolphins. Population dynamics, distribution, migration patterns and habitat use continue to be explored while studies of the physical, chemical and biological features of their habitats are receiving increasing attention as we try to seek better understanding of habitat selections and use. Increased understanding of whale and dolphin behavior and habitat needs is essential to ensure their protection and preservation.

RESEARCH

For more than 8 years the O.R.E.S. scientific staff and students have been engaged in research on the foraging behavior and ecology, and the reproductive and social behavior of several species of whales, with a principal concentration of the humpback whale, *Megaptera novaeangliae.*

This research focuses on foraging and social behavior in the Northwest Atlantic Ocean during the spring, summer and early fall. During the winter months we study humpback reproductive behavior in the Caribbean Sea. Throughout the year we census whales and photograph as many as possible for purposes of individual identification. This enables us to study both short-term and long-term movements of individual animals, and to generate accurate estimates of population sizes and composition. We also collect data on the "songs" of humpback whales and are involved in studies to learn the function of this unique form of communication.

Our current research program has a triple emphasis. First, we are continuing our long-term research into the behavior, ecology and population biology of large whales. Second, we are initiating studies of the ecology of marine foraging aggregations, involving marine mammals, sea birds, fishes, and invertebrates. Finally, we are initiating baseline studies into the biology of the coral reef communities of Silver and Navidad Banks, in the Caribbean Sea.

EDUCATION

The O.R.E.S. Sail & Study semester is an alternative education program for college students interested in marine science. A full semester of 15 credits is available for students enrolled in these 12-week expeditions. Six weeks are spent on shore at our classroom and laboratory in Gloucester, Massachusetts. Course offerings include: Marine Mammal Biology and Lab, Introduction to Oceanography and Lab, Introduction to Nautical Science, and The Sea and Human Affairs.

After attending the preparatory courses, students sail for six weeks aboard the Society's oceanographic research vessel *Rambler.* While on board, students complete an independent research project, assist the scientists with ongoing research projects, and work with the ship's professional crew in all aspects of the ship's operation.

Accreditation for all O.R.E.S. courses is available through the University of Massachusetts at Amherst. Alternatively, students may arrange credit and supervision through their own school.

SHORTER EXPEDITIONS

At times when the ship is not embarked on class voyages, other expeditions are available to O.R.E.S. members and the public. These expeditions take place entirely at sea and vary in length from ten days to two weeks. Universities, museums, and other organizations will often schedule these trips well in advance.

ADMISSIONS

Men and women 18 years or older are eligible to study, work and sail aboard our research vessel as student research assistants. Preference is given to applicants who apply early and have a strong educational or career interest in marine biology. However, in the past, student research assistants have had widely varied backgrounds and majors, ranging in age to 74. No prior sailing experience is required, as each student is instructed in those fundamentals needed to safely operate a sailing ship at sea.

Application materials may be requested from: O.R.E.S. Admissions, 19 Harbor Loop, Gloucester, MA 01930, (617) 283-1475, outside Massachusetts 1-800-447-2022. Limited financial aid is available to qualified students who are unable to meet the full costs of a semester at O.R.E.S.

MEMBERSHIP

All individuals, families, foundations and corporations with an interest in the ocean and its inhabitants are invited to become members of the Society. Members and other interested individuals are invited to participate in research voyages, work with the Society's volunteer staff, and attend the adult education lecture series.

Members receive *Searchlight,* a bi-monthly report drawn from the ship's log, which keeps members informed of the scientific work performed aboard *r/v Rambler* when she has embarked on a research voyage. *Searchlight,* also provides members with newsbriefs on upcoming events and functions at O.R.E.S.

Members are always welcome on board *r/v Rambler* whenever she is in port. In addition, the Society invites all members to attend the festivities surrounding the ship's return to her home port of Gloucester. Other O.R.E.S. events include member day sails in Massachusetts Bay, an annual party, and land-based lectures and courses.

THE VESSEL

r/v Rambler has been chartered to carry on the Society's research and teaching program. Built in Spain, she is a very modern steel hulled, three-masted, staysail schooner.

HOUSE OF REPRESENTATIVES,
Washington, DC, September 3, 1985.

Hon. ROSCOE EGGER,
Commissioner, Internal Revenue Service, Washington, DC.

DEAR ROSCOE: September is likely to be a taxing month for both of us, and I have been looking for a change of pace in October. Therefore, I would like to invite you to join me on a cruise from Gloucester, Massachusetts to Tortola, British Virgin Islands, and back, October 15 through October 31st. This will be a chance for both of us to help advance the cause of ocean research by contributing observations of whales and birds and whatever, while serving as research assistants on a 100-foot three-masted, staysail schooner.

Sounds like fun, doesn't it? But the best part is that your colleagues apparently have

declared that this "research cruise" is tax deductible. Thank you.

I am sure it must be tax deductible—after all the advertisement that told me where to write for the enclosed information appeared in the New Yorker, and that is an honorable magazine. The cruise is organized by the Ocean Research and Education Society, Inc., and everyone knows researchers are honorable people who check their facts. Therefore, they must have obtained a revenue ruling or some other guidance before claiming to offer tax deductible trips—don't you think?

Let me know if you can join me. (However, if on second thought you don't think it is tax deductible, please let me know. I think I'll cancel and go on a regular vacation where I don't have to work so hard counting whales. In fact, if you don't think the contribution to the Society in exchange for bearth, board, and sea breeze is fully tax deductible, maybe someone should see who has been going on these cruises and what their tax returns look like. There may be some pretty tall fish stories involved.)

Yours for research.

Sincerely, yours,

FORTNEY H. (PETE) STARK,
Member of Congress.

PRESERVE 401(k) RETIREMENT PLANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BOUCHER] is recognized for 5 minutes.

Mr. BOUCHER. Mr. Speaker, today I am introducing along with 21 of our colleagues a concurrent resolution expressing the sense of Congress that 401(k) retirement savings plans should be preserved for all organizations and should remain structured to allow widespread participation.

Approximately 10 million American workers participate in 401(k) retirement savings plans, including many individuals employed by small businesses for whom no other private retirement plan exists. The 401(k) plans encourage savings and provide incentives used by businesses to attract and retain valued employees.

The administration has asked Congress to eliminate 401(k) plans in conjunction with tax simplification legislation. However, the tortured history of the proposal suggests that there is little substantive justification for it. The proposal to abolish 401(k) plans was included in Treasury I. The administration then asked Congress to modify 401(k) plans, making them less attractive to employees and employers, and it recommended the exclusion of tax-exempt organizations from participation in Treasury II. Confronted with the prospect that Treasury II will fall significantly short of its goal of revenue neutrality, the administration has again asked Congress to abolish all 401(k) plans.

The resolution is supported by a coalition of 300 organizations including the U.S. Chamber of Commerce, the American Society of Association Executives, the Association of Private Pension and Welfare Plans, the Independent Bankers Association of America, the Blue Cross and Blue Shield Association, the ERISA Industry Committee, and the Coalition for Non-Profit Hospitals.

Mr. Speaker, I urge our colleagues to join us in our effort to preserve this sensible retirement savings plan.

A copy of the resolution follows:

H. CON. RES. 197

Concurrent resolution expressing the sense of Congress that 401(k) retirement savings plans should be preserved for all organizations and should remain structured to allow widespread participation

Whereas cash or deferred arrangements under section 401(k) of the Internal Revenue Code of 1954 (known as "401(k) plans") provide valuable retirement savings protection for millions of American workers;

Whereas 401(k) plans are an important element in retirement savings for lower- and middle-income individuals;

Whereas millions of American workers participate in 401(k) plans, including many individuals employed by small businesses for whom no other private retirement plan exists; and

Whereas 401(k) plans are an important feature of compensation for tax-exempt organizations to attract and keep talented employees: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) 401(k) plans should be preserved for both taxable and tax-exempt organizations, and

(2) 401(k) plans should remain structured in a manner that will provide incentives for employers and employees to continue the widespread availability and participation in 401(k) plans.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, I inadvertently voted "yes" when I intended to vote "no" on the Downey-Gradison amendment to H.R. 2100, the Food Security Act which is better known as the farm bill.

The Downey-Gradison amendment proposed lowering the price support level for sugar which H.R. 2100 freezes. This amendment would have had a devastating effect on the nation's sugar farmers.

Fortunately, this amendment was defeated. I would appreciate letting the record reflect that my intention was to vote "no" on this crucial amendment.

THE WORLD REALLY IS DANGEROUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, this is another in a series of special orders I am taking on the problems that we face around the world and the need for us to be realistic in looking at those problems. In these Thursday special orders I am trying to pull together specific pieces of news from around the planet, from South America and Central America, from Africa and Asia and the Middle East and Europe, in trying to weave them together and explain the reality that is very hard for many Americans to deal with.

We are a large country. Because we are a large country, we are in many ways surrounded by ourselves. We look out in our neighborhoods and they are peaceful. We get up in the morning and everything is working. We drive to work and we assume that the traffic lights will operate, that the bridges will be safe, that nothing bad will happen.

□ 1715

In fact, you can tell how safe a country America is by tonight's reaction across the entire eastern seaboard of the prospect of a hurricane visiting us. It is sort of surprising and shocking, and then as happened recently in Mississippi when the hurricanes do visit, we have pictures of wreckage, of people injured, and all of us pay attention because we are so comfortable in our safeness.

By contrast, let me mention several recent incidents so that we can look at how the world is from different vantage points. For example, on September 20, a Spanish newspaper reported:

Lima and some other Peruvian cities were blacked out for 30 minutes tonight by a terrorist attack. The Shining Path terrorist group has claimed responsibility for the blackout by signaling from the top of a hill near Lima. After half an hour, electric power was reestablished in most of the Lima neighborhoods, and in the northern and southern parts of the Lima district. However, other zones still remained in darkness. A spokesman from the Peruvian Electric Power Co. reported that the blackout was caused by terrorist attacks against high-tension pylons, although the exact location of the attacks has not been established. He said that the attack had damaged the downtown interconnected electrical system, leaving the northern part of Huaral and the central, southern, and eastern towns surrounding Lima without electricity.

Ah, you might say, but after all, that is Peru. That is South America. That is not the sort of thing that happens in the industrialized world.

Rome, September 17:

Rome police Chief Marcello Monarce today formally identified the man who threw a hand grenade into a crowded restaurant in central Rome last night, injuring 38, as a Lebanese Palestinian.

In other words, if you were an American tourist or an Italian citizen and you happened to be at this particular restaurant in central Rome enjoying yourself, you might have been one of the 38 who went to the hospital from having been injured by a hand grenade. On the other hand, if you wake up tomorrow morning and your power or your electricity is on, you might think for a second what it would be like to live in a town or a country

where randomly terrorist groups could knock out your electricity without you being able to do anything about it.

But what does that have to do with us? The fact is that the world is very dangerous. The central two messages of this series of special orders is to say, first, the world really is dangerous. These are not fun and games. There are people in the world who are eager to kill Americans, who are eager to humiliate Americans, who are opposed to freedom.

The second purpose of these special orders is to say that all of it links together; that in the long run there is a general doctrine of terrorism, a general doctrine of communism, and that the Soviet Union is in large part involved in many of the things that we are faced with.

For example, Bonn, September 17:

A secretary in the office of Chancellor Helmut Kohl and her husband, who worked for a foundation close to the Liberal Party, part of the ruling coalition, have defected to East Berlin, a spokesman for the Chancellor's office said today.

It goes on to say:

The couple was suspected of espionage and an investigation had been opened, the spokesman said.

This is the latest in a series of spy cases in which we have seen West German citizens defect to the East. There have been a number of people in the last few weeks who have been going to the East who have been spying for the Communists.

There are other examples. The Wall Street Journal commented on September 17 on the British expelling 25 Soviet spies from Great Britain. The FBI estimates, according to the Wall Street Journal, that one-third of the 4,000 Communist-bloc nationals working in the United States for their government or the United Nations are engaged in spying. In other words, one out of every three Communist employees of the United Nations or Communist diplomats is a spy.

They cite as an example what happened in France:

In France 2 years ago, when they expelled 47 KGB agents for industrial spying, these were not thugs in the leather trenchcoats. Of the 47 exposed agents, 12 worked for UNESCO in Paris, 6 for the Soviet Trade Mission, 4 for the Embassy's scientific section, and 2 for Tass, which is the Soviet news agency.

What is the underlying meaning of all this? What does it say to us Americans? I think it should say to us first of all that when we deal with foreign policy we should deal with it very carefully, very cautiously. We should recognize how much we Americans have to lose. We should recognize what an enormous danger there is to our free society from these kinds of activities.

Second, I think we must recognize that the Soviet Union is not necessarily a benign, neutral force in the world. I think that it says something that, for example, when former United States naval officer Arthur Walker was convicted of passing classified Navy documents, he did not give it to a terrorist group, he gave them to the Soviet Union.

If, in fact, Norway has recently expelled five Soviet Embassy officials, if the West Germans have defections in terms of Communist spies, if the French expelled 47 exposed KGB spies, if the British expelled 25 Soviet spies, if we know that the Soviet Union is tied into terrorism and that there is a direct relationship with Soviet and Cuban training camps for terrorists, at a minimum the American people should recognize, all of us should recognize, that Gorbachev is the dictator of a system which is systematically trying to undermine and defeat the West.

That does not mean we should not talk to him. It does not mean we should not meet with him. But it does mean we should at least recognize the nature of the Soviet state and the kinds of things that go on in a Communist dictatorship. We should recognize the kind of person that Gorbachev is and we should recognize that, in fact, what we are now seeing is a systematic propaganda campaign to convince Americans that he is a nice guy.

All of you have seen the articles. Probably the most famous is in Time magazine where there was a peculiarly soft and pro-Gorbachev interview, an interview which, for example, quoted him referring to God, saying, "Surely, God in His wisdom will help us."

It is ironic that nobody in Time magazine asked Gorbachev whether or not the word "God" could appear in Pravda. It is ironic that nobody asked Gorbachev whether or not you could have an evangelical preacher on Russian television. It is ironic that nobody at Time thought it was necessary to say to Gorbachev:

Gosh, since the Soviet Union is officially an atheistic state, since you suppress people and put people in jail who engage in religious dissemination, is it not a little strange and hypocritical your trying to use the word "God" in talking to a Western news magazine?

Similarly, in that same article, when Gorbachev said that he could personally guarantee the Soviets would never attack anyone, it was ironic and a little bit sad that nobody saw fit to say to him:

Well, tell us about Afghanistan. Explain to us why we should trust you not to attack anyone if, in fact, there are 125,000 Soviet troops currently trying to occupy Afghanistan.

I bring this up because, as we move toward the Geneva summit, it is very, very important that we Americans relax and calm down and accept the possibility that while we are going to talk with a Communist dictator, that does not mean we have to make him happy. While we are going to negotiate with a Communist dictator, that does not mean we have to appease him. I say that because in the last 5 weeks there has been a general pressure-building psychologically in the West that potentially makes the Gorbachev-Reagan summit the most dangerous summit for the West since Adolph Hitler met with Chamberlain in 1938 at Munich. I say that because the psychological offensive, which has been effective and has to be admired for its skill, is designed to say, "Gosh, look at Gorbachev. He is basically a nice guy." The opening paragraph of the Time magazine story talks about his firm handshake, his clear eyes, how nice he looks, the suit he is wearing. Similarly, his wife does wear Western clothing.

It would be humorous if it was not tragic. There is a comedy, a movie made a number of years ago, called "The Producers," in which the plot revolves around two guys trying to find a play so bad that it is guaranteed to fail and then getting enough investors that when the play fails, they will be able to make a profit because nobody will check on what happened to their investment money. They are going to sell five or six times as many shares as there was stock.

□ 1725

They picked a play called "Spring Time for Hitler," written by an ex-Nazi who obviously is sort of nuts, and who basically emphasized in the play Adolf Hitler as a nice man, and he liked to dance. And in the movie, "The Producers," all this is carried off with great humor, and the audiences laugh out loud because there is a great deal of slapstick.

Yet, you can imagine the same kind of coverage being given an Adolph Hitler in 1938, a pleasant man, with clear eyes, a powerful speaking voice, a firm handshake, a trim moustache, a man who serves excellent wines meeting in his spa in Munich. It is all nonsense.

The question is not who is Gorbachev. It is what is the Communist system. The issue is not does he smile well or is he a good politician. Obviously he is a good politician or he would not have risen to be in charge of the Soviet dictatorship if he were a bad politician.

The question is what is the nature of the Soviet state, what is happening in the world and how do we deal with it?

The first point to recognize, it seems to me, is that the Soviet state is systematically engaged in what it regards as a war against the Americans. The Soviet Union encourages terrorism around the planet, it trains people in being effective terrorists and it supports anti-American guerrilla move-

ments. The Soviet Union spends an enormous amount of money spying on the United States and trying to infiltrate our military system, our industrial system and our political system. It has a very large and elaborate network for disinformation and the Soviets spend a lot of time trying to think through how can we deal with manipulating the American press.

Two recent examples. In the Grenada documents which were captured when we liberated the island of Grenada, there are letters explaining to the Communist dictator of Grenada how to deal with the American television, what the American television looks for, what to do in making sure that he gets his message across, not the TV networks' message.

In a recent terrorist incident involving the TWA airplane in Beirut, the terrorists were sufficiently sophisticated not only to hold a press conference to manipulate the American press, and manipulate the Western press, but to talk, for example, about having a pool camera so that all of the networks would shoot using just one camera. Let me suggest that a terrorist group that has thought about American TV coverage enough to decide, "Let us have a pool camera and then later on we will go to a press conference and let the whole press in" is very sophisticated. This terrorist group knows how to manipulate the American press, and through them, how to manipulate the American people, and through the American people, how to manipulate the American Government.

Now I happen to think it is useful, very useful, to go to summit meetings, as long as we recognize that a summit meeting does not need to be more than an exchange of views. It is interesting when you go back and look at President Eisenhower, who was the first real summiting President in terms of the cold war period. Eisenhower was very careful to say that he did not want to allow the psychological pressure to build in such a way that people said you have to get something positive, you have got to go and meet with Malencov, or later on with Khrushchev, and they have got to give you a positive response. Eisenhower understood that if the dictator knew that the people who represented the democracies had to come home with something, that the pressure on us to appease the dictatorship was so great that we had to give in, then all of the psychological advantages in the negotiations are on the side of the Communists. And Eisenhower was very firm and wrote in his memoirs about his very great concern that we not be psychologically stampeded into a dumb position.

In this country, unfortunately, because some people do not recognize the dangers of the Soviet state, some people do not recognize how dangerous the world at large is, I think that there is a tendency to increase the psychological pressures to make the American Government give in before the Communists have done anything.

It is interesting, for example, that when people say, as some Members of the left in this body have said, that we need to talk more openly about how bad the Soviets are, nobody has suggested that the No. 1 item on President Reagan's agenda for Gorbachev should be Afghanistan. Yet, as long as there is a Soviet army occupying Afghanistan, killing innocent Afghans, blowing up villages, massacring people, is it not a little bit tricky then to say, yes, but Gorbachev basically can be trusted? Is it not then reasonable to say, "Tell us about Afghanistan. When are you going to get out of Afghanistan? If we are going to trust you to be a good neighbor, why don't we start with the place where you are fighting a war?"

Second on the agenda should be the question of Andrei Sakharov and the other dissidents who are being oppressed by the Soviet secret police. The Soviets are systematically every day violating the Helsinki agreement. Yet, is anyone suggesting that this ought to be a major item? How can we talk about arms control and signing an agreement with a country which is, in fact, breaking the agreement it already signed? If they will not keep the Helsinki accords, why should we assume that they are going to keep any new agreements?

And we have clear proof they are not keeping the Helsinki accords. We know for a fact that they are breaking their word on a regular basis when it comes down to the issue of human freedoms.

There was a tragic recent case of this which occurred and was published last Saturday in the Dallas Times Herald from the Los Angeles Times network. This is last Saturday now, talking about the very same dictatorship headed by Gorbachev which Time magazine covered so glowingly and so warmly. "Soviets arrest, detain Russian carrying letter from Reagan."

I want you to listen to this and I urge my colleagues to listen to this and to think about the kind of state that Gorbachev is the dictator of. This is from Moscow.

A 32-year-old Russian who recently received a letter from President Reagan has been arrested and charged with "petty hooliganism," his mother reported Friday.

Sergei Petrov, a free-lance photographer who is married to an American woman but has been barred from leaving the Soviet Union to join her, was arrested Thursday and immediately sentenced to two weeks in a labor camp outside Moscow, said Klavdia Petrova, his mother.

She said that a Moscow district court official told her that Petrov had been sent to the Beriozka labor camp near Moscow. Beriozka is the Russian word for birch and is also a popular name for Soviet resorts.

Petrov was apparently detained as he tried to enter the U.S. Embassy for an appointment with a consular officer. Witnesses said they saw two uniformed Soviet guards at the embassy leading him toward a police booth.

Petrov wrote to President Reagan several months ago appealing for help in resolving the cases of about 20 Soviet men and women long denied permission to join their spouses in the United States. Earlier this week, Petrov received a reply from the President, who said he found the plight of the 20 Soviet-American couples deeply moving and promised to do what he could to help unite them.

Petrov was believed to be carrying the letter when he was detained Thursday.

He has been trying since 1981 to emigrate to the United States to join his wife, Virginia Hurt Johnson, 25 a law student from Roanoke, Va. They met while she was studying Russian at the Pushkin Institute in Moscow and were married in a Soviet civil ceremony in February 1981. Petrov was then barred from leaving on grounds he had access to state secrets.

In the summer of 1982, Petrov undertook a 51-day hunger strike, in which he lost 52 pounds, in a futile effort to get an exit visa. Several other Soviet hunger strikers were allowed to emigrate to the United States and France that summer.

Imagine, if you will, the kind of Soviet dictatorship we are negotiating with where a young man, simply trying to leave to be with his wife, simply trying to leave to see someone that he has not been allowed to see for 4 years, not trying to undermine the Soviet state, simply trying to find human happiness, the romanticism that we in the West take for granted. He writes a letter to the President of the United States, a President, who after all, is going to meet with his dictator. He says, you know, there are 20 of us trying to get to be with our husbands or our wives, 20 Russians who cannot leave to be with our spouses, our loved ones, won't you please help? The President of the United States, maybe foolishly, maybe not understanding how a Soviet dictatorship uses every excuse to oppress those with courage, writes this young man and says, gosh, you know, it really gets to me that your government will not let you get out. I would like to help you.

Now in the middle of the Soviet peace offensive, building their way up to Geneva, they might have, if they had been smart, let these 20 people go, make a gesture for freedom. They might have simply ignored it.

But what do they do? They arrest this guy.

Let me suggest to my colleagues that a dictatorship that arrests somebody for getting a letter from the President of the United States encouraging him to try to be with his wife is a pretty tough dictatorship. Gorbachev is the head of the same dictatorship that arrests this guy just for trying to be with his wife. I think in that sense it would have have interesting had Time maga-

zine said to Gorvachev, if they were to call him now and say we want to do a new cover story on tyranny in the Soviet Union and how are you going to change it. It might have been helpful for President Reagan to say that he really wishes, maybe when he meets with the Soviet foreign minister this weekend, say how about releasing these 20 people so that they can be with their loved ones as a gesture toward the kind of Geneva we should have.

It seems to me that we face the choice of two agendas in Geneva, an agenda for freedom and an agenda for appeasement. The agenda for freedom would say it is important that the United States stand up for certain basic principles, that we stand up for freedom in Afghanistan, that we stand up for the Helsinki agreements and the freedoms in the Soviet Union, and that we stand up for human decency, and that within that framework, we are willing to talk with the Soviets, but only within that context that we believe in freedom.

On the other hand, there is a long and deep Western tradition, particularly among leftwing intellectuals, and leftwing politicians, that say oh, no, do not ask Gorbachev about Afghanistan, you will hurt his feelings. Do not ask Gorbachev about Sakharov and about violating the Helsinki agreement, and about imprisoning people and locking up dissidents and sending them to mental institutions, and about the secret police. That would just offend him. Do not ask Gorbachev to quit helping finance, arm, and train terrorists. That would just make him feel bad.

Now the agenda for appeasement is a disaster at two levels. In the first place, it is bad because if you cannot deal directly with the Soviet Union on tough issues that are real, how can you possibly talk to them about issues that are more complicated? If we cannot really sit down frankly and say how about getting out of Afghanistan, then who really believes we are going to negotiate on the more complex issues?

In the second place, if the Soviet Union is not willing to change its behavior, what leads us to believe that we can trust the Soviet Union on a major arms agreement? A country that will invade its neighbors, a country that is very likely to violate an agreement if it thinks it is to its advantage. A country that will lock up its own citizens in mental institutions just because they want political change is a country that is very likely to lie to the West.

Yet, do we have from our friends on the left here in this country an effort to say, well, we are glad Ronald Reagan is going to go to Geneva, we are glad that Ronald Reagan is involved in negotiating? Who say let us calmly and quietly give the President a couple of months to work with them? Friends on the left who recognize he is dealing with a dictatorship? Who recognize that this is not something we should rush, or we should go into hastily?

Unfortunately, no. Instead of saying why do we not take a recess on foreign policy politics, why do we not back down for a while, we have just the opposite happening. We have, in fact, pressure to bring up next week House Joint Resolution 3, a resolution which is on the surface a decent, and a plausible and a useful resolution, a resolution which talks about testing nuclear weapons.

But let me suggest it is peculiarly dumb. There is no better word, there is no fancy word, it is just dumb for the United States to give away, less than 2 months before a negotiation, something that the President should be talking about with the Soviets in Geneva.

□ 1740

If the President is going to go and negotiate with the Soviet dictator, why would we take away some of his negotiating?

Furthermore, it is clumsy for the U.S. Congress to try to mandate this kind of a foreign policy decision. Probably the most sophisticated objection to this issue of taking up the test ban right now is in an essay which appeared in yesterday's Washington Post by HENRY HYDE, a very senior Republican on the Committee on Foreign Affairs; a man of considerable talent and intellect.

He said in his column entitled "Test Ban Fever With an Emphasis on Image, Not Security" that, quote:

• • • The linkage between political considerations and national security policy is perhaps inevitable, but I fail to see the wisdom of advocating—at this critical pre-summit juncture—what has been a Soviet propaganda proposal for years.

President Reagan has stated repeatedly that he will not resume negotiations on a Comprehensive Test Ban (CTB) Treaty at the present time for one very important reason: our nation's security. Levin says we should continue, but for public relations reasons, which he somehow finds compelling. In any weighing of national security concerns against public relations considerations, the scales had better tilt toward security.

This entire issue, the banning of all nuclear testing, has grave consequences for our nation's security, not merely for our image abroad. Moreover, although some believe that our allies may reject our unwillingness to immediately negotiate a CTB, it is worth remembering that these same allies depend upon a *credible* U.S. nuclear deterrent. Nuclear testing plays an essential role in maintaining this deterrent in view of the massive and ongoing Soviet nuclear force modernization, as well as a lack of substantive Soviet nuclear arms reduction proposals at Geneva.

Overall, it is cause for worry that some prominent political figures have seized upon this issue, politized it and treat it as a soft "confidence building measure," which it certainly is not. This attempt to decouple nuclear testing from national security is demonstrated by the fact that House Democrats have placed a Comprehensive Test Ban Treaty resolution on the legislative fast track. Talk about "friends and allies" trying to embarrass the president on the eve of the summit! It seems that our armchair arms controllers have decided to take that upon themselves, at a time when bipartisan support for the president and our Geneva negotiators is imperative.

The Democrats' proposal, H.J. Resolution 3, will probably be before the House in early October. It is composed of two parts. Part one calls upon the president to submit the unratified Peaceful Nuclear Explosions Treaty and Threshold Test Ban Treaty to the Senate for ratification. The second part calls upon the president to resume immediately negotiations with the Soviet Union on a Comprehensive Test Ban Treaty.

Many experts, including our chief negotiator, Ambassador Walter Stoessel Jr., seriously question whether either of these treaties can be adequately verified. In fact, in recent public testimony before Congress, Dr. Donald Kerr, the director of the Los Alamos National Laboratory, pointed out that on at least one occasion a Soviet test, which we knew about, was not seismically detected.

H.J. Resolution 3, by demanding that the United States resume *immediately* negotiations with the Soviet Union on a Comprehensive Test Ban Treaty, overlooks some recent history—namely, that it was Jimmy Carter, not Ronald Reagan, who cut off comprehensive test ban negotiations with the Soviets for several reasons, among them the Soviet invasion of Afghanistan. The Democratic leadership seems to prefer political opportunism over common sense in this instance. Clearly a nuclear test ban is a logical *follow-on* to an arms reduction agreement, not a *prelude* to one. As an editorial in The Post Aug. 1 appropriately stated, "why give away through a test ban what the Soviet Union should be expected to pay in arms reductions. This is why a ban cannot be treated as a separate option distinguishable from the proposals on the table in Geneva."

HYDE goes on to say, and I quote:

Test ban proponents would have you believe that the best reason for a ban on all testing is that, as time passes, weapons makers simply won't trust their old systems and at the same time won't be able to test new ones. So, following this line of thinking . . . *Voila!* No more nuclear weapons, no more arms race. Unfortunately, the opposite will be the case.

Additionally, we must keep in mind that under a comprehensive test ban the nature of Soviet society and government would permit the Soviet Union to keep its most skilled technical people in their weapons program, whereas many U.S. experts would leave for more professionally active fields.

Nuclear testing is very significant for a number of reasons, but one of the most important is that it allows us to move away from large nuclear weapons with indiscriminate destructive power to smaller weapons designed to accomplish their military tasks more efficiently and with less collateral damage. A ban on testing will make this type of megatonnage reduction impossible, but it won't stop production. All nuclear weaposn experts agree that the basic ability

to build large, "dirty" nuclear weapons—able to accomplish their goals by brute destructive force—may always be available, without further testing.

So ironically, a Comprehensive Test Ban Treaty—which has not been preceded by an arms reduction agreement—could well feed the arms race by increasing, or at least maintaining, U.S. megatonnage, precisely at a time when we are trying to minimize this aspect of our strategic forces through defense research and development as well as arms control efforts in Geneva.

Furthermore, in the absence of an arms reduction agreement limiting warheads, yet in an environment in which both sides are tied down by a testing ban, the United States, could find itself forced to build larger, more destructive and unsafe warheads in order to insure a continued strategic balance. At the same time, the Soviets, who already rely on bigger and more destructive warheads, will be forced to continue to do so, since they may be unable to test smaller, less destructive warheads. In essence, it could spark an arms race in megatonnage.

As congressional test ban advocates frame it, this issue turns the world on its head. For the Soviets it is merely a propaganda exercise of unilateral challenges and "moratoriums." For the United States, it is a matter of vital security. But one thing it is not—it is definitely not, as the Democratic leadership would have us believe, an innocuous confidence-building measure designed to save us "embarrassment" and show our "goodwill."

NOW, HENRY HYDE, I think, has brought to the fore an issue that should haunt every American. Why, just 2 months before the President goes to Geneva, would the House Democratic leadership bring this kind of a resolution to the floor? What possible good can it serve the interests of freedom to limit the President, to say to him, "No, you can't negotiate with the Soviets, let's give it to them without negotiation."

I can imagine few greater victories for Gorbachev than to have Reagan pressured into being the bad guy while Gorbachev merely stands to one side, while the U.S. House of Representatives does his work for him.

If we are going to go to Geneva to negotiate with a Communist dictator, the least we can do is be smart negotiators. That means we have got to be a lot more willing to sit down, to ask tough questions, to be clam, and if necessary to drag out the negotiations until we get a good deal.

The fact is that this kind of blatant political maneuver, of bringing to the floor a resolution on comprehensive test ban treaties before the Geneva agreement would be very destructive to the interests of freedom and very destructive to the interests of successful negotiations with the Soviet dictatorship in Geneva.

Let me put all of this in a larger context for just a moment. The United States and the forces of freedom coexist on this planet with two elements that, given a chance, would destroy us.

The one element is terrorism. The willingness of some groups, for their own interest, to destroy civilization; to stop our ability to fly in an airplane by threatening to seize us as hostages; to stop our ability to sit outside in a cafe in Rome by throwing a hand grenade; to disrupt an entire city such as in Lima, Peru when they cut off the electric power.

The other great force is organized Communist dictatorship, centralized in the Soviet Union. The two forces are not the same. There are terrorists who are not Communists, there are Communists who do not engage in terrorism; but those two forces each in their own way threaten the very survival of freedom as we know it.

We Americans have an absolute obligation to grow up and to be mature and to be calm in the face of this threat. We do not have to be hysterical. We do not have to live all of our lives in terror, but we do have to have a certain amount of prudent caution.

All of us who have had teenagers grow up, and I have two daughters who have. One just graduated from college and the other is in college now. Anyone who has had a teenager learn how to drive a car knows that one of the things you try to teach that teenager is to have respect for the car. That 2,000–3,000 pounds of metal, at 60 miles an hour, on a wet road potentially can kill people. It can kill your own child in the car or that child of yours could kill somebody else's child as a pedestrian. It is dangerous.

We want people to have respect if they are going to drive a car, because it is a dangerous thing and it could kill someone.

Well, we have to have this same kind of respect for negotiating with the Soviet Union and for living in a world that has terrorists. We have to have a calm, mature, adult approach.

Bringing up House Joint Resolution 3 is exactly the wrong kind of approach.

Beyond that, though, I think we have to have a deeper understanding of how the Soviets behave. When I read the Time magazine cover story on Gorbachev, I had to alternate between laughing and crying. I thought it was the most successful example of a dictator manipulating a major Western publication since Adolf Hitler played Jeffrey Dawson in the London Times in the 1930's.

□ 1750

I thought that the whole attitude of the article, the whole willingness to take Gorbachev at face value was embarrassingly naive. It was virtually a paid political advertisement for communism in the Soviet Union. It did not help understanding; it increased misunderstanding. It led people to believe in a fantasy version of who Gorbachev is. One of the reasons that I have introduced, and Congressman IKE SKELTON has cosponsored, House Joint Resolution 313, is because of our belief that we can exist on the same planet with the Soviets if we are willing to study them. House Joint Resolution 313 provides for making the third week of October, the week of October 20, a week to study the lessons of the Grenada documents.

We believe that when the island of Grenada was liberated and when 800 of our children were freed from the danger of becoming hostages, that the documents that were captured from the Communist Government, the Communist Party of Grenada, give all Americans a chance to learn about the world we live in. For the first time we found ourselves in a position where we captured 35,000 pounds, that is 35,000 pounds, not pages, but 35,000 pounds of Communist material. That is about a million pages. It includes diaries, letters, Government documents, Embassy dispatches, Communist Party minutes of meetings, secret speeches. It includes what the Cubans were training the Grenadian secret police on. It includes efforts to infiltrate and undermine the church. It includes important meetings in Moscow that were reported back home to Grenada.

Our belief is, because we both believe in history, that it is possible for the American people to be educated about the nature of communism, to recognize that while we are glad President Reagan is going to Geneva. We want him to go there cautiously and calmly. We want him to recognize that however nice Gorbachev is as a personality, the system, the dictatorship, the secret police state he is in charge of is very gruesome indeed.

So we are encouraging everyone in the country to do something the week of October 20, not only to celebrate the first time in history that a country became free after it was a Communist dictatorship but to encourage your local civic clubs, your local high school or college, your local Sunday school or synagogue group to take a look that week at the nature of communism. It is a comment on the late 20th century that in virtually every town in America if your Kiwanis Club or your Pilot Club, your Rotary Club, or your business and professional women's club wanted to invite a refugee from communism to come and speak about what life was like under a Communist dictatorship. You would find somebody in your town, somebody from Poland, somebody from the Soviet Union, somebody from Vietnam or Cambodia or Laos, somebody from Nicaragua or Angola or Afghanistan. It is literally possible that week for every high school class in America to spend 1 day looking at communism and listening to a refugee explain communism. It is literally possible that week that in every

college class there could be a chance to study communism. Nothing would better prepare the American people and the American news media for negotiating with Gorbachev in Geneva than to stop and think about the Communist dictatorship he is in charge of. So we are encouraging our colleagues to cosponsor House Joint Resolution 313 to designate the week of October 20 as a week to study the lessons of Grenadian documents. We are encouraging governments to issue proclamations. Governor Sununu of New Hampshire has already indicated that he will be issuing a proclamation for New Hampshire encouraging civic clubs and schools to spend time that week looking at the lessons of communism as discovered in the Grenada documents. We hope the other Governors will be joining Governor Sununu of New Hampshire. It is our hope that Predident Reagan will say something possibly in a 5-minute radio speech on this problem dealing with communism and the lessons of Grenada.

We do not have to get involved in a personality fight. We do not have to be nasty to Mr. Gorbachev as a person. We can respect that he is a good politician, we can respect that his wife is a nice person.

Truth about the Communist system is more powerful than personality fights. Making sure that our Western European allies and our friends across the planet know about the nature of communism, having Grenadians who happen to be black go to Africa to talk about what it was like to live in freedom, then live in communism, and now live in freedom again. That kind of program can really begin to educate the whole planet on the nature of communism and Communist dictatorships.

Having Sunday school and synagogue groups look at the absolute facts in the Grenada documents that they were systematically trying to undermine the churches, that they saw the Bible, for example, as a very dangerous propaganda tool, that the Communists in Cuba were trying to train the Communists in Grenada on how to deal with the whole issue of the church and how to undermine and subvert the views of the church.

That kind of studying will be very useful. It will be very helpful if college students and high school students can look at the records where, for example, in a secret meeting in Moscow the head of the Soviet military, Marshal Ogarkov, said to the head of the Grenadian military, and I quote, "19 years ago we had only Cuba; today we have Cuba, Nicaragua, and Grenada, and the battlefield is El Salvador. We are making progress." It would be useful for those high school and college students to ask themselves: Who is Soviet Marshal Ogarkov referring to as "we"? What does he mean when he says, "We are making progress in El Salvador?" What does he mean when he says, as head of the Soviet military, "19 years ago we had only Cuba?" What does he mean when he says now, "We have Cuba and Nicaragua and Grenada?" What does that say about the war in Central America and what is happening in terms of the real stakes and the real interest of the Soviet Union? Or another dispatch, an Embassy dispatch, which was sent from Moscow by the Grenadian Embassy in which they said to their own Government, "You know, we in Grenada are not very important. We are a tiny island. We are a long way from Moscow. But if we would undermine a couple of countries, if we were to undermine Belize and Surinam, then the Soviets would like us. So if we can get Belize and Surinam to become Communist countries then we will get more military aid from the Soviets."

Finally, it would be very helpful for the local news media to look at the Grenadian documents, look at the lessons, for example, in the 4-page handwritten letter from the Cuban Ambassador's wife to the dictator of Grenada in which she says, "I know you are going to go to the United States and the national news media in Washington is going to be talking to you. Let me give you some advice on how to make sure that you get your messages across and that you do what you want to do in terms of getting your propaganda across to the American people." Or read the minutes of the secret meetings in which the Grenadian Communists planned on how to have an outreach public affairs propaganda program in the United States to make sure that they got their Communist message across to the American people.

When you read those kinds of documents you begin to realize how much more sophisticated our enemies are about how to manipulate our news media and how to manipulate us.

Then you see the Gorbachev peace offensive in a very different light indeed.

Finally, it is our hope that every citizen looking at how potentially important that Geneva meeting is, trying to help President Reagan have a calm, mature, educated public behind him trying to help in October set the stage for real success, not a phony act of appeasement, not a momentary effort to make Gorbachev happy by giving away American security, but a real success of calm, systematic dialog with the Soviet dictator.

It is our hope that every American citizen will call and ask their Member of Congress to cosponsor House Joint Resolution 313. It is our hope that every American citizen will try to get their Sunday school or synagogue, their civic club, their high school or college involved in looking at the lessons of Grenada and asking: How does our knowledge now of the Communist state help us prepare for Geneva?

I thank the Speaker.

GENERAL LEAVE

Mr. GINGRICH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill H.R. 2100.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

TRADE REFORM

(Mr. APPLEGATE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. APPLEGATE. Mr. Speaker, the issue of record high levels of imports arriving on our shores daily, leading to record high deficits and excessive unemployment of manufacturing jobs, has become a national concern. With an obvious lack of concern by the administration and, up until now, a failure on the part of Congress to act, much has been left to the American citizens who are making themselves aware of the problem and are taking it upon themsevles to make others, including this Congress, aware of the need to "Buy American" and to take swift and positive corrective action.

A perfect example of the type of community concern for this problem is being demonstrated right now in Steubenville, OH, in my congressional district. A downtown rally commemorating "Buy American Awareness Day" is going on at this very minute. A special thank you for generating the type of support to buy American-made products being expressed right now goes to the Steubenville business community, the Steubenville Area Board of Realtors, and, particularly, to Mrs. Wrenn Bethel and her committee.

Mr. Speaker, the people of this country want trade reform, and they want it now. They are looking to this Congress to provide it and we had better listen.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. WRIGHT), for today, on account of receiving the Four Freedoms Award at Hyde Park, NY.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAXTON) to revise and

extend their remarks and include extraneous material:)

Mr. PARRIS, for 60 minutes, on October 1.

Mr. DORNAN of California, for 60 minutes, on October 2.

Mr. SENSENBRENNER, for 5 minutes, on September 30.

Mr. KEMP, for 10 minutes, on September 26.

Mr. GINGRICH, for 60 minutes, on September 26.

Mr. GINGRICH, for 60 minutes on September 30.

(The following Members (at the request of Mr. BATES) to revise and extend their remarks and include extraneous material:)

Mr. ECKART of Ohio, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. BOUCHER, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

(The following Member (at the request of Mr. GINGRICH) to revise and extend his remarks and include extraneous material:

Mr. PARRIS, for 60 minutes, on October 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LUNDINE, prior to the vote on the Olin amendment to H.R. 2100 in the Committee of the Whole, today.

Mr. HORTON, prior to the vote on the Olin amendment to H.R. 2100 in the Committee of the Whole, today.

Mr. O'BRIEN, following the vote on rollcall 318 in the Committee of the Whole, today.

(The following Members (at the request of Mr. SAXTON) and to include extraneous matter:)

Mr. GINGRICH.
Mr. CONTE in three instances.
Mr. PARRIS.
Mr. COURTER.
Mr. VANDER JAGT in two instances.
Mr. PORTER.
Mr. LAGOMARSINO in three instances.
Mr. BLILEY.
Mr. BROOMFIELD in four instances.
Mr. BADHAM.
Ms. SNOWE.
Mr. GEKAS.
Mr. MCKERNAN.
Mrs. ROUKEMA.
Mr. LEACH of Iowa in two instances.
Mr. FISH.
Mr. KRAMER.
Mr. STRANG in two instances.
Mr. MCCOLLUM.
Mr. GILMAN in two instances.
Mr. DREIER of California.
Mr. MICHEL in two instances.
Mr. BILIRAKIS in two instances.
Mr. HENRY.
Mr. MYERS of Indiana.
Mr. KEMP in two instances.
Mr. GALLO.
Mr. DIOGUARDI.
Mr. LEWIS of California.
Mr. MILLER of Ohio in three instances.
Mr. JEFFORDS.
Mr. THOMAS of California.
Mr. MOORE.
Mr. HORTON.

(The following Members (at the request of Mr. BATES) and to include extraneous matter:)

Mr. COELHO.
Mr. HAMILTON.
Mr. FASCELL in three instances.
Mr. MATSUI.
Mr. LIPINSKI.
Mr. LEVINE of California.
Mr. FUQUA.
Mrs. SCHROEDER in two instances.
Mr. DASCHLE in 10 instances.
Mr. STARK in two instances.
Mr. FORD of Michigan.
Mr. LEVIN of Michigan.
Mr. DOWNEY of New York.
Mr. OBEY.
Mr. BARNES.
Mr. HALL of Ohio.
Mr. MARKEY in two instances.
Mr. KOLTER.
Mr. DYMALLY.
Mr. MILLER of California.
Mr. EDGAR in two instances.
Mr. HOWARD.
Mr. ANTHONY.
Mr. HUBBARD.
Mr. DYSON.
Mr. HAWKINS.
Mr. BONER of Tennessee.
Mr. ROSTENKOWSKI.
Mr. RANGEL.
Mr. FLORIO.
Mr. CONYERS.
Mr. ANDERSON.
Mr. FRANK.
Mr. WILLIAMS in three instances.
Mr. SHARP.
Mr. DORGAN of North Dakota.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 155. Joint resolution to designate the month of November 1985 as "National Hospice Month"; to the Committee on Post Office and Civil Service.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1042. An act to grant a Federal charter to the Pearl Harbor Survivors Association;

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week";

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week";

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Awareness Month";

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the Agency's 25th anniversary, 1985–86;

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes; and

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1514. An act to approve the interstate cost estimate and interstate substitute cost estimate;

S. 1689. An act to amend various provisions of the Public Health Service Act;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985, as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985, as the "Oil Heat Centennial Year";

S.J. Res. 127. Joint resolution to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois;

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week";

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month"; and

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 p.m.) under its previous order, the House adjourned until Monday, September 30, 1985, at 12 o'clock noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the first quarter of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Timothy Galvin	2/9	2/13	Brazil	1,800.810	495.00						495.00
	2/13	2/17	Argentina	130,464	432.00						432.00
Military transportation							4,058.16				4,068.16
Heidi Pender	2/9	2/13	Brazil	1,800.810	495.00						495.00
	2/13	2/17	Argentina	130,464	432.00						432.00
Local air transportation							633.80				633.80
Military transportation							4,068.16				4,068.16
Other expenditures for codel de la Garza:											
Brazil	2/9	2/13	Manaus, Sao Paulo, and Brasilia								
FSN Embassy support personnel									239.86		239.86
Local transportation [3]									1,749.78		1,749.78
Control rooms [3]									341.81		341.81
Miscellaneous [3]									313.36		313.36
Telephone [3]									53.73		53.73
Argentina	2/13	2/17	Buenos Aires								
FSN Embassy support personnel									1,443.82		1,443.82
Local transportation									210.41		210.41
Interpreting services									455.85		455.85
Representation									100.00		100.00
Miscellaneous									185.71		185.71
Control room [4]									390.56		390.56
Committee total					11,770.50		46,125.94		5,484.89		63,381.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Amended amounts.
[4] Added amount.

E de la GARZA, Chairman, Aug. 29, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2047. A communication from the Comptroller General of the United States, transmitting notification of a rescission budget authority appropriated to the Office of Refugee Resettlement, Department of Health and Human Services, that was not reported by the President, pursuant to 2 U.S.C. 686(a) (H. Doc. No. 99-108); to the Committee on Appropriations and ordered to be printed.

2048. A letter from the Acting Director, Defense Security Assistant Agency, transmitting the Department of the Navy's proposed Letter of Offer to the Netherlands for Defense Articles estimated to cost $50 million, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

2049. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to repeal sections 3502 and 8502 of title 10, United States Code, relating to a physical examination for each member of the National Guard called into and mustered out of Federal service; to the Committee on Armed Services.

2050. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by the Eximbank during July 1985 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

2051. A letter from the Secretary of Health and Human Services, transmitting the annual report for fiscal year 1984 of activities under the Administration on Developmental Disabilities, Office of Human Development Services, pursuant to 42 U.S.C. 6006(c); to the Committee on Energy and Commerce.

2052. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed Letter of Offer to the Netherlands for defense articles and services (Transmittal No. 85-53), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2053. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $41 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2054. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to grant subpoena authority to the Secretary of Commerce for administrative hearings conducted by the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

2055. A letter from the Secretary of Health and Human Services, transmitting a review of procedures concerning certification of representative payees and accountability monitoring for SSI benefits and Social Security benefits, pursuant to 42 U.S.C. 1383 and 405(j)(4)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GLICKMAN: Committee on the Judiciary. H.R. 3174. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care. (Rept. 99-288). Referred to the Committee of the Whole House on the State of the Union.

Mr. NATCHER: Committee on Appropriations. H.R. 3424. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1986, and for other purposes. (Rept. 99-289). Referred to the Committee of the Whole House on the State of the Union.

Mr. BATES: Committee on House Administration. House Resolution 272. Resolution dismissing the election contest against Richard Howard Stallings (Rept. 99-290). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL

[Omitted from the Record of September 24, 1985]

Under clause 5 of Rule X the following action was taken by the Speaker:

The Committee on the Judiciary discharged from further consideration of H.R. 2540; H.R. 2540 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. NATCHER:

H.R. 3424. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1986, and for other purposes; House Calendar No. 177. House Report No. 289.

By Mr. ACKERMAN:

H.R. 3425. A bill to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985; to the Committee on Post Office and Civil Service.

By Mr. BLILEY (for himself, and Mr. OBERSTAR):

H.R. 3426. A bill to require the Secretary of Health and Human Services to establish the National Adoption Information Clearinghouse; to the Committee on Energy and Commerce.

By Mr. BREAUX:
H.R. 3427. A bill to establish a Motor Carrier Administration in the Department of Transportation; to the Committee on Public Works and Transportation.

By Mr. DICKINSON (for himself, and Mr. NICHOLS):
H.R. 3428. A bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases; to the Committee on Armed Services.

By Mr. DORGAN of North Dakota:
H.R. 3429. A bill to establish a commission to report and make recommendations concerning the status of members of the Armed Forces who are officially recorded as being prisoners of war or missing in action; to the Committee on Foreign Affairs.

By Mr. DORNAN of California:
H.R. 3430. A bill to amend the Internal Revenue Code of 1954 to regulate and limit collection procedures of the Internal Revenue Service in order to provide protection of taxpayer civil rights, and for other purposes; to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. WORTLEY, Mr. REID, and Mrs. VUCANOVICH):
H.R. 3431. A bill to clarify certain restrictions on distribution of advertisements of State authorized lotteries, and for other purposes; jointly, to the Committees on the Judiciary, and Post Office and Civil Service.

By Mr. FRENZEL:
H.R. 3432. A bill to provide for deductibility of business expenses of attending conventions in Bermuda; to the Committee on Ways and Means.

By Mr. GEKAS:
H.R. 3433. A bill to establish rational criteria for the imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

By Mr. GLICKMAN (for himself, and Mr. DASCHLE):
H.R. 3434. A bill to amend the Commodity exchange Act to provide for uniform regulation of leverage and futures transactions; to the Committee on Agriculture.

By Mr. GLICKMAN (for himself, Mr. SLATTERY, and Mr. TAUKE):
H.R. 3435. A bill to amend title V of the Motor Vehicle Information and Cost Savings Act to allow adjustments in a manufacturer's fleet average fuel economy for automobiles made by the manufacturer which utilize nonpetroleum-based fuels; to the Committee on Energy and Commerce.

By Mr. KRAMER:
H.R. 3436. A bill to designate the Fallen Firefighter Statue and Plaza in Colorado Springs, CO, as the National Fallen Firefighters Memorial; to the Committee on House Administration.

By Mr. LUKEN (for himself, and Mr. BLILEY):
H.R. 3437. A bill to amend title XIX of the Social Security Act to include the services of podiatrists as physician services for the purposes of the medical assistance program authorized by that title; to the Committee on Energy and Commerce.

By Mrs. MARTIN of Illinois (for herself, Mr. MCKINNEY, Mr. RIDGE, Mrs. JOHNSON, Mr. DUNCAN, Mrs. BENTLEY, and Mr. LUKEN):
H.R. 3438. A bill to strengthen provisions of the law that provides safeguards when imports threaten to impair the national security; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. GREGG, and Mr. RINALDO):
H.R. 3439. A bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. NEAL:
H.R. 3440. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SAVAGE:
H.R. 3441. A bill to establish a public works job program by authorizing the construction, repair, and renovation of infrastructure, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. SCHROEDER (for herself, Mr. FRANK, Mr. HAYES, Mr. EDWARDS of California, Mr. STUDDS, Mr. DELLUMS, Mr. KOLTER, Mr. LELAND, Mr. FAUNTROY, Mr. WEAVER, Mr. SAVAGE, Mr. MITCHELL, Mr. LOWRY of Washington, Mr. MURPHY, Mr. MRAZEK, Mr. CROCKETT, Ms. KAPTUR, Mrs. BURTON of California, Mr. SEIBERLING, Mr. CLAY, Mr. CONYERS, Mr. WEISS, Mr. KASTENMEIER, Mr. TOWNS, Mr. RAHALL, Mr. LEVINE of California, Mr. VENTO, Mr. BOSCO, Mrs. KENNELLY, Mr. MOODY, Mr. LEHMAN of Florida, Mr. MARTINEZ, Mr. WIRTH, Mr. RANGEL, Mrs. COLLINS, Mrs. BOXER, Mr. OBERSTAR, and Mr. MINETA):
H.R. 3442. A bill to provide for a mutual, simultaneous, verifiable cessation of the testing of nuclear warheads effective on or before January 1, 1986, and for other purposes; jointly, to the Committees on Foreign Affairs, and Armed Services.

By Mr. STRANG:
H.R. 3443. A bill to designate the Closed Basin Conveyance Channel of the Closed Basin Division, San Luis Valley Project, CO, as the Franklin Eddy Canal; to the Committee on Interior and Insular Affairs.

By Mr. SYNAR:
H.R. 3444. A bill to authorize the Cherokee Nation of Oklahoma to lease certain lands held in trust for up to 99 years; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:
H.R. 3445. A bill to provide an exemption for senior citizens and handicapped individuals from paying fees for obtaining firewood for personal use from National Forest System lands; jointly, to the Committees on Interior and Insular Affairs, and Agriculture.

By Mr. WILLIAMS (for himself, Mrs. SCHNEIDER, Mrs. BOXER, and Mr. PENNY):
H.R. 3446. A bill to amend the Higher Education Act of 1965 to make access to student assistance programs more equitable, and for other purposes; to the Committee on Education and Labor.

By Mr. WILLIAMS (for himself, and Mr. HOWARD):
H.R. 3447. A bill to amend and extend the Congressional Award Act; to the Committee on Education and Labor.

By Mr. WISE:
H.R. 3448. A bill to provide a separate appropriation for all congressional foreign travel, and for other purposes; to the Committee on House Administration.

By Mr. CHAPPIE:
H.J. Res. 397. Joint resolution to designate November 11, 1985, as George S. Patton Day; to the Committee on Post Office and Civil Service.

By Mr. HALL of Ohio (for himself and Mr. KEMP):
H.J. Res. 398. Joint resolution to designate 1987 as the "Year of Thanksgiving"; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:
H.J. Res. 399. Joint resolution to designate October 8, 1985, as "National Smoke Detector Day"; to the Committee on Post Office and Civil Service.

By Mr. KRAMER (for himself, Mr. BLILEY, Mr. BROWN of Colorado, Mr. CRAIG, Mr. LAGOMARSINO, Mr. LUJAN, Mr. HARTNETT, Mr. NIELSON of Utah, Mr. ROGERS, Mr. SCHAEFER, Mr. SKEEN, Mr. DENNY SMITH, Mr. STRANG, Mr. VANDER JAGT, and Mr. WEBER):
H.J. Res. 400. Joint resolution providing for the convening, whenever the legislatures of two additional States pass a resolution to hold such a convention, of a constitutional convention for the purpose of proposing an amendment relating to the balancing of the Federal budget; to the Committee on the Judiciary.

By Mr. LEVIN of Michigan:
H.J. Res. 401. Joint resolution to designate the week of October 20 through October 26, 1985, as "National Temporary Help Services Week"; to the Committee on Post Office and Civil Service.

By Mr. STUDDS:
H.J. Res. 402. Joint resolution to designate October 7 through October 14, 1985, as "National Coast Week"; to the Committee on Post Office and Civil Service.

By Mr. BOUCHER (for himself, Mr. RAHALL, Mr. TORRICELLI, Mr. HORTON, Mr. MONSON, Mr. FRANK, Mr. CHANDLER, Mr. FAZIO, Mr. MARTINEZ, Mr. LIGHTFOOT, Mr. MITCHELL, Mr. GARCIA, Mr. KOLTER, Mr. GRAY of Illinois, Mr. TRAFICANT, Mr. APPLEGATE, Mr. FUQUA, Mr. WORTLEY, Mr. PORTER, Mr. FISH, Mr. COBEY, and Mr. DREIER of California):
H. Con. Res. 197. Concurrent resolution expressing the sense of Congress that 401(k) retirement savings plans should be preserved for all organizations and should remain structured to allow widespread participation; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Mrs. BOXER, Mrs. COLLINS, Mr. DELLUMS, Mr. DYMALLY, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. GONZALEZ, Mr. HAYES, Mr. KASTENMEIER, Mr. MARTINEZ, Mr. MITCHELL, Mr. RODINO, and Mr. SAVAGE):
H. Con. Res. 198. Concurrent resolution expressing the sense of the Congress condemning the indiscriminate bombings and attacks on civilians and civilian targets by the Armed Forces of El Salvador; to the Committee on Foreign Affairs.

By Mr. COURTER:
H. Con. Res. 199. Concurrent resolution asking that the President bring the rights of the Polish people to the attention of Soviet General Secretary Gorbachev; to the Committee on Foreign Affairs.

By Mr. LIVINGSTON:
H. Con. Res. 200. Concurrent resolution commending the current Government of Guatemala for leading that country toward democracy under freely elected civilian leadership; to the Committee on Foreign Affairs.

By Mr. WILLIAMS (for himself, Mrs. BURTON of California, Mr. EVANS of Iowa, Mr. WALGREN, Mr. FAWELL, Mr. FEIGHAN, Mr. WOLF, Mr. BARNES, Mr.

LELAND, Mr. FAUNTROY, Mrs. BOXER, Mr. RAHALL, Mr. MORRISON of Connecticut, Mr. DWYER of New Jersey, Mr. LEHMAN of Florida, Mr. CONTE, Mr. COELHO, Mr. ROE, Mr. WORTLEY, Mr. GUARINI, Mr. MARTINEZ, Mr. HEFTEL of Hawaii, Mr. DYMALLY, Mr. ATKINS, Mr. OWENS, Mr. MURPHY, Mr. FUSTER, Mr. FORD of Michigan, Mr. BIAGGI, Mr. HOWARD, Mr. HAYES, Mr. CHANDLER, Mr. LEVIN of Michigan, Mr. DE LA GARZA, Mr. GOODLING, Mr. MILLER of California, Mr. CLAY, Mr. TRAFICANT, Mr. KILDEE, Mr. BARTLETT, Mr. TAUKE, Mr. GUNDERSON, Mr. MCKERNAN, Mr. ORTIZ, Mr. SAVAGE, Mr. PEPPER, Mr. PERKINS, Mr. HAWKINS, and Mr. PANETTA):

H. Con. Res. 201. Concurrent resolution to commemorate the accomplishments of Public Law 94-142, the Education for All Handicapped Children Act, on the 10th anniversary of its enactment; to the Committee on Education and Labor.

By Mr. BATES:

H. Res. 272. Resolution dismissing the election contest against Richard Howard Stallings; House Calendar No. 71. House Report No. 99-290.

By Mr. DE LA GARZA:

H. Res. 273. Resolution to express the sense of the House of Representatives with respect to recommendations made by the administration to remove the tax exempt status of credit unions and to reject any such effort; to the Committee on Ways and Means.

H. Res. 274. Resolution to express the sense of the House of Representatives on the need to reject any tax reform proposal which would remove the tax exempt status of private purpose State and local bond obligations; to the Committee on Ways and Means.

H. Res. 275. Resolution to express the sense of the House of Represenatives with respect to proposals currently before the Congress negatively affecting the forestry industry; to the Committee on Ways and Means.

H. Res. 276. Resolution to urge the House of Representatives to reject any tax reform proposal which would impose a tax on the annual increase in the value of permanent life insurance; to the Committee on Ways and Means.

By Mr. DORNAN of California:

H. Res. 277. Resolution expressing the sense of the House of Representatives that the President should not resume negotiations with the Soviet Union concerning reopening direct air travel between the two countries until the Soviet Union formally acknowledges its guilt in the shooting down of Korean Airlines flight 007 on September 1, 1983; to the Committee on Foreign Affairs.

By Mr. FISH (for himself, Mr. HYDE, Mr. SMITH of Florida, Mr. DANNEMEYER, Mr. HUGHES, Mr. SEIBERLING, Mr. GLICKMAN, Mr. BOUCHER, Mr. FRANK, Mr. CONYERS, Mr. BRYANT, Mr. SMITH of New Jersey, Mr. GALLO, Mr. MOODY, Mr. EVANS of Illinois, Mr. STOKES, Mr. TOWNS, and Mr. NIELSON of Utah):

H. Res. 278. Resolution expressing the sense of the House of Representatives that the antitrust enforcement guidelines entitles "Vertical Restraints Guidelines", published by the Department of Justice on January 23, 1985, do not have the force of law, do not accurately state current antitrust law, and should not be considered by the courts of the United States as binding or persuasive; to the Committee on the Judiciary.

By Mr. LOWERY of California:

H. Res. 279. Resolution amending rule X of the Rules of the House of Representatives to prohibit select committees from being reestablished more than three times; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

253. The SPEAKER presented a memorial of the legislature of the State of Minnesota, relative to school finance; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCOIN:

H.R. 3449. A bill for the relief of Helen Ying-Yu Lin; to the Committee on the Judiciary.

By Mr. DOWDY of Mississippi:

H.R. 3450. A bill for the relief of Arturo Elacio Tolentino; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 11: Mr. BORSKI, Mr. BOULTER, Mr. DE LA GARZA, Mr. GORDON, Mr. HENDON, Mr. ROBINSON, Mr. RUDD, and Mr. SWINDALL.

H.R. 13: Mr. FORD of Michigan.

H.R. 44: Mr. FROST.

H.R. 281: Mr. KLECZKA.

H.R. 602: Mr. LOWERY of California.

H.R. 605: Mr. SWINDALL, Mr. PASHAYAN, and Mr. LIVINGSTON.

H.R. 615: Mr. MCCLOSKEY, Mr. MARKEY, Mr. BEDELL, and Mr. WISE.

H.R. 780: Mr. WEBER.

H.R. 864: Mr. VANDER JAGT, Mr. GUARINI, Mr. BEVILL, and Mr. WHITEHURST.

H.R. 888: Mr. GONZALEZ, Mr. RAHALL, Ms. MIKULSKI, and Mrs. COLLINS.

H.R. 965: Mr. ATKINS.

H.R. 979: Mr. GUARINI.

H.R. 1021: Mr. LEHMAN of Florida.

H.R. 1059: Mr. COATS and Mr. OXLEY.

H.R. 1069: Mr. BEREUTER.

H.R. 1090: Mr. GONZALEZ.

H.R. 1099: Mr. GEJDENSON.

H.R. 1195: Mrs. MARTIN of Illinois.

H.R. 1219: Mr. GINGRICH and Mr. KEMP.

H.R. 1318: Mr. SWINDALL, Mr. PASHAYAN, and Mr. LIVINGSTON.

H.R. 1363: Mrs. BURTON of California, Mr. FROST, Mr. GRAY of Illinois, Mr. HOWARD, Ms. OAKAR, Mr. SCHEUER, and Mr. WORTLEY.

H.R. 1458: Mr. DONNELLY.

H.R. 1482: Mr. SAXTON, Mr. PEPPER, Mr. HAYES, Mr. TOWNS, Mr. VISCLOSKY, and Mr. MILLER of Washington.

H.R. 1524: Mr. BOSCO, Mr. CONTE, Mr. BUSTAMANTE, and Mr. GEJDENSON.

H.R. 1616: Mr. HALL of Ohio, Mr. BARNES, Mr. LEHMAN of Florida, Mr. HOWARD, Mr. KANJORSKI, Mr. DWYER of New Jersey, Mr. VISCLOSKY, and Mr. HUBBARD.

H.R. 1689: Mr. CAMPBELL, Mr. SPRATT, and Mr. SPENCE.

H.R. 1720: Mr. BRUCE.

H.R. 1760: Mr. ECKERT of New York and Mr. COATS.

H.R. 1763: Mr. TAUKE.

H.R. 1918: Mr. BARNARD, Mr. BEILENSON, Mr. BERMAN, Mr. DWYER of New Jersey, Mr. EVANS of Iowa, Mr. RALPH M. HALL, Mr. NEAL, Mrs. ROUKEMA, Mr. SKEEN, and Mr. WHITEHURST.

H.R. 1973: Mr. FRANK and Mrs. BYRON.

H.R. 2001: Mr. ORTIZ, Mr. FEIGHAN, Mr. RODINO, Mr. COLEMAN of Texas, Mr. DAUB, Mr. ST GERMAIN, Mr. DOWDY of Mississippi, Mr. FROST, Mr. MCKERNAN, and Mr. LAGOMARSINO.

H.R. 2010: Mr. SUNIA.

H.R. 2014: Mr. DURBIN.

H.R. 2205: Mr. COELHO, Mr. LEWIS of Florida, and Mr. WISE.

H.R. 2280: Mr. LOTT and Mr. KILDEE.

H.R. 2353: Mr. MCHUGH.

H.R. 2423: Mr. FRENZEL, Mr. BEILENSON, Mrs. SMITH of Nebraska, Mr. FAUNTROY, Mr. ROBERTS, Mr. MARTINEZ, Mr. TALLON, and Mr. SENSENBRENNER.

H.R. 2484: Mr. EDWARDS of California, Mr. KOLBE, Mr. CRAIG, Mr. LEVINE of California, Mr. WILLIAMS, Mr. BATES, Mrs. BOXER, Mr. STALLINGS, Mr. CHAPPIE, and Mr. BADHAM.

H.R. 2527: Mr. HOWARD, Mrs. BURTON of California, Mr. MARTINEZ, Mr. MOODY, Mrs. COLLINS, and Mr. SAVAGE.

H.R. 2539: Mr. BURTON of Indiana, Ms. SNOWE, Mr. SWINDALL, Mr. PASHAYAN, Mr. SCHAEFER, Mr. BOULTER, Mr. LIVINGSTON, Mr. BATEMAN, and Mr. MILLER of Washington.

H.R. 2560: Mrs. BOXER, Mr. MOAKLEY, Mr. DURBIN, Mr. OWENS, and Mr. SMITH of Florida.

H.R. 2582: Mr. ECKART of Ohio, Mr. CHAPMAN, and Mrs. BENTLEY.

H.R. 2626: Mr. SCHUETTE and Mr. SLAUGHTER.

H.R. 2661: Mr. WIRTH and Mr. OWENS.

H.R. 2676: Mr. SENSENBRENNER.

H.R. 2700: Mr. SUNIA and Mr. TRAXLER.

H.R. 2701: Mr. HOWARD.

H.R. 2761: Mr. PEPPER, Mr. DWYER of New Jersey, and Mr. GUARINI.

H.R. 2833: Mr. APPLEGATE and Mr. SAVAGE.

H.R. 2834: Mr. THOMAS of Georgia.

H.R. 2854: Mr. DASCHLE and Mr. SIKORSKI.

H.R. 2954: Mr. BLILEY, Mr. VALENTINE, Mr. TORRICELLI, and Mr. HEFTEL of Hawaii.

H.R. 3000: Ms. SNOWE.

H.R. 3035: Mr. STARK.

H.R. 3081: Mr. SHELBY, Mr. LOTT, Mr. GEKAS, Mr. DUNCAN, Mr. ROWLAND of Georgia, and Mr. GINGRICH.

H.R. 3082: Mr. HUGHES, Mr. MATSUI, Mr. HAYES, Mr. CROCKETT, Mr. KOLBE, Mr. STUDDS, Mr. CONYERS, and Mr. MARTINEZ.

H.R. 3083: Mr. MATSUI, Mr. HAYES, Mr. CROCKETT, Mr. CONYERS, and Mr. MARTINEZ.

H.R. 3090: Mr. CONYERS, Mr. MITCHELL, and Mr. CROCKETT.

H.R. 3099: Mr. GUARINI.

H.R. 3117: Mr. LAFALCE, Mr. CHAPPIE, Mr. MOORHEAD, and Mr. SOLOMON.

H.R. 3121: Ms. MIKULSKI.

H.R. 3147: Mr. WORTLEY.

H.R. 3190: Mr. BIAGGI, Mr. LEVIN of Michigan, and Mr. VENTO.

H.R. 3197: Mr. SHUMWAY.

H.R. 3198: Mr. COBEY.

H.R. 3242: Mr. GUARINI.

H.R. 3260: Mr. EDGAR.

H.R. 3292: Mr. BOEHLERT, Mr. PORTER, Mr. ROE, Mrs. BENTLEY, and Mrs. MARTIN of Illinois.

H.R. 3367: Mr. NIELSON of Utah.

H.R. 3384: Mrs. SCHROEDER and Mr. SIKORSKI.

H.J. Res. 101: Mr. CARNEY.

H.J. Res. 154: Mr. BORSKI, Mr. ROBERTS, Mr. STALLINGS, Mr. LAFALCE, Mr. DAUB, Mr. PERKINS, and Mr. CONTE.

H.J. Res. 221: Mr. BEVILL, Mr. BEILENSON, Mr. BLAZ, Mr. BURTON of Indiana, Mr. CONTE, Mr. DORGAN, of North Dakota, Mr. GINGRICH, Mr. GONZALEZ, Mr. HAWKINS, Mrs. HOLT, Mr. LATTA, Mr. LEVINE of California, Mr. MORRISON of Washington, Mr. NEAL, Mr. PACKARD, Mr. PANETTA, Mr. PASHAYAN, Mr. REGULA, Mr. SABO, Mr. SHUMWAY, Mr. STRANG, and Mr. WISE.

H.J. Res. 267: Mr. CRAIG and Mr. DAUB.

H.J. Res. 308: Mr. ANDERSON, Mr. ANNUNZIO, Mr. BEDELL, Mr. BEVILL, Mr. BLAZ, Mr. BOLAND, Mr. BREAUX, Mrs. BURTON of California, Mr. CHAPPELL, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DEWINE, Mr. DOWDY of Mississippi, Mr. DUNCAN, Mr. FISH, Mr. FOLEY, Mr. FRANKLIN, Mr. GALLO, Mr. GRAY of Pennsylvania, Mr. GROTBERG, Mr. HAMILTON, Mr. HAYES, Mr. HENRY, Mr. HOWARD, Mr. KRAMER, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LOWRY of Washington, Mr. MCCAIN, Ms. MIKULSKI, Mr. MINETA, Mr. MONTGOMERY, Mr. NICHOLS, Ms. OAKAR, Mr. OBERSTAR, Mr. ORTIZ, Mr. PETRI, Mr. PICKLE, Mr. RICHARDSON, Mr. RODINO, Mr. ROTH, Mr. ROWLAND of Georgia, Mr. SABO, Mr. SNYDER, Mr. STUDDS, Mr. SYNAR, Mr. TORRICELLI, Mr. VALENTINE, Mr. VANDER JAGT, Mr. WORTLEY, and Mr. YOUNG of Florida.

H.J. Res. 313: Mr. NICHOLS, Mr. DAVIS, Mr. EDWARDS of Oklahoma, Mr. GILMAN, Mr. O'BRIEN, Mr. MARTIN of New York, Mr. STALLINGS, Mr. HUCKABY, Mr. DICKINSON, and Mr. STUMP.

H.J. Res. 350: Mr. BLAZ, Mr. BROOKS, Mr. WHEAT, Ms. FIEDLER, Mr. PERKINS, Mrs. BYRON, Mr. SAXTON, Mr. DYMALLY, Mr. FROST, Mr. SABO, Mr. HUCKABY, and Mr. WHITTEN.

H.J. Res. 362: Mr. ADDABBO, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANTHONY, Mr. BARNES, Mr. BARTLETT, Mr. BATEMAN, Mr. BENNETT, Mrs. BENTLEY, Mr. BERMAN, Mr. BILIRAKIS, Mr. BLILEY, Mr. BONER of Tennessee, Mr. BROOKS, Mr. BROOMFIELD, Mr. BROYHILL, Mr. BRYANT, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARNEY, Mr. CHANDLER, Mr. CHAPPELL, Mr. CHENEY, Mr. CLAY, Mr. CLINGER, Mr. COBEY, Mr. COELHO, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. COOPER, Mr. COURTER, Mr. CROCKETT, Mr. DAUB, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DERRICK, Mr. DEWINE, Mr. DIOGUARDI, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ERDREICH, Mr. EVANS of Iowa, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO of Mr. FLIPPO, Mr. FOGLIETTA, Mr. FOWLER, Mr. FRANK, Mr. FRANKLIN, Mr. FRENZEL, Mr. FROST, Mr. FUQUA, Mr. FUSTER, Mr. GALLO, Mr. GEKAS, Mr. GILMAN, Mr. GINGRICH, Mr. GONZALEZ, Mr. GRADISON, Mr. GREEN, Mr. RALPH M. HALL, Mr. HARTNETT, Mr. HATCHER, Mr. HAYES, Mr. HENDON, Mr. HENRY, Mr. HILER, Mrs. HOLT, Mr. HOPKINS, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. HYDE, Mrs. JOHNSON, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASICH, Mr. KEMP, Mrs. KENNELLY, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LATTA, Mr. LEACH of Iowa, Mr. LELAND, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. LOEFFLER, Mrs. LONG, Mr. LOTT, Mr. LUKEN, Mr. LUNGREN, Mr. MCCAIN, Mr. MCCANDLESS, Mr. MCDADE, Mr. MCEWEN, Mr. MCMILLAN, Mr. MADIGAN, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MATSUI, Mr. MAZZOLI, Mr. MICHEL, Ms. MIKULSKI, Mr. MILLER of Washington, Mr. MITCHELL, Mr. MONSON, Mr. MOORE, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. O'BRIEN, Mr. OWENS, Mr. PASHAYAN, Mr. PEPPER, Mr. PORTER, Mr. PURSELL, Mr. RAHALL, Mr. RANGEL, Mr. RAY, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. ROGERS, Mr. ROSE, Mr. RUDD, Mr. SAVAGE, Mr. SAXTON, Mr. SCHEUER, Mr. SCHUETTE, Mr. SISISKY, Mr. SMITH of Florida, Mr. SPENCE, Mr. SPRATT, Mr. SWINDALL, Mr. TALLON, Mr. TAUZIN, Mr. TAYLOR, Mr. THOMAS of California, Mr. TORRICELLI, Mr. TOWNS, Mr. VALENTINE, Mrs. VUCANOVICH, Mr. WALKER, Mr. WAXMAN, Mr. WEISS, Mr. WHEAT, Mr. WILSON, Mr. WOLF, Mr. WOLPE, Mr. WORTLEY, Mr. WYLIE, and Mr. YOUNG of Alaska.

H.J. Res. 368: Mr. SUNIA, Mr. COYNE, Mr. BOUCHER, Mr. JEFFORDS, Mr. FOLEY, Mrs. COLLINS, Mr. DAUB, Mr. LELAND, Mr. HUGHES, Mr. RICHARDSON, Mr. FAZIO, Mr. QUILLEN, Mr. DE LA GARZA, Mr. HOWARD, Mr. RAHALL, Mr. SISISKY, Ms. MIKULSKI, Mr. DWYER of New Jersey, Mr. BIAGGI, Mr. HAYES, Mr. PERKINS, Mr. FUSTER, Mr. COELHO, Mr. SABO, Mr. BERMAN, Mr. DANNEMEYER, Mr. HORTON, Mr. ROGERS, Mr. TRAFICANT, Mr. BROWN of California, Mr. REID, Mr. SCHEUER, Mr. BEILENSON, Mr. ORTIZ, Mr. DEWINE, Mr. DYSON, Mr. DYMALLY, Mr. SOLARZ, Mr. FEIGHAN, Mr. SMITH of New Jersey, and Mr. LEVIN of Michigan.

H.J. Res. 376: Mr. MURPHY, Mr. DANIEL, Mr. ROE, Mr. CHAPPIE, Mr. KOSTMAYER, Mr. BURTON of Indiana, Mr. HENRY, Mr. DE LA GARZA, Mrs. BENTLEY, Mrs. BURTON of California, and Mr. FAZIO.

H.J. Res. 381: Mrs. BENTLEY, Ms. OAKAR, and Mr. HUGHES.

H. Con. Res. 117: Mr. FEIGHAN.

H. Con. Res. 129: Mr. SAXTON, Mr. HARTNETT, Mr. HEFTEL of Hawaii, and Mr. LEATH of Texas.

H. Res. 113: Mr. RAY.

H. Res. 122: Mr. TALLON.

H. Res. 194: Mr. FRANK, Mr. SHELBY, Mr. BRUCE, AND Mr. DASCHLE.

H. Res. 226: Mr. LEATH of Texas.

H. Res. 245: Mrs. BENTLEY, Mr. GUNDERSON, Mr. LAGOMARSINO, Mr. MONTGOMERY, Mr. ROE, Mr. SHUMWAY, Mr. THOMAS of Georgia.

H. Res. 259: Mr. PENNY, Mr. BEILENSON, Mr. MCCAIN, Mr. RAHALL, Mr. WHITEHURST, Mr. WEAVER, Mr. GUNDERSON, Mr. HUGHES, Mr. SHAW, Mr. FAZIO, Mr. BATES, Mr. DE LUGO, Mr. CHANDLER, Mr. BEDELL, Mr. HUTTO, Mr. REID, Mr. BATEMAN, Mr. RANGEL, and Mr. ANDERSON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

215. By the SPEAKER: Petition of the employee's of the C&H Sugar Co., Crockett, CA, relative to sugar; to the Committee on Agriculture.

216. Also, petition of the Order Sons of Italy in America, Washington, DC, relative to apartheid; to the Committee on Foreign Affairs.

217. Also, petition of the Order Sons of Italy in America, Washington, DC, relative to immigration; to the Committee on the Judiciary.

218. Also, petition of Marianilo M. Alora, Philippines, relative to citizenship; to the Committee on the Judiciary.

219. Also, petition of the Mid-Ohio Valley Mayors' Association, relative to the Williamstown-Marietta bridge; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. BOEHLERT:

—Page 37, after line 9, insert the following:

DOMESTIC CASEIN INDUSTRY

SEC. 215. (a) The Commodity Credit Corporation shall provide surplus stocks of nonfat dry milk of not less than one million pounds annually to individuals or entities on a bid basis.

(b) The Commodity Credit Corporation may accept bids at lower than the resale price otherwise required by law in order to promote the strengthening of the domestic casein industry.

(c) The Commodity Credit Corporation shall take appropriate action to assure that the nonfat dry milk sold by the Corporation under this section shall be used only for the manufacture of casein.

Redesignate succeeding sections in the subtitle accordingly.

By Mr. LUNDINE:

—(1) In sections 801, 802, 803 and 805 of the Lundine amendment, strike out "Effective only for the 1986 through 1988 crops of peanuts," and substitute in lieu thereof, "Effective only for the 1986 through 1989 crops of peanuts,".

(2) In section 804, strike out "Effective only for the 1986 through 1988 crops of peanuts," and substitute in lieu thereof "Effective only for the 1986 through 1990 crops of peanuts,".

(3) In section 804, in the amendment that adds section 108B to the Agriculture Act of 1949:

(a) Strike out in section 108B(c)(1), "of the 1989 crop" and insert in lieu thereof "of each of the 1989 and 1990 crops,";

(b) Strike out in section 108B(e)(2)(A)(iv) and section 108B(e)(2)(E), "1989 crop" and insert in lieu thereof "1989 and 1990 crops".

(3) In sections 806 and 807, strike out "1986 through 1989" and substitute in lieu thereof "1986 through 1990".

By Mr. RAHALL:

—Section 1509(a) of H.R. 2100 is amended by adding the following new paragraph at the end thereof:

(6) After the last sentence insert the following: "All households shall be allowed a deduction for the actual and reasonable expenses, other than expenses paid on behalf of the household by a third party, paid for transportation of members of the household to and from school and for the purchase or rental of school books for such members.".

SENATE—*Thursday, September 26, 1985*

(Legislative day of Monday, September 23, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious Father in Heaven, these have been quiet days in the Senate and we trust it is not the calm before the storm. Infuse this place and all the people who labor here with grace and love. Let these next few days be characterized by peaceful resolution to all issues, even those which are highly controversial. May this place be adorned with the beauty of commonality of purpose, high dedication to a united nation and the welfare of its people.

May the fact that the 100 men and women who occupy this Chamber are first and foremost U.S. Senators and secondly representatives of their parties be very real throughout the remainder of this first session of the 99th Congress. May this be a place where truth and justice prevail and where compassion is not sacrificed to pragmatism. To Thy glory, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. DOLE. Mr. President, I appreciate the prayer this morning. I hope it all works out that way. There are several Senators who may not have heard it.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, which I will ask be reserved for each leader.

Then Senator PROXMIRE has a special order for not to exceed 15 minutes.

There will then be routine morning business, not to extend beyond 10:30 a.m., with Senators permitted to speak for not more than 5 minutes each.

Following routine morning business, the Senate will resume consideration of H.R. 3036, the Treasury-Postal Service appropriations bill.

At 1 p.m., the Senate will proceed to vote on passage of H.R. 2005, the Superfund legislation.

Following that vote, the distinguished minority leader, Senator BYRD, will be recognized, for debate only, for not to exceed 3 hours, to discuss Senate rules.

I assume that because of that we will be in late this evening, and we hope to complete action on the Treasury-Postal Service bill and the D.C. appropriations bill. There will be an abortion amendment, as I understand it, offered to that measure.

Other measures which we may consider are an extension of the present dairy law and the National Science Foundation.

It is hoped that tomorrow we can dispose of the HUD appropriations bill and maybe turn to the Compact of Free Association, which I am advised must be completed by September 30.

I will insert in the RECORD a letter from the Secretary of the Treasury indicating that if we do not extend the debt ceiling by October 7—we plan on starting it on October 7—but if it is not extended by October 7, it is not certain whether all Government checks can be cashed. We will then be on a cash-flow basis, and Social Security checks, price support checks, veterans' checks, students' checks, and other checks might not be honored. So I urge my colleagues that when we call up the debt ceiling measure, we dispose of it rather quickly.

I know there are a number of amendments that Members have thought about on the debt ceiling measure, but I hope they will also think about the consequences if we do not take action and have the debt ceiling bill signed by the President on October 7.

I will make a copy of the letter from the Secretary of the Treasury available to each Senator, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, DC, September 25, 1985.

Hon. ROBERT DOLE,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR BOB: I am writing to emphasize the need for final action by the Congress on debt limit legislation no later than October 7.

Current projections indicate that, in order to stay within the present $1,823.8 billion debt ceiling, Treasury's cash balance will be virtually exhausted by October 7, and the situation will deteriorate sharply thereafter. Obviously, changes in these projections, in either direction, can and do occur, but these are the best estimates we have at this time.

Consequently, unless a debt limit is passed by the Congress and signed into law by the President on or before October 7, 1985, the United States of America could be in the position of defaulting on its obligations. As you know, and as Treasury testified on September 10, this would mean that recipients of checks for social security, payroll, unemployment, defense contract and other payments, including principal and interest on Treasury securities, would be unable to cash these checks.

I urge you to pass legislation raising the debt ceiling at the earliest possible date but, based on present projections, no later than October 7, 1985.

I will provide you with updated projections of our cash balances by October 1, but this matter is of such importance that I wanted to alert you at this time of our probable needs.

Sincerely,

JAMES A. BAKER III.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KASTEN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

NUCLEAR SCIENTISTS AND RETIRED MILITARY STRUGGLE TO STOP ARMS RACE

Mr. PROXMIRE. Mr. President, who are the most consistent and vigorous advocates of nuclear arms control? Clergymen? No. Educators? No. Elected public officials? No. TV commentators? No. Newspaper columnists or editorial writers? No. The most relentless critics of the arms race, the strongest champions of arms control, are the two groups of experts who must fully understand the terrible consequences of nuclear war: the nuclear scientists and the retired military officers.

Take the union of concerned scientists. They have represented in their number many of the most distin-

guished scientific experts in our country—Nobel prize-winning physicists and those who have contributed the most to the development and refinement of our huge, and increasingly more potent nuclear arsenal. These weapons are their brain children.

The usual natural reaction of most human beings is to take pride in their own creations. Most of us view our own ideas the way we view our own children, as wonderful. Why, then, are not nuclear weapons scientists right out in front pushing the view that we speed ahead to win the nuclear arms race? They certainly have not supported the arms race. On the contrary, these scientists have steadily bucked the political tide.

Virtually every Presidential administration and every Congress in the 40 years of the nuclear age has shoved increasing billions of dollars into the nuclear arms race. Congress has done so lately at a time when Federal deficits have become the Nation's No. 1 economic problem. Meanwhile, arms control has made only halting erratic progress. Why are so many of these scientific experts so emphatically opposed to the nuclear weapons policies of our country? The answer is simple. These scientists have the deepest and surest knowledge of just how devastating a nuclear war could be. They know with far greater authority and certainty that these nuclear weapons would destroy civilization and very possibly end the existence of man on Earth.

The only nuclear arms development more startling than the revolt of nuclear weapons scientists against their own brain children is the opposition of so many distinguished retired admirals and generals to the nuclear arms race. Think of it. Here are men who have devoted their lives to the military defense of our country. No one can question their patriotism or their unstinted love of our country. From their boyhood on, they have been trained in military weapons—the use of warships, bomber planes, high firepower tanks. Death in battle does not frighten them. They have lived with that for many years. But now they see something very different. They see our military force armed with nuclear weapons that make the devastating weapons of past wars seem like snowballs in a children's snowball fight. In this nuclear age the military and especially the U.S. military now has a truly super human power and more power—much more—just the horizon, as extraordinary new lasers and antimatter bombs come on. How can these deeply patriotic, trained military experts so emphatically condemn the arms race and call for arms control negotiations that will stop the testing of nuclear arms cold and in the process stop the arms race? These retired military officers are not knee-jerk doves. They are not peaceniks. They are not pacifists. The military has been their life. They have recognized—as few other Americans have the need for a strong military to defend our country. They have devoted their lives to it from their boyhood. They have achieved distinction as admirals and generals in the process. Now they tell us in Congress to stop. They want our country to negotiate an arms control agreement that will end an international nuclear weapons competition that they believe will lead to international death. Why do these military experts like the distinguished nuclear scientists have special claim on our attention? For one reason. It is this. They know what they are talking about.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, today's myth of the day is the commonly held belief that the Reagan administration is tough on organized crime. The President, the Justice Department and the Attorney General have all stated on many occasions that their administration was taking a hard line on organized crime.

Is that true? Well, I wish it were but it is one of the most ironic myths circulating today. In fact we have an administration that is kissing organized crime—in the form of the Teamsters Union—on both cheeks.

No administration in recent history has cozied up to the mob-supported Teamsters more than the Reagan administration. During the last election campaign, the Reagan election officials often defended the Teamsters against charges of corruption. Just last July the Justice Department dropped a solid case against Teamster President Jackie Presser when it was determined that FBI agents had allowed him to actually commit crimes as an informant for the FBI. Think of that. An alleged criminal was allowed to go out and commit crimes and the Reagan administration Justice Department sits on its hands and declines to prosecute. What an outrage.

Tough on organized crime? Hardly. Organized crime is invited in to sit down for dinner. Organized crime is praised, defended, and supported.

Consider the following relationships between the Reagan administration and the Teamsters:

On August 26, 1980, Roy Williams, then vice president of the Teamsters Union took the fifth amendment 23 times before the Senate subcommittee when asked about his personal and financial dealings with organized crime. The next day Presidential candidate Ronald Reagan met privately with Roy Williams and Jackie Presser for a 45-minute meeting prior to his addresses before Ohio Teamsters.

Presser was honored by Secretary of Labor Raymond Donovan and senior White House officials at a Georgetown party on June 20, 1983.

Presser was a frequent White House visitor during 1983—discussing political strategy with Edward Rollins.

Presser has been invited to several White House state dinners.

According to the Wall Street Journal, Attorney General Meese "has had a long political relationship with Mr. Presser, whose 1.9 million member union gave Mr. Reagan significant support in his reelection campaign."

Presser served as cochairman of the Reagan inaugural labor committee.

According to the Washington Post Presser "has maintained close ties to the administration, and has been invited to several White House functions, at least once to meet with Edwin Meese III—now Attorney General—when he was assistant to the President."

The Washington Post has also reported that "Attorney General Edwin Meese III was a defender of the Teamsters and Presser before and after Reagan entered the White House. Apparently in return for the union's support, the administration watered down its plans for deregulating the trucking industry in Reagan's first term."

White House official Edward Rollins praised Presser and congratulated him of having the tremendous burden of the Justice Department investigation lifted from his head, in a speech before the Teamsters on August 2, 1985. He added: "With leaders like Jackie Presser, we can make America stronger and better."

The Nation magazine in 1983 said: "Despite all the allegations against, and the indictments and convictions of, top Teamster leaders, the love affair between the Reagan administration and the union continues."

Reportedly on one of his first trips to Washington, President-elect Reagan made a stop at the Teamsters headquarters where he met with Presser, Williams, and Frank Fitzsimmons and reportedly invited the Teamsters to help him select his Secretary of Labor and other officials.

Three of the last five presidents of the Teamsters received prison sentences for various felonies. As the Boston Globe editorialized, "It seems extraordinary that a President who lauds himself as a champion of law and order and a defender of moral values should covet the support of this union."

Vice President BUSH has called the Teamsters "a tremendous union."

Presser invoked the fifth amendment right against self-incrimination 15 times on April 23, 1985, during an appearance in Chicago before the President's Commission on Organized Crime.

Mr. President, the White House has a lot of explaining to do about its un-

seemly relationship with the Teamsters and organized crime. And so does the Attorney General.

There is no question in my mind that the myth of the day is truly a myth; that is, the commonly held belief that the Reagan administration is tough on organized crime.

THE TWIN HORRORS

Mr. PROXMIRE. Mr. President, in an essay in the August 2 Washington Post, Richard Cohen discusses the shattering effects of the Holocaust and the atomic bomb. He contends that the discovery of these twin horrors shocked the world because it destroyed mankind's image of itself.

The events were so troubling to people all over the world that even today many still find it difficult to think about and discuss the two events.

Cohen is not surprised that people cannot assimilate the Holocaust and the bomb. Afterall, accepting the tragedies means accepting a new view of mankind.

According to Cohen, before the end of World War II, people still believed in "the old romantic view of mankind, a vision of people as essentially good and on the path to getting better * * *," but "the smoke of Auschwitz and the smoke of Hiroshima, so different in their justifications, were nevertheless the smoke of mass murder." No wonder, then, that people find it difficult to think about, accept, and learn from these horrors.

One reason that the two events forced people to reevaluate their beliefs was that the supposedly most advanced peoples on Earth—the Germans, Japanese, Russians, we, and our allies—were the principal actors in the war.

The Holocaust and the bomb seem to prove mankind's madness. All our fears about our own evil seem real.

Mr. President, Richard Cohen is correct. It is difficult to assimilate the horrors of the Holocaust and the bomb that destroyed Hiroshima.

But, if the twin horrors at the end of World War II prove our fears about man's capacity for evil, the Genocide Convention proves that we can believe in man's capacity for good.

Mr. President, Americans take pride in this Nation's morality. Since 96 nations have already ratified the Genocide Convention, as a moral nation, we should follow their lead proving that the United States will never permit the evil of genocide in the Nation or any other.

Cohen's last sentences demonstrate why we urgently need to ratify the Convention:

One Holocaust teaches that another, even bigger, is possible—that if mid-century bureaucracy could have combined with science to produce the death of millions, think of what is possible now. Everything is improved except, of course, man himself. It is hard to look at what we have done, but it is necessary. Self-knowledge is all we have to hold back the night.

Mr. President, I ask unanimous consent that Richard Cohen's essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

. . . AND OF OURSELVES

People knew instantly. The Washington Post for Aug. 7, 1945, called the atomic bomb a "world-shaking event." It headlined a "new era of power," used the term "atomic age" and quoted from a presidential statement in which—not for the last time—a politician said atomic energy would someday be used for peace. The pope also knew instantly. "The use of atomic bombs has created an unfavorable impression on the Vatican," the statement said.

The microfilm of the old newspapers comes as a surprise. I had thought people in 1945 were unaware that a historical age had opened, that the bomb was not just a bigger, more efficient weapon, but a point of departure from which things never again could be the same. Certainly that is Richard Nixon's recollection. "We had heard about the buzz bombs in London and other new weapons . . . and I said, well, this is just another one," he told Time magazine. "I just assumed the war would go on."

Nixon's recollection is understandable. There was much to absorb—too much. Between April and August 1945, a casual newspaper reader would have learned of the Holocaust—the methodical murder of millions of noncombatants—and then, only months later, of the atomic bomb.

It took time for the world to come to grips with these twin horrors. After all, it is only relatively recently that we have faced up to the Holocaust, only recently that names such as Mengele have become widely known and then, too late, the search for them launched.

We are only now beginning to assimilate these events because we are not talking about technical break-throughs, intellectual achievements, gizmos in secret laboratories, but, instead, a new image of ourselves. Little wonder that we turned away from what we saw, from what the bomb and the Holocaust told us about ourselves. It was not a pretty picture.

Maybe our self-image is the last victim of World War II. The old romantic view of mankind, a vision of people as essentially good and on the path to getting better, has been vanquished by the data, by the number of victims and the reason for their deaths. In its place has been substituted a sickening reality. The smoke of Auschwitz and the smoke of Hiroshima, so different in their causes and their justificaitons, were nevertheless the smoke of mass murder. One speaks to the other. Once you have walked the perimeter of a death camp or even know of its existence, then you know what people are capable of. It ruins sleep to think of their weapons.

No wonder the insights and the doubts of August 1945 got buried. No wonder it took years to confront the Holocaust—to establish the memorial programs, to request the museums, to demand the capture of the escaped criminals. Think of what we had learned. Think of the killing that was done—and done, mind you, not by primtive peoples but by Germans and their allies, by Russians, by Japanese and, last, by us and our allies. These are the most advanced people on Earth and once, for reasons sometimes having to do with race hatred, they killed one another until the dead numbered some 50 million.

"Night" is the title of Elie Weisel's memoir of Auschwitz. It is a fitting title because the nuclear night and the "Night" of the Holocaust complement each other. Weisel's "night" is what makes the nuclear night so frightening. It testifies to our madness. If the people of Beethoven and Bach, of Schiller and Brecht could incinerate the people of Kafka and Heine, of Einstein and Freud . . . if Germans in Berlin could want so much to kill little Elie Weisel of Hungary, then our fears are justified.

Now, with perspective these events of 40 years ago merge to provide a moral lesson. One Holocaust teaches that another, even bigger, is possible—that if mid-century bureaucracy could have combined with science to produce the death of millions, think of what is possible now. Everything is improved except, of course, man himself. It is hard to look at what we have done, but it is necessary. Self-knowledge is all we have to hold back the night.

Mr. PROXMIRE. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 10:30 a.m., with statements therein limited to 5 minutes each.

WORLD IS NOT THE SAME SINCE WILL ROGERS LEFT IT

Mr. THURMOND. Mr. President, I would like to call the attention of my colleagues to an editorial printed in the August 28, 1985, issue of the Gaffney, SC, Ledger.

This commentary is a tribute to the late Will Rogers, a tremendously popular American and a man of great character, wit, and objectiveness. His public appeal stemmed from his commonsense approach to current events, whether public or political. He knew how to verbally express what most of his fellow Americans were thinking about any given subject at the moment, and his barbed comments served as a barometer of public opinion to many politically astute Government officials.

The earthy comments of the unique, perceptive Will Rogers have been sorely missed since his death 50 years ago, as our Nation probably will not see his like again. Mr. President, I ask unanimous consent that a copy of this editorial be printed in the RECORD as a tribute to the memory of Will Rogers.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Gaffney (SC) Ledger, Aug. 28, 1985]

WORLD IS NOT THE SAME SINCE WILL ROGERS LEFT IT

Since you went away, Will Rogers, this world hasn't been the same. There just isn't anyone with us now who could put it all in perspective as you did, with a gentle remark or slight jab.

We wonder how you would have reacted to some of the events that have taken place since you died in a plane crash 50 years ago.

We're sure you would have thrilled with the rest of us over the landing on the moon. After all, you were an early proponent of flying.

And what about television? You would have been great on the tube, with your background, first as an Oklahoma cowboy and then as a star of vaudeville, motion pictures and radio.

But you didn't really need more exposure. Your column, alone, was featured in more than 400 newspapers. Your social comments were quoted by millions.

You know, people still like to quote you. Walter Mondale used one of your sayings on television during one of the Presidential debates. President Reagan read one of your books recently while he was recovering from surgery in the hospital.

That's the thing, everybody liked you. The common man, the poor man and the rich man. And you liked everyone, too. "I never met a man I didn't like," you said.

"It's a serious business, this making people laugh," you told us. Well, we need you now more than ever. We need a laugh. You made people feel better during the hardest times.

Even though your horsemanship and rope tricks got you your start in show business, it was your wit and style of speaking that made you a star.

You died at the peak of your fame. Many refused at first to believe you were gone. Then 50,000 people solemnly filed by your grave in Los Angeles at your funeral.

You came a long way from your humble beginnings. You were a great American.

CONTINUING APPROPRIATIONS, FISCAL YEAR 1986

Mr. INOUYE. Mr. President, yesterday we cleared the continuing resolution. As the distinguished chairman of the Commerce, Justice, State Subcommittee knows, we have a peculiar situation with regard to the Japan-United States Friendship Commission. The Commerce, Justice, State Appropriations Act, as passed by the House of Representatives, does not include funding for the Commission, and under the terms of the continuing resolution, would not be authorized to draw continuing funds while we resolve the fiscal 1986 appropriation in the Committee on Appropriations.

I was prepared to offer an amendment on behalf of the Commission, but did not because I was assured by the chairman that the operations of the Commission would continue in the interim. For the record, I would appreciate the chairman's assurances that the Commission will continue during the interim.

Mr. LAXALT. I would be glad to. This is an unusual situation that would ordinarily have been remedied with an amendment except for the overall goal of not sending the bill to conference. Knowing of the deep interest and personal involvement of the distinguished Senator from Hawaii in the Commission, I certainly appreciate his forebearance on this.

We have determined that the Commission has authority to draw down 5 percent of the Japan-United States friendship trust fund. The fund has a balance of some $18 million and 5 percent would allow them to draw down $900,000. This appears ample for their operations during the period of the continuing resolution. We expect to appropriate the full $1,550,000 requested by the Commission for fiscal year 1986, so that the amount drawn from the fund during the interim can be restored.

I regret that the other body did not make the usual provision in the continuing resolution for this situation, and that we have had to resort to this expedient due to the stated desire to avoid a conference.

If I might add, we have similar problems with the Presidential Commission on Organized Crime. We have been assured by the Department of Justice that they will arrange to continue the salaries and expenses of the Commission during the interim.

Mr. INOUYE. I thank the chairman for his explanation. The Commission will be able to operate in the manner outlined, although they would have preferred the normal approach, and will be more comfortable now that the procedure has been explained.

SOUTH AFRICA

Mr. LEAHY. Mr. President, during the debate on South Africa when this body refused to support the vast majority of her citizens who seek the institution of democratic government, a letter of unusual interest was printed in a Vermont newspaper.

I say unusual for sometimes I fall to the same easy stereotypes that so conveniently classify all of us into major categories—conservative, moderate, liberal among them.

Unusual because as I read this letter, I found myself knowing a Vermonter in a very different way than I ever had before.

Bob Kinsey is the majority leader in the Vermont House of Representatives. He comes from the village of Craftsbury Common—which is a part of Craftsbury that has a population of 844 by the 1980 census count—and has not been the site of any major new development or highways that I have been aware of which would augment that total by any dramatic degree.

Mr. Kinsey is described by the Vermont press, as a conservative—and quite a dedicated conservative at that. I guess he is—I know him as a hard working Vermont farmer who feels very strongly about our State and our way of life.

And this letter to the Newport Express printed on September 5 is as honest an expression of frustration with our policies in South Africa, as anything expressed on this floor during the long debates just days ago.

I want it in the public record so that future scholars, researching this issue, will come across this honest plea from a Vermont farmer—and wonder at the simple logic of his words.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Newport Daily Express, Sept. 5, 1985]

SPEAK OUT AGAINST DISCRIMINATION

MR. EDITOR: I detest "I told you so" themes and on this occasion I do so only out of concern of the lives being lost each day and on into the future in South Africa. The failure of Vermont to take a stand early enough to encourage others to do the same is the fault of us all.

Mine, for not speaking out loud enough, soon enough. My Party for clinging too long to the philosophies of the Jerry Falwells, and the current Vermont administration and legislative leadership, for if they had said "Go for it" H-210, the Divestiture Bill could have passed the House in twelve minutes and the Senate in six minutes last January. When I was scheduled to speak to House Committee, Chairman Lucas found it "necessary" not to be present and the bill delayed beyond passage.

My testimony was brief because many others had spoken. It included:

". . . Six months ago, my son who is in his eighth year working in Africa, changed my mind. As my son explained to me . . . 'for a thousand years the people of white, tan and yellow skin have exploited the Blacks for Gospel, Gold and Glory. And now its more fashionable for all of these non-blacks to rule Africa in the name of trying to help them help themselves.

" 'Most foreign governments and relief agencies still act like parents treating children, like management treats labor. Like Colonials treat natives. Like my mother treated me with spoon and a castor oil bottle' You should know its good for you.

"As Erwin explained, 'Children can't walk until they are allowed to fall down and get up and try again. That's what has to happen in Africa and we can only let them become their own leaders, make their own decisions.

"The Russians have been expelled from Tanzania by Tanzanians not by U.S. bullets. The Chinese are leaving, but not by U.S. bullets.

"When I was in college during the Vietnam protest era of the late 60's, I was establishment, the colonial, the parent. At the same time Erwin, two of his brothers and two of his sisters were in high school and college. They were anti-establishment. It took them a long time to educate the old man. I finally did realize that they were right but then again I was six months too late.

"After Erwin went to Africa, he told me what was going to happen in Uganda with

Idi Amin and he was right. He told what was going to happen in Rhodesia and again he was right.

"Now he tells me that 'Apartheid is going to end in South Africa in one of two ways. If the end of Apartheid has to be by bullets, the whites are going to be pushed into the sea.'

"Erwin would prefer non-violent pressure such as H-210 as the only hope left to create equality and harmony amongst all colors.

"I support H-210."

Now it's too late. The die is cast. The wounds of bitter strife can never really heal. Vermont now cannot lead, only join the crowd in protest.

What about Afghans in Afghanistan? I cry for them also. Vermont should never cease in speaking out against discrimination wherever and whenever we find it.

Sincerely,

REP. BOB KINSEY,
Craftsbury.

DEATH OF DAN J. HEALY

Mr. LEAHY, Mr. President, while the Senate was in recess, I had the sad duty to attend the funeral of an old friend who was one of the founders of the Democratic Party in the State of Vermont.

Dan J. Healy was 87 years old when he died on August 26, 1985. As I stood in St. Peter's Church in Rutland with his children, grandchildren, and great-grandchildren, I wondered to myself whether I would have ever had the opportunity to serve my State in the U.S. Senate—had it not been for dedicated public servants like Dan Healy.

The son of railroad locomotive engineer, and a railroad worker himself as a youth, Dan Healy first operated a small store and later an insurance and real estate agency in Rutland.

He served as the city's mayor from 1949-57 and again from 1959-61.

He was Mr. Democrat—not just in Rutland—but throughout the State where his advice was sought by Governors and senators, Democrats and Republicans. His life was full. His council was wise.

I was privileged to be with his family when Dan left St. Peter's Church for the last time to the strains of "Danny Boy."

Mr. President, I would like to have printed in the RECORD the obituary printed in the Rutland Daily Herald, and the accompanying editorial in that same paper.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FORMER MAYOR, DAN HEALY, DIES

(By Yvonne Daley)

"The Lion of Forest Street," former Rutland Mayor Daniel J. Healy, died Monday morning. He was 87.

Healy, one of the most colorful and beloved of Rutland's mayors, was given the nickname for two reasons. Like a lion, he was kingly—even dapper—with his homburg hat, his suit with a carnation pinned to its lapel, and his munificent manner.

Yet he lived in the working-class section of Rutland most of his life, first on Forest Street, and, later, on South Street. He was considered a champion of the poor, a man who never forgot his humble roots and did much to improve this section of the city.

Healy was the first of the Irish Catholic Democrats—living in the area of Rutland commonly referred to as "Nebraska," "Happy Valley" or "The Gut"—to wrest power away from the more well-established Republicans. He was mayor from 1949 to 1957 and from 1959 to 1961. Four of the five mayors succeeding Healy have been Irish Catholics.

As mayor, he was never too proud to lend a hand, shoveling out after a big blizzard, for example, or jumping into a ditch to show "the boys" how to do the job right.

Healy was known for his eloquence. When he roared, people listened. His St. Patrick's Day speech, for example, is traditionally played on a local Rutland radio station each March 17.

Fate played a cruel trick on him 10 years ago after a stroke left him mentally alert, yet unable to speak clearly. However, when interviewed about a month ago, he still had his famous wit, somehow making jokes and showing subtlety of humor despite some difficulty with speech.

He came from the old school of Irish politics. He was extremely active in national politics, a good friend of the notorious Boston Mayor James Michael Curley, and friends also with former Democratic presidential candidate Adlai Stevenson and the late President John F. Kennedy.

People loved him because he was real. His eloquence wasn't based on big words, but big feelings. He helped his friends, his neighborhood and his party. But, most of all, he helped his city.

Thus, even when he was caught being a little bit naughty, it seemed to add to his popularity, rather than harm him.

Rutland was a railroad town when Healy was a young man. His father was a locomotive maker and Healy worked on the railroad in his youth.

He was president of the local Railway Carmen Union until, unhappy with the settlement of a strike in 1922, he left the railroad rather than accept what he considered an untenable agreement.

He ran a store on Forest Street and, later, was owner and operator of Dan Healy Insurance Agency and Dan Healy Real Estate Agency.

In his first election, Healy defeated the late Wayne N. Temple by 920 votes. He was re-elected easily two years later, polling more votes than his two opponents combined. He was also a longtime city representative to the Legislature, and for a time filled the offices of both representative and mayor.

Healy was responsible for the reconstruction of the West, State and Crescent Street bridges over the East Creek and numerous road improvements after the 1947 flood ravaged the city, doing particular damage in "The Gut."

He was also responsible for the expansion of the city's recreation program, acquisition of additional parking space in the business section, improvement of the Rutland airport and street lighting, planting of shade trees throughout the city and attempts to protect the city drinking water supply.

When Healy's longtime opponent, then alderman Francis Waterman, ran against him in 1957, Healy barely campaigned, thinking he could win on "the record of his administration." Waterman ran against him attacking the $436,000 deficit incurred from 1949 to 1956—mostly bonds for bridge and street repairs—and charging that the Healy administration was run by and for the benefit of his political and business cronies.

The night Healy lost the election "was the only time I ever saw him cry," said a longtime political and personal friend.

He came back with a roar, winning the next election overwhelmingly.

One of his most controversial moments brought him more popularity than criticism. In 1959, he and former Mayor James E. Fitzpatrick of Burlington flew to Panama City, Fla., to inspect an Air Force base. National media focused on their trip when they left early, publicly claiming they were "disgusted" with the Air Force and terming the trip a useless junket.

The Air Force retorted with accusations that the mayors had been drinking and acting boisterously with bathing beauties on the plane to Florida. Time magazine carried a rather lurid description of the trip, though Newsweek was sympathetic to the charges levied by the mayors.

At home, the story kept the city buzzing with glee for months.

Healy finished his career in a lifetime job as Vermont director of the Federal Housing Administration in Burlington.

In Rutland and across the state, he will be missed. R. Clarke Smith, a prominent city lawyer who was city attorney under Healy for two years, said Monday Healy's election marked the "turning point of Irish Catholic Democrats in Rutland."

Smith, a Republican, supported Healy because he believed partisan politics wasn't necessarily appropriate for Rutland, but mostly because "I admired his political acumen."

"He was a good politician and a good mayor," Smith said.

J. Walter Herlihy, a general manager of General Electric for years and a close friend of Healy's, "always regarded him as a guy who was typecast as mayor. He was a great public speaker and administrator. I always thought he was tops."

Former Gov. Deane C. Davis worked with Healy in 1957 on the so-called Little Hoover Commission, which was assigned the job of assessing Vermont state government, and ultimately recommended establishing various state "super" agencies.

"I just came to admire and love him, really. He had such a powerful personality," Davis said. He spoke of occasions when, after a long meeting and some "evening entertainment," Healy would introduce his own brand of entertainment. Healy knew a trick whereby, with just a few fingers of either hand, he could lift a person—chair and all—several inches into the air.

"How did he do it? You tell me. It was one of those tricks known among magicians," Davis said.

On a more serious note, he said, Healy "was one of the greatest friends I ever had. I admired not only his ability, but his personality. He was an outgoing individual who loved people and made them love him."

William Ryan, a former Democratic National Committee member and state Democratic Committee chairman who knew Healy for nearly 50 years, said, "He had a talent for politics and a great deal of vision and force. At times we had great differences, but we got over them. He had a real heart."

Of Healy, Rep. Alexander "Bud" Keefe, D-Rutland, said: "He was the greatest guy. Mr. Democrat. If anyone had more fun

living life, I'd like to know. He lost his lifeline, his lovely wife, Ki (Katherine), in 1976, and never got over it. His love was helping the elderly and the poor.

"He was so proud of his neighborhood and his heritage—'Nebraska.' An eloquent speaker. No one could touch him," Keefe added.

Former Rutland Mayor William Foley talked at length about Healy's great oratorical abilities and his love of his family, his wife and his city. "I loved Dan. He was the greatest," Foley said simply.

Maybe the best tribute is words Healy used to describe himself during one election. "Perhaps some will say, 'Well, he loves it.' Well, It's true, I do. I love meeting people, talking to them, doing things for them."

He died early Monday morning at the Berlin Convalescent Center near Montpelier following a short illness. He had been in a coma for the past week, but was not in pain, relatives said.

He was born in Burlington on Oct. 26, 1897, the son of Dennis and Johanna (Murphy) Healy.

He was a member of St. Peter's Church and Rutland Lodge of Elks.

His wife, Katherine E. (O'Loughlin) Healy, died Sept. 15, 1976.

Survivors include a daughter, Mrs. Ann H. Thetford of Montpelier; four sons, Frank C. Healy of San Diego, Calif., Robert D. Healy of Morongo Valley, Calif., Charles E. (Mike) Healy and Joseph M. Healy, both of Montpelier; and 21 grandchildren.

A funeral service will be held on Wednesday at 10 a.m. in St. Peter's Church. Burial will follow in Calvary Cemetery.

Friends may call on Tuesday from 2 to 4 and 7 to 9 p.m. in the Clifford Funeral Home.

Memorial contributions may be made to Mount St. Joseph's Development Fund in care of Mount St. Joseph's Academy.

DAN J. HEALY

Former Mayor Dan. J. Healy became a legend in his own time. His physiognomy was such that the saying about the map of Ireland being written on a person's face might have been devised for his benefit. Local politics in Rutland has always been nominally nonpartisan meaning that candidates for mayor and other offices were not identified by party nor were they nominated by party caucuses. The fact remained, however, that all Rutland mayors up to the election of Mayor Healy, except one, were Republicans.

The exception was Major Arthur W. Perkins who served during the period 1927-34.

Once Dan Healy was elected in 1949, however, Rutland had only one other Republican mayor when Mayor Healy's record-breaking tenure was interrupted by Francis Waterman.

When elected in 1949, Dan Healy came from what in other communities is often referred to as the other side of the tracks but in Rutland was formerly called "Nebraska" or "the Gut," meaning the section of the city west of Rutland Railroad yards.

It was terrain that suffered severely in the flood of 1947 when the East Pittsford dam gave way creating one of the major national disasters of that year according to the American Red Cross. Dan Healy was recognized as the champion of voters in that part of Rutland.

For years he had done fruitless battle with Democratic National Committeeman Frank H. Duffy, long-time friend of President Franklin D. Roosevelt and senior in point of service on the national committee. As long as the president lived, no one succeeded in getting anywhere opposing Frank Duffy.

As Rutland's newly elected mayor in 1949, Dan Healy faced a discouraging Rutland situation. World War II ended with the city facing a staggering backlog of public improvement project delayed by the war as well as the Great Depression of the 1930's. Damage to the city inflicted by the 1974 flood added to the atmosphere of discouragement about the future.

It seemed impossible to obtain a favorable vote on any improvement project whether it was much needed new schools, modernization of the city water system or any other postwar betterment proposal. Only after the mayor stopped feuding with the Herald and a revitalized Chamber of Commerce, and the business community began working with the mayor, did the city shake off its malaise.

The city's reputation for negativism had become so bad that a magazine called "Town Meeting," published in Woodstock, printed an article entitled "What's the Matter with Rutland?"

Once sentiment changed, voters approved a succession of bond issues for Northeast School, Southeast School, Northwest School, a new Junior High, new water system reservoir and offstreet parking lots on Cottage Street and where the railroad passenger station has been located on Merchants Row.

Never before had so many improvement projects been approved and carried out in so short a time in a city that had been noted for conservative financial policies. Voters were told that improvements were essential if the city expected to obtain a large number of new manufacturing jobs that were sorely needed to make up for employment losses on the railroad, in the stoneworking industry and other long-established Rutland firms.

Mayor Healy played a prominent role in the industrial development activity that brought General Electric to Rutland and resulted in construction of a new manufacturing plant for Tampax Incorporated. He could be depended upon to perform effectively whenever a visiting industrial delegation visited the city. A highlight was when he greeted President Eisenhower at the Rutland Airport in 1955.

As a public speaker, he had a talent for eloquence in the oratorical style of an earlier era that carried over to a singing voice and repertoire long familiar to Rutlanders.

A powerfully built man, he had great endurance physically. He was a colorful figure who will be long remembered in City Hall and by others who became acquainted with him during his long career in business and public life.

SECURITY AT OUR MOSCOW EMBASSY

Mr. DIXON. Mr. President, a recent editorial in the Washington Times on security at our Embassy in Moscow caught my eye, so I thought I would share its contents with the Senate.

The Times zeroes in on American hiring practices at our diplomatic missions in the Soviet Union, pointing out that hiring Soviet nationals is an easy invitation to espionage. I could not agree more!

For that reason, I introduced S. 1630 to require the Secretary of State to replace Soviet citizens with Americans at the earliest opportunity, unless certain conditions are met. We must adopt effective measures to increase the security of our diplomatic missions in Eastern Europe.

Mr. President, I ask unanimous consent that S. 1630 and relevant portions of the Washington Times editorial be included in the RECORD following these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Foreign Missions Security Improvement Act of 1985".

SEC. 2. The Secretary of State shall, at the earliest opportunity, replace Soviet nationals who are employed by the United States diplomatic mission or by United States consular posts in the Soviet Union with American citizens unless the Secretary determines and so certifies to the Congress every twelve months from the date of enactment of this Act for each such Soviet national whose employment is continued that—

(1) such Soviet national does not pose a significant threat to the security of the United States;

(2) the employment of such Soviet national is necessary to provide usual and customary services to United States nationals, and the employment of a United States national as a replacement for such Soviet national would reduce to a significant extent the efficiency of operations at a United States diplomatic mission or consular post; or

(3) such Soviet national is employed in an occupation which precludes entry into the facilities of a United States diplomatic mission or consular post in the Soviet Union.

SEC. 3. There are authorized to be appropriated to the Secretary of State for the purpose of carrying out section 2 and for studying and implementing ways to improve security at United States diplomatic missions and consular posts in Eastern European countries $12,000,000 for the fiscal year 1986 and $33,000,000 for the fiscal year 1987.

[From the Washington Times, Sept. 25, 1985]

WHO DOES THE DUSTING?

With American diplomats walking around Moscow inside clouds of spy dust, perhaps the time has come to say a word for a bill introduced by Rep. Jim Courter, with 32 cosponsors, to eliminate the curious practice of hiring Soviet citizens to work inside our embassy in Moscow.

Mr. Courter's bill was attached to the House's 1986 State Department authorization, but then the House-Senate conference committee rendered it optional, which reduced it to nothing more than a drop in the suggestion box. As matters now stand, the State Department can do what it was planning to do all along, which was next to nothing. It wants to reduce, not eliminate, the employment of Soviet citizens—i.e., spies—in our Moscow embassy, and even then to dawdle until 1988—which would mean three more years of unencumbered spying, for the love of Pete.

Given the sophistication of modern espionage, hiring Soviet nationals for jobs that bring them into daily contact with our embassy typewriters, trash baskets, telex machines, etc.—not to mention our diplomats—amounts to sheer lunacy. At their embassy in Washington, by way of contrast the Soviets are so circumspect that an American visitor is lucky to get as far as the vestibule. Every employee of the embassy, down to the humblest cleaning lady, is a Soviet national who has been thoroughly screened.

ARMS TO JORDAN

Mr. LEAHY. Mr. President, it has been reported that in a matter of days, the President will submit a massive request for the sale of sophisticated arms to Jordan. Such a request at this time would fail to enhance the prospects of peace in the Middle East and would endanger the security of Israel. It would further ignore the repeated position voiced by a decisive majority of the Senate in opposition to the sale of sophisticated weapons to Jordan, until King Hussein has entered into direct negotiations with Israel.

On June 4, 1985, I joined Senators KENNEDY, HEINZ, and 70 of our colleagues in the introduction of Senate Resolution 177. Our resolution made it clear that the United States, rather than selling arms to Jordan, a state which rejected the Camp David accords and has consistently purchased arms from the Soviet Union, should focus its efforts on bringing Jordan into direct negotiations with Israel.

The message of our resolution is simple. What we need now in the Middle East is lasting peace, not a new escalation in the arms race and an increased military threat to Israel.

The Congress further reaffirmed that the intent of our resolution in passing the conference report accompanying the International Security and Development Cooperation Act of 1985.

Section 130 of the report specifically states that:

No notification may be made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of U.S. advanced aircraft, new air defense systems or other new advanced military weapons systems unless Jordan is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolution 242 and 338.

Sadly Mr. President, King Hussein has taken no action which would justify rewarding him with sophisticated U.S. military equipment. Yet the administration remains committed to taking such unwarranted action.

We remember all too well that Jordan's King Hussein and the West Bank leaders of the Palestinian people committed an historic blunder when they failed to enter the Camp David peace process in 1979. Never in the agonized history of the Middle East was true peace so close as in the months after the Israeli-Egypt Peace Treaty and the Camp David accords relating to the future of the West Bank and Gaza. Israel offered the hand of negotiation to Jordan in ending their decades long enmity. Israel's leaders courageously stated their readiness to seek a just solution to the legitimate rights of the Palestinian people.

It was a tragedy when through lack of courage and will to advance the cause of peace, King Hussein and West Bank leaders allowed themselves to be frightened away from this one real hope which had been offered to the Palestinian people. Instead, the PLO turned toward confrontation in Lebanon and King Hussein retreated into opposition to the peace treaty and the entire Camp David process.

Today, Mr. President, we are told of some sort of an arrangement between Yassir Arafat and King Hussein for a Jordanian-Palestinian delegation to enter into peace negotiations. But negotiations with whom? With Israel, the most directly interested party? No, with the United States, the nation with the F-20's, F-16's, Sidewinders, Stingers, and mobile I-Hawk batteries that the Jordanian Armed Forces so dearly want.

The fact is, King Hussein has entered into a partnership with a man who remains dedicated to the destruction of the State of Israel, and who at every opportunity has denied the validity of the basic principles of U.N. Security Council Resolutions 242 and 338. The reality is that Yassir Arafat will never allow King Hussein to enter into direct negotiations with Israel. The administration understands this, but continues to perpetuate the myth that Hussein has taken steps to significantly aid the cause of peace.

Mr. President, the United States must not continue to reward Jordan for holding aloof from its fundamental responsibility for creating the conditions for peace in the Middle East. To allow this latest sale of sophisticated, vastly expensive aircraft and missiles to Jordan without any serious movement by King Hussein to the negotiating table simply must not be allowed.

There should be no misunderstanding among the Arab parties to the Middle East conflict about the U.S. position. The United States has a fundamental interest in the security of Israel and its survival as a democratic state. The United States must be guided in its actions by this unwavering interest. The Saudis, Jordanians, Iraqis, and the others must understand that all the oil in the world, all the flirting with the Soviets, all the anti-Western Islamic fundamentalism is not going to change that commitment.

Mr. President, I call on President Reagan to reconsider. Let him refrain from sending up this arms sales request. Let him instead seek Congress' support for a strong stand for peace in the Middle East. That, he will have. Support for arms sales to Israel's enemies who refuse to talk directly to Israel he will not have.

SPECIAL CHILDREN ARE PRIVILEGED

Mr. JOHNSTON. Mr. President, today I would like to take this opportunity to pay tribute to one of my constituents who has received a Presidential Citation for his outstanding work with the physical and mentally handicapped of the New Orleans metropolitan area.

He is Al Andry, the founder and executive president of the Special Children Are Privileged Program [SCAP]. Recently, I had the honor of presenting to Mr. Andry a specially designed "C Flag" symbolizing the theme of the citation program "We Can" and "We Care."

I am very proud of Al Andry and the many volunteers who have made SCAP a success—the dedication and love they have invested in these very special constituents of our State is truly commendable and deserving of this honor.

Mr. President, I ask unanimous consent that an article from the New Orleans Times Picayune be inserted in the RECORD following my statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCAP TREATS ALL CHILDREN LIKE ROYALTY

(By Ed Fricke)

"Just give me 15 minutes to go to your organization and talk about these kids or give us just 15 minutes of your life to come with us and see what we are doing and I can sell you on helping us—believe me," said Al Andry, executive director of SCAP, the acronym for Special Children are Privileged.

"It's a real life situation you won't ever forget."

He is willing to talk to anyone who is willing to listen or to take an hour or two off in the mornings to see SCAP at work.

SCAP is an all-volunteer group headquartered in Metairie that works all over the metropolitan area. SCAP attempts to make life a little more fulfilling "for these special kids," Andry says, then adds hesitatingly, "for these kids who have don't have much of a chance." He simply couldn't muster up enough emotion to say much of a chance to live, at least live normal lives.

Andry, himself handicapped at 52 and retired after 30-plus years of service at American Can, is devoting his life to these special youngsters. So is his wife, Elaine, who is secretary of the group.

And so are people like Ed Tweedy of American Legion Post No. 396. Tweedy, his post and nearly 100 volunteers are involved in this special program which recently lost $10,000 of state funding.

Andry, who has had 20 operations in the past 12 years, works a lot with the Lakeside Lions, who recently gave the group a new van.

"But we don't have enough organizations willing to help us," says Tweedy. "Every time you look around there is a telethon or something for various organizations. That's all well and good and I'm glad for them. But what happens after—after these children are in wheelchairs or in braces or just out of the hospital?

"They don't have anything," Tweedy continues. "That's when we try to do our part. We take them, Al Andry, my wife and the very special people we have in SCAP—and we do help them as much as we can," he said with a great deal of emotion.

Andry formed SCAP with the help of Mervin Pinel, no longer with the group. "I've been with SCAP now for nine years and I want this known: the basic purpose of our group is to make special children happy.

"And I am talking about special children from 3 to 60, primarily in Jefferson, but also in New Orleans.

"We don't walk away from any child no matter where he lives. They come from everywhere, believe me," he said.

Andry said with pride that "we are the official children of the New Orleans Breakers and we have been on nationally TV at some of their games.

"This permits us to bring around 100 children and chaperons to every home game. We have all kinds of special children in SCAP—mongoloid youngsters, those with muscular dystrophy, cerebral children, crippled children and those with cancer. We help all we can," he said.

Anders was honored as being the first person in Jefferson Parish to receive the Jefferson Award. That was in 1981. Last year he was nominated again, but could not accept it because of his initial award.

"If you want to visit and see the work we do, take time out some morning when you're feeling sorry for yourself and visit with us at Rudolph Matas school out here. And when you see these little 3- and 4-year-olds that are in wheelchairs or have to be carried into the school you won't feel so bad off anymore, I can assure you," he said.

Some of these kids will never walk; some have other problems that are worse than that.

"There are about 160 special kids at Matas and the nuns need all the help; they can get. We try to make life a little more enjoyable for these youngsters. They want love and that's why we're over there every morning," he said.

A lot of children in special schools don't go home for the holidays. "We try to bring a little joy into their lives each year by bringing them gifts, toys, candy and other treats. I have been playing Santa every year at Magnolia and it's really something for me," he said.

Percy Julian school in Marrero is another school close to Andy's heart.

"Many of our children go home after school, then just sit in a corner, stay in their wheelchair or just do what they can in braces.

"That's when we come in—we try to get them out to see things. So far we have been successful in getting these special kids to the Breakers' games, to the former Elmwood Amusement Park, and to places like the Landmark Hotel to see the fights there. Hindwall Wall of Tulane is also good to us with tickets to the Tulane games.

"I wish they had a nice amusement park in the area. Elmwood is gone, but I remember that before it was we took over a 1,000 children there over two nights. It was wonderful.

"Recently we took over 2,000 kids to a pizza/show parlor and they had a great time. Then we took 486 children, plus 28 chaperons, to the Saenger to see the Barnum.

"But we don't have enough of this, nor enough money or enough volunteers," he said pointedly.

SCAP is trying to raise funds now a camp for these youngsters.

Andry has another project on target too in Kenner. "We are in the process of dedicating the only wheelchair park there is in Louisiana. It's on Baron Street, off Chateau and W. Espanade—called Miguez Park for Tommy Miguez who used to work for us and died at the age of 52.

"This will be a fine park for these special kids because the equipment there is for them—like special obstance courses, swings and about a quarter mile track," he said.

"We're nine years old and just getting started. If we only had more money, more backing from companies and corporations and more volunteers, well then we could do so much more," he said—almost with tears in his eyes.

Al Andry is dedicated, to say the least.

CRITICAL ROLE OF LOCAL GOVERNMENTS IN NATURAL RESOURCE CONSERVATION

Mr. JOHNSTON. Mr. President, those of us who serve in Congress deal with a variety of issues affecting development and preservation of our Nation's natural resources. As we do so we must keep in mind the fact that State and local governments have an important role to play. In fact, local land use issues are frequently the most significant factors influencing the daily lives of our citizens.

A great deal of innovative work on land and resource management problems is being done by local governments. One such program has just been started by the Fairfax County, VA, Park Authority. Called the Making of the Fairfax County Landscape, it is intended to "Foster greater citizen awareness of the processes responsible for landscape transformation and to provide an informed basis for environmental decisionmaking." In effect it is seeking to develop a land ethic.

The keynote speaker at the September 21 inauguration for the program was Mike Harvey, chief counsel for the minority, of the Energy and Natural Resources Committee. Mike served as chairman and member of the park authority in the 1970's and is a nationally recognized authority on land use and management policy. His remarks provide a cogent analysis of the problems and opportunities in land use decisionmaking. Among other things, Mike points out: "The frequently fierce debate over the choice between development and preservation ignores the central issue—our survival does not depend simply on preservation or development—it depends on both."

I commend his speech to all Senators and others interested in land use questions and ask unanimous consent that it be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE MAKING OF THE FAIRFAX COUNTY LANDSCAPE

(Remarks of Mike Harvey)

I am delighted to be here in these familiar surroundings with so many old friends and colleagues. I am honored to be asked to say a few words about the need for the new program you are about to begin. I must confess that I am sorely tempted to reminisce about events in the past that I am proud to have been a part of.

But my assignment today is to help explain why the Park Authority's exciting and innovative community program "The Making of the Fairfax County Landscape" is important, indeed vital, to the future well-being of the people of Fairfax County.

The program is intended to "foster greater citizen awareness of the processes responsible for landscape transformation and to provide an informed basis for environmental decision making." In effect it is seeking to develop a land ethic.

As Aldo Leopold put it, "We abuse land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use to with love and respect. There is no other way for land to survive the impact of mechanized man."

An annoymous 16th Century Englishman described the problem even more pungently:

"The law locks up both man and woman
Who steals the goose from off the common
But lets the greater felon loose
Who steals the common from the goose."

The history of America is, more than that of most nations, the history of man confronted by nature. Our story has been peculiarly the story of man and the land, man and the forests, man and the plains, man and water, man and resources. It has been the story of a rich and varied natural heritage shaping American institutions and American values; and it has been equally the story of Americans seizing, using, squandering and, belatedly, protecting and developing that heritage.

From the beginning, Americans had a lively awareness of the land and the wilderness. The Jeffersonian faith in the independent farmer laid the foundation for American democracy; and the ever-beckoning, ever-receding frontier left an indelible imprint on American society and the American character.

Yet, at the same time that Americans saluted the noble bounty of nature, they also abused and abandoned it. For the first century after independence, we regarded the natural environment as indestructible—and proceeded vigorously to destroy it. Not till the late 19th Century did we begin to understand that our resources were not inexhaustible. Only in the 20th century have we acted in a systematic way to defend and enrich our natural heritage.

The modern American record in conservation has been outstanding. It has inspired comparable efforts all around the earth. But it came just in time in our own land. And the race between education and erosion, between wisdom and waste, has not run its course. George Perkins Marsh pointed out a century ago that greed and shortsightedness were the natural enemies of a prudent resources policy. Each generation

must deal anew with the "raiders," with the scramble to use public resources for private profit, and with the tendency to prefer short-run profits to long-run necessities. The nation's battle to preserve the common estate is far from won.

New times give this battle new form. On the one hand, science has opened up great new sources of energy and great new means of control. On the other hand, new technical processes and devices litter the countryside with waste and refuse, contaminate water and air, imperil wildlife and man and endanger the balance of nature itself. Our economic standard of living rises, but our environmental standard of living—our access to nature and respect for it—deteriorates. And the long-run effect will be not only to degrade the quality of the national life but to weaken the foundations of national power.

We must do in our own day what Theodore Roosevelt did 80 years ago and Franklin Roosevelt 50 years ago: we must expand the concept of conservation to meet the problems of the new age. We must develop new instruments of planning and protection in order to recover the relationship between man and nature and to make sure that the national estate we pass on to our descendants is green and flourishing.

My dictionary defines "landscape" as "the aspect of the land characteristic of a particular region." I have been observing the landscape of Fairfax County since I moved here in the late 1950's. It has changed.

During all that time and on into the future, land use questions and decisions have been and will be the most significant factors influencing the lives of the people who live here. While public attention to environmental issues most often is focused at the national level, the fact remains that the character of the American landscape is largely determined at the local government level. While the federal government manages areas like Great Falls Park and the Mason's Neck Wildlife Refuge, and State and regional agencies protect other open space areas, most of the decisions that have the greatest impact on the daily lives of the individual citizen are taken at the local government level.

The growth of our cities, the development of our industries, the expansion of our transportation systems—all manifestations of our vigorous and expanding society—preempt irreplaceable lands of natural beauty and unique recreation value. All too slowly we have come to realize that in addition to the enhancement of spiritual, cultural, and physical values resulting from the preservation of these resources, expenditures for their preservation are a sound financial investment.

Beyond all plans and programs, true conservation is ultimately something of the mind—an ideal of men and women who cherish their past and believe in their future. Most Americans find it difficult to conceive a land ethic for tomorrow. Our sense of stewardship is uncertain partly because many of us lack roots in the soil and the respect for resources that goes with such roots. Our growing dependence on machines has tended to mechanize our response to the world around us and has blunted our appreciation of their higher values. We are now a nomadic people, and our new-found mobility has deprived us of a sense of belonging to a particular place.

Modern life is confused by the growing imbalanace between the works of man and the works of nature. Technology has obliterated old boundaries, and our lives overlap and impinge in myriad ways. Thousands of people who affect the way we live will always remain strangers. An aircraft overhead or an act of air or water pollution miles away can impair an environment that thousands must share.

We can have abundance and an unspoiled environment if we are willing to pay the price. We must develop a land conscience that will inspire those daily acts of stewardship which will make America a more pleasant and more productive land. If enough people care enough about their land to join in the fight for a balanced conservation program, this generation can proudly put its signature on the land. Rather than dedicate the "Making of the Fairfax County Landscape" Program, we should launch it. Then, to make sure that it continues to sail on course, we should dedicate ourselves to the work required to make that happen.

In doing the work we should keep in mind three simple facts:

(1) we do not inherit the land from our parents, we borrow it from our children;

(2) the private marketplace, for all its virtues, is not equipped to deal with long-term, virtually unquantifiable issues like protecting watersheads and preserving wild lands; and

(3) the frequently fierce debate over the choice between development and preservation ignores the central issue—our survival does not depend simply on preservation or development—it depends on both.

Next we must assign responsibility for establishing policy, identifying problems and opportunities, listening to the views of all concerned and acting to implement decisions.

In Fairfax County, the ultimate responsibility of course, lies with the Board of Supervisors and the people, but they both need help. There should be a public agency authorized to set aside and protect public spaces for environmental values, diverse natural habitats, and cultural heritage in order to guarantee that these resources will continue to be available for future generations. It should in effect be the keeper of the County's environmental conscience. That agency is now and should continue to be the Park Authority.

I am keenly aware of the pressures to stress operation and maintenance of park and recreation facilities. These, combined with tight fiscal constraints, often lead to reduction in land acquisition. Nevertheless, I believe that an informed public will recognize that acquisition opportunities foregone today are frequently lost forever and that economic development and a quality environment depend on one another. A quality environment, including a good park and open space system, helps attract new people and businesses and the new economic activity helps pay for new lands.

Establishing and implementing the land ethic will be hard work, often frustrating, sometimes infuriating, but ultimately immensely rewarding. Almost exactly 22 years ago today, John F. Kennedy, one of our nation's great conservationist Presidents, set out a vision of the future that could serve as the goal for the program we launch today. He said,

"I look forward to an America which will not be afraid of grace and beauty, which will protect the beauty of our natural environment, which will preserve the great old American houses and squares and parks of our national past, and which will build handsome and balanced cities for our future. * * * And I look forward to an America which commands respect throughout the world not only for its strength but for its civilization as well."

Fairfax County, under the leadership of the Board of Supervisors and the Park Authority, can help move the nation toward that noble goal. I wish you good luck and Godspeed in the work ahead.

THE TRIO PROGRAMS

Mr. PELL. Mr. President, on Thursday, September 19, 1985, the Subcommittee on Education, Arts and Humanities held one of several hearings concerning reauthorization of the Higher Education Act of 1965. Because our distinguished chairman, Senator STAFFORD, was serving as floor manager of the "Superfund" legislation, I had the privilege of chairing our hearings in the afternoon. I was pleased to hear testimony on behalf of the TRIO programs and the National Council of Educational Opportunity Associations [NCEOA].

The TRIO programs, a composite of five initiatives to encourage disadvantaged students to complete their high school education, enter and graduate from college, has been extremely successful, as our witnesses on Thursday afternoon told us based on their own experiences. Not only do TRIO programs counsel and tutor college-capable young people, but TRIO provides those unquantifiable cultural and social experiences which enrich the lives of these students and open new vistas for them—a tangible look, at what they may never have dreamed.

The subcommittee's witnesses have gone far beyond the dream of a college education with the help and support of TRIO programs. They have excelled in extremely competitive environments—first, Captain Aaron Hayes, a graduate of West Point, second, Barry Cosgrove, who is in his second gradute school program, and the third, Barbara Ann Harmon-Schamberger, a Rhodes Scholar who grew up in a home without electricity or running water in a depressed area of West Virginia.

I applaud these young people for their hard work and their achievements. They are where they are today, in large part, because of their intelligence and tenacity and also because of the time and commitment of professionals in the TRIO programs.

Those students are also where they are today because of the work of talented and dedicated public servants. I count high among that number my distinguished colleague from Illinois, Senator PAUL SIMON. As chairman of the House Postsecondary Education Subcommittee, PAUL SIMON worked hard on behalf of these and all programs which extend the opportunity of a college education to students who otherwise would be turned away. We

in the Senate are fortunate that PAUL SIMON is now among our ranks, and that we will continue to benefit from his work on education through his service on the Senate Subcommittee on Education, Arts, and Humanities. Earlier this week Senator SIMON addressed the National Council of Educational Opportunity Associations on this, the 20th anniversary of TRIO. His remarks deserve the very careful consideration by all who serve in the Senate, and I would ask, therefore, unanimous consent to include the text of his address in the RECORD.

There being no objection the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR PAUL SIMON, NATIONAL COUNCIL OF EDUCATIONAL OPPORTUNITY ASSOCIATIONS

I am delighted to join you in celebration of the twentieth anniversary of the TRIO program. As we are all aware, TRIO did not emerge in a complete legislative package in 1965. Upward Bound was authorized in 1964 in the Economic Opportunity Act; Talent Search was part of the original Higher Education Act of 1965; Special Services for the Disadvantaged became part of TRIO in 1970; Educational Opportunity Centers were added in 1974; and a small portion of funds were set aside in 1978 for staff training.

We can focus on 1965 as the most significant date for TRIO because it was in the Higher Education Act of 1965 that the federal government made a clear commitment to support programs for college capable disadvantaged youth. The Act authorizes compensatory educational services and supplemental educational opportunities, as well as, the counseling and support which TRIO provides first generation college students in order to give them a fair chance at a college education—one of the surest ways to escape the poverty cycle, and an effective instrument to meet our Nation's promise of equal opportunity.

TRIO programs have grown and matured in the last two decades, but not without overcoming obstacles and changing philosophies of different Administrations and Congresses. You have strong and loyal supporters in both the House and Senate, and have been excellent advocates for yourselves. TRIO students and graduates themselves show the successes of your programs. Organization and advocacy, regional associations and, since 1981, the efforts of the National Council of Educational Opportunity Associations (NCEOA) have literally paid off—but the programs you advocate speak eloquently for themselves.

In 1972, landmark legislation was passed by Congress which established among other programs the Basic Educational Opportunity Grant, now known as the Pell Grant in honor of their legislative patron, my friend and distinguished colleague Senator Claiborne Pell (D-RI). This action was a strong acknowledgement that college opportunities should not be denied able and interested students because of their family incomes. Pell Grants acknowledge that the children of poor and low income families should be given access to a higher education. We are a stronger nation if we are an educated nation. And, equally important, we keep faith with the dreams of our founding fathers when we allow those dreams to come true.

But with the advent of the Pell Grant, an implicit question arose about compensatory and supplemental programs for the same target population. With tuition funds available through Pell Grants, where did TRIO programs fit into the federal responsibility to provide access for lower income students seeking a college education? While we, here, are aware that the question does not reflect the realities of many poor and disadvantaged students, it is a question asked and one which legitimately deserves an answer. The core of my remarks today will deal with this issue, celebrating not only your two decades of efforts and successes, but establishing the unquestionable need for TRIO programs as one part of a total and many faceted federal commitment to those capable young people most in need of support to enter and complete higher education and to those capable young people upon whom we will depend for our very future as a free and healthy nation.

The ability to pay for a college education does not magically solve the problem of attending and graduating from college. This is especially true for young people whose family background does not include higher education, whose financial status and restricted opportunities have made it difficult to learn about college, and whose educational experiences prior to reaching college age did not provide the compensation for poverty, social disadvantages and narrowed horizons. These horizons may be limited to the skyline of an urban ghetto or a subsistence farm.

I think opportunities provided by Pell Grants and other programs are great. I know they are part of the packages TRIO counselors use to inform and encourage students to remain in high school, to graduate and to enter college. Pell Grants are just one of the means used by TRIO programs to assure first generation college-bound students that higher education is within reach, financially. But there is more to success in college than finances—important as they are. That more, that very much more, comes from the dedicated staffs of TRIO programs and the services TRIO programs offer.

Compensatory education is not questioned in programs such as Chapter I federal aid for elementary and secondary students. Compensatory education—a very imprecise description of TRIO programs—should be equally immune from question. When 20% of all minority students in higher education have received the help of one or more TRIO programs, they are clearly necessary. When thousands of college-capable young people from backgrounds and geographic areas and families do not have information and motivation, when they have not stepped through the gates of a college or university to see what such an institution looks like, when college capable young people are unaware that financial aid and counselling support through transition periods are available, there is no hope since they may not know what to hope for. TRIO provides more than hope—although it also provides hope in abundance. TRIO provides solid remediation for the educationally disadvantaged. TRIO provides an opportunity for those out of school to come back and complete high school and enter college. TRIO provides enrichment opportunities so that young people can go beyond their perceived social and economic limits. TRIO educates, informs, counsels, motivates and opens doors which were closed to their parents. TRIO provides access, and the tools to succeed once that access is utilized. Federal and state financial aid for college students is only one part of that program of access. Student aid is an irreplaceable part of access, but it is the TRIO programs that guide and support a young person to and through the giant programs of Pell Grants and GSLs and college catalogues and the hurdle of self-confidence toward achievement.

You are to be commended for your successes. Millions of students served by TRIO are, today, in a world in which they once felt they could not succeed. In 1965, just over 3,000 students participated in the first Upward Bound summer programs. Today, close to half a million students are served by EOCs, Special Services, Talent Search and Upward Bound. From a fiscal year 1966 expenditure of $2 million, the fiscal year 1985 budget shows a growth to $175 million. The eligible population is still underserved and if we look at the authorized levels for TRIO back as far as 1976, we see that Congress, under the leadership of such TRIO friends as Representatives Shirley Chisholm and Louis Stokes, authorized a level of $200 million. Ten years later we are still not at that level. But we must also look at the real budget crises of the last five years and see that, in spite of them, there is continued strong support in Congress for TRIO programs is an acknowlegement of the value and successes you have experienced since 1965. There have been hurdles; there have been disappointments and there has been a need to create an advocacy organization ably headed by Arnold Mitchem. There are many members of the TRIO family for whom we owe our thanks for their work, their tenacity, their advocacy and their vision. I would like to thank them all now.

If we believe in opportunity, as I expect we all do with our minds, through our professions, and with our hearts, TRIO is an irreplaceable part of assuring that opportunity. I wish we could do away with the social and economic factors which make TRIO a much needed program. The greatest success of programs which include TRIO would be outliving their own usefulness. But I do not think this will happen.

TRIO programs currently serve less than 10 percent of the eligible population. Demographic projections show us that the pool of college-aged students over the next 15 years will include increasingly large proportions of minority and low income individuals. The need for TRIO programs is likely to grow over the next two decades which recent studies point to in critical and acute ways.

We not only face the challenges of providing support for college capable young people to finish high school and begin a college career, but we need to ensure that those young people have the best chances we can give them to graduate into careers that will serve our country and fulfill their dreams. We applaud existing compensatory programs within TRIO, but we must also look at new and difficult transitions for disadvantaged students. Perhaps the most challenging over the next two decades will be the articulation of two- and four-year institutions. With over 40 percent of all college freshmen attending two year schools, and a disproportionate number of minority and disadvantaged students in junior and community colleges, a critical constituency to serve will be these students, who may need assistance to enroll in a four-year institution. Much of the responsibility rests with the higher education community and cooperative efforts among different institutions.

But student support through the transition period from a two- to a four-year postsecondary institution represents a new and vital point of intercession for the disadvantaged student. The TRIO program concepts can continue and expand by adding this transition period as a priority for existing Special Services programs and new initiatives.

I can see progress, and I see you as central to that progress. We are here to celebrate an anniversary and the millions of disadvantaged students who are part of our nation's social and economic mainstream because of the help of TRIO programs. We are here to celebrate the vision of those who created TRIO and those who make that vision a reality. And I am here to thank you and pledge that I will continue to do what I can in the Senate, as I did in the House, to assure the continuation of TRIO programs until we reach our mutual goal of equal educational opportunity and access for all of our young people.

Special Programs for Disadvantaged Students (TRIO)

PROGRAM OBJECTIVES

The overall purpose of the Special Programs for Students from Disadvantaged Backgrounds (TRIO) is "to identify qualified individuals from disadvantaged backgrounds, to prepare them for a program of postsecondary education, to provide special services for such students who are pursuing programs of postsecondary education, and to train persons serving or preparing for service in programs and projects so designed." TRIO programs currently consist of five (5) programs:

Upward Bound—to improve the academic performance and increase the motivational levels of eligible participants in order to increase the probability that they complete secondary school and enter and successfully pursue postsecondary educational programs.

Special Services—to provide supportive services to disadvantaged and handicapped participants to enhance their skills and increase their retention and graduation rates, and, as appropriate, facilitate their entrance into graduate and professional programs.

Talent Search—to identify qualified youth with potential and encourage them to continue in and graduate from secondary schools and to enroll in and complete postsecondary educational programs.

Educational Opportunity Centers—to provide to eligible participants financial and academic assistance concerning available opportunities for postsecondary education. These centers assist participants in applying for admission to institutions of postsecondary education and in applying for student financial aid; they may also provide tutorial and counseling services.

Training Program—to provide activities and services that improve the skills of staff and leadership personnel who are employed or are preparing for employment in projects under the Special Programs for Students from Disadvantaged Backgrounds.

SPECIAL PROGRAMS FOR DISADVANTAGED STUDENTS (TRIO)

Eligible Applicants

Upward Bound	Institutions of higher education. Public and private agencies and organizations.
Special Services	Secondary schools, in exceptional cases. Institutions of higher education.
Talent Search	Institutions of higher education. Public and private agencies and organizations. Secondary schools, in exceptional cases.
Educational Opportunity Centers	Institutions of higher education. Public and private agencies and organizations. Secondary schools, in exceptional cases.
Training	Institutions of higher education. Public and nonprofit private agencies and organizations.

SPECIAL PROGRAMS FOR DISADVANTAGED STUDENTS (TRIO)—Continued

Eligible Applicants

TRIO FUNDING

[In millions]

Fiscal year	Educational Opportunity Centers	Special Services	Talent Search	Upward Bound	Staff Training	Total TRIO
1966			2.0			2.0
1967			2.5			2.5
1968			4.0			4.0
1969			4.0	[1] 29.8		33.8
1970		10.0	5.0	[1] 29.6		44.6
1971		15.0	5.0	30.0		50.0
1972		15.0	5.0	31.0		51.0
1973		23.0	6.0	38.3		67.3
1974	3.0	23.0	6.0	38.3		70.3
1975	3.0	23.0	6.0	38.3		70.3
1976	3.0	23.0	6.0	38.3		70.3
1977	4.0	30.0	8.9	41.5		85.0
1978	5.2	45.2	12.5	50.0	2.0	115.0
1979	6.3	55.0	15.3	61.0	2.4	140.0
1980	7.7	60.0	15.3	62.5	2.0	147.5
1981	8.0	63.9	17.1	66.5	1.0	156.5
1982	7.8	60.7	17.1	63.7	.9	150.2
1983	7.8	60.7	17.1	68.2	.9	154.7
1984	8.1	67.0	17.8	70.9	.9	164.7
1985	9.3	70.3	20.3	74.0	1.0	174.9

[1] Separate Appropriation under Economic Opportunity Act.

NUMBER OF STUDENTS SERVED IN TRIO PROGRAMS

Fiscal year	Educational Opportunity Centers	Special Services	Talent Search	Upward Bound	Total
1965				3,261	3,261
1966			50,000	20,333	70,333
1967			62,500	23,507	86,007
1968			97,500	26,639	124,139
1969			100,000	25,743	125,743
1970		30,000	125,000	27,346	182,346
1971		49,921	126,652	28,142	204,715
1972		63,112	125,243	33,809	222,164
1973		73,951	109,025	51,755	234,731
1974	32,239	86,400	110,975	48,603	278,217
1975	37,169	89,753	122,810	46,181	295,913
1976	50,065	93,452	110,982	47,517	312,017
1977	58,666	123,092	146,565	38,887	367,210
1978	69,159	147,648	169,022	38,843	424,672
1979	107,649	165,222	198,817	35,391	507,179
1980	117,100	172,071	202,033	37,210	528,414
1981	127,198	181,368	202,611	37,680	548,857
1982	112,509	166,037	195,176	46,248	519,970
1983 [1]	102,836	141,585	185,560	33,133	464,114
1984 [1]	102,836	141,585	185,560	33,133	464,114
1985 [1]	102,836	141,585	185,560	33,133	464,114

[1] Estimated.

CELEBRATING THE ARTS IS NOT ENOUGH FOR OUR PERFORMING ARTISTS

Mr. PELL. Mr. President, this week we are celebrating the arts in the United States and we are celebrating the 20th anniversary of the National Endowment. However, many artists throughout the United States are not celebrating because legislation that could help them has not been considered by the Senate.

The legislation I am referring to is the performing arts amendment. Earlier in this session, I introduced the performing arts amendments. I believe that this bill, if passed, would benefit directly a great many of the performing artists in this country.

Over a decade ago, performing artists, specifically musicians, were told by the National Labor Relations Board that they could not enter into agreements with their employers to establish their wages and working environment and conditions. Thus, these performing artists were informed by the Board that they were independent contractors—individuals who have control over the means and production of their work.

Mr. President, I believe this decision is wrong. And, performing artists, especially performing musicians, have been working a great many years to get the Congress to address their concerns.

It is clear that performing artists, throughout this country, do not have control over their working conditions. In many cases, performing artists work or do not work at the whim of a hotel manager, a lounge owner, a bar owner or a booking agent or an orchestra leader who contracts with a manager or an owner.

Once again, the legal interpretations of an agency, in this case, the National Labor Relations Board, has had a debilitating effect on the work lives of many musicians and other performing artists. Contrary to the decisions of the National Labor Relations Board, musicians and other performing artists work in a world dominated by forces beyond an artist's control.

A performance is given to satisfy the owner or management of a hotel, a lounge, a club, a bar or a theater. Whether that performance will continue is determined by the owners of the establishment and its patrons. Performing artists have little to say about their destiny as artists or about the continuation of their performances.

My bill, the performing arts amendments, is a small step toward giving artists some control of their working conditions. The performing arts amendment would allow performing artists to chose representatives who would be responsible for negotiating the terms and conditions of a performing artists' work environment. Those elected representatives would work for the benefit of the artist and would work to produce the best working conditions for that artist or group of artist.

Currently, my bill, S. 670 has 14 cosponsors. It has support from both sides of the aisle. I, along with the cosponsors of this bill, believe that per-

forming artists should have the same rights as other employees. To deny these rights to performing artists is unfair. During this time of celebration of the arts I would ask my colleagues to consider the serious need to address the difficulties confronting many performing artists.

SELECTION OF MEMBERS OF THE SENATE STAFF INTO "WHO'S WHO IN AMERICA"

Mr. THURMOND. Mr. President, I am pleased to bring to the attention of my colleagues the selection of several officials of the U.S. Senate for inclusion in the current edition of "Who's Who in America." Among the 1985 selectees are our distinguished Senate Chaplain, the Rev. Richard Halverson; Mr. Douglas Hester, legislative counsel of the Senate; and Michael Davidson, legal counsel to the Senate. Each of these outstanding persons has been an active leader in their chosen career, and together they have served the American people and our Government for a number of years.

Reverend Halverson has guided the Senate in spiritual leadership since 1981. Through his inspirational words of prayer at the opening of each Senate session, his leadership of a Senate Bible study group, his guidance to individual Senators and staff, and in numerous other ways, Dr. Halverson has rendered outstanding spiritual service to this institution of our Government and those associated with it.

Mr. Hester, who is the Senate legislative counsel and supervises the operations of that office under the President pro tempore, has worked with the Senate since 1952. Mr. Hester is a native of Alabama and is widely regarded for his skill as a legislative draftsman and as a scholar of statutory law.

Mr. Davidson has served as legal counsel to the Senate since 1979, with prior legal service in the Peace Corps, NAACP, and U.S. Court of Appeals. It is the task of Mr. Davidson and his staff to represent Senators and Senate employees as may be necessary from time to time in various court proceedings growing out of their official actions. In that regard, Mr. Davidson enjoys the reputation of being a skilled attorney and legal advocate.

Mr. President, I would like to take this opportunity to commend these three outstanding men who have distinguished themselves among their peers. I am sure my Senate colleagues join me in expressing our appreciation for the exemplary manner in which each of them has served the Senate and their country.

OLIVER HAMRICK

Mr. THURMOND. Mr. President, I would like to call attention to an editorial in the Gaffney, SC, Ledger, dated August 26, 1985, which salutes businessman and enterpreneur Oliver Hamrick.

In the 1940's, Mr. Hamrick started a small grocery and general merchandise store that, through his unique foresight and dedication to the principles of free enterprise, has grown to become a major business complex.

Although my friend Oliver Hamrick passed away in 1983, his legacy is a thriving and viable company which provides jobs and boosts the economy. It is people such as Oliver Hamrick who teach us that life is more than just the accumulation of material things. His life was a shining example of how hard work and dedication to good, honest business principles can lead to a realization of the American dream. Mr. President, I respectfully ask for unanimous consent to have the following editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OLIVER HAMRICK'S LEGACY NOT IN HIS CONGLOMERATE

Mention to some outsider that you're from Gaffney and he or she will automatically mention one of three things: peaches, football or Hamrick's. For more than two decades Hamrick's has been synonomous with Gaffney. People have come from far and near to look for bargains at Hamrick's, and most of them have left with plenty.

It all began back in the 1940s with a small grocery and general merchandise store operated by Oliver and Edna Hamrick. Somewhere along the line they added cloth and later they took on clothing. Then, one by one, they brought their four sons and three daughters into the business. Today Hamrick's is a conglomerate of retail and wholesale outlets, and printing, finishing and manufacturing plants.

Oliver Hamrick, who died in 1983, believed in giving his customers something for their money. He felt that by keeping his profit margin low the customers would buy in sufficient volume to make up the difference. He was one of the original discounters who drew the ire of other merchants while winning favor with shoppers.

Oliver Hamrick's philosophy has been copied by many. In recent years the competition has become keen, but Hamrick's continues to grow and expand. The company's success has something to do with quality merchandise at bargain prices; however Hamrick's faith in its customers has played a part. Few retail stores have liberal return policies like Hamrick's, nor do they take out-of- town checks like Hamrick's does.

Oliver Hamrick would have been proud last Thursday when Edna and the children broke ground for a $6.5 million complex on a piece of property he bought for that purpose back in 1978. But he would have been proudest of the fact that so many of their friends came to wish them well.

Oliver Hamrick didn't have a lot of education, but he was as astute businessman who had lots of friends, from U.S. senators to common everyday people, because each was just as important as the other.

His legacy lives on, not in the conglomerate that he built, but in his family that carries on in his tradition.

SCHEDULING ACTION ON THE DEBT CEILING

Mr. DOLE. Mr. President, as Members know, the Senate will shortly be required to take action on legislation to raise the public debt ceiling. I thought it might be helpful to my colleagues if I took the time to outline what the Treasury Department expects will happen with the Government's financing operations as we move into October, assuming we do not complete action on the debt ceiling before the end of the current fiscal year.

CURRENT PROGNOSIS

Mr. President, the limit on the public debt presently starts at $1,823.8 billion. The Treasury expects that this current limit on our borrowing authority will be reached on or about Monday, September 30, 1985. As always, the Treasury has some cash on hand that will enable it to meet the Government's obligations for some time beyond September 30. How far that cash can be stretched depends on many factors, including the pace at which revenues come in, the order in which Government obligations fall due, and the degree of discretion the Treasury may have in meeting some of those obligations.

Yesterday, September 25, I received a letter from Treasury Secretary James Baker setting out his latest view on how long that cash balance will last. According to Secretary Baker, the Treasury cash balance will be initially exhausted by October 7, 1985. Accordingly, the Treasury Secretary urges that we raise the debt ceiling "no later than" October 7. I will include the letter from Secretary Baker in the RECORD for the benefit of Members.

Mr. President, let me note that Secretary Baker only discusses the cash balances the Government will have available, and does not go into any other devices the Treasury may have available for managing funds between now and October 15.

PENDING BILL

The Committee on Finance has reported out H.R. 372 which was passed by the House automatically when it approved the conference report on the budget for fiscal year 1986. H.R. 372 would increase the debt limit as of October 1 to $2,078.7 billion. That figure is consistent with administration estimates of the Government's debt financing needs through September 30, 1986.

TRUST FUND INVESTMENTS

Mr. President, delay in raising the debt ceiling is already interfering with regularly scheduled investments of Federal trust funds in Treasury securities. Because we are bumping up against the debt ceiling, the scheduled September 1 investment of Social Se-

curity funds has been done only in part and in a piecemeal fashion. No interest is lost to the trust funds as a result of that delay, however.

In addition, the Treasury expects that the scheduled investment of civil service funds in Government securities on September 30 will be delayed, with the result that the civil service fund will lose some interest due. There will also be some interest lost to the military retirement trust fund because of failure to fully invest $10 billion as scheduled on October 1; and a similar loss to the Federal supplementary medical insurance trust fund which is supposed to invest $1.8 billion in Government securities on October 3. However, we expect that each of these last two trust funds will be partially invested as our money situation permits.

RISK TO GOVERNMENT OBLIGATIONS

Finally, Mr. President, let me remind Members of what happens when the Treasury exhausts its options for managing cash obligations without a debt ceiling increase. As I have indicated, Secretary Baker now expects that "zero hour" will arrive on October 7.

When the Treasury exhausts its cash reserves, all obligations of the U.S. Government are put at risk. That means contractual obligations of the Government may not be met, Federal workers might not be paid on time or in full, and basic benefit payments—including Social Security checks—may have to be delayed or cut back. I think we all want to avoid that, so I hope we will get a debt limit bill to the President in a timely fashion.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, DC, September 25, 1985.

Hon. ROBERT DOLE,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR BOB: I am writing to emphasize the need for final action by the Congress on debt limit legislation no later than October 7.

Current projections indicate that, in order to stay within the present $1,823.8 billion debt ceiling, Treasury's cash balance will be virtually exhausted by October 7, and the situation will deteriorate sharply thereafter. Obviously, changes in these projections, in either direction, can and do occur, but these are the best estimates we have at this time.

Consequently, unless a debt limit is passed by the Congress and signed into law by the President on or before October 7, 1985, the United States of America could be in the position of defaulting on its obligations. As you know, and as Treasury testified on September 10, this would mean that recipients of checks for social security, payroll, unemployment, defense contract and other payments, including principal and interest on Treasury securities, would be unable to cash these checks.

I urge you to pass legislation raising the debt ceiling at the earliest possible date but, based on present projections, no later than October 7, 1985.

I will provide you with updated projections of our cash balances by October 1, but this matter is of such importance that I wanted to alert you at this time of our probable needs.

Sincerely,

JAMES A. BAKER III.

SUPERFUND IMPROVEMENT ACT OF 1985

Mr. GORTON. Mr. President, I want to express my strong support for S. 51, the Superfund Improvement Act of 1985. I commend Senator STAFFORD and members of both the Environment and Public Works Committee and the Finance Committee for their work toward establishing a strengthened Superfund, and I urge my colleagues to vote in favor of this vitally important legislation.

Reauthorization of the Superfund is crucially important to the people in Washington State and throughout the country. The authority of Congress to raise revenues and appropriate funds to support the Superfund will expire on September 30, 1985. Failure to pass a 5-year reauthorization prior to the expiration of the existing taxing provision on September 30 will cause tremendous disruption in EPA's cleanup program. EPA already has implemented a slowdown of the cleanup program, and cleanup work at numerous sites in the State of Washington and nationwide has been slowed or halted. Without an assured source of funds for cleanup activities during the next 5 years, major disruptions and potentially long-lasting damage will occur in the long-term cleanup of toxic waste sites.

Across the State—from Whidbey Island to Spokane—residents have experienced the contamination of land and water due to the improper use and disposal of hazardous materials. There are currently 13 sites in Washington State on the Superfund national priorities list and 13 additional sites in the State have been proposed for the list, including five sites located on Federal property.

In Tacoma, WA, the South Tacoma Channel has been contaminated by chlorinated organic solvents from a number of waste disposal sites. This has caused contamination of the surrounding soil and ground water, and a significant portion of the drinking water supply for over 150,000 people also has been contaminated. Cleanup activities are in the design stage and long-term cleanup action will be delayed if Congress fails to reauthorize the Superfund.

In Spokane County, a 40-acre landfill has contaminated a nearby stream with chlorinated organic solvents and poses a grave threat to a large portion of the county. This area is part of the Spokane aquifer, which is the sole source of drinking water for 350,000 people in the region. A cleanup feasibility study is being completed for this site and if Congress fails to reauthorize the Superfund by September 30, the design and implementation of the cleanup activities could be delayed indefinitely.

These are just two examples of the dangers facing citizens in the State of Washington and these scenarios are being repeated in hundreds of communities across the Nation. There is no question about the need to maintain a strong Superfund. It is the Federal Government's responsibility to ensure that the cleanup of both privately owned sites and those sites located on Federal facilities proceed without delay. It is absolutely unacceptable to continue allowing Americans to risk exposure to toxic wastes. But that is precisely the kind of risk we would be taking by having anything less than the strictest waste cleanup law in effect. We must remove toxic waste from our countryside without unnecessary delay and, to the extent possible, the costs for that removal should be borne by those originally responsible for causing the damage.

S. 51 will not only reauthorize Superfund, but will make changes in the law which will expand and accelerate the Federal Government's program to clean up hazardous wastesites and protect the public health and environment from dangerous releases of hazardous substances.

S. 51 will go a long way toward accomplishing this goal, and I urge my colleagues in both the Senate and the House of Representatives to approve this legislation swiftly.

Mr. D'AMATO. Mr. President, I rise today in support of H.R. 2005 (formerly S. 51), the Superfund Improvement Act of 1985. I want to commend my colleague, Senator STAFFORD, in his role as chairman of the Environment Committee, and Senator PACKWOOD, in his role as chairman of the Finance Committee, for their leadership on this issue.

I am extremely pleased that the Senate acted responsibly in reauthorizing this important legislation before the September 30 expiration date. The timely reauthorization of this bill is of the utmost importance in New York, which has the fourth highest number of Superfund sites in the Nation. There is no question that these cleanups must proceed as quickly as possible to protect the health and safety of our citizens.

Although the U.S. Environmental Protection Agency had asked for only $5.3 billion for this 5-year program, I felt very strongly that we should not reduce the funding level of $7.5 billion provided in the Senate bill. The Congressional Research Service has indicated that this additional money can be spent effectively and efficiently by the Environmental Protection Agency

to accelerate these cleanups without overwhelming the Agency.

As the sponsor of S. 606, the Community Right-to-Know Act of 1985, I fully support the Superfund amendment by Senator BENTSEN which will provide information to the public on the presence of hazardous substances in their community without creating unnecessary paperwork requirements for the industry. I also was pleased that the Senate unanimously adopted an amendment by Senator LAUTENBERG which will provide a framework for emergency response on a local level.

Mr. President, I commend the Senate for crafting a responsible approach on this tremendous important issue. I am pleased to support this bill today, and it is my sincere hope that the House of Representatives will act quickly to pass a strong Superfund reauthorization.

Thank you, Mr. President.

Mr. KENNEDY. Mr. President, today a critical piece of legislation is before the U.S. Senate. It concerns the preservation of our environment, the protection of our health and the health of our children. The question before the Senate is whether at long last this Nation is serious about ridding ourselves and future generations of the threat of toxic waste. The passage of S. 51 to reauthorize a strong and expanded Superfund Program will be an important step toward this goal.

But I would have hoped that we could have done better after 5 years experience with the Superfund Program. We must do more.

It was a sad day for the U.S. Senate when earlier this week it turned its back on the human suffering caused by toxic waste. Once again pressure from the White House and intense lobbying from industry interests managed to keep any hint of victim assistance out of the Superfund Program.

For the past 5 years we have had the incredible and unjustifiable standard that says that if public property is damaged by hazardous waste, there can be compensation, but if a human being is injured, if a mother miscarries, if a small child dies from the same poisonous pollution, then the law says there can be no compensation from the Superfund. And that is an unacceptable situation.

The fact is that 35 million people in our society lack any form of health insurance whatsoever, and many of these millions live in areas exposed to the deadly dangers of toxic waste.

But the Senate was unwilling to accept even a limited demonstration program targeted to provide relief to the neediest of these victims. Once again we have a multibillion dollar Superfund Program that allows compensation for public property and not one penny for people who suffer.

Even the current level of funding in the Senate bill is inadequate—it should be increased.

When Superfund was enacted in 1980, many of us believed that the hazardous waste problem in the United States was widespread. However, we had very little concrete information on which to base our decisions concerning the size of the fund. But we did know that perhaps hundreds of thousands of Americans were being threatened by a silent killer—an often tasteless, odorless killer—which had poisoned their drinking water or fouled their air.

Every day, new toxic waste sites are being discovered across the Nation. In Massachusetts alone, EPA estimates that over 300,000 residents are potentially exposed to the harmful effects of the 21 national priority sites in my home State. And every day, more and more people are living with the spectre of chemically induced disease. The EPA estimates that 2,000 sites will eventually reach the national priorities list. But the Office of Technology Assessment, in their report on Superfund strategy, says that a more realistic projection is that 10,000 sites will require cleanup, at a cost of perhaps $100 billion.

Every year millions of Americans are being exposed to improperly disposed toxic waste from over 20,000 hazardous wastesites across the country. EPA estimates that at 541 priority sites, 6 million Americans located within 3 miles of these toxic waste sites are drinking contaminated ground water—and nearly another 6 million are drinking contaminated surface water.

The impact of delay on the public health cannot be measured in dollars and cents. During my 23 years in the U.S. Senate I have never been more moved than by the tragic consequences I have seen in my own State of Massachusetts due to the impact of hazardous waste sites.

I have seen the tears, heard the cries, and felt the pain of these families who, sadly, are not unique. Their stories are repeated throughout communities across this country. And yet, so far we have neither eliminated the danger nor compensated the victims for the pain and suffering which has been such a part of their lives for far too long.

Despite its flaws the new Superfund provides a ray of hope, an opportunity to defuse the most serious toxic time bombs.

I want to commend my colleagues Senator STAFFORD and Senator BENTSEN, for their continued efforts to enact this legislation. They are strong advocates for the rights of victims who have lived through the nightmare of toxic waste in their neighborhoods.

I am especially grateful for the support they provided for amendments that I offered to strengthen the bill by providing a pilot program for removal of lead contaminated soil in urban areas such as Boston and Chelsea, to provide adequate funding for needed health studies, and to prevent unnecessary disruption of cleanup in communities like North Dartmouth, MA.

The preservation of our environment and the protection of the public health are responsibilities that transcend partisan lines. We all share a fundamental commitment to insure that every American avoids unnecessary illness and lives in a clean and safe environment—free from drinking water tainted with cancer-causing chemicals; free from airborne toxins, chemical lagoons, contaminated landfills, and leaking sunken barrels filled with poison.

I hope and expect this bill to pass with overwhelming bipartisan support.

Mr. MURKOWSKI. Mr. President, I support S. 51, the bill to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA].

The problem of improperly disposed hazardous waste is one of the most serious environmental and social problems facing this Nation. In 1980 Congress responded to this problem by passing CERCLA, or Superfund, as it is popularly known. This law is unique in that it combines different types of legislation—independent revenue generating, public works, and liability creating. No one knew how well, or whether, such legislation would work; but the nature of the problem justified an innovative and ambitious response.

We now have the experience of nearly 5 years of Superfund implementation to guide us. Although few would contend that the law is perfect, there is a general consensus that its approach is fundamentally sound and that it is evolving into a workable scheme for addressing the problem of cleaning up leaking and abandoned hazardous waste disposal sites.

S. 51 builds on the basic concept established by CERCLA in 1980. Most of the provisions of the bill are designed to enhance CERCLA's ability to address the problem in a more efficient and economic manner. Additionally, there are a few provisions which attempt to remedy perceived inadequacies in the current law. Most important among the changes made by S. 51, however, is the considerable increase in the size of the program.

Since 1980 we have acquired a great deal more information on the number of hazardous wastesites which may eventually require cleanup and the seriousness of the threat to human health and the environment posed by those sites. As a result of this information, the public works aspect of CERCLA has been expanded substantially by increasing the size of the

fund out of which cleanups are publicly financed. To generate the revenues necessary for this expanded effort, S. 51 imposes a Superfund excise tax on manufactured products sold in the United States.

I have serious reservations about the imposition of the Superfund excise tax. The Federal Government is currently spending $200 billion more each year than it receives in revenues. In such an economic climate I believe that enactment of this type of tax should not be interpreted as Congress' desire to balance the Federal budget by increasing the tax burden on all Americans by means of a hidden value added tax. On the other hand, I recognize the extreme need for a substantially increased Superfund effort. I am also of the opinion that it will be impossible to generate $7.5 billion in a fair and equitable manner without turning to the Superfund excise tax. As a consequence, I support, though reluctantly, the imposition of that tax.

Mr. President, I commend the primary sponsors of this legislation and the Senate environment and Public Works Committee for the extraordinary effort that has been devoted to the drafting and refining of S. 51. It is a bill which extends, improves and expands a vitally important environmental law.

Mr. RIEGLE. Mr. President, today, we are reauthorizing one of the most important pieces of legislation we will deal with this year—the Superfund Program. Since the program was enacted in 1980, we have discovered many more abandoned and leaking hazardous wastesites in this country than had originally been predicted.

The Environmental Protection Agency now tells us that there are 17,000 possible abandoned sites across the country and that as many as 2,500 may require remedial action. In my State of Michigan alone, 1,100 dumpsites with the potential to contaminate ground water have been discovered.

The National Geographic magazine's cover story in March 1985 was on hazardous waste and featured the story of a toxic wastesite in Michigan—the Berlin and Farro incineration site in Swartz Creek, near my hometown of Flint. The article relates the efforts of people living near the site, and in particular of Mrs. Verna Courtemanche, to bring the site to the attention of State and Federal authorities.

Mr. President, I ask that this article be printed in full at the conclusion of my statement.

I am bringing this story to the attention of the Senate today because I think it illustrates the magnitude of the hazardous waste problem in this country, and, in particular, the horrors that Mrs. Courtemanche and many others like her across the country are facing because they live near a site that poisons their air and water. They are victims, in a sense, of our national progress in developing new and more sophisticated products. And while I believe strongly in the need to continue to expand and develop the manufacturing base in this country, I also believe that we must accept responsibility for cleaning up areas like these that are threatening the health and well-being of those who, by chance, live nearby.

There is no question that the cost of cleaning up these sites is very high. Long-term remedial action where no ground water contamination has occurred averages $4 to $6 million per site to complete the studies and remove contaminated soils. Where ground water is contaminated, cleanup costs can run $17 million or more. The Michigan Department of Natural Resources estimates that it would cost at least $2.9 million to clean up 600 of the sites in my State alone.

The problem is huge, the cost is great, and progress to date in cleaning up sites has been slow. There are currently 850 proposed and final sites on the National Priority List [NPL] for cleanup activity. While the EPA says that remedial investigations and feasibility studies are underway or have been completed at 436 sites, cleanup work is completed at only 11 NPL sites. We clearly have a long way to go to remove this threat to our national health.

Because the scope of the problem is so large, the measures that we have been considering to deal with it are equally large and, consequently, controversial. I would rather support another financing package if one were available. But in order to take care of the hazardous waste problem, we need to make an economic commitment—the program must be paid for and I believe it would be grossly irresponsible to use deficit financing to keep this program going.

So, Mr. President, I rise today in support of a strong, sound Superfund Program. I believe we must send a firm message to the Environmental Protection Agency that we believe in this program and insist that hazardous waste cleanup activities be given top priority in the agency. We should vote for a strong Superfund package so that the people of this country will not have to live in fear. We have heard them ask for help. We should do everything we can to make sure that dangerous hazardous wastes are cleaned up as efficiently and effectively as possible.

The article follows:

HAZARDOUS WASTE

(By Allen A. Boraiko)

Petite and trim at 66, with whitening hair wisping from a bun and a brooch at the lacy throat of her high-collar blouse, Verna Courtemanche suggests a tintype schoolmarm. She has, in fact, taught mathematics in Michigan schools. Parallel lines never met in her classroom, but in the geometry of her life Verna has converged calamitously with hazardous waste. Under way at her doorstep is the cleanup of one of the nation's most threatening chemical dumps.

Verna lives outside Swartz Creek, at a country crossroads 60 miles northwest of Detroit. For weeks last summer 50 trucks a day rumbled by her house ferrying contaminated soil from a nearby field to a landfill in Ohio. To purge the field of toxic metals, used motor oil, drug and dye by-products, and other industrial waste, backhoes and bulldozers have scooped and scraped 120,000 tons of earth. That's merely a first cut, however, at the pollution left by Verna's former neighbor Charles Berlin.

In 1972 Berlin and a partner opened a hazardous waste incinerator. Often it was overloaded, smothering the countryside in acrid smoke so dark and dense that firemen on the horizon would take it for blazing houses and race over. The corrosive murk turned convertible car tops into literal ragtops, reddened children's faces with rash—swelled eyes shut. Verna and friends harried state officials by telephone, rally, and letter for four years before Berlin's smudge pot was permanently closed.

In 1980 Berlin declared bankruptcy. During the next three years, investigators unearthed behind his incinerator five storage tanks and the first of 33,000 drums. They were bursting with waste that Berlin had been forbidden to burn, yet still allowed to haul—from chemical plants, auto factories, steel mills, refineries, railroads.

Find followed find. In the grim stew of a holding pond, one million gallons of oily muck were laced with polychlorinated biphenyls—PCBs. Until their United States production ended in the late 1970s, PCBs lent durability to hydraulic fluid, to coolant for electric transformers, and to plastics—wide use that now makes PCBs a universal as well as persistent waste, one that accumulates in fish and causes animal cancers.

In another pond, it was believed that drums of hydrochloric acid and barrels of cyanide lurked like mines, needing only a blow for their chemicals to leak, mix, and form a cloud of lethal gas. When the pond was safely dredged in May 1983, Verna and the other 165 evacuees cheered. Today they find they were given a reprieve only to serve an indeterminate sentence.

"We're prisoners," Verna told me. "We can't sell our homes, we're afraid to drink from our wells, and out-of-town friends shy from visits. My sister-in-law won't take gifts of my raspberry jam any more."

Michigan and the U.S. Environmental Protection Agency (EPA) have so far spent six million dollars at Swartz Creek, and some of the 200 firms whose waste was dumped there have pledged 14 million dollars more. Many tons of tainted soil remain, leaching contaminants to local aquifers with every rain. To map groundwater pollution will take several years; eliminating it—if needed and if possible—could take decades.

"At times," says Verna, "I've almost felt that addressing the problem of hazardous waste just makes it worse. You scream and holler, government acts, and easy answers elude you. But your only choice to solve the problem is to give it more attention, more effort. We're learning to do that, but I wonder if we're learning fast enough."

It is no small irony that Charles Berlin began storing up trouble in Swartz Creek at the height of national campaigns to curb environmental pollution. In the early 1970s

visibly smoggy skies and cloudy streams got headlines, it was still largely out of mind.

Then, in 1978 at Love Canal in Niagara Falls, New York, rain popped leaking drums out of the ground on a black tide of long-buried chemicals. Hazardous waste has been front-page news ever since.

It has driven hundreds of families from Love Canal and made a ghost town of Times Beach, Missouri, permanently evacuated in 1983. Dusty dirt roads there had been sprayed a decade earlier with oil contaminated by dioxin, a highly poisonous waste product of some industrial chemical reactions. EPA had its own exodus in 1983, when administrator Anne Burford and other top officials resigned. They left amid public outcry about feeble regulation of hazardous waste and pinchpenny delay in using a five-year, 1.6-billion-dollar "Superfund." The fund was set up by Congress in 1980 to bankroll the cleanup of old waste dumps and spill sites posing grave danger to water supplies or human health.

At the root of all this trouble is waste that EPA classifies as toxic, ignitable, corrosive, or dangerously reactive. Such waste is an environmental tar baby no modern society can shake off. It clings to us as paint sludge from appliance factories, as dregs of chrome and nickel from metal-plating shops, as spent raw materials for varnish, carpets, and detergents at chemical plants. We're dogged by solvents that have dry-cleaned our clothes and degreased microchips for computers. Mercury in an exhausted watch battery is hazardous waste. So is the butane residue in a disposable cigarette lighter and the lye in an "empty" can of oven cleaner.

No one knows the true sum of our toxic throwaways, but the 264 million metric tons regulated by EPA in 1981 would fill the New Orleans Superdome almost 1,500 times over. Since 1950 we've disposed of possibly six billion tons in or on the land, steadily increasing our potential exposure to chemicals that can cause cancer, birth defects, miscarriages, nervous disorders, blood diseases, and damage to liver, kidneys, or genes.

Partly by luck and partly because we now sweep less hazardous waste under the rug than a decade ago, we've so far escaped a major health disaster. Yet in critical areas the effort to control dangerous waste stands at a stalemate, and we risk making a bad situation worse.

To be sure, we've made some progress. In 1976 Congress passed the Resource Conservation and Recovery Act. RCRA directed EPA to regulate hazardous wastes for the first time, requiring them to be tracked and handled from creation to disposal at licensed and inspected facilities that have plans and money for safe closure and years of monitoring. As RCRA has raised disposal costs, many companies have altered their operations to reduce waste or to reuse it for energy and raw materials.

Congress intends RCRA to prevent another Love Canal, the catastrophe that prompted creation of the Superfund. The fund at Swartz Creek and to clear similar immediate threats at about 400 other dumps by early this year. Soon to be renewed, it may expand to more than ten billion dollars. Meanwhile environmental groups and chemical companies have formed a nonprofit corporation—Clean Sites Inc.—to aid the cleanup of at least 20 dump sites by the middle of 1985.

As heartening as these improvements are, there's less to them than meets the eye. Vast amounts of hazardous waste still go unregulated. For example, EPA exempts five million tons of industrial wastes discharged as domestic sewage, including most of the metal-finishing industry's toxic metal dregs. These pass through city wastewater treatment plants and concentrate in the sewage sludge we spread on soil and sink at sea.

The land remains the chief catchall for hazardous waste. But enforcement of RCRA rules and monitoring for groundwater pollution and spotty at most hazardous waste disposal sites—pits, ponds, deep wells, and landfills—many of which overlay or penetrate aquifers, natural underground reservoirs that supply much of our drinking water. Thousands of these sites hold old deposits of toxic liquids, yet they operate without liners and drains to stop and collect leakage—required at new disposal sites accepting less dangerous waste.

Landfills, even poorly monitored ones with suspected leaks, receive most of the waste exhumed at Superfund sites. Chemical treatment can detoxify it and incineration can destroy it, but reburial costs less, at least in the short run. EPA lists 786 Superfind sites nationwide, has fully cleaned 12, and expects eventually to purge 1,500 to 2,500 at a cost of as much as 23 billion dollars. Even this estimate may prove low, however, if old ghosts rise from new graves.

Finally, it doesn't help that PCBs, PCP, TCE, and the other specters that haunt waste dumps can't be seen but seem inescapable. With refined detection methods we can now find invisible traces of waste almost anywhere we look in water, soil, and air. But even experts don't always know if or how seriously these subtle threats endanger our health. Fearing the worst, we've grown as grim about hazardous waste as people menaced by plague, and in the bitterest irony of all, modern waste treatment plants that could spare us future harm and worry are no more welcome in our communities than dumps. NIMBY—"Not In My Backyard"—has become our watchword.

Mired in such a mess, you take comfort where you can find it.

"We're doing a lot better than a few decades ago," says Robert Forney, executive vice president of E. I. du Pont de Nemours & Co., the leading U.S. producer of synthetic chemicals. "If we clean up our past mistakes and adhere rigorously to recent improvements in managing toxic waste, we'll catch the problem in time."

Chemical companies create two-thirds of our regulated hazardous waste, almost 180 million tons in 1981. The industry detoxifies the bulk of its harmful by-products, and as the richest and best-policed waste makers, firms like Du Pont pay out much of the estimated five billion dollars spent annually in the U.S. on hazardous waste control.

At Du Pont's mammoth Chambers Works beside the Delaware River in New Jersey, I clambered the catwalks of a wastewater treatment plant that scrubs 40 million tons of toxic manufacturing residues a year. Ninety-nine percent is water, drafts of the Delaware mixed with railcars of lime and carbon to form an acid-neutralizing slurry. Dirty whitecaps rode this churning cocoa into settling tanks where pollutants sank like silt. Rendered chemically inert, they were later dredged and pressed into gray cakes as big as cartwheels and sent to a company landfill, the irreducible minimum of waste from the Works.

There would be more if Du Pont did not also maintain colossal vats of waste-eating bacteria, cleansing water on its way back to the Delaware. Linger downwind, and your nose swoons from overwork.

Often it makes sense to feed waste to a fire instead of running it through the wash, and two million tons a year go into industrial incinerators. At a Dow Chemical Company plant near Baton Rouge, Louisiana, I found a cavernous rotating furnace whose hellish heat reduces toxic organic waste—steel drums and all—to steam and to ash that can be safely buried.

Other incinerators at Dow's Louisiana Division burn toxic waste to generate steam heat and cut fuel bills. Economy measures are nothing new in big industry, but they have special appeal considering Superfund provisions that hold corporations liable for the negligence of hired waste haulers and disposal firms. The less waste to be gotten rid of outside the company fence, the better.

Called on twice in two years to share cleanup costs, at Swartz Creek and at another mismanaged disposal site, General Motors has begun storing automaking supplies in reusable bulk containers, leaving fewer 55-gallon drums to dispose of, with residues of such poisons as engine coolants. Allied Corporation reacts a caustic sludge with other hazardous waste to synthesize a raw material for gases in air conditioners and refrigerators. And 3M, Minnesota Mining and Manufacturing Company, sells its ammonium sulfate to fertilizer makers, who convert this corrosive by-product of videotape manufacture into plant food.

Such ingenuity shows that industry can reduce hazardous waste and handle it safely when enticed by a savings or a profit and goaded by potential penalties. Yet most often the carrot is too small and the stick too little.

For example, although incineration reduces the volume and dangers of hazardous waste, industry cremates less than one percent of its toxic castoffs. Most companies view incineration as an option only for those with money to burn—it costs $50 to $800 per ton of waste, three times more than to bury it. Not surprisingly, industry goes first to the disproportionately cheap landfill.

California has banned burial of wastes with high levels of cyanides, PCBs, toxic metals, or strong acids and has hiked landfill fees to encourage chemical treatment, incineration, and recycling. But well-intentioned legislators forgot that regulations can't be made in a vacuum. Last year shipments of PCBs from California to Idaho's sole hazardous waste landfill tripled to 90,000 tons.

That might have been avoided if landfills everywhere had to charge according to the full cost of coping with their hazards. We might be better off, too, if government put as much stress on reducing and reusing waste as on regulating it. In 1981 U.S. industry recycled barely 4 percent of its toxic by-products, partly through waste exchanges, organizations that transfer one firm's waste to another firm as raw material. Despite the potential of waste trading, since 1979 EPA has spent almost no money and assigned only one man part-time to promote it.

Much more serious, EPA's budget for drafting and enforcing waste control regulations is one-fourth less today than in 1981. Recent increases have not restored deep cuts made early in the Reagan Administration, which argued that any slack could be taken up by the states, since they may administer RCRA with federal authorization and money. But EPA has begrudged both.

Sue Moreland, executive director of the Association of State and Territorial Solid

Waste Management Officials, told me: "RCRA authorization has been a sham, and the environment has suffered because of it. This year 50 states must share 47 million dollars in federal aid for waste control. Meanwhile personnel are diverted from inspection and enforcement to paperwork, because to win authorization, state regulations must be rewritten to conform with federal standards, even if they make no sense." West Virginia told EPA it had no need to control waste transport by trolley car—objection overruled. Landlocked Vermont has had to regulate ocean-disposal barges.

"Less than a decade ago we had no national program to manage toxic waste," I was reminded by John Skinner, director of EPA's Office of Solid Waste. He nonetheless conceded that "on average, 60 percent of major disposal facilities don't obey all the new laws and regulations. And both we and the states have been slow to inspect and curb violators. We're starting to crack down, but for years government at any level wasn't moving fast enough to prevent trouble."

Even today violations at legitimate disposal sites usually draw only a warning letter, and illegal dumpers stand every chance of escaping EPA's thin net of 35 criminal investigators. The most likely dumpers are small and mid-size companies harder put than big industry to afford increasingly expensive pollution controls.

In Los Angeles, where he suspects that 80 percent of all toxic waste is improperly disposed, city attorney Barry Groveman leads the Toxic Waste Strike Force—an environmental SWAT team drafted from state and county health departments and city police, fire, and sanitation forces. Offenders nabbed by the strike force risk jail, fines, and the shame of having to repent their dumping in full-page newspaper ads.

"We're trying to redeem an honor system that incites people to be dishonorable," Groveman told me. Nights can find him and his raiders in sewer manholes, placing pollution detectors downstream of a suspect firm. By day they may helicopter up the concrete banks of the Los Angeles River, alert for stains betraying illicit discharges. This surveillance led one day to a pipeline that one company built to dump caustic wastes in a sewer presumed to be outside the strike force's jurisdiction. City attorneys convinced a judge it wasn't, and the judge convinced the guilty firm's vice president—with a $75,000 fine and four months in jail.

"Another dodge is to spray toxic waste on ordinary trash in conspiracy with bribed garbagemen," says Dr. Alan Block, a University of Delaware criminologist and research director of the New York State Select Committee on Crime. "Compact the trash, send it to a city landfill, and who'll know?"

Dr. Block has found organized crime "at every level of the toxic waste disposal industry—in hauling, landfilling, incineration, and recycling—all over the country. This stems from the mob's domination of garbage disposal in the Northeast, and from the appalling futility of environmental regulations and their poor enforcement. Organized crime is besting disorganized government."

For this he partly faults lax monitoring of waste shipments. EPA requires these to be tracked by manifests filled with state authorities and listing the origin, nature, and destination of transported waste. "Few states check out discrepancies in manifests," Dr. Block told me, "so they're widely doctored. And often it's easier to get a permit to haul waste than a license to cut hair."

Worse, Dr. Block says hundreds of legitimate hazardous waste disposal companies must buy permission to operate alongside competitors allied with or controlled by organized criminals. Payoffs go to mobsters through a national network of loan sharks. Passed on to customers as a cost of doing business, this tribute to criminals is a hidden tax on lawful waste disposal.

Indiscriminate burning of toxic waste in residential and commercial boilers nets the mob still more money. Some liquid wastes can be mixed with heating oil and safely burned in the boilers of hospitals, schools, and apartment and office buildings. Unregulated by EPA, this blending annually supplies consumers some 19 million tons of low-cost, recycled fuel. But sham recyclers have been watering down immense amounts of it with the waste of companies attracted by cheap, no-questions-asked disposal.

At Congress's insistence, EPA might curb this abuse in 1986. Last year New York State set limits on how much waste may be mixed with heating oil and restricted recycled fuel to high-temperature burners. Dr. Block believes, however, that 40 percent of the heating oil sold in the New York City area continues to be laced with toxins that only an industrial incinerator can adequately combust—and that ordinary boilers are spewing into the sky.

Through another loophole in the law, four million tons a year of hazardous wastes slip into municipal sanitary landfills from which they steadily leak. EPA now allows "small-quantity generators"—you, me, the local exterminator or dry cleaner—to discard like a banana peel all but the most deadly waste, as much as one metric ton a month. And our trash includes an amazing array of toxic stuff: insect sprays, antifreeze, chlorine bleach, nail polish. Only a handful of the nation's 15,000 sanitary landfills are built to capture and drain away these poisons before rain flushes them down through the soil.

Since federal money for inspections ended in 1982, only a few states regularly check to see if such leachate is percolating into groundwater. More than one city landfill is a Superfund site, and Congress has recently ordered EPA to narrow its one-ton-a-month exemption to 220 pounds. Some states are stricter, and some hold collection drives. Last summer, during Amnesty Days, the people of one Miami suburb alone turned in 12 tons of hazardous waste that would otherwise have gone out with the garbage.

Had we been so careful all along, we might not be so worried today about groundwater pollution. The vast majority of us have safe drinking water, but our supplies are not so well distributed that we can afford to add hazardous waste to them, already burdened with highway de-icing salts, farm sprays and fertilizers, and seepage from gasoline and septic tanks.

Many large cities—Tucson, Memphis, and Miami among them—rely entirely on groundwater. So do most rural Americans. They tap a resource more plentiful than all the water in the Great Lakes, and man-made pollution corrupts only one percent of it.

"Unfortunately," says David Miller, a leading hydrogeologist, "that tiny bit is often fouled just where a lot of people need it." Toxic waste contaminates the groundwater supply drawn on by three million people on Long Island, New York, including Miller. In New Jersey, Atlantic City shifted its well fields to escape chemicals seeping from Price's Pit, a Superfund landfill a mile away. Tap water was turning laundry yellow and pots black.

Groundwater is polluted at the majority of Superfund sites, especially where toxic liquids were pooled in pits and ponds to evaporate. Marian Mlay, director of EPA's Office of Groundwater Protection, told me that thousands of the more than 181,000 impoundments still in use hold hazardous waste and were designed to leak.

"They were meant to leach waste into the ground as much as to evaporate it," she said. "Many impoundments are on soil so porous that their builders couldn't have threatened groundwater more if they had tried."

In a canyon 50 miles east of Los Angeles an engineer showed me drainage pumps at the Stringfellow Acid Pits. This Superfund site still holds most of the 34 million gallons of solvents, acids, toxic metals, and DDT sent there between 1956 and 1972. Until capped with clay in 1981, ponds overflowed during winter storms. Waste taints the groundwater serving nearby homes, and despite ten million dollars spent to halt it, a finger of pollution has poked into an aquifer supplying seven eastern Los Angeles suburbs. Half a million people live there.

Cleanup costs soar at Superfund sites with sullied groundwater, climbing, for example, to a projected 1.8 billion dollars at the U.S. Army's Rocky Mountain Arsenal in Colorado. Stringfellow could cost 60 million dollars to sanitize. Facing such bills, EPA has decided on a policy of triage. The agency plans to clean up essential aquifers but will likely abandon others and pipe in drinking water from elsewhere. In some places EPA will try to manage contamination with pumps and containment methods so that it does not reach the public.

Joel Hirschhorn, director of a 1983 study of hazardous waste for Congress's Office of Technology Assessment, thinks containment schemes are the Maginot Line of those who even now don't grasp the scope of our toxic troubles. Noting how pollution outflanked EPA at Stringfellow, Hirschhorn told me: "I doubt we'll come fully to grips with hazardous waste until more of us are affected by groundwater contamination. That will be traumatic for millions of Americans. It's one thing to hear about a dump across town and quite another to be warned not to drink the water from your own tap. The crisis is almost inevitable because even if we had full compliance with EPA regulations, they don't protect our water or our health."

Hazardous waste does seem certain to infiltrate drinking water for years to come. EPA plans to bar new landfills and lagoons above vital aquifers, to ban burial of some solvents, and to require liners at many old impoundments, but leaks need not be stopped or even located.

About 60 percent of all toxic waste legally disposed of in the U.S. is pumped down injection wells, to be imprisoned between layers of impermeable rock. Near Corpus Christi Bay, amid the puncture marks of Texas oil drillers, I visited a well that each month swallows as much as six and a half million gallons of caustic liquors from refineries.

The well belonged to Chemical Waste Management, the world's largest waste disposal company. Under high pressure, treated waste shot down a steel pipe clad in concrete—down past the brine of the intruding Gulf of Mexico; down through layers of dense clay; down, finally, to the sand of an ancient sea nearly a mile beneath my feet.

And shale under it all, a subterranean breakwater marking the bottom line.

I asked the well supervisor where the sidelines were. "You can't be sure where or how far and fast injected waste will spread out," he said. "It might hit something like a deposit of clay and flow around it like an amoeba, taking the path of least resistance."

If waste hits cracks and crevices in fractured rock, it can flow to groundwater. To limit such mishaps, most waste wells have been drilled in the well-mapped geology of Texas and Louisiana petroleum fields. For half a mile around the Chem Waste perforation at Corpus Christi, old gas and oil wells have been sealed top and bottom, so that errant waste has no pipeline to drinkable water. Monitoring wells stand watch.

Last year, from Chem Waste wells in Ohio, 45 million gallons of steel-pickling acid and other wastes seeped into porous sandstone. Well-casing cracks and corrosion were at fault; for this and other violations Ohio fined Chem Waste $10,000,000.

In Emelle, Alabama, Chem Waste runs a 2,400-acre landfill, the country's biggest. Its trenches resemble open-pit mines cut into 700 feet of gray chalk. Chem Waste hopes they'll hold waste secure for 10,000 years.

At trench number 20 I watched trucks switchback into the earth, their gears grinding out a dinner call to roaring bulldozers waiting to snuffle in the arriving waste like eager pigs. They tamped drums with chalk and heaped cement dust into watery black sludge to solidify it and neutralize acids. A diesel pig snorting smoky satisfaction nudged broken barrels from a Superfund dump in Indiana up next to a leachate drain.

Ringed with monitoring wells and capped by clay when full, the Emelle trenches may be the safest of the nation's 199 active toxic waste landfills. EPA assumes all will leak and forbids burial of high-hazard liquids. Yet it will permit a landfill with a plastic liner as thin as a raincoat to open in a swamp.

"Every landfill poses a future threat," allows William Hedeman, the EPA official in charge of Superfund cleanups. A good many involve old landfills, and EPA tries to recoup its costs by settlement or suit when if can find those liable. This replenished the Superfund by a mere seven million dollars before it was exhausted early last year. "That hardly enables us to keep a finger in the dike," says Hedeman. "Some sites may cost hundreds of millions each to remedy."

Congress is about to renew and expand the Superfund and may lay out a cleanup timetable, unhappy that although EPA has removed imminent hazards at hundreds of dumps, only 12 have been fully purged. But deadlines may not help much.

"When Congress wrote Superfund into law in 1980," William Hedeman tole me, "it ordered EPA always to choose the most cost-effective cleanup remedy. Nobody wants toxic waste in their backyard, but the law is skewed toward leaving some there. We may haul away drums and dirt and leave groundwater contaminated because it's cheaper to pipe in water than to clean the aquifer. And it's hard to move fast when you don't know which remedies will work."

At Times Beach, the Missouri town emptied by dioxin, the immediate remedy has been to buy the town and relocate 2,000 people, at a cost of 33 million dollars. The town is one of more than 40 sites in Missouri under investigation by EPA, which is testing methods to detoxify or incinerate dioxin-contaminated soil. But getting rid of dioxin could prove easier than learning whether we really need to.

Vanishingly small doses of dioxin cause miscarriages, birth defects, liver damage, or death in laboratory animals; to guinea pigs it's 200 times as lethal as strychnine. But mammals vary in sensitivity to chemicals, and dioxin's only undisputed, but not inevitable, effect in humans is a skin rash, sometimes severe and lasting. Even workers heavily exposed in industrial accidents seem not to have suffered worse. Nor have scientists found any abnormal rates of illness among former residents of Times Beach.

Still, animal tests indicate dangers, and the long-term health effects of dioxin remain unknown. That's true of practically all toxic wastes: A health survey hardly ever establishes whether they slowly and subtly poison us.

"That demands proof of cause and effect that science cannot now provide," says Dr. Roger Cortesi, head of EPA's Office of Health Research. "Usually people's exposure to chemicals is uncertain, not enough people can be studied to reveal minute health effects, and detectable injuries may have other causes and take years to appear."

This makes it difficult to measure risks. Most of us don't even try: We conclude that injury from hazardous waste is always as probable as it is possible—that if the worst can happen, it will. I asked Dr. Donald Barnes, EPA's chief adviser on dioxin, how regulators determine degrees of risk.

"When we assess the seriousness of a potential threat to health," he said, "we always lack full information. So we cautiously make worst-case assumptions, such as that dioxin causes cancer in humans as easily as it does in rats. To that assumption we add others—for instance, a conservative estimate of the dioxin exposures that might put you at risk of developing cancer. A prudent regulator acts on these assumptions as if they were realistic in every situation. That confuses people into taking them as documented fact, but things are not always as calamitous as they seem."

EPA is checking hundreds of possibly contaminated factories and dumps for dioxin and surveying its level in the environment. Municipal incinerators emit dioxin—as may home fireplaces—and residues may remain in forests, fields, and lawns from dioxin-tainted herbicides, common until EPA largely halted their use in 1979.

The dioxin molecule is exquisitely difficult to identify. But in Midland, Michigan, where Dow Chemical has been testing soil, fish, and river water for dioxin from company discharge pipes and incinerators, chemists using ultrasensitive instruments can detect it at parts-per-quadrillion levels. That's like zeroing in on one drop in 12 billion gallons of water.

EPA suspects that dioxin causes some human cancers and says Dow is the main dioxin source in Midland, a legacy of past production of the herbicide 2,4,5-T. Dow suggests that dioxin is naturally widespread, and while it can persist in humans, it does so at harmless levels. That thesis escaped trial by jury early in 1984, when Dow and six other companies settled out of court with thousands of veterans who claim injury by the 2,4,5-T in Agent Orange, a defoliant that was sprayed on Vietnamese jungles.

Dr. Vernon Houk, director of the Center for Environmental Health at the National Centers for Disease Control in Atlanta, Georgia, told me that we can reasonably associate disease with more recent toxic encounters—assuming significant exposure. But what is "significant?" We rarely know.

"Our skill in detecting toxic chemicals exceeds our ability to medically interpret what we find," says Dr. Houk. "Risk assessment at most dump sites is somewhat less precise than a five-year weather forecast."

Gert Heinemann canvasses Europe for customers for the *Vulcanus II*, a seagoing incinerator ship out of Rotterdam in the Netherlands. He sees from the inside how Europeans manage—and mismanage—their hazardous waste.

"I'd do more business if England stopped dumping in old mines and in the North Sea," Heinemann told me. "Italy? A basket case! Sweden agitates piously against ocean incineration, but lets its industry give us waste anyway—keeps it out of Swedish landfills."

Flying over the North Sea a few days later, I peered into the huge incinerator stacks of the *Vulcanus II*, glowing orange with burning waste. Gray wisps of steam carried away dilute hydrochloric acid, which fell to the sea and turned to salt. By neutralizing its exhaust with seawater instead of expensive stack scrubbers, the ship can dispose of waste at half the cost of incinerating it on land. For years EPA has considered allowing *Vulcanus II* and a sister ship to incinerate waste in the Gulf of Mexico, but Gulf coast residents who fear toxic slicks and dead fish have kept the idea in dry dock.

In Bavaria and in two other West German states, collecting stations funnel most toxic waste to regional incinerators and landfills funded by industry and government. East Germany, however, serves as Europe's dumping ground to earn hard currency. Crude pits there take foreign waste at such low rates that West Germany has limited border crossing points for waste shipments—lest "toxic tourism" grow.

The dynamics of disposal in Germany impressed me most at a salt mine on the East-West frontier. Since 1972 Kali and Salz AG has bricked up waste in caverns left by miners, salting it away in formations stable for 250 million years and presumed immutable for eons more.

"Each year we mine, we gain 30 more years of disposal space," said engineer Norbert Deisenroth, showing me maps. Dated and multicolored, they cataloged 400,000 tons of waste in drums. "Purple . . . August 14, 1978 . . . Kepone pesticide . . . Virginia." West Germans must cope with old dumps and half-forgotten war rubble containing live bombs and chemical weapons, but they've avoided calamity comparable to the dumping that in the 1970s extensively polluted Virginia's James River with toxic residues of Kepone production.

The Japanese, otherwise fastidious, have suffered cruelly from careless disposal of hazardous waste. In the 1950s at Minamata Bay in southern Japan, waste mercury from a chemical plant contaminated fish, eventually inflicting disfiguring paralysis or slow death on thousands of people, including children in the womb. Minamata disease hit central Japan in 1965, and harbor dredging at the site of the first disaster threatens to send mercury up the food chain once again.

In Haginoshima, a farm village on Japan's west coast, elderly Miyo Komastsu graciously bowed to meet me despite the agony of bone-splintering cadmium poisoning. Japanese have named Miyo's affliction after the

cry it wrings from its victims: "*Itai, itai. . . . It hurts, it hurts. . . .*"

"Itai-itai disease is chronic," explained Dr. Noboru Hagino, who in 1961 linked it to rice from paddies polluted by toxic waste from a mine upriver of his ancestral village. "It mainly affects aged women, after repeated pregnancies. Calcium drawn from a woman's bones by her growing child is replaced by cadmium, and in time bones can so soften that they snap at a sneeze." Miyo was brought to Dr. Hagino in a sling, with 28 major fractures.

The cadmium dumping ended in 1971, when villagers won a lawsuit. More than a hundred have died, but Miyo and other survivors draw benefits under a unique Japanese law that aids nearly 85,000 people injured by air pollution or hazardous waste.

Proposals to give similar help to Americans come up often in Congress but never survive debate. For people like Verna Courtemanche of Swartz Creek, the only hope of redress for anxiety, economic loss, and bodily harm is to chance a long and costly court battle against a polluter. "That's woefully inadequate," says Congressman James Florio, who helped write the Resource Conservation and Recovery Act and the Superfund law. "We're not spending billions to clean up dumps because they're eyesores—they threaten public health. Ignoring the injury they cause people is illogical and unjust."

But government relief makes even less sense to Michael Horowitz, general counsel of the U.S. Office of Management and Budget. "If you want to understand the explosive implications of such schemes," he says, "look at black-lung compensation for coal miners. When it began in 1969, nobody thought it would cost more than 300 million dollars. Now it costs the Treasury almost two billion dollars yearly. Imagine multiplying a small cohort of miners by the number of people potentially exposed to toxic waste. If two children near a dump develop leukemia, and health statistics suggest that eventually 12 children will sicken, do you compensate just the two, or 12, or every child for miles around because you can't predict exactly which ones will get the disease?"

One hallmark of our recent experience with hazardous waste is naïveté. Industry is too trusting of supposed state-of-the-art lagoons and landfills. The Reagan Administration thought a nation that had voted for less government would tolerate less protection of the environment. Congress overrates the power of law to budge economic forces, social inertia, and scientific unknowns. TV and newspapers supply a catalyst for cleanup with the drama of people trapped by dumps, but seldom ask whether the engine of reform can go anywhere other than in circles if its only fuel is alarm. And we all want a solution overnight to a crisis decades in the making.

But long neglect is hard to relieve, not least because we can't always agree on what to do with hazardous waste. Caught up in debate that is more often confusing than conclusive, lawmakers, scientists, industry, and the public fall badly out of step with each other and sometimes march off in entirely different directions.

The people of Warren, Massachusetts, could reasonably object, "Why here, in *our* town?" as they turned back the attempt of a developer and a state commission to locate a waste treatment complex in their community last year. And the commission could legitimately ask, "If not here, *where?*"

"Technologically, toxic waste is no harder to control than air or water pollution," says William Ruckelshaus, twice administrator of EPA. "But toxic waste frightens people more because we're less certain about the dangers it poses—risks we likely can't eliminate, only reduce. We may suffer more recrimination, false starts, and environmental insults as we tackle this dilemma, but there's no doubt of our solving it."

Verna Courtemanche hopes so. "I'd like to think I'll live long enough to see an end to problems with hazardous waste," she told me. "I want a new water supply, and I want the government to monitor 'my' dump for at least 50 years and promise that the land will never be a field for crops or a playground for kids. That's not ideal, but it's probably the best we can do. So there it is."

Mr. GLENN. Mr. President, I strongly support passage of the Superfund Improvement Act of 1985.

One of the most significant improvements made by this legislation is the increased funding level for hazardous waste cleanups. Since we enacted the Superfund Program in 1980, more information has been obtained about the magnitude of the cleanup problem. In its March 1985 report, the Office of Technology Assessment [OTA], estimated that 10,000 sites or more may reach the national priority list. In OTA's opinion, the cost of cleaning up these sites could exceed $100 billion. The General Accounting Office has estimated that costs for cleanup range between $6.3 billion and $39.1 billion. In short, while there is no definitive figure on total cleanup costs, it is indisputable that existing Superfund resources will be insufficient.

In my State, there are now 28 sites listed on the national priority list and the Ohio Environmental Protection Agency is currently investigating over 800 sites across the State which may pose hazards. Although Ohio ranks eighth in Nation in the number of Superfund sites, cleanup is underway at only a few sites, and none of those cleanups is completed. I believe that passage of this Superfund reauthorization will send a clear signal to the American people that further delay of Superfund implementation will not be tolerated.

Beyond increasing the size of the Superfund, this legislation also makes other important improvements in existing law. S. 51 contains new health provisions for testing toxic chemicals found most frequently at Superfund sites. In addition, it requires the performance of health assessments at all NPL sites. S. 51 contains new provisions to improve planning for emergencies caused by chemical releases as well as requirements for companies that handle hazardous substances to provide more information to the public.

Finally, provisions which are of special interest to me, to ensure and expedite the cleanup of Federal facilities are included in the legislation. I believe that the Secretary of Energy and other applicable agencies should request an adequate funding level in their appropriations to clean up dangerous waste sites. The Government has the responsibility to cleanup sites it owns just as industry is called on to pay for its contribution.

Mr. President, an expanded Superfund is vitally important and I urge my colleagues to join me in supporting passage of S. 51.

SUPERFUND PROGRAM NEEDED TO PROTECT PUBLIC HEALTH

Mr. PELL. Mr. President, I am voting for final passage of the Superfund Improvement Act. I view the passage of this measure as an absolutely essential step in protecting the public health and our Nation's environment.

I also am pleased to support final passage because the Superfund reauthorization, as amended, now includes provisions authorizing a research program on hazardous contaminants in indoor air and directing EPA to conduct that research program.

This measure, which I cosponsored as a separate bill, focuses research on the location and amount of radon pollution in buildings in the United States, and to provide guidance and information on measures to reduce human exposures to radon.

As reported by the Environment and Finance Committees, the Superfund Improvement Act of 1985 authorizes nearly five times the $1.6 billion authorized by the original legislation for 1981–85. Both committees are to be commended for their hard work and the production of an excellent measure.

I regret, however, that we did not boost funding beyond the level recommended by the committees to a level in the $10 billion range. It is apparent that the scope of our hazardous waste problems are multiplying far more rapidly than the funding.

At the start of this decade, the Comprehensive Environment Response, Compensation and Liability Act [CERCLA], which I supported as an original cosponsor, created the Superfund Program.

Since the program's inception, Superfund has brought more than $70 million to New England and more than $6.5 million to Rhode Island for work on hazardous waste sites from 1981–85. This influx of Federal funds, although sizable, has not been nearly enough.

Superfund work has not been completed on any of Rhode Island's eight national priority list sites—including a dreadfully dangerous site in Coventry, RI, that was among the first in the Nation to be targeted for cleanup under Superfund.

We have not only failed to complete these cleanup tasks to assure the safety of Rhode Island residents, we have a list of 160 additional sites that includes many potential candidates for

the national priority list. Clearly we are not doing enough, fast enough.

In the case of the Superfund Improvement Act, no general revenues would be authorized for Superfund. Superfund expenditures, since they are financed by separate taxes, would not add to the huge national Federal deficit.

We have to build a strong and effective program to protect our citizens and our environment from the dreadful threats of hazardous wastes. Threats that, in Rhode Island, have included chemicals that explode if exposed to water and chemicals that form nerve gas if exposed to sunlight.

If we do not act now, for fear of the financial cost, we face far higher costs in the future. I am not just talking about increased financial costs, I am talking about increased disease, injuries, and death.

As I said in testimony on Superfund more than 6 years ago, it is hard to conceive of a higher priority than the health and welfare of our citizens and the preservation of a clean and healthy environment for them and future generations.

Mr. LEVIN. Mr. President, the Superfund bill is of utmost importance to the Nation and the innocent victims whose lives are disrupted by the consequences of living near a toxic waste dump.

The citizens of Michigan are no exception. Michigan has 64 sites on the Environmental Protection Agency's [EPA] national priority list [NPL] and ranks second in the Nation in Superfund sites. The Michigan Department of Natural Resources estimates at least 1,000 hazardous waste sites are located in the State.

The March 1985, edition of National Geographic featured a sobering article on hazardous waste. One of the toxic waste dumps it mentioned was near Swartz Creek, MI also known as the Berlin and Ferro site. Verna Courtemanche who has led a long fight to get the site cleaned up is mentioned throughout the article.

Let me take a few minutes to quote from the article:

Verna lives outside Swartz Creek, at a country crossroads 60 miles northwest of Detroit. For weeks last summer 50 trucks a day rumbled by her house ferrying contaminated soil from a nearby field to a landfill in Ohio. To purge the field of toxic metals, used motor oil, drug and dye by-products, and other industrial waste, backhoes and bulldozers have scooped and scraped 120,000 tons of earth. That's merely a first cut, however, at the pollution left by Verna's former neighbor Charles Berlin.

In 1972 Berlin and a partner opened a hazardous waste incinerator. Often it was overloaded, smothering the countryside in acrid smoke so dark and dense that firemen on the horizon would take it for blazing houses and race over. The corrosive murk turned convertible car tops into literal ragtops, reddened children's faces with rash—swelled eyes shut.

In 1980 Berlin declared bankruptcy. During the next three years, investigators unearthed behind his incinerator five storage tanks and the first of 33,000 drums. They were bursting with waste that Berlin had been forbidden to burn, yet still allowed to haul—from chemical plants, auto factories, steel mills, refineries, railroads.

Find followed find. In a grim stew of a holding pond, 1 million gallons of oily muck were laced with PCBs. In another pond, it was believed that drums of hydrochloric acid and barrels of cyanide lurked like mines, needing only a blow for their chemicals to leak, mix, and form a cloud of lethal gas. When the pond was safely dredged in May 1983, Verna and the other 165 evacuees cheered. Today they find they were given a reprieve only to serve an indeterminate sentence.

Verna told me:

We're prisoners, we can't sell our homes, we're afraid to drink from our wells, and out-of-town friends shy from visits. My sister-in-law won't take gifts of my raspberry jam any more.

I wish I could say this vivid description is an exaggeration. But I assure the Senate that this case is not overstated. Unfortunately, this story repeats itself in every State in this Nation and that is why it is essential that we pass this legislation as soon as possible.

I completely agree with the Environment and Public Works Committee that spending $7.5 billion over 5 years on Superfund is necessary and desperately needed. A good case can even be made for setting the funding at $10 billion over 5 years.

However, I do not agree with the Finance Committee's proposal to finance the Superfund in part with a value added tax [VAT]. It is a regressive, complicated tax. That is why I am pleased that the Senate approved an amendment introduced by Senator HELMS and which I cosponsored that expressed the sense of the Senate that the conferees on the Superfund bill should report back a funding mechanism other than the VAT. As I indicated in my remarks during the debate on the Helms amendment, I believe that the Superfund should be financed by a corporate minimum tax. I am pleased that Senator HELMS indicated that a corporate minimum tax was one of the options that could be considered by the conferees in the spirit of his amendment. This tax reform would improve the equity in the Tax Code by addressing the outrageous situation that tens of thousands of profitable corporations in this country are currently not paying anything in taxes. This tax reform could also provide enought money to finance the Superfund at least at the $7.5 billion rate.

Now that the Senate has acted, I urge our colleagues in the House to follow through with their own actions quickly. It's been said that "haste makes waste." However in this case, it is the only way to get on with the job of getting rid of waste.

Mr. QUAYLE. Mr. President, it is imperative that Congress reauthorize the Comprehensive Environmental Response, Compensation, and Liability Act, known as Superfund, this year. I applaud the Environment and Public Works Committee and the Finance Committee for bringing to the Senate floor a very workable bill.

This program is very important for my State of Indiana. Just this month, EPA added four more Indiana sites to the national priorities list, bringing the total in Indiana to 26 sites. Five removal projects are underway and two more are being prepared. While EPA has obligated $7.9 million from Superfund in Indiana as of the end of July of this year, clearly the additional progress we need to make will be jeopardized if Congress does not complete consideration of this legislation this year.

I support the authorization level as reported in the Environment Committee's bill, $7.5 billion over 5 years. I recognize the enormity of the cleanup chore before us and that current levels are not sufficient to deal with the problem, however, like other fields in which the Government becomes involved, simply throwing money at the problem will not solve it. The Congress has a duty to see to it that these funds are expended wisely and try to achieve the most "bang for the buck."

Developing a revenue source for this authorization level has not been a simple task. Generally, I believe that the Superfund should be supported by a dedicated tax, that is fair and equitable. Furthermore, I have grave reservations of extensively using general revenues in the Superfund. Given our deficit situation, I believe an independent funding source is the best solution to providing reliable financing for the Superfund.

I believe the committee acted wisely in balancing the need for administrative discretion with requirements to assure timely and satisfactory cleanup. EPA retains discretion to utilize the most effective method of cleanup on a site-by-site basis while assuring protection of human health and the environment. Cleanup of Superfund sites is a massive engineering undertaking. Additionally, we are on the fringes of technology both in terms of cleanup technology and engineering practices to develop plans to achieve maximum cleanup. Correcting ground water contamination could take years. Obviously, the expertise necessary to evaluate technology and cleanup strategies is best left with EPA, rather than to be second guessed by Congress.

The Superfund reauthorization bill is one of the most important bills to be considered by Congress this year. I hope our colleagues in the other body will take heed of our action and act

quickly to work toward final enactment of this much needed legislation.

Mr. HARKIN. Mr. President, I strongly support this bill.

In 1980, the Congress created the Superfund, recognizing the need to clean up the many hazardous waste sites which endanger the health of all Americans. Unfortunately, progress has been far too slow. Only six priority sites have been cleaned up across the whole country in the last 5 years. The Environmental Protection Agency has begun to address only 20 percent of the 850 sites on the national priority list. And, the General Accounting Office has estimated that we may have as many as 4,000 national priority sites.

Iowa has seven toxic waste sites on the national Superfund list. Twenty additional sites are listed under Iowa's State Superfund law. In addition, it is estimated that 270 Iowa dumpsites contain hazardous or potentially hazardous materials.

In spite of the size of this problem, we have seen years of footdragging and efforts to cut back. Every month of delay only adds to the cost that will have to be paid. There is no saving by delay. Delay only makes many of these sites more dangerous and harder to clean up. It only increases the danger of contaminating the water supply.

This bill calls for spending $7.5 billion over 5 years. Estimates for the total cost of the cleanup efforts range from EPA's figure of $23 billion to the Office of Technology Assessment's view that it could take $100 billion to solve the problem.

We need to approve a larger program. I understand that the administration would like to spend less. But that is the wrong way to go. Studies have shown that the money can be well spent. Spending the higher sum does not really increase costs. It simply has us clean up the sites more quickly. And, in the long run, it means that we will spend less.

I am concerned about a key aspect of the bill—the value added tax charged to every manufacturer in the country. I voted against the amendment by Senator ABDNOR which would have exempted fertilizer and animal feed because I believe that if we are going to have this tax, then we should not be creating further exemptions. It should fall on all manufacturing. However, I want to make it clear that I have reservations about any value added tax.

I would have preferred to see the Finance Committee propose a package of taxes which looked more to the polluters.

I do believe that a tax on hazardous wastes would create a very substantial incentive for the producers and users of that waste to find ways to cut down the amount that needs disposal.

With a "waste end tax," we would see producers of waste adopting all types of creative mechanisms to recycle the waste or to avoid its production. And, that would mean fewer expensive and dangerous problems in the future.

I also recognize that there are many technical and substantive issues which prevented the Finance Committee from developing such a proposal including the desire not to favor one disposal method over another through the tax system.

I understand that the Ways apd Means Committee plans to seriously look at this question along with other funding mechanisms. If the other body passes a reasonable plan, one providing for reliable funding, I would urge that the conferees sympathetically examine the alternative funding mechanism to the value added tax.

Mr. KERRY. Mr. President, I rise in support of the Superfund reauthorization, H.R. 2005, which we have before us today. I am proud to vote for a bill that I believe is a strong and responsible answer to a complex problem. I urge my colleagues to join with me in commending the determined and fruitful work of the committee in crafting H.R. 2005.

Hazardous wastes represent a complex problem. They pose a direct threat to our citizens and our environment. The improper disposal of these wastes has had a significant negative impact on both terrestrial and aquatic ecosystems. There is little doubt that without management of past and present waste, we could be faced with problems of considerable magnitude.

The extent of our hazardous waste problem and the consequent cleanup efforts necessary are now becoming evident. The number of waste sites on the national priorities list is increasing steadily and the Office of Technology Assessment projects that as many as 10,000 sites may finally be added to the list. Cost estimates of cleanup have also increased. GAO and OTA project that the final cost might total $40 billion and $100 billion respectively. And unfortunately, many of those numbers may have to be adjusted because of problems that are just beginning to reveal themselves. Although I would have preferred a higher level of funding for Superfund, I am pleased that we will be providing almost five times the level of funding during the last authorization.

In addition, I am particularly disturbed by recent reports on the extent of ground water contamination since so many Americans rely on ground water as their primary source of drinking water. I am hopeful that EPA, armed with this strong bill that we are approving today, will make every effort to deal with the issues that will undoubtely develop during the life of this Superfund.

While the problem of how to deal with our toxic waste dumpsites is significant, I believe that we are proving that it is not insurmountable. We have learned much during the first 5 years of Superfund. This bill enables EPA to use this experience, advancements in technology, and increased financial resources to move toward alleviating this environmental threat.

Mr. President, I am proud that the Senate will soon be on record approving a strong commitment to the environment and a strong commitment to the future health and safety of our Nation. I urge my colleagues to support this worthwhile legislation by voting in favor of H.R. 2005.

Mr. MATHIAS. Mr. President, I am pleased to support S. 51, the Superfund Improvement Act of 1985, and I commend the chairmen of the Committees on Environment and Public Works, Finance, and the Judiciary, for their hard work that has brought this measure before the Senate for final passage.

"Out of sight, out of mind" is a proverb which has guided us when it came to disposing of used household items, byproducts of manufacturing processes, old packaging, and other residue of our high-tech American society.

Only recently have we come to recognize the shortsightedness of our ways. Knowing what we know now about the long-term health effects of many of those products we threw away and long since have forgotten, we have come to recognize our collective responsibility. We have contributed an enormous amount of dangerous matter to our environment without proper safeguards.

We are now paying the price of our throwaway habit in Superfund cleanup costs; RCRA disposal sites and methodologies; Clean Water and Clean Air Act discharge permits, ambient air quality levels, and best available technologies; and in health and disability costs for persons who have medical problems today because of our prior carelessness.

The Superfund bill is part of our collective response to our past carelessness. The difficulty is that there are thousands of toxic wastesites. In Maryland alone, EPA and the State already have identified 168 sites, only half of which have, as of yet, been investigated and evaluated for toxicity, at the expense of the State of Maryland.

Here in Washington, we recently read of electric transformers in a Smithsonian Institution Building that were leaking PCB's. So the problem is all around us and includes the Federal Government as well as everyone else.

The Defense Department occupies a good deal of real estate in Maryland, including 21 former Nike missile sites. They are no longer used and the De-

partment is trying to dispose of them, declaring them excess and transferring them to the General Services Administration.

Many of these underground sites are prime suspects as the sources of ground water contamination affecting surrounding residential communities. The Superfund bill before us maintains the Defense Department's responsibility to assure that those Nike sites are not causing contamination, and that they will not contaminate Maryland before they are transferred for public sale.

Toxic waste is a serious problem for Maryland, where we have had some experience attempting to clean it up. The first Superfund site in the Nation was a site in the city of Baltimore in which drums of poison chemicals had been buried for years. The steel drums began to rust and therefore to leak and there was an imminent health danger to a whole neighborhood. The Environmental Protection Agency responded to the State's request and the two cooperated in a cleanup. Not everyone was satisfied with it, but at least it demonstrated that EPA could be called upon in such circumstances and would respond. There are six sites in Maryland on the national priority list for cleanup. Mr. President, I ask unanimous consent that brief descriptions of those sites and actions taken to date appear in the RECORD at the conclusion of my remarks

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MATHIAS. The citizens of Silver Run in Carroll County, MD, have been plagued with water problems. These are problems beyond the powers of Maryland to solve for them, however, because the source of the pollution is a toxic wastesite in Pennsylvania. It is an interstate problem.

And it is a problem that affects not just property, but people too.

We have a number of big and important engines of commerce in Maryland, particularly in the Baltimore area. These manufacturers have been the backbone of Maryland employment, industrial strength, and trade through the Port of Baltimore. Yet some of the former employees of those businesses are showing signs of poor health—symptoms of respiratory diseases, unexplained headaches, nervous system disorders, skin rashes, cancers, and even impotence—that may be related to their prior long-term work. We don't know for sure yet what, if any, disabilities, deformities, or shortened life expectancies may appear in their children and grandchildren.

But we do know there is a possibility that some of the jobs these people held, some of the materials they handled or to which they were constantly exposed, and some of the places where they lived have placed them at risk because of toxic substances. We have an obligation to get the facts and determine whether there is a direct causal relationship and at what levels and time periods of exposure.

When faced with the stark reality of cleaning up a toxic waste dump, whether a municipality, private landowner, the Federal Government, or a present or prior contributor to the dumpsite, the "NIMBY" problem arises—not in my back yard. No one wants toxics anywhere near. So we as a nation must begin to address the nature of the toxic substances we create, their shelf life, and how to safeguard ourselves, our children, and grandchildren from their adverse effects.

I am proud to represent a State which has taken the lead in addressing the problem of toxic waste. Last year, at the urging of the Maryland Waste Coalition, composed of 15 citizen environmental protection organizations, the Maryland General Assembly appropriated $500,000 to the Maryland Superfund to continue State site evaluation and emergency response efforts. I commend the leadership of the executive and legislative branches of the State of Maryland for recognizing the seriousness of this problem and devising an integrated management approach to toxic and hazardous materials.

The technology may not even exist to fully solve all of the problems. And the amount of money that it would require is fantastic. EPA has estimated there are 22,000 sites nationwide to evaluate and that approximately 2,000 of them will require remedial response. The current cost estimate is an average of $8.1 million per site, which will continue to escalate over time the longer we put off the inevitable and let inflation take its toll.

Some of the estimates of the national cost go as high as $40 billion. The bill before us now is nowhere near that sum, but rather a modest $7.5 billion to be expended during the next 5 years. I personally believe the nature and extent of the problem warrants more than this amount.

The job ahead is a huge one requiring money, expertise, technology, and long-term commitments to clean up, contain, and/or reduce the toxicity of many of these volatile elements. It also requires us to reevaluate some of our uses of such toxics, weighing their health costs against the benefits of the products, processes, and lifestyle they help to create.

So this is clearly a Federal problem. It involves interstate pollution issues and a wide array of responsible parties. I believe it is a necessary program. I say that with great deliberation and caution because I believe in reducing the deficit in every possible way. If this were an expenditure we could postpone, I would favor postponement. But the danger to human health is great. The problems can only get worse as the toxic dumpsites fester and the poison spreads. It is time to get on with Superfund and what Superfund will buy, which is freedom from the poisons and toxins of the last century that will poison the next generation if we do not deal with them now.

EXHIBIT 1

MARYLAND SITES ON EPA LIST

Among the 812 (540 final and 272 proposed) hazardous-waste sites on the EPA's Superfund list are the following in Maryland:

Limestone road, Cumberland. The 35-acre site consists of two contiguous areas in Allegany county where officials have identified contamination of ground and surface water from chromium waste on the site. The EPA is preparing a remedial plan to determine the full extent of cleanup required.

Middletown Road Dump, Annapolis. The 10-acre site in a residential and rural area in Anne Arundel county has been used to dispose of rubble, fill material and miscellaneous wastes. Toluene, benzene, paint waste and solvents were stored in at least 12 drums. The EPA, which is conducting a remedial plan for cleanup, is concerned because groundwater in that area is used for drinking. The agency has completed emergency action at the site by removing contaminated soil and installing groundwater monitoring wells.

Sand, Gravel and Stone Quarry, Elkton. At least three acres on the inactive quarry in Cecil county were used until 1974 for the disposal of approximately 700,000 gallons of bulk, solid and semi-solid waste. In 1976, 200,000 gallons of liquid waste and some sludges were removed. The EPA, in 1982, found surface water contamination as well as localized contamination of groundwater. Maryland officials are pursuing local enforcement action against the responsible parties and EPA is pursuing remedial cleanup.

Kane and Lombard street drums, Baltimore. There are about 1,000 drums of toxic waste including benzene, lead and chromium, on the 8.3-acre abandoned dump site, which is about a quarter-mile away from a residential area of 2,500 people. State and EPA officials have begun to remove surface drums and contaminants at the site.

Mid-Atlantic Wood Preservers Inc., Harmans. The Fort McHenry Lumber Company manufactures treated wood products on the 3-acre Anne Arundel county site. The lumber is pressure-treated with chromated copper arsenate to protect it against water and insect damage. Maryland officials detected chromium and arsenic in soil and groundwater, and in 1980 the company removed contaminated soil to an approved disposal facility, since then, the state has found surface water draining from the site to Stony Run that was contaminated with copper.

Southern Maryland Wood Treating Company, Hollywood. The 25-acre site in St. Marys county is owned and operated by L.A. Clarke and Son Inc., of Fredericksburg, Va. The company preserves wood with creosote. Manufacturing byproducts such as pentachlorophenol, benzene and lead are disposed of in a landfill and surface impoundment. EPA is concerned by a potential contamination of groundwater, surface water and soil because about 300 people who live within 3

miles of the site depend on groundwater for drinking. The company has excavated and treated parts of the soil.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1986

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 3036, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3036) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Abdnor Amendment No. 696, to increase funding for salaries and expenses of the Office of Management and Budget.

(2) Grassley Amendment No. 700, to make the order of the Commissioner of Customs applicable to contract shipments of ethyl alcohol entered after September 30, 1985.

AMENDMENT NO. 700

The PRESIDING OFFICER. The question is on the Grassley amendment No. 700.

Mr. ABDNOR. Mr. President, this side is happy to accept the Grassley amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. DECONCINI. Mr. President, this amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 700) was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the pending excepted amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I also ask unanimous consent that the pending amendment No. 696 be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 702

Mr. LAXALT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. LAXALT] proposes an amendment numbered 702.

Mr. LAXALT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Title IV, page 32, beginning line one, insert:

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

For the year ending September 31, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $15,000,000 is appropriated, to remain available until expended, for a grant to construct Phase II of the Mines Building at the Mackay School of Mines, University of Nevada, Reno, relocate the Generic Center on the Recycling of Strategic Metals and establish the Policy Center on Strategic Materials, including such equipment as the school deems necessary to the conduct of its activities.

Mr. LAXALT. Mr. President, I have discussed the amendment with the distinguished floor manager and I believe it is acceptable to him.

Briefly, the amendment provides for the continued development of a strategic materials research facility at the Mackay School of Mines at the University of Nevada, Reno. Funding for the facility would be from the national defense stockpile transaction fund.

Mr. ABDNOR. Mr. President I accept the amendment of the Senator from Nevada. This amendment will be of assistance in grappling with the problem of strategic minerals.

Mr. DECONCINI. Mr. President, I compliment the Senator from Nevada. Frankly, I am sorry that it did not include the College of Mines at the University of Arizona. I know the record of the University of Nevada, which is very outstanding. I think this is a good program.

Mr. President, I would like to ask the Senator if he realizes that there is likely to be an amendment later today that would reduce all discretionary funding by 1.3 percent which, of course, would affect this project as well as law enforcement and other things. I hope the Senator can give due consideration to the eloquent argument that I am sure the chairman and myself are going to put forth to save this project in Nevada, law enforcement, and many other items.

Mr. LAXALT. Mr. President, I can say this to my distinguished friend and colleague from the State of Arizona: at this critical point, I would certainly not enter into any discussion with the floor managers but would give the later debate on the subject full and due consideration.

Mr. DECONCINI. Mr. President, I will put my friend from Nevada down as leaning our way without a further commitment. This amendment is acceptable.

Mr. ABDNOR. Will my colleague yield?

Mr. DECONCINI. Yes, Mr. President, I yield.

Mr. ABDNOR. I just want to say to him that I did not really have too much of the sense of the amendment in the committee. He knows how we pretty well put the knife to those committees so that 1.4 was almost devastating to them. He probably knows why we did it, because we put the money into law enforcement instead of some of these other agencies that he is talking about.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 702) was agreed to.

Mr. ABDNOR. I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. I ask unanimous consent that amendment No. 696 be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 703

(Purpose: To permit the allocation of space in Federal buildings for the purpose of providing child care facilities for Federal employees)

Mr. TRIBLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. TRIBLE] proposes an amendment numbered 703.

On page 58, between lines 2 and 3, insert the following:

SEC. 615. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees applies

to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such services, such officer or agency may allot space in such a building to such individual or entity of—

(1) such space is available; and

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 95 percent are Federal employees.

(b)(1) If an officer or agency allots space to an individual or entity under subsection (a), such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) or services provided in connection with such space, nothing in title 31, United States Code, or any other provision of law, shall be construed to prohibit or restrict payment by reimbursement to the miscellaneous receipts or other appropraite account of the Treasury.

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone service), and security systems) including installation and other expenses associated with security systems.)

Mr. TRIBLE. Mr. President, today I am offering an amendment along with Senators ABDNOR and DECONCINI that will make a significant contribution to the morale and productivity of Federal employees. The amendment would permit a greater availability of child day care facilities for working parents employed by the Federal Government.

Very simply, my amendment would permit child care facilities in Federal buildings to be treated in the same manner as credit unions in Federal buildings. Currently, if space is available, credit unions may be granted space in Federal buildings rent-free. Mr. President, if our policy is to provide space for such services rent-free, surely we can extend this same treatment to facilities which would meet the urgent needs of working parents.

American society has seen a dramatic increase in the number of families whose adult members work outside the home. And this trend is expected to continue as a growing number of households are headed by single parents and as more and more women pursue careers outside the home. By 1990, 2 out of 3 mothers will be working outside the home and 50 percent of mothers with children under age 6 will be employed. By the end of the decade, 1 in every 4 children under age 10 will be in a single-parent household.

As women and single parents become a major force in the workplace, their requirements and those of their families must be recognized. For working parents, childcare benefits may be at least as important as other more traditional employment benefits such as health insurance or retirement plans. Employers wishing to recruit or retain quality personnel will find childcare benefits to be increasingly important.

Recognizing this, the White House office of private sector initiatives has established a program to inform business of employer options for working families and of the tax and productivity advantages of child care benefits.

Mr. President, the House of Representatives, led by my colleague from Virginia, Representative WOLF, included in their report accompanying this appropriations measure, language supporting child care assistance for Federal employees. The report language supports having the General Service Administration treat space granted for child care assistance on the same basis in which credit unions are provided space. I wholeheartedly support the House's efforts in this issue.

Mr. President, we must recognize these changes that are taking place in our society. This amendment, I think, will improve Federal morale and the efficiency of our work force, and will add no cost to the operation of the Government. It has been cosponsored and enthusiastically supported by the managers of the bill on both the Republican and Democratic side.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there any further debate?

Mr. ABDNOR. Mr. President, I thank the Senator from Virginia for bringing this issue to the Senate for consideration. As I understand it, this language will put day care centers on the same footing as cafeterias and credit unions which presently occupy Federal space and are exempted from the payment of the standard level of user charges. If that is correct, I am happy on this side to accept the amendment.

Mr. TRIBLE. That is correct, Mr. President.

Mr. DECONCINI. Mr. President, I compliment the Senator from Virginia. It is a good amendment, in my opinion. I ask unanimous consent that I be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. This is a situation, Mr. President, that is of growing concern to industry and the private sector and ought to be with the Government. That is providing adequate child care and day care facilities. Yes, it costs money. In this particular case, it is going to be excess, as I understand it, or given at the same rates and under the same provisions, as the chairman pointed out, as for cafeterias and credit unions. It makes eminent sense that we move in this direction. I am pleased to see this type of attitude expressed in the Senate. On this particular bill, I think it is most fitting. I compliment the Senator from Virginia.

The amendment is agreeable to this side.

Mr. ABDNOR. Mr. President, I ask the Senator from Virginia to include me as a cosponsor as well.

Mr. TRIBLE. I ask unanimous consent, Mr. President, that Senator ABDNOR be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. I thank them for their assistance in bringing this matter before the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 703) was agreed to.

Mr. ABDNOR. I move to reconsider the vote.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. I ask unanimous consent that amendment No. 696 be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 704

(Purpose: To authorize payment of certain travel and transportation expenses for certain officers and employees of the Federal Government)

Mr. ABDNOR. Mr. President, I send an amendment for Mr. WARNER to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR], for Mr. WARNER, proposes an amendment numbered 704.

On page 58, lines 2 insert the following new section:

SEC. (a) Section 5723 of title 5, United States Code, is amended—

(1) by redesignating the second subparagraph (B) in subsection (a)(1) as subparagraph (C); and

(2) by adding at the end thereof the following new subsection (f):

"(f) Under regulations prescribed pursuant to the authority contained in subsection (a) of this section, any appointee who is referred to in paragraph (1)(B) or (1)(C) of such subsection and receives travel and transportation expenses under this section may be allowed relocation expenses to the same extent and under the same conditions and limitations as are prescribed for a transferred employee in sections 5724a, 5724b, and 5724c of this title.".

(b) Paragraph (4) of section 5724a(a) of title 5, United States Code, is amended by adding at the end thereof the following new subparagraph (C):

"(C) Reimbursement under this paragraph may also be allowed for (i) the expenses of the sale of the residence at the old official station located within the areas listed in subparagraph (A) incident to an employee's transfer to a post of duty located outside those areas to serve an agreed upon tour of duty and the employee's travel and transportation expenses are allowed pursuant to 5724(d) of this title, and (ii) the expenses of the purchase of a residence at a new official station located within the areas listed in subparagraph (A) when the employee is transferred in the interest of the Government to such official station from a post of duty located outside those areas and residence sale expenses are allowable under clause (i) of this subparagraph. Agencies may pay expenses under clause (i) of this subparagraph. Agencies may pay expenses under clause (i) or (ii) of this subparagraph only after the employee agrees in writing to remain in Government service for 12 months after each of the transfers described in clauses (i) and (ii) unless separated for reasons beyond his control which are acceptable to the agency concerned. If the employee violates the agreement for either transfer, the money spent by the United States for the expenses incident to that transfer is recoverable from the employee as a debt due the United States. The benefits authorized under this subparagraph shall in no case duplicate benefits or allowances authorized under other statutory provisions for the same basic purposes."

Mr. WARNER. Mr. President, it is my privilege today to offer an amendment assuring a greater degree of equity in the manner in which members of the Federal work force are provided relocation assistance.

My amendment was first approved by this body on June 20, 1985, as a part of H.R. 2577, the fiscal year 1985 supplemental appropriations bill.

At that time, our distinguished manager of the Treasury bill (Mr. ABDNOR) had been kind enough to approve the amendment in committee, and with the valued support of Senator STEVENS and Chairman HATFIELD, the Appropriations Committee reported the language to the full Senate.

When H.R. 2577 went to conference, however, certain of our House colleagues withheld their approval and the amendment was dropped from the final version of the bill.

In the interim period, I have sought to gain approval for the amendment, and I now believe that previous objections have been met.

The Office of Management and Budget has withdrawn its original concern, and both the General Services Administration and the Office of Personnel Management have expressed their full support.

In fact, GSA was instrumental in assuring that the language of the amendment is technically correct.

Specifically, my amendment proposes a twofold action.

First, relocation assistance now available to career civil servants would also be extended to Presidential appointees and new appointees to the senior executive service [SES].

This action should greatly assist in recruiting top-level Federal personnel and is consistent with relocation benefits offered in the private sector.

Second, the same relocation assistance provided in domestic moves would be provided on the departure and return of Federal employees assigned overseas.

Benefits already available, such as those provided for the foreign service, would not be duplicated.

Furthermore, relocation services would continue to be strictly domestic as the Government already provides overseas housing allowances.

In closing, I wish to express my continuing appreciation to Senators ABDNOR and STEVENS.

Due to their support of related efforts in the last 2 years, a growing number of Federal employees now have access to relocation services truly comparable with the private sector.

This amendment involves no new funding and only acts to broaden eligibility under current discretionary authority.

I encourage all of my colleagues to lend this legislation their valued support.

Mr. ABDNOR. Mr. President, I thank the Senator from Virginia [Mr. WARNER] for offering this amendment. It is a good amendment. I believe it will be beneficial to the Government. The Senate passed this language earlier this year and I believe it should be accepted again.

I yield to my colleague.

Mr. DECONCINI. Mr. President, the amendment is agreeable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 704) was agreed to.

Mr. ABDNOR. I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCCONNELL). Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have just come from a congressional awards ceremony in which gold congressional awards are being given to young people who excel in service to their neighborhoods, who develop themselves physically and mentally, and develop skills that can be used in important jobs.

At that meeting is Majority Leader DOLE, and I am sure he wants to be here to vote.

So if the two managers have no objection, I will suggest a brief quorum so that Senator DOLE can be alerted. He has to come all the way back from the Cannon Building.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 696

The PRESIDING OFFICER. The question is on agreeing to amendment No. 696.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Louisiana [Mr. EAST] and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 24, nays 72, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—24

Abdnor	Evans	Rudman
Armstrong	Gorton	Simpson
Cochran	Hatch	Stafford
Danforth	Hatfield	Stevens
Denton	Heinz	Thurmond
Dole	Humphrey	Trible
Domenici	Laxalt	Warner
Durenberger	Mathias	Weicker

NAYS—72

Andrews	Goldwater	McConnell
Baucus	Gore	Melcher
Bentsen	Gramm	Metzenbaum
Biden	Grassley	Mitchell
Bingaman	Harkin	Moynihan
Boren	Hart	Murkowski
Boschwitz	Hawkins	Nickles
Bradley	Hecht	Nunn
Bumpers	Heflin	Packwood
Burdick	Helms	Pell
Byrd	Hollings	Pressler
Chafee	Inouye	Proxmire
Chiles	Johnston	Pryor
Cohen	Kassebaum	Quayle
Cranston	Kasten	Riegle
D'Amato	Kennedy	Rockefeller
DeConcini	Kerry	Roth
Dixon	Lautenberg	Sarbanes
Dodd	Leahy	Sasser
Eagleton	Levin	Simon
Exon	Long	Symms
Ford	Lugar	Wallop
Garn	Mattingly	Wilson
Glenn	McClure	Zorinsky

NOT VOTING—4

East Specter
Matsunaga Stennis

So the amendment (No. 696) was rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the expected committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 705

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I believe this amendment has been agreed to on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 705.

On page 14, after line 10, insert the following new section:

SEC. . No funds appropriated under this Act shall be used to grant, maintain, or allow tax exemption to any cult, organization, or other group that has as a purpose, or that has any interest in, the promoting of satanism or witchcraft: *Provided*, That for purposes of this section, "satanism" is defined as the worship of Satan or the powers of evil and "witchcraft" is defined as the use of powers derived from evil spirits, the use of sorcery, or the use of supernatural powers with malicious intent.

Mr. HELMS. Mr. President, there is widespread concern across the country as result of the growth of cults, satanism, witchcraft, sorcery, and the like. These have been countless tragic cases of young people committing suicide or becoming involved in violent religious rituals as a result of an attraction to what can generally be described as the occult.

Mr. President, let me offer an example. On May 16 of this year, the ABC news program 20/20 focused on this problem. To get the full impact of the parade of horrors presented that night one needs to have seen the actual program. But a few quotes from the lead-in to the story provides the gist of what is being described. ABC newsman Tom Jarriel began this way:

Dateline: Northport, Long Island. A quiet community rocked by reports a teenager was dragged through these woods toward a late-night ritual of death. An eyewitness said the victim, Gary Lowers, was forced to pray to Satan as he was repeatedly stabbed to death. Two young men were arrested. James Trovana was found innocent last month, but his alleged accomplice never made it to trial. Ricky Casso committed suicide in jail the day after his arrest. Despite numerous signs that Casso was into satanism and rock music associated with devil worship, police steadfastly refused to label this case satanic. The official explanation: a drug related crime.

Dateline: Phoenix, Arizona. One hundred forty dogs found slaughtered. Across the country, police tell us there have been more than 15,000 animal mutilations and often they were clearly used in some kind of bizarre ritual. But there's no official explanation.

Mr. President, I ask unanimous consent that the full text of the 20/20 segment entitled, "The Devil Worshippers," be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

20/20—MAY 16, 1985

HUGH DOWNS. Good evening. I'm Hugh Downs. And this is 20/20.

ANNOUNCER. On the ABC Newsmagazine, 20/20, with Hugh Downs and Barbara Walters.

DOWNS. Tonight, the startling, sobering results of a 20/20 investigation. Satanism, devil worship, being practiced all across the country.

DALE GRIFFIS. We have all types perversion going on, and it's affecting America.

DOWNS [voice-over]. Perverse, hideous acts that defy belief. Suicides, murders, and the ritualistic slaughter of children and animals. Yet so far police have been helpless.

SANDI GALLANT. The problem that exists is we're getting the stories but we don't have the victims.

DOWNS [voice-over]. Our report comes after questions by 20/20 viewers. Tom Jarriel, with signs of and testimony about "The Devil Worshippers."

And Hugh Hefner and Peter Bogdanovich once seemed like good friends. Both work in fantasy worlds. Hefner chooses pinups. Bogdanovich makes movies. Now they're blaming each other for Playmate Dorothy Stratten's death. It's a wild feud, fueled by ego and power. Geraldo Rivera, with some surprising facts and the truth behind a case of "Smear and Obsession."

[commercial break]

DOWNS. Up front tonight, a 20/20 investigation. You know, the stories we air originate in many ways and for many reasons. Some ideas, as I'm sure you're aware, come through the mail, from you, often involving issues of deep concern. And that's the case with our first story this evening. There have been a series of criminal acts reported around the country that have had unique characteristics that linked them together. And the source of all this is the apparent practice of satanism. That's worship of the devil. Now, police have been skeptical when investigating these acts, just as we are in reporting them. But there is no question that something is going on out there, and that's sufficient reason for 20/20 to look into it. One caution: we believe that some of the pictures and descriptions in Tom Jarriel's report may be disturbing, even frightening, particularly to younger viewers. Here is Tom's report.

TOM JARRIEL [voice-over]. Dateline: Northport, Long Island. A quiet community rocked by reports a teenager was dragged through these woods toward a late-night ritual of death. An eyewitness said the victim, Gary Lowers was forced to pray to Satan as he was repeatedly stabbed to death. Two young men were arrested. James Trovona was found innocent last month, but his alleged accomplice never made it to trial—Ricky Casso committed suicide in jail the day after his arrest. Despite numerous signs that Casso was into satanism and rock music associated with devil worship, police steadfastly refused to label this case satanic. The official explanation: a drug-related crime.

Dateline: Phoenix, Arizona. One hundred forty dogs found slaughtered. Across the country, police tell us, thee have been more than 15,000 animal mutilations, and often they were clearly used in some kind of bizarre ritual. But there's no official explanation.

Dateline: Walnut Grove, Alabama. Police are called in to investigate the site of what appears to have been a ritual. They find various satanic paraphernalia, including pictures of the devil. There was a routine inquiry which didn't discover what was going on here.

Across this country and Canada, satanic graffiti is turning up on public buildings and abandoned buildings, where police suspect secret meetings are being held by people calling themselves satanists, people who worship the devil. Most often found: the inverted five-pointed satanic pentagram, the upside-down cross, the evil eye, references to Babylon and the devil's number, 666. Vandals often target churches. Here in southern Maine, after a dozen churches were painted with satanic symbols, police arrested a suspect. Although vandalism charges were later dropped, he offered an explanation for the church graffiti from behind a locked door.

MAN. Anyone that receives the mark of the beast, which is 666 is his number, is going to burn in hell forever and ever.

JARRIEL. *[voice-over].* It's the way some people interpret the Bible, the Book of Revelations, where it's written: "Satan can be identified by the number 666, calling him the beast, which deceiveth the whole world." The goat's head is a key symbol of the Beast. Yet throughout history, Satan has taken on many different shapes and disguises. He's widely considered by conventional religious as the embodiment of evil on a mission to tempt man to sin and destroy God's kingdom. Today we have found Satan is alive and thriving, or at least plenty of people believe he is. His followers are extremely secretive, but found in all walks of life. Modern satanism was shockingly dramatized on the screen in the mid-'60s with the release of Rosemary's Baby. It's a move that's been described as the best advertisement that devil worship has ever had.

[clip from Rosemary's Baby]

JARRIEL. *[voice-over].* The zeal of these fictional devil worshipers is strikingly similar to that of real-life satanists. Mike Warnke is a former satanist. Today he's a successful comedian, preaching Christianity in the form of humor. But back in the '60s he was one of satanism's high priests. He showed us what a satanic temple might resemble and typical implements used to worship the devil.

MIKE WARNKE, former satanic priest. The bones usually are used in a ceremony that calls for telling the future with the bones or a part of the deceased person.

JARRIEL. *[voice-over].* He also explained what attracted him to satanism.

Mr. WARNKE. I was basically drawn into it when I was young just wanting to be somebody special. I just wanted to be different than everybody and have something that was special that everybody, you know, looked up to.

JARRIEL. *[voice-over].* This is a 15-year-old boy who also wanted to be special. Before hanging himself he wrote on his body, "I'm coming home, master" and "Satan lives" and "666." It was a case with such clear satanic symbols, it brought two police officers together. Sandi Gallant is one of them. She's a San Francisco policewoman, and now a leading authority on satanic crime, a speciality other cops often scoff at.

SANDI GALLANT, police intelligence officer. As time goes on, maybe my work gets a little more credibility. There's one guy that still walks around and when he sees me he goes like this [symbol of horns] wherever he goes. But I've gotten pretty much used to that.

JARRIEL. *[voice-over].* The other officer is Dale Griffis, chief of a small police department halfway across the country in Tiffin, Ohio.

DALE GRIFFIS, police chief. We have kids being killed, we have people missing in America—we have our own MIAs right here. We have cattle being killed. We have all types of perversion going on, and it's affecting America.

JARRIEL. *[voice-over].* America is being affected. Nationwide we found that minor cases of satanic activity light up the map. Not a single state is unaffected. But even more frightening is the number of reported murders and suicides with satanic clues. All of them were investigated by police, but usually without much result. We found that satanism falls into three categories. One, self-styled satanists: a growing number of young people who dabble in devil worship. Two, religious satanists: people who publicly worship the devil, a right that's protected by law. And three, satanic cults: what appear to be highly secretive groups commiting criminal acts, including murder.

First, let's examine self-styled satanists like Ricky Casso. Often they're teenagers who learned that the message of satanism is for sale right in the neighborhood.

[On camera]. This shopping mall in affluent Westchester County in New York exemplifies how easy it is for children, or adults for that matter, to get their hands on satanic material. We stress it's perfectly legal, and these are typical commercial outlets you'll find just about anywhere. Three stores side by side: a bookstore, a music store, a videotape center, each offering seemingly harmless types of entertainment like movies. Here at the neighborhood videotape store, take a look at the number of movies that involve satanism. Most were popular films in their day, but even today if one is inclined to believe in satanism, it's a way to actually see the devil and perhaps be inspired.

[voice-over]. In The Exorcist it is the tremendous power of the devil himself controlling a little girl's body against the will of a priest that makes the movie still one of the most popular examples of evil versus good.

[clip from "The Exorcist"]

Mr. WARNKE. It wasn't that a demon jumped out of the TV and grabbed me by the face and dragged me down the road and forced me to join the Church of Satan. It was just that there were certain things in this program that piqued my interest, and then I decided to study more on my own. And if the devil has PR, then it is, you know, cinema.

JARRIEL [voice-over]. Then there's also the satanic literature, which includes many books that are sold in many bookstores [on camera] Librarians point out that they're among the most popular books on their shelves. Here, as in almost any bookstore, you'll find both The Satanic Bible and its companion, The Satanic Rituals, a step-by-step guide is performing evil rites.

Mr. WARNKE. Kids get their ideas, especially their psychological pumping up, so to speak, from the literature. And books play an extremely important part.

JARRIEL. And finally, music, which is found here in the neighborhood record store under the category of heavy metal music. The satanic message is clear, both in the album covers and in the lyrics, which are reaching impressionable young minds.

[voice-over]. And the musical message comes across loud and clear, at concerts and now through rock videos. The symbolism is all there: the satanic pentagram, the upside-down cross, the blank eyes of the beast, the rebellion against Christianity, and again and again, the obsession with death. According to most groups, it's all done in fun. But according to police it's having an effect on many children, a growing subculture that mixes heavy metal music with drugs and the occult. In addition to groups that are blatantly satanic, there are also many recordings which some believe may contain satanic references in the form of backward messages.

[interviewing]. What's a popular song that has a reference to the devil in it?

[voice-over]. Chris Edmonds is a Detroit disc jockey whose speciality is finding secret recorded messages exhorting the devil by playing music popular with kids in reverse, a technique they've learned to use.

CHRIS EDMONDS, disc jocket. Okay, the phrase we're looking for is "and there's still to change the road you're on."

JARRIEL. Now flip it for us.

Mr. EDMONDS. A lot of people hear the phrase "my sweet Satan." Here, we'll play this back. Here it? "My sweet Satan."

JARRIEL [to Mr. Griffis]. How often do you find heavy metal music indicators at the scene of a crime involving satanic worship?

Mr. GRIFFIS. Probably about 35%, 40% of the calls.

JARRIEL. Regularly.

Mr. GRIFFIS. Yes.

JARRIEL. [voice-over]. This art work is from a homicide case that combined heavy metal music with self-styled satanism. It's the work of 18-year-old Scott Waterhouse, a so-called satanist whose drawings clearly show he had murder on his mind. He's now serving a life prison term for the slaying of 12-year-old Giselle Cody. Before this case, officers here at the local police station in Sanford, Maine, had never even heard about satanic crimes. But that's all changed. The officer who broke the case was state Detective Moe Ouellette.

[interviewing]. When you reached the crime scene, what did you find?

MOE QUELLETTE, police detective. When I reached the crime scene, the local police had cordoned the area off, showed me the bank and where the young lady was found. She was probably killed right there at that particular area. She was strangled.

JARRIEL [voice-over]. Waterhouse was seen leaving the crime scene. And in a deposition, when he was later questioned by Officer Ouellette, he seemed almost proud to boast. "I'm a satanist." Waterhouse also described how he first became involved in it. "In a bookstore, my friend hit the shelf and a book fell out, and I caught it, and it had a pretty weird-looking guy on the back." The book was The Satanic Bible, by Anton LaVey. After Scott Waterhouse's trial, both the prosecution and the victim's father claimed that although The Satanic Bible did not condone violence. Waterhouse had interpreted it that way.

JOHN COTE, father of the victim. The book made you feel do what you want to and the heck with everybody, more or less. And I believe that that had a lot to do with it.

MICHAEL WESTCOTT, Assistant Attorney General. It tries to make itself innocuous, but if you actually read it and believe it to the letter, it's a very dangerous manifesto.

JARRIEL [voice over]. The author of The Satanic Bible, Anton LaVey, is a former lion tamer and palm reader, who in 1966 founded the First Church of Satan. It quickly became the country's most prominent satanic organization, fully protected as a religion under the law.

ANTON LAVEY, founder, Church of Satan. This is a very selfish religion. We believe in greed, we believe in selfishness, we believe in all of the lustful thoughts that motivate man, because this is man's natural feeling. This is based on what man naturally would do.

JARRIEL [voice over]. The Church of Satan and other organized devil worship groups represent our second category; religious satanists. Although LaVey would not talk to me, we can get a glimpse of his theories and his rituals in the 1970 documentary on his church.

Mr. LAVEY. We feel a person should be free to indulge in all his so-called fetishes that they would desire, as long as they don't hurt anyone that doesn't deserve or wish to be hurt.

CHURCH MEMBERS. Hail Satan!

Mr. LAVEY. We perform human sacrifices, by proxy you might say, the destruction of human beings who would, let's say, create an antagonistic situation towards us, in the form of curses and hexes, not in actual blood rituals because certainly the destruction of a human being physically is illegal.

JARRIEL [voice over]. Police we spoke to say they have made a link between this satanic church and the satanic crimes being committed. However, some incidents described to us by witnesses from around the country are strikingly similar to these ritualistic scenes. For example, the ritualistic embracing of death—actually being placed inside a coffin containing a body. Or ritualistic sacrifice—using a voodo-type doll to place a curse on an unsuspecting victim. It's nothing that can be called physically harmful or illegal.

Although not connected to the Church of Satan, these 12-year-old boys, with their parents' consent, demonstrated how they were taught to inflict pain on their enemies. They also claim they witnessed sacrificial murder by members of our third category of satinism, satanic cults. Police have found no proof, made no arrests. But that's no surprise, for, nationwide, police are hearing strikingly similar horror stories, and not one has ever even been proved. Take for example, the mother of a young victim who asked not to be identified.

MOTHER of alleged participant. Usually they have the children kill the infants or the other kids.

JARRIEL. The children who were there, actually, what, were given knives?

MOTHER. Yes, they were. And if they refused to do it, an adult, usually the child's father or mother would actually take the child's hand and make them kill the child.

JARRIEL [voice over]. There's also this similar case that links child sex abuse with murder.

GRANDMOTHER of alleged participants. The children were given—were given knives and told to go and stab those bodies. And my grandchildren told me that they couldn't do that, that it wasn't possible, that they could only get the knives to go in about that far. And then the adults put their hands over the children's hands and shoved the knives in.

JARRIEL. Was there any reference to the devil?

GIRL. Yes.

JARRIEL. Yes.

[voice over] And this case now under police investigation involving young boys describing murders.

[interviewing] Tell me what you were asked to do.

1st BOY. I was asked to stab him.

JARRIEL. To stab him. And this was in front of other people who were there? Were you given a knife?

1st BOY. Yes.

JARRIEL. And were you told what would happen to you if you didn't?

1st BOY. Uh-huh.

JARRIEL. Do you remember what they said?

1st BOY. "This will happen to you."

JARRIEL. So you either stab him or you'll be stabbed, was about what it came down to?

[to mother] When the oldest boy describes stabbing with the knife, what's his reaction?

MOTHER. It's a hard, hard thing for him to say. He's been more apt to act it out.

JARRIEL. Do you remember his eyes?

[voice over] With their guardians' consent, the boys a doll to illustrate what they did.

[interviewing] So you were given the knife, and then what did you do?

1st BOY. I went like this.

JARRIEL. Did you push the knife all the way in deep, or did you just touch the skin?

1st BOY. All the way in deep.

JARRIEL. In deep. Were you in the room when this was going on? Did you see what happened to the child that was stuck with the knife?

2nd BOY. Yeah.

JARRIEL. What do you remember?

2nd BOY. All blood.

JARRIEL *[voice over]*. Ritualistic murder has become a specialty for San Francisco's chief medical examiner.

[interviewing] Are local investigators really prepared, equipped? Do they know what to look for when investigating these cases?

Dr. BOYD STEPHENS, medical examiner. No, I don't think they do. Even though we're—many different people are trying to get out the message about ritualistic or funny types of killings, first of all, just on their face value, they sound so unusual or bizarre that most people hearing that message really don't think that it's true.

JARRIEL *[voice over]*. It's bizarre and hard to prove. Yet the tales that were told to us in interviews conducted across the country were later verified by authorities, who say there are consistent telltale clues. And they provide a checklist of six satanic practices to look for. For example, being placed inside a coffin. It's an experience that many children are describing.

MOTHER. Well, the adults will dig up the caskets from the graveyards, and all the members, including the children, were made to lay in the remains of whatever was in the casket.

JARRIEL. Get in a casket with a decomposed body?

MOTHER. Right. And then the casket was closed and they would be lowered into the ground while they were in the casket.

JARRIEL *[voice over]*. The author of a popular book on satanism, Dr. Laurence Pazder.

Dr. LAURENCE PAZDER, psychiatrist. Children are involved in graveyards, in crematorias, in funeral parlors, because one of the primary focuses of these people is death. Everything is attempted to be destroyed and killed in that child and in that society, everything of goodness. And death is a major preoccupation.

JARRIEL [voice-over]. Another indicator: satanic paraphernalia. In every case the children talk about precisely the same setting.

GRANDMOTHER. They described a satanic goat's head being on the wall over the table. They described a lot of candles. And they described people in black and white robes with hoods.

JARRIEL [to Mr. Warnke]. The hood, Mike, what's this for?

Mr. WARNKE. This is to create for whoever's practicing a magical atmosphere.

JARRIEL. Do the colors mean anything?

Mr. WARNKE. Yeah, the red ones would be used for some types of sexual rituals, people are doing sexual magic. This would be used for ordinary ceremonies and also for ceremonies where you'd be throwing a curse on somebody.

JARRIEL [voice-over]. Another indicator: kidnapping. In almost every case the children have talked about children who were snatched and later sacrificed.

MOTHER. They were taught to aid in the kidnapping of children. What they would do is the kids would go and play with the children and then tell them that they were either going to go to a party or that there were some toys or whatever, and get them so that they weren't on the move, and then her father and other members would grab the kid.

JARRIEL [to Ms. Gallant]. Do you find missing children sometimes fall prey to these people?

Ms. GALLANT. I believe that they do. We can't prove that they do. But as a law enforcement officer, I question two million children missing in the United States, knowing that many, many of those are not runaways and are so young that they couldn't run away anyway.

JARRIEL [voice-over]. Number four: sexual abuse aimed at destroying faith in God. It's being described by numerous children.

[Interviewing.] What were the parallels with what the boys have told you and the worship of Satan?

MOTHER. Well, first of all, the sexual abuse, the pornography, which always seems to go hand in hand. The boys talked about how these people actually said: "I hate God," and they used a very deep voice when they talked about that.

Dr. PAZDER. One of the primary aims is to destroy the belief system within a child, to make a child turn against what they believe in, in terms of who they are, of who God is, and to desecrate all manner of flesh, all manner of church institution, all manner of sign and symbol that a child could in any way be attached to.

JARRIEL [voice-over]. Cannibalism. It's difficult to believe, but in every case we examined, children described it.

GRANDMOTHER. The hearts were cut out, and the children were made to chew pieces of these children's hearts, pieces of their flesh.

JARRIEL [to Ms. Gallant]. Is cannibalism part of the ritual?

Ms. GALLANT. The children have spoken about this in almost every instance. Also human feces, or drinking the urine or drinking human blood.

JARRIEL. That's part of the ritual.

Ms. GALLANT. Right.

Mr. WARNKE. I have an old three-inch scar here on my wrist where my friends used to cut my arm open and bleed my blood into a cup and drink it mixed with urine four times a year as a ceremony to Satan.

JARRIEL *[voice-over]*. And finally, cremation. Most of the children describe witnessing it. It might explain why no bodies have been found. So far police have failed to make the connection, as in the case of yet another youngster who, with his mother's consent, described how bodies were disposed of.

3rd BOY. He would take the bodies and put a trash bag over the feet and head. He put—and then what he would do is had his car parked out back. So he took him to a funeral home, and they got—they were cremated and nobody ever knew anything about the bodies.

Dr. PAZDER. These people cover their tracks very well. When they dispose of a body, they use that body as well. They will use, as I said, they will cremate that body, they will use the ashes that will become part of what they will continue to present to that particular group, and they will disperse that. They're not going to do some simple murder and leave a body in a stream for you to pick up the pieces of it.

JARRIEL *[voice-over]*. Six clues that point to the illegal worship of Satan, each based on the testimony of children, and none of it has ever been proved.

Ms. GALLANT. The problem that exists is we're getting the stories, but we don't have the victims. Once it's proven with one case, it's going to add more credibility to each one of the other cases.

JARRIEL *[voice-over]*. Until that one is proved, the link between crime and satanic cults will remain speculative. The victims in this report did break the grip of satanism, but each is left with permanent scars, and experts say they were lucky to escape.

Mr. GRIFFIS. When you get into one of these groups, there's only a couple of ways you can get out. One is death. The other is mental institutions. Or third, you can't get out.

WALTERS. That's terrifying, and that's no choice.

JARRIEL. Serious business.

WALTERS. If the police were aware of this, it might be that they could get to the instigators, to the top people. Why isn't there more awareness on the part of the police?

JARRIEL. Police are very reluctant to investigate these crimes as satanic crimes, Barbara, because communities quite naturally don't want their reputations stigmatized as being the home of the devil. They prefer to try to categorize them as drug-related crimes, sex-related crimes or robbery or something that they're more familiar with.

WALTERS. Individual rather than finding out who's behind it. Look, if this happens to your kid, or if you look at this and you have children and you say, "Could this happen to my child out of some kind of rebellion?" how would a parent be aware?

JARRIEL. Many youngsters are into it, teenagers and younger. And the clues are there, the satanic symbol—666. If you see that written on your child's notebook, if they're into heavy metal music, if they're associating with strange characters or drifting off to ceremonies and not explaining where

they're at, it's well worth it to parents to look deeper and ask, "What exactly are you up to?"

WALTERS. And with whom.

JARRIEL. Because this is serious.

WALTERS. It could be harmless. It could just be a diversion. But it could also be deadly serious.

JARRIEL. Absolutely.

WALTERS. Fascinating and horrifying report. Thank you for bringing it to us.

Mr. HELMS. Mr. President, it was because of reports such as this ABC news production on satanism that I took particular note of a letter from a constituent back in the fall of 1982. The constituent asked if a particular group, known to be explicitly promoting witchcraft, has been given tax-exempt status by the Internal Revenue Service under section 501(c)(3) of the Internal Revenue Code.

I wrote the IRS to find out. To my astonishment, the IRS told me that yes, indeed; the particular group in question had been granted tax-exempt status as if it were an ordinary bona fide church. This original response was dated December 17, 1982, and it was from Tully Miller, Acting District Director, Internal Revenue Service, Altanta, GA.

On February 10, 1983, I wrote the then Secretary of the Treasury, Don Regan about this matter—the Secretary's jurisdiction, of course, includes the IRS. I asked Secretary Regan (1) if the IRS District Director's view was correct, (2) if this had always been IRS policy since enactment of section 501(c)(3), and (3) if so, on what legislative history was it based. After many inquiries over a 2-year period, I finally got an answer dated May 24, 1985. By then, Mr. Regan had become White House chief of staff. The response to my inquiry was signed by Mikel M. Rollyson, tax legislative counsel, Office of the Secretary of the Treasury. It basically confirmed the earlier IRS letter from the IRS District Director.

Then on June 17 of this year, I wrote Treasury Secretary James A. Baker III, to ask for his personal consideration of this matter. He obliged me in this request, and I received his reply dated July 19, 1985.

Unfortunately, however, Mr. Baker basically confirmed the earlier letters I had received. Among other things, he wrote:

> Under the standards (used by the IRS for determining religious exemptions), several organizations have been recognized as tax-exempt that espouse a system of beliefs, rituals, and practices, derived in part from pre-Christian Celtic and Welsh traditions, which they label a "witchcraft.

Thus, the Secretary of the Treasury confirmed for me the fact that the IRS has and will grant tax-exempt status as a religious organization to groups explicitly promoting witchcraft.

Mr. President, I ask unanimous consent that Secretary Baker's letter to me of July 19, 1985, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, DC, July 19, 1985.

Hon. JESSE A. HELMS,
U.S. Senate,
Washington, DC.

DEAR JESSE: In a letter dated June 17, 1985, you asked me to consider personally whether section 501(c)(3) of the Internal Revenue Code would permit a group that practices "witchcraft" as a religion to be treated as tax-exempt.

You expressed special concern about recent reports linking violent crime to so-called satanic cults. You are absolutely right—neither the Reagan Administration, Jim Baker, nor the Internal Revenue Service will provide tax incentives for conduct which leads to violent crime.

Section 501(c)(3) of the Code exempts from Federal income taxation any entity that is organized and operated exclusively for religious purposes. As a conscious policy decision, the Code and the applicable Treasury regulations do not attempt further to define what religious purposes are. This decision, which reflects the First Amendment to the Constitution and its interpretation by the courts, has withstood the test of time.

The Service does not simply accept a claim of religious belief at face value in making determinations under section 501(c)(3). Instead, it makes two inquiries. The first is whether the organization's practices or rituals are illegal or are contrary to clearly defined public policy. The second is whether the asserted beliefs are sincerely held by those professing to follow them.

These standards guarantee that the Service will operate impartially—and will be understood by religious groups and the public to do so—in administering the tax exemption rules. Under the standards, several organizations have been recognized as tax-exempt that espouse a system of beliefs, rituals, and practices, derived in part from pre-Christian Celtic and Welsh traditions, which they label as "witchcraft." we have no evidence that any of the organizations have either engaged in or promoted any illegal activity. (One of the organizations was in fact subject to an on-site audit several years after it received an exemption letter; the agent found no basis for any change in tax-exempt status.)

In contrast, the Service has not hesitated to deny recognition of tax-exempt status to organizations that claim to be churches but engage in criminal activity. For example, the Service has denied exemption to an organization promoting drug use during its rituals and revoked the tax-exempt status of a purported church found to be involved in drug smuggling. Our records also indicate that an organization that espoused devil-worship, black magic, and other satanic rituals failed to meet several of the requirements for tax-exempt status and was denied an exemption under section 501(c)(3).

You enclosed with your letter a transcript of a television segment dealing with cults, violence, and drug-induced rituals. The Service's published cumulative list of tax-exempt organizations does not indicate that the Service has approved a tax exemption for either of the so-called "satanic churches" named in the transcript.

As you know, churches need not file an application for recognition of exemption or any annual information returns. Thus, I cannot assure you that some organization of which the Service has no knowledge may not improperly be claiming a tax exemption. The Service maintains an ongoing examination program to assure that organizations continue to comply with the requirements for tax exemption. Churches are subject to special statutory rules, enacted by Congress last year, that limit and restrict church contacts and examinations by the Service.

I am satisfied that present law, as administered by the Service, is effective to deny tax exemption to any organization that seeks a subsidy for promotion of illegal activity, without infringing on the rights of citizens guaranteed by the First Amendment. I hope this letter puts your concerns to rest.

Sincerely,

JAMES A. BAKER III.

Mr. HELMS. Mr. President, despite the reasoning of the Secretary, I simply cannot believe that Congress ever intended for section 501(c)(3) of the Internal Revenue Code to be used to promote witchcraft or other cult-related activities through the granting of tax-exempt status. To whatever extent such activities occur in this country, they certainly should not be subsidized—directly or indirectly—by the U.S. taxpayers.

After all, Mr. President, we allow tax-exempt status for bona fide religious organizations because we believe they help promote the common good. Cults and witchcraft groups do not; in fact, they lead to violent and unlawful behavior.

Mr. President, the pending amendment uses the congressional power of the purse to stop activities by the Treasury Department and the IRS in allowing tax-exempt status to "any cult, organization, or other group that has as a purpose, or that has any interest in, the promotion of satanism or witchcraft." The amendment defines "satanism" as "the worship of Satan or the powers of evil" and "witchcraft" as "the use of powers derived from evil spirits, the use of sorcery, or the use of supernatural powers with malicious intent."

I urge adoption of the pending amendment.

Mr. ABDNOR. Mr. President, I believe there are still some questions about this amendment on the other side of the aisle.

Mr. HELMS. Mr. President, I am willing to lay the amendment aside.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I seek recognition at this time for the purpose of asking the distinguished majority leader what the schedule will be for

the rest of the day and whether there will be a Senate session tomorrow. I do this especially in behalf of all Senators in view of the approaching storm that we have been hearing about for the last few hours.

Mr. DOLE. Mr. President, if we could have order, I shall attempt to answer.

The PRESIDING OFFICER (Mr. CHAFEE). May we have order in the Chamber?

Mr. DOLE. Mr. President, I know there are a number of Senators who have expressed their concern about what could be a rather bad storm. It could be in this vicinity sometime tomorrow. I can only indicate to the minority leader at this point that if we can make progress today—dispose of this bill, dispose of the HUD appropriations and dispose of D.C. appropriations, and that is not really as complicated as it may seem—then we would avoid a Friday session. If not, I assume we shall be in tomorrow, at least until around 2 or 3 o'clock in the afternoon.

I am advised by the distinguished chairman of the Committee on Appropriations that following this bill, he would like to move to the HUD appropriations bill. There will be amendments to that bill. The D.C. appropriations bill, I understand, will have an abortion amendment. That will not be a long debate.

It is possible that with some luck, we can complete action on these three bills by 8 or 9 o'clock this evening.

Mr. BYRD. Mr. President, in that event, the Senate will not be in tomorrow?

Mr. DOLE. In that event, I suppose there are a couple of other bills we could dispose of by unanimous consent. Then on Monday, we could go to the appropriations bill on agriculture.

Mr. HATFIELD. Will the Senator yield?

Mr. DOLE. Yes; but the minority leader has the floor.

Mr. BYRD. Yes, Mr. President, I yield.

The PRESIDING OFFICER. Will the Senator withhold while I ask all to give our attention to the Senators who are speaking, please?

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I wish to say to the leader that the Appropriations Committee reported out both the Agriculture and the Interior appropriations bills. I would be hopeful that we could have a pro forma session tomorrow, at least, in order to provide—I have been assured that my desire to get to the Agriculture and Interior appropriations bills up on Monday will not be impeded by our failure to be in tomorrow.

Mr. DOLE. That is my understanding. There may be some problem with bringing it up on Monday, but the 3-day rule would run even though we are not in session tomorrow.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. BYRD. Yes, I yield.

Mr. PRYOR. I wish to ask the majority leader or the chairman of the Committee on Appropriations a question.

How is it that we are going to appropriate for the U.S. Department of Agriculture and its programs before we have considered the authorization bill for the agriculture programs?

Mr. DOLE. How is it?

It is all right with me.

Mr. PRYOR. The chairman of the Committee on Appropriations, if I could get his attention, is saying he would like to bring the appropriations bill for agriculture programs forward. My question is, how do we appropriate the money for the agriculture programs before we have considered the authorization for the agriculture programs?

Mr. COCHRAN. Mr. President, will the Senator yield to me so I may respond to the Senator from Arkansas?

Mr. BYRD. Mr. President, I yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. The appropriation that we approve under the appropriations bill each year for the Commodity Credit Corporation simply reimburses the Corporation for net realized losses, so it is an after-the-fact kind of appropriation; the long-range programs and others administered by the Department do not have to be funded in advance by the appropriations process.

Mr. PRYOR. I appreciate that answer very much, Mr. President.

Mr. BYRD. Mr. President, may I say to the distinguished majority leader that I do not know what problems we may run into with respect to the appropriations bills, but I certainly want to do everything I can on this side to expedite the action on the appropriations bills today, because there are a good many Senators who, because of the approaching storm, may have to be elsewhere on tomorrow. So I am going to ask my people immediately to continue their efforts with respect to D.C. appropriations and this bill, of course, and HUD appropriations in hope that we can complete action today.

Mr. DOLE. I thank the distinguished minority leader.

Did the Senator have a resolution he wishes to offer?

Mr. BYRD. Yes, I do. I thank the distinguished Senator.

Mr. President, I want to make this statement while the Senator from Virginia [Mr. WARNER] is in the Chamber.

THE SENATE MISSION TO HUNGARY AND THE SOVIET UNION

Mr. BYRD. Mr. President, from August 27 to September 6, the distinguished senior Senator from South Carolina, [Mr. THURMOND] and I led a delegation of eight Senators to visit Hungary and the Soviet Union. Along with Mr. THURMOND and myself, the delegation included Messrs. PELL, NUNN, SARBANES, DECONCINI, WARNER, and MITCHELL. The primary purpose of the visit was to meet and establish a dialog with the new Soviet leader, Mr. Mikhail Gorbachev. We accomplished this on September 3, and exchanged views with him for over 3½ hours. The key items on our agenda for discussion were arms control, human rights, economic and other various bilateral relations, and regional questions, particularly Afghanistan.

Upon the return of our delegation, Mr. President, we met with the President and gave him an oral report on our visit. We think we accomplished some things that possibly helped to pave the way for the President when he goes to the summit. He was very interested from the beginning in having us report back to him upon the conclusion of our trip. We have done that.

Now Mr. President, I have the written report prepared and I shall shortly ask unanimous consent for the immediate consideration of a resolution which I have cleared with the distinguished majority leader and which will provide for an additional 1,000 copies of the report.

Mr. President, I yield to the distinguished Senator from Virginia [Mr. WARNER] who, as I say, was a member of the delegation and who, as a result of his experience, having been a former Secretary of the Navy and because of his chairmanship on the Subcommittee on Armed Services which has jurisdiction over the SDI, made a fine contribution as a member of the delegation. We benefited greatly from his participation, and I hope that Senators will want to take a look at this report. I am sure they will gain from the reading thereof.

Mr. President, I personally thank Mr. WARNER again for his participation at all times. He is a Member who is most thoughtful. He worked hard on the trip to help us all by virtue of his previous experience and knowledge, and the Senate and the country are in his debt, in my judgment.

I yield to him for any remarks he may wish to make.

Mr. WARNER. Mr. President, I thank the distinguished minority leader, who was the head of this delegation. The leadership, of course, was shared with Mr. THURMOND, and the remarkable combination of these two outstanding Members of the U.S. Senate established the tone of our mission abroad.

Time and time again, Mr. President, the distinguished Senator from West Virginia, joined by the distinguished Senator from South Carolina, remarked on the unique role of the U.S. Senate in matters of foreign policy and, drawing on their long experience in the Senate—the combined number of years being over 50 in the Senate—they pointed out that those periods in the history of our country where foreign policy has been most successful have been predicated on the spirit of bipartisanship.

Throughout the work of this delegation—and it was intensive and hard—there was a total bipartisan spirit. The Senator from West Virginia indicated that it was a bipartisan delegation with a nonpartisan goal; namely, to make a contribution toward world peace; that it is the Senate, with its unique responsibilities under the Constitution, which has a continuing role and that members of this delegation would be in office after Mr. Reagan steps down and a new President, whoever he or she may be, assumes that office; that it would be the hope of the leadership of our delegation and the members that the work that we perform would contribute to the challenge before President Reagan today with reference to the summit, and that we would hope to provide some continuity in the foreign policy. Time and time again all of us recognize the value of bipartisan continuity in the foreign policy of the United States.

I close with the remark that perhaps left the greatest impression on me given by the distinguished Senator from West Virginia to the General Secretary of the Union of Soviet Socialist Republics, Mr. Gorbachev. He remarked that this delegation was prepared to work and support this President, Ronald Reagan, in his efforts to provide for a more peaceful world, and that now is the time to make a start under this President; that future Presidents would build on that foundation, and that it would be unwise for the Soviet Union to in any way perceive that maybe there would be an advantage in waiting for another President to follow Ronald Reagan to make that start. The leadership of this delegation made it eminently clear that now is the time to make the start.

I thank the distinguished Senator.

Mr. President, I think the distinguished minority leader would join with me in also paying tribute to a very hardworking staff which accompanied this delegation. Many times they would work late into the night under rather extraordinary conditions because of certin unique security requirements to prepare each Senator with the arduous tasks on the day that followed.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Virginia [Mr. WARNER]. We did attempt to make very clear to the new General Secretary, Mr. Gorbachev, that now is the opportunity and we would hope the Soviet Union would not proceed under a misunderstanding. We made preeminently clear that they should not wait, thinking that they might get a "better deal," if I can put it in those words, from the successor, whether he be Democrat or Republican, to the Presidency after Mr. Reagan has finished his term.

I compliment also the President pro tempore [Mr. THURMOND], who contributed in a great way to the overall effort. As President pro tempore of the Senate and also as the ranking Republican of the Armed Services Committee, Mr. THURMOND was a very important part of this delegation. He did himself honor, and we are all proud of the things that he said in the meetings not only with Mr. Gorbachev, but also on the previous day with two very high military officials in the Soviet Union. He reflected well on himself and his State and the Senate of the United States, and I thank him.

I shall, at the conclusion of my remarks, offer the report of my delegation for printing as an official Senate document, and I will not repeat at length here the extensive observations and conclusions which are contained in this report. Nevertheless, I would like to take a few moments to summarize the highlights of our visit.

First, I wish to compliment the seven other Senators who accompanied me on this delegation. of the hard work, the serious intent, and deeply held motivations of all these Senators. It was a pleasure and a privilege for me to work closely with them in the intensive planning that went into this trip, and to see them represent the United States in the statesmanlike way and constructive approach that they used in handling this responsibility and this opportunity. I would, particularly, like to express my appreciation and my admiration for Mr. THURMOND, a true gentleman, who represented this body as a senior Senator with great experience and a sound judgment. I would say that both parties in the Senate were represented in the highest traditions of this body. This was a bipartisan delegation in the true sense of the word, expressing the concerns and the hopes of all Americans, regardless of party, regardless of region.

Today, we stand at a historic watershed in our relations with the Soviet Union. There is a new leadership, confident and clearly in control, in the Soviet Union. Mr. Gorbachev is a capable individual who has apparently put his team together, and I think we have to assume that that team will be in place for several years to come.

The first stop on this trip was London, where the delegation met with the Honorable Malcolm Rifkin, Member of Parliament, and Minister of State for Foreign and Commonwealth Affairs, who had participated in the meetings that were held in April between Mr. Gorbachev and Prime Minister Margaret Thatcher. Mr. Rifkin provided valuable insights and impressions of the new Soviet leader and the British view of current Soviet policies and strategies.

En route to Moscow, the delegation visited Hungary and met with a number of officials of the top Hungarian leadership. During extensive discussions with them, important insights were obtained from the perspective of a Soviet ally that has had some success in pursuing a rather creative economic policy, an ally that may be able to act as a bridge between East and West.

I do not know what level of understanding Mr. Gorbachev has of our system. I do not know what stage he has reached in forming opinions and conclusions about the United States, and what perspective he has developed about doing business and reaching agreements with the United States. The delegation attempted very carefully to impress upon him some important insights and realities about the U.S. system and attitudes, particularly the constitutional responsibilities of the Senate in the treatymaking area, and the role of public opinion in the United States in the establishment of the acceptable parameters of our Nation's relations with the Soviet Union.

In addition to the leadership changes in the Soviet Union, we are now actively engaged in Geneva with the Soviets in important arms control talks on intercontinental and intermediate strategic nuclear forces, as well as space systems. Those talks are now in the beginning of the third round for this year, having resumed on September 19, and we engaged in extensive discussions with Mr. Gorbachev, as well as senior soviet military officers, and the Hungarian leadership about the status and ramifications of those negotiations.

Finally, of course, the first summit meeting between the Soviet and American leaders in 7 years will occur in November, and my delegation intended to help in whatever ways it could, to make that meeting as productive as possible. I carried a letter from President Reagan to Mr. Gorbachev, and did express to him our President's strong desire for a constructive meeting. Mr. Gorbachev also indicated a desire along the same lines.

Mr. President, our two powerful nations have an opportunity, which should not be missed, right now to take the first substantial steps in establishing a new and better relationship. Let us not miss that opportunity. Over the last few years, the level of rhetoric has been too negative, and

the level of tensions has been too high between the United States and the Soviets. No one is blameless. Let us not dwell on the past. Let us not succumb to the easy temptation to call names, to point the finger. Mr. PELL, a member of the delegation, and the ranking Democrat on the Foreign Relations Committee, has said it best in his op-ed piece in the Washington Post on September 18:

> We would hope that both leaders would rise above their respective bureaucracies in a statesmanlike manner to boldly face the task of reaching mutually beneficial accommodations on the great issues which divide us.

We are hearing too many voices, Mr. President, which purport to speak for the President of the United States. We are seeing "anonymous" background briefings for reporters on what the President is thinking, what the President means when he says so and so at a press conference; and we are witnessing an abundance of commentary by not-so-anonymous aides. This does not contribute to a proper atmosphere leading up to this historic summit meeting 2 months hence.

An example of the confusing picture being painted about U.S. arms control positions is what has been said recently about the Anti-Ballistic Missile [ABM] Treaty, and about the relationship of the Strategic Defense Initiative [SDI] Program to that important arms limitation agreement.

Before and after the President's press conference, we heard statements attributed to various named and unnamed administration officials about the validity of the ABM Treaty and whether our SDI Program would conform to that treaty.

These statements raise concerns about U.S. arms control intentions and complicate our attempts to demonstrate to our allies that we are serious about respecting existing arms treaties and about negotiating in good faith to reach new agreements. They also present to our adversaries a picture of a disorganized decisionmaking process.

To eliminate this confusion, and to clarify some of the impressions emanating from the press conference discussion on the SDI Program, I personally spoke with the President on September 21. I asked the President directly whether, by his own statements about the negotiability of SDI testing and development at the press conference, he intended to signal that the United States was changing its policy of strict adherence to the provisions of the ABM Treaty. The President was emphatic in stating to me that he did not intend to send such a signal.

There should be only one spokesman on arms control in this administration, and that is the President. If others speak on this subject, they all should adhere to a unified position.

My delegation attempted, and I think successfully, to impress upon the Soviet leadership a unified commonality of views, representing not only the Senate but also the American people, regarding our concerns over the major issues separating our two countries. We oppose the picture of confusion and competing parochial interests which seem to be injecting themselves into the political environment at the present time.

Although the delegation does not believe that any breakthroughs occurred on the major issues of contention between the two superpowers, modest steps forward on some of those issues were taken. Most importantly, both sides took advantage of this opportunity to communicate their real concerns through an extensive exchange of views and dialog. We believe that the insights gained into the viewpoints, personalities, and policy positions of the new Soviet leadership were useful in helping to develop a better understanding of each nation's perspective on the relations between our two countries.

My delegation believes that the Soviets have to get down to business on arms control in Geneva. We attempted to impress upon the Soviets the need to formally table at the Geneva talks their proposals on what they have referred to as "radical" reductions in the strategic and intermediate nuclear weapons area in Geneva, as well as their concepts as to the acceptable dividing line between SDI research and development. The Soviets told us they have proposals, Mr. Gorbachev told us they have initiatives already developed.

Indeed, most recently, a Washington Post article of September 24, 1985, says the Soviets have "passed the word" that Soviet Foreign Minister Eduard Shevardnadze will present a radical strategic nuclear offensive arms reduction proposal this week. It is said that he may present it personally to President Reagan during his meeting this Friday, September 27, 1985.

It is reported that the Soviets will propose a 40-percent reduction in nuclear missiles and warheads, and also that no more than 60 percent of each nation's nuclear strength be contained in any one of the three prongs of the triad—for example, ICBM's, submarines, and bombers.

We are told that the Soviets will present the proposal in detail at Geneva if United States officials respond favorably by saying that it provides "a basis for negotiation"; but, if the United States rejects it "out of hand," it might not be presented in Geneva.

This is the latest installment of a Soviet public relations campaign to make themselves look flexible and reasonable on arms control. It follows the pattern they have recently been engaging in of informally floating generalized and attractive-sounding ideas, while so far not presenting them in specific detail at the proper forum, that is, the Geneva arms talks.

Mr. President, I shall quickly itemize the other recommendations of my delegation, as outlined in our official report.

First, the Soviet publicity campaign leading up to the summit is geared toward building support, in Europe, the United States, as well as the Third World, for seeming Soviet flexibility on arms control issues. An inherent advantage for the Soviets is their complete accessibility to Western publics because of the open nature of Western societies. The American message has so far been almost, if not completely, shielded from Soviet society. The administration should request formally, and repeatedly, that President Reagan and other American spokesmen be given access to the Soviet media to make the United States case on arms control matters and other issues. This request should point out the unimpeded access to United States and other Western news media enjoyed by Soviet spokemen. If as expected, the Soviet refuse the opportunity for the President and other American spokesmen to address the Soviet citizenry, the repeated United States requests and the Soviet responses should be well publicized to West European publics. In this case, the point should be communicated directly to the West Europeans that due to Soviet unwillingness, only one side of the arms control debate is being heard.

The media campaign being waged by the Soviet Union necessitates that the United States formulate and implement no less vigorously its own campaign to communicate United States arms control positions and American flexibility to the world, especially to our NATO Allies.

Second, the delegation also recommends that our own Government, as well as other free-world governments, should join with the media to insist that the Soviet Union allow newspeople into Afghanistan to report without interference on events there. This would permit the world to see what is, in reality, going on in that unfortunate nation and to reach the appropriate conclusions.

Third, the Soviet initiative on a nuclear testing moratorium has in some ways put the United States on the public relations defensive, particularly with reference to Europe and the Third World. Additional responses and counter proposals to the Soviets in this area may be desirable.

Fourth, Soviet actions in Afghanistan and in the area of human rights constitute two of the most difficult obstacles to overcome in order to put

United States-Soviet relations onto a more positive track. While the rest of the world remains relatively quiet—with some exceptions—on these matters, the United States should continue to remind other governments that these are areas which lie almost exclusively in the hands of the Soviets to remedy. It should be made clear that positive actions by the Soviets on these two matters would go far toward creating a better climate for successful arms control negotiations and for reducing superpower tensions.

Fifth, the nuclear risk reduction centers proposal which has been developed by Senators NUNN and WARNER, and unanimously endorsed by the full Senate, is believed by the delegation to represent a major step forward in the development of productive relations with the Soviet Union. The timing of the delegation's visit influenced the administration to develop its position on this proposal on August 26, 1985, just prior to the delegation's departure, National Security Adviser Robert McFarlane informed Senators NUNN and WARNER that the administration endorsed the first stages of the proposal. Mr. Gorbachev was informed of this endorsement during his meeting with the delegation in Moscow, and indicated that he believed the proposal demanded "attention." We, therefore, encourage the President to include this proposal on his agenda for discussion with the Soviet leader at the summit.

Sixth, productive Navy-to-Navy talks between the Soviet Union and the United States have been held annually since 1972, when the incidents-at-sea agreement was signed. The value of this agreement, in establishing rules of engagement for the United States and Soviets when vessels of the two navies are operating in proximity to each other, has been lauded as an example of a tool which can be used to reduce misunderstandings and accidents at sea. The talks were suspended this year as a result of the killing of U.S. Army Maj. Arthur D. Nicholson, Jr., in East Germany. Senator WARNER indicated to Mr. Gorbachev that he had actively supported the resumption of those talks, and had written to the President in this regard. The delegation concludes that these talks should be resumed as soon as possible and encourages the President to take the initiative to do so.

I would be remiss, Mr. President, if I did not acknowledge the very substantial amount of help that was afforded the delegation by American executive branch officials in Washington prior to the trip, as well as in Hungary and the Soviet Union during our visit. We also are indebted to a number of officials from previous administrations, who gave generously and freely of their advice.

We consulted with President Reagan and former Presidents Nixon, Ford, and Carter, Secretary of State Shultz and Secretary of Defense Weinberger; National Security Advisor McFarlane; the chief arms control negotiator for the Geneva talks, Ambassador Max Kampelman; Secretary of Commerce Malcolm Baldrige; and other senior administration officers of the National Security Council, State and Commerce Departments, and the Central Intelligence Agency. Also consulted were former Defense Secretaries James Schlesinger and Harold Brown; former Secretaries of State Henry Kissinger and Cyrus Vance; former National Security Advisor Zbigniew Brzezinski; former Ambassador to the Soviet Union Malcolm Toon; and Dr. Dmitri Simes, professional lecturer at the Johns Hopkins School of Advanced International Studies. The Congressional Commission of Security and Cooperation in Europe, the Helsinki Commission, also provided timely assistance and information.

In Hungary, we benefited from the briefings, hospitality, and advice of our capable Ambassador there, Mr. Nicholas Salgo, and the very professional Foreign Service officers who work with him in the U.S. Embassy in Budapest. The delegation also benefited from the insights of the Chargé d'Affaires of our Embassy in Moscow, Mr. Richard Combs, and his country team, which provided an excellent briefing on United States-Soviet issues, and invaluable assistance throughout the visit.

Mr. President, I thank the Senator from Virginia for reminding us of the work that was done by our staff. We could not have succeeded, as we think we did, without the aid, knowledge, advice, and counsel, and the many hours of hard work which they gave to the delegation and to the seeking of the objectives that we think we reached.

Mr. President, I thank the distinguished majority leader for his approval of the quick action on this request.

I do urge Senators on both sides of the aisle to read this report. They do not have to pay so much attention to my statement, but the report, which is the product of all eight Senators, I hope Senators will read. I will be happy to hear from them if they have any constructive comments or whatever.

Mr. THURMOND. Mr. President, I rise today to comment on the Senate delegation visit to the Soviet Union and to commend the distinguished Democratic leader for his efforts in connection with this trip.

Mr. President, Senator BYRD is to be congratulated for helping to organize, and then chairing, this delegation. He was very forceful in the way he relayed to the Soviets how united all Americans are in their desire for arms control. He was unyielding when he told the Soviets that any arms control agreement must be verifiable. He was completely nonpartisan as he told the Soviets they need to deal with President Reagan because they cannot expect easier terms from another administration. Such words would carry not as much weight coming from anyone other than the Democratic leader of the U.S. Senate. I might add that Senator BYRD, as he has so eloquently done here on the floor for this body, imparted to the Soviets a clear expression of the role the Senate plays in the treaty process—not as negotiators, but as advisers and ratifiers.

Mr. President, I was pleased to serve as vice chairman of this delegation. Among its members, we counted some of the most influential and articulate Members of this body. Senator PELL, the ranking member on the Committee on Foreign Relations; Senator NUNN, the ranking member on the Committee on Armed Services; Senator WARNER, second ranking Republican on the Committee on Armed Services and the chairman of the Armed Services Subcommittee on Strategic and Theatre Nuclear Forces; Senator DECONCINI, who was a strong and constant voice for improved human rights conditions in the Soviet Union; Senator SARBANES, an influential member of the Foreign Relations Committee; and Senator MITCHELL, who used his considerable skill to force the Soviets to articulate and attempt to justify their positions. Also, the staff did outstanding support work for the delegation. Their efforts certainly contributed to the success of our trip.

I believe the trip was successful, because we accomplished our mission—to underscore the nonpartisan nature of the American desire for fair and effective arms control. I believe I can speak for the delegation when I say we hope this trip will contribute, even if it is in the smallest manner, to a successful negotiation and ratification of a fair, effective, and meaningful arms control agreement, between the United States and the Soviet Union.

Again, I commend Senator BYRD for his outstanding leadership on this important trip.

THE SUPERPOWERS AT A CROSSROADS: SOVIET-AMERICAN RELATIONS IN THE AUTUMN OF 1985—AUTHORIZATION TO PRINT REPORT

Mr. BYRD. Mr. President, Mr. DOLE indicated during the rollcall that it would have his approval if I presented the resolution that would provide an additional 1,000 copies of "The Superpowers at a Crossroads" report by the Senate delegation. I send the resolu-

tion to the desk, Mr. President. I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 234) that there shall be printed a report entitled "The Superpowers at a Crossroads: Soviet American Relations in the Autumn of 1985—Report by Senate Delegation to Hungary and the Soviet Union led by Senators Robert C. Byrd and Strom Thurmond, August 27-September 6, 1985."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 234) was agreed to.

The resolution reads as follows:

S. RES. 234

Resolved, by the Senate of the United States of America, that there shall be printed for the use of the Senate an additional one thousand copies of "The Superpowers at a Crossroads: Soviet American Relations in the Autumn of 1985—Report by a Senate Delegation to Hungary and the Soviet Union led by Senators Robert C. Byrd and Strom Thurmond, August 27-September 6, 1985" for distribution to the Members of the Senate as an official Senate document.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1986

The Senate continued with the consideration of the bill.

AMENDMENT NO. 705

Mr. ABDNOR. Mr. President, I am happy to now say that both sides have cleared the amendment of Senator HELMS, the Senator from North Carolina.

Mr. HELMS. I thank the distinguished manager of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 705) was agreed to.

Mr. ABDNOR. I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the excepted committee amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I am compelled to rise in opposition to the Treasury, Postal Service and General Government appropriations bill as reported by the Appropriations Committee because it exceeds the amounts assumed in the fiscal year 1986 budget resolution that passed with broad bipartisan support.

Mr. President, this is the first fiscal year 1986 appropriation bill to be considered by the Senate that exceeds the budget resolution. I will therefore offer amendments to bring the bill into conformance with the budget resolution so that the Senate can show the American people that they truly want to reduce the staggering $200 billion Federal deficits.

Mr. President, I would like to point out that the subcommittee, under the able chairmanship of Senator ABDNOR, approved a bill that was largely consistent with the totals assumed in the Senate-passed budget resolution, and I commend the subcommittee members for their efforts.

However, the bill reported by the full Appropriations Committee that is before us today exceeds the budget resolution assumptions, and it must be addressed.

Mr. President, H.R. 3036 provides $13.0 billion in budget authority and $12.1 billion in outlays for fiscal year 1986 for the Department of Treasury, including the Customs Service and the Internal Revenue Service, as well as for the Postal Service, the Executive Office of the President, and independent agencies.

Taking into account outlays from prior-year budget authority, the bill is $0.1 billion higher in budget authority and outlays than Senate Budget Committee's assumptions for the subcommittee's allocation under the first budget resolution. It is necessary to score the bill in this fashion in the absence of formal 302(b) allocations by the Appropriations Committee.

I intend to offer an amendment that would reduce appropriations for nondefense discretionary appropriated programs, by 2-percent across the board to conform the bill to the totals assumed for the subcommittee under the fiscal year 1986 budget resolution.

I will oppose any major amendment adding appropriations to this bill and urge my colleagues to do the same.

Mr. President, I ask unanimous consent that a table showing the relationship of the reported bill to the first budget resolution, the President's budget request, and the House-passed bill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. without objection, it is so ordered.

(See exhibit 1.)

AMENDMENT NO. 706

(Purpose: To conform the bill as reported to the First Concurrent Resolution on the Budget for Fiscal Year 1986)

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of myself, Senators CHILES, BOSCHWITZ, EVANS, MATTINGLY, NICKLES, and EXON and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI), for himself, Mr. CHILES, Mr. BOSCHWITZ, Mr. EVANS, Mr. MATTINGLY, Mr. NICKLES, and Mr. EXON proposes an amendment numbered 706.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follow:

At the end of the bill, add the following new section:

"SEC. 618. Each dollar amount contained in this Act as reported by the Senate Committee on Appropriations which is provided for non-defense discretionary programs and activities is hereby reduced 2.0 per centum."

Mr. DOMENICI. Mr. President, I rise today, on behalf of myself, Senator CHILES, and others to offer a simple amendment to the pending Treasury-Postal Service appropriations bill.

This amendment would bring the appropriations bill within the limits assumed by the first concurrent budget resolution for 1986 by cutting all discretionary, nondefense accounts within it by 2 percent.

In short, this bill exceeds in outlays the levels assumed by this body when the Senate voted by a more than 2-to-1 margin for the budget for the next fiscal year just 2 months ago. A simple 2-percent across-the-board cut on all nonentitlement, nonmandatory accounts in this bill will bring the measure within budget. Such a cut not only will keep this bill, as I see it, consistent with that resolution but will also keep faith with the Senate vote.

Senator CHILES and I have agreed to approach this bill and other bills that are significantly over-budget in the same manner. We do so for several reasons. Let me give mine, and then my good friend, the distinguished Senator from Florida, can give his rationale.

The Senate voted a budget resolution for the upcoming year, after months of effort, that would cut deficits by $55.5 billion below the level that would otherwise occur. This is a critical point, because by that vote the Senate was saying to authorizing committees through reconciliation and to the appropriations committees through the normal appropriations

route, "You must cut outlays by a certain amount in order to achieve deficit reductions of $55.5 billion."

After all, I think everyone knows that it is the level of outlays that determines deficits, not the level of budget authority that might be appropriated by the Appropriations Committee or subcommittees thereof. Indeed, the Senate has instructed 11 of the Senate committees to find $19.4 billion in deficit reduction through reconciliation for the upcoming fiscal year. That reconciliation process is going on right now. Some committees are working very hard; some are succeeding; some are having a difficult time.

As has been the precedent, we are scoring—that is, we are keeping track of the progress of those 11 committees, on the basis of outlays. They are being very cooperative. They must cut a certain amount of outlays from programs within their jurisdiction in order to comply with the reconciliation instruction. I should say cut programs or change tax laws so as to increase revenues because the Finance Committee was asked to do that.

But, nonetheless, those committees must come up with rconciliation legislation that cuts a certain amount of outlays from the programs within their jurisdiction to be in compliance with reconciliation.

The amendment I offer today would hold the Appropriations Committee to the same deficit-cutting standard to which we are holding the other committees of the Senate.

We are not singling out any one, not singling out the Appropriations Committee, upon which I serve and my good friend from Florida serves, for any extra burden, and at the same time, we believe it should be accorded no special treatment.

The deficit-cutting effort involves all committees and all Members of the Senate equally. Therefore, although we are aware that the Appropriations Committee appropriates only budget authority, just as the authorizing committees only authorize budget authority to be appropriated, we believe that outlay estimates must be brought into line with the Senate budget resolution that was overwhelmingly approved by the Senate, and with 20 members of the Appropriations Committee voting for it.

Let me briefly bring the Senate up-to-date on the progress of reconciliation. As we meet today, it is not completed. Several committees have completed action. The Finance, Small Business, Commerce, and Environment and Public Works Committees have already finished their work. Each of them have met or exceeded their deficit reduction targets in outlays. Indeed, Finance, Small Business, and Environment and Public Works Committees have exceeded their savings goals, and the Commerce Committee may have done so after final costing is completed.

I understand since I prepared these remarks last night, the Veterans' Affairs Committee has also completed its work. I cannot report yet whether in outlays it is in compliance, but the chairman has told me they completed their reconciliation package this morning. The other committees that have not completed it are nearing completion of their action.

So we will, in my judgment, meet or exceed the savings of $19.4 billion in outlays that the Senate mandated its committees to find through reconciliation.

This circumstance makes it more critical than ever that we diligently attempt to get the outlays savings that are expected and assumed in the budget resolution through the appropriations process. This can only be done by looking at each individual appropriation bill as it comes before us, and as we score it not by ourselves but through the good offices of the CBO, the Congressional Budget Office, which has that responsibility.

So let me review the overall savings that were voted on in the budget resolution one more time. Of the $55.5 billion to be saved from the deficit this year, approximately $29 billion in outlay savings were to come from defense spending. I have no doubt that that will occur. That leaves $26.5 billion to be found in other areas of the budget. About $3 billion of that was assumed in a decrease in public debt servicing because we reduced the expected deficit for fiscal year 1986. That leaves $23 billion to be saved. Entitlement restraint, like farm bill savings, and Medicare changes, were to make up about $15 billion of that $25 billion, leaving approximately $8.3 billion in outlays to be found from all of the appropriation bills.

So, when I am asked why I am here trying to get the outlays in line with the budget resolution assumptions, and $100 million on this bill may not sound like very much, I must point out to the Senate that this is only one of the bills, and we are merely enforcing what the Senate overwhelmingly gave as its mandate just 2 months ago.

Some may ask how we know that this bill, or any other bill, is over the budget? After all, some may say the Appropriations Committee has yet to adopt its allocation to its individual subcommittees as section 302(b) of the Budget Act requires. I acknowledge that the committee has failed to make those allocations on a basis yet. But we do have two other benchmarks against which to judge those bills. First, the Senate approved, as part of the budget resolution 2 months ago, a set of assumptions called 302(a)'s. We have to do that with the adoption of the budget resolution—to allocate the budget authority and the outlays from the budget resolution to the Senate committees of jurisdiction.

So, we have that bench mark which is an allocation of the budget authority and outlays to the appropriate Senate committees.

Second, the majority of the Appropriations Committee has discussed in some detail the status of individual subcommittee bills, and that has revealed that the sum of those measures, indeed will exceed the total budget given to the Appropriations Committee by $3.2 billion in outlays in fiscal year 1986. The bill that we have before us today exceeds its allocation, using the internal documents of the Appropriations Committee itself, by $100 million. Our amendment, to repeat, merely corrects that overage.

The best estimate we have from the Appropriations Committee's documents to date is that the total of the 13 individual appropriations bills will be about $3.2 billion in outlays over the budget resolution, all in nondefense accounts.

Let me repeat one other matter. We have asked the Appropriations Committee to save $8.3 billion in outlays this next year. After the entire exercise of months, as far as discretionary appropriated accounts of the entire Government go, the nondefense outlays to be saved is $8.3 billion. At this point with Appropriations Committee documents showing that the sum of the 13 appropriation bills will exceed the budget by $3.2 billion, a very substantial portion of the savings.

Almost 40 percent of the nondefense savings we asked the Appropriations Committee to make, are at stake.

So, you cannot wait until we are all finished and then look back and say, "Now, let's try this or that." You have to do the very best you can on each bill to establish a benchmark.

I have chosen 302(a)'s as a benchmark because there are no formal 302(b) allocations by the Appropriations Committee. The 302(a) crosswalks approved in the resolution are printed in the RECORD and are formally published.

Finally, I rise today to make this very unusual amendment, the first time that I have done this in my Senate career, because I see what the House of Representatives has done in its appropriations process. Preliminary estimates are that the House will produce bills that exceed the budget by more than $3.5 billion in outlays next year alone. This happens despite claims of the House Appropriations Committee that it will save more than $5 billion in budget authority. I repeat, the best estimates are that in in spite of that, there will be at least a $3.5 billion over in outlays.

I think that is rather serious. I do not have an instant cure and perhaps

it can be something left up to conference and later activities. But I must call it to the Senate's attention. There will be some who will say the outlays are vague; there will be some saying that only budget authority counts.

But when you take out the entitlements, as is being done here and other accounts that vary by virtue of economics in good or bad times, and address only the discretionary account such as this, frankly the estimating has been pretty good, clearly not off by 40 percent as we might be in terms of outlays now versus those estimated a mere month-and-a-half ago.

So some of my colleagues may ask about this kind of double-speak. How can the House be $5 billion under in budget authority and $3.5 billion over in outlays? Well, on the one hand, the process is very complicated. On the other hand, there is a rather easy explanation.

The House claims savings of $6.9 billion in budget authority from the synthetic fuels program. That cut, of course, yields no outlay savings to speak of. As a matter of fact, in fiscal year 1986, I believe the number is $100 million; $100 million in outlays measured up against the $6.9 billion in budget authority available to the Synthetic Fuel Corporation, which provides this nonprofit corporation with continuity and the assurance that for the next 4 or 5 years they would indeed have authority to make loans.

So, in essence, when you save $6.9 billion in budget authority on that account, you do not save very much outlays. But when the budget authority is available, you can put it in an account that spends out rather rapidly. As a matter of fact, when you finish the arithmetic, you can be under the overall budget authority allocation in the budget resolution and not yet have used all of that $6.9 billion that was rescinded.

Mr. President, I ask unanimous consent that a table comparing the House appropriations action to date be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATUS OF APPROPRIATION BILLS IN THE HOUSE

[Dollars in billions]

Subcommittee	FCR crosswalk		Adjusted bill totals[1]		Bill compared to crosswalk		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	
Agriculture	$28.0	$25.0	$28.2	$25.2	+$0.2	+$0.2	House-passed.
Commerce-Justice	11.7	11.9	12.1	12.3	+0.3	+0.3	Do.
Defense	285.9	252.2					
District of Columbia	0.5	0.5	0.5	0.5			Do.
Energy-Water	15.7	15.7	15.4	15.7	−0.4	+([2])	Do.
Foreign Ops	15.0	14.7	15.0	14.7	+([2])	+0.1	House-reported.
HUD-Independent	60.7	61.2	60.6	62.5	−0.1	+1.4	House-passed.
Interior [3]	8.2	8.9	1.5	9.5	−6.7	+0.6	Do.
Labor-HHS	108.0	114.9					
Legislative Branch	1.7	1.7	1.7	1.8	+0.1	+0.1	Do.
Military Construction	8.5	7.6	8.4	7.5	−0.1	−([2])	House-reported.
Transportation	10.0	26.6	10.8	27.2	+0.9	+0.6	House-passed.
Treasury-Postal	13.1	13.1	13.6	13.6	+0.5	+0.5	Do.
Unassigned	0.2	0.2					
Total, Appropriations Committee	567.1	554.1	167.9	190.6	−5.2	+3.7	

[1] Includes possible later requirements, adjustments to conform mandatory items to the budget resolution level, and other adjustments.
[2] Less than $50 million.
[3] The House-passed Interior bill contains a rescission of $6.9 billion in BA and $0.1 billion in outlays from the Energy Security Reserve that was not assumed in the FCR. Congressional scorekeeping rules provide that rescinded amounts be deducted from the amounts appropriated in the bill, and the totals on this table reflect this. If the rescission is removed from the totals, the Appropriations Committee as a whole would be over the crosswalk by $1.7 billion in BA and $3.8 billion in outlays.

Note: Details may not add to totals due to rounding.

Mr. DOMENICI. Mr. President, when we cut that much budget authority from a program that will not spend very fast, it can be transferred to a program that will. This transfer of budget authority from slow spend programs to fast spend programs, commonly done by the Congress is the reason that the outlays go up over budget. It is this legerdemain that the Senate must avoid at all costs.

Recently, 19 of our colleagues in the Senate sent a letter which was addressed to the majority leader and this Senator. I ask unanimous consent that the letter be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, September 11, 1985.

Hon. BOB DOLE,
Majority Leader,
U.S. Senate, Washington, DC.

Hon. PETE DOMENICI,
Chairman, Senate Budget Committee, Washington, DC.

DEAR BOB AND PETE: With the breakdown of the budget process which has become all too common over the past several years, the focus on controlling the deficit will rapidly shift to the appropriations process. Thus far, the process has given us little room for optimism, with the House going over $10 billion over budget on the HUD bill alone.

We hope the Senate can do better. But that will require that the Senate work aggressively to use the appropriations process to bring spending under control.

To this end, we would ask the Senate Budget Committee, in cooperation with the Appropriations Committee, to provide all Senate offices with a line-item comparison between the recommendations of the Appropriations Committee, the Senate version of the First Concurrent Budget Resolution, and the final version of the First Concurrent Budget Resolution at the time the bill is reported out of committee. If the regular three day rule is enforced—as we hope it will be—this would give us an opportunity to determine whether each bill is substantially out of line with what the Senate approved earlier in the year.

The continuation of the current levels of deficits could indeed do serious damage to our economy. But it is not yet totally out of our hands to do something about these deficits during fiscal year 1986. We therefore hope that you will comply with our request (1) to provide us with the figures necessary to analyze each appropriations bill, and (2) to give us time to prepare amendments if those figures suggest they would appropriate.

Sincerely,

Steve Symms, Orrin Hatch, Phil Gramm, John P. East, Strom Thurmond, Mitch McConnell, Frank H. Murkowski, Mack Mattingly, Chuck Grassley, Jeremiah Denton, Don Nickles, Paul Laxalt, Chic Hecht, Jesse Helms, Pete Wilson, Dan Quayle.

Mr. DOMENICI. Mr. President, the letter asked that appropriations bills be subjected to the same scrutiny that we give the authorizing committees under reconciliation. It asked for a line-item comparison of the appropriations bills as they came to the Senate floor to the budget resolution assumptions approved by the Senate 2

months ago. I do not choose to do that in this amendment. It is very difficult to do that. The Appropriations Committees have established their priorities. I am not here quibbling with their prioritization. I am not trying to go back through the bill item by item and pick specific programs.

Indeed, there are some programs in which we clearly expected some savings, such as postal service revenue foregone subsidies. The authorizing committee is supposed to make changes in the program in reconciliation. I do not know if they will or not. It is about $53 million of the $125 million that I seek to cut here in budget authority and outlays.

I choose, nonetheless, today to make the point and to make everybody understand that I am not trying to interfere with the line-item priorities of the subcommittee. It is just when you are finished adding up all the appropriation bills acted upon to date and compare them to the benchmark of the crosswalk allocations assumed in the budget resolution, having nothing else to formally measure against, a 2 percent across-the-board reduction will yield $139 million in budget authority and $125 million in outlay savings and eliminate the budget overage.

I have not chosen to reduce spending on an account-by-account basis. It is a very, very difficult job. The subcommittee can do it if they see fit.

What I am trying to do is to reduce both budget authority and outlays enough so that the subcommittee is within the crosswalk under the budget resolution that was voted here in the Senate just a short time ago.

Mr. President, my amendment reduces only the nondefense discretionary accounts in this bill. So that everyone knows what these accounts are, I send to the desk a detailed list showing the nondefense discretionary accounts within this subcommittee's jurisdiction and ask unanimous consent that it be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NON-DEFENSE DISCRETIONARY ACCOUNTS: TREASURY-POSTAL SERVICE SUBCOMMITTEE

Postal Service, Payment to the Postal Service fund, 18 1001 0 1 372.

Committee for Purchase from the Blind and other Severely Handicapped, Salaries and expenses, 95 2000 0 1 505.

Executive Office of the President, Special Action Office for Drug Abuse Prevention, Miscellaneous expired accounts, 11 9912 0 1 554.

Office of Personnel Management, Civil service retirement and disability fund, 24 8135 0 7 602.

Department of the Treasury, Federal Law Enforcement Training Center, Construction, Federal Law Enforcement Training Center, 20 0103 0 1 751.

Department of the Treasury, Federal Law Enforcement Training Center, Salaries and expenses, 20 0104 0 1 751.

Department of the Treasury, United States Customs Service, Salaries and expenses, 20 0602 0 1 751.

Department of the Treasury, United States Customs Service, Operation and maintenance, air interdiction program, 20 0604 0 1 751,

Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, Salaries and expenses, 20 1000 0 1 751.

Department of the Treasury, United States Secret Service, Salaries and expenses, 20 1408 0 1 751.

Administrative Conference of the United States, Salaries and expenses, 95 1700 0 1 751.

Legislative Branch, United States Tax Court, Salaries and expenses, 23 0100 0 1 752.

Funds Appropriated to the President, Unanticipated needs, 11 0037 0 1 802.

Executive Office of the President, Office of Administration, Salaries and expenses, 11 0038 0 1 802.

Executive Office of the President, The White House Office, Salaries and expenses, 11 0110 0 1 802.

Executive Office of the President, Office of Management and Budget, Office of Federal Procurement Policy: Salaries and expenses, 11 0201 0 1 802.

Executive Office of the President, Executive Residence at the White House, Operating expenses, 11 0210 0 1 802.

Executive Office of the President, Official Residence of the Vice President, Operating expenses, 11 0211 0 1 802.

Executive Office of the President, Office of Management and Budget, Salaries and expenses, 11 0300 0 1 802.

Executive Office of the President, Property Review Board, Salaries and expenses, 11 0800 0 1 802.

Executive Office of the President, Special Assistance to the President, 11 1454 0 1 802.

Executive Office of the President, Council of Economic Advisers, Salaries and expenses, 11 1900 0 1 802.

Executive Office of the President, National Security Council, Salaries and expenses, 11 2000 0 1 802.

Executive Office of the President, Office of Policy Development, Salaries and expenses, 11 2200 0 1 802.

General Services Administration, General Activities, Allowances and office staff for former Presidents, 47 0105 0 1 802.

General Services Administration, General Activities, Expenses, presidential transition, 47 0107 0 1 802.

Department of the Treasury, Office of the Secretary, Salaries and expenses, 20 0101 0 1 803.

Department of the Treasury, Office of the Secretary, International affairs, 20 0171 0 1 803.

Department of the Treasury, Bureau of the Public Debt, Administering the public debt, 20 0560 0 1 803.

Department of the Treasury, Internal Revenue Service, IRS Unspecified, 20 0910 0 1 803.

Department of the Treasury, Internal Revenue Service, Salaries and expenses, 20 0911 0 1 803.

Department of the Treasury, Internal Revenue Service, Processing tax returns, 20 0912 0 1 803.

Department of the Treasury, Internal Revenue Service, Examinations and appeals, 20 0913 0 1 803.

Department of the Treasury, Internal Revenue Service, Investigation, collection and taxpayer service, 20 0914 0 1 803.

Department of the Treasury, Bureau of the Mint, Salaries and expenses, 20 1616 0 1 803.

Department of the Treasury, Financial Management Service, Salaries and expenses, 20 1801 0 1 803.

Department of the Treasury, Bureau of Engraving and Printing, Bureau of Engraving and Printing fund, 20 4502 0 4 803.

Department of the Treasury, Bureau of the Mint, Expansion and improvements, 20 9911 0 1 803.

General Services Administration, General Activities, Office of Inspector General, 47 0108 0 1 804.

General Services Administration, General Activities, General management and administration, salaries and expenses, 47 0110 0 1 804.

General Services Administration, Personal Property Activities, Personal property, operating expenses, 47 0116 0 1 804.

General Services Administration, Federal Property Resources Activities, Operating expenses, federal property resources service (General property), 47 0533 0 1 804.

General Services Administration, Office of Information Resources Management, Operating expenses, Office of Information Resources Management, 47 0900 0 1 804.

General Services Administration, Personal Property Activities, General supply fund, 47 4530 0 4 804.

General Services Administration, Office of Information Resources Management, Federal telecommunications fund, 47 4533 0 4 804.

General Services Administration, General Activities, Working capital fund, 47 4540 0 4 804.

General Services Administration, Office of Information Resources Management, Automatic data processing fund, 47 4541 0 4 804.

General Services Administration, Real Property Activities, Federal buildings fund, 47 4542 0 4 804.

National Archives and Records Administration, Operating expenses, 88 2300 0 1 804.

Office of Personnel Management, Salaries and expenses, 24 0100 0 1 805.

Office of Personnel Management, Revolving fund, 24 4571 0 4 805.

Merit Systems Protection Board, Salaries and expenses, 41 0100 0 1 805.

Merit Systems Protection Board, Office of the Special Counsel, 41 0101 0 1 805.

Commission on Executive, Legislative, and Judicial Salaries; Salaries and expenses, 48 2800 0 1 805.

Federal Labor Relations Authority, Salaries and expenses, 54 0100 0 1 805.

Advisory Committee on Federal Pay, Salaries and expenses, 95 1800 0 1 805.

Advisory Commission on Intergovernmental Relations, Salaries and expenses, 55 0100 0 1 806.

Federal Election Commission, Salaries and expenses, 95 1600 0 1 806.

Allowances for: 10 percent Administrative Savings, 99 1004 0 1 920.

Allowances for: 2087 Hours/Workyear: Nondefense, 99 1005 0 1 920.

Allowances for: 4 percent Work Force Attrition, 99 1007 0 1 920.

Mr. President, I yield the floor.

EXHIBIT 1

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT SUBCOMMITTEE

[Spending totals—Senate-reported]

[In billions of dollars]

	Fiscal year 1986	
	Budget authority	Outlays
Outlays from prior year budget authority and other action completed		0.9
H.R. 3036, as passed by the House	13.0	12.1
Adjustment to conform mandatory programs to budget resolution assumptions	+0.2	+0.2
Subcommittee total	13.2	13.2
Senate subcommittee allocation:		
FCR conference agreement	13.1	13.1
House-passed level	13.6	13.6
President's request	12.1	12.1
Subcommittee total compared to:		
Subcommittee allocation (FCR conference agreement)	+0.1	+0.1
House-passed	−0.4	−0.4
President's request	+1.1	+1.1

Note: Details may not add to totals due to rounding.

Mr. HATFIELD. Mr. President, will the Senator yield for a couple of questions?

Mr. DOMENICI. Indeed, I am pleased to yield to my good friend, the chairman.

Mr. HATFIELD. The Senator from New Mexico may have stated these figures prior to my arrival on the floor, but I would like to just clarify again for my own understanding what the budget authority reduction in this amendment is and what the outlay reduction is in this amendment of 2 percent reduction.

Mr. DOMENICI. Yes. By applying the 2-percent across-the-board reduction to the nondiscretionary accounts, as previously defined and sent to the desk in a list, we will achieve savings of $139 million in budget authority and $125 million in outlays.

Mr. HATFIELD. $139 million?

Mr. DOMENICI. A 2-percent reduction applied across the board to the accounts as described, will yield, according to CBO, $125 million in outlay reductions for this bill.

Mr. HATFIELD. If I may ask the Senator another question, in the markup on the agriculture bill the other day, the Senator, I believe, is on record in that committee, as a member of that committee, indicating and, in effect, complimenting the subcommittee chairman for having achieved a remarkable appropriation bill in the context of some very difficult problems. That bill has been reported to the floor and it is $200 million over, according to the schedule and measurement used by the Senator from New Mexico. Will he offer another amendment at that time relating to a reduction on the Agriculture appropriation bill?

Mr. DOMENICI. Let me tell my good friend, the chairman, that I appreciate the question and, in fact, looking at the nature of the level of funding allocated to that subcommittee and considering the kinds of cuts that had to be made, I was extremely complimentary of the Agriculture Subcommittee chairman's efforts. It is $200 million in budget authority and $200 million in outlays over the budget resolution assumptions, using the same benchmark that I have described here today.

Frankly, I think the chairman knows that my principal concern is outlays because, as I indicated, if I read the House bills correctly, while the House claims they are under in budget authority, I think they are $3.7 billion over in outlays.

I say to my good friend, the chairman of the committee, in all honesty, I do not know whether I will offer the amendment on the Agriculture bill, and I will tell you why. My present intention is to offer it, because I have no other benchmark of budget authority or outlays other than the budget resolution to compare the bill to. I do not have any 302(b) allocations for the Appropriations Subcommittee. Clearly, some tentative ones have been discussed. But if they are adopted later on, it will be difficult to figure out where the Senate stands on a cumulative basis. So, clearly, some bills could be over, and some bills could be substantially under, but the Senate needs a fair understanding of where the appropriation bills stand against the overall allocations under the budget resolution.

To this point, if those allocations could be firmed up, and we can assess where we are, maybe I will not offer an amendment to the Agriculture appropriations bill. I could then clearly see, looking at all the rest of the bills, whether the Agriculture bill is going to be consistent with the budget resolution.

So if we do not have 302(b) allocations by the Senate Appropriations Committee, my intention would be to offer an amendment to reduce the Agriculture appropriations bill by $200 million in both budget authority and outlays. That is the best way I can put it.

Mr. HATFIELD. Now the Senator has shifted back from outlays to budget authority as the Senator is answering my question.

Mr. DOMENICI. No. It happens that the budget authority and outlay average in the Agriculture bill are the same.

Mr. HATFIELD. Is the Senator focusing on, as I heard the Senator say a while ago, outlays, or is the Senator now focusing back on the 301 budget target figures as it relates only to budget authority?

Mr. DOMENICI. No. I have not changed. I think there are two columns. One is "budget authority" and one is "outlays." There is a cumulative total for each column, but outlays determine the deficits.

Mr. HATFIELD. Does the Senator have any question about the situation as it relates to budget authority as far as the tentative target figures that we are working on in the appropriations bill?

Mr. DOMENICI. Do I have any problem?

Mr. HATFIELD. Do you have any question as to whether we are above, below, or on target?

Mr. DOMENICI. Frankly, let me say this: The tentative budget authority figures that were discussed privately have changed because the Agriculture subcommittee has come down from that level. I do not know what the Transportation bill is going to be; it has not been finished yet. The Interior bill is lower in budget authority than the original subcommittee recommendation, but higher in outlays. But if you want me to answer whether your tentative budget authority recommendations for the subcommittees that were discussed about 10 days ago—if the arithmetic of adding up the budget authority—is over or under, I will say for the record that it appeared to be zero. It was right on. However, the budget authority allocation among the 13 individual subcommittees was never specified nor were outlay allocations addressed.

Mr. HATFIELD. Right on target?

Mr. DOMENICI. That is correct.

Mr. HATFIELD. That is correct. The Senator from New Mexico is correct. The Appropriations Committee has functioned, is functioning, and will continue to function for this fiscal year on target for that budget authority as identified in the budget resolution. As we all know there was only one precise figure given in that budget resolution on budget authority, and that figure was $302.5 billion for defense—050 programs which come out of three separate subcommittees.

Mr. President, I thank the Senator from New Mexico for responding to the questions. I think we are back at the same old situation. And much to the disagreement of the Senator from New Mexico, let me make a statement again. We are dealing with shifting goalposts when we try to estimate budget outlays. I am sure the Senator would not deny the fact that we have had a fairly phony budget outlay estimate in the defense budget in the programs undertaken by the Budget Committee—$6 billion. Do you know what happened? The budget resolution took the lower outlay estimate by the House of Representatives and combined it with the higher budget authority of the Senate. If that is not a fancy little foot trick, I do not know what one really is.

Obviously, the Budget Committee has been under tremendous pressure. They could not produce a budget resolution in May. The Appropriations

Committee again had to be held in terms of performing our responsibilities to the Senate. We did not get that resolution under the Budget Act passed until just before the recess. We have been supportive. We have been cooperative with the budget process. I think the Senator from New Mexico and I ushered in a new era of relationship between the Appropriations Committee and the Budget Committee because we both committed ourselves one to the other.

We were no longer continuing the rivalry, the destructive kind of competition that existed between the Budget Committee and the Approriations Committee for too many years. And we did usher in a whole new era of relationship.

Mr. President, let me just say for the record that as of noon yesterday, Mr. Joseph Wright, representing the administration, the OMB, and I sat down to work out again the final kind of arrangements that we thought would be feasible, stay within the budget resolution, and would make these bills signable. Treasury-Postal that is pending here now is an acceptable bill to the administration in its current situation before this amendment would be applied.

Let me just add one or two thoughts here. A 2-percent reduction would directly impact upon the ability of the IRS and the Customs Service to hire the personnel needed to collect additional revenues and custom duties in order to reduce the deficit. That is not my estimate. It is not my evaluation. That is the administration's. The budget resolution calls for those additional people in order to achieve those additional revenues. The budget resolution calls for this. And we have funded within our budget authority target.

Now the Budget Committee comes back through its chairman and is offering to the Senate a 2-percent reduction. My friends, we cannot have it both ways. Is the Budget Committee going to say to the Appropriations Committee we want these services funded at this level because there is a cost-benefit ratio that is going to collect more money, then we come in and do it, and now they say, "No, we are going to cut that 2 percent?"

Whatever the will of the Senate is we are going to accommodate. It will not be difficult to make that 2-percent reduction. Those will have to reflect themselves program by program. A lot of those programs have add-ons by Members of this body. We will have to correlate all of those reductions program by program. All I am saying is you know when we get into percentages, I have had too many times when Members have asked for an add-on for their constituency notwithstanding whatever targets we were working at, add-ons and then turn around and vote for percentage reductions. Do not let it touch my end. Just put it on everybody else's program. I think we had better correlate between add-ons and those actions that say, hey, we want to cut this, and we want to cut this.

The Appropriations Committee has borne the burden, let us face it, of the Budget Committee not being able to perform its duties in due course of time, and we worked with them, and we have tried to accommodate to that. The Appropriations Committee has been asked to do the reconciliation on occasions which the legislative committees refused to do or found unable to do. The Appropriations Committee has been the core of trying to reduce the deficit. And we have that responsibility. We are on the firing line. We are the only committee in this whole body that has to perform. All other committees can discuss, debate, theorize, and do all the things and never come out with a bill including the Finance Committee, except on the debt ceiling. But we have to perform in order to keep Government moving. And we do perform under tremendous difficulties. We should not be on this CR at all. We would not have been on this CR if we had had a budget resolution in May.

Mr. DECONCINI. Will the Senator from Oregon let me clarify a point?

Mr. HATFIELD. I am happy to.

Mr. DECONCINI. The Senator indicated some allocations were made between all the chairmen of the subcommittees, and the distinguished Budget Committee chairman was there. And he agreed to it, and it came out even with where you were on this particular bill. Are we over or under that informal agreement?

Mr. HATFIELD. We are on target?

Mr. DECONCINI. If the Senator will yield, if I am not incorrect, I think we might be even a couple hundred million dollars below what arrangement was.

Mr. HATFIELD. Target or below when you say our target. By the way, also when you look at all of those subcommittees in toto that are the nondefense subcommittees, you will find for instance on the Energy and Water, which I happen to chair, we are way below. We are $200 million below. But you know, interestingly, where we went below in the 050 part of that bill, namely, the nuclear energy, what happened is did we get to reduce that against the deficit? No?

No; that is going to be picked up someplace.

Mr. DECONCINI. If the Senator will yield, that means that Chairman ABDNOR and this subcommittee not only met the amount that was allocated to the subcommittee, but was a little bit below it before the amendment of the Senator from New Mexico.

Mr. HATFIELD. Exactly.

Mr. President, I want to touch on two other parts of this problem, namely, using the bench mark of outlays and, second, dealing with the deficit. I will reserve that until after the vote.

SUPERFUND IMPROVEMENT ACT OF 1985

The PRESIDING OFFICER (Mr. WILSON). Under the previous order, there will now be a vote on H.R. 2005, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2005) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate resumed consideration of the bill.

Mr. STAFFORD. Mr. President, I ask for the yeas and nays on the passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 86, nays 13—as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—86

Abdnor	Glenn	Moynihan
Andrews	Gore	Murkowski
Armstrong	Gorton	Nickles
Baucus	Grassley	Nunn
Bentsen	Harkin	Packwood
Biden	Hart	Pell
Bingaman	Hatfield	Pressler
Boren	Hawkins	Proxmire
Boschwitz	Heinz	Pryor
Bradley	Hollings	Quayle
Bumpers	Humphrey	Riegle
Burdick	Inouye	Rockefeller
Byrd	Johnston	Roth
Chafee	Kassebaum	Rudman
Chiles	Kasten	Sarbanes
Cochran	Kennedy	Sasser
Cohen	Kerry	Simon
Cranston	Lautenberg	Simpson
D'Amato	Laxalt	Specter
Danforth	Leahy	Stafford
DeConcini	Levin	Stennis
Dixon	Long	Stevens
Dodd	Lugar	Thurmond
Domenici	Mathias	Trible
Durenberger	Matsunaga	Wallop
Eagleton	McConnell	Warner
Evans	Melcher	Weicker
Exon	Metzenbaum	Wilson
Ford	Mitchell	

NAYS—13

Denton	Hatch	McClure
Dole	Hecht	Symms
Garn	Heflin	Zorinsky
Goldwater	Helms	
Gramm	Mattingly	

NOT VOTING—1

East

So the bill (H.R. 2005), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2005) entitled "An Act to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

That this Act may be referred to as the "Superfund Improvement Act of 1985".

TITLE I

INDIAN TRIBES

SEC. 101. (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by striking "and" at the end of paragraph (31), striking the period at the end of paragraph (32), and adding a new paragraph as follows:

"(33) 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village but not including any Alaska Native regional or village corporation, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and";

(2) in paragraph (16) by striking "or" the last time it appears and by inserting before the semicolon at the end thereof the following: ", any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe".

(b) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by section 109 of this Act, is amended by adding at the end thereof the following: "In the case of remedial action to be taken on land or water held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe (if such land or water is subject to a trust restriction on alienation), or otherwise within the borders of an Indian reservation, the requirements of this paragraph for assurances regarding future maintenance and cost-sharing shall not apply, and the President shall provide the assurance required by this paragraph regarding the availability of a hazardous waste disposal facility.".

(c) Section 104(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by section 114 of this Act, is amended by inserting "or Indian tribe" after the phrase "political subdivision" each time that phrase occurs.

(d) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (a) by inserting "or an Indian tribe" after "State";

(2) in subsection (f) by inserting after "State" the third time that word appears the following: "and to any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation:"; by inserting "or Indian tribe" after "State" the fourth time that word appears; by adding before the period at the end of the first sentence the following: ", so long as, in the case of damages to an Indian tribe occurring pursuant to a Federal permit or license, the issuance of that permit or license was not inconsistent with the fiduciary duty of the United States with respect to such Indian tribe"; and by inserting "or the Indian tribe" after "State government";

(3) in subsection (i) by inserting "or Indian tribe" after "State" the first time it appears; and

(4) in subsection (j) by inserting "or Indian tribe" after "State" the first time it appears.

(e) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (b) by inserting before the period at the end thereof the following: ", or by any Indian tribe or by the United States acting on behalf of any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation";

(2) in subsection (c)(2) by inserting "or Indian tribe" after "State";

(3) in subsection (f) by inserting "or Indian tribe" after "State"; and

(4) in subsection (i) by inserting after "State," the following: "and by the governing body of any Indian tribe having sustained damage to natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation,".

(f) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"INDIAN TRIBES

"SEC. 116. The governing body of an Indian tribe shall be afforded substantially the same treatment as a State with respect to the provisions of section 103(a) (regarding notification of releases), section 104(c)(2) (regarding consultation on remedial actions), section 104(e) (regarding access to information), section 104(i) (regarding cooperation in establishing and maintaining national registries), and section 105 (regarding roles and responsibilities under the national contingency plan and submittal of priorities for remedial action, but not including the provision regarding the inclusion of at least one facility per State on the national priority list).".

DEDICATED DEFENSE PRODUCTION

SEC. 102. Section 101(20) of the Comprehensive, Environmental, Response, Compensation, and Liability Act of 1980 is amended by adding the following subparagraph:

"( ) in the case of a facility containing any hazardous substance resulting from manufacturing operations dedicated to the production of munitions or ordnance parts for the Department of Defense (or any subdivision thereof) using equipment owned by such Department or subdivision, the term 'owner or operator' shall include the United States Government;".

METHANE RECOVERY

SEC. 103. (a) Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following subparagraph:

"(D) in the case of a facility at which equipment for the recovery or processing (including recirculation of condensate) of methane has been installed (i) the term 'owner or operator' shall not include the owner or operator of such equipment, unless such owner or operator is also the owner or operator of the facility at which such equipment has been installed, and (ii) the owner or operator or manufacturer of such equipment (other than the owner or operator of the facility at which such equipment has been installed) shall not be considered to have arranged for disposal or treatment of any hazardous substance at such facility pursuant to section 107 of this Act, except to the extent that there is a release of a hazardous substance from such facility which was primarily caused by activities of the owner or operator of such equipment other than the recirculation of condensate or other waste material which is not a waste meeting any of the characteristics identified under section 3001 of the Solid Waste Disposal Act.".

(b) Unless the Administrator promulgates regulations under subtitle C of the Solid Waste Disposal Act addressing the extraction of wastes from landfills as part of the process of recovering methane from such landfills, the owner and operator of equipment used to recover methane from a landfill shall not be deemed to be managing, generating, transporting, treating, storing, or disposing of hazardous or liquid wastes within the meaning of that subtitle: Provided, however, That if the aqueous or hydrocarbon phase of the condensate or any other waste material removed from the gas recovered from the landfill meets any of the characteristics identified under section 3001 of that subtitle, then such condensate phase or other waste material shall be deemed a hazardous waste under that subtitle, and shall be regulated accordingly.

RESPONSE ACTION CONTRACTORS

SEC. 104. Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of of 1980 is amended by adding the following new subparagraph:

"( ) In the case of any person carrying out a written contract or agreement with any Federal agency, or any State (or any political subdivision thereof), or any responsible party to provide any response action or any services or equipment ancillary to such response action—

"(i) the term 'owner or operator' does not include any such person, and

"(ii) any such person shall not be considered to have caused or contributed to any release or to have arranged for disposal, treatment, or transport of hazardous substances, except to the extent that there is a release of a hazardous substance that was primarily caused by activities of such person. This subparagraph shall not apply to any person potentially responsible under section 106 or 107 other than those persons associated solely with the provision of response action or ancillary services or equipment;".

COMMUNITY RELOCATION

SEC. 105. (a) The second sentence of paragraph (23) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after "not otherwise provided for," the phrase "costs of permanent relocation of residents where it is determined that such permanent relocation is cost effective or may be necessary to protect health or welfare," and by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "In the case of a business located in an area of evacuation or

relocation, the term may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and thirty days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of assistance identical to that authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974: Provided, That the costs of such assistance shall be paid from the Trust Fund;".

(b) Section 104(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting before "authorized by subsection (b) of this section," the phrase "for permanent relocation or".

OFFSITE REMEDIAL ACTION

SEC. 106. Section 101(24) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking the last sentence of the paragraph; striking the period after "welfare" the third time that word appears, and inserting a semicolon in lieu thereof, striking "or" before "contaminated materials" and inserting "and associated" in lieu thereof; and inserting before the period after "environment" the third time that word appears, the following: ", as well as the offsite transport and offsite storage, treatment, destruction, or secure disposition of hazardous substances and associated contaminated materials".

ALTERNATIVE WATER SUPPLIES

SEC. 107. Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, is amended by striking the period at the end of paragraph (30) and inserting in lieu thereof a semicolon; and by adding after new paragraph (33) the following new paragraph:

"(34) 'alternative water supplies' includes, but is not limited to, drinking water and household water supplies.".

LIABILITY LIMITS FOR OCEAN INCINERATION VESSELS

SEC. 108. (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) 'incineration vessel' means any vessel which carries hazardous substances for the purpose of incineration of such substances, so long as such substances or residues of such substances are on board.".

(b) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Subsection (a)(3) is amended by inserting "or incineration vessel" after "facility";

(2) Subsection (a)(4) is amended by inserting ", incineration vessels" after "facilities";

(3) Subparagraph (A) of subsection (c)(1) is amended by inserting ", other than an incineration vessel," after "vessel";

(4) Subparagraph (B) of subsection (c)(1) is amended by inserting "other than an incineration vessel," after "other vessel,";

(5) Subparagraph (D) of subsection (c)(1) is amended by inserting "any incineration vessel or" before "any facility".

(c) Section 108 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Paragraph (1) is amended by inserting "to cover the liability prescribed under paragraph (1) of section 107(a) of this Act" after "whichever is greater)";

(2) Add a new paragraph to read as follows:

"(4) In addition to the financial responsibility provisions of paragraph (1) of this subsection, the President shall require additional evidence of financial responsibility for incineration vessels in such amounts, and to cover such liabilities recognized by law, as the President deems appropriate, taking into account the potential risks posed by incineration and transport for incineration, and any other factors deemed relevant.".

(d)(1) Section 105(g)(5) of the Marine Protection, Research and Sanctuaries Act of 1972 is amended by striking "The injunctive relief provided by this subsection shall not" and inserting in lieu thereof "Nothing in this Act, including the injunctive relief provided by this subsection, shall", and by inserting before the period ", including relief under title 42, United States Code, section 1983, or as a maritime tort".

(2) Section 107(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting ", under maritime tort law," after "with this section" and by inserting before the period "or the absence of any physical damage to the proprietary interest of the claimant".

IMPROVEMENTS IN NOTIFICATION AND PENALTIES

SEC. 109. (a) Section 103(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) inserting "(1)" after "immediately notify"; and

(2) inserting after "of such release" the following: ", and (2), in the case of any such release of a hazardous substance with a reportable quantity of one pound or less or any release of any other hazardous substance in a quantity determined by the President by regulation to potentially require emergency response, all State and local emergency response officials identified under any local contingency plan or otherwise likely to be affected by the release".

(b) Section 103(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) inserting after "appropriate agency of the United States Government" the following: "(or, in the case of a release to which subsection (a)(2) applies, any appropriate State or local emergency response official)"; and

(2) striking "$10,000 or imprisoned for not more than one year, or both." and inserting in lieu thereof "$25,000 or imprisoned for not more than two years, or both (or in the case of a second or subsequent conviction, shall be fined not more than $50,000 or imprisoned for not more than five years, or both).".

(c) Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(g)(1) In addition to any other relief provided, whenever on the basis of any information available to the President the President finds that any person is in violation of subsection (a), (b), or (j) of this section the President may assess a civil penalty of not more than $10,000 for each failure to notify the appropriate agency. The penalty under this subsection shall increase to not more than $25,000 for a second violation by the same person, not more than $50,000 for a third violation by the same person, and not more than $75,000 for a fourth or subsequent violation by the same person.

"(2) No civil penalty may be assessed under this subsection unless the person accused of the violation is given notice and opportunity for a hearing with respect to the violation.

"(3) In determining the amount of any penalty assessed pursuant to this subsection, the President shall take into account the nature, circumstances, extent and gravity of the violation or violations and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require.

"(4) Any person against whom a civil penalty is assessed under this subsection may obtain review thereof in the appropriate district court of the United States by filing a notice of appeal in such court within thirty days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the President. The President shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed. If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order or after the appropriate court has entered final judgment in favor of the United States, the President may request the Attorney General of the United States to institute a civil action in an appropriate district court of the United States to collect the penalty, and such court shall have jurisdiction to hear and decide any such action. In hearing such action, the court shall have authority to review the violation and the assessment of the civil penalty on the record.

"(5) The President may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(6) Action taken by the President pursuant to this subsection shall not affect or limit the President's authority to enforce any provision of this Act: Provided, however, That a failure to notify the appropriate agency which is penalized administratively under this subsection shall not be the subject of a criminal penalty under subsection (b) of this section.".

(d)(1) Section 103(d)(2) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "$20,000" and inserting "$25,000" in lieu thereof.

(2) Section 106(b) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "$5,000" and inserting "$10,000" in lieu thereof.

HAZARDOUS SUBSTANCES INVENTORY

SEC. 110. Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by this Act, is further amended by adding after "Notice, Penalties" in the title to section 103: ", Inventory, and Emergency Response". Section 103 is further amended by adding at the end thereof the following new subsection:

"(h)(1) The requirements of this subsection shall apply to owners and operators of facilities that have ten or more full-time employees and that are in Standard Industrial Classification Codes 20 through 39 (as in effect on July 1, 1985) and that manufacture or process more than 200,000 pounds per year of a chemical substance listed pursuant to paragraph (2) or that use more than 2,000 pounds per year of a substance listed pursuant to paragraph (2). For purposes of this subsection,

"(A) The term 'manufacture' means to produce, prepare or compound a chemical substance.

"(B) The term 'process' means the preparation of a chemical substance, after its manufacture, for distribution in commerce—

"(i) in the same form or physical state as, or in a different form or physical state from, that in which it was received by the person so preparing such substance,

"(ii) as part of an article containing the chemical substance.

"(C) The term 'use' means to use for purposes other than processing.

"(2)(A) Not later than July 1, 1986, the President shall publish a list of toxic chemical substances which, on the basis of available information and in the judgment of the President, are manufactured in or imported into the United States in aggregate quantities that exceed 500,000 pounds per year and, (i) based on epidemiological or other population studies, generally accepted laboratory tests, or structural analysis are known to cause or are suspected of causing in humans adverse acute health effects, cancer, birth defects, heritable genetic mutations, or other health effects such as reproductive dysfunction, neurological disorder, or behavioral abnormalities, or (ii) because of toxicity, persistence, or tendency to bioaccumulate in the environment, may cause adverse environmental effects. Unless and until such list is published, those specific chemical substances identified in section 101(14) of this Act shall constitute such list.

"(B) The President shall, as necessary, but no less often than every two years, review and revise the list required by this paragraph. Any person may petition the President to add a chemical substance to the list or to remove a chemical substance from the list.

"(C) The President may establish a quantity different from that established in paragraph (1), (2), or (3) for particular chemical substances, based on the toxicity, extent of usage and such other factors as the President deems appropriate. The President, on his own motion or at the request of a Governor of a State (with regard to facilities located in that State), may apply the requirements of this subsection to the owners and operators of any particular facility that manufactures, processes, or uses a chemical substance listed under subparagraph (A) if the President determines that such action is warranted on the basis of toxicity of the substance, proximity to other facilities that release the substance or to population centers, the history of releases of such substances at such facility, or such other factors as the President deems appropriate.

"(3) The owners or operator of a facility subject to this subsection shall complete a Toxic Chemical Release Inventory Form as published under paragraph (4) for each chemical substance listed under paragraph (2) that was manufactured, processed, or used in quantities exceeding those established under paragraph (1) or, where applicable, subparagraph (2)(C), during the preceding calendar year at such facility. Such form shall be submitted on or before June 30, 1987, June 30, 1990, and June 30, 1993, and shall contain data reflecting releases during the preceding calendar year. If the President has not published the form required by paragraph (4) on or before December 31, 1986, owners and operators required to submit information under this subsection shall do so by letter to the Administrator of the Environmental Protection Agency postmarked on or before June 30, 1987.

"(4)(A) Not later than June 1, 1986, the President shall publish a Toxic Chemicals Release Inventory Form. Such form shall provide for the name and location of and principal business activities at the facility and shall provide for submission of the following information for each listed substance known to be present at the facility—

"(i) the use or uses of the chemical substance at the facility;

"(ii) the annual quantity of the chemical substance transported to the facility, produced at the facility, consumed at the facility, and transported from the facility as waste or as a commercial product or byproduct or component or constituent of a commercial product or byproduct;

"(iii) the annual quantity of the chemical substance entering each environmental wastestream, including air, surface water, land, subsurface injection, and discharge to publicly owned treatment works; and

"(iv) for each wastestream, the waste treatment methods employed and the annual quantity of the chemical substance remaining in the wastestream after treatment.

"(B) For purposes of this paragraph, facility owners and operators may utilize readily available data collected pursuant to other State and Federal environmental laws, or, where such data are not readily available, reasonable estimates. Nothing in this subsection shall require the monitoring or actual measurement of quantities of substances or releases beyond that required under other authorities. In order to assure consistency, the President shall require that data be expressed in common units.

"(5) The Governor of each State shall designate an official or officials of the State to receive Toxic Chemical Release Inventory Forms. The facility owner or operator shall submit the form to such official or officials and to the President.

"(6) Subject to the provisions of paragraph (8), the President and the Governor shall make the information submitted pursuant to this subsection available to the public. The President and the Governor may charge reasonable fees to recover the cost of reproduction and mailing of data.

"(7) The President shall establish and maintain in a computer database a National Toxic Chemical Release Inventory based on data submitted under this section. EPA shall make these data accessible by computer telecommunication to any person on a cost-reimbursable user fee basis.

"(8)(A) The President may verify the data contained in the Toxic Chemicals Release Inventory Form using the authority of section 104(e) of this Act.

"(B) Information submitted under this subsection shall be treated as information submitted under section 104(e) and (other than data on the quantity and nature of any release and the identity of the chemical substance released) shall be subject to the provisions of section 104(e).

"(9) Any person who knowingly omits material information or makes any false material statement or representation in the Toxic Chemicals Release Inventory Form, shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than one year, or both.

"(10) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission of information related to hazardous substances, toxic chemical substances, pollutants or contaminants or other materials.

"(11) Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by this Act, is further amended by inserting 'and section 103' after 'under this section' in the first sentence.".

MATERIAL SAFETY DATA SHEETS AND EMERGENCY INVENTORY

SEC. 111. (a) Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the following new subsections:

"(i) MATERIAL SAFETY DATA SHEETS AND EMERGENCY INVENTORY.—(1) Each owner or operator of a facility at which a hazardous chemical is produced, used, or stored shall file a Material Safety Data Sheet and Emergency Inventory form, as published under paragraph (3) of this subsection, not later than 180 days after enactment of the Superfund Improvement Act of 1985 for such hazardous chemical with the emergency planning committee established under section 105(d), for the area in which such facility is located and the Governor of the State in which the facility is located. In addition, the Emergency Inventory form shall be filed with the Environmental Protection Agency. If no emergency planning committee exists for the area in which a facility is located, the Governor of the State in which the facility is located shall designate appropriate area officials to receive the Material Safety Data Sheet and Emergency Inventory form. The Governor of the State in which a facility is located shall notify owners and operators of facilities required to comply with the provisions of this subsection.

"(2) Whenever a Material Safety Data Sheet is revised (as required under regulations under the Occupational Safety and Health Act of 1970) each such facility owner or operator shall file, as promptly as practicable, but not later than 90 days after such revision, the revised material safety data sheet. On an annual basis, or whenever a significant change occurs in the amount or presence of the hazardous chemical located at the facility, such owner or operator shall file a new Emergency Inventory form with the recipients designated in paragraph (1).

"(3) The President shall publish the Emergency Inventory form in the Federal Register within 90 days of the enactment of the Superfund Improvement Act of 1985. The Emergency Inventory form shall provide for an estimate of the maximum amounts of the hazardous chemical present at the facility at any time during the preceding calendar year (in ranges), a brief description of the use or storage of the hazardous chemical at such facility, and the location of the hazardous chemical at such facility.

"(4) The Material Safety Data Sheets and Emergency Inventory forms shall be made available by the emergency planning committee to the public upon request. If no emergency planning committee exists for the area in which the facility is located, the Material Safety Data Sheets and Emergency Inventory forms shall be made available to the public by the Governor of the State in which the facility is located upon request.

"(5) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission or distribution of information related to hazardous substances.

"(6) The President may establish quantities for hazardous chemicals below which no facility at which a hazardous chemical is produced, used, or stored shall be subject to the provisions of this subsection.

"(7) The President may order a facility owner or operator to comply with this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

"(j) EMERGENCY NOTIFICATION.—(1) The owner or operator of any facility at which a release occurs in an amount requiring a report under subsection (a) shall immediately provide notice of such release to the community emergency coordinator for the emergency planning committees, established pursuant to subsection 105(d), for any area likely to be affected by the release and to the Governor of any State likely to be affected by the release. If an emergency plan prepared pursuant to section 105(d) does not exist, an operator shall instead provide notice to the emergency response authority of the affected jurisdictions.

"(2) Notice under paragraph (1) shall include (to the extent known at the time of the notice)—

"(A) the chemical name or identity of any hazardous substance involved in the release;

"(B) an estimate of the quantity of any such hazardous substance that was released into the environment;

"(C) the time and duration of the release;

"(D) the medium or media into which the release occurred;

"(E) the nature of the health of safety hazard posed by any substance released to the population as a whole and to sensitive populations, and the likely symptoms of exposure at different levels and types of exposure (unless such information is readily available to the emergency coordinator pursuant to the emergency plan);

"(F) proper precautions to take as a result of the release, including evacuation (unless such information is readily available to the emergency coordinator pursuant to the emergency plan); and

"(G) the name and telephone number of the person or persons to be contacted for further information.

"(3) As soon as practicable after a release to which this subsection applies, such owner or operator shall provide a followup notice (or notices, as more information becomes available) updating the information required under paragraph (2), and including additional information with respect to—

"(A) actions taken to respond to and contain the release;

"(B) any known or anticipated acute or chronic health risks associated with the release; and

"(C) where appropriate, advice regarding medical attention necessary for exposed individuals.".

(b) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding at the end thereof the following new paragraphs:

"(35) 'hazardous chemical' means, for purposes of section 103(i), any substance which is treated as a 'hazardous chemical' pursuant to the Occupational Safety and Health Administration's hazard communication standard (codified in July 1985 in 29 CFR 1910.1200), except that the following substances shall not be treated as a 'hazardous chemical' for such purposes:

"(A) any food, food additive, color additive, drug, or cosmetic regulated by the Food and Drug Administration;

"(B) any manufactured item that contains a hazardous chemical present as a solid which does not result in exposure to the hazardous chemical under normal conditions of use;

"(C) any substance to the extent it is used for personal, family, or household purposes, or is present in the same form and concentration as a product packaged for distribution and use by the general public;

"(D) any substance to the extent it is used in a laboratory, hospital, or medical facility under the direct supervision of a technically qualified individual;

"(E) any substance to the extent it is used in routine agricultural operations; and

"(F) any substance to the extent it is regulated under the Hazardous Liquid Pipeline Safety Act of 1979 or the Natural Gas Pipeline Safety Act of 1968.

"(36) 'Material Safety Data Sheet' means a material safety data sheet developed for a hazardous chemical pursuant to the hazard communication regulations promulgated under the Occupational Safety and Health Act of 1970 (codified in July 1985 at 29 CFR 1910.1200).".

SCOPE OF PROGRAM

SEC. 112. (a) Section 104(a)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking that language between the word "environment" the third time it appears and the period and inserting in lieu thereof a period and the following: "The President shall give primary attention to those releases which may present a public health threat. The President may authorize the owner or operator of the vessel or facility from which the release or threat of release emanates, or any other responsible party, to perform the removal or remedial action if the President determines that such action will be done properly by the owner, operator, or responsible party".

(b) Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraphs:

"(3) The President shall not provide for a removal or remedial action under this section in response to a release or threat of release—

"(A) of a naturally occurring substance in its unaltered form, or altered solely through naturally occurring processes or phenomena, from a location where it is naturally found;

"(B) from products which are part of the structure of, and result in exposure within, residential buildings or business or community structures; or

"(C) into public or private drinking water supplies due to deterioration of the system through ordinary use.

"(4) Notwithstanding paragraph (3) of this subsection, to the extent authorized by this section the President may respond to any release or threat of release if in the President's discretion it constitutes a public health or environmental emergency and no other person with the authority and capability to respond to the emergency will do so in a timely manner.".

STATUTORY LIMITS ON REMOVALS

SEC. 113. (a) Section 104(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "six months" and inserting "one year" in lieu thereof and inserting before "obligations" the following: "or (C) continued response action is otherwise appropriate and consistent with permanent remedy,".

(b) Section 104(c) of such Act (as amended by sections 117 and 118 of this Act) is amended by adding at the end thereof the following new paragraph:

"(8) Nothing in this Act shall limit the President in taking such action as may be necessary to assure continuous remedial action or to institute interim remedial action when it becomes necessary to reopen bidding or otherwise recontract for the performance of remedial action.".

STATE CREDIT

SEC. 114. (a) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "The President shall grant the State a credit against the share" and all that follows down through the end of such section 104(c)(3) and inserting in lieu thereof the following: "In determining the portion of the costs referred to in this section which is required to be paid by a participating State, the President shall grant the State a credit for amounts expended or obligated by such State or by a political subdivision thereof after January 1, 1978, and before December 11, 1980, for any response action costs which are covered by section 111(a) (1) or (2) and which are incurred at a facility or release listed pursuant to section 105(8). Such credit shall have the effect of reducing the amount which the State would otherwise be required to pay in connection with assistance under this section.".

(b)(1) Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new sentence: "For the purposes of the last sentence of subsection (c)(3) of this section, the President may enter into a contract or cooperative agreement with a State under this paragraph under which such State will take response actions in connection with releases listed pursuant to section 105(8)(B), using non-Federal funds for such response actions, in advance of and without any obligation by the President of amounts from the Fund for such response actions.".

(2) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following sentence: "The President shall grant the State a credit against the share of costs for which it is responsible under this paragraph for any reasonable, documented, direct out-of-pocket non-Federal funds expended or obligated by the State under a contract or cooperative agreement under the last sentence of subsection (d)(1).".

FUNDING OF REMEDIAL ACTION AT FACILITY OPERATED BY A STATE OR POLITICAL SUBDIVISION

SEC. 115. Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by amending section 104(c)(3)(C)(ii) to read as follows:

"(ii) 50 per centum (or such greater amount as the President may determine appropriate, taking into account the degree of responsibility of the State or political subdivision for the release) of any sums expended in response to a release at a facility, that was operated by the State or a political subdivision thereof, either directly or through a contractual relationship or otherwise, at the time of any disposal of hazardous substances therein. For the purpose of subparagraph (C)(ii) of this paragraph, the term 'facility' does not include navigable waters or the beds underlying those waters."; and

(2) by adding at the end thereof the following: "In the case of any State which has paid, at any time after the date of the enactment of the Superfund Improvement Act of 1985, in excess of 10 per centum of the costs of remedial action at a facility owned but not operated by such State or by a political subdivision thereof, the President shall use money in the Fund to provide reimbursement to such State for the amount of such excess.".

SELECTION OF REMEDIAL ACTIONS

SEC. 116. Section 104(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(4)(A) The President shall select appropriate remedial actions determined to be necessary to carry out this section which, to the extent practicable, are in accordance with the national contingency plan and which provide for cost-effective response. In evaluating the cost-effectiveness of proposed alternative remedial actions, the President shall take into account the total short- and long-term costs of such actions, including the costs of operation and maintenance for the entire period during which such activities will be required.

"(B) Remedial actions in which treatment which significantly reduces the volume, toxicity or mobility of the hazardous substances is a principal element, are to be preferred over remedial actions not involving such treatment. The offsite transport and disposal of hazardous substances or contaminated materials without such treatment should be the least favored alternative remedial action, where practicable treatment technologies are available.

"(C) Remedial actions selected under this paragraph or otherwise required or agreed to by the President under this Act shall attain a degree of cleanup of hazardous substances, pollutants, and contaminants from the environment and of control of further release at a minimum which assures protection of human health and the environment. Such remedial actions shall be relevant and appropriate under the circumstances presented by the release or threatened release of such substance, pollutant, or contaminant.

"(D) No permit shall be required under subtitle C of the Solid Waste Disposal Act, section 402 or 404 of the Clean Water Act, or section 10 of the Rivers and Harbors Act of 1899, for the portion of any removal or remedial action conducted pursuant to this Act entirely onsite: Provided, That any onsite treatment, storage, or disposal of hazardous substances, pollutants, or contaminants shall comply with the requirements of subparagraph (C).

"(E) Subject to the requirements of this paragraph, the President shall select the appropriate remedial action which provides a balance between the need for protection of public health and welfare and the environment at the facility under consideration, and the availability of amounts from the Fund to respond to other sites which present or may present a threat to public health or welfare or the environment, taking into consideration the relative immediacy of such threats.".

STATE AND FEDERAL CONTRIBUTIONS TO OPERATION AND MAINTENANCE

SEC. 117. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraphs:

"(5) For the purposes of paragraph (3) of this subsection, in the case of ground or surface water contamination, completed remedial action includes the completion of treatment or other measures, whether taken onsite or offsite, necessary to restore ground and surface water quality to a level that assures protection of human health and the environment. With respect to such measures, the operation of such measures for a period up to five years after the construction or installation and commencement of operation shall be considered remedial action. Activities required to maintain the effectiveness of such measures following such period or the completion of remedial action, whichever is earlier, shall be considered operation or maintenance.

"(6) During any period after the availability of funds received by the Trust Fund under sections 4611 and 4661 of the Internal Revenue Code of 1954 or section 221(b)(2) or section 303(b) of this Act, the Federal share of the payment of costs for operation and maintenance pursuant to paragraph (3)(C)(i) or paragraph (5) of this subsection shall be from funds received by the Trust Fund under section 221(b)(1)(B).".

SITING OF HAZARDOUS WASTE FACILITIES

SEC. 118. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"(7) Effective three years after the date of enactment of the Superfund Improvement Act of 1985, the President shall not provide any remedial actions pursuant to this section unless the State in which the release occurs first enters into a contract or cooperative agreement with the President providing assurances deemed adequate by the President that the State will assure the availability of hazardous waste treatment or disposal facilities acceptable to the President and in compliance with the requirements of subtitle C of the Solid Waste Disposal Act with adequate capacity for the destruction, treatment, or secure disposition of all hazardous wastes that are reasonably expected to be generated within the State during the twenty-year period following the date of such contract or cooperative agreement and to be disposed of, treated, or destroyed.".

COOPERATIVE AGREEMENTS

SEC. 119. Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking all of the existing paragraph (other than that added by this Act) and substituting the following:

"(d)(1) Where the President determines that a State or political subdivision has the capability to carry out any or all of the actions authorized in this section, the President may, in the discretion of the President and subject to such terms as the President may prescribe, enter into a contract or cooperative agreement and combine any existing cooperative agreements with such State or political subdivision (which may cover a specific facility or facilities) to take such actions in accordance with criteria and priorities established pursuant to section 105(8) of this title and to be reimbursed from the Fund for the reasonable response costs and related activities associated with the overall implementation, coordination, enforcement, training, community relations, site inventory and assessment efforts, and administration of remedial activities authorized by this Act. Any contract made hereunder shall be subject to the cost-sharing provisions of subsection (c) of this section.".

ACCESS AND INFORMATION GATHERING

SEC. 120. Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "(2)" and inserting "(5)" in lieu thereof and by striking all of existing paragraph (1) and inserting in lieu thereof the following:

"(1) For the purposes of determining the need for response, or choosing or taking any response action under this title, or otherwise enforcing the provisions of this title, any officer, employee, or representative of the President, duly designated by the President, or any duly designated officer, employee, or representative of a State, is authorized where there is a reasonable basis to believe there may be a release or threat of release of a hazardous substance—

"(A) to require any person who has or may have information relevant to (i) the identification or nature of materials generated, treated, stored, transported to, or disposed of at a facility, or (ii) the nature or extent of a release or threatened release of a hazardous substance at or from a facility, to furnish, upon reasonable notice, information or documents relating to such matters. In addition, upon reasonable notice, such person either shall grant to appropriate representatives access at all reasonable times to inspect all documents or records relating to such matters or shall copy and furnish to the representatives all such documents or records, at the option of such person;

"(B) to enter at reasonable times any establishment or other place or property (i) where hazardous substances are, may be, or have been generated, stored, treated, disposed of, or transported from, (ii) from which or to which hazardous substances have been or may have been released, (iii) where such release is or may be threatened, or (iv) where entry is needed to determine the need for response or the appropriate response or to effectuate a response action under this title; and

"(C) to inspect and obtain samples from such establishment or other place or property or location of any suspected hazardous substance and to inspect and obtain samples of any containers or labeling for suspected hazardous substances. Each such inspection shall be completed with reasonable promptness. If the officer, employee, or representative obtains any samples, prior to leaving the premises, he shall give to the owner, operator, tenant, or other person in charge of the place from which the samples were obtained a receipt describing the sample obtained and, if requested, a portion of each such sample. If any analysis is made of such samples, a copy of the results of the analysis shall be furnished promptly to the

owner, operator, tenant, or other person in charge, if such person can be located.

"(2)(A) If consent is not granted regarding a request made by a duly designated officer, employee, or representative under paragraph (1), the President, upon such notice and an opportunity for consultation as is reasonably appropriate under the circumstances, may issue an order to such person directing compliance with the request, and the President may ask the Attorney General to commence a civil action to compel compliance.

"(B) In any civil action brought to obtain compliance with the order, the court shall, where there is a reasonable basis to believe there may be a release or threat of a release of a hazardous substance: (i) in the case of interference with entry or inspection, enjoin such interference or direct compliance with orders to prohibit interference with entry or inspection, unless under the circumstances of the case the demand for entry or inspection is arbitrary and capricious, an abuse of discretion, or not in accordance with law; and (ii) in the case of information or document requests, enjoin interference with such information or document requests or direct compliance with orders to provide such information or documents, unless under the circumstances of the case the demand for information or documents is arbitrary and capricious, an abuse of discretion, or not in accordance with law. The court may assess a civil penalty not to exceed $10,000 against any person who unreasonably fails to comply with the provisions of paragraph (1) or an order issued pursuant to paragraph (2).

"(3) Nothing in this subsection shall preclude the President from securing access or obtaining information in any other lawful manner.

"(4) Notwithstanding this subsection, entry to locations and access to information properly classified to protect the national security may be granted only to any officer, employee, or representative of the President who is properly cleared. Notwithstanding any other provision of law, all requirements of the Atomic Energy Act and all Executive orders concerning the handling of restricted data and national security information, including 'need to know' requirements, shall be applicable any grant of access to properly classified information under any provision of this Act, including section 103.

"(5) No person required to provide information or documents under this Act may claim that the information is entitled to protection under this section unless such claimant shows that—

"(A) the claimant has not disclosed the information to any other person, other than to an employee of the claimant or a person who is bound by a confidentiality agreement or to a person to whom the data has been supplied on a confidential basis in compliance with this Act, and the claimant has taken reasonable measures to protect the confidentiality of such information and intends to continue to take such measures;

"(B) the information could not reasonably be discovered by anyone other than such persons in the absence of disclosure; and

"(C) knowledge of such information gives the claimant an opportunity to obtain a significant advantage over competitors who do not know such information and disclosure of the information is likely to cause substantial harm to the claimant's competitive position.

"(6) The following information with respect to any hazardous substance as defined in section 101(14) shall not be entitled to protection under this section:

"(A) The chemical name, CAS number, trade name, and common name of the hazardous substances.

"(B) The physical properties of the substance, including its boiling point, melting point, flash point, specific gravity, vapor density, solubility in water, and vapor pressure at 20 degrees celsius.

"(C) The hazards to health and the environment posed by the substance, including physical hazards (such as explosion) and potential acute and chronic health hazards.

"(D) The potential routes of human exposure to the substance at the facility, establishment, place, or property being investigated, entered, or inspected under this subsection.

"(E) The location of disposal of any waste stream.

"(F) The identity and quantity of any waste stream.

"(G) Any monitoring data or analysis of monitoring data pertaining to disposal activities.

"(H) Any hydrogeologic or geologic data.

"(I) Any groundwater monitoring data.".

HEALTH-RELATED AUTHORITIES

SEC. 121. (a) Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(i)", by redesignating paragraphs (1), (2), (3), (4), and (5) as subparagraphs (A), (B), (C), (D), and (E), and by adding the following new paragraphs:

"(2) The Agency for Toxic Substances and Disease Registry shall provide consultations upon request on health issues relating to exposure to hazardous or toxic substances, on the basis of available information, to the Environmental Protection Agency, State officials, and local officials. Such consultations to individuals may be provided by States under cooperative agreements established under this Act.

"(3)(A) The Administrator shall perform a health assessment for each release, threatened release or facility on the National Priority List established under section 105. Such health assessment shall be completed not later than two years after the date of enactment of the Superfund Improvement Act of 1985 for each release, threatened release or facility proposed for inclusion on such list prior to such date of enactment or not later than one year after the date of proposal for inclusion on such list for each release, threatened release or facility proposed for inclusion on such list after such date of enactment. The Administrator shall also perform a health assessment for each facility for which one is required under section 3019 of the Solid Waste Disposal Act and, upon request of the Administrator of the Environmental Protection Agency or a State, for each facility subject to this Act or subtitle C of the Solid Waste Disposal Act, where there is sufficient data as to what hazardous substances are present in such facility.

"(B) The Administrator may perform health assessments for releases or facilities where individual persons or licensed physicians provide information that individuals have been exposed to a hazardous substance, for which the probable source of such exposure is a release. In addition to other methods (formal or informal) of providing such information, such individual persons or licensed physicians may submit a petition to the Administrator providing such information and requesting a health assessment. If such a petition is submitted and the Administrator does not initiate a health assessment, the Administrator shall provide a written explanation of why a health assessment is not appropriate.

"(C) In determining sites at which to conduct health assessments under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry shall give priority to those facilities or sites at which there is documented evidence of release of hazardous substances, at which the potential risk to human health appears highest, and for which in the judgment of the Administrator of such Agency existing health assessment data is inadequate to assess the potential risk to human health as provided in subparagraph (E).

"(D) Any State or political subdivision carrying out an assessment shall report the results of the assessment to the Administrator of such Agency, and shall include recommendations with respect to further activities which need to be carried out under this section. The Administrator of such Agency shall include the same recommendation in a report on the results of any assessment carried out directly by the Agency, and shall issue periodic reports which include the results of all the assessments carried out under this paragraph.

"(E) For the purposes of this subsection and section 111(c)(4), the term 'health assessments' shall include preliminary assessments of the potential risk to human health posed by individual sites and facilities, based on such factors as the nature and extent of contamination, the existence of potential for pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size and potential susceptibility of the community within the likely pathways of exposure, the comparison of expected human exposure levels to the short-term and long-term health effects associated with identified contaminants and any available recommended exposure or tolerance limits for such contaminants, and the comparison of existing morbidity and mortality data on diseases that may be associated with the observed levels of exposure. The assessment shall include an evaluation of the risks to the potentially affected population from all sources of such contaminants, including known point or nonpoint sources other than the site or facility in question. The Administrator of the Agency for Toxic Substances and Disease Registry shall use appropriate data, risk assessments, risk evaluations and studies available from the Administrator of the Environmental Protection Agency. A purpose of such preliminary assessments shall be to help determine whether full-scale health or epidemiological studies and medical evaluations of exposed populations shall be undertaken.

"(F) At the completion of each health assessment the Administrator shall provide the Administrator of the Environmental Protection Agency and each affected State with the results of such assessment, together with any recommendations for further action under this subsection or otherwise under this Act.

"(G) In any case in which a health assessment performed under this paragraph (including one required by section 3019 of the Solid Waste Disposal Act) discloses the exposure of a population to the release of a hazardous substance, the costs of such health assessment may be recovered as a cost of response under section 107 of this Act from persons causing or contributing to such release of such hazardous substance or, in the

case of multiple releases contributing to such exposure, to all such releases.

"(4) Whenever, in the judgment of the Administrator, it is appropriate on the basis of the results of a health assessment, the Administrator shall conduct a pilot study of health effects for selected groups of exposed individuals, in order to determine the desirability of conducting full scale epidemiological or other health studies of the entire exposed population. Whenever in the judgment of the Administrator it is appropriate on the basis of the results of such pilot study, the Administrator shall conduct such full scale epidemiological or other health studies as may be necessary to determine the health effects for the population exposed to hazardous substances in a release or suspected release.

"(5) In any case in which the results of a health assessment indicate a potential significant risk to human health, the Administrator shall consider whether the establishment of a registry of exposed persons would contribute to accomplishing the purposes of this subsection, taking into account circumstances bearing on the usefulness of such a registry, including the seriousness or unique character of identified diseases or the likelihood of population migration from the affected area.

"(6) The Administrator shall conduct a study, and report to the Congress within two years after the date of enactment of the Superfund Improvement Act of 1985, on the usefulness, costs, and potential implications of medical surveillance programs as a part of the health studies authorized by this section. Such study shall include, at a minimum, programs which identify diseases for which an exposed population is at excess risk, provide periodic medical testing to screen for such diseases in subgroups of the exposed population at highest risk, and provide for a mechanism to refer for treatment individuals who are diagnosed as having such diseases.

"(7) If a health assessment or other study carried out under this subsection contains a finding that the exposure concerned presents a significant risk to human health, the President shall take such steps as may be necessary to reduce such exposure and eliminate or substantially mitigate the significant risk to human health. Such steps may include the use of any authority under this Act, including, but not limited to—

"(A) provision of alternative water supplies, and

"(B) permanent or temporary relocation of individuals.

"(8) In any case which is the subject of a petition, a health assessment or study, or a research program under this subsection, nothing in this subsection shall be construed to delay or otherwise affect or impair the authority of the President or the Administrator of the Environmental Protection Agency to exercise any authority vested in the President or such Administrator under any other provision of law (including, but not limited to, the imminent hazard authority of section 7003 of the Solid Waste Disposal Act) or the response and abatement authorities of this Act.

"(9)(A) The Administrator shall, within six months after the date of enactment of the Superfund Improvement Act of 1985, jointly with the Administrator of the Environmental Protection Agency, prepare a list of at least one hundred hazardous substances which the Administrator, in his sole discretion, determines are those posing the most significant potential threat to human health due to their common presence at the location of responses under section 104 or at facilities on the National Priority List or in releases to which a response under section 104 is under consideration. Within twenty-four months after enactment, the Administrator, in consultation with the Administrator of the Environmental Protection Agency, shall prepare a list of an additional one hundred or more such hazardous substances. The Administrator, in consultation with the Administrator of the Environmental Protection Agency, shall not less often than once every year thereafter add to such list other substances which are frequently so found or otherwise pose a potentially significant threat to human health by reason of their physical, chemical, or biological nature.

"(B) For each such hazardous substance listed pursuant to subparagraph (A), the Administrator (in consultation with the Administrator of the Environmental Protection Agency and other agencies and programs of the Public Health Service) shall assess whether adequate information on the health effects of such substance is available. For any such substance for which adequate information is not available (or under development), the Administrator, in cooperation with the Director of the National Toxicology Program, shall assure the initiation of a program of research designed to determine the health effects (and techniques for development of methods to determine such health effects) of such substance. Where feasible, such program shall seek to develop methods to determine the health effects of such substance in combination with other substances with which it is commonly found. Such program shall include, but not be limited to—

"(i) laboratory and other studies to determine short, intermediate, and long-term health effects;

"(ii) laboratory and other studies to determine organ-specific, site-specific, and system-specific acute and chronic toxicity;

"(iii) laboratory and other studies to determine the manner in which such substances are metabolized or to otherwise develop an understanding of the biokinetics of such substances; and

"(iv) where there is a possibility of obtaining human data, the collection of such information.

"(C) In assessing the need to perform laboratory and other studies, as required by subparagraph (B), the Administrator shall consider—

"(i) the availability and quality of existing test data concerning the substance on the suspected health effect in question;

"(ii) the extent to which testing already in progress will, in a timely fashion, provide data that will be adequate to support the preparation of toxicological profiles as required by subparagraph (F) of this paragraph; and

"(iii) such other scientific and technical factors as the Administrator may determine are necessary for the effective implementation of this subsection.

"(D) In the development and implementation of any research program under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry and the Administrator of the Environmental Protection Agency shall coordinate such research program implemented under this paragraph with the National Toxicology Program and with programs of toxicological testing established under the Toxic Substances Control Act and the Federal Insecticide, Fungicide and Rodenticide Act. The purpose of such coordination shall be to avoid duplication of effort and to assure that the hazardous substances listed pursuant to this subsection are tested thoroughly at the earliest practicable date. Where appropriate, in the discretion of the Administrator and consistent with such purpose, a research program under this paragraph may be carried out using such programs of toxicological testing.

"(E) It is the sense of the Congress that the costs of research programs under this paragraph be borne by the manufacturers and processors of the hazardous substance in question, as required in programs of toxicological testing under the Toxic Substances Control Act. Where this is not practical, the costs of such research programs should be borne by parties responsible for the release of the hazardous substance in question. To carry out such intention, the costs of conducting such a research program under this paragraph shall be deemed a cost of response for the purposes of recovery under section 107 of such costs from a party responsible for a release of such hazardous substance.

"(F) Based on all available information, including data developed and collected on the health effects of hazardous substances under this paragraph, the Administrator shall prepare toxicological profiles sufficient to establish the likely effect on human health of each of the substances listed pursuant to subparagraph (A). Such profiles shall be revised and republished as necessary, but no less often than once every five years. Such profiles shall be provided to the States and made available to other interested parties.

"(10) All studies and results of research conducted under this subsection (other than health assessments) shall be reported or adopted only after appropriate peer review. In the case of research conducted under the National Toxicology Program, such peer review may be conducted by the Board of Scientific Counselors. In the case of other research, such peer review shall be conducted by panels consisting of no less than three nor more than seven members, who shall be disinterested scientific experts selected for such purpose by the Administrator of the Agency for Toxic Substances and Disease Registry or the Administrator of the Environmental Protection Agency, as appropriate, on the basis of their reputation for scientific objectivity and the lack of institutional ties with any person involved in the conduct of the study or research under review. Support services for such panels shall be provided by the Agency for Toxic Substances and Disease Registry, or by the Environmental Protectioin Agency, as appropriate.

"(11) In the implementation of this subsection and other health-related authorities of this Act, the Administrator is authorized to establish a program for the education of physicians and other health professionals on methods of diagnosis and treatment of injury or disease related to exposure to toxic substances, through such means as the Administrator deems appropriate. Not later than two years after the date of enactment of the Superfund Improvement Act of 1985, the Administrator shall report to the Congress on the implementation of this paragraph.

"(12) For the purpose of implementing this subsection and other health-related authorities of this Act, the President shall provide adequate personnel to the Agency for Toxic Substances and Disease Registry, which

shall be no fewer than one hundred full time equivalent employees.

"(13) The activities described in this subsection and section 111(c)(4) shall be carried out by the Agency for Toxic Substances and Disease Registry established by paragraph (1), either directly, or through cooperative agreements with States (or political subdivisions thereof) in the case of States (or political subdivisions) which the Administrator of such Agency determines are capable of carrying out such activities. Such activities shall include the provision of consultations on health information, and the conduct of health assessments, including those required under section 3019 of the Solid Waste Disposal Act, health studies and registries.".

(b) Section 111(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by inserting "in accordance with subsection (n) of this section and section 104(i)," after "(4)"; and

(2) by striking "epidemiologic studies" and inserting in lieu thereof "epidemiologic and laboratory studies and health assessments".

(c) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(n) For fiscal year 1986 and for each fiscal year thereafter, not less than 5 per centum of all sums appropriated from the Trust Fund, shall be directly available to the Agency for Toxic Substances and Disease Registry and used for the purpose of carrying out activities described in subsection (c)(4) and section 104(i), including any such activities related to hazardous waste stored, treated, or disposed of at a facility having a permit under section 3005 of the Solid Waste Disposal Act. Any funds so made available which are not committed by the beginning of the fourth quarter of the fiscal year in which made available shall be made available in the Trust Fund for other purposes.".

(d) The last sentence of section 3019(b)(2) of the Solid Waste Disposal Act is amended to read as follows: "If so requested, the Administrator of such Agency shall conduct such health assessment.".

(e) Section 104(i)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) striking "the Surgeon General of the United States" and inserting in lieu thereof "the Secretary of Health and Human Services";

(2) inserting in the second sentence thereof after "of said Agency" the following: "(hereinafter in this subsection referred to as 'the Administrator')";

(3) striking "chromosomal testing" in subparagraph (D) and inserting in lieu thereof "appropriate testing".

(f)(1) The Administrator of the Agency for Toxic Substances and Disease Registry shall, in consultation with the Administrator of the Environmental Protection Agency and other officials as appropriate, not later than March 1, 1986, submit to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives, a report on the nature and extent of lead poisoning in children from environmental sources. Such report shall include, at a minimum, the following information—

(A) an estimate of the total number of children, arrayed according to Standard Metropolitan Statistical Area or other appropriate geographic unit, exposed to environmental sources of lead at concentrations sufficient to cause adverse health effects;

(B) an estimate of the total number of children exposed to environmental sources of lead arrayed according to source or source types;

(C) a statement of the long term consequences for public health of unabated exposures to environmental sources of lead and including but not limited to, diminution in intelligence, increases in morbidity and mortality; and

(D) methods and alternatives available for reducing exposures of children to environmental sources of lead.

(2) Such report shall also score and evaluate specific sites at which children are known to be exposed to environmental sources of lead due to releases, utilizing the Hazard Ranking system of the National Priorities List.

(3) The costs of preparing and submitting the report required by this section shall be borne by the Hazardous Substances Response Fund.

(g) Section 111(c)(6) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by inserting at the end thereof the following: "Standards for health and safety protection of employees engaged in hazardous waste operations, including emergency response, shall be promulgated by the Secretary of Labor, under the Occupational Safety and Health Act, not later than one year after enactment of the Superfund Improvement Act of 1985. The cost of training such employees, in an amount not to exceed $10,000,000 per year, shall be considered a permissible cost of the program authorized by this paragraph.".

EXPEDITED REMEDIAL ACTION AGREEMENT PROCEDURES

SEC. 122. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"( )(1) The President may enter into agreements pursuant to this subsection for the purpose of expediting remedial action with respect to a release or threatened release of a hazardous substance, in cases involving more than one potentially responsible party. As a matter of public policy, the President shall act to facilitate agreements under this Act, in order to protect human health and the environment by facilitating remedial action and to minimize litigation under this Act.

"(2)(A) At a date not later than that of the completion of the Remedial Investigation and Feasibility Study, the President shall provide all persons who are potentially responsible for a release or a threatened release—

"(i) the identity of any other potentially responsible parties who have been identified and served with notice of potential liability;

"(ii) a Nonbinding Preliminary Allocation of Responsiblity among all identifiable potentially responsible persons at a facility, including those parties which may be unknown, insolvent, or similarly unavailable. The allocation shall be based on the President's estimate and ranking of the volumetric contributions by such potentially responsible persons, and such additional factors, including, but not limited to, toxicity and mobility of the identified hazardous substances, as in the discretion of the President may be relevant to the preparation of such allocation;

"(iii) public information regarding successful agreements involving other facilities, as compiled beginning no later than January 1, 1987, and updated on a quarterly basis thereafter; and

"(iv) any other technical or scientific information, not otherwise privileged or attorney work product, which the President will utilize in determining whether to accept or reject an agreement offer under this section.

"(B) The information required by this paragraph (other than subparagraph (A)(ii)) shall be available in advance of such notice upon the request of a potentially responsible person in accordance with procedures established by the President.

"(C) The provision of subsection (e) of this section regarding protection of confidential information shall apply to information subject to distribution under this paragraph.

"(3)(A) The procedures of this subsection shall apply to each case of remedial action with respect to a release or threatened release of a hazardous substance involving more than one potentially responsible party, unless in the discretion of the President use of these procedures is inappropriate because:

"(i) sufficient information to effectively use these procedures is not available;

"(ii) there is an urgent need for response and enforcement action that could not be met if these procedures were used;

"(iii) the number of responsible parties who are not de minimis is so small that use of the procedures would not expedite settlement; or

"(iv) an equitable settlement could be more expeditiously or effectively achieved through other settlement or other alternative dispute resolution procedures.

"(B) If the President declines under this paragraph to use the procedures set forth in this subsection, the President shall notify potentially responsible parties at the facility of such decision and the reasons why use of such procedures is inappropriate.

"(4)(A) The President may not commence a remedial action under this section or take any action under section 106 until 180 days (or 90 days where the facility involves 9 or fewer potentially responsible parties) after providing notice of an intent to engage in the procedures under this subsection. Advance disclosure of information upon the request of a potentially responsible party under paragraph (2)(B) shall not commence the 180-day period (or 90 days where the facility involves 9 or fewer potentially responsible parties).

"(B) Nothing in this subsection shall limit the President's authority to undertake response action regarding a significant threat to public health or the environment within the negotiation period. The President may also commence any additional studies or investigations authorized under subsection (b) of this section, including remedial design, during the negotiation period.

"(5) To collect information necessary or appropriate for performing the allocation under paragraph (2)(A) of this subsection, the President may by subpoena require the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions, and other information that the President deems necessary. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the event of contumacy, failure or refusal of any person to obey any such subpoena, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to comply with such subpoena. Any failure to obey such an order of the

court is punishable by the court as a contempt thereof.

"(6) the persons with whom the President reaches agreement under this subsection shall undertake or finance the remedial action and all previous costs of response, including operation and maintenance, or a discrete part of such remedial action, as provided by the agreement.

"(7)(A) The persons receiving notice under paragraph (2) of this subsection shall have 90 days (or 45 days in cases involving 9 or fewer potentially responsible parties) to make a proposal to the President for undertaking or financing the remedial action. In extraordinary cases, the President may grant a thirty-day extension of such period.

"(B) Where potentially responsible parties offer to provide payment or the undertaking of remedial action exceeding 50 per centum of the total shares as estimated by the President in the Nonbinding Preliminary Allocation of Responsibility, and such offer provides for response or costs of response for an amount equal to or greater than the cumulative total, under the Nonbinding Preliminary Allocation of Responsibility, of the potentially responsible persons making the offer, such an offer will be considered to be in 'good faith' and the Federal district court in the district in which the facility is located may order the President to accept the offer.

"(C) The President's decision to reject an offer shall not be subject to judicial review, unless such offer is considered good faith under this paragraph. Where the President rejects an offer meeting such criteria, such rejection shall be in writing and shall be reviewable in the Federal district court in the district in which the facility is located. In such cases the President shall have the burden of persuasion to establish that the rejection was not unreasonable, in light of additional information received after the completion of the Nonbinding Preliminary Allocation of Responsibility. The record for such appeal shall consist of the written notice of rejection, the documents and evidence referred to therein, all comments and evidence submitted by others in response to the written notice of rejection, the President's rationale for rejection, as well as any information of which the court may take judicial notice.

"(D) Judicial review under this subsection shall be limited to the President's decision to reject the good-faith offer and shall not include any other issues relating to the selection or scope of the remedy, the computation of costs associated with response action, or the Nonbinding Preliminary Allocation of Responsibility. Remedial action shall not be delayed solely because of such review.

"(E) Where the President's decision to reject a good faith offer under this paragraph is found to be unreasonable, the Fund shall be liable to the potentially responsible persons who brought suit, for any legal fees and other reasonable costs incurred during such judicial review.

"(F) Where the good faith offer of potentially responsible parties would include the entire share of cleanup allocated to all potentially responsible parties under the Nonbinding Preliminary Allocation of Responsibility (other than the shares allocated to unknown, insolvent or similarly unavailable parties under section 106), such offer, if accepted, shall be granted a "bonus" from the Fund representing 10 per centum of the cost of response action. Such bonus shall not be available in the case of facilities where there are three or fewer potentially responsible parties.

"(8) If, as part of any agreement, the President will be carrying out remedial action and the parties will be paying amounts to the President, the President may, notwithstanding any other provision of law, retain and use such funds for purposes of carrying out the agreement.

"(9) If an additional responsible party is identified during the negotiation period or after an agreement has been entered into under this subsection concerning a release or threatened release, the President may bring the additional party into the negotiation or enter into a separate agreement with such party.

"(10) The costs incurred by the President in producing the Nonbinding Preliminary Allocation of Responsibility shall be reimbursed by the potentially responsible parties whose offer is accepted by the President under this section. Where an offer under this section is not accepted, such costs shall be considered costs of response.

"(11) The Nonbinding Preliminary Allocation of Responsibility shall not be admissible as evidence in any proceeding under section 106 or 107 of this Act, and no court shall have jurisdiction to review the Nonbinding Preliminary Allocation of Responsibility in any action under section 106 or 107. The Nonbinding Preliminary Allocation of Responsibility shall not constitute an apportionment or other statement on the divisibility of harm or causation.

"(12)(A) If a good-faith proposal for undertaking or financing a remedial action has not been submitted within 90 days (or 45 days in cases involving 9 or fewer potentially responsible parties) of the provision of notice pursuant to this subsection, the President may thereafter commence a remedial action under this section or take an action against any person under section 106 of this Act.

"(B) If an agreement has been entered into under this subsection, the President may take any action under section 106 against any person who is not a party to the agreement, once the 90-day period (or 45 days in cases involving 9 or fewer potentially responsible parties) for submitting a proposal has expired.

"(13) Whenever the President has entered into an agreement for remedial action under this subsection, the liability under this Act of each party to the agreement, including any future liability arising from the release or threatened release that is the subject of the agreement, shall be limited as provided in the agreement.

"(14) Nothing in this subsection shall be construed to affect:

"(A) the liability of any person under section 106 or 107 with respect to any costs or damages which are not included in the agreement; or

"(B) the authority of the President to maintain an action under section 106 or 107 against any person who is not a party to the agreement.

"(15) The liability of any party to an agreement under this subsection for contribution shall be limited as provided in section 107(1)(3).

"(16) Whenever the President enters into an agreement under this subsection, the agreement, following approval by the Attorney General, shall be entered as a consent decree under section 106 of this Act. Any party failing to comply with an agreement shall be liable for a penalty not to exceed $25,000 for each day during which such failure continues.".

PUBLIC PARTICIPATION

SEC. 123. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(j) Before selection of appropriate remedial action to be undertaken by the United States or a State or before entering into a covenant not to sue or to forebear from suit or otherwise settle or dispose of a claim arising under this Act, notice of such proposed action and an opportunity for a public meeting in the affected area, as well as a reasonable opportunity to comment, shall be afforded to the public prior to final adoption or entry. Notice shall be accompanied by a discussion and analysis sufficient to provide a reasonable explanation of the proposal and alternative proposals considered.".

LOVE CANAL PROPERTY ACQUISITION

SEC. 124. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(k) In determining priorities among releases and threatened releases under the National Contingency Plan and in carrying out remedial action under this section, the Administrator shall establish a high priority for the acquisition of all properties (including nonowner occupied residential, commerical, public, religious, and vacant properties) in the area in which, before May 22, 1980, the President determined an emergency to exist because of the release of hazardous substances and in which owner occupied residences have been acquired pursuant to such determination.".

ADMINISTRATIVE ORDERS FOR SECTION 104(b) ACTIONS

SEC. 125. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(l)(1) If the President determines that one or more responsible parties will properly carry out action under subsection (b) of this section, the President may enter into a consent administrative order with such party or parties for that purpose.

"(2) The United States district court for the district in which the release has occurred or threatens to occur shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $10,000 for each day in which such violation occurs or such failure to comply continues.".

NATIONAL CONTINGENCY PLAN—HAZARD RANKING SYSTEM

SEC. 126. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(a)" immedately following "105." and by adding the following at the end thereof:

"(b) Not later than twelve months after the date of enactment of the Superfund Improvement Act of 1985, the President shall revise the National Contingency Plan to reflect the requirements of such amendments. The portion of such Plan known as 'the National Hazardous Substance Response Plan' shall be revised to provide procedures and standards for remedial actions undertaken pursuant to this Act which are consistent with amendments made by the Superfund Improvement Act of 1985 relating to the selection of remedial action.

"(c) Not later than twelve months after the date of enactment of the Superfund Improvement Act of 1985 and after publication of notice and opportunity for submission of comments in accordance with section 553 of title 5, United States Code, the President shall by rule promulgate amendments to the hazard ranking system in effect on September 1, 1984. Such amendments shall assure, to the maximum extent feasible, that the hazard ranking system accurately assesses the relative degree of risk to human health and the environment posed by sites and facilities subject to review. The President shall establish an effective date for the amended hazard ranking system which is not later than eighteen months after the date of enactment of the Superfund Improvement Act of 1985 and such amended hazard ranking system shall be applied to any site or facility to be newly listed on the National Priority List after the effective date established by the President. Until such effective date of the regulations, the hazard ranking system in effect on September 1, 1984, shall continue to full force and effect.

"(d)(1) This subsection applies to facilities—

"(A) which as of July 1, 1985, were not included on, or proposed for inclusion on, the National Priorities List; and

"(B) at which special study wastes described in section 3001(b)(2)(B) or (3)(A) of the Solid Waste Disposal Act or any leachate from abandoned mine sites are present, including any such facility from which there has been a release of a special study waste or leachate, except that this subsection shall not apply to a facility which does not involve the presence of any such waste or leachate in any significant quantity.

"(2) Pending revision of the hazard ranking system under subsection (c), no facility to which this subsection applies may be added to the National Priorities List unless the Administrator makes the following specific findings, based on facility-specific data—

"(A) as to the status of studies by the Environmental Protection Agency on such waste under the Solid Waste Disposal Act and of regulation of such waste under subtitle C thereof;

"(B) as to the extent to which the hazard ranking system score for the facility is affected by the presence of any special study waste at, or any release from, such facility;

"(C) as to the quantity, toxicity, and concentration of hazardous substances that are constituents of any special study waste at, or release from such facility, the extent of or potential for release of such hazardous constituents, and the degree of risk to human health or the environment posed by the release of such hazardous constituents at such facility: Provided, That, the findings in this subparagraph shall be based on actual concentrations of hazardous substances and not on the total quantity of special study waste at such facility; and,

"(D) that based on the findings in subparagraph (C), the degree of risk to human health or the environment posed by such facility is equal to or greater than the risk posed by facilities at which no special study waste is present and which are proposed for inclusion on the National Priorities List.

A person may be subject to liability under section 106 or 107 under this Act for any waste or release referred to in paragraph (1) of this subsection at any facility to which this subsection applies only if the specific findings required under this paragraph with respect to that facility have been made and such suit against such person supports each specific finding with appropriate facility-specific data. This paragraph shall not apply to any facility that is included on the National Priorities List pursuant to a hazard ranking system revised in accordance with subsection (c) so as to incorporate the factors identified in subparagraph (C) and (D) of this paragraph.

"(3) Following the Administrator's completion of the applicable special study waste required under section 8002 (f), (m), (n), (o), or (p) of the Solid Waste Disposal Act, and the determination required under section 3001(b)(3)(C) or, in the case of a special study waste described in section 3001(b)(2)(B), the authorization of regulations by Congress pursuant to section 3001(b)(2)(B)), of such Act, if a special study waste is not a hazardous waste listed under section 3001 of the Solid Waste Disposal Act, the waste stream, or one of the constituents thereof, may not be deemed to be a hazardous substance unless such waste, at the facility in question, has one of the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act.

"(4) Nothing in this subsection shall be construed to limit the authority of the Administrator to remove any facility which as of July 1, 1985, is included on the National Priorities List from such List, or not to list any facility which as of such date is proposed for inclusion on such list.

"(5) Nothing in this subsection shall be construed to limit the authority of the Administrator or the Attorney General from seeking abatement of an imminent and substantial endangerment under section 106(a).".

EMERGENCY PLANNING

SEC. 127. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(d) EMERGENCY PLANNING.—(1)(A) The President shall publish a list of extremely hazardous substances, taking into account the toxicity, reactivity, volatility, flammability, and usage of such substances. For the purposes of the preceding sentence, the term 'toxicity' shall include any acute or chronic health effect which may result from an acute exposure to the substance. The President shall review, and modify as necessary, such list not less often than every two years. Such list shall identify each extremely hazardous substance and shall establish a quantity of each such substance which, if released at a facility, would likely pose an imminent and substantial endangerment to the public health or to the environment. Facilities that have present such a quantity of such a substance shall notify the Governor in accordance with paragraph (2)(A).

"(B) Within 30 days after enactment of the Superfund Improvement Act of 1985, the President shall publish an initial list of substances and quantities as described in subparagraph (A), which shall be the same as substances and quantities listed by the Council of the European Communities in its 'Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III,' published in the Official Journal of the European Communities, August 5, 1982.

"(2)(A) Not later than 90 days after the date of enactment of the Superfund Improvement Act of 1985, or not later than 60 days after any revision of the list, each owner or operator of a facility (other than motor vehicles, rolling stock, or aircraft) that has present a quanitity of a substance that requires notification under paragraph (1) shall notify the Governor of the State in which such facilitly is located that such facility is subject to the requirements of this subsection. The Governor may designate additional facilities that shall be subject to the provisions of this subsection.

"(B) Not later than 180 days after the date of enactment of the Superfund Improvement Act of 1985, the Governor of each State shall designate emergency planning districts in order to facilitate preparation and implementation of emergency plans. Where appropriate, the Governor may designate existing political subdivisions or multijurisdictional planning organizations as such districts. In emergency planning areas that involve more than one State, the Governors of each potentially affected State may designate emergency planning districts and emergency planning committees by agreement. In making such designation, the Governor shall indicate which facilities designated under subparagraph (A) are within such emergency planning district.

"(C) Not later than 210 days after such date of enactment, the Governor shall appoint members of an emergency planning committee for each emergency planning district. Each Committee shall include representatives of the public, appropriate State and local organizations, and owners and operators of facilities designated under subparagraph (A). In making such appointments, the Governor shall consider persons who would be expected to play a major role in the event of a release of an extremely hazardous substance, such as elected officials, law enforcement and firefighting personnel, public health, medical, hospital, and environmental protection personnel, civil defense personnel, transportation officials, and representatives of broadcast and print media. Interested persons may petition the Governor to modify the membership of such committee. Such committee shall appoint a chairperson and shall establish rules by which the committee shall function. Such rules shall include provisions for public notification of committee activities, public meetings to discuss the emergency plan, public comments, response to such comments by the committee, and distribution of the emergency plan.

"(D) Each emergency planning committee shall complete preparation of emergency plans in accordance with this subsection not later than two years after such date of enactment. The committee shall review such plan at least annually, or as changed circumstances in the community or at any facility may require.

"(E) Each emergency planning committee shall evaluate the need for resources necessary to develop, implement, and exercise the emergency plan, and shall make recommendations with respect to additional resources that may be required, and the means for providing such additional resources.

"(F) Each emergency plan shall include (but is not limited to)—

"(i) identification of facilities designated pursuant to subparagraph (A) that are within the emergency planning district, and identification of routes likely to be used for the transportation of substances listed pursuant to subparagraph (A);

"(ii) methods and procedures to be followed by facility owners and operators and local emergency and medical personnel to respond to any release of such substances;

"(iii) designation of a community emergency coordinator and a facility emergency

coordinator, who shall make determinations necessary to implement the plan;

"(iv) procedures providing reliable, effective, and timely notification by the facility emergency coordinator and the community emergency coordinator to persons designated in the emergency plan, and to the public, that a release has occurred (consistent with the emergency notification requirements under section 103(j));

"(v) methods for determining the occurrence of a release, and the area or population likely to be affected by such release;

"(vi) evacuation plans, including provisions for a precautionary evacuation and alternative traffic routes;

"(vii) training programs, including schedules for training of local emergency response and medical personnel; and

"(viii) methods and schedules for exercising such plan.

"(G) The owner or operator of each facility designated pursuant to subparagraph (A) shall—

"(i) within 210 days after such date of enactment, notify the emergency planning committee for the emergency planning district in which such facility is located that a facility representative will participate in the emergency planning process;

"(ii) promptly inform the emergency planning committee of any relevant changes occurring at such facility as such changes occur or are expected to occur; and

"(iii) upon request from the emergency planning committee, promptly provide information to such committee necessary for developing and implementing the emergency plan.

"(H) The National Response Team shall publish guidance documents for preparation and implementation of emergency plans. Such documents shall be published not later than 150 days after such date of enactment.

"(I) The Regional Response Teams shall review and comment upon such emergency plans or other issues related to preparation, implementation, or exercise of such plan upon request of the emergency planning committee. Such review shall not delay implementation of such plans.

"(3) The President may order a facility owner or operator to comply with paragraphs (2) (A) and (G) of this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.".

NATIONAL CONTINGENCY PLAN

SEC. 128. (a) Section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as redesignated by this Act, is amended by striking "at least four hundred of" when it appears.

(b) Section 105(8)(B) is further amended by striking the phrase "at least" following the word "facilities" the second time it appears and by inserting "A State shall be allowed to designate its highest priority facility only once." after the third full sentence thereof.

DE MINIMIS CONTRIBUTOR SETTLEMENT PROVISIONS

SEC. 129. Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new subsection:

"(d) The President shall consider, but may accept or reject, good-faith offers of settlement under this section or section 107 from any person potentially liable under such sections, and in the discretion of the President is authorized to accept such offers if the offer does not constitute a substantial portion of the costs of response, if—

"(1) the amount of the hazardous substances contributed to the release by the party making the offer, and

"(2) the toxic or other hazardous effects of the substances contributed to the release by the party making the offer are minimal in comparison with contributions to the release by other potentially responsible parties. For the purposes of this subsection, a good faith offer is one which is reasonable based on the objective evidence. Not later than March 1, 1986, the President shall publish guidance documents defining what would constitute de minimis contributions under this section.".

MIXED FUNDING

SEC. 130. Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(c) The President may use monies from the Fund to pay for that portion of the response costs (or of a remedy to be performed jointly with responsible parties) which is attributable to the contribution of hazardous substances from parties who are determined by the President, on the record, to be unknown or insolvent, or similarly unavailable.".

RELEASES FROM LIABILITY

SEC. 131. Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(e)(1) The President may provide any person with a covenant not to sue concerning any future liability under this Act resulting from a future release or threatened release of hazardous substances addressed by a remedial action, whether that action is onsite or offsite, if this covenant not to sue would expedite response action consistent with the National Contingency Plan under section 105 of this Act, and—

"(A) the person is in full compliance with an administrative order or consent decree under this section for response to the release or threatened release of hazardous substances, and

"(B) this response action has been approved by the President.

"(2)(A) In assessing the appropriateness of a covenant not to sue, the President shall consider whether the covenant is in the public interest, taking into account whether the cleanup will be done, in whole or in significant part, by the responsible parties themselves. To the extent that private parties perform the cleanup and are in full compliance with an administrative order or consent decree approved by the President, such parties shall receive a more expansive covenant not to sue than if the cleanup were performed entirely by the Government. However, this section is not intended to limit the President's discretion in settling with de minimis contributors under subsection (d) of this section.

"(B) Factors to be taken into account in the President's consideration of the public interest under this subsection include, but are not limited to, the following:

"(i) the effectiveness and reliability of the remedy, in light of the other alternative remedies considered for the facility;

"(ii) the nature of the risks remaining at the facility after completion of the remedy;

"(iii) the extent to which performance standards are included in the order of decree;

"(iv) the extent to which the response action provides a complete remedy for the facility, including the elimination of the hazardous nature of the substances at the facility; and

"(v) whether the Fund or other sources of funding, including other responsible parties, would be available for any additional response actions that may become necessary for the facility.

"(3) In the case of remedial actions undertaken jointly by the President and responsible parties, any governmental entity taking part in such remedial action shall be subject to future liability as a private responsible party. Any future response actions arising at the same facility, and which give rise to further liability, shall obligate the Fund to the extent of the obligation of the President under the earlier remedial action responsibility. The President's contribution to such future response actions may be made through Fund expenditures or through payment, following settlement or enforcement action, by parties who were not signatories to the original agreement.

"(4) The President is authorized to include any provision allowing future enforcement action under this section or section 107 that in the discretion of the President is necessary and appropriate to assure protection of public health, welfare, and the environment.

"(5) In the case of any person to whom the President is authorized under paragraph (1) of this subsection to provide a convenant not to sue, for the portion of remedial action—

"(A) which involves the transport and secure disposition offsite of hazardous substances in a facility meeting the requirements of sections 3004 (c), (d), (e), (f), (g), (m), (o), (p), (u), and (v) and 3005(c) of the Solid Waste Disposal Act, where the President has rejected a proposed remedial action that is consistent with the National Contingency Plan that does not include such offsite disposition and has thereafter required offsite disposition; or

"(B) which involves the treatment of hazardous substances so as to destroy, eliminate or permanently immobilize the hazardous constituents of such substances, such that in the judgment of the President the substances no longer present any current or currently foreseeable future significant risk to public health, welfare or the environment, no byproduct of the treatment or destruction process presents any significant hazard to public health, welfare or the environment, and all byproducts are themselves treated, destroyed, or contained in a manner which assures that such byproducts do not present any current or currently foreseeable future significant risk to public health, welfare or the environment,

the President shall provide such person with a covenant not to sue with respect to future liability under this Act for a future release or threatened release of hazardous substances from such facility, and a person provided such convenant not to sue shall not be liable under section 106 or 107 with respect to such release or threatened release at any future time. The President is authorized to include in such convenant not to sue a provision allowing future enforcement action under this section or section 107, in the case of any fraud or misrepresentation by such person.

"(6) Any convenant not to sue provided by the President under this subsection shall be

effective only when approved by a Federal District Court, upon the application of the President, after consideration of the conditions and factors specified in this subsection.".

FOREIGN VESSELS

SEC. 132. Section 107(a)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "(otherwise subject to the jurisdiction of the United States)".

STATE AND LOCAL GOVERNMENT LIABILITY

SEC. 133. (a) Section 107(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(d)" and adding the following new language:

"(2) No State or local government shall be liable under this title for costs or damages as a result of non-negligent actions taken in response to an emergency created by the release or threatened release of a hazardous substance, pollutant, or contaminant generated by or from a facility owned by another person.".

(b) Section 101(20) is amended by inserting immediately before the semicolon at the end of clause (A) the following: "nor does such term include a unit of State or local government which acquired ownership or control involuntarily through bankruptcy, foreclosure, tax delinquency, abandonment, or similar means of alienation".

(c) Section 101(20) is further amended by deleting clause (iii) and substituting the following:

"(iii) in the case of any facility, title, or control of which was conveyed due to abandonment, bankruptcy, foreclosure, tax delinquency or similar means to a unit of State or local government, any person who owned, operated or otherwise controlled activities at such facility immediately beforehand.".

NATURAL RESOURCE DAMAGE CLAIMS

SEC. 134. (a) Section 107(f) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(f)" and by adding at the end thereof the following new paragraphs:

"(2)(A) The President shall designate in the National Contingency Plan published under section 105 of this Act the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act. Such officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship, and may upon request of and reimbursement from a State and at the Federal officials' discretion, assess damages for those natural resources under a State's trusteeship.

"(B) The Governor of each State shall designate the State officials who may act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship.

"(C) Any determination or assessment of damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act made by a Federal or State trustee in accordance with the regulations promulgated under section 301(c) of this Act shall have the force and effect of a rebuttable presumption on behalf of the trustee in any judicial proceeding under this Act or section 311 of the Clean Water Act.

"(D) The President shall promulgate the regulations required under section 301 of this Act not later than six months after the enactment of the Superfund Improvement Act of 1985.".

(b) Section 111(e)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "No money in the Fund may be used for the payment of any claim under subsection (a)(3) or subsection (b) of this section in any fiscal year for which the President determines that all of the Fund is needed for response to threats to public health from releases or threatened releases of hazardous substances.".

(c) Section 111(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is repealed.

CONTRIBUTION AND PARTIES TO LITIGATION

SEC. 135. Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection to read as follows:

"(l)(1) Any person may seek contribution from any other person who is liable or potentially liable under subsection (a), during or following any civil action under section 106 or under such subsection (a). Such claims shall be brought in accordance with section 113 and the Federal Rules of Civil Procedure, and shall be governed by Federal law. In resolving contributions claims, the court shall allocate response costs among liable parties using such equitable factors as the court determines are appropriate. Nothing in this subsection shall diminish the right of any person to bring an action for contribution or indemnification in the absence of a civil action under section 106 or this section.

"(2) When a person has resolved its liability to the United States or a State in a judicially approved good faith settlement, such person shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others to the extent of any amount stipulated by the settlement.

"(3) Where the United States or a State has obtained less than complete relief from a person who has resolved its liability to the United States or the State in a good faith settlement, the United States or the State may bring an action against any person who has not so resolved its liability. A person that has resolved its liability to the United States or a State in a good faith settlement may, where appropriate, maintain an action for contribution or indemnification against any person that was not a party to the settlement. In any action under this paragraph, the rights of any person that has resolved its liability to the United States or a State shall be subordinate to the rights of the United States or the State. Any contribution action brought under this paragraph shall be brought in accordance with section 113, and shall be governed by Federal law.".

FEDERAL LIEN

SEC. 136. Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(m)(1) All costs and damages for which a person is liable to the United States under subsection (a) of this section shall constitute a lien in favor of the United States upon all real property and rights to such property belonging to such person that are subject to or affected by a removal or remedial action.

"(2) The lien imposed by this subsection shall arise at the time costs are first incurred by the United States with respect to a response action under this Act and shall continue until the liability for the costs (or a judgment against the person arising out of such liability) is satisfied or becomes unenforceable through operation of the statute of limitations provided in section 113(e).

"(3) The lien imposed by this subsection shall not be valid as against any purchaser, holder of a security interest, or judgment lien creditor until notice of the lien has been filed in the appropriate office within the State (or county or other governmental subdivision), as designated by State law, in which the real property subject to the lien is physically located. If the State has not by law designated one office for the receipt of such notices of liens, the notice shall be filed in the office of the clerk of the United States district court for the district in which the real property is physically located. For purposes of this subsection, the terms 'purchaser' and 'security interest' shall have the definitions provided in section 6323(h) of title 26, United States Code. This paragraph does not apply with respect to any person who has or reasonably should have actual notice or knowledge that the United States has incurred costs giving rise to a lien under paragraph (1) of this subsection.

"(4) The costs constituting the lien may be recovered in an action in rem in the United States district court for the district in which the removal or remedial action is occurring or has occurred. Nothing in this subsection shall affect the right of the United States to bring an action against any person to recover all costs and damages for which such person is liable under subsection (a) of this section.".

DIRECT ACTION

SEC. 137. (a) Section 108 (c) and (d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(c) In any case where a person liable under section 107 is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code, or where with reasonable diligence jurisdiction in the Federal Courts cannot be obtained over a person liable under section 107 likely to be solvent at the time of judgment, any claim authorized by section 107 or 111 may be asserted directly against the guarantor providing evidence of financial responsibility for that person. In the case of any action pursuant to this subsection, such guarantor shall be entitled to invoke all rights and defenses which would have been available to the person liable under section 107 if any action had been brought against such person by the claimant and which would have been available to the guarantor if an action had been brought against the guarantor by such person.

"(d) The total liability under this Act of any guarantor shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument provided by the guarantor to the person liable under section 107: Provided, That nothing in the subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to the person liable under section 107 including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim: Provided further, That

nothing in this subsection shall be construed, interpreted or applied to diminish the liability of any person under section 107 or 111 of the Act or other applicable law.".

(b) Section 108(b)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "Financial responsibility may be established by any one, or any combination, of the following: insurance, guarantee, surety bond, letter of credit, or qualification as a self-insurer. In promulgating requirements under this section, the President is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary or are unacceptable in establishing such evidence of financial responsibility in order to effectuate the purposes of this Act.".

LEAD CONTAMINATION

SEC. 138. Section 111(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by this Act) is amended by adding at the end thereof the following new paragraph:

"(8) payment of the cost, not to exceed $15,000,000, of a pilot program for the removal of lead-contaminated soil in one to three different metropolitan areas.".

TECHNICAL ASSISTANCE GRANTS

SEC. 139. Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following new paragraph:

"( ) Subject to such amounts as are provided in appropriation Acts, the costs of a program of technical assistance grants, in accordance with rules promulgated by the President, to community organizations or groups of individuals potentially affected by a release or threatened release at any facility listed on the National Priorities List, not to exceed $75,000 per facility. Such grants may be used to obtain technical assistance in interpreting information with regard to the nature of the hazard, remedial investigation and feasibility study, record of decision, remedial design, selection and construction of remedial action, operation and maintenance, or removal action at such facility.".

FUND USE OUTSIDE FEDERAL PROPERTY BOUNDARIES

SEC. 140. Section 111(e)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting before the period a colon and the following: "Provided, That money in the Fund shall be available for the provision of alternative water supplies (including the reimbursement of costs incurred by a municipality) in any case involving groundwater contamination outside the boundaries of a federally owned facility in which the federally owned facility is not the only potentially responsible party".

STATE MATCHING GRANTS

SEC. 141. Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(o)(1) Notwithstanding any other provision of this section, the President is authorized to provide up to $1,000,000 per year to each State, out of the Fund, to be matched by an equivalent expenditure by such State, up to a cumulative national total from the Fund of $50,000,000 per year, for State-administered and designed programs for the cleanup and stabilization of facilities contaminated by releases of hazardous substances.

"(2) The following conditions shall be attached to monies provided by the Fund as State Matching Grants—

"(A) no monies may be expended for any litigation-related expenses;

"(B) there shall be no liability of the Fund or the United States (including third party claims of any type) arising from such response action;

"(C) monies expended under this subsection may be used at any facility, as determined by the State, in consultation with the President, to be appropriate; and

"(D) facilities selected for cleanup with such monies shall be facilities for which there is no reasonable likelihood of recovery of costs under existing authority.

"(3) In determining whether a substance is a hazardous substance, pollutant, or contaminant for purposes of this subsection, the exclusion of petroleum under the last sentences of sections 101(14) and 104(a)(2) shall not apply.".

STATUTE OF LIMITATIONS

SEC. 142. (a) Section 112 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking subsection (d) and relettering the following subsection.

(b) Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(e)(1) No claim may be presented, nor may any action be commenced under this title—

"(A) for the cost of response, unless that claim is presented or action commenced within six years after the date of completion of the response action: Provided, however, That within the limitation period set out herein a State or the United States may commence an action under this title for recovery of any cost or costs at any time after such cost or costs have been incurred;

"(B) for damages under subparagraph (C) of section 107(a), unless that claim is presented or action commenced within six years after the date on which final regulations are promulgated under section 301(c) or within three years after the date of the discovery of the loss and its connection with the release in question or the date of enactment of this Act, whichever is later; or

"(C) for any other damages, unless that claim is presented or action commenced within three years after the date of discovery of the loss and its connection with the release in question or the date of enactment of this Act, whichever is later: Provided, however, That the time limitations contained in this paragraph shall not begin to run against a minor until he reaches eighteen years of age or a legal representative is duly appointed for him, nor against an incompetent person until his incompetency ends or a legal representative is duly appointed for him nor against an Indian tribe until the United States, in its capacity as trustee for the tribe, gives written notice to the governing body of the tribe that it will not present a claim or commence an action on behalf of the tribe or fails to present a claim or commence an action within the time limitations specified in this subsection. No claim may be presented or action be commenced under this subparagraph for any damages, if prior to the date of enactment of the Superfund Improvement Act of 1985, the statute of limitations which would otherwise apply under this paragraph has expired.

"(2) No action for contribution may be commenced under section 107 more than three years after the date of entry of judgment or the date of the good-faith settlement.

"(3) No action based on rights subrogated pursuant to section 112 by reason of payment of a claim may be commenced under this title more than three years after the date of payment of such claim.".

JUDICIAL REVIEW

SEC. 143. Section 113(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"SEC. 113. (a)(1) Review of any regulation promulgated under this Act may be had upon application by any interested person in the Circuit Court of Appeals of the United States for the District of Columbia or in any United States court of appeals for a circuit in which the applicant resides or transacts business which is directly affected by such regulation. Any such application shall be made within one hundred and twenty days from the date of promulgation of such regulation, or after such date only if such application is based solely on grounds which arose after such one hundred and twentieth day. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

"(2)(A) If applications for review of the same agency action have been filed in two or more United States courts of appeals and the President has received written notice of the filing of the first such application more than thirty days before receiving written notice of the filing of the second application, then the record shall be filed in that court in which the first application was filed. If applications for review of the same agency action have been filed in two or more United States courts of appeals and the President has received written notice of the filing of one or more applications within thirty days or less after receiving written notice of the filing of the first application, then the President shall promptly advise in writing the judicial panel on multidistrict litigation authorized by section 1407 of title 28, United States Code, that applications have been filed in two or more United States courts of appeals, and shall identify each court for which he has written notice that such applications have been filed within thirty days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, and within three business days after receiving such notice from the President, the judicial panel on multidistrict litigation thereupon shall select the court in which the record shall be filed from among those identified by the President. Upon notification of such selection, the President shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the President, the record shall be filed in the United States court of appeals which remanded such action.

"(B) Where applications have been filed in two or more United States courts of appeals with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the United States court of appeals in which the record has been filed.

Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed may postpone the effective date of the agency action until fifteen days after the judicial panel on multidistrict litigation has selected the court in which the record shall be filed.

"(C) Any court in which an application with respect to any agency action has been filed, including any court selected pursuant to subparagraph (A), may transfer such application to any other United States court of appeals for the convenience of the parties or otherwise in the interest of justice.".

PRE-ENFORCEMENT REVIEW

SEC. 144. (a) Section 113(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking the word "subsection" and inserting in lieu thereof the words "subsections," and inserting "and (f)" after "(a)".

(b) Section 113 is further amended by adding at the end thereof the following new subsections:

"(f) No court shall have jurisdiction to review any challenges to response action selected under section 104 or any order issued under section 104(b), or to review any order issued under section 106(a), in any action other than (1) an action under section 107 to recover response costs or damages or for contribution or indemnification; (2) an action to enforce an order issued under section 104(b) or 106(a) or to recover a penalty for violation of such order; or (3) an action for reimbursement under section 106(b)(2).

"(g) In any judicial action under section 106 or 107, judicial review of any issues concerning the adequacy of any response action taken or ordered by the President shall be limited to the administrative record. The objections which may be raised in any such judicial action under section 106 or 107 must be based upon the comments received and the evidence contained in the record. In considering such objections, the court shall uphold the President's decision in selecting the response action unless the objecting party can demonstrate, on the administrative record, that the decision was not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was otherwise not in accordance with law. If the court finds that the President's decision in selecting the response action was not reasonably justified under the criteria set forth in the national contingency plan, including the cost effectiveness of such action, or that the decision was otherwise not in accordance with law, the court shall award only the response costs or damages or other relief being sought to the extent that such relief is not inconsistent with the national contingency plan. In reviewing alleged procedural errors, the court may disallow costs or damages only if the errors were so serious and related to matters of such central relevance to the action that the action would have been significantly changed had such errors not been made.

"(h) The President shall promulgate regulations in accordance with chapter 5 of title 5, United States Code, commonly known as the Administrative Procedure Act, establishing procedures for the appropriate participation of interested persons in the development of the adminisrative record on which judicial review of the reponse actions will be based. For remedial actions, such regulations shall include procedures for providing, before adoption of any plan for remedial action to be undertaken by the United States or a State or any other person under section 104 or section 106 of this Act—

"(1) notice to potentially affected persons and the public, which shall be accompanied by a brief analysis of the plan and alternative plans that were considered;

"(2) a reasonable opportunity to comment and provide information regarding the plan;

"(3) an opportunity for a public meeting in the affected area;

"(4) a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under such procedures; and

"(5) agency support for the basis and purpose of the selected action.

The administrative record shall include the items developed and received pursuant to the procedures established under this subsection.".

(c) Section 106(b) of such Act is amended by—

(1) inserting "(1)" after "(b)";

(2) striking out "who willfully" and inserting in lieu thereof "who, without sufficient cause, willfully"; and

(3) adding at the end thereof the following new paragraph:

"(2)(A) Any person who receives and complies with the terms of any order issued under subsection (a) may, within sixty days of completion of the required action, petition the President for reimbursement from the Fund for the reasonable costs of such action, plus interest. Any interest payable under this paragraph shall accrue on the amounts expended from the date of expenditure at the same rate that applies to investments of the Fund under section 223(b) of this Act.

"(B) If the President refuses to grant all or part of a petition made under this paragraph, the petitioner may within thirty days of receipt of such refusal file an action against the President in the appropriate United States district court seeking reimbursement from the Fund.

"(C) To obtain reimbursement, the petitioner must establish by a preponderance of the evidence that it is not liable for response costs under section 107(a) and that costs for which it seeks reimbursement are reasonable in light of the action required by the relevant order: Provided, however, That a petitioner who is liable for response costs under section 107(a) may recover its reasonable costs of response to the extent that it can demonstrate, on the administrative record, that the President's decision in selecting the response action ordered was not reasonably justified under the criteria set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was otherwise not in accordance with law. In any such case, the petitioner shall be awarded all reasonable response costs incurred by the petitioner pursuant to the portions of the order found to be not reasonably justified under the criteria set forth in the national contingency plan, including the requirement for cost effectiveness of such action, or was otherwise not in accordance with law.".

NATIONWIDE SERVICE OF PROCESS

SEC. 145. Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by this Act, is amended by adding the following new subsection:

"(h) In any action by the United States under section 104, 106, or 107, process may be served in any district where the defendant is found, or resides, or transacts business, or has appointed an agent for the service of process.

"(i) Any litigation relating to permits of the Administrator issued pursuant to the Clean Air Act, the Clean Water Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, and this Act, and for which such permitted facilities would guarantee the availability of treatment, incineration, or disposal capacity of at least 25 per centum for Superfund wastes shall be afforded priority consideration over other civil litigation by the respective United States Court of Appeals having jurisdiction over the litigation. It shall be the duty of the Court of Appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the extent possible the disposition of any matter covered by this subsection.".

NOTICE OF COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT ACTIONS

SEC. 146. Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(i) NOTICE OF ACTIONS.—Whenever any action is brought under this Act in a court of the United States by a plaintiff other than the United States, the plaintiff shall provide a copy of the complaint to the Attorney General of the United States and to the Administrator.".

PREEMPTION

SEC. 147. Section 114 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking subsection (c) and relettering the following subsection accordingly.

FEDERAL FACILITIES CONCURRENCE

SEC. 148. Section 115 of the Comprehensive Environmental, Compensation, and Liability Act of 1980 is amended by inserting before the period at the end thereof a colon and the following: "Provided, That with respect to a Federal facility or activity for which such duties or powers are delegated to an officer, employee or representative of the department, agency or instrumentality which owns or operates such facility or conducts such activity, unless the Administrator has entered into a memorandum of understanding with the head of such department, agency or instrumentality, the concurrence of the Administrator (and the responsible State official where a cooperative agreement has been entered into) shall be required for the selection of appropriate remedial action and the administrative order authorities of section 106(a) are hereby delegated to the Administrator".

FEDERAL FACILITIES COMPLIANCE

SEC. 149. Title I of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Public Law 96-510) is amended by adding at the end thereof the following new section:

"FEDERAL FACILITIES

"SEC. 117. (a) FEDERAL AGENCY HAZARDOUS WASTE COMPLIANCE DOCKET.—The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket which shall contain all information submitted under section 3016 of the Solid Waste Disposal Act regarding any Federal facility and notice of each subsequent action taken under this Act with respect to the facility. Such docket shall be available for public inspection at reasonable times. Three months after establishment of the docket and every three months thereafter, the Administrator shall publish in the Feder-

al Register a list of the Federal facilities which have been included in the docket during the immediately preceding three-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the Docket under this subsection.

"(b) ASSESSMENT AND EVALUATION.—Not later than eighteen months after the date of enactment of the Superfund Improvement Act of 1985, the Administrator shall take steps to assure that a preliminary assessment is conducted for each facility for which information is required under section 3016 of the Solid Waste Disposal Act. Following such preliminary assessment, the Administrator shall where appropriate—

"(1) evaluate such facilities in accordance with the criteria established in accordance with section 105 under the National Contingency Plan for determining priorities among releases.

"(2) include such facilities on the National Priorities List maintained under such plan. Such evaluation and listing shall be completed not later than twenty months after such date of enactment.

"(c) RIFS AND INTERAGENCY AGREEMENT.—

"(1) RIFS.—Not later than six months after the inclusion of any facility on the National Priorities List (NPL), or within six months of the enactment of the Superfund Improvement Act of 1985, whichever is later, the department, agency, or instrumentality which owns or operates such facility shall enter into an agreement with the Administrator and appropriate State authorities under which such department, agency, or instrumentality will carry out a remedial investigation and feasibility study for such facility. The agreement shall provide for a timetable and deadlines for commencement and expeditious completion of such investigation and study.

"(2) INTERAGENCY AGREEMENT.—(A) Within six months after completion of each such remedial investigation and feasibility study, the Administrator shall review the results of such investigation and study and shall enter into an interagency agreement with the head of the department, agency, or instrumentality concerned for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action at such facility. All such intergency agreements shall comply with the public participation requirements of section 104(j). Such agreement shall require that substantial continuous physical onsite remedial action is commenced at each facility which is the subject of such an agreement within twelve months after the completion of remedial design.

"(B) Each interagency agreement under this paragraph shall include, but shall not be limited to—

"(i) a review of alternative remedial actions and selection of a remedial action plan by the Administrator;

"(ii) a schedule for the completion of each such remedial action; and

"(iii) arrangements for long term operation and maintenance of the facility.

"(3) COMPLETION OF REMEDIAL ACTIONS.—Remedial actions at facilities subject to interagency agreements under this section shall be completed as expeditiously as practicable from the date the interagency agreement was entered into. Each agency shall include in its annual budget submissions to the Congress a review of alternative agency funding which could be used to provide for the costs of remedial action. The budget submission shall also include a statement of the hazard posed by the facility to human health, welfare and the environment and identify the specific consequences of failure to begin and complete remedial action.

"(4) ANNUAL REPORT.—Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to—

"(A) a report on the progress in reaching interagency agreements under this section;

"(B) the specific cost estimates and budgetary proposals involved in each interagency agreement;

"(C) a brief summary of the public comments regarding each proposed interagency agreement; and

"(D) a description of the instances in which no agreement was reached.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached. The annual report required by this paragraph shall also contain a detailed description on a State-by-State basis of the status of each facility subject to this section, including a description of the hazard presented by each facility, plans and schedules for initiating and completing response action, enforcement status (where appropriate), and an explanation of any postponements or failure to complete response action. Such reports shall also be submitted to the affect States.

"(d) ACTION BY OTHER PARTIES.—If the Administrator in consultation with the head of the relevant department, agency, or instrumentality of the United States, determines that a remedial investigation and feasibility study or remedial action will be done properly at the federal facility by another potentially responsible party within the deadlines provided in paraghraphs (1), (2), and (3) of subsection (c), the Administrator may enter into an agreement with such party providing for assumption of the responsibilities set forth in these paragraphs. Following approval of the agreement by the Attorney General, the agreement shall be entered in the appropriate United States district court as a consent decree under section 106 of this Act.

"(e) STATE AND LOCAL PARTICIPATION.—

"(1) the Administrator shall consult with the relvant officials of the State and locality in which the facility is located and shall consider their views in selecting the remedial action to be carried out at the facility.

"(2) Each department, agency, or instrumentality responsible for compliance with this section shall afford to relevent State and local officials the opportunity to participate in the planning and formulation of the remedial action, including but not limited to the review of all applicable data as it becomes available and the development of studies, reports, and action plans.

"(f) TRANSFER OF AUTHORITIES.—Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by Executive order of the President or otherwise, to any other office or employee of the United States or to any other person.

"(g) APPLICATION OF REQUIREMENTS TO FEDERAL FACILITIES.—All guidelines, rules, regulations, and criteria which are applicable to preliminary assessments carried out under this Act for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priority List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned and operated by a department, agency, or instrumentality of the United States in the same manner and to the extent as such guidelines, rules, regulations, and criteria are applicable to other facilities, except for any requirements relating to bonding, insurance, or financial responsibility. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this Act. The President may exempt any site or facility of any department, agency, or instrumentality in the Executive branch from compliance with any such guidelines, rules, regulations or criteria if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with the reason for granting each such exemption.

"(h) FEDERAL AGENCY SETTLEMENTS.—The head of each department, agency, or instrumentality or his designee may consider, compromise, and settle any claim or demand under this Act arising out of activities of his agency, in accordance with regulations prescribed by the Attorney General. Any award, compromise, or settlement in excess of $25,000 shall be made only with the prior written approval of the Attorney General or his designee. Any such award, compromise, or settlement shall be paid by the agency concerned out of appropriations available to that agency.".

CITIZEN SUITS

SEC. 150. Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"CITIZEN SUITS

"SEC. 118. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on such person's behalf—

"(1) against any person, including the United States and any other governmental instrumentality or agency, to the extent permitted by the Eleventh Amendment to the Constitution, who is alleged to be in violation of any standard, regulation, condition, requirement, or order which has become effective pursuant to this Act; or

"(2) against the President for failure to perform any act or duty under this Act which is not discretionary with the President.

Any action under this subsection shall be brought in the district court for the district in which the alleged violation occurred. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such requirement, to order the President to perform such act or duty, as the case may be, or to order such person in violation, of any standard, regulation, condition, requirement, or order to take such action as may be necessary to correct the violation or to apply appropriate civil penalties under this Act: Provided, however, That no district court shall have jurisdiction under this section to review any challenges to response action selected under section 104 or any order issued under section 104, or to review any order issued under section 106(a).

"(b) No action may be commenced under subsection (a) of this section (1) prior to ninety days after the plaintiff has given notice of the violation (A) to the President; (B) to the State in which the alleged violation occurs; and (C) to any alleged violator of a standard, regulation, condition, requirement, or order; or (2) if the President or State has commenced and is diligently prosecuting an action under this Act or the Solid Waste Disposal Act to require compliance with such standard, regulation, condition, requirement, or order.

"(c) In any action commenced by the President or a State, under this Act or under the Solid Waste Disposal Act, in a court of the United States, any person may intervene as a matter of right when the applicant claims an interest relating to the subject of the action and such applicant is so situated that the disposition of the action may, as a practical matter, impair or impede such applicant's ability to protect that interest, unless the President or the State shows that the applicant's interest is adequately represented by existing parties.

"(d) In any action under this section, the United States or the State may intervene as a matter of right.

"(e) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or the substantially prevailing party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(f) Nothing in this Act shall restrict or expand any right which any person (or class of persons) may have under any Federal or State statute or common law to seek enforcement of any standard or requirement relating to hazardous substances or to seek any other relief (including relief against the President or a State agency).".

HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

SEC. 151. (a) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section:

"HAZARDOUS SUBSTANCE RESEARCH AND TRAINING

"SEC. . (a) AUTHORITIES.—The Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency may each, consistent with their respective missions, support the following health-related activities through grants, cooperative agreements, and contracts—

"(1) Research (including epidemiologic and ecologic studies) in—

"(A) advanced techniques for the detection, assessment, and evaluation of the effects on human health of hazardous substances;

"(B) methods to assess the risks to human health presented by hazardous substances, including workplace hazard assessment;

"(C) methods and technologies to detect hazardous substances in the environment and methods and technologies to reduce the amount and toxicity of hazardous substances, including recycling, incinceration, biodegradation, chemical inactivation, and encapsulation; and

"(D) improved health and safety practices in, and equipment for the handling and disposal of hazardous substances.

"(2) Training, including—

"(A) short courses and continuing education for State and local health and environment agency personnel and other personnel engaged in the handling of hazardous substances, in the management of facilities at which hazardous substances are located, and in the evaluation of the hazards to human health presented by such facilities; and

"(B) graduate training in environmental and occupational health and in the public health aspects of hazardous waste control.

"(b) AWARDS.—A grant, cooperative agreement, or contract may be made or entered into under this section by the Administrator of the Environmental Protection Agency or the Secretary of Health and Human Services (through the National Institute of Environmental Health Sciences or other appropriate agency or, in the case of training, through the National Institute for Occupational Safety and Health or other appropriate agency), with an accredited institution of higher education, a research institution, a State or local health agency, or other entity as the Secretary or the Administrator deems appropriate. Awards under this subsection shall be subject to peer review in a manner substantially similar to that of section 475 of the Public Health Service Act.

"(c) ADVISORY COUNCIL.—To assist in the implementation of this section, the Secretary and the Administrator may each, or they may jointly, appoint an advisory council. Such council(s) shall be representative of the relevant Federal Government agencies, the chemical industry, the toxic waste management industry, institutions of higher education, State and local health and environmental agencies, and the general public.

"(d) PLANNING.—Within one year after the enactment of the Superfund Improvement Act of 1985, the Secretary and the Administrator shall complete a joint plan for the implementation of this section and shall report to the Congress on the plan and the implementation. The head of the Agency for Toxic Substances and Disease Registry shall coordinate the plan, which shall be drawn up with the participation of the Directors of the National Institute of Environmental Health Sciences and the National Institute for Occupational Safety and Health, and other officials as the Secretary and the Administrator deem appropriate.".

(b) Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"( ) the cost of carrying out the research and training program under section , to the extent that such costs do not exceed $5,000,000 for fiscal year 1986; $10,000,000 for fiscal year 1987; $20,000,000 for fiscal year 1988; $35,000,000 for fiscal year 1989; and $40,000,000 for fiscal year 1990;".

CONTRACTOR INDEMNIFICATION

SEC. 152. Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section:

"INDEMNIFICATION OF CONTRACTORS

"SEC. . (a)(1) The President shall, in contracting, or arranging for response action to be undertaken pursuant to contracts or cooperative agreements in accordance with section 104(d)(1) of this Act, and funded in accordance with section 111 of this Act, agree to hold harmless and indemnify a contracting or subcontracting party against claims, including the expenses of litigation or settlement, by third persons for death, bodily injury or loss of or damage to property arising out of performance of a cleanup agreement to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the negligence, recklessness, or intentional misconduct of the contracting or subcontracting party.

"(2) The President may, in the President's discretion, agree to hold harmless and indemnify a contracting or subcontracting party against such claims to the extent not covered by available insurance and to the extent that any such damages awarded do not arise out of the gross negligence, recklessness, or intentional misconduct of the contracting or subcontracting party, so long as such indemnification is in the public interest.

"(b)(1) Amounts expended pursuant to this section shall be considered costs of response to the release with respect to which resulted in liability. Costs incurred in the defense of suits against indemnified parties under subsection (a)(1) may be paid to such contractor in a timely manner, in quarterly or other increments, unless and until such contracting or subcontracting party is proven negligent in a court or such contractor accepts liability for negligent action. The United States shall not otherwise participate, directly or indirectly, in the defense of contracting parties unless the United States is named as a first party defendant. No other amounts shall be expended pursuant to this section until after entry of a judgment or a final order.

"(2) Indemnification contracts entered into pursuant to this section shall not be subject to section 1301 or 1340 of title 31 or section 11 of title 41 of the United States Code.".

SEC. 153 (a) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section:

"ALTERNATIVE OR INNOVATIVE TREATMENT TECHNOLOGY RESEARCH

"SEC. 119. (a)(1) The President is authorized and directed to carry out a program of research, evaluation, testing, development, and demonstration of alternative or innovative treatment technologies that may be utilized in response actions under section 104 or section 106 of this Act to achieve more permanent protection of the public health and welfare and the environment.

"(2) In carrying out the program established by this section, the President shall conduct a technology transfer program, including the development, collection, evaluation, coordination and dissemination of information relating to the utilization of al-

ternative or innovative treatment technologies for response actions. The President shall establish and maintain a central reference library for such information. The information maintained by the President shall be made available to the public.

"(3) In carrying out activities under subsection (1), the President is authorized to enter into contracts and cooperative agreements with, and make grants to, any persons including public entities, accredited institutions of higher learning, and nonprofit private entities (as defined by 26 U.S.C. 501(c)(3)). The President shall, to the maximum extent possible, enter into appropriate cost-sharing arrangements under this section.

"(b)(1) The President may, consistent with the provisions of this section, provide assistance or information to any persons, including public entities, accredited institutions of higher learning, and nonprofit private entities who wish to have alternative and innovative treatment technologies tested or evaluated for utilization in response activities.

"(2) The President may arrange for the use of sites, either wholly or in part, listed as national priority sites under section 105(a)(8)(B), or at which a response is taken pursuant to section 104 or 106, for the purposes of research, testing, evaluation, development, and demonstration under such terms and conditions as the President shall require to assure the protection of human health and the environment.

"(3) Nothing in this section shall be construed to affect the provisions of the Solid Waste Disposal Act.

"(c) To carry out the program authorized by this section, the President shall, within 2 years after the date of enactment of this section, and after notice and an opportunity for public comment, designate at least 10 sites listed under section 105(a)(8)(B) as appropriate for field demonstrations of alternative or innovative treatment technologies, after analyzing sites for potential response actions. If the President determines that 10 sites cannot be designated consistent with the criteria of this subsection, the President shall within the 2-year period report to the Environment and Public Works Committee of the Senate, and the Science and Technology Committee, the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives explaining the reasons for the failure to designate such sites. Other funding priorities shall not be deemed sufficient explanation under this subsection for failure to designate such sites. Not later than 12 months after designation of a site under this section, the President shall begin or cause to begin a demonstration of alternatives or innovative treatment technologies at such site. In designating such sites under this section, the President shall, consistent with the protection of human health and the environment, consider each of the following criteria:

"(1) The potential for contributing to solutions to those waste problems that pose the greatest threat to human health, which cannot be adequately controlled with present technologies, or which otherwise pose significant management difficulties.

"(2) The availability of technologies that have been sufficiently developed for field demonstration and which are likely to be cost-effective and reliable.

"(3) The suitability of the sites for demonstrating such technologies, taking into account the physical, biological, chemical, and geological characteristics of the sites, the extent and type of contamination found at the sites, the capability to conduct demonstrations in such a manner as to assure the protection of human health and the environment, and the comments of the public.

"(4) The likelihood that the data to be generated from the demonstration at the site will be applicable to other sites.

"(d) In selecting alternative or innovative treatment technologies for use in response actions under this title, the President shall determine that response actions incorporating such technologies provide for cost-effective response if their life cycle cost does not exceed the life cycle of the most effective alternative by more than 300 per centum.

"(e) For the purposes of this section, the term 'alternative or innovative treatment technologies' means those technologies that permanently alter the composition of hazardous waste through chemical, biological or physical means so as to signficantly reduce the toxicity, mobility, or volume (or any combination thereof) of the hazardous waste or contaminated materials being treated. This term also includes technologies that characterize or assess the extent of contamination or the chemical or physical character of the contaminents at such sites.

"(f) REPORTS TO CONGRESS.—(1) At the time of the submission of the annual budget request to Congress, the President shall submit a report to the Environment and Public Works Committee of the Senate and the Science and Technology Committee; the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives on the progress of the research, development, and demonstration program authorized by this Act, including an evaluation of the demonstration projects undertaken, findings with respect to the efficacy of such demonstrated technologies in achieving permanent and significant reductions in risk from hazardous substances, the costs of such demonstrations, and the potential applicability of, and projected costs for, such technologies at other hazardous substance sites.

"(2) If the total estimated Federal contribution to the cost of any field demonstration project under section (a) exceeds $5,000,000, the President shall provide a full and comprehensive report on the proposed demonstration project to the Environment and Public Works Committee of the Senate, and the Science and Technology Committee, the Energy and Commerce Committee, and the Public Works and Transportation Committee of the House of Representatives, and no funds may be expended for such project under the authority granted by this section prior to the expiration of 30 calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain) from the date on which the President's report on the proposed project is received by the Congress.

"(g) The President shall, to the maximum extent practicable, provide adequate opportunity for small business participation in the activities authorized under this Act.".

(b) Section 105(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended as follows:

(1) Strike out "and" at the end of paragraph (8)(B).

(2) Strike out the period at the end of paragraph (9) and substitute "; and".

(3) Add the following new paragraph at the end thereof:

"(10) standards and testing procedures by which alternative or innovative treatment technologies can be determined to be appropriate for utilization in response actions authorized by this Act.".

(c) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"( ) There is authorized to be appropriated for each of the fiscal years 1986, 1987, 1988, 1989, and 1990, from sums appropriated or transferred to the Hazardous Substance Response Trust Fund under section 9505(b)(1)(c) of the Internal Revenue Code of 1954, not more than $25,000,000 to be used for purposes of carrying out the research, development and demonstration program for alternative or innovative technologies authorized under section 116. Amounts made available under this subsection shall remain available until expended.".

(d) Within 4 years from the date of the enactment of this section, the President shall transmit to Congress a study of the effects of the standards of liability and financial responsibility requirements imposed by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 on the cost of, and incentives for, developing and demonstrating alternative and innovative treatment technologies.

ADMINISTRATIVE CONFERENCE RECOMMENDATION

SEC. 154. The Congress finds that recommendation 84-4 of the Administrative Conference of the United States (adopted June 29, 1984) is generally consistent with the goals and purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and that the Administrator should consider such recommendation and implement it to the extent that the Administrator determines that such implementation will expedite the cleanup of hazardous substances which have been released into the environment.

PROCUREMENT PROCEDURES

SEC. 155. Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section at the end thereof:

"PROCUREMENT PROCEDURES

"SEC. . Notwithstanding any other provision of law, any executive agency may use competitive procedures or procedures other than competitive procedures to procure the services of experts for use in preparing or prosecuting a civil or criminal action under this Act, whether or not the expert is expected to testify at trial. The executive agency need not provide any written justification for the use of procedures other than competitive procedures when procuring such expert services under this Act and need not furnish for publication in the Commerce Business Daily or otherwise any notice of solicitation or synopsis with respect to such procurement.".

RADON PROTECTION AT CURRENT NATIONAL PRIORITIES LIST SITES

SEC. 156. It is the sense of the Congress that the President, in selecting response action for facilities included on the National Priorities List published under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 because of the presence of radon, is not required by statute or regulations to use fully demonstrated methods, particularly those involving the offset transport and disposition of contaminated material, but may use innovative or alternative methods which

protect human health and the environment in a more cost-effective manner.

PROPOSED RECOMMENDED MAXIMUM CONTAMINANT LEVELS OF ORGANIC AND INORGANIC CHEMICALS

Sec. 157. Not later than October 9, 1985, the Director of the Office of Management and Budget shall complete his review and make available for publication in the Federal Register all of the proposed recommended maximum contaminant levels for those organic and inorganic chemicals published by the Administrator of the Environmental Protection Agency in volume 48, Federal Register, page 45502 and submitted by the Administrator to the Director prior to April 30, 1985.

CENTERS TO STUDY THE BIOLOGICAL AND GENETIC EFFECTS OF WASTES AND MATERIALS FOUND IN THE ENVIRONMENT

SEC. 158. Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "develop and construct regional centers at appropriately qualified universities, research and medical institutions for the study of the biological and genetic effects of wastes and materials found in the environment".

CENTERS FOR THE STUDY OF BIOLOGICAL AND GENETIC EFFECTS ON HUMANS, ANIMALS AND PLANTS OF WASTES AND MATERIALS FOUND IN THE ENVIRONMENT

SEC. 159. Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "subject to such amounts as are provided in appropriations Acts, all costs necessary to develop and construct regional centers for study of the biological and genetic effects on humans, animals and plants of wastes and materials found in the environment".

REVIEW OF EMERGENCY SYSTEMS

SEC. 160. (a) The Administrator of the Environmental Protection Agency is directed to initiate, not later than thirty days after enactment of this Act, a comprehensive review of emergency systems for monitoring, detecting, and preventing releases of extremely hazardous substances at representative domestic facilities that produce, use, or store extremely hazardous substances. The Administrator may select representative extremely hazardous substances for the purposes of this review. Such extremely hazardous substances shall be the same substances and quantities listed by the Council of the European Communities in its "Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III", published in the official Journal of the European Communities, August 5, 1982. The Administrator shall report interim findings to the Congress not later than two hundred and ten days after such date of enactment, and issue a final report of findings and recommendations to the Congress not later than three hundred sixty five days after such date of enactment. Such report shall be prepared in consultation with the States and appropriate Federal agencies.

(b) The report required by this section shall include the Administrator's findings regarding:

(1) the status of current technological capabilities to: (A) monitor, detect, and prevent, in a timely manner, significant releases of extremely hazardous substances, (B) determine the magnitude and direction of the hazard posed by each release, (C) identify specific chemicals, (D) provide data on the specific chemical composition of such releases, and (E) the relative concentrations of the constituent chemicals;

(2) the status of public emergency alert devices or systems for providing timely and effective public warning of an accidental release of extremely hazardous substances to the environment, including: releases into the atmosphere, surface water, or groundwater, from facilities that produce, store, or use significant quantities of such extremely hazardous substances; and

(3) the technical and economic feasibility of establishing, maintaining, and operating perimeter alert systems for detecting releases of such extremely hazardous substances to the atmosphere, surface water, or groundwater, at facilities that manufacture, use, or store significant quantities of such substances.

(c) The report required by this section shall also include the Administrator's recommendations for:

(1) initiatives to support the development of new or improved technologies or systems that would facilitate the timely monitoring, detection, and prevention of releases of extremely hazardous substances, and

(2) improving devices or systems for effectively alerting the public in a timely manner, in the event of an accidental release of such extremely hazardous substances.

POST CLOSURE LIABILITY PROGRAM STUDY, REPORT TO CONGRESS AND SUSPENSION OF LIABILITY TRANSFERS

SEC. 161. (a) Subsection (k) of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new paragraphs:

"(5)(A) The Administrator shall conduct a study of options for a program to finance the post-closure maintenance of hazardous waste treatment, storage, and disposal sites in a manner which complements the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and assures the protection of human health and the environment.

"(B) A report setting forth the conclusions of such study and recommendations of the Administrator shall be submitted to the Congress not later than March 1, 1988.

"(C) The study shall include assessments of treatment, storage, and disposal facilities which have been or are likely to be issued a permit under section 3005 of the Solid Waste Disposal Act and the likelihood of future insolvency on the part of owners and operators of such facilities. Separate assessments shall be made for different classes of facilities, and for different classes of land disposal facilities, and shall include but not be limited to—

"(i) the current and future financial capabilities of facility owners and operators;

"(ii) the current and future costs associated with facilities, including the costs of routine monitoring and maintenance, compliance monitoring, corrective action, natural resource damages, and liability for damages to third parties; and

"(iii) the availability of mechanisms by which owners and operators of such facilities can assure that current and future costs, including post-closure costs, will be financed.

"(D) The recommendations of the Administrator shall include assessments of various mechanisms and combinations of mechanisms to complement the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and to assure that the current and future costs associated with hazardous waste facilities, including post-closure costs, will be adequately financed and, to the greatest extent possible, borne by the owners and operators of such facilities. Mechanisms to be considered include, but are not limited to—

"(i) revisions to closure, post-closure, and financial responsibility requirements under subtitles C and I of the Solid Waste Disposal Act;

"(ii) voluntary risk pooling by owners and operators;

"(iii) legislation to require risk pooling by owners and operators; and

"(iv) modification of the Post-Closure Liability Trust Fund previously establish by section 232 of this Act, and the conditions for transfer of liability under this subsection, including limiting the transfer of some or all liability under this subsection only in the case of insolvency of owners and operators.

"(6) Notwithstanding the provisions of paragraphs (1), (2), (3), and (4) of this subsection and subsection (j) of section 111 of this Act, no liability shall be transferred to or assumed by the Post-Closure Liability Fund previously established by section 232 of this Act prior to completion of the study required under paragraph (5) of this subsection, transmission of such study and report to both Houses of Congress, and authorization of such a transfer or assumption by Act of Congress following receipt of such study and report.".

DEPARTMENT OF DEFENSE ENVIRONMENTAL RESTORATION PROGRAM

SEC. 162. (a) ENVIRONMENTAL RESTORATION PROGRAM.—

(1) IN GENERAL.—The Secretary of Defense (hereafter in this section referred to as the "Secretary") shall carry out a program of environmental restoration at facilities under the jurisdiction of the Secretary. The program shall be known as the "Defense Environmental Restoration Program".

(2) APPLICATION OF SECTION 117.—The program shall be carried out subject to section 117 (relating to Federal facilities).

(3) DESIGNATION OF ADMINISTRATIVE OFFICE WITHIN OSD.—The Secretary shall identify an office within the Office of the Secretary which shall have the responsibility for carrying out the program.

(b) PROGRAM GOALS.—Goals of the program shall include the following:

(1) The identification, investigation, research and development, and cleanup of contamination from hazardous substances and wastes.

(2) Correction of other environmental damage, such as detection and disposal of unexploded ordinance, which creates an imminent and substantial endangerment to the public health or welfare, or to the environment.

(3) Demolition and removal of unsafe buildings and structures, including buildings and structures of the Department of Defense at sites formerly used by or under the jurisdiction of the Secretary.

(c) RESPONSIBILITY FOR RESPONSE ACTIONS.—

(1) BASIC RESPONSIBILITY.—The Secretary shall carry out (in accordance with the provisions of and this title) all response action for which the Secretary is responsible with respect to releases of hazardous substances from each of the following:

(A) Each facility or site owned by, leased to, or otherwise possessed by the United States and under the administrative jurisdiction of the Secretary.

(B) Each facility or site which was under the administrative jurisdiction of the Secretary and owned by, leased to, or otherwise possessed by the United States at the time of actions leading to contamination by hazardous substances.

(C) Each vessel of the Department of Defense, including vessels owned or bareboat chartered and operated.

(2) STATE FEES AND CHARGES.—The Secretary shall pay all fees and charges imposed by State authorities for permit services for the storage or disposal (or both) of hazardous substances on lands which are under the administrative jurisdiction of the Secretary to the same extent that nongovernmental entities are subject to fees and charges imposed by State authorities for permit services. This requirement shall not apply where such payment is the responsibility of a lessee, contractor, or other private person.

(d) SERVICES OF OTHER AGENCIES.—The Secretary may enter into agreements with any other Federal agency, and on a reimbursable or other basis with any State or local government agency, to obtain the services of that agency to assist the Secretary in carrying out any of his responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any offsite contaminations possibly resulting from the release of a hazardous substance or waste at a facility under the Secretary's administrative jurisdiction.

(e) ENVIRONMENTAL RESTORATION TRANSFER ACCOUNT.—

(1) ESTABLISHMENT OF TRANSFER ACCOUNT.—

(A) ESTABLISHMENT.—There is hereby established an annual appropriation account for the Department of Defense to be know as the "Environmental Restoration, Defense" account (hereinafter in this section referred to as the "transfer account"). All sums appropriated to carry out the functions of the Secretary relating to environmental restoration under this or any other Act shall be appropriated to the transfer account.

(B) REQUIREMENT OF AUTHORIZATION OF APPROPRIATION.—No funds may be appropriated to the transfer account unless such sums have been specifically authorized by law.

(C) AVAILABILITY OF FUNDS IN TRANSFER ACCOUNT.—Amounts appropriated to the transfer account shall remain available until transferred under paragraph (2).

(2) AUTHORITY TO TRANSFER TO OTHER DOD ACCOUNTS.—Amounts in the transfer account shall be available to be transferred by the Secretary to any other appropriation account or fund. Funds so transferred shall be merged and available for the same purposes and for the same period as the account or fund to which transferred.

(3) OBLIGATION OF TRANSFERRED AMOUNTS.—Funds transferred under subsection (b) and subsection (e)(2) may only be obligated or expended from the account or fund to which transferred in order to carryout the functions of the Secretary under this Act of environmental restoration functions under any other Act, including functions for removal of unsafe buildings or debris of the Department of Defense at sites formerly used by the Department of Defense.

(4) LIMITATION ON EXPENDITURES.—

(A) GENERAL RULE.—The Secretary may not obligate or expend funds for purposes of this Act or any other purpose relating to environmental restoration other than funds transferred from the transfer account.

(B) EXCEPTION FOR EMERGENCY RESPONSE ACTION.—The Secretary may obligate or expend funds which are available to the Secretary for operation and maintenance to carry out emergency response actions authorized under this Act whenever the Secretary determines that such obligation or expenditure is necessary to protect the public health or welfare, or the environment. In any such case, the operation and maintenance account concerned shall be reimbursed from the transfer account.

(C) REPROGRAMMING.—Any reprogramming request relating to environmental restoration into the transfer account must be forwarded to the Senate Armed Services Committee, the House Armed Services Committee, the Senate Appropriations Committee and the House Appropriations Committee on a notification basis. The request for reprogramming will be considered approved unless action to the contrary is taken by any one of those committees within a twenty-one-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the reprogramming request, if the committees approved the request before the end of that period).

(5) AMOUNTS RECOVERED UNDER SUBTITLE A.—Amounts recovered under section 107 for response actions of the Secretary shall be credited to the transfer account (if appropriated by Congress for that purpose).

(f) MILITARY CONSTRUCTION FOR RESPONSE ACTION.—

(1) AUTHORITY.—Subject to subsection (b), the Secretary may carry out a military construction project not otherwise authorized by law if necessary to carry out a response action under this Act.

(2) CONGRESSIONAL NOTICE-AND-WAIT.—

(A) NOTICE TO CONGRESS.—When a decision is made to carry out a military construction project under this section, the Secretary shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include the following:

(i) The justification for the project and the current estimate of the cost of the project.

(ii) The justification for carrying out the project under this section.

(iii) A statement of the source of the funds to be used to carry out the project.

(B) OVERSIGHT PERIOD.—The project may then be carried out only after the end of the twenty-one-day period beginning on the date of the notification is received by those committees (or after each such committee has approved the project, if the committees approved the project before the end of that period).

REPORT TO CONGRESS BY ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY AND THE ATTORNEY GENERAL

SEC. 163. Section 301 of the Comprehensive Environmental Response, Compensation, and Liability Act is amended by adding the following new subsections:

"( ) The Administrator of the Environmental Protection Agency and the Attorney General shall submit to Congress annually on the first day of January a report including:

"(1) the rules, guidelines, criteria and procedures used to determine which potentially responsible parties to include as defendants in a judicial or administrative enforcement action under this Act;

"(2) the rules, guidelines, criteria, and procedures used to develop facts and information regarding potentially responsible parties at priority sites and to provide such information to potentially responsible parties in order to assist the settlement process;

"(3) the rules, guidelines, criteria and procedures used to determine whether, to what extent, and on what basis to use Fund resources for removal or remedial actions in connection with a settlement or voluntary cleanup.".

HAZARDOUS MATERIALS TRANSPORTATION

SEC. 164. (a) Section 306(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "within ninety days after the date of enactment of this Act" in the first sentence and inserting in lieu thereof "by June 1, 1986,"; and by inserting the words "and regulate" before the words "as a hazardous material".

"(b) Section 306(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the words "and regulation" after "prior to the effective date of the listing".

TITLE II—AMENDMENTS OF THE INTERNAL REVENUE CODE OF 1954

SEC. 201. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This title may be cited as the "Superfund Revenue Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. 5-YEAR EXTENSION OF TAX ON PETROLEUM AND CERTAIN CHEMICALS; CERTAIN EXEMPTIONS.

(a) 5-YEAR EXTENSION; TERMINATION IF FUNDS UNSPENT OR $7,500,000,000 COLLECTED.—

(1) IN GENERAL.—Subsection (d) of section 4611 (relating to termination) is amended to read as follows:

"(d) TERMINATION.—

"(1) IN GENERAL.—Except as otherwise provided in this section, the tax imposed by this subsection shall not apply after September 30, 1990.

"(2) NO TAX IF UNOBLIGATED BALANCE IN FUND IS MORE THAN CERTAIN AMOUNT.—If, on September 30, 1988, or September 30, 1989—

"(A) the unobligated balance in the Hazardous Substance Superfund exceeds $2,225,000,000 or $3,000,000,000, and

"(B) the Secretary, after consultation with the Administrator of the Environmental Protection Agency, determines that such unobligated balance will exceed $2,225,000,000 or $3,000,000,000 on September 30, 1989, or September 30, 1990, respectively, if no tax is imposed under section 4001, 4611, or 4661 during calendar year 1989 or 1990, respectively,

then no tax shall be imposed under this section during calendar year 1989 or 1990, as the case may be.

"(3) NO TAX IF AMOUNTS COLLECTED EXCEED $7,500,000,000.—

"(A) ESTIMATES BY SECRETARY.—The Secretary as of the close of each calendar quarter (and at such other times as the Secretary determines appropriate) shall make an estimate of—

"(i) the amount of taxes which will be collected under sections 4001, 4611, and 4661 and credited to the Hazardous Substance Superfund, and

"(ii) the amount of interest which will be credited to such Fund under section 9602(b)(3),

during the period beginning October 1, 1985, and ending September 30, 1990.

"(B) TERMINATION IF $7,500,000,000 CREDITED BEFORE SEPTEMBER 30, 1990.—If the Secretary estimates under subparagraph (A) that more than $7,500,000,000 will be credited to the Fund before September 30, 1990, no tax shall be imposed under this section after the date on which the Secretary estimates $7,500,000,000 will be so credited to the Fund.

"(4) PROCEDURES FOR TERMINATION.—The Secretary shall by regulation provide procedures for the termination under paragraph (2) or (3) of the tax under this section and section 4661.".

(2) CONFORMING AMENDMENT.—Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (relating to expiration of revenue provisions) is repealed.

(b) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

(1) IN GENERAL.—Section 4662 (relating to definitions and special rules) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

"(1) TAX-FREE SALES.—

"(A) IN GENERAL.—No tax shall be imposed under section 4661 on the sale by the manufacturer or producer of any taxable chemical for export, or for resale by the purchaser to a second purchaser for export.

"(B) PROOF OF EXPORT REQUIRED.—Rules similar to the rules of section 4221(b) shall apply for purposes of subparagraph (A).

"(2) CREDIT OR REFUND WHERE TAX PAID.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if—

"(i) a tax under section 4661 was paid with respect to any taxable chemical, and

"(ii) such chemical was exported by any person,

credit or refund (without interest) of such tax shall be allowed or made to the person who paid such tax.

"(B) CONDITION TO ALLOWANCE.—No credit or refund shall be allowed or made under subparagraph (A) unless the person who paid the tax establishes that such person—

"(i) has repaid or agreed to repay the amount of the tax to the person who exported the taxable chemical, or

"(ii) has obtained the written consent of such exporter to the allowance of the credit or the making of the refund.

"(3) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.".

(2) REFUND OR CREDIT.—Paragraph (1) of section 4662(d) (relating to refund or credit for certain uses) is amended—

(A) by striking out "the sale of which by such person would be taxable under such section" in subparagraph (B) and inserting in lieu thereof "which is a taxable chemical", and

(B) by striking out "imposed by such section on the other substance manufactured or produced" in the last sentence and inserting in lieu thereof "imposed by such section on the other substance manufactured or produced (or which would have been imposed by such section on such other substance but for subsection (e) of this section)".

(c) EXEMPTION FOR CERTAIN RECYCLED CHEMICALS.—

(1) IN GENERAL.—Section 4662(b) (relating to exceptions and other special rules) is amended by adding at the end thereof the following new paragraph:

"(7) RECYCLED CHROMIUM, COBALT, AND NICKEL.—

"(A) IN GENERAL.—No tax shall be imposed under section 4661(a) on any chromium, cobalt, or nickel which is diverted or recovered from any solid waste as part of a recycling process (and not as part of the original manufacturing or production process).

"(B) EXCEPTION FOR IMPORTS.—This paragraph shall not apply to the sale of any chromium, cobalt, or nickel which is diverted or recovered outside the United States and then imported into the United States.

"(C) CERTAIN PERSONS NOT ELIGIBLE.—

"(i) IN GENERAL.—This paragraph shall not apply to any taxpayer during any period during which the taxpayer is a potentially responsible party for a site which is listed on the National Priorities List published by the Environmental Protection Agency under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, except that such period shall not begin until the Administrator of the Environmental Protection Agency notifies the taxpayer that the taxpayer is such a party.

"(ii) EXCEPTION WHERE TAXPAYER IS IN COMPLIANCE.—Clause (i) shall not apply to any portion of the period during which the taxpayer is in compliance with each order, decree, or judgment issued against the taxpayer with respect to the site in any action or proceeding under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, or both.

"(D) SOLID WASTE.—For purposes of this paragraph, the term 'solid waste' has the meaning given such term by section 1004 of the Solid Waste Disposal Act, except that such term shall not include any byproduct, coproduct, or other waste from any process of smelting, refining, or otherwise extracting any metal.".

(2) CREDIT OR REFUND.—Paragraph (1) of section 4662(d), as amended by subsection (b)(2), is amended by inserting "(b)(7) or" before "(e)" in the last sentence thereof.

(d) TAX EXEMPTION FOR ANIMAL FEED SUBSTANCES.—

(1) IN GENERAL.—Subsection (b) of section 4662 (relating to definitions and special rules with respect to the tax on certain chemicals), as amended by subsection (c)(1), is amended by adding at the end thereof the following paragraph:

"(8) SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—

"(A) IN GENERAL.—In the case of nitric acid, sulfuric acid, ammonia, or methane used to produce ammonia, which is a qualified animal feed substance, no tax shall be imposed under section 4661(a).

"(B) QUALIFIED ANIMAL FEED SUBSTANCE.—For purposes of this section, the term 'qualified animal feed substance' means any substance—

"(i) used in a qualified animal feed use by the manufacturer, producer or importer,

"(ii) sold for use by any purchaser in a qualified animal feed use, or

"(iii) sold for resale by any purchaser for use, or resale for ultimate use, in a qualified animal feed use.

"(C) QUALIFIED ANIMAL FEED USE.—The term 'qualified animal feed use' means any use in the manufacture or production of animal feed or animal feed supplements, or of ingredients used in animal feed or animal feed supplements.

"(D) TAXATION OF NONQUALIFIED SALE OR USE.—For purposes of section 4661(a), if no tax was imposed by such section on the sale or use of any chemical by reason of subparagraph (A), the first person who sells or uses such chemical other than in a sale or use described in subparagraph (A) shall be treated as the manufacturer of such chemical.".

(2) REFUND OR CREDIT FOR SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—Subsection (d) of section 4662 (relating to refunds and credits with respect to the tax on certain chemicals) is amended by adding at the end thereof the following new paragraph:

"(4) USE IN THE PRODUCTION OF ANIMAL FEED.—Under regulations prescribed by the Secretary, if—

"(A) a tax under section 4661 was paid with respect to nitric acid, sulfuric acid, ammonia, or methane used to produce ammonia, without regard to subsection (b)(8), and

"(B) any person uses such substance as a qualified animal feed substance,

then an amount equal to the excess of the tax so paid over the tax determined with regard to subsection (b)(8) shall be allowed as a credit or refund (without interest) to such person in the same manner as if it were an overpayment of tax imposed by this section.".

(e) CERTAIN EXCHANGES BY TAXPAYERS NOT TREATED AS SALES.—Subsection (c) of section 4662 (relating to use by manufacturers) is amended to read as follows:

"(c) USE AND CERTAIN EXCHANGES BY MANUFACTURER, ETC.—

"(1) USE TREATED AS SALE.—Except as provided in subsection (b), if any person manufactures, produces, or imports any taxable chemical and uses such chemical, then such person shall be liable for tax under section 4661 in the same manner as if such chemical were sold by such person.

"(2) SPECIAL RULES FOR INVENTORY EXCHANGES.—

"(A) IN GENERAL.—Except as provided in this paragraph, in any case in which a manufacturer, producer, or importer of a taxable chemical exchanges such chemical as part of an inventory exchange with another person—

"(i) such exchange shall not be treated as a sale, and

"(ii) such other person shall, for purposes of section 4661, be treated as the manufacturer, producer, or importer of such chemical.

"(B) EXCEPTION FOR EXCHANGES WHERE RECIPIENT NOT TAXABLE.—Subparagraph (A) shall not apply to any inventory exchange if the person receiving the taxable chemical would not be subject to tax on the sale of such chemical (other than by reason of subsection (b)).

"(C) REGISTRATION REQUIREMENT.—Subparagraph (A) shall not apply to any inventory exchange unless—

"(i) both parties are registered with the Secretary as manufacturers, producers, or importers of taxable chemicals, and

"(ii) the person receiving the taxable chemical has, at such time as the Secretary may prescribe, notified the manufacturer, producer, or importer of such person's registration number and the internal revenue district in which such person is registered.

"(D) INVENTORY EXCHANGE.—For purposes of this paragraph, the term 'inventory exchange' means an exchange in which a person exchanges property which, in the hands of such person, is property described in section 1221(1) for property of another person which, in such other person's hands, is so described.".

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by

this section shall take effect on October 1, 1985.

(2) INVENTORY EXCHANGES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the amendment made by subsection (e) shall apply as if included in the amendments made by section 211 of the Hazardous Substance Response Revenue Act of 1980.

(B) EXCEPTION WHERE MANUFACTURER PAID TAX.—In the case of any inventory exchange before January 1, 1986, the amendment made by subsection (e) shall not apply if the manufacturer, producer, or importer treated such exchange as a sale for purposes of section 4661 of the Internal Revenue Code of 1954 and paid the tax imposed by such section.

(C) REGISTRATION REQUIREMENTS.—Section 4662(c)(2)(C) of such Code (as added by subsection (e)) shall apply to exchanges made after December 31, 1985.

SEC. 203. IMPOSITION OF SUPERFUND EXCISE TAX.

(a) IN GENERAL.—Subtitle D (relating to miscellaneous excise taxes) is amended by inserting before chapter 31 the following new chapter:

"CHAPTER 30—SUPERFUND EXCISE TAX

"SUBCHAPTER A. Imposition of tax.

"SUBCHAPTER B. Taxable transaction.

"SUBCHAPTER C. Taxable amount; exempt transactions; credit against tax.

"SUBCHAPTER D. Administration.

"SUBCHAPTER E. Definitions; special rules.

"Subchapter A—Imposition of Tax

"Sec. 4001. Imposition of tax.

"Sec. 4002. Termination.

"SEC. 4001. IMPOSITION OF TAX.

"(a) GENERAL RULE.—A tax is hereby imposed on each taxable transaction.

"(b) AMOUNT OF TAX.—Except as otherwise provided in this chapter, the amount of the tax shall be .08 percent of the taxable amount.

"SEC. 4002. TERMINATION.

"(a) IN GENERAL.—No tax shall be imposed under this section after December 31, 1990.

"(b) NO TAX IF FUNDS UNSPENT OR $7,500,000,000 COLLECTED.—No tax shall be imposed under subsection (a) during any period during which no tax is imposed under section 4611(a) by reason of paragraph (2) or (3) of section 4611(d), except that section 4611(d)(3) shall, for purposes of this subsection, be applied by substituting 'December 31, 1990' for 'September 30, 1990' each place it appears.

"(c) PROCEDURES FOR TERMINATION.—

"(1) PRORATION OVER TAXABLE PERIOD.—In the case of any taxable period which begins before and ends after the date of any termination under this section, the tax imposed by section 4001 (and the credit allowable under section 4013) for such taxable period shall be equal to an amount which bears the same ratio to the amount of such tax (and credit) for such taxable period (determined without regard to the termination) as—

"(A) the number of days in such taxable period up to and including the date of termination, bears to

"(B) the number of days in such taxable period.

"(2) OTHER PROCEDURES.—The Secretary shall by regulation provide such procedures for a termination under this section as the Secretary determines necessary.

"SUBCHAPTER B—TAXABLE TRANSACTION

"Sec. 4003. Taxable transaction.

"Sec. 4004. Taxable person.

"SEC. 4003. TAXABLE TRANSACTION.

"(a) IN GENERAL.—For purposes of this chapter, the term 'taxable transaction' means—

"(1) the sale or leasing of tangible personal property in the United States by a taxable person in connection with a trade or business, or

"(2) the importing of tangible personal property into the customs territory of the United States by a taxable person.

"(b) EXEMPT TRANSACTIONS.—For exempt transactions, see section 4012.

"SEC. 4004. TAXABLE PERSON.

"Except as otherwise provided in this chapter, for purposes of this chapter, the term 'taxable person' means—

"(1) in the case of a taxable transaction described in paragraph (1) of section 4003(a)—

"(A) the manufacturer of the tangible personal property, or

"(B) any person who included the costs of the tangible personal property in such person's qualified inventory costs, and

"(2) in the case of a taxable transaction described in paragraph (2) of section 4003(a), the importer of the tangible personal property.

"SUBCHAPTER C—TAXABLE AMOUNT; EXEMPT TRANSACTIONS; CREDIT AGAINST TAX

"Sec. 4011. Taxable amount.

"Sec. 4012. Exempt transactions.

"Sec. 4013. Credit against tax on sales and leases.

"SEC. 4011. TAXABLE AMOUNT.

"(a) SALE.—For purposes of this chapter, the taxable amount for any sale shall be the price (in money or fair market value of other consideration) charged the purchaser of the property by the seller thereof—

"(1) including items payable to the seller with respect to such transaction, but

"(2) excluding the tax imposed by section 4001 with respect to such transaction.

"(b) IMPORTS.—For purposes of this chapter, the taxable amount in the case of any import shall be—

"(1) the customs value plus customs duties and any other duties which may be imposed, or

"(2) if there is no such customs value, the fair market value (determined as if the importer had sold the property).

"(c) LEASES.—For purposes of this chapter, the taxable amount in the case of any lease shall be the gross payments under the lease.

"(d) CONTAINERS, PACKING AND TRANSPORTATION CHARGES; CONSTRUCTIVE SALES PRICE.—Under regulations, rules similar to the rules of subsections (a) and (b) of section 4216 (relating to containers, packing and transportation charges, etc., and constructive sales price) shall apply in computing the taxable amount.

"(e) SPECIAL RULE WHERE SALE OR LEASE PAYMENTS RECEIVED IN MORE THAN 1 TAXABLE PERIOD.—

"(1) SALES.—In the case of a sale where the consideration is received by the seller in more than 1 taxable period, the taxable amount for each such taxable period shall include that portion of the taxable amount which is includible in the gross income of the taxable person for purposes of chapter 1 for taxable years ending with or within such taxable period (or would be so includible if it were not excludable from gross income).

"(2) LEASES.—In the case of a lease with a term which includes more than 1 taxable period, the taxable amount for each such taxable period shall include the gross lease payments received by the taxable person during such taxable period.

"SEC. 4012. EXEMPT TRANSACTIONS.

"(a) IMPORTS OF $10,000 OR LESS.—No tax shall be imposed under section 4001 on any tangible personal property imported into the customs territory of the United States as part of a shipment (within the meaning of section 498(1) of the Tariff Act of 1930; 19 U.S.C. 1498(1)) the aggregate taxable amount of which is $10,000 or less.

"(b) EXPORTS.—Under regulations, no tax shall be imposed under section 4001 on the sale of any property which is to be exported outside the United States.

"(c) GOVERNMENTAL ENTITIES AND EXEMPT ORGANIZATIONS EXEMPT FROM TAX ON SALES AND LEASES.—

"(1) GOVERNMENTAL ENTITIES.—No tax shall be imposed under section 4001 on the sale or leasing of any tangible personal property by the United States, any State or political subdivision, the District of Columbia, a Commonwealth or possession of the United States, or any agency or instrumentality of any of the foregoing.

"(2) EXEMPT ORGANIZATIONS.—No tax shall be imposed under section 4001 on the sale or leasing of any tangible personal property by any organization which is exempt from taxation under chapter 1 by reason of section 501(a), unless the taxable transaction is part of an unrelated trade or business (within the meaning of section 513).

"SEC. 4013. CREDIT AGAINST TAX ON SALES AND LEASES.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by section 4001 for any taxable period on taxable transactions described in paragraph (1) of section 4003(a) an amount equal to the greater of—

"(1) .08 percent of the qualified inventory costs of the taxable person for the taxable period, or

"(2) the amount of the tax imposed by section 4001 on such taxable transactions, to the extent such amount does not exceed $4,000.

"(b) LIMITATION BASED ON TAX LIABILITY; CARRYFORWARD OF EXCESS CREDIT.—

"(1) LIMITATION BASED ON AMOUNT OF TAX.—The amount of the credit allowed by subsection (a) for any taxable period shall not exceed the liability for tax imposed by section 4001 for such period.

"(2) CARRYFORWARD OF EXCESS CREDIT.—If the credit allowable under subsection (a) for any taxable period exceeds the limitation imposed by paragraph (1), such credit shall be carried to the succeeding taxable period and added to the credit allowable under subsection (a) for such succeeding taxable period.

"(c) QUALIFIED INVENTORY COSTS.—For purposes of this chapter—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'qualified inventory costs' means, with respect to any taxable period, the costs of tangible personal property which—

"(A) are allocable to the inventory of a manufacturer under the full absorption method of accounting under section 471, and

"(B) are paid or incurred by the taxable person during such taxable period.

"(2) SPECIAL RULES.—For purposes of this subsection—

"(A) EXPENSING RATHER THAN DEPRECIATION OR AMORTIZATION.—The qualified inventory costs of any taxpayer for any taxable period shall, in lieu of any allowance for depreciа-

tion or amortization, include any amount paid or incurred during such taxable period for tangible personal property acquired or leased incident to, and necessary for, production or manufacturing operations or processes.

"(B) TAXPAYERS USING METHODS OF ACCOUNTING OTHER THAN THE FULL ABSORPTION METHOD.—In the case of a taxable person using a method of accounting other than the full absorption method used in determining the inventory of a manufacturer under section 471, the qualified inventory costs of such person shall, except as provided in regulations, include only those costs included in the inventory of a manufacturer under such full absorption method.

"(C) PROPERTY MANUFACTURED FOR LEASE BY MANUFACTURER.—For purposes of computing qualified inventory costs, any tangible personal property which is manufactured for lease by the manufacturer shall be treated in the same manner as property which is manufactured for sale by the manufacturer.

"(d) SPECIAL RULE FOR TAXPAYERS UNDER COMMON CONTROL.—

"(1) IN GENERAL.—All persons which are—

"(A) members of the same controlled group of corporations (within the meaning of section 52(a)), or

"(B) under common control (within the meaning of section 52(b)),

shall be treated as 1 person for purposes of applying the $4,000 amount under subsection (a)(2).

"(2) ALLOCATION OF $4,000.—The $4,000 amount under subsection (a)(2) shall be allocated among persons described in paragraph (1) in such manner as the Secretary may prescribe by regulations.

"Subchapter D—Administration

"Sec. 4021. Liability for tax.

"Sec. 4022. Return requirement; taxable period; depositary requirements.

"Sec. 4023. Regulations.

"SEC. 4021. LIABILITY FOR TAX.

"The taxable person shall be liable for the tax imposed by section 4001.

"SEC. 4022. RETURN REQUIREMENT; TAXABLE PERIOD; DEPOSITARY REQUIREMENTS.

"(a) RETURN REQUIREMENT.—

"(1) IN GENERAL.—Except as provided in this subsection, each taxable person shall file a return of the tax imposed by section 4001 for any taxable period not later than—

"(A) the due date (including extensions) for filing the taxpayer's return of tax under chapter 1, or

"(B) if there is no return of tax under chapter 1, the due date (including extensions) under chapter 1 for a taxable year which is the calendar year.

"(2) EXCEPTION FOR SALES OR LEASES OF $5,000,000 OR LESS.—A taxable person shall not be required to file a return for any taxable period for taxable transactions described in paragraph (1) of section 4003(a) if the aggregate taxable amount for such transactions is $5,000,000 or less.

"(3) OTHER EXCEPTIONS.—The Secretary may by regulation exempt any taxable person from the requirement of paragraph (1).

"(b) TAXABLE PERIOD.—For purposes of this chapter, the term 'taxable period' means—

"(1) the taxable person's taxable year for purposes of chapter 1, or

"(2) if there is no taxable year for purposes of chapter 1, the calendar year.

"(c) DEPOSITARY REQUIREMENTS.—

"(1) IN GENERAL.—In the case of any person with respect to whom a tax is imposed under section 4001 for any taxable period on any taxable transaction described in paragraph (1) of section 4003(a), such person shall make quarterly deposits of the estimated amount of such tax for the succeeding taxable period.

"(2) SPECIAL RULE FOR 1ST TAXABLE PERIOD.—Notwithstanding paragraph (1), a deposit shall be required for the first taxable period of any taxable person to which this chapter applies if the gross receipts of such person during the first taxable year ending before such taxable period from the sale or leasing of tangible personal property manufactured by such person exceed $50,000,000.

"SEC. 4023. REGULATIONS.

"The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this chapter.

"Subchapter E—Definitions; Special Rules

"Sec. 4031. Definitions; special rules.

"SEC. 4031. DEFINITIONS; SPECIAL RULES.

"(a) MANUFACTURING.—For purposes of this chapter—

"(1) PRODUCTION INCLUDED.—The term 'manufacturing' includes the production of tangible personal property, including raw materials.

"(2) CERTAIN ACTIVITIES NOT INCLUDED IN MANUFACTURING.—The term 'manufacturing' does not include—

"(A) the furnishing of services incidental to storage or transportation of property,

"(B) the preparation of food in a restaurant or other retail food establishment, or

"(C) the incidental preparation of property by a retailer or wholesaler (including routine assemblage).

"(b) MANUFACTURER.—For purposes of this chapter, the term 'manufacturer' includes any producer of tangible personal property (including raw materials), but does not include any person conducting an activity described in subsection (a)(2).

"(c) PERSON.—For purposes of this chapter, the term 'person' includes any governmental entity.

"(d) UNITED STATES.—For purposes of this chapter, the term 'United States', when used in a geographical sense, includes a Commonwealth and any possession of the United States.

"(e) TANGIBLE PERSONAL PROPERTY.—For purposes of this chapter, the term 'tangible personal property' does not include unprocessed agricultural products or unprocessed food products.

"(f) UNPROCESSED AGRICULTURAL PRODUCTS.—For purposes of this chapter, the term 'unprocessed agricultural product' includes timber and fish.

"(g) CUSTOMS TERRITORY OF THE UNITED STATES.—For purposes of this chapter, the term 'customs territory of the United States' has the meaning given such term by headnote 2 of the General Headnotes and Rules of Interpretation of the Tariff Schedules of the United States (19 U.S.C. 1202).

"(h) TAX ON IMPORT IN ADDITION TO DUTY.—The tax imposed by section 4001 on the importing of any tangible personal property shall be in addition to any duty imposed on such importation.

"(i) DISPOSITION OF REVENUES FROM PUERTO RICO AND THE VIRGIN ISLANDS.—The provisions of subsections (a)(3) and (b)(3) of section 7652 and any similar provision of law which requires an internal revenue tax collected by the United States to be paid to a Commonwealth or possession of the United States shall not apply to any tax imposed by section 4001.

"(j) SPECIAL RULE FOR SHORT TAXABLE PERIODS.—In the case of a taxable period which is less than 1 calendar year, there shall be substituted for the $4,000 amounts in subsections (a) and (d) of section 4013 and the $5,000,000 amount in section 4022(a)(2) the amount which bears the same ratio to such amounts as the number of days in the taxable period bears to 365.

"(k) SALE TO INCLUDE CERTAIN EXCHANGES AND TRANSFERS.—For purposes of this chapter, except as provided in regulations, the term 'sale' includes any exchange or transfer other than a gift (within the meaning of section 102 or section 170).".

(b) APPLICATION OF CERTAIN PENALTIES.—

(1) FAILURE TO FILE RETURN OR PAY TAX.—Paragraph (1) of section 6651(a) (relating to addition to tax) is amended by inserting "section 4022 (relating to Superfund excise tax)," before "subchapter A of chapter 51".

(2) NEGLIGENCE PENALTY.—Section 6653(a) (relating to negligence or intentional disregard of rules and regulations) is amended—

(A) by inserting ", by chapter 30 (relating to Superfund excise tax)," after "subtitle B" in paragraph (1) thereof, and

(B) by striking out "Windfall Profit" in the heading thereof and inserting in lieu thereof "Certain Excise".

(3) FAILURE TO MAKE DEPOSITS.—Section 6656 (relating to failure to make deposit of taxes or overstatement of deposits) is amended by adding at the end thereof the following new subsection:

"(c) SPECIAL RULE FOR SUPERFUND EXCISE TAX.—For purposes of subsection (a), in the case of the tax imposed by section 4001, the tax required to be deposited shall be equal to the lesser of—

"(1) 90 percent of the tax imposed by section 4001 during the taxable period on taxable transactions described in paragraph (1) of section 4003(a), or

"(2) the amount of such tax imposed during the preceding taxable period (determined on an annual basis).

Paragraph (2) shall not apply if no tax was imposed during the preceding taxable period.".

(c) CLERICAL AMENDMENT.—The table of chapters for subtitle D is amended by inserting before the item relating to chapter 31 the following new item:

"CHAPTER 30. Superfund excise tax.".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply with respect to taxable amounts received in taxable periods beginning after December 31, 1985.

(2) SPECIAL RULE FOR IMPORTS.—In the case of imports, the amendments made by this section shall apply to articles entered, or withdrawn from warehouse, for consumption after December 31, 1985.

(3) SPECIAL RULE FOR TAXABLE PERIOD INCLUDING JANUARY 1, 1986.—In the case of any taxable period which begins before January 1, 1986, and ends after January 1, 1986, the tax imposed by section 4001 of the Internal Revenue Code of 1954 (and the credit allowable under section 4013 of such Code) for such taxable period shall be equal to an amount which bears the same ratio to the amount of such tax (and credit) for such taxable period (determined as if such tax and credit had been in effect for the entire taxable period) as—

(A) the number of days in such taxable period after December 31, 1985, bears to

(B) the number of days in such taxable period.

SEC. 204. HAZARDOUS SUBSTANCE SUPERFUND.

(a) IN GENERAL.—Subchapter A of chapter 98 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9505. HAZARDOUS SUBSTANCE SUPERFUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Hazardous Substance Superfund' (hereinafter in this section referred to as the 'Superfund'), consisting of such amounts as may be—

"(1) appropriated to the Superfund as provided in this section, or

"(2) credited to the Superfund as provided in section 9602(b).

"(b) TRANSFERS TO SUPERFUND.—

"(1) IN GENERAL.—There are hereby appropriated to the Superfund amounts equivalent to—

"(A) the taxes received in the Treasury under section 4001 (relating to Superfund excise tax),

"(B) the taxes received in the Treasury under section 4611 or 4661 (relating to taxes on petroleum and certain chemicals),

"(C) amounts recovered on behalf of the Superfund under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (hereinafter in this section referred to as 'CERCLA'),

"(D) all moneys recovered or collected under section 311(b)(6)(B) of the Clean Water Act,

"(E) penalties assessed under title I of CERCLA, and

"(F) punitive damages under section 107(c)(3) of CERCLA.

"(2) TRANSFER OF CERTAIN OTHER FUNDS.—There shall be transferred to the Superfund—

"(A) the amounts appropriated under section 504(b) of the Clean Water Act during any fiscal year, and

"(B) the unobligated balance in the Post-closure Liability Trust Fund as of October 1, 1985.

"(c) EXPENDITURES FROM THE SUPERFUND.—

"(1) IN GENERAL.—Amounts in the Superfund shall be available in connection with releases or threats of releases of hazardous substances into the environment only for purposes of making expenditures which are described in section 111 of CERCLA (other than subsection (j) thereof) as in effect on the date of the enactment of the Superfund Improvement Act of 1985, including—

"(A) response costs,

"(B) claims asserted and compensable but unsatisfied under section 311 of the Clean Water Act,

"(C) claims for injury to, or destruction or loss of, natural resources, and

"(D) related costs described in section 111(c) of CERCLA (other than paragraph (7) thereof).

"(2) LIMITATIONS ON EXPENDITURES.—At least 85 per centum of the amounts appropriated to the Superfund shall be reserved—

"(A) for the purposes specified in paragraphs (1), (2), and (4) of section 111(a) of CERCLA, and

"(B) for the repayment of advances made under subsection (d), other than advances subject to the limitation of subsection (d)(2)(B).

"(d) AUTHORITY TO BORROW.—

"(1) IN GENERAL.—There are authorized to be appropriated to the Superfund, as repayable advances, such sums as may be necessary to carry out the purposes of the Superfund.

"(2) LIMITATIONS ON ADVANCES TO SUPERFUND.—

"(A) AGGREGATE ADVANCES.—The maximum aggregate amount of repayable advances to the Superfund which is outstanding at any one time shall not exceed an amount which the Secretary estimates will be equal to the sum of the amounts described in paragraph (1) of subsection (b) which will be transferred to the Superfund during the following 12 months.

"(B) ADVANCES FOR CERTAIN COSTS.—The maximum aggregate amount advanced to the Superfund which is outstanding at any one time for purposes of paying costs other than costs described in section 111 (a)(1), (2), or (4) of CERCLA shall not exceed 15 percent of the amount of the estimate made under subparagraph (A).

"(C) FINAL REPAYMENT.—No advance shall be made to the Superfund after September 30, 1990, and all advances to such Fund shall be repaid on or before December 31, 1990.

"(3) REPAYMENT OF ADVANCES.—

"(A) IN GENERAL.—Advances made pursuant to this subsection shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary determines that moneys are available for such purposes in the Superfund (or when required by paragraph (2)(C)).

"(B) RATE OF INTEREST.—Interest on advances made pursuant to this subsection shall be at a rate determined by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding and shall be compounded annually.

"(e) LIABILITY OF UNITED STATES LIMITED TO AMOUNT IN TRUST FUND.—

"(1) GENERAL RULE.—Any claim filed against the Superfund may be paid only out of the Superfund.

"(2) COORDINATION WITH OTHER PROVISIONS.—Nothing in CERCLA or the Superfund Improvement Act of 1985 (or in any amendment made by either of such Acts) shall authorize the payment by the United States Government of any amount with respect to any such claim out of any source other than the Superfund.

"(3) ORDER IN WHICH UNPAID CLAIMS ARE TO BE PAID.—If at any time the Superfund is unable (by reason of paragraph (1)) to pay all of the claims payable out of the Superfund at such time, such claims shall, to the extent permitted under paragraph (1), be paid in full in the order in which they were finally determined.".

(b) CONFORMING AMENDMENTS.—

(1) Subtitle B of the Hazardous Substance Response Revenue Act of 1980 (relating to establishment of Hazardous Substance Response Trust Fund) is hereby repealed.

(2) Paragraph (11) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(11) 'Fund' or 'Trust Fund' means the Hazardous Substance Superfund established by section 9505 of the Internal Revenue Code of 1954;".

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 is amended by adding at the end thereof the following new item:

"Sec. 9505. Hazardous Substance Superfund.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on October 1, 1985.

(2) SUPERFUND TREATED AS CONTINUATION OF OLD TRUST FUND.—The Hazardous Substance Superfund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Hazardous Substance Response Trust Fund established by section 221 of the Hazardous Substance Response Revenue Act of 1980. Any reference in any law to the Hazardous Substance Response Trust Fund established by such section 221 shall be deemed to include (wherever appropriate) a reference to the Hazardous Substance Superfund established by the amendments made by this section.

SEC. 205. REPEAL OF POST-CLOSURE TAX AND TRUST FUND.

(a) REPEAL OF TAX.—

(1) Subchapter C of chapter 38 (relating to tax on hazardous wastes) is hereby repealed.

(2) The table of subchapters for such chapter 38 is amended by striking out the item relating to subchapter C.

(b) REPEAL OF TRUST FUND.—Section 232 of the Hazardous Substance Response Revenue Act of 1980 is hereby repealed.

(c) REFUND OF UNOBLIGATED BALANCE.—An amount equal to the unobligated balance in the Post-Closure Liability Trust Fund as of October 1, 1985, which is transferred into the Hazardous Substance Superfund pursuant to section 9505(b)(2) of the Internal Revenue Code of 1954, shall be paid out from such Superfund, effective March 1, 1989, as refunds of the taxes paid under section 4681 of such Code (as in effect prior to October 1, 1985), unless, prior to March 1, 1989, congressional action has been taken pursuant to section 107(k)(6) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Such refunds shall be paid on a proportional basis to the amounts of such taxes paid, and without interest.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 206. INDUSTRIAL DEVELOPMENT BONDS FOR HAZARDOUS WASTE TREATMENT FACILITIES.

(a) IN GENERAL.—Paragraph (4) of section 103(b) (relating to certain exempt activities) is amended—

(1) by inserting ", facilities subject to final permit requirements under subtitle C of title II of the Solid Waste Disposal Act for the treatment of hazardous waste," after "solid waste disposal facilities" in subparagraph (E), and

(2) by adding at the end thereof the following new sentence: "For purposes of subparagraph (E), the terms 'treatment' and 'hazardous waste' have the meanings given to such terms by section 1004 of the Solid Waste Disposal Act.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 207. REPORT ON METHODS OF FUNDING SUPERFUND.

Not later than January 1, 1988, the Comptroller General of the United States or his delegate shall study and report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to various methods of funding the Hazardous Substances Superfund, including a study of the

effect of taxes on the generation and disposal of hazardous wastes.

SEC. 208. CERTAIN COSTS OF PRIVATE FOUNDATION IN REMOVING HAZARDOUS SUBSTANCES TREATED AS QUALIFYING DISTRIBUTIONS.

(a) IN GENERAL.—In the case of any taxable year beginning after December 31, 1982, the distributable amount of a private foundation for such taxable year for purposes of section 4942 of the Internal Revenue Code of 1954 shall be reduced by any amount paid or incurred (or set aside) by such private foundation for the investigatory costs and direct costs of removal or taking remedial action with respect to a hazardous substance released at a facility which was owned or operated by such private foundation.

(b) LIMITATIONS.—Subsection (a) shall apply only to costs—

(1) incurred with respect to hazardous substances disposed of at a facility owned or operated by the private foundation but only if—

(A) such facility was transferred to such foundation by bequest before December 11, 1980, and

(B) the active operation of such facilitly by such foundation was terminated before December 12, 1980, and

(2) which were not incurred pursuant to a pending order issued to the private foundation unilaterally by the President or the President's assignee under section 106 of the Comprehensive Environmental Response, Compensation and Liability Act, or pursuant to a judgment against the private foundation issued in a governmental cost recovery action under section 107 of such Act.

(c) HAZARDOUS SUBSTANCE.—For purposes of this section, the term "hazardous substance" has the meaning given such term by section 9601(14) of the Comprehensive Environmental Response, Compensation and Liability Act.

SEC. 209. SENSE OF THE SENATE RELATING TO THE VALUE ADDED TAX.

(a)(1) The Value Added Tax is a regressive tax which places the burden of paying for pollution on persons other than those responsible for it.

(2) The Value Added Tax on H.R. 2005 represents a dangerous shift toward the principle of a broad-based tax on sales.

(3) The Value Added Tax has escalated rapidly in virtually every country in which it has been implemented.

(4) The administration has stated, in a September 16, 1985, Statement of Administration Policy the "(t)he President's senior advisors will recommend disapproval of any legislation containing a value-added or other broad-based tax".

(5) The House of Representatives is expected to adopt a financing mechanism for the Superfund bill which will not include the Value Added Tax.

(6) The Administration will not be prepared to release its alternative to the Value Added Tax until after the Senate has completed action on the Superfund legislation.

(7) Prolonged debate on the floor of the Senate concerning an alternative to the Value Added Tax would unduly delay, consideration of this legislation.

(b) The sense of the Senate that the committee on conference on H.R. 2005 or such other comparable Superfund reauthorization legislation as shall be approved by both Houses of Congress should report legislation containing a reliable financing mechanism for the Superfund program which does not include the Value Added Tax.

TITLE III—LEAD FREE DRINKING WATER

SHORT TITLE

SEC. 301. This title may be cited as the "Lead Free Drinking Water Act."

SAFE DRINKING WATER ACT AMENDMENTS

SEC. 302. (a) IN GENERAL.—Part B of title XIV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"PROHIBITION ON USE OF LEAD PIPES, SOLDER, AND FLUX

"SEC. 1417. (a) IN GENERAL.—

"(1) PROHIBITION.—Any pipe, solder, or flux, which is used after date of enactment of the Safe Drinking Water Act of 1985, in the installation or repair of—

"(A) any public water system, or

"(B) any plumbing in a residential or nonresidential facility providing water for human consumption which is connected to a public water system,

must be lead free (as defined in subsection (d)). This paragraph shall not apply to leaded joints necessary for the repair of cast iron pipes.

"(2) PUBLIC NOTICE OF ADVERSE EFFECTS.—Each community public water system shall provide notice, developed in consultation with the Administrator, to all users of the system with respect to—

"(A) the adverse health effects of exposure to lead, including a description of those populations which may be particularly sensitive to such exposure; and

"(B) any means reasonably available to such users for mitigating lead exposure from drinking water, taking into consideration the need to conserve water.

"(b) STATE ENFORCEMENT.—

"(1) ENFORCEMENT OF PROHIBITION.—The requirements of subsection (a)(1) shall apply to all States effective 24 months after the date of the enactment of this section. States shall enforce such requirements through State or local plumbing codes, or such other means of enforcement as the State may determine to be appropriate.

"(2) ENFORCEMENT OF PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a)(2) shall apply to all States effective 24 months after the date of the enactment of this section.

"(c) PENALTIES.—If the Administrator determines that a State is not enforcing the requirements of subsection (a) as required pursuant to subsection (b), the Administrator may commence a civil action under section 1414(b).

"(d) DEFINITION OF LEAD FREE.—For purposes of this section, 'lead free' means solders and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.".

(b) CIVIL ACTION.—Section 1414(b) of the Public Health Service Act is amended—

(1) in the matter preceding paragraph (1), by inserting ", or with section 1417," after "or 1416"; and

(2) in paragraph (1), by inserting ", or under section 1417" after "subsection (a)".

(c) NOTIFICATION TO STATES.—The Administrator of the Environmental Protection Agency shall notify all States with respect to the requirements of section 1417 of the Public Health Service Act within 90 days after the date of the enactment of this Act.

BAN ON LEAD WATER PIPES, SOLDER, AND FLUX IN VA AND HUD INSURED OR ASSISTED PROPERTY

SEC. 303. (a) PROHIBITION.—(1) The Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs may not insure or guarantee a mortgage or furnish assistance with respect to newly constructed residential property which contains a potable water system unless such system uses only lead free pipe, solder, and flux.

(2) For purposes of paragraph (1), "lead free" means solders and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.

(b) EFFECTIVE DATE.—Subsection (a) shall become effective 24 months after the date of the enactment of this Act.

LEAD SOLDER AS A HAZARDOUS SUBSTANCE

SEC. 304. (a) IN GENERAL.—Section 2(f)(1) of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

"(E) Any solder which has a lead content in excess of 0.2 percent.".

(b) LABELING.—Section 4 of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

"(k) The introduction or delivery for introduction into interstate commerce of any lead solder which has a lead content in excess of 0.2 percent which does not prominently display a warning label stating the lead content of the solder and warning that the use of such solder in the making of joints or fittings in any private or public potable water supply system is prohibited.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective 24 months after the date of the enactment of this Act.

TITLE IV—POLLUTION INSURANCE

AMENDMENTS RELATED TO THE INSURANCE OF POLLUTION LIABILITY

SEC. 401. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following at the end thereof:

"TITLE IV—POLLUTION INSURANCE

"SEC. 401. This title may be cited as the 'Pollution Liability Insurance and Risk Retention Act'.

"DEFINITIONS

"SEC. 402. (a) As used in this title—

"(1) 'insurance' means primary insurance, excess insurance, reinsurance, surplus lines insurance, and any other arrangement for shifting and distributing risk which is determined to be insurance under applicable State or Federal law;

"(2) 'pollution liability' means liability for injuries arising from the release of hazardous substances, pollutants or contaminants;

"(3) 'risk retention group' means any corporation or other limited liability association taxable as a corporation, or as an insurance company, formed under the laws of any State—

"(A) whose primary activity consists of assuming and spreading all, or any portion, of the pollution liability or of its group members;

"(B) which is organized for the primary purpose of conducting the activity described under subparagraph (A);

"(C) which is chartered or licensed as an insurance company and authorized to engage in the business of insurance under the laws of any State; and

"(D) which does not exclude any person from membership in the group solely to provide for members of such a group a competitive advantage over such a person.

"(4) 'purchasing group' means any group of persons which has as one of its purposes

the purchase of pollution liability insurance on a group basis; and

"(5) 'State' means any State of the United States or the District of Columbia.

"(b) Nothing in this title shall be construed to affect either the tort law or the law governing the interpretation of insurance contracts of any State, and the definitions of pollution liability and pollution liability insurance under any State law shall not be applied for the purposes of this Act, including recognition or qualification of risk retention groups or purchasing groups.

"(c) The authority to offer or to provide insurance under this title shall be limited to coverage of pollution liability risks and this title does not authorize a risk retention group or purchasing group to provide coverage of any other line of insurance.

"RISK RETENTION GROUP EXEMPT FROM STATE LAWS

"SEC. 403. (a) Except as provided in this section, a risk retention group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

"(1) make unlawful, or regulate, directly or indirectly, the operation of a risk retention group except that the jurisdiction in which it is chartered may regulate the formation and operation of such a group and any State may require such a group to—

"(A) comply with the unfair claim settlement practices law of the State;

"(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers and surplus line insurers, brokers, or policyholders under the laws of the State;

"(C) participate, on a nondiscrimatory basis, in any mechanism established or authorized under the law of the State for the equitable apportionment among insurers of pollution liability insurance losses and expenses incurred on policies written through such mechanism;

"(D) submit to the appropriate authority reports and other information required of licensed insurers under the laws of a State relating solely to pollution liability insurance losses and expenses;

"(E) register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process, and, upon request, furnish such commissioner a copy of any financial report submitted by the risk retention group to the commissioner of the chartering or licensing jurisdiction;

"(F) submit to an examination by the State insurance commissioner in any State in which the group is doing business to determine the group's financial condition, if—

"(i) the commissioner has reason to believe the risk retention group is in a financially impaired condition; and

"(ii) the commissioner of the jurisdiction in which the group is chartered has not begun or has refused to initiate an examination of the group; and

"(G) comply with a lawful order issued in a delinquency proceeding commenced by the State insurance commissioner if the commissioner of the jurisdiction in which the group is chartered has failed to initiate such a proceeding after notice of a finding of financial impairment under subparagraph (F) of this paragraph;

"(2) require or permit a risk retention group to participate in any insurance insolvency guaranty association to which an insurer licensed in the State is required to belong;

"(3) require any insurance policy issued to a risk retention group or any member of the group to be countersigned by an insurance agent or broker residing in that State; or

"(4) otherwise discriminate against a risk retention group or any of its members, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

"(b) The exemptions specified in subsection (a) apply to—

"(1) pollution liability insurance coverage provided by a risk retention group for—

"(A) such group; or

"(B) any person who is a member of such group;

"(2) the sale of pollution liability insurance coverage for a risk retention group; and

"(3) the provision of insurance related services or management services for a risk retention group or any member of such a group.

"(c) A State may require that a person acting, or offering to act, as an agent or broker for a risk retention group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

"PURCHASING GROUPS

"SEC. 404. (a) Except as provided in this section, a purchasing group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

"(1) prohibit the establishment of a purchasing group;

"(2) make it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its member, advantages, based on their loss and expense experience, not afforded to other persons with respect to rates, policy forms, coverages, or other matters;

"(3) prohibit a purchasing group or its members from purchasing insurance on the group basis described in paragraph (2) of this subsection;

"(4) prohibit a purchasing group from obtaining insurance on a group basis because the group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time;

"(5) require that a purchasing group must have a minimum number of members, common ownership or affiliation, or a certain legal form;

"(6) require that a certain percentage of a purchasing group must obtain insurance on a group basis;

"(7) require that any insurance policy issued to a purchasing group or any members of the group be countersigned by an insurance agent or broker residing in that State; or

"(8) otherwise discriminate against a purchasing group or any of its members.

"(b) The exemptions specified in subsection (a) apply to—

"(1) pollution liability insurance, and comprehensive general liability insurance which includes this coverage, provided to—

"(A) a purchasing group; or

"(B) any person who is a member of a purchasing group; and

"(2) the sale of—

"(A) pollution liability insurance, and comprehensive general liability coverage;

"(B) insurance related services; or

"(C) management services;

to a purchasing group or member of the group.

"(c) A State may require that a person acting, or offering to act, as an agent or broker for a purchasing group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

"APPLICABILITY OF SECURITIES LAWS

"SEC. 405. (a) The ownership interests of members in a risk retention group shall be—

"(1) considered to be exempted securities for purposes of section 5 of the Securities Act of 1933 and for purposes of section 12 of the Securities Exchange Act of 1934; and

"(2) considered to be securities for purposes of the provisions of section 17 of the Securities Act of 1933 and the provisions of section 10 of the Securities Exchange Act of 1934.

"(b) A risk retention group shall not be considered to be an investment company for purposes of the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

"(c) The ownership interests of members in a risk retention group shall not be considered securities for purposes of any State blue sky law.".

TITLE V—INDOOR AIR QUALITY RESEARCH

SEC. 501. SHORT TITLE.—This title may be cited as the "Indoor Air Quality Research Act of 1985".

SEC. 502. FINDINGS.—The Congress finds that—

(1) indoor air exposures account for a significant portion of total human exposures to hazardous pollutants and contaminants in the environment;

(2) various scientific studies have suggested that indoor air pollution, including exposure to naturally occurring chemical elements such as radon, poses a significant public health and environmental risk;

(3) high levels of radon have been measured within structures throughout the country and within the Reading Prong;

(4) existing Federal indoor air quality research programs are fragmented and underfunded;

(5) the Environmental Protection Agency's programs on indoor air quality and radon have been hindered by a lack of clear statutory authority for conducting research on indoor air quality; and

(6) an adequate information base concerning potential indoor air quality problems, including exposure to radon, does not currently exist and should be developed by the Federal Government.

SEC. 503. INDOOR AIR QUALITY RESEARCH PROGRAM.—

(a) DESIGN OF PROGRAM.—The Administrator of the Environmental Protection Agency shall establish a research program with respect to indoor air quality, including radon. Such program shall be designed to—

(1) gather data and information on all aspects of indoor air quality in order to contribute to the understanding of health problems associated with the existence of air pollutants in the indoor environment;

(2) coordinate Federal, State, local, and private research and development efforts relating to the improvement of indoor air quality; and

(3) assess appropriate Federal Government actions to mitigate the environmental and health risks associated with indoor air quality problems.

(b) PROGRAM REQUIREMENTS.—The research program required under this section shall include—

(1) research and development concerning the identification, characterization, and monitoring of the sources and levels of

indoor air pollution, including radon, which includes research and development relating to—

(A) the measurement of various pollutant concentrations and their strengths and sources,

(B) high-risk building types, and

(C) instruments for indoor air quality data collection;

(2) research relating to the effects of indoor air pollution and radon on human health;

(3) research and development relating to control technologies or other mitigation measures to prevent or abate indoor air pollution (including the development, evaluation, and testing of individual and generic control devices and systems);

(4) demonstrations of methods for reducing or eliminating indoor air pollution and radon, including sealing, venting, and other methods that the Administrator determines may be effective;

(5) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, for the purpose of developing—

(A) methods for assessing the potential for radon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, porosity of soil, and the radon content of soil; and

(B) design measures to avoid indoor air pollution; and

(6) the dissemination of information to assure the public availabililty of the findings of the activities under this section.

(c) ADVISORY COMMITTEES.—The Administrator shall establish a committee comprised of individuals representing Federal agencies concerned with various aspects of indoor air quality and an advisory group comprised of individuals representing the States, the scientific community, industry, and public interest organizations to assist him in carrying out the research program for indoor air quality.

(d) IMPLEMENTATION PLAN.—Not later than ninety days after the date of the enactment of this Act, the Administrator shall submit to the Congress a plan for implementation of the research program under this section. Such plan shall also be submitted to the EPA Science Advisory Board, which shall, within a reasonable period of time, submit its comments on such plan to Congress.

(e) INTERIM REPORT.—No later than one year after the date of this Act, the Administrator shall prepare an interim report providing—

(A) a preliminary identification of the locations and amounts of radon in structures across the United States, and

(B) guidance and information materials based on the findings of research of methods for mitigating radon.

(f) REPORT.—

(1) Not later than two years after the date of enactment of this Act, the Administrator shall, in consultation with advisory committees and groups identified in subsection (c), submit to the Congress a report assessing—

(A) the state of knowledge concerning the risks to human health associated with indoor air pollution, including naturally occurring chemical elements such as radon;

(B) the locations and amounts of indoor air pollutants, including radon, in residential, commercial, and other structures throughout the country;

(C) the existing standards for indoor air pollutants, including radon, suggested by Federal or State Governments or scientific organizations and the risk to human health associated with such standards;

(D) the research needs and relative priority of these needs;

(E) the potential effectiveness of possible government actions necessary to mitigate the environmental and health risks associated with indoor air quality problems, including radon, in existing and in future structures,

and making such recommendations as may be appropriate.

(2) In developing such report, the Administrator shall consult with the National Academy of Sciences on the scientific issues regarding the quality of indoor air and the risks to human health associated with indoor air pollution.

(g) CONSTRUCTION OF SECTION.—Nothing in this section shall be construed to authorize the Administrator to carry out any regulatory program or any activity other than research, development, and the related reporting, information dissemination, and coordination activities specified in this section. Nothing in this section shall be construed to limit the authority of the Administrator or of any other agency or instrumentality of the United States under any other authority of law.

(h) AUTHORIZATIONS.—There are authorized to be appropriated to carry out the activities under this section not to exceed $3,000,000 for each of the fiscal years 1986 and 1987.

Amend the title so as to read: "An Act to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.".

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I ask unanimous consent that H.R. 2005, as passed by the Senate, be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. I should like to express my deep appreciation to Senator BENTSEN, to the staff of the Committee on Environment and Public Works, to the staff of the Committee on the Judiciary, to the staff of the Committee on Finance, and to the chairman of the latter committee, Senator PACKWOOD, for their assistance in getting this bill passed, as a team effort among all of us.

Mr. BRADLEY. Mr. President, I should like to offer my congratulations and express my appreciation to the distinguished chairman of the Committee on Environment and Public Works for delivering on his promise in obtaining action on this bill, to get some of the toxic dumps around the country cleaned up. I salute him for his leadership on this issue and express my appreciation.

Mr. STAFFORD. I thank the gracious Senator from New Jersey for his kind words. It was his help, along with that of others, that made this possible.

SOUTH AFRICA CONFERENCE REPORT

(Earlier in the day the following proceedings occurred:)

Mr. DOLE. Mr. President, last evening, the conference report on the South Africa bill was returned to the desk. Since the minority leader will make a statement later in the day on the conference report, I would like to make a few brief remarks.

Very simply, the conference report was removed from the desk by the chairman of the Foreign Relations Committee. The Senate had decided in 4 separate votes over a 5-day period of time to take no further action on the South Africa bill. As a result, the majority leader made the judgment that it was time to move on to other business.

Taking of the conference papers was absolutely within the rules.

It was not our intention to preempt any further discussion on the topic of South Africa. In fact, numerous attempts were made to accommodate Senators and to establish a time in the future, when we in the Senate could again consider the conference report. Unfortunately there was no interest in any agreement on the Democratic side.

The issue had become totally politicized and it was the majority leader's view that we could best serve the interests of the people of South Africa by turning to other business.

SETTING THE SENATE'S AGENDA

Setting the Senate's agenda, is the issue we should focus on at this time. Historically, the right to set the agenda of the Senate is the right of the majority leader. If this long established precedent were honored, there would be no necessity to remove the conference report from the desk. However, certain events during the year have been puzzling to say the least.

During the debate on the nomination of Mr. Meese, there was an attempt by a Senator to recess the Senate, normally the right of the majority leader. I might note, however, that the minority leader was not present at the time, and therefore unable to prevent this form occurring.

Moreover, there was an attempt in the spring, during the consideration of the budget resolution to not only recess the Senate but set the agenda in an extraordinary way, namely to provide that the Senate immediately vote on an amendment not then before the Senate, not in order to be before the Senate, and not even at the desk. Even more extraordinary, the amendment was to be decided without debate. In other words, majority cloture was to be imposed upon the Senate through the use of this nondebatable motion to recess. The Chair, quite properly, ruled the motion not in order. As appeal was taken and 45

democratic Senators voted to overturn the ruling of the Chair. Every vote to overturn the Chair came from the other side of the aisle, not including, I should note, either the vote of the distinguished minority leader or that of the senior Senator from Louisiana [Mr. LONG]; 96 percent of the Senators voting on the other side of the aisle chose to vote for this imposition of majority cloture upon the motion of an individual Senator without debate.

We witnessed a third such intrusion into the normal prerogatives of the majority leader when the distinguished minority leader on September 10 himself moved to proceed to consideration of the South Africa conference report. The minority leader then filed a cloture motion on the motion to proceed, even though the motion to proceed was not debatable.

Controlling the agenda of the Senate, as I understand it, is the prerogative of the majority leader, as documented in the well known work of parliamentarian emeritus of the Senate, Floyd M. Riddick. On page 26 it states:

In addition to the above organizational motions offered at the beginning of a new Congress, the responsibility for making motions essential to the day-to-day operation of the Senate has devolved upon the leadership. For example, the majority leader or someone acting for him almost invariably (a) offers motions to recess or adjourn from day to day; (b) calls up the sine die adjournment resolution and other resolutions relating to adjournment including resolutions and motions to adjourn for periods of several days; (c) makes motions to proceed to the consideration of all proposed legislation (bills and resolutions); and (d) proffers routine requests to accommodate the Senate, including orders to permit standing committees to meet while the Senate is in session, notwithstanding the provisions of the rule.

Mr. President, again I appreciate the concerns of the minority leader but want to reassure him that the actions that were taken were well within our rights. To help avoid this confusion in the future, perhaps we would best be served by an amendment to rule XXVII that would state quite clearly that it is the prerogative of the majority leader or his designee to proceed by a nondebatable motion to the reports of committees of conference which, once filed, become part of the official papers retained at the desk of the Senate.

Mr. BYRD. Mr. President, will the Senator from New Mexico yield?

Mr. DOMENICI. I am pleased to yield.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, I ask the distinguished majority leader if he has any objection to asking that his statement appear at a different place in the RECORD, so that all the statements will be joined.

Mr. DOLE. On this issue?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President, I ask unanimous consent that my statement proceed the remarks of the distinguished Senator from West Virginia and other Senators who may speak on this subject this afternoon. I may have parliamentary inquiries at that time, but I cannot be present during that discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished majority leader, and I thank the distinguished Senator from New Mexico.

(Conclusion of earlier proceedings.)

RECOGNITION OF SENATOR BYRD

The PRESIDING OFFICER. Under the previous order, the Senate minority leader is recognized for 3 hours.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order. Senators desiring to converse will please conduct their conversations off the floor.

The distinguished minority leader is recognized.

Mr. BYRD. Mr. President, the distinguished majority leader, very thoughtfully and courteously, entered an order yesterday to allow me to control time for 3 hours, beginning now. In view of the fact that certain things have happened in the meantime, I should like to call to the attention of Senators on both sides that it is not my intent nor my desire to take the full 3 hours. I do not believe there will be a need for it.

At the moment, I will retain the authority to use 3 hours; but I hope that the managers of the appropriations bill and other bills will be assured that we may be able to proceed with other business sooner than that.

THE SOUTH AFRICA CONFERENCE REPORT

Mr. BYRD. Mr. President, several weeks ago, both Houses, by overwhelming votes, adopted the South Africa sanctions bill, H.R. 1460.

The conference report on H.R. 1460 was adopted by the House of Representatives by an overwhelming vote on August 1. The vote was 380 to 48, almost 8 to 1 in support of the conference report.

The conference report then was called up in the Senate by the distinguished chairman of the Foreign Relations Committee, Mr. LUGAR, and the Senate proceeded to consider it.

A motion was made by Mr. WEICKER to table the conference report, and he himself voted against the motion. The vote was, as I recall, unanimous in support of not tabling the conference report. Mr. WEICKER explained his reasons for making the motion, namely that he felt that before the Senate went out for the August recess there should be a strong showing of support in the Senate Chamber for the conference report.

A cloture motion was entered on the conference report, and the cloture motion, I believe, was signed by Senators on both sides of the aisle.

The distinguished Senator from New Mexico, Mr. DOMENICI, secured unanimous consent that the Senate be deemed to have been in session the following day so that it would be possible for the Senate to vote on the cloture motion as early as September 9, the day that the Senate would be returning from its August recess. That unanimous consent was given. Therefore, the Senate did not have to come in the next day in order to fulfill the requirement under rule XXII for an interim day between the day of offering the motion on cloture and the day of voting on the cloture motion.

On September 9, when the Senate returned following the August recess, the vote on cloture occurred and it failed by 7 votes to secure the required 60 votes under the rule. Thirteen Senators were absent on that vote necessarily. It was felt by Senators who were supporting the conference report that there should be another cloture vote in view of the fact, as I have said, it failed by 7 votes and 13 Senators were absent.

So, another cloture motion was introduced providing for a second cloture vote on September 11, 2 days after the cloture motion was introduced. The cloture vote on that occasion failed by only 3 votes, 57 votes for cloture.

I believe it was on that day that I changed my vote in order to qualify under the rule to move to reconsider the vote, and I made the motion to reconsider. The yeas and nays were ordered thereon. In that situation only a majority vote was necessary, as it did not require 60 votes to reconsider. The vote failed by a vote of 50 to 48. Later, I made a motion to proceed to the conference report because it had been taken down in the meantime by one way or another, and I offered a cloture motion on the motion to proceed. The vote occurred in due course on that cloture motion and it failed.

Immediately prior to that vote, I asked the distinguished majority leader if he would be willing to give consent that it be in order to order the yeas and nays on the conference report, but he indicated that he would not be willing right at that moment. He indicated that he would consider the matter during the rollcall vote. Following the rollcall vote, I again asked the majority leader if he would agree to a unanimous consent request that it be in order to order the yeas

and nays on the conference report. He indicated that by that time the Senate copy of the conference report had been removed from the desk by the distinguished Senator, Mr. LUGAR, chairman of the committee.

I said that, of course, what that meant was that the Senate cannot proceed to further consideration of the conference report because the Senate copy of the conference report had been removed.

So, Mr. President, the removal of the Senate copy of the conference report made it impossible for any Member of the Senate, including the majority leader, to call up the conference report again.

The matter has been a matter of concern to me daily since that time. I was concerned that a very dangerous precedent had been set, one which could come back to haunt Senators on both sides of the aisle. I discussed the matter in conference with my colleagues—I am referring to the weekly conferences—and I also discussed it privately with various Senators in my office. It was a matter of great concern to my colleagues on this side of the aisle—not so much that we wanted again at this particular time to get into the South Africa sanctions matter. The President through the recess had issued an Executive order which applied some sanctions, not necessarily enough insofar as some of our colleagues were concerned, but the President's Executive order did serve to delay any further action on that matter at this particular time.

We were told that if after a while the President's sanctions did not work or the administration weakened in its efforts to enforce the sanctions the matter could be revisited on this floor and probably would be.

But the matter of removing the Senate copy of the conference report was one which, generically, in my own mind and in the mind of each of my Democratic colleagues was of serious import.

So, the day before yesterday I visited with Mr. DOLE, the majority leader, in his office and expressed to him my concern and the concern of my colleagues that this precedent was extremely dangerous in that, as I said to him, "It dilutes your prerogative as majority leader to do the scheduling of work in the Senate." If at any time the chairman of any committee wished to deprive the Senate of the opportunity to work its will on a conference report, if this precedent were allowed to stand, it would only be for that Senator to walk up to the desk and ask the clerk, who has possession of the papers, for the conference report and walk out with it, go home with it, do whatever he wants to, stick it in his pocket, put it in the safe, whatever. In any event, this would dilute the prerogative of the majority leader to call up the conference report and it would thwart the right of any other Senator to call up a conference report.

It is customary for the chairman of a committee to call up the conference report. So, if the chairman and the majority leader happened to be at odds on a conference report, the chairman, if this precedent were allowed to stand, could take the papers and thwart the will of the majority leader, and it could go to various other extremes if allowed to stand.

The distinguished majority leader responded by saying he would discuss this with Mr. LUGAR, the chairman, and, as a result, on yesterday afternoon the Senate copy of the conference report was returned to the desk where it now reposes.

So for the time being, insofar as H.R. 1460 is concerned, the matter is resolved.

But, I think, Mr. President, it is important that we make the record on this matter. I hope to introduce a resolution to require in the rules that the chairman of a conference, in the future, promptly deliver conference papers to the desk and, if he does not do so, that within 5 days after a majority of the committee notifies the Secretary of the Senate that they have signed a paper requiring the conference report to be entered at the desk, such conference report will be so entered.

So I say now that I do not wish to impugn or to appear to impugn the integrity of the chairman of the Senate Foreign Relations Committee. I do not wish to impugn the integrity of the majority leader. Far be it. I think they both acted under the impression that this had frequently been done before; that is, that there were precedents for this action. I do not believe that, at the moment, they realized the gravity of the action and what it could lead to in the future if it were allowed to stand. I have the utmost respect for both the majority leader and for the chairman of the Committee on Foreign Relations.

However, I wish to say at this point, if this were permitted to stand, it could have various ramifications. In addition to taking away from the majority leader his prerogative on a particular conference report, of calling it up, it could constitute an effective, an absolute veto on the part of the President. If the President were opposed to a piece of legislation and if he had a willing chairman who would assist him in thwarting the will of both Houses, it could be effectively done simply by the chairman's going to the desk there and picking up the Senate copy of the conference report and not returning it. This would be the same as an absolute veto of the bill without it's ever having reached the President's desk. It would also deprive the Congress of the right to try to override, which, by the Constitution, it has in the case of a veto of legislation by the President.

More than that, it would really be the application of cloture by one person, by one individual here. He can close off all debate, all action—even before it begins—on a given conference report.

Looking at it another way, it could be a very successful and new type of filibuster on the part of one individual who would never have to get up and speak a word. But far more, far more effective than the use of a filibuster, a chairman of a committee could use this blocking action with no immediate recourse for his colleagues here in the Senate on both sides of the aisle.

So here was a situation in which both Houses had voted by large majorities on a given piece of legislation. The conferees of both Houses had met and after several hours had agreed and the House had approved the conference report. The Senate had not completed its work on that conference report. The chairman of the Foreign Relations Committee then took away the Senate copy of the conference report. Of course, if the chairman says, "I want to see the Senate copy of the conference report," and walks off with it, the clerks would not feel that they had any power to stop him from doing that.

But, by so doing, he has effectively blocked, singlehandedly, the Senate from acting on the conference report. Mr. President, I do not believe there is any Senate precedent on all fours with the action that was taken by the chairman of the Foreign Relations Committee.

May I ask the Chair, if, indeed, there is any precedent in this book on Senate procedure, which is our book on precedents, on all fours with the action that was taken, namely, the removal of the Senate copy of a conference report after the other body had acted thereon and with no unanimous-consent order by the Senate having been entered authorizing the removal of that copy from the desk and without any immediate substitution of another, let us say, corrected Senate copy of the report?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that there is nothing in the way of a Senate precedent that would deal with this situation because the taking into custody by a chairman of a report or papers is not a parliamentary action and there is a distinction to be drawn between that and withdrawal of a conference report. There are precedents in the latter case. And in that latter case, the withdrawal of the conference report, action is required from the floor.

Mr. BYRD. Is that a precedent that is set forth in the book on Senate procedure?

The PRESIDING OFFICER. There are three instances that are cited in the book of procedure.

The recorded debate having to do with those three instances offers the following guidance.

Various assertions were made in two instances during debate. Senator Blackburn stated that the conference report was the property of the two Houses and could not be withdrawn except by unanimous consent, and even stated that it could not be recommitted. Senator Carter stated that "the uniform practice of the Senate, independent of any rule, sustains the right of the conferees who make the report in the first instance to the Senate to withdraw that report at any time before the Senate takes action upon it." The issue was resolved when Senator Beveridge stated "in order to avoid any controversy, which I did not anticipate would arise upon my request to withdraw the report, I move that leave be granted to withdraw the report." The question was put by the Vice President and the motion was agreed to and the report withdrawn. In April of 1906 the Vice President made this statement: "The Chair understands that the Senator from Minnesota, as Chairman of the conferees on the part of the Senate, has the right to withdraw the conference report in the absence of the yeas and nays having been ordered." To which the Senator from Minnesota replied: "I did withdraw it." The Senate proceeded immediately to other business.

Mr. BYRD. Is that not a different situation, may I ask, in that case? In this case, not all of the papers were withdrawn. Only the Senate copy of the conference report was withdrawn. The Senate still was in the possession of the House message, and the House copy of the conference report. And although the Senate could not in this instance proceed to the consideration of the conference report by virtue of the removal of the Senate copy of the conference report, the Senate could very well have moved to take up the House message and moved to strike the Senate amendment to the House message which would have paved the way for the immediate transmittal to the White House for the President's signature. What the Chair has said here, is that there was withdrawal of the conference report in the instance cited, and under leave of the Senate to do so.

The PRESIDING OFFICER. That is precisely the difference between the instance of the withdrawal of the report and taking custody of the report.

Mr. BYRD. Further comment: Has there been an instance, any instance, in which the chairman of a committee removed the Senate copy of a conference report and proceeded to keep the Senate copy of such conference report without consent, without an order, or without a motion permitting such withdrawal?

The PRESIDING OFFICER (Mr. DENTON). With the indulgence of the Democratic leader, I was taking the chair. I would like to understand the question. Would the Senator mind repeating it, please, sir?

Mr. BYRD. I am asking whether or not there is any precedent under which a Senator withdrew the Senate copy of a conference report from the possession of the clerk, retained the copy, removed it from the Senate Chamber without consent, without approval by the Senate?

The PRESIDING OFFICER. The hypothetical case stated by the Senator does not involve the Chair in any regard. Although the Parliamentarian is aware of instances like this occurring as a matter of course, those experiences are not the precedents of the Senate.

Mr. BYRD. Let us look at the precedents of the Senate. As I gather, there are three precedents of sorts—of sorts—that are in the book on Senate procedure. Am I correct?

The PRESIDING OFFICER. There are no precedents involving taking custody of a conference report, as there could not be because that is not a parliamentary action.

Mr. BYRD. How did these other precedents get in the book?

The PRESIDING OFFICER. These were actions from the floor by the chairman of the conferees.

Mr. BYRD. And does any one of them stand on all fours with the circumstances surrounding the conference report on H.R. 1460?

The PRESIDING OFFICER. There was no floor action with regard to H.R. 1460, with regard to either the papers or the Senate conference report.

Mr. BYRD. The chair has not answered my question. Is there any precedent in this book, the book of precedents titled "Senate Procedure," or in the recollection of the chair, and through the chair the Parliamentarian, of any instance on all fours with that which surrounded the removal of the Senate copy of the conference report on H.R. 1460?

The PRESIDING OFFICER. The point being made does appear to answer the question in that the chair has not been involved but the action has precedence which has been here outlined.

Mr. BYRD. The precedent has not been outlined of any such action on all fours with what we are talking about. What is the chair talking about?

The PRESIDING OFFICER. Such actions are not written into the book of "Senate Procedures" since they are not floor actions.

Mr. BYRD. They are not floor actions?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. What is this I am reading on page 415 of the "Senate Procedure?"

A conference report, when made first to the Senate and upon which the House has not acted, may be withdrawn on leave, which may be granted by a majority vote of the Senate. The chairman of the conferees on the part of the Senate has authority to withdraw a conference report in the absence of the ordering of the yeas and nays and to submit immediately in lieu thereof a second report.

The PRESIDING OFFICER. These are instances in which the chairman did formally withdraw the report as an action, as a floor action.

Mr. BYRD. Yes; but immediately, in that instance, substituted another copy. Perhaps there had been spelling errors or it could be that additional signatures to the conference report needed to be added. Whatever the reason, he picked up the copy right there at that desk and immediately turned in another copy, which is certainly not on all fours with what we have witnessed here.

The PRESIDING OFFICER. That is not the fact patent of these precedents. Under those precedents, the Senator stood and was recognized and made the statement that he withdrew the conference report.

Mr. BYRD. For what reason?

The PRESIDING OFFICER. The RECORD is being checked for the answer.

The Parliamentarian at the time, Mr. Watkins, gave no reason in one instance. Evidently, no reason was necessary.

Mr. BYRD. No reason for what?

The PRESIDING OFFICER. The Senator asked for what reason. Whatever that question was is the question answered.

It was with three precedents, one on which unanimous consent was granted to withdraw portions for the purpose of correcting an error.

Mr. BYRD. But that would not be applied here because unanimous consent was given in that instance, if I understood the chair.

The PRESIDING OFFICER. The chair is informed that none of these precedents can be applied here because they have no application.

Mr. BYRD. I thank the chair. It is pretty obvious that there is no precedent here in this book titled "Senate Procedure" that is applicable to the circumstances in this instance; am I correct?

The PRESIDING OFFICER. In the instance of the South Africa bill, there was no attempt to formally withdraw the conference report.

Mr. BYRD. There was not. There was no unanimous consent asked for. The chairman of the Foreign Relations Committee simply walked up there to the desk, took it, and walked away with it.

I will ask the chair this: Was there any way, under the customs, traditions, precedents, and rules of the

Senate, that the Senate could have acted upon this conference report once the Senate copy had been taken by the committee chairman from the Senate desk and not returned?

The PRESIDING OFFICER. The Senate's copy is a prerequisite for Senate action.

Mr. BYRD. Then is the chair saying that, a copy of the conference report not being at the desk or otherwise available, the Senate could not proceed to consider the conference report?

The PRESIDING OFFICER. Only the chairman of the committee that submitted the report could again place the Senate back on the conference report.

Mr. BYRD. So the chairman of the committee, who had in his possession the Senate copy of the conference report, only he could put the Senate back in the position of calling up that conference report and acting upon it?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. The majority leader could not call up the conference report and have the Senate act upon it because a copy of that conference report had been removed from the Chamber by a Senator. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Does the Chair recall any parallel situation in which, by action of a Senator, the Senate copy of a conference report was removed, not returned, removed not by unanimous consent, removed not by approval of the Senate, thus depriving the Senate of its authority and power to act on that conference report?

The PRESIDING OFFICER. That is common practice.

Mr. BYRD. What is common practice?

The PRESIDING OFFICER. The question to which the Senator just alluded.

Mr. BYRD. Is there any precedent that the Chair can point to in this book of precedents—and that is all we Senators have—we have the Senate rules. We know it is not there. This is all we have. With the appendix it has 1,287 pages.

Is there any precedent in which the Senate, having had votes not directly on a conference report but in relation thereto by way of cloture votes, tabling motions, whatever, in which having gone that far the chairman of the committee has gone to the desk and removed from the desk the Senate copy of the conference report, thus denying the Senate any way in which it could proceed to act finally on that conference report? Is there any precedent of that kind?

The PRESIDING OFFICER. The factual statement the Senator outlined does not make the conference report the property of the Senate. No action was pending upon that conference report and the action of removal by the chairman is a common one.

Mr. BYRD. I say to the Chair, I just cannot believe that. I just cannot believe it. It is not common. I have been in the Senate 27 years and I have never seen it happen. I did not come here yesterday. I have read this book through time and time and time again, every word of it. I make it a practice to read it once a year.

And I always use a new book when I read it so that the notations I might have in it in one instance are not there the second time or the third time. I do not recall this situation having occurred heretofore once—not once. And I am just amazed, if I may say, at the Chair's reluctance to come to grips with and deal head-on with the questions I am asking.

I respect the Chair. But I have not gotten any straight answer to this question I have been asking. I am amazed that the Chair now tells me that this is a "common practice."

Mr. President, I would have to be a Rip Van Winkle, asleep here for 27 years, to believe that.

When does the Senate take control? When does control vest with respect to a conference report in the Senate?

The PRESIDING OFFICER. The ordering of the yeas and nays on the conference report and the making of a motion with regard to the conference report actually pending—both of those would vest control on the part of the Senate.

Mr. BYRD. Is the Chair saying that, as in this instance, if the chairman of a committee calls up a conference report, it is stated by the clerk, there is a vote on a motion to table it; the vote fails; a cloture motion is entered thereon; 2 days later, the Senate votes on cloture; the motion to invoke cloture fails to secure the required number of votes; another cloture motion is entered and voted thereon, the Senate has not taken control of the conference report?

Is it not correct that a cloture motion cannot be offered on any matter unless that matter is pending before the Senate?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Very well. We had three cloture motions entered on this conference report, one of which was voted on the 9th of September, one of which was voted on the 11th of September—I will discard the third one, because that was on a motion to take up the conference report because it had been displaced one way or another in the meantime.

There were two cloture motions entered on that conference report, and the entering of a cloture motion, the Chair says, can only be made when a matter is pending before the Senate. So the conference report was pending before the Senate.

I simply cannot square one with the other. If a matter has to be pending before the Senate before a cloture motion can be offered on it, why did the control not vest in the Senate when the conference report was pending—the report had to be pending, else the cloture motions could not have been offered.

Does the Chair say that this matter is not the property of the Senate until such time as the Senate has ordered the yeas and nays or voted up or down on the conference report?

The PRESIDING OFFICER. The Chair is stating that the ordering of the yeas and nays or the making of a motion to proceed which has not yet been acted on, or any other motion with regard to the conference report which has not yet been acted upon, would preclude the report being removed.

Mr. BYRD. When the chairman made the motion in the beginning to go to the conference report and the Senate went to that conference report, did that not meet one of the requirements which the Chair has just stated? The motion to proceed has indeed been acted upon.

The PRESIDING OFFICER. Action to take it up had been completed, but that is not action on the report.

Mr. BYRD. Very well. I think perhaps while the parliamentary inquiries have not elicited a definite response to at least some of my questions, it is all the more reason why there should be something in the rules that makes it indubitably clear as to when the conference report becomes the property of the Senate. I shall follow that up later.

Mr. President, of whom is the conference report the property? If it is not the property of the Senate, of whom is it the property?

The PRESIDING OFFICER. It is in the custody of the chairman of the conferees until he chooses to submit it.

Mr. BYRD. Once he submits it at the desk there, whose property is it?

The PRESIDING OFFICER. It is still in his custody. There is no formal filing requirement at the desk.

Mr. BYRD. I agree that there is no formal filing requirement. Is it in his custody if he should happen to go to the People's Republic of China in the meantime? Is it constructively in his custody?

The PRESIDING OFFICER. He has the right to reclaim it under those circumstances.

Mr. BYRD. He has the right to do what?

The PRESIDING OFFICER. To reclaim it.

Mr. BYRD. What about the rights of the other 99 Senators? Do they

have any rights? Mr. METZENBAUM, for example, does he have any right? Can he walk up to the desk and take away the papers?

The PRESIDING OFFICER. He has no right to do that. He has the physical capacity to do it.

Mr. BYRD. He has no right but he has the physical capacity. I find no fault with that response. I dare say if I should walk up to the desk and say, "May I take a look at the conference report on a certain bill," I do not think the clerks would say, "You can't see it." And if I said, "May I take a look at it?" I do not think they would refuse to let me have it. But suppose I walk away with it? Whose property is it then? In whose custody is the matter under those circumstances?

The PRESIDING OFFICER. It would be in the custody of the Senator who has it.

Mr. BYRD. Well, I will not pursue that further except to say that there have been those of my colleagues who have suggested that they try it on this side of the aisle, if this is the way we are going to do business in the Senate. If the President of the United States had wanted this particular piece of legislation, the committee chairman could prevent him from receiving the bill for his signature.

So what I am saying now is not just of interest to Senators on my side of the aisle. If I walk up to the desk and take the conference report on any bill, the majority leader will not be able to call up the conference report until I return it to the desk.

I do not think any majority leader would want that to happen, I do not think it should happen, and I think it would be a very extraordinary and extreme act on the part of any Senator, whether he be in the majority or in the minority, to follow such a procedure. I am not casting any aspersions on any particular Senator or any particular chairman in this body in this matter. My interest goes above and beyond the particular bill that was involved in this instance. It can be that bill, it can be any other bill, if there is a conference report thereon. And if this is allowed to happen, we should well understand that the critics of Congress will have justifiable reasons for concluding that the Congress has an inability to act, and to act promptly, and that something bad is wrong with the Congress.

Mr. METZENBAUM. Will the minority leader yield for a question?

Mr. BYRD. I am going to offer a rule that will prevent this from happening again.

Yes; I yield.

Mr. METZENBAUM. As I understand the minority leader—and I think we are in total agreement—if the chairman of the committee may take possession of a conference committee report and preclude the Senate from acting in connection with that conference committee report by reason of his having possession of it, then any other Member of the Senate is in a position to walk to the desk, take possession of the conference committee report, walk away with that report—or possibly to extend that to the point even of a bill—take it to his or her desk and there are no rules in the Senate that make that any violation of the rules or provide any recourse for the other 99 Members of the U.S. Senate? That is the way I interpret the responses of the Parliamentarian to the minority leader, and I would say that it is just a matter of time until some other Senator will see fit when the going is rough and it looks as if he or she does not have the appropriate votes or the necessary votes, that he or she will see fit to pick up the bill or the conference report, certainly the conference report and maybe the bill as well, and keep the Senate from acting. Is that not the logical conclusion?

The PRESIDING OFFICER. If the Senators will yield for a moment, since the Parliamentarians have changed and I am making remarks subject to their correction, I believe it might help to distinguish between two points that seem to be being confused here. On the one hand, the chairman was ruled to have properly taken custody of the report, and the other Senator who was given in the example was stated not to have had the right to remove it but the physical capacity to do so, though it was stated to have been in his custody, not in his rightful custody. I must say that subject to correction.

Mr. METZENBAUM. Without the minority leader losing his right to the floor, I wonder if the Parliamentarian or the Chair would be good enough to explain to us what legal difference it makes, or what difference it makes under the rules of the Senate, since it is my understanding that any individual Member acting in that manner would not be violating any rule of the Senate. The only difference, as I understand the response of the Chair, is that the Conference Committee manager would be right in taking it away, but there is no rule of the Senate that indicates that any Member of the Senate who had walked away with it would not be doing so equally as rightly, or perhaps wrongly, but there is no rule that is applicable. Am I not correct?

The PRESIDING OFFICER. The practice of the Senate has been that the conference report has been considered to have been in the custody of the chairman of the committee and as such only the chairman could rightfully remove the conference report from the desk.

Mr. METZENBAUM. But I have already been advised by the Parliamentarian, both today and on a previous occasion, that if an individual Member walked up to the desk and walked away with the conference committee report, there is nothing that anyone could do under the rules and the only way you could retrieve it is if there were to be a physical retaking of it, which I am sure would not occur. Is there any rule which says that any individual Member may not do the same thing as the manager of the conference committee?

The PRESIDING OFFICER. There is no such rule to that effect.

Mr. METZENBAUM. It seems to me, Mr. Leader, that the logical conclusion is that unless there is a rule, then the action of the distinguished Member from Indiana, the chairman of the Foreign Relations Committee, will be followed by other Senators at some point by taking possession of a conference committee report—and as I have indicated, it may even include a bill as well—taking it to his or her desk and there will not be any way of precluding that. I must say, so that there is no misunderstanding of my own position, that I find it very difficult to accept the fact that the manager of the conference committee report or any other Member of the Senate may deprive 99 other Members of this body of the opportunity of acting in connection with pending legislation. I certainly do not support the idea that any Member should preclude the Senate from acting, having the right to act. But if one can do it, I always recollect what Senator Mansfield used to say on the floor of the Senate, that we are all equal among each other.

If one can do it, then I cannot see any reason why others may not.

I have some recollection of some times in the past when the going has been rough out here, when the debate has been strong, when tempers were a bit high, when the blood pressure was particularly high, when some Member of this body might see fit to do that.

Therefore, I must say that whether or not there is some precedent going back to 1906 or whatever—and I do not understand the precedent to be directly in point—but whether there is or is not a precedent, I certainly do not believe that any of us should have the right or the privilege or the opportunity of precluding 99 other Members from having the opportunity to vote by depriving the clerk of the bill so that it may be before the Senate.

I want to associate myself with the concerns expressed by the minority leader. If we do not now have rules that cover this subject, we should have such rules. I believe they should be applicable to the managers of the conference reports and to any other Member of the Senate.

I do not think anybody should have the right or privilege to take a bill away from the desk and keep the rest

of us from having an opportunity to vote on it.

I commend the minority leader for raising this issue. I hope that before the day is concluded, we might hear some expression of interest and concern from the other side of the aisle, because it appears to me that what is good for the goose will be good for the gander on some future day. This is not a partisan issue. This is an issue that has to do with the conduct of this body.

Mr. BYRD. I thank the Senator.

I do not believe that the distinguished chairman of the Committee on Foreign Relations or the distinguished majority leader really realized the import and the possible ramifications of this action. I do not think they did. For that reason, I hope they, too, will be just as interested as I am in a rule that would make it clear in the future that the chairman has a duty to promptly turn a conference report—the Senate copy and the papers—in to the desk; that it is the property of the Senate; and that no Senator can go to that desk and take the Senate copy of the conference report and thereby thwart the power, the authority, and the duty of this body to take up such conference report and vote it up or down, or whatever.

Mr. METZENBAUM. I could not agree more with the minority leader.

I want to say publicly that I see six Members on this side of the aisle—I do not know how many of them are prepared to address themselves to this particular issue—but I am concerned that I see no Members from the other side of the aisle. I believe it is important that this not be interpreted as a partisan action. I would be as strongly opposed to a Member of this side of the aisle taking possession of a bill and keeping the body from voting on it, regardless of the politics of that particular individual. But I do want to say that if you do it once, you will do it twice, you will do it three times, you will do it over and over again; and I see no reason not to do it over and over again, if that is going to be our procedure.

I hope that we will hear, before the afternoon is over, that the majority leader and the minority leader and others who have a concern about this might work together to pass, on a unanimous basis, some change in the Senate rules that would make it impossible for such action to follow in the future, regardless of who that Member might be.

Mr. BYRD. I should say that the distinguished majority leader has already indicated to me that he might be interested also in joining in the preparation of a resolution that would prevent this happening again. I believe that the majority leader felt that there were precedents for this action. I do not believe that there are precedents.

Repeatedly today, with all due respect to the Chair, I have attempted to get the Chair to say whether or not there is any precedent on all fours with the action that has occurred here, and to this moment, I have not been able to get the Chair—again with all due respect to the Chair—to say, with absolute clarity and definity, yes or no. I got some kind of response that said something to the effect that it is a common practice.

I have been here 27 years. I have been in the leadership for 19 years, in one office or another: Secretary of the Democratic conference, Democratic whip, majority leader, now minority leader. I am not an expert on the rules and precedents. A lot of people say I am, but that is a myth.

I recall no instance in which a chairman went to the desk, took possession of the Senate copy of a conference report in the Senate, or any of the other papers, and walked away, in order to keep the Senate from acting on that conference report. I do not recall such.

There is no such precedent in this book that is on all fours, and I cannot believe the Chair when the Chair states, as I think it stated, that this is a common practice around here. If I have misstated—if I have done the Chair wrong by stating what I have just said—I wish the Chair would correct me.

Mr. METZENBAUM. I have not been here as long as the minority leader has, but I have been here long enough and I have been on the floor a considerable amount of time since I have been here, and I must confess that I have never seen nor heard of this kind of procedure.

I ask the Chair at this point if he can tell us when, if at all, this has ever occurred in the past, where a conference committee report was withdrawn from Senate consideration in the manner in which this occurred, without unanimous consent or without a special order or without, in some way, bringing it to the attention of the body that the conference report was being withdrawn.

I ask the Chair that question.

The PRESIDING OFFICER. The conference report on South Africa was not withdrawn, nor was it pending at the time the Senate official report was at the desk. But the action of the chairman of the conference committee in reclaiming a conference report that he has at the desk and has not been acted upon is common.

Mr. BYRD. May I ask this question: Did I correctly understand the Chair to say that the conference report was not pending before the Senate? Does the Chair mean at any time—that the conference report was not pending before the Senate at any time?

The PRESIDING OFFICER. The conference report was pending on Monday, September 9. It was displaced, by a majority vote of the Senate, on Monday, September 9, and it remained at the desk until Thursday, the 12th.

Mr. BYRD. Am I to understand that the conference report, having been called up by the chairman of the Committee on Foreign Relations—and, in the Chair's own words was pending before the Senate at a given moment—that by virtue of those actions, the Senate did not have possession of the conference report, that it was not the property of the Senate, constructively or otherwise?

The PRESIDING OFFICER. The Senate had possession of that conference report while it was pending and while motions regarding it were——

Mr. HART. Mr. President, will the minority leader yield?

Mr. BYRD. I am wondering how the legal possession of that conference report then went back to the chairman of the committee.

The PRESIDING OFFICER. When the Senate completed its vote on cloture on Thursday, September 12, there are no motions remaining regarding that conference report. It was not pending before the Senate, and it was in the custody of the conferees.

Mr. BYRD. There is just one other thing, if I may ask Senator HART to indulge me. Would the Chair repeat what he has said and what he means by that?

The PRESIDING OFFICER. The Chair stated that it is common for the chairman to leave copies of the conference report at the desk and pick them up at will under the conditions previously established.

Mr. BYRD. It is common for the chairman to leave the conference report at the desk. I agree. And it may be common for him to pick it up and have an error corrected or a name added. But it is no common thing around here for the chairman of any committee to take from the desk and keep the papers for the purpose of preventing the Senate from acting on a conference report.

I ask the Chair once more this time. Is there within the recollection of the Chair any instance as has here occurred, in which the chairman of a committee has lifted from the desk the Senate copy of a conference report and removed it without unanimous consent, without having been authorized by the Senate to do so? Is it within the recollection of the Chair that that has happened before, on all fours, with what we saw here?

The PRESIDING OFFICER. The action taken is common action.

Mr. BYRD. The Chair says it is common action. I do not believe that, and I do not believe anyone else here

believes it. If it is a common action, why did the Senate in one cited instance have to give its unanimous consent? If the conference report is solely in the chairman's charge, why does he ever have to have unanimous consent to do whatever he wants or what he did in the instance cited by the Chair?

The PRESIDING OFFICER. The accompanying papers do not become his property and it would take formal floor action to remove the conference report together with the official papers.

Mr. BYRD. Mr. President, with all due respect, I am saying that this matter has so disturbed this leader and Members on this side of the aisle, that we have discussed this in two party conferences. We have discussed it individually and in groups several times, and we have not intended to let it go by without protest, and then to hear the Chair say that this is a common practice around here, I am amazed.

Mr. MELCHER. Mr. President, will the minority leader yield for a question?

Mr. BYRD. Yes. I first yield to the Senator from Colorado. He asked first.

Mr. HART. Mr. President, I really wanted to seek clarification from the Chair on rulings previously or opinions previously.

Is it the understanding of the Senator from Colorado that the Chair takes the position that while a matter is pending before the Senate, that is to say while action is being taken upon it, that a chairman of the committee or any Senator may remove that conference report or bill, but once action is completed, then not only a chairman of the committee but any Senator may remove the conference report or bill?

The PRESIDING OFFICER. Even while a conference report is pending there is precedence for a chairman to have withdrawn it, but that is not the case here.

Mr. HART. The Chair has informed the Senate it would be appropriate for the chairman of the committee to withdraw a conference report or a bill while action is being taken upon that measure.

The PRESIDING OFFICER. The subject of bills is not in the same category as the subject of conference reports. But as to conference reports, there are precedents for the chairman of the conferees to withdraw either by motion or unanimous consent or by right.

Mr. HART. Or by right?

The PRESIDING OFFICER. Or by right.

Mr. HART. Would the Chair inform the Senate as to the rights of the committee or other committee members? If other committee members wish that measure to continue to be considered by the Senate, what rights do they have, if any, to overrule the chairman of the committee?

The PRESIDING OFFICER. The statement of rights is as follows:

The Chair understands that the Senator from Minnesota, as chairman of the conferees on the part of the Senate, has the right to withdraw the conference report in the absence of the yeas and nays having been ordered.

Mr. BYRD. Mr. President, the words "has the right to withdraw the conference report," is that what happened here?

The PRESIDING OFFICER. It is not.

Mr. BYRD. That is what I thought. It is not what happened.

Mr. MELCHER. Mr. President, if the minority leader will yield, does he view, as I do, that the conference report with the statement of the managers or statement of the managers containing the amendment agreed to by the conferees is part of the bill?

Mr. BYRD. It was a conference report on H.R. 1460—which was a House bill.

Mr. MELCHER. So it is a part of the bill.

Will the minority leader, who has not only a great length of experience here but also a profound knowledge of the rules and precedents of the Senate, answer this question? Obviously no bill could be passed until that conference report had been disposed of, is that correct?

Mr. BYRD. The Senator is preeminently correct. Whatever the differences between the two Houses on the subject matter, they had to be resolved so that the matter would be in the same form in both Houses. That is accomplished by having the conferees meet, agree on certain differences, take the matter back to their respective Houses where the conference report is agreed upon, and it then goes to the President. Any conference report has to be passed by both Houses in order to become law and has to be in the same final form.

Mr. MELCHER. So, therefore, without knowing the motives of the chairman of this committee for removing the conference report and then removing himself, presumably, with the conference report on his person, without understanding what those motives were—well, perhaps the distinguished minority leader knows what the motives were of the chairman.

Mr. BYRD. I do not presume to speak for the chairman of the Foreign Relations Committee. I just happened to say what I think. I think his motive was to prevent the Senate from acting further on that conference report. But I do not say that as any reflection on him. I think he really thought that this was, as the Chair has just instructed me after 27 years of service in this body, a "common thing" that goes on around here. And I beg the Chair's pardon. The distinguished Senator from Alabama just happens to be in the chair at this moment. I am simply saying to the Chair that, in my judgment, the Chair has not answered the question, has evaded answering the question, has not come down on point. We are instead told that this is a common practice around here.

I am sure it never happened when Mr. Baker was here. Nobody picked up the Senate copy of a conference report on a very controversial matter; or if they picked it up and made some corrections because of misspellings, nobody knew anything or thought anything about it, because it evidently was quickly returned.

But, in this instance, with a very controversial bill, an important bill, the subject matter of which was before the Nation day and night, it all happened because the chairman, I believe, felt that it was something that was done around here from time to time, and that it was OK. So I do not ascribe any ulterior motives to him or to the majority leader. I just think they were wrongly advised or misinformed, or they misinterpreted the advice that was given. I have to leave it at that, because I believe that.

Mr. MELCHER. Might I say to my distinguished leader that I am greatly disturbed by the comments of the Parliamentarian to the effect that this is commonly done. Might I say, if it is commonly done, that this Senate, this legislative body, the House and the Senate, this Congress could not have survived for 200 years, or almost 200 years, because removal of part of a bill before voting has been completed is absolutely chaos.

I do not know the motives of the chairman for removing it from the desk and removing it from the Chamber and holding onto it, apparently, for 2 weeks. But whatever those motives were, if they were practiced routinely, it would break down this system of public trust that we have in the Congress to legislate and to enact or defeat bills. Because taking one page from a bill or any part of a bill prevents a body from taking final disposition by vote to determine whether or not the bill passes or is defeated.

I thank the distinguished leader for yielding to me. I feel very strongly about the matter and I join with him in believing that a firm, clear rule concerning the matter must be established.

Mr. PRYOR. Will the distinguished minority leader yield?

Mr. BYRD. I will yield to the Senator, if I just may be indulged for one moment.

I think the Senator from Montana knows that this is the first time in my 27 years that he or I have stood on the floor and protested this type of tactic.

I do not recall such a previous happening on all fours.

Now, the papers were returned yesterday. I have to say, I talked with the majority leader, and I truly believe that he felt he was acting on the matter in a way similarly acted upon before here, even frequently. Because when I talked with him on Tuesday and told him how seriously this was viewed by me and my colleagues on this side of the aisle, he readily indicated to me he would talk to Mr. LUGAR, and yesterday he came to me and said the papers would be brought back to the desk. They were returned yesterday afternoon.

So I have to say I cannot point the finger at any particular Senator in this body, the chairman or the majority leader, on the other side. I cannot do it and say, "They knew it was not a practice. It was underhanded. It was mean," and all of that. I cannot say that because I think when they realized what the ramifications could be, they responded in a positive way and the papers were restored.

(Mr. QUAYLE assumed the chair.)

Mr. GORE. Will the minority leader yield for a question?

Mr. BYRD. Yes.

Mr. GORE. If, after passage of the conference report and prior to the requisite signature for transmittal to the President, the chairman of the committee wished to take it upon himself to remove the conference report at that stage of the procedure, then he would be able to exercise the very unconstitutional de facto veto to which the minority leader has just referred. I am curious as to whether or not the previous ruling as to the prerogatives of a committee chairman to remove it prior to action by the Senate would extend to the ability of the chairman to remove that conference report after final action by the Senate, but before transmittal to the President for a constitutional disposal of the question by the executive branch?

Mr. BYRD. Well, the Chair has just been responding to parliamentary inquiries. He has not ruled on anything, because no point of order has been made.

Mr. GORE. I misspoke myself in using the word "ruling," of course. But the earlier response of the Parliamentarian, it seems to me, contains within it logic which would make it possible for one single Senator to disrupt and prevent the majority of the Senate from exercising its will, even after the final vote on a conference report, if it was within the ability of a single Senator to just physically remove the paper which is required for the President to enact the legislation.

Mr. BYRD. Well, I do not believe the Chair has carried the matter to that point. We are told by the Chair, and rightfully so, that when the chairman of the conferees on the part of the Senate submits the papers to the desk, there is no official record made of that. I do not quarrel with that. I think the Chair is right. Perhaps there should be.

But if it should advance to the degree that the distinguished Senator from Tennessee has indicated—I cannot conceive of that happening.

Mr. PRYOR. Will the distinguished minority leader yield?

Mr. BYRD. Yes.

Mr. PRYOR. Mr. President, the Senator from Arkansas is very, very disturbed about this series of events whereby one individual Senator, a Member of this body, has chosen to take the conference papers or a piece of legislation in the custody of this Senate, put it in his pocket, and leave the Chamber.

Whether he went out the door and gave it to someone, or took it to Terre Haute, IN, I do not know that answer. But, I am deeply concerned that, after the Senator from Arkansas heard the questions or inquiries posed to the Chair, the Chair ultimately stated to the distinguished minority leader that "This has been a common practice." Therefore, I would like to propose a question to the Chair. If this has become or has been a common practice in the precedents of the U.S. Senate, would the Chair please cite for the Senator from Arkansas one Senator or one committee chairman who has gone to that desk, taken a conference report that was in the custody of this body, and walked out the door with it to prevent our consideration? Would the Chair please tell the Senator from Arkansas when an individual Senator has done this in the past?

Mr. President, I think the distinguished minority leader has the floor. If I may, I would like to continue questioning later. I understand the distinguished Senator from Massachusetts has a very important appointment he would like to meet, and I am glad to yield at this time if the Senator has a statement or questions with the understanding that I may continue.

Mr. BYRD. Yes. I understand.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, first of all, I thank Senator BYRD, our Democratic leader, for the extraordinary effort that he has made to bring this before the Senate in a responsible way. All of us, on both sides of the aisle, respect his deep commitment to the Senate as an institution under the Constitution of the United States.

So, I applaud the Democratic leader for his skillful work in bringing us to where we are today with respect to this unusual and distressing situation.

Mr. President, actions speak louder than words. The majority leader says he was acting within his rights under Senate rules when the official papers on the Anti-Apartheid Act were removed the Senate.

Those are the words we hear. But the action that speaks louder than those words is that the missing papers have now been returned to the desk of the Senate. They reappeared last evening, as mysteriously as they disappeared 2 weeks ago today.

The majority leader cites no clear precedent for his action, and indeed there is none. As far as I am aware, there are only three cases in the entire history of the Senate that speak to this issue. All three suggest that the majority leader acted improperly by participating in the removal of the papers.

In 1896, a conference report was withdrawn by unanimous consent.

In 1906, a conference report was withdrawn on a voice vote.

Again in 1906, a conference report was withdrawn by the unilateral action of one Senator, who declared before the Senate, "I withdraw the conference report."

And that makes all the difference—these withdrawals were made in public, before the full Senate, and any Senator could have challenged the action of any other Senator who attempted to withdraw a report unilaterally.

Frankly, the only fig leaf the majority leader is able to find to cover his raw abuse of power in this situation comes down to this—the Senate rules do not specifically say, "thou shalt not steal a conference report."

But the Senate rules are not a legal code. They contain many gaps, which leave many opportunities for the rules to be abused.

But we are a Senate Chamber not a star chamber. The Senate functions at all only though a mutual sense of fair play on both sides of the aisle.

Battles are hard fought on the merits. Able Senators use the rules to their advantage, but always within the bounds of the dignity of the Senate. And the safeguard that all of us has as a last resort is the ability to challenge any interpretation of the rules, by appealing a ruling of the Chair and abiding by the verdict of the full Senate.

No Senator, acting alone, should have the power to prejudice the outcome on an issue before the Senate by a unilateral action of the sort we witnessed on the Anti-Apartheid Act 2 weeks ago.

By his actions, if not yet by his words, the majority leader has apologized to the Senate. The papers are back where they belong, in the custody of the Senate. The cookie is back in the jar and for that all of us can be grateful.

But as we all know, timing is everything. The proponents of the Anti-Apartheid Act have lost precious time

and precious momentum over the past 2 weeks.

The tactic of the majority leader denied the Senate the opportunity to have a critical third vote on shutting off the filibuster by the opponents of the Anti-Apartheid Act. He has rectified his abuse of the rules—but the damage he has done cannot be fully remedied, for we cannot turn back the clock to where we were on September 12.

So we go forward from here on the all-important issue of the proper policy of the United States toward apartheid in South Africa. It is not my intention to ask the Senate to vote today on the Anti-Apartheid Act. Perhaps the fact that the papers are now back at the desk and ready at any time for further Senate action will encourage the administration to implement the promises we heard in the President's Executive order of September 9.

It may well be, for example, that the prospect of a further Senate vote in the near future will concentrate the administration's mind, and persuade them, for example, to proceed more expeditiously on banning the importation into the United States of the South Africa gold coins called Krugerrands.

But at least the Senate has regained the right to take additional action on this legislation, a right we should never have been denied.

I thank the leader.

Mr. BYRD. I thank the distinguished Senator from Massachusetts for his statement.

Mr. GORE. Will the minority leader yield?

Mr. BYRD. I yield to the distinguished Senator from Tennessee [Mr. GORE].

Mr. GORE. I thank the minority leader.

Mr. President, let me say at the outset that my comments will not deal in any great depth with the art of Senate procedure. There I yield to my colleague, the Senator from West Virginia, whose knowledge is definitive. What I want to say will be simple and brief.

What I want to say will be simple. The Senate lives by its rules and traditions, because these represent the accumulated experience of 200 years of practice at making our Republic work.

And sometimes, those rules include not only ways to make the process move through an agenda—other times, they include ways to stop that process. All of us know that these two different kinds of rules are of equal value, since there are times when the ability to block a mistake or an injustice by parliamentary maneuver, is beyond price.

The trouble comes when these rules are used to block an action urgently required by the times. And even then, we may have to conclude that it is more important to keep the rules and customs of this body intact, than to have had faster action on this or that issue, no matter how important.

But at those moments, one expects great care from those taking advantage of their rights to delay and prolong. The line between exercizing and abusing those rights can get pretty thin. And yet, I believe we can see a boundary line between what is acceptable and what is not.

That boundary line is to permit reasoned discourse to proceed, no matter how prolonged the time until there may be a resolution.

That is why I rise to deny the right of any single Senator to simply stop this body in its tracks, by literally and physically carrying away the conference report on the apartheid bill.

It would be technically possible for a Senator to simply turn off the lights, or turn off the Senate Chamber's public address system, or chain the doors shut. Any of these methods would be as effective in stopping debate on a conference report.

Indeed, they might be less likely to set a precedent that might be used again in the future.

We can all understand that the administration felt it needed time. Its processes are slow. It clung to the notion that the Government of South Africa could somehow be coaxed with words into dismantling apartheid.

It failed to note the hardening of sentiment in the country and in the Congress until it had virtually lost control of the situation.

It is perhaps understandable that the President's party in the Senate would rather have him take belated action than none at all, and especially understandable that they would rather this happen than have to simply override him.

What is not understandable or acceptable is that the President should be granted his wish at the expense of the dignity and integrity of the Senate's own processes. The choice made here was between loyalty to party and President and a sense of protectiveness toward the Senate and the shared rights of colleagues. It was a judgment call by members of the majority party in this body. It was the wrong judgment call. It is therefore entirely suitable that we pause to register that opinion as the sense of this body, lest we allow to stand in good repute a tactic which physically interrupted our work.

I thank the minority leader for yielding.

Mr. BYRD. Mr. President, I thank the Senator from Tennessee [Mr. GORE], a highly respectable Member of this body.

I yield to the Senator from Arkansas.

Mr. PRYOR. Mr. President, I appreciate very much the distinguished minority leader yielding to me again. I had propounded a question to the Chair. My question concerned what the Chair had previously stated in response to a question by the minority leader. The Chair responded that this had been a "common practice," quoting the Chair, in the past.

The Senator from Arkansas asked the Chair to name one Senator or one chairman who had in the past engaged in such activity.

The PRESIDING OFFICER. The Chair will respond that when these types of activities have taken place there is no recorded or written record of that particular event.

Mr. PRYOR. How, then, does the Chair know that this practice has taken place in the past?

The PRESIDING OFFICER. This is a statement based on the memory of the present Parliamentarian who, from 1966 to 1980, had responsibility for those matters and his recollection of such actions.

Mr. PRYOR. Then, the distinguished Parliamentarian states that this is a common practice only by personal knowledge, is that the Chair's statement?

The PRESIDING OFFICER. The Chair's statement would be that the actions that this Chair and the previous Chair referred to are recollections of the Parliamentarian.

Mr. PRYOR. Would the Chair inquire of the Parliamentarian, as to his personal knowledge, how long were the conference reports, and for what period of time were the conference reports taken and kept from the Senate and kept the Senate from working its will on those conference reports? For what period of time were they absent?

The PRESIDING OFFICER. There are no particular records as to events. This is a mental recollection. He cannot give a specific time.

Mr. PRYOR. Another question to the Chair: Once papers have been taken from the desk or wherever, do the other 99 Members of the Senate have a remedy to get those papers back? Is there a remedy at this point available to the Members of this body?

The PRESIDING OFFICER. The remedy has never been exercised and there is no record of it.

Mr. PRYOR. Would the Chair entertain a motion to instruct the Senate Sergeant at Arms to bring the papers back to their proper resting place? Would such a motion be in order?

The PRESIDING OFFICER. There is no precedent for that.

Mr. PRYOR. The Chair has stated this afternoon that the Senator from Arkansas, for example, or the Senator from Tennessee, who might, for example, not like the appropriations bill, who might think that a $2 trillion debt is too high, can simply walk up to the desk, ask for the papers and walk out that door, preventing this body from

taking action on those particular pieces of legislation. Even one Member of the Senate acting in that manner could literally bring this country to a halt.

I would like to applaud the distinguished minority leader for his remarks this afternoon. He is going to propose at the appropriate time either a rule change or a piece of legislation which would cure this hole in our procedure. I will strongly support that procedural change.

In addition, respectfully I would like to request of the minority leader, and whoever might be involved in the drafting of this proposed change, that not only should we have a strong rule preventing such activities in the future, but also, if that rule is ever violated that in that same rule or in a subsequent section thereto the other 99 Members of this body be given a remedy—clear, specific, spelled out, what we can do if this circumstance might arise again.

The minority leader has stated that he is very, very disturbed about this whole sequence of events, as is the Senator from Arkansas, the Senator from Tennessee, the Senator from Massachusetts, the Senator from Montana, the Senator from Illinois, and all others.

It appears to me, Mr. President, by appearances or by perceptions, that by an absence of Senators, a total absence of Senators, on the other side of the aisle that the majority party is not disturbed by this action.

I would respectfully submit, Mr. President, that this is something we should all be disturbed about, regardless of which side of the aisle we sit on.

I thank the minority leader for yielding.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Arkansas.

I yield to Mr. DIXON, the distinguished Senator from Illinois.

Mr. DIXON. Mr. President, I thank the minority leader for the effort he has made today to call to the attention of the Senate and the public at large what has taken place in this body. As my distinguished colleague from Arkansas [Mr. PRYOR], I note the absence of our colleagues from the majority side during the course of this discussion this afternoon. I remind those from the other side that circumstances in public life change and that those who might be in the majority on this day might, on some other occasion, find themselves in the minority.

I think the essence of this discussion is whether anyone who loves our system of government, the democratic system of government that we enjoy, wants to see in the future, physical acts take place by preventing this body from working its will and its Members from voting on important public issues. That, I think, is what has taken place here.

I yield to the experience of my senior colleague, our distinguished minority leader, who says that in his entire course of service here, he does not remember such an act taking place. I must say that while I am only in my fifth year in the U.S. Senate, I have held elective office in Government now since 1950 and in my 35 years in public service, I have never, ever experienced before a situation where, by a physical act, a democratic institution's will could be thwarted. I think obviously, Mr. President, that is the issue here.

We pride ourselves on the fact that this is an institution where everyone of us has equal individual rights, but the fact is, if this kind of act can take place in the future, the reverse is true: That one individual, in fact, can thwart by his or her individual act the separate right of the other 99 of us to act on a question.

I appreciate the rulings of the Chair today. It is easy to interpret the circumstances in the past to avoid the implications of what is happening presently. So I just say in conclusion, Mr. President, that I join the minority leader and am pleased to join with him and, I am sure, with many others on this side, in his attempt to change the rules so that this body, acting in its legislative capacity, may always act on the matters at hand and so that no individual, whoever that individual might be—in fact, in my own view, including the majority leader—might thwart the will of all of us to act once something is within the possession of this body.

I am pleased that the minority leader has taken it upon himself, acting for the minority. He has been in the majority as well. But seeing the importance of this issue—may I say not just to the minority here but, in the view of this Senator, to the country as a whole, to all the people in this country who are affected by what we do in this place—I think the minority leader makes a substantial contribution to the future performance of this institution and to the future protection of the individuals of this great Nation of ours when he views this issue as a major issue and takes the necessary step to improve the rules so that whatever act took place in the past, in the immediate past, cannot take place in the future.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Would not the Senator agree with me that if this precedent is allowed to stand, it will thereby make of the chairman—the chairman—of every one of the 16 standing committees here a super-Senator? The chairman of any committee will be above the majority leader, whether the majority leader is a Democrat or a Republican. Any chairman can go to the desk and take away the papers because it is said that he is constructively in possession of the papers. The majority leader is not in possession, the chairman is. So this would elevate the chairman of a committee—any one or all of the chairmen of all the committees in the Senate would be elevated to a position higher than that of the majority leader insofar as the scheduling of Senate business is concerned.

Mr. DIXON. I think the minority leader is exactly correct. I think it puts every one of the chairmen in a position where they can thwart the will of all the 99 other Senators here and of the public at large.

Mr. BYRD. I thank the Senator.

I yield to the Senator from Maryland.

Mr. SARBANES. I thank the minority leader for yielding.

Mr. President, I would like to carry this discussion a step beyond where my distinguished friend from Illinois just concluded. To make the point that what was done represents a disturbing and growing tendency to put the achievement of a particular end over the means used; simply put, the end justifies the means. In other words, if you want to get a certain result on the substance, you are entitled to violate the spirit of the Senate rules and procedures to achieve your end.

Our rules and procedures have not been lightly formulated or lightly held to. In fact, the essence of a democracy is that you have a procedure for resolving deeply felt, substantive differences. When you stop and think about it, what you do when you develop a democracy—which has now lasted in this country some 200 years—is to work out ways to resolve deeply held substantive differences about what ought to be done as a matter of public policy. The procedures we have involved as a nation respect both majority rights and minority rights.

They rest on the premise that you are not entitled to do anything, to use any stratagem, any trick, any fast and loose course of action in order to win on the substance of the issue—for the very simple reason that the integrity of the process is fundamental, let alone the consideration that the very same stratagems or tricks or fast and loose procedures may be used against you some day when you are in the minority instead of in the majority.

There is nothing in our rules that says that chairmen can walk down to the desk, take the papers off the desk and walk away with them to prevent the Senate from acting. Not only is there nothing in the rules that says they can do that; clearly—clearly—the rules are written in such a way as to preclude such an activity.

As my distinguished colleague from Tennessee [Mr. GORE] pointed out, you could think of a range of things that a Member of this body could do physically to preclude the body from acting on some issue before it. As he said, one could turn out the lights, turn off the loudspeaker system, lock the doors, and so forth.

This abuse of the Senate rules is, pure and simple, an instance of being prepared to let the end justify the means. Such a course of action, if followed, eventually means subverting and undercutting the democratic process, for the very essence of that process is that you will not allow the end to justify the means. The means by which we resolve our disputes is essential to making democracy work.

I was shocked, frankly, to hear, in response to questioning from my very able colleague from Arkansas, that the Parliamentarian takes the position that this has been done repeatedly. I do not claim to have been in the Senate as long as the Parliamentarian has served this body, but I recall no instance in which the conference committee papers have in effect been stolen by a Member of this body in order to prevent the body from acting. I would like to know of such an instance, an instance in which the Senate was acting on an issue, when in fact a significant number of Members of the Senate wished to act further on that issue, and was presented from taking further action because a Member of the body simply walked down to the desk, took the papers and walked out with them.

That is the kind of tricks that you try to educate fourth and fifth and sixth graders out of when you are trying to teach them what democracy is all about. That is the kind of clever tricks that people laugh and snicker about, that you try to educate young people out of as they begin to understand what democracy means. That is not the kind of trick that a Member of this body or the Parliamentarian ought to be holding out as proper procedure for the Senate to follow.

It does not take much of an act either of logic or imagination to envision what this body would deteriorate into if we began to play those games. I think it ill behooves any Member of this body, or anyone who serves this body, to take the position that such antics are a matter about which to shrug one's shoulders or simply to look aside.

Some may say, "Well, a lot is being made out of a little." That is not the case. We are talking about how this institution is going to function. The U.S. Senate is an essential institution in the functioning of American democracy, and American democracy, in my judgment, stands as the hallmark of the ability of a people to engage in free self-government.

Now, if we are going to start playing tricks, cut corners, play fast and loose, use these stratagems, then I suggest to you that our days as an effective parliamentary institution are numbered. You do not have to look very far around the world to find supposedly democratic institutions that have crumbled because its members began to play these games, because they were so intent on getting the particular result they wanted on a specific substantive issue, they were willing to twist and bend and, indeed, break the very processes established for resolving the deeply held disputes which inevitably arise in any freely thinking, and functioning society.

So I think the issue before us is one of extreme importance, and I very strongly commend the minority leader for raising it and for pressing the issue; for in effect underscoring the intention, at least of some Members of this body, to ensure that comity is going to prevail, that we are going to have a decent respect for one another. We must understand that reasonable people can differ, and that we have worked very hard and very long—we, meaning the Nation, our predecessors, those who have gone before us—to set up a process by which we resolve these strongly held differences of opinion.

No one Member, or a small clique, ought to be able to subvert or thwart that process, to cast the institution into disrepute, and to undermine the very procedures we have set up among ourselves in order to consider these matters.

Clearly, walking to the desk, taking the papers, walking out of the room—and I assume chuckling about it all the time because you have then "prevented the Senate from acting on this important measure"—not only fails to measure up to the high standards of the Senate, it clearly falls below its lowest standards and ought not to take place.

I think it is important that this discussion be held, and I think it is important that Members underscore their intention to see that the established procedures are going to be permitted to operate, both in the letter and in the spirit, in a way that respects the essence of the democratic process. I hope all those connected with the Senate, Members, and those who work for it, would share that attitude. I thank the minority leader for yielding the time.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Maryland for his excellent speech, providing as it does a very clear insight into what has been done here and how that can affect and eventually erode the very underpinnings of this Republic, this representative democracy, and all of its purposes and functions. I again express deep appreciation to the distinguished Senator.

I yield now to the distinguished ranking member of the Committee on Foreign Relations, Mr. PELL.

Mr. PELL. I thank the minority leader. It is more in sorrow than in anger that I rise to join my leader and colleagues in expressing concern about the unusual action of the majority in removing from the Senate Chamber the conference papers on H.R. 1406, the Anti-Apartheid Act of 1985. At the same time, I am pleased—yes, relieved—that those papers were returned yesterday evening. As has often been the case, the senior Senator from Indiana has done the right thing.

The removal of the papers was in my view improper. I hope that something will be done soon to ensure that it cannot happen again, or, as the Democratic leader has suggested, a rule be passed that would so ensure. We cannot properly continue a situation under which one single Senator can block action by the Senate as a whole. This can be even more of a guillotine than a filibuster which at least can be ended by cloture. The important thing now, though, is that we are back to where we should have been some time ago.

The conference papers are again at the desk. Their very presence there constitutes a powerful reminder to the President that if he does not move forcefully enough to demonstrate America's abhorrence of apartheid, the Senate can act.

I know the majority leader and the chairman of the Foreign Relations Committee are opposed to apartheid. I hope, therefore, that they will work with us on this side of the aisle to review the adequacy or the inadequacy of the actions announced by the President.

I once again express my agreement with the words of the Democratic leader and my applause to his statement that he will be introducing a change in the rules that will forever prevent a similar action.

Mr. SARBANES. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. SARBANES. I simply want to add to what my distinguished colleague from Rhode Island has said: I hope we are not going to get into a game where Members look for what they think is a fast opportunity, for then we will have to introduce a change in the rules in order to eliminate cutting corners with respect to Senate procedures.

We may be forced to go down that path, but I think it would be regrettable and lamentable. The Senate has spent 200 years trying to do the opposite, to evolve procedures whereby each Member develops a certain understanding and sensitivity as to how we should do business with legitimate

respect for one another and for our differences.

If we embark down that path, we are going to have everyone looking out, as my distinguished colleague from Massachusetts said, to see whether there's a sign reading "Thou shalt not." And if some egregious action has not been envisioned and therefore there is no rule actually stipulating "Thou shalt not," and someone then undertakes such an action. We will have to pass a rule to preclude exactly that activity.

If we once start engaging in that game, obviously any degree of mutual trust and respect among the Members is going to be severely undercut. It seems to me that every Member should be sensitive to that prospect.

Should those now in the minority engage in a very extensive research of what has been done in certain instances over the last few years and prepare then to use those tactics, once the minority has again become a majority, even while recognizing those tactics were really stretching, if not breaking, the rules?

I understand the feeling in this instance on the part of the minority leader to change the rules to deal with this problem. But it seems to me that Members should think very carefully whether after-the-fact rules changes are the approach to follow. I am appealing to them not as Members of a party in the majority or in the minority, but as Members of an institution with a certain institutional sense.

I do not think it is an answer for a Member to say, "I have read the rules very carefully, and there was nothing in the rules that said that I should not do this particular act," even though that Member and everyone else may recognize that to do that particular act is really to thwart the ability of this body to function in a proper fashion.

It seems to me that Members have to develop a certain understanding of the institution and at the same time a certain degree of self-restraint and self-discipline as to how far they are willing to try to turn the rules to a particular advantage in a certain instance—in effect, to twist the means in order to achieve a particular end. This is a matter of the utmost importance and I urge Members to think about it carefully and seriously.

I thank the Senator for yielding to me.

Mr. PELL. Mr. President, I agree with the Senator from Maryland in general. I think that in this case it probably is advisable that there be a rule change to handle the specific problem that has arisen. But, as a general rule, he is absolutely correct.

This is what we criticize the Soviets about. They intend to follow the letter of an agreement but not the spirit of an agreement, and we do not want to follow that kind of path. We are a long, permanent body, a traditional body, based on comity, based on mutual understanding.

As the Senator suggested earlier, if one wants to terminate debate on a subject, you can turn off the lights, but I do not think that is advisable, and I do not think we should pass a rule that says we should turn off the lights. Or, you might turn off the air conditioning. That might be a little more prolonged. But I do not think that would be a fair way to bring a debate to a halt.

For these reasons, we should bear in mind that we have certain traditions and a background. Many of us have been here for a long time, and we should not look in the rules to try to find a way to be one up on our adversaries of the moment.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. PRYOR. Mr. President, I applaud the remarks of the Senator from Rhode Island.

I also applaud the remarks of the very distinguished Senator from Maryland. I think both Senators have expressed very eloquently what the concern is of many of us in this body.

I say to the very distinguished Democratic leader that I commend him for bringing this matter to the attention of the Senate. However, for two reasons today there is sadness in my heart about having even to discuss this issue on the floor of the Senate.

One is that with the national debt approaching $2 trillion, with the trade deficit going out the top of the Capitol, and with all the other hundreds of problems that this body should be addressing itself to, we have to pause for these 3 hours this afternoon, in the midst of everything else, to talk about a situation about which many would say, "Well, that's just an institutional matter." Sometimes it is just an institutional matter that brings countries down, if those institutional matters are not addressed and addressed immediately.

The other sadness I feel this afternoon, after this lengthy discussion and colloquy on this issue, is that this body can draft legislation, can pass or defeat legislation, we can write rules, we can write requlations that govern the whole country, affect the world, and now we are at the point where we have to pause and stop everything and try, in some way or another, to legislate rules governing floor debate.

That, Mr. President, is a sad situation. I sincerely hope that the other side of the aisle, will join this side of the aisle in whatever efforts will be made to set the record straight and to prevent this type of situation from happening in the future.

I thank the distinguished Senator from Rhode Island for yielding.

Mr. BYRD. Mr. President, I will be brief.

I compliment the Senator from Maryland again. Perhaps he is right. The Senate, from the beginning of its existence, has acted on the basis of comity and understanding and on the principle that a gentleman's word is his bond.

Perhaps there should be no rule added. The mere introduction of a change in the rules, if it is not acted upon, might be misinterpreted at some future date.

I am going to think about what the distinguished Senator from Maryland has said. If it is the will of others on both sides of the aisle that we proceed to write a rule, I will be happy to work with them. In any event, a clear record has been made here today.

As the distinguished Senator from Arkansas pointed out, there are many problems confronting this country that we could be discussing here this afternoon.

But in the final analysis it is not just a matter of concern to a Senator from West Virginia or a Senator from Maryland or a Senator from Rhode Island or a Senator from Montana.

It is the people's will that is being thwarted here, the people's will as represented by the 435 Members of the other body and the 99 other Members of this body. It is the people's will that is being thwarted, because if the Senate cannot operate because of some blocking action on the part of a single Senator, then the people are, to that degree, disserved. Government cannot function under our Constitution if things like this are permitted to occur.

I hope that the Members on the other side of the aisle will realize that this could very well be revisited upon them one day, and I do not want to see that happen. I will never, never agree that this is common practice around here. This is the first time I have ever taken the floor in my 27 years in this body to protest an action of this kind—which is a pretty good indication that it is not common practice.

Of course, a chairman may go to the desk and remove papers for a minute or two and have some corrections made in spelling, but everyone knows in this instance the papers were not removed for that purpose. Everyone knows what the purpose was, even though, as I say, I believe that there was someone who was wrongfully advised or who wrongfully interpreted the advice. But for whatever reason, this just cannot be permitted to happen again. The purpose of it, in this instance, was clear to all. The purpose was to keep the Senate from expressing its will, I should say, on a matter which was of importance to the people of the United States. If this can be done on one matter, it can be done

on another. No Senator may arrogate to himself alone the decision to deny both the House and Senate from acting on the people's business.

I have had some Senators offer to volunteer on this side of the aisle to take some conference reports away from the desk and let Senators know if it can be done over there it can be done over here. But it has not occurred.

In any event, I thank all Senators. I thank the majority leader for providing for the 3 hours and I thank all Senators who have participated in the discussion.

I am glad that the papers were returned on yesterday, and I am willing to close the book on this for now.

I may still introduce a resolution, but I am going to talk with my colleagues further on both sides of the aisle. If it is better to let the record stand as it is, I think it will at least indicate to Senators in the future that there will be a storm of protest if any Senator again takes from the desk and holds the papers to keep the Senate from finalizing its will upon a conference report.

The record is there, and if at some future time the action should be repeated, I will certainly stand with those who are ready to take whatever action is needed.

I feel that Members on both sides are going to see that this does not happen again. If it does, then will find a remedy and, although the Sergeant at Arms may not ever before have been instructed to compel the return of such papers or to arrest a Member, if necessary, to effect the return, I believe the Senate will rise up in its anger and take that or whatever other action might be necessary.

I would just simply hope that we have all learned something from this, so let us go forward now with the business of the Senate on the appropriations bills.

I yield the floor.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1986

AMENDMENT NO. 706

Mr. HATFIELD. Mr. President, what is the pending business of the Senate?

The PRESIDING OFFICER (Mr. PRESSLER). The pending business is amendment No. 706, the amendment offered by the Senator from New Mexico [Mr. DOMENICI].

Mr. HATFIELD. Mr. President, prior to the special order that we completed on the Superfund, I was making some comments relating to the pending business on the subject of the Treasury, Post Office appropriation bill and the amendment offered by the Senator from New Mexico to reduce the discretionary funds and accounts in that bill by some 2 percent.

I had indicated that we had been functioning under a great difficulty over a period of time, both the Appropriations Committee and the Budget Committee, for that matter, as well, and that we have had a basic goalpost and benchmark of budget authority with which to build our appropriations bills and to bring them to the floor and to work those figures out with the Office of Management and Budget, also within the scope of the budget resolution. And we have done that. We have done that on this bill.

We may have some slight disagreement on the precise way in which we compute these figures and the crosswalks, and all the other intricacies that we engage in on the way in which we figure some accounts as against other accounts, but let me say that however you look at it, we are at or very close to target on BA in this particular bill. And I had indicated that at the Office of Management and Budget, Mr. Joe Wright has indicated his satisfaction with this bill and how it would relate to his recommendation to the President on how to handle the bill once it reached the White House.

Mr. President, we have all struggled with this question of the deficit. And I know that we are going to have a very interesting debate down the road with a proposal to be offered by the Senators from Texas and New Hampshire, Mr. GRAMM and Mr. RUDMAN, on how to deal with the deficit. And I must say that I know that we all suffer from some degree of frustration as we seek to control this deficit and as we see it almost totally elude us in terms of our ability to control it.

One of the problems we have had has been on this matter of the inability to tie down the budget outlays. Do you remember the thing we used to call the Rose Garden a year ago; how we were going to save, as I recall, $150 billion in the next 3 years, and that was based on a measurement of outlays; how that eluded us? And that just sort of disappeared; it just like melted away.

Our outlays did not work out for a lot of reasons—economic assumptions that go into estimated outlays. We started out the budget process this year with another $150 billion, or some figure that we were going to achieve in 3 years. I can remember one meeting the Senator from New Mexico and I attended with the Director of the Office of Management and Budget, Mr. Stockman, when he came up to announce to us officially what we had all anticipated, that his economic assumptions were off and we would not be making the $50 billion savings we anticipated in outlays.

Consequently, I am merely saying that to estimate outlays is still an imprecise benchmark. We have to have some kind of a benchmark in order to function in the appropriations process, and that is why budget authority has been our benchmark, being concerned with its implications in outlays, but recognizing those outlays are imprecise.

I was talking to one member of the press following our previous remarks on this subject. That person from the press said, "You know, the most difficult thing for us in the press to try to report in terms of the budget process and the appropriations process are outlays." He said, "The only thing we really know when we have a benchmark is budget authority."

Well, it is difficult for all of us to try to latch on to some kind of a precise figure and a figure that is going to be good tomorrow as well as today in matters of outlays.

Now, I referred a little while ago to a proposal that will find its way through the legislative process which I think is analogous to this amendment, and that is there is a high degree of frustration. There is a high degree of frustration in dealing with the deficit. And we are looking for ways to try to somehow move ahead, even against all the frustration and all the obstacles that we seem to have in our pathway, because there is a vacuum. There is a vacuum which is being filled or an effort to be filled to deal with this thing and that vacuum I think basically belongs down at the White House. I need not recite a long history of why I think that. But when the White House tells us that we are going to deal with this deficit from one-half side of the coin, namely, from the spending side only, no one who has really looked at this in a careful way will believe that we will ever reach a balanced budget or we will ever really reach a point where we can say we are in control of the deficit from approaching it only from the spending side of the coin.

Then you add to that the White House position that that side has to be one that eliminates Social Security, one that maintains a high level of spending for military, far in excess of what some of us feel, $300 billion, whatever it will be. But when you begin to crank that into it and when you recognize that is part of the spending side of this picture that will relate to the interest on the debt, what do we have left? What do we have left as far as a baseline to try to control the deficit from the standpoint of the spending side of the coin alone? It is unrealistic. And that is part of our frustration, part of my frustration.

So then we come up with efforts like the Senate Republican leadership did to deal with a budget resolution that incorporated the COLA's, that incorporated some major restraint, at least in comparison to what the White House wanted, for military spending, a

budget resolution that was a real budget resolution effort to deal with the deficit. And, obviously, with only one Democrat willing to cross the aisle and vote for it, we started out with a problem.

The Senator from New Mexico spent probably the most tedious time of his life in trying to deal with this issue in conference.

Mr. President, I want to say—and I am sure that he is much more gentle than I and would never say it—but his job was not made any easier by the lack of support he got from downtown.

Now, we found that that was not possible to push through, so then we backed off. Then our budget people came up with a second effort to deal effectively with the deficit. They said:

All right, Mr. President, you are not going to let us incorporate the entitlements in dealing with this deficit by freezing entitlements. If you don't want to deal with a different figure on military, and we cannot control the interest factor in this whole picture, then let us look at the other side of the coin and deal with this deficit by adding a little on the revenue side by a tax on imported oil.

And that is not locked in. It is only illustrative that we are flexible to deal with this deficit from both sides of the coin, because we can only deal with it from a narrow base on the spending side, according to the criteria set up by the White House.

So the second time the budget effort was made to deal with this deficit, and that again as we know failed not because it was lack of effort on the part of our own leadership in the Senate but because we could not get the base of support from the other two parties to this three-part program of the White House, House of Representatives, and the U.S. Senate.

I only raise that bit of history to illustrate that there has been sincere, dedicated effort to deal with this deficit. And then we find ourselves in a situation where for whatever reason a tax reform issue arises in the picture.

Mr. President, it seems to me that any way you look at the tax reform exercise that is of the magnitude that this one is, if we are going to achieve both tax reform and control over the deficit, the tax reform has to become part of the strategy for the single objective of dealing with the deficit, not tax reform for the sake of tax reform. But when the White House says it has to be revenue neutral in order to be acceptable it again illustrates another dimension of frustration that some of us feel; at least those of us who are dedicated to that single goal of priority of dealing effectively with the deficit.

Therefore, having made these remarks, I hope they will illustrate that I am not standing here today to try to confront the chairman of the Budget Committee on the old confrontation of the Budget Committee versus the Appropriations Committee, turf, rivalry, and all of that stuff that we have behind us, and I intend to keep it behind us. And my references to the budget process only illustrate the difficulty that we are functioning under on the appropriations side of this, and I can understand why the Senator, as chairman of the Budget Committee over and above his membership on the Appropriations Committee, is still waging the battle on trying to get control of the deficit.

Mr. President, we have been down that road on the Budget Committee's efforts, the Budget Committee's responsibilities, and the Budget Committee has done its best. I am sure that my lack of patience would have been illustrated far before that of the Senator from New Mexico, and I probably would have thrown in the towel. But he pursued, persevered, and brought out a budget resolution the best he could do. And I commend him for it.

But having said that, I still come back to one simple fact. I think we have to proceed in an orderly way in the appropriations process. Let us not encumber the appropriations process with additional problems that we have not already had to deal with because I come back to a simple thesis: we have to act. The Appropriations Committee has no alternative. We have to keep Government going. We could have ended up with no budget resolution. The Government would have continued, far less effectively perhaps but we would have continued. But we cannot hold up our responsibilities to enact appropriations bills.

I want to again say I am ready to stand here on this floor and vote for an increase in taxes. I said this during my recent campaign, I was not waiting until after the election to make my statements that did not have much popularity during my own campaign but I felt that the administration was unrealistic in dealing with this deficit, and that we ultimately would have to deal with the deficit from the revenue side as well as from the spending side. As I say, I said that throughout my own political campaign. I still repeat that, and indicate I am willing to support that kind of endeavor.

But let us not try to impose upon the appropriations process all of the frustrations we have had in our failures in achieving what we wanted in the budget process, or in the revenue process, or in any other process. This is a very difficult role to be in, I can assure you. Again, I am not concerned with just the appropriations process as a hollow, mechanical process. Let me tell you we have been perverted many times during the past few years if you want to look at it strictly from an appropriations perspective by delay, understandably, by reconciliation processes, and by other processes. I feel again we have certainly been the soldiers on the frontline on this deficit problem, and in giving support to the budgetary process.

I feel at this point, though, I suppose much like other former administrators or executives in political life have felt when the legislatures of our States have said to us we will decrease spending in the State government by 5 percent across the board. It was very easy for the legislative branch to tell the Governor that. Then the Governor had to sit down, and make those reductions program by program, and constituency by constituency. I am certainly not concerned about the political implications of any of these reductions except for the fact that I do feel we have struggled hard, and we have achieved a goal of putting the appropriations process strictly within the budget resolution. And even if it were under normal circumstance of a first resolution which is advisory only, I would have adhered to the same goals as if it had been a second or third resolution that had become mandatory.

Since we have had the early morning subject raised, I want to tell you what we have now found in the meantime about what a 2-percent reduction would do. I asked for some information from Treasury. This is the estimate I received from the Treasury on a reduction of 2 percent across the board. Seventy-one million dollars at the Internal Revenue Service will cost upward of $700 million in uncollected revenues; the Senate bill is already $53 million under the President's budget request for Treasury, and this will lead to uncollected revenues of $500 million to $600 million. Customs has reported to us that with $15.8 million reduced by 2 percent, the Treasury projects uncollected duty would be approximately $150 million. A $4.9 million reducton as the 2 percent would be at, the Financial Management Service could lead to extra interest payments; $3.6 million reduction as the 2 percent would do in the Bureau of Alcohol, Tobacco, and Firearms would reduce revenues by approximately $300 million.

Let us add those up. Internal Revenue Service, $700 million, Alcohol, Tobacco, Firearms, $300 million, U.S. Customs, $150 million, Financial Management Service, $100 million for a grand total of a loss of $1.25 billion. If we are looking at the outlay as the benchmark, let us bear in mind that at a 2-percent reduction here that would be achieved against the measure of zero outlay on this particular bill would in turn find itself reflected on the revenue side of a deduction of $1.250 billion according to the computations, and calculations of the Treasury.

Mr. President, I am sure that many people could challenge those figures in one way or another. But that illus-

trates my point. Outlays and estimating outlays is a totally imprecise exercise. Again, I only have to use three examples—the 1984 Rose Garden deficit reduction package, or the 1985 exercise in the first budget resolution, and the midterm corrections that have been consistently made by the OMB indicating error or change in those budget outlay estimates that have been made at the beginning of a fiscal exercise.

Is it an either/or? No. Am I arguing here today that we should ignore budget outlays? No. Do I stand here and say budget outlays are pure fiction, that it is a form of witchcraft? No.

I am saying that the only precise benchmark that we can expect to operate in an appropriations process is budget authority.

I am saying, secondly, that we have to be conscious of the outlay estimates that we made even though they are imprecise. But when we are dealing with the total figure of this budget and you look at the percentage of outlay overage that is computed against the Budget Committee's benchmark on outlays, it is a very small percentage of the total spending of this budget.

I am not discounting $3.2 billion, even if they are accurate, even if it could be said that that $3.2 billion is as totally accurate as any figure we ever deal with. I am not discounting the number of dollars we ought to be about saving—billions. And when we can save billions on outlays, we ought to be even more diligent toward that objective and that goal.

But it is 0.3 percent of the total budget.

The $3.2 billion which is being used today represents 0.3 percent of the budget of one trillion dollars.

So I feel that in this whole fiscal process we are going to be facing some supplementals down the road; we are going to be having other vehicles that we can make some corrections on, and so forth. We are not really in a situation of the last train from Shanghai on dealing with this particular statement at this time.

Let me close my remarks and say in all probability if I were to lay my money on the table, this will pass. I do not think it will pass on the basis of necessarily superior logic, nor will it pass on the basis of realistic, precise computations.

It will pass, in part, because of our collective and individual frustration.

That frustration is going to mount and we are going to make, I think, some major errors of judgment down the road because of that frustration.

I still have hopes that one of these days the White House will put on its glasses with the right prescription and will see reality and get out of this world of illusion on this issue of the deficit.

I never thought I would see the day when a liberal Republican would have to stand to advocate and defend what should be a conservative position relating to fiscal matters. I do not mean to draw a partisan political note on this but I just want to say that I think it illustrates the fact that whether you are a Democrat, Republican, Liberal, Conservative, southerner, easterner, westerner, or northerner, this is the day and this is the issue that President Eisenhower referred to many times when he said there are times and issues when the people are ahead of the politicians in their understanding and perception.

I think the people are far ahead of the political leadership in the White House, particularly on seeing the priority of dealing with the deficit.

In adopting this, which I believe the Senate will do, let us not let ourselves believe somehow that we have solved the deficit problem or that we have really taken any significant step to solving the deficit problem. Let us not let this little resolution or amendment of a 2-percent reduction become the great balm to our convictions, responsibilities toward saying, "Well, I have done my part toward the deficit problem by voting for this amendment of a 2-percent reduction," any more than I will hope that those who end up voting, if we get to that point, for the proposal to be offered by Mr. GRAMM and Mr. RUDMAN think that they will have been voting to cure or correct the deficit. That is no more of a panacea than this. In fact, I would say it might even represent a greater danger at some point because it sounds so attractive.

As I have read it—and I am not here today to start debating on that issue—it is just, again, one of those things that we get caught up in oftentimes to be able to say, "Well, I am not on the Appropriations Committee or the Budget Committee, but I sure voted for that resolution that reduced the spending."

Somehow that is supposed to equate to some sort of fulfillment of responsibility.

Let me summarize by saying we will never fulfill our individual or collective responsibility until we deal with Social Security, until we are willing to deal with retirements of all kinds, and every entitlement. We cannot go out there and kid our constituents that somehow we have kept Social Security intact, we are not going to rob the old people, and all the other demagoguery that goes on about dealing effectively with Social Security, about this retirement.

I have gone to retirement centers and have said, "Look, if we are going to deal with this deficit, it will have to include Social Security and every other entitlement," and they have said, "Right on, if you affect everything."

We cannot buy in on the proposition that the more dollars we spend the more security we are buying for this country in our military budget. That is a false saying, an illusion. Somehow we hear that voice: $320 billion keeps America safe; $300 billion will make America poor.

Anybody who has been down the track and has seen what the waste has been in the military and in Government ought to realize that dollars do not equate to security. In fact, in my view, the greatest vulnerability to the Nation's security today is the deficit. You cannot compensate that deficit by spending more money for bombs, tanks, and hardware of all kinds. That deficit is still with us.

So, Mr. President, I suppose this is my saying that this is more than just a 2-percent reduction made by the Senator from New Mexico. We will make adjustments if this passes, but I only hope that we recognize that when that agriculture bill comes along we are going to state a formula here. Let us see some consistency and put this formula right through with every bill. It will be easier for some of us to vote for this bill than for agriculture. Some of us will find it more difficult to vote against this and then vote for some other bill that has a lot of our particular interests involved in it.

We are starting a procedure here, and we should know precisely where we are headed. We all should know what it accomplishes and what it does not accomplish.

We can save so many million here and lose so many billion on the revenue side. Let us look at the full picture. I have already reported what the Treasury has indicated about the $1.2 billion as applied to Treasury programs, collected revenues, regarding this 2-percent reduction.

Mr. DOMENICI. Mr. President, I know how busy the distinguished Chairman of the committee [Mr. HATFIELD] is. I may speak far too long. I just want to ask him to indulge me for about 3 minutes because I want to speak to the deficit, why I am here, and to the work of the Committee on Appropriations and the chairman. On most of these subjects, I am going to be very positive and may reaffirm some of things he said.

Mr. President, first of all, spending is spending. For those who might speak around this country, or in the committees, or to members of their staff and say that defense spending does not create deficits but non-defense spending does, let me just say that is not the case. There is no evidence that only one kind of spending or another causes deficits.

For those who think a $180 or $200 billion deficit is somehow different this year because we cut taxes 4 years ago and that deficit is different from now, I say it is no different. The truth of the matter is that a $200 billion deficit added to almost a $2 trillion cumulative debt is a deficit that is bigger, and has more and more interest paid on it, and more and more of our people toil now to pay for something that is borrowed. Mr. President, future generations will have to work to pay that bill; to pay off our debts.

For those who think things are OK in this country; let us not worry so much about this deficit, after all, we are still growing, we are adding jobs, so things look OK, I would tell them, that the ocean looked good, too, to the *Titanic* before it went down.

I would not be here, I would not have spent 7 months on the budget resolution, if I were not convinced that the American economy is destined to crash if we do not reduce this deficit.

Mr. President, I am not telling you we ought to fix it next week or next month; I have no plan to get rid of the deficit in 1 year or 2 years. It has reached such astronomical proportions that we clearly need 3, 4, or 5 years to do it. And we are not going to do it with the appropriated accounts. The chairman is right. We are not going to do it just with the discretionary appropriated accounts. Congress is going to have to look at everything. It is going to have to look at entitlements and at revenues.

The chairman of the Appropriations Committee is also correct when he says that we have to pass appropriations bills to run the Government. And, yes, he is right, we can waive the budget if we vote to do so to pass appropriation bills or not, even have a budget resolution, but we have to pass appropriations bills to run the Government. So he has a tough job. The appropriation bills cannot wait until next year. Congress has to pass the appropriations bills.

I am not here offering this amendment because I believe that reducing this bill, which is $0.1 billion in both budget authority and outlays over the budget resolution, is going to solve the deficits.

The next bill to come up—the HUD-independent agencies appropriation bill—is over by more than that. I am not going to stand here and tell the United States Senate it must bring that bill into compliance, but I am giving one point of view.

I am not going to argue that these actions will solve the budget deficits—not at all. What I am saying, however, is that we tried to get a responsible budget resolution the first 3 or 4 months of this year by reducing entitlements, discretionary spending, and increasing revenues. The collective wisdom of the Senate, the House, and the President said we could not do those things. It takes three to run down that track.

We were willing. The most exciting evening we had, and I think the chairman of the Appropriations Committee would agree with me, was 3 o'clock in the morning when he sat in that chair and we voted in a real budget resolution. I saw him genuinely excited although none of us like these things to be as partisan as that. I could see on his face that he was satisfied that for once, collectively, we did something that might have a real impact.

Later on, he even told me it was one of the most significant evenings in his many, many years here. But after all of that, which had far deeper cuts in that budget resolution than this bill where there were several programs eliminated. Through accommodation and conference with the House, we produced a budget resolution that, after all that struggle, we should diligently try to comply with—not saving every single nickel, but diligently coming as close as we can to saving $8 billion in outlays in the appropriations bills.

What I am most concerned about is that I am as positive as I can be that, at the end of the year when we add up the sum total of the bill that is before us and the 12 other appropriation bills, that of that $8 billion, anywhere from a $3.5 billion to $5 billion in outlays will disappear. And I use the word "disappear." Somehow or other, when we have CBO price over final actions on the appropriation bills, that is what I believe will be the final result.

I am not suggesting, Mr. President, that on each and every appropriations bill, the exact outlay estimate in the 302(a)'s that the Budget Committee does as a guideline to the Appropriations Committee will be reached. I am not even suggesting that the budget authority for each and every one of those bills ought to be consistent with that allocation. There is a latitide to move budget authority around. But I am suggesting that a diligent effort ought to be made when budget authority is transferred to fund different priorities, should to see what it is going to cost.

I admit that there are some that are hard to do, Mr. President, but there are some that are darned easy to do. If you take $6.9 billion out of the Synthetic Fuels Corporation—we are not doing that here. But if we did just to give an example, and you rescind it, we would say we just did something great. We got rid of that rascal, $6.9 billion in budget authority. You know what the Senate ought to do if it rescinded this budget authority, should say, great, and use that $6.9 billion of budget authority to reduce the deficit because it would only spend $100 million in outlays next year. There is nobody who can say it is going to spend $3 billion in outlays, because it would only spend $100 million.

But if you put it back in the budget as savings and spend the budget authority elsewhere, I can guarantee that it is going to cost more than the $100 million. It is going to show up, I am telling the Senate, as you estimate the outlays on each of these bills. At the end of the year, it is going to show up as outlays that nobody expected or contemplated but that we used at our discretion because we saved the budget authority somewhere else.

I give an egregious example, but this happens all too frequently. Taking budget authority from housing programs that spend slowly and saying it is a saving, but transferring that budget authority to faster spending programs won't give us an outlay saving.

I think we ought to be somewhat careful about what programs we move budget authority into before we say we have complied with the budget. I know of no other way, I say to my friends in the Senate, than to have crosswalks on each of the bills, estimate the outlays on each of those bills just as the Budget Committee does with the assistance of the Congressional Budget Office. My reading of the law says that not only the Budget Committee, but the Appropriations Committee crosswalk allocations should estimate both budget authority and outlays. we should have the crosswalk allocations before us so we can say, well, this bill is really going to be OK if all the others stay as prescribed. But I cannot do that today. I have no alternative but to say that to get to the outlay bottom line, I know of no other way than this to make a frontal attack on outlays for discretionary spending.

I regret, having to offer this amendment, but it happens to yield a result. I would feel far more uncomfortable to go through that bill and try now, on the floor, to say, take out this program, take out that program. The appropriators went through a lot of work and set up the program priorities. In my opinion the sum total of their priorities exceed the budget resolution assumptions in both budget authority and outlays, and I think a number of the fiscal year 1986 appropriation bills will do that.

I want to say to the distinguished chairman of the Appropriations Committee, he is absolutely right; the discretionary appropriated accounts are not going to balance the budget, unless you get rid of all of them, and then they would not do it—all of them. He is right. The Appropriations Committee and the Budget Committee, since I have chaired it, have worked diligently together. We have a long-standing rule on entitlements that has worked to a tee. If entitle-

ments go up and down within a bill, we do not insist that the budget authority levels be met because that would be unfair to the appropriators. If interest rates or inflation, or new case loads in a program that is absolutely mandatory increase or decrease, we would not expect budget authority or the resulting outlays to necessarily remain the same. We have given credit for those changes to the Appropriations Committee all the way through. Even if they are higher than the budget resolution assumes, we do not say cut somewhere else. This is a long-standing accommodation between the budget and appropriation process.

Mr. DECONCINI. Will the Senator yield?

Mr. DOMENICI. Mr. President, 1 more minute and I will yield the floor.

Mr. DECONCINI. I wish to ask the Senator a question.

Mr. DOMENICI. I will be pleased to answer the question.

I want to close by saying to my friend from the Appropriations Committee, I hope that after today's vote—and I am not nearly as certain as the Senator as to how it will turn out. As the sponsor, along with a number of other Senators, I hope it wins. But I would like to see if we could work on the issue of outlays. I am more than willing to do it, I say to the Senator, now.

I would like to work on the issue of making allocations to the subcommittees; not my allocations but the Appropriations Committee's allocations, but give a response to what the outlays are going to look like under those allocations. I hope we can do that. I am not even saying that all of the outlay overage in the allocations must be down to zero because, I know how difficult it will be to achieve. The appropriators have priorities they want to pursue, and they may cost a little bit more than was assumed in the budget resolution. I am merely saying that the ratio of $3 to $3.5 billion to $8 billion clearly indicates we could do better in terms of programmatic mix to come closer to the outlay targets.

Finally, I hope, as Chairman HATFIELD has expressed, that the challenge we face this year will not endanger the accommodation we have worked so hard to achieve. It will not on my account. I hope it will not on the Senator's account.

I ask unanimous consent that seven additional Senators be added as original cosponsors of this amendment: BINGAMAN, PROXMIRE, JOHNSTON, SYMMS, HATCH, GRAMM, and ZORINSKY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I should like to ask the Senator from New Mexico if he would stay a little bit and answer a question or two that I have. First, I want to ask the Senator if I am correct that the amendment offered by the Senator from New Mexico is predicated on the assumption that the Treasury-Postal Service is over its perceived section 302(b) allocations. Is that correct?

Mr. DOMENICI. The Senator is correct.

Mr. DECONCINI. Between the Budget Committee and our staff, we have a little difficulty with the Budget Committee numbers. Maybe the Senator can help us and explain them. That may make it a little more palatable should the amendment of the Senator from New Mexico carry. It is unclear to me how the Budget Committee adds up the scorekeeping for the Treasury bill. Let me give the Senator one example.

On July 29, the President formally requested full restoration of the 5-percent salary cut that he had proposed in February for all agencies and departments. The amount of that restoration affecting the Treasury bill would be $141 million, if I am correct. The committee under Chairman ABDNOR and the full committee under Chairman HATFIELD approved a bill that only restored $73.3 million of the $141 million requested by the President and assumed in the budget resolution. So what did the Senate Budget Committee do? I believe, I say to the distinguished chairman in all sincerity, they failed to give the Treasury appropriations bill any dollar credit for the restoration or at least the amount we built into our bill, even though the 5-percent salary restoration was assumed in the First Concurrent Budget Resolution.

Now, I should like to know if I am correct and, if I am correct, there seems to be a $67 million shortchange just in this item that affects our 302(b) allocation for this bill.

Mr. DOMENICI. No, I do not think so.

Mr. DECONCINI. The Senator does not?

Mr. DOMENICI. No; in fact, I am sure not.

Mr. DECONCINI. Were we given the credit?

Mr. DOMENICI. With reference to personnel issues, there were three assumptions in the budget resolution. There was a pay freeze, and the Senator mentioned that. There was a 4-percent work force reduction through attrition for all Federal personnel, and a 10-percent administrative savings in executive branch agencies. The sum total of the pay freeze, 4 percent work force reduction, and 10 percent administrative savings was calculated and crosswalked to each committee. The committees do not have to implement these policies, but if they do not, they will have to find offsetting savings elsewhere.

Mr. DECONCINI. If the Senator will yield, the Senator from New Mexico is telling me that the 5-percent/$141 million was restored to us?

Mr. DOMENICI. Yes, indeed.

Mr. DECONCINI. That is not the information we received from your committee staff.

Mr. DOMENICI. Indeed, it was.

Mr. DECONCINI. Mr. President, let me give another example. The President's budget in February assumed a 10-percent administrative cut in all activities in this bill and every other bill. Those cuts were blended into the President's request for each agency. The Appropriation Committee included all—I repeat, they included all—of those administrative savings and more into the Treasury bill that is before us today. So what does the Budget Committee do? It appears to this Senator that no credit was given to the Treasury bill for the full amount of the administrative savings we achieved. It assumes we did not make any of those cuts when, indeed, our records show that we did. And despite accomplishing those administrative savings your committee charges the Treasury bill with $45 million toward its ceiling. The result, of course, is another $45 million short-change of this bill. Maybe the Senator can explain how the Budget Committee figures these figures. When we look at them, we take the 10-percent cut and then when we get no credit toward our so-called allocation from 302(b). It does not appear to be in there. If it is in there, I would like to know where it is.

Mr. DOMENICI. Let me say to my friend from Arizona that I will be glad, before we vote, to have his staff and our staff meet to discuss the entire crosswalk, but let me make one point.

The Senator mentions the 5-percent pay cut that the President sent to Congress in his budget. We did not have any 5-percent pay cut in the budget resolution. We had a pay freeze. The 5 percent is a change from the President's budget. Our change from baseline would be to show a freeze over an automatic increase. So we have properly accounted for it.

Mr. DECONCINI. If the Senator will yield, that is exactly what I am saying. That there was no cut. The $141 million was restored, but we did not get the credit for it in the 302(b) ceiling for our bill.

Mr. DOMENICI. We will be glad to go through that. In the crosswalk function 920 contained all of the savings associated with the 10 percent and 4 percent administrative and work force reductions, which were crosswalked to the Appropriations Committee as savings. Whether you met them or not, I do not know at this point, but clearly they have direct BA and outlay impacts. If you did not make offsetting savings someplace else, then clearly the subcommittee is going to be

over the budget resolution assumption.

Mr. DECONCINI. If the Senator will yield, is the Senator willing to look at the figures——

Mr. DOMENICI. Yes.

Mr. DECONCINI [continuing]. Before we vote on it and see whether or not I am misreading whether we did or did not get the credit for the $45 million? It does not have to be done right this moment.

Mr. DOMENICI. Yes, indeed.

Mr. DECONCINI. If the Senator will look at it, I am puzzled. Not being on the Budget Committee, I do not have as thorough an understanding of it, as perhaps you do.

Just another example. The budget resolution assumes $8 million for the customs forfeiture fund in 1986. This fund is authorized by the crime bill that passed last year. The Budget Committee did not credit our ceiling with this funding level, or the funding in the request by the President in his 1986 budget request back in February. The result is another $8 million that is not allocated to us, or at least I cannot find it in here.

I do not mean this to be critical of the chairman. He has the authority and the responsibility here, and I do not mean to leave the impression that he is not doing a good job, because he is. He has taken on some battles I would not take on.

But it does not seem fair when we cannot get correct figures and we do not believe we have been credited properly. If we have been credited properly, my argument holds no water. That is what I ask the chairman to help us on.

Mr. DOMENICI. I say to the Senator from Arizona that before we vote, we will be glad to sit down and go through that crosswalk. If we have made an error of the type he is speaking of, it would clearly be an error, and we will come down and say so.

Mr. DECONCINI. I thank the Senator. Maybe I do not understand it.

Mr. ABDNOR. Mr. President, I ask the Senator to yield for a question.

The resolution says steps should be taken to increase personnel of the IRS and the Customs Service. Then the resolution reduces the personnel by 4 percent.

I am sure the Senator is very much aware that 68 percent of the personnel in the bill belongs to those two agencies. Does the Senator have any thoughts on how the Budget Committee believes we should make cuts? As I say, 68 percent comes out of those two agencies—Customs and IRS. Trying to cut 4 percent across the board causes quite a problem.

Mr. DOMENICI. Maybe they are throwaway votes. When it comes to the actual appropriations, this body does not want to vote for savings it adopted in the budget resolution. There was a vote by a 2-to-1 margin for the budget resolution, which assumed the 4-percent work force reduction, and the 10-percent administrative savings. When we do that, we cannot tell you that, in your wisdom, you should up the payroll account for some department of Government more than another. That is clearly within your prerogative in funding the IRS and any other agency of Government under your jurisdiction.

Mr. ABDNOR. How do we do it? I guess I have not figured it out.

I might say that when we put together this budget, we took the 5 percent into consideration. It was first asked for by the administration. When you do that—and I have reason to believe that many of the other sections of the appropriations bill do not do that. We took that 5-percent cut into consideration, because we put together our bill before the budget resolution was passed. We included the 5-percent cut, and now we are being asked to take another 4-percent cut through attrition.

I think my good friend knows as well as I do that in this particular section of the appropriations bill we are really not dealing with any program, so to speak. The Health Program and the Retirement Program are two big programs. They are mandatories. So the vast end of what we deal with is personnel.

Maybe our mistake was made in the first place by trying to cut 5 percent out of salaries when the original proposal was put together.

Not only my subcommittee, but also the Appropriations Committee and, as far as I can tell, almost everyone else in Congress, is in accord with our thinking. One area that does need to be beefed up over any other area in Government is law enforcement. Everyone has been in accord, so I guess that sometimes our votes do not truly reflect everything we believe throughout these budgets. This has really put us in a difficult situation.

Mr. DOMENICI. I say to the distinguished chairman of the subcommittee that perhaps a moment ago, on the IRS, I did not explain it quite right.

Within this process, we were fully aware that in order to increase the revenues—we have to collect taxes—it was suggested that we add additional money for the IRS in the account for agents to help collect taxes. We did that. We added money in that account for more personnel with the notion that they will increase the revenues coming into the Treasury.

I am willing to admit that when you ask for a 4-percent work force reduction to help reduce deficits such a policy is applied across the board. But, before it was done, a substantial amount of money was added in the budget resolution for the specific account of agents for the IRS.

Mr. ABDNOR. We tried to use a little ingenuity here, I guess, because we all felt strongly that this added personnel was needed, not only in the IRS but also, as everyone agreed, in Customs. Those two sections of our bill make up 68 percent of the people in this bill.

We all believe the Secret Service is extemely important and could not be reduced. We felt that the Bureau of Alcohol, Tobacco, and Firearms was in the same category. I admit that we did not cut these people. As a matter of fact, when we restored the 5 percent to these people, except IRS, which we gave 2.5 percent, we required the rest of the accounts eat it.

We have many accounts which are small, but they are important. They were set up because Congress dictated it. We have not even touched on that part.

What we have been doing did not just occur this year. Unfortunately, we have been beefing up Customs, the Secret Service, and IRS every year at the expense of these other small agencies. They are nowhere near where our enforcement agencies are. They have less than they have had in previous years. They were complaining before we arrived at this point today. They are really going to be hurt by making the additional cuts. We will probably have to take bigger cuts, if we have options, out of some of the agencies we are saying we should not reduce; because, unfortunately, the balance is such that most of the people operating in these agencies are in the two biggest—Customs and the IRS.

So it is not that I do not agree that we need to make cuts.

One night back in May, I guess it was, in the wee hours of the morning, I voted for a resolution to cut out 13 agencies. But we had a chance to look at the whole thing in balance at that time. We picked and chose.

I have never been for across-the-board reductions, because I have always felt that there are some areas that could be reduced far easier than others, and there are some that should be beefed up a little. The President thinks defense should. I think that Customs, Secret Service, law enforcement, and the collection of dollars are some of the most important functions this Government has. That is why I am troubled. We are willing to make cuts. We stood up and made that vote before, and we will do it again. I guess I am a bit parochial, but I think other sections of the budget could accept this procedure easier than we could.

We are a relatively small section of the budget because we do not have programs. Our biggest expenditures, you will find, are in the health programs and in retirement contributions which we cannot touch if we wanted to because they are mandatory.

Apparently this body feels we cannot reduce revenue forgone, which is a huge item. The President's budget did not call for a dollar in it and yet everyone wanted it. So it has been included. So that is where we are at this time.

I do have a few additional remarks I wish to make if I may.

I would just like to deal principally with my section of the budget. I realize we have been talking about the overall budget and cuts, but let me talk in a little more detail about my own section of the budget.

I would just like to preface my remarks by saying this bill was marked up and ordered prior to the passage of the budget resolution and I think that is a darn important point to remember. Maybe we got too eager, maybe we went to work too early, but we tried to fulfill the instructions we received in the Senate-passed budget resolution. In our deliberations we worked within the bounds of that budget resolution. I hope the budget chairman realizes it. We patterned our budget to fit into that first budget.

In those deliberations this subcommittee reported a bill that was within the bounds of the resolution, and it was only after the committee voted to put the revenue-forgone subsidy at the $801 million level did we exceed the Senate-passed resolution. Subsequently, Congress passed the resolution on which this amendment is based.

Mr. President, this bill exceeds the budget resolution by $128 million in budget authority and $123 million in outlays. As I noted in my opening statement, the revenue-forgone subsidy makes up a large portion of the overage compared to the President's budget. It also accounts for $53 million of the overage in budget authority and outlays. The remainder of the excess funding can be attributed to the committee's attempt to assist the law enforcement agencies funded by this bill and the Internal Revenue Service by providing some of the money required to meet restoration of the 5-percent pay cut that we did take. The budget resolution denies the pay cut, yet provides no funding. The committee has provided this funding so enforcement would not suffer and the IRS would be able to continue to work to close the tax gap. In fact, we probably should provide more money for the IRS.

Let me briefly explain how we got to where we are because we are talking about this particular bill at this moment, not the overall appropriation. Congress has refuted the President's proposal to cut pay of Federal employees. There was Congress that took that action. As a result, the President has sent a budget amendment for funds to restore that funding. The budget resolution does not address this restoration. Therefore, we attempted to provide funding where we could. To do that we have asked every agency in the bill to absorb the 5-percent pay cut except for the law enforcement agencies and the Internal Revenue Service.

The committee restored all of the funding to the Federal Law Enforcement Training Center, the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, and the U.S. Secret Service. We provided about half of the funding to the IRS.

Mr. President, I want at this point to note that if we take the resolution 4 percent civilian attrition assumption into account, the resolution and the bill have similar funding and staffing levels. I note this because the Treasury Department has informally advised us that they are distraught with the Senate bill because it would provide none of the House-approved increases totaling $178 million.

The Senate level reduces $57 million from the administration request of $100.1 million for restoration of the 5-percent cut. These pay costs are mandatory and must be paid. This reduction will have to be absorbed by reducing positions by between 2,000 and 2,500.

Let me repeat that: In order to take care of this mandatory 5-percent decrease there is going to have to be reduction by between 2,000 and 2,500 people in the IRS.

Given the urgent needs that exist in the service centers and taxpayers' services, which everyone wants worked out. I never had anyone testify in front of us who said we ought to cut it. When we thought about it we were quickly overruled. Because of the needs in the service center and the taxpayers' service almost all of the staffing reductions will have to be taken in tax enforcement and revenue collecting activities of the Service.

These activities, let me assure you, pay for themselves many times over in increased revenues. With this reduction the Department of the Treasury projects a revenue loss to be between $500 and $600 million in fiscal year 1986 and between $1.5 and $2 billion over 3 years.

The fiscal year 1986 budget for IRS already reflected significant reductions for savings and anticipated productivities. The experiences of this past tax filing season will not allow savings of this magnitude and will, in fact, require additional resources in the tax processing area. This situation has made it much more difficult for the IRS to accommodate additional reductions below the President's request.

The amendment to reduce all appropriations by another 2 percent below the Senate committee recommendations cuts another $71 million from the administrative request of $100.1 million for restoration of the 5-percent pay cut in the Internal Revenue Service.

This reduction will have to be absorbed by reducing another 1,500 positions to fund total pay requirements. So, we are cutting and we are cutting. The total reduction at this level would be approximately 3,500 positions when taking into account the action of the Senate committee.

The reduction would result in a further erosion in the enforcement program of the Service, with all the cuts having to be taken primarily from the examinations and collections activities. Additional revenue loss with the 2-percent reduction would be between $700 and $750 million, in fiscal year 1986 and approximately $2.1 billion over 3 years.

That is only IRS. The Department also indicates upward of $150 million of uncollected revenues could occur.

A smaller amount of revenue could go uncollected by the Bureau of Alcohol, Tobacco and Firearms. So, I think you will see my point. This amendment projects to save $139 million at the cost of a potential revenue loss of over $1 billion. Now I want to conform to the budget resolution as much as any one in Congress, and no one can call me a big spender, but this move does not make much sense to this Senator, at least.

Mr. President, the proposed reduction would further reduce the Fiscal Management Service budget by $4.9 million. A reduction of this magnitude will cause a deterioration in the quality of service to over 100 million recipients. In the payments and claims operations, some delays would cause hardship to recipients of Government payments such as Social Security recipients and veterans.

This reduction will also damage the Service's ability to carry out Congress' intent as expressed in the Deficit Reduction Act. FM's cash management activities will have to be restricted causing additional interest cost to the taxpayer of over $100 million annually. Combining an annual loss of over $100 million in interest savings with a decrease in the quality of service to the public in order to achieve a one time savings of $4.9 million does not seem like sound management.

The Domenici amendment reduces the bill by 2 percent across the board. The Treasury Department estimates a reduction of $71 million at the Internal Revenue Service will cost over $700 million in uncollected revenues.

I do not intend to go into this further.

I just want to make one other point: we have tried to do as much as we can for our law enforcement agencies and the IRS.

We did so by staying within the budget resolution. But something has to give.

This is not the first year that we have done this to them. We have been

doing this every year over the past several years. Some of those agencies are receiving less appropriations for this year and next year than they did in previous years because we beefed up other areas. Someone else had to suffer for it.

Now, we are going to get to the point where we ought to make the determination: maybe we ought to eliminate some of those agencies. if that is what this Congress wants to do, we would be happy to talk about it.

But to let them sit out on a limb without the necessary manpower to take care of the assigned requirements that have been given them would, indeed, be a great mistake.

I believe, while I have been talking mostly about the revenue agencies and Government law enforcement, we ought to keep in mind these other agencies that we also have in this bill. We made them eat the 5-percent pay reduction. Now we are going to tell them we ought to take the 4 percent in attrition and a 2-percent cut over that.

I believe I can say for the members of my subcommittee and myself that we have been fiscally tough on the agencies. Believe me, they are lean. Some have not fully recovered from the 12-percent across-the-board cut that was enacted in 1981. I might add, this came after this subcommittee had already made our cuts.

So I just hope that each and every Member of the Senate, before they cast a vote on the Domenici amendment, will realize that while it may sound good on the surface to cut every one equally across the board—I have heard that many times—but like in many other situations, there are always the exceptions. I believe that, in an appropriations bill such as we have before us, practically the entire appropriation deals with people, you have no programs to turn to make those cuts like most of the other appropriations bills have. I do not know whether it is good for them to take money out of their programs or not. But they have something they can compare and give thought to. Here, when you tell us to make cuts, you are talking about people, nothing else. We are a people budget, and that is all we have to deal with.

I certainly hope you will give serious consideration to that when the time comes for your vote.

Mr. CHILES. Mr. President, I know the hour is getting late and there has been a lot of talk on this amendment. I do not intend to talk very long.

I do support the amendment. I certainly do not do it because I do not think this subcommittee has not worked long and hard and has not produced a good work product. I do not do it because I do not think the chairman of the Appropriations Committee and the other members have not worked hard, and they are trying as hard as they can.

But, I have been in Government now about 26 years. I have never seen a bad appropriation during that time—from the time I was in the State house in Florida, from the time I was in the State senate, and the time I have been up here. Every appropriation bill is good and it is helping somebody.

Our problem has been, over the years, we have not been able to make the choice between the good and the best. We have not been able to make the choice between good programs and what we can afford to spend. We have not had somebody to say, "Wait a minute. We have only got x number of dollars so how do you allocate that best among these good programs?"

Now that is what the Budget Act is supposed to be about, determining at the beginning of the session how many dollars do you have to spend, how much can you call upon the people in regard to their taxes, how much deficit can you afford, let us say? Because, let us face it, we have got a whopping deficit in the budget resolution we passed; a whopping deficit.

On top of the tremendous deficit, we are getting ready to raise the debt ceiling to over $2 trillion. So we have been voting for a lot of good programs. And this is another good program. And we have it followed by the Agriculture bill, the Transportation bill, and all of the rest of them that are full of these good programs.

Now we are not out here saying this is a bad program. Of course, it is not. Customs, I love them. We need more of them in Florida every day that we can get. IRS—in fact, I chaired this subcommittee at one time in the appropriations—I know something about the work that they do.

I think what we are trying to say is that it happens to fall on this committee first, but it just happens because this is the first committee that has come to the floor with a bill that is well over.

What we are trying to say is, what this body voted in the budget resolution, it should respect, it should mean that. And we all cast that vote and then we all went home and made speeches and said it was not enough. I made those speeches. I will bet you everybody else in here went home and said, "Well, I supported the budget resolution. It was better than nothing, but it was not enough. We should have cut more and I tried to cut more."

I made those speeches. I will bet you most of the other people in here made them, too. But yet we come to the point of where it is not just a piece of a program, and it comes to some good programs. And these are good programs.

Are we willing to live up to what we said we were going to do? And what is the consequences if we do not? Well, as the chairman said, we said out of this overall bill we were going to cut back, we were going to save $8.6 billion. When you look at $2 trillion for our total debt, when you look at a $176 billion deficit, $8 billion does not sound like all the money in the world. But if you say you are going to do that and turn around and save half of that or 60 percent of that, where in the world does that leave us? I mean, we have very little credibility, it seems like, around here now.

So, I think what we are about here is we are saying, "Good programs, yes," but we need to follow sort of a truth in budgeting and what we have said we are going to do we need to be willing to do it and it comes to us when we have to do that. It is painful.

Mr. DOMENICI. Will the Senator yield for the yeas and nays?

Mr. CHILES. I yield.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHILES. So I think that is the process we are about, recognizing that you cannot ever make one of these budget resolutions without some pain.

Now, the 2-percent cut, I just wish to speak briefly on that. I can understand the chairman's concern about that. I share that concern. If this amendment was to pass—and I hope it does; I am sure going to vote for it—but if it was to pass and the chairman and the ranking member of the subcommittee decided they would rather do this some other way and they wanted to ask to take their bill back to committee and be able to make the cuts themselves or list the cuts, I would support them on that. I think that is their prerogative. If they want to do that, then I would support them. Because I want you to know that I do not have any—I do not know what the position of the mover of the amendment is—I have no great feeling that 2 percent is the only way to do this. There may be a better way to do it.

Mr. ABDNOR. Will the Senator yield?

Mr. CHILES. I yield.

Mr. ABDNOR. The Senator makes a good point with regard to taking it back to the committee. That is the logical place to make further cuts. Maybe we should look at the revenue forgone. Does the Senator go along with that?

Mr. CHILES. I did not understand the Senator.

Mr. ABDNOR. Revenue forgone, that is the account that put us over. The budget did not include anything in it. The Senator from Florida is a strong supporter, I guess, of the $801 million appropriation Senator BURDICK proposed, and the whole commit-

tee pretty much went with it. I do not think we have anywhere to cut in these other agencies, unless the Senator wants to help me abolish some of them. That certainly would be one way.

I can tell the Senator, for instance, little agencies like the Federal Elections Commission are screaming. If we are going to take some more from them, they may just as well fold up. Maybe they should not continue to perform, I do not know. If we ae not adequately going to fund them then let us get rid of them. I am just wondering where we go if we took the bill back.

Mr. CHILES. I do not purport to know the chairman's bill now the way he does because I am not serving on the subcommittee now. What I say is the Senator knows this bill better, and if there is a way it could be done better, I would honor that because I do not particularly like the cuts myself. I know, of course, in the one instance that the chairman accepted an amendment from me. We said we were going to transfer some of the people out of the headquarters of Customs and put them out in the field. I say there are a lot of these agencies including the IRS, Customs, and others. We can look at their headquarters' staff, and see how many people they have there as opposed to how many agencies there are out in the field or how many people are out actually collecting taxes.

Mr. ABDNOR. I can assure the Senator those positions are going to be gone. I thought that was a good move. I supported your amendment. That is the one way we were able to put more people in the field. This amendment, however cuts. They are not going to be going to the field. Those are the positions that will be cut.

Mr. CHILES. I do not purport to say that the chairman does not have a problem, and will not have a problem with this amendment. I think every subcommittee chairman will have a problem if we adhere to our resolution. That is part of that sort of pain that the resolution says we are going to take. But if we pass the budget resolution, then come back, and do not do those things, then we make a mockery out of that process. I really think that is what we are about here. We are seeking a binding crosswalk so that we can actually determine and keep score. That is our job. That is what we are supposed to do. That is what the act says we are supposed to do. I hope the body will see fit to pass this amendment. Some people have said budget authority is supposed to be the only thing that counts. That is not the way I read the act. I read the act that it very much talks about budget outlays. And I think when each one of us goes home and talks about the deficit, we are not talking about budget authority when we talk about the deficit. We are talking about how much is spent. That is outlays. So we had better get our rhetoric straight if we are going to talk about how much we actually spend.

Mr. President, I hope the amendment will be adopted.

Mr. BURDICK addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. BURDICK. I rise in opposition to a 2-percent across-the-board cut in the Treasury/Postal Service appropriations bill. Let us look, for example, specifically at the effect this would have on the revenue forgone function.

A 2-percent reduction in the revenue forgone appropriation will seriously hurt the affected mailers. Even with the $801 million contained in this bill for revenue forgone, the mailers who use this subsidy do not escape rate hikes. Library rate mailings will increase 24 percent. Classroom materials, veterans and religious mailings would be up 30 percent. Small newspapers would skyrocket 42 to 56 percent.

The 2-percent cut suggested by Senator DOMENICI will result in an estimated $16 million loss in the revenue forgone category. Just how much do we want to hurt these mailers this year in the name of budget balancing?

Through lower postal rates, the Federal Government acknowledges the important contributions made to society by the nonprofit mailing community and assists nonprofits to channel as much revenue as possible into program services rather than operational expenses. The administration has repeatedly stated their commitment to this idea.

Since the administration agrees that reduced postage rates for nonprofit mailers is a good idea, the way to ensure their continuation is through direct and sufficient appropriations.

Even $801 million is not as much as I would like to see for the worthy cause; $16 million less, as proposed by Senator DOMENICI is totally unacceptable; $801 million for revenue forgone is $166 million below the 1985 funding figure. It is $160 million below the $961 million contained in the House-passed Treasury/Postal Service appropriations bill. And it does not place this Treasury/Postal Service appropriations bill over its budget allocation.

For all these reasons, I support the bill, and oppose the present amendment.

Mr. NICKLES. Mr. President, the bill we are now considering, the Treasury/Postal appropriations for fiscal year 1986, is $128 million over the conference agreement on the first concurrent budget resolution. It is $859 million over the Senate-passed resolution. Not only is it over the budget resolution it exceeds the President's request even when adding the Senate appropriation for postal subsidies to the request.

The amendment Senator DOMENICI and myself are proposing would reduce all discretionary spending by 2 percent. This would produce a total savings of $139 million. When the House of Representatives considered this bill, they accepted one amendment to the bill. That amendment called for a reduction in every program, except for law enforcement, postal subsidies, and mandatory spending. It passed by an overwhelming vote of 288-133. When that amendment was initially offered, it was intended to bring the bill in line with the first budget resolution as passed by the House. Where they failed in that effort, we can succeed by adopting this amendment.

One may argue that the Senate has already reduced its budget well below that of the House and in many of the programs affected by the across-the-board reduction. However, of the 34 programs affected by this amendment, the Senate is over the House level in 26 instances. This indicates that the typically spend-thrift House has outdone us in these 26 programs.

Another argument used is that this amendment will hurt vital programs. This is not the case. The BATF, Customs Service, and Secret Service, all will experience increases over the budget requested amount even with the 2 percent reduction. Furthermore, government payment for annuitants and employees health benefits, and payment to the civil service retirement and disability fund will likewise be exempt from the reduction. While I feel that several of these programs could use additional cuts, this amendment as it is now structured would have the best chance of passage.

Finally, Mr. President, the bill does not even hold to our commitment to our own budget. For instance, under the budget resolution, we set a level for postal subsides of $700 million, this bill exceeds that amount by $101 million. If we are going to vote for attractive budgets around here, we have got to stick by them when it comes appropriations time. I urge my colleagues to accept our amendment which places us in compliance with the budget resolution.

Mr. LEVIN. Mr. President, I would have liked to vote for this amendment as an indication that I want to reduce the deficit. It is unclear whether this bill is within the budget resolution's guidelines. The Office of Management and Budget has indicated that it is within the guidelines. The chairman of the Budget Committee said otherwise. However, what seems clear after the debate is that voting to cut funding in this bill by $130 million, including pairing back funding for IRS enforcement and Customs Service en-

forcement, will lead to an increase in the deficit. It has been estimated that cuts in funding for IRS personnel will result in $750 million in lower revenue collections. Cuts in personnel for the Customs Service and the Bureau of Alcohol, Tobacco and Firearms would result in additional revenue shortfalls. We all want to reduce the deficit, but it just doesn't make sense to cut spending by $130 million and end up with a net increase in the deficit of at least $620 million. That's not a vote to cut the deficit. That's why I oppose this amendment.

Mr. DECONCINI. Mr. President, we have an amendment here that is very attractive. I am sure that anyone who has been paying attention to the discussion here will realize that any time you can cut across the board, it is an easy way to go. I have participated on many occasions in such discussions as this, and even find some temptation today. But it is grossly unfair. It is not only unfair in the sense of what we are doing here because of the questionable allocations numbers and the inability to have an adequate explanation of the 302(b) section allocations crosswalked over to this bill, but I think we have demonstrated that at least the restoration of the 5 percent adjustment should have been credited to the bill. The CBO did not. The Senator from New Mexico uses those figures in the Budget Committee, and we are losing out.

Who really loses? The Domenici amendment means the loss of $1.3 billion in revenue in fiscal year 1986, $3.8 billion over 3 years. That is a conservative estimate.

The IRS estimates that the amendment would result in a loss of $700 to $750 million in revenue collections at IRS alone.

Customs estimates the amendment would result in $150 million in lost revenue in fiscal year 1986 from the impact of the amendment on their operations.

BATF estimates that as much as $300 million in lost revenue could result in their operations if the Domenici amendment is adopted.

The Financial Management Agency at Treasury estimates that this amendment will cost the Treasury $100 million additional interest to be paid out to bondholders, Government security investors and the like, due to backlog and untimely handling of interest due on investments.

The 3-year effect of this amendment on these Treasury operations will be about $3.8 billion in lost revenue.

What we are considering doing is cutting off 2 percent which amounts to $139 million, I believe, and, in effect, we are going to lose some $700 million just in the IRS account which is at a low level now in the collection area.

There are other inconsistencies in the Senate Budget Committee's calculations that should have all of us on the Appropriations Committee scratching our heads, wondering which way they really want to go.

Let me give one more example.

The budget resolution assumes an IRS budget of $3.6 billion, $73 million more than the IRS budget assumed in the Treasury appropriations bill. Yet the budget resolution also assumes a 4-percent attrition rate to be applied to all agencies, including the Internal Revenue Service. This attrition savings would hit the Treasury appropriations bill for $93 million, virtually wiping out any of the add-ons or enhancements for Internal Revenue Service assumed by the Budget Committee itself.

The attrition savings would also knockout the Customs saving enhancements also assumed in the Budget Committee calculations. As the Senator from Oregon pointed out, we have done exactly what the Budget Committee told us to do in those two areas, the IRS and Customs, and yet we are not being penalized for it.

The total Treasury bill before us is $238 million under the House-passed bill, and if that does not convince you not to vote for the Domenici amendment, it is $85.2 million below the fiscal year 1985 totals for the Treasury bill.

Twenty-five of the fifty-one accounts were cut below the 1985 level.

Furthermore, I am informed that the toughest budget cutting outfit in America, the Office of Management and Budget, has told the chairman of the Appropriations Committee that the Treasury appropriations bill conforms to their calculations of the budget resolution assumptions and is acceptable.

Finally, according to an informal budget allocation meeting held by the chairman, which we discussed here a little earlier today, the Treasury bill is under the budget authority ceiling and only slightly over in budget outlays.

I think it is about $200 million under, but the chairman of the Budget Committee, who offers this amendment disagrees. The chairman of the Appropriations Committee agrees that it is at that level or below.

The committee has not formally adopted those recommendations but will shortly, and I suspect that no one will dispute that it is going to be very close to this.

Mr. President, this amendment will also have a serious effect on very important programs covered by this bill. This includes our national antidrug interdiction program. The Senator from New Mexico, who offers this amendment, has been one of the stalwarts in assisting this drug program literally get off the ground with our effort of having sophisticated Customs aircraft to stop the smugglers.

Here, briefly, is what the amendment before us would do: It would cut the Customs Service by $15.7 million, eliminating approximately 32 drug enforcement personnel along the Southwest border or at the international airports. This will also damage our efforts to halt domestic terrorism at the ports and our airports.

Second, it will postpone major antidrug interdiction efforts both in the air interdiction program and the marine program. It could damage our efforts to beef-up cooperative work with the Defense Department to combat drugs. We have had some success in that area.

Third, it will cut the Internal Revenue by another $71 million, eliminating about 1,700 Internal Revenue employees. At a time when tax compliance is at an all-time low this flies in the face of the President's support for additional Internal Revenue personnel to collect more revenue this year and to reduce that deficit we have all been talking about.

Fourth, it would further reduce the Postal Service subsidy to the charities, churches, the veterans groups, and nonprofit groups raising their rates to an unacceptable level. This to me is something of great importance and something that the chairman, myself, and other members of the subcommittee have struggled with for a long time in trying to keep the Postal Service subsidy on track. It is on the way down, in accordance to the authorization, and yet if we adopt this amendment we are going to hit the charities, veterans groups, and nonprofit groups.

Fifth, it would clearly shut down any new starts in GSA, including border stations or other important projects.

Not only will this amendment hurt drug enforcement and our tax program; it is totally unnecessary to the passage of a lean, responsible bill. It is not going to make it a better bill. We have cut these agencies sharply. We have bolstered only the crucial law-enforcement programs. There is no pork in this bill. All of these important programs are funded at levels that fall into virtually any rational budget ceiling.

I urge my colleagues not to vote for this amendment. I realize that it is very attractive but, in fact, you are standing up and saying that we do not need more law enforcement on the border to stop the drugs. We are not getting the credit in accordance with CBO figures and I believe we are really entitled to have that issue ironed out.

Mr. ABDNOR. Mr. President, I move to lay the amendment on the table.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Nevada [Mr. LAXALT,] and the Senator from Idaho [Mr. SYMMS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. GLENN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 38, nays 58—as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—38

Abdnor	Hatfield	Pell
Andrews	Hawkins	Pressler
Biden	Heinz	Rockefeller
Burdick	Inouye	Rudman
Byrd	Kassebaum	Sarbanes
Cochran	Kennedy	Sasser
Cranston	Kerry	Specter
D'Amato	Levin	Stafford
DeConcini	Matsunaga	Stennis
Dodd	McClure	Stevens
Ford	Moynihan	Wallop
Goldwater	Murkowski	Weicker
Harkin	Packwood	

NAYS—58

Armstrong	Garn	McConnell
Baucus	Gore	Melcher
Bentsen	Gorton	Metzenbaum
Bingaman	Gramm	Mitchell
Boren	Grassley	Nickles
Boschwitz	Hart	Nunn
Bradley	Hatch	Proxmire
Bumpers	Hecht	Pryor
Chafee	Heflin	Quayle
Chiles	Helms	Riegle
Cohen	Hollings	Roth
Danforth	Humphrey	Simon
Denton	Johnston	Simpson
Dixon	Kasten	Thurmond
Dole	Lautenberg	Trible
Domenici	Leahy	Warner
Durenberger	Long	Wilson
Eagleton	Lugar	Zorinsky
Evans	Mathias	
Exon	Mattingly	

NOT VOTING—4

East	Laxalt
Glenn	Symms

So the motion to lay the amendment (No. 706) on the table was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question before the Senate is the amendment of the Senator from New Mexico, on which the yeas and nays have been ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 706) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE

Mr. DOLE. Mr. President, if I may have the attention of my colleagues, we will try to figure out what we are going to do the rest of tonight and tomorrow.

As I understand it, there will be one additional vote on this bill. There will be a couple of amendments that the managers are prepared to accept, and then there will be a rollcall vote on final passage, which could come as soon as 6:30.

Then we have the HUD appropriations bill and the D.C. appropriations bill and some other matters that I think we can take care of in what we refer to as wrap-up, where there will not be rollcall votes.

Is the Senator from Oregon prepared to start on the HUD measure?

Mr. HATFIELD. Senator GARN will manage the bill.

Mr. DOLE. How long will it take?

Mr. GARN. I would think 2 or 3 hours, depending on amendments.

Mr. HATFIELD. The D.C. measure is after that.

Mr. DOLE. I am advised by the chairman of the HUD appropriations subcommittee that he is prepared to move on that measure, so we will start on that right after the next vote.

I say to my colleagues that if we can complete action on the HUD appropriations bill this evening, we will do that; otherwise, we will go out until 10 o'clock tomorrow morning.

I think we will be here at least until 8 or 8:30 this evening, and we will take a look at the HUD bill. If it appears that we cannot finish it, we will come back tomorrow at 10 a.m.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. METZENBAUM. I did not understand what the Senator said about the D.C. appropriations bill.

Mr. DOLE. We will take it up. It is my understanding that the distinguished chairman of the Appropriations Committee would like that to follow the HUD bill. There will be an abortion amendment, I am advised. That may take some time, in the event the amendment is not tabled. If it is tabled, it will not take that much time. Am I correct?

Mr. METZENBAUM. Yes.

Mr. SARBANES. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I yield.

Mr. SARBANES. Could the majority leader lay for us what he plans to do on Monday of next week?

If I may take advantage of the opportunity to broaden that question, I ask the majority leader, with respect to the rest of the session, how he intends to handle Fridays and Mondays, because we seem to have moved into a pattern, without it being announced, of apparently staying here and voting on Fridays and not voting on Mondays.

I am not particularly questioning the pattern. What I am trying to find out is whether that is the pattern and whether it is something that Members ought to plan on and adjust to.

Mr. DOLE. First of all, we have tried to accommodate Members on Mondays by not having votes before 3 or 4 o'clock. That has sort of been the pattern all year long.

At the same time, we had a five-week recess, and we have a lot of work piling up. So we have been adding Fridays to the schedule by trying to restrain the votes on Fridays, so that Members will not miss more than two or three votes, and still trying to wrap up on Fridays by mid-afternoon.

So, on Monday we will take up Interior or Agriculture appropriations, and there will probably be 3 or 4 hours on each measure.

Then there is still the Compact of Free Association which we would like to resolve, but knowing that that would be amended, I am hesitant to say we will bring that up on Tuesday or Wednesday.

I am now advised that the reconciliation bill may not be available by Wednesday of next week. We had hope to finish this on Friday, October 4.

I have indicated to all my colleagues that we will go out the night of Thursday, October 10 until Tuesday October 15. There are about a dozen Members involved in an Interparliamentary Union conference in San Francisco. Also Columbus Day falls in there.

So for the next couple of weeks, I would say we will probably have votes this Friday and next Friday. The following Friday we will be in recess. There will be no votes on Monday, October 14.

If there are any votes on this coming Monday, they will not occur until 4 p.m. or after, to accommodate the Senator from Illinois and others.

Mr. BYRD. Mr. President, if the distinguished majority leader will yield, I was out of the Chamber when the distinguished majority leader began. He may have already addressed this question. What does the majority leader

see with respect to timing on the farm legislation and also on the extension to the debt limit?

Mr. DOLE. Mr. President, I have conferred with the chairman of the Finance Committee today on the debt ceiling. He would like to take that up no later than October 7.

I am advised, as I indicated earlier this morning, by the Treasury Secretary that October 7 is a bit late. That is when they start to crunch and may be some of the checks will not clear after that date.

So it could be that we want to move that into some time next week to see if we can dispose of it.

I will discuss that further with the chairman of the Finance Committee.

On the farm bill itself, I do not see how we are going to reach it until October 15. We do not have the bill yet. It has been reported. It is several hundred pages in length. The report is lengthy. There are 22 titles to the farm bill. Every one is a major issue. So it takes the staff considerable time just to put it together. They hope to have it out to us on the floor some time next week. The 3-day rule will expire. We will take it up hopefully before October 10. If not, we have it designated for October 15.

Mr. BYRD. I thank the distinguished majority leader.

Mr. PELL. Mr. President, will the distinguished majority leader yield for a question?

Mr. DOLE. I am happy to yield for a question.

Mr. PELL. What is the majority leader's intention with regard to the Genocide Convention? Will that be taken up prior to adjournment?

Mr. DOLE. Is that on the must list? I guess it is.

Mr. PELL. It is not on the must list. I wish it were.

Mr. DOLE. It is something we considered.

Mr. PELL. There is no more assurance than that?

Mr. DOLE. I would like to give the Senator more assurance, but I get different views on that particular item. It is a question of how much time we have. I am prepared to take it up.

I have asked the President to send us a letter suggesting he would like to have it done this year as he did last year.

Mr. PELL. I thank the majority leader.

Mr. DOLE. We are awaiting that letter.

Mr. NICKLES. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. NICKLES. Mr. President, it was my understanding, or correct me if I am wrong, is it scheduled to have any votes on Tuesday, October 15, the day after Columbus day?

Mr. DOLE. No, but we are going to have business that day.

Mr. NICKLES. I understand.

Mr. DOLE. I will not say no votes. If I do, no one shows up except the Presiding Officer. Hopefully, we can start, if we are on the farm bill, to make opening statements and lay down some amendments.

But the Senator from Oklahoma is correct. There will be no votes on that Tuesday because many Members are coming back from the west coast and could not be here in any event.

Mr. KERRY. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. KERRY. Mr. President, I thought I heard the majority leader say that it was his anticipation there would be votes tomorrow, is that correct?

Mr. DOLE. That is correct.

Mr. KERRY. I know the majority leader is aware of the storm that is moving up the coast. For a lot of us in New England States, if we do not get out of here tonight, we are not getting home.

Is there any way we could have a more certain schedule?

Mr. DOLE. Mr. President, let me make an offer. If you hurry on the HUD bill, we might not be in tomorrow. But if we start beyond 8 p.m., we are going to be in tomorrow.

So if anyone has an amendment, I am sure Senators would be happy to speed it up. We will try to speed it up.

Mr. KERRY. I thank the majority leader.

Mr. DOLE. We realize the problem in the New England area, and we wish to accommodate those Members.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1986

SECOND EXCEPTED COMMITTEE AMENDMENT

Mr. ABDNOR. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the remaining committee amendment to the Treasury-Post Office appropriations bill.

Mr. ABDNOR. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the second excepted committee amendment.

The second excepted committee amendment was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agree to.

The amendment follows:

SEC. 617. Notwithstanding any other provision of this Act, each amount appropriated by this Act not required to be appropriated by previously enacted law is hereby reduced by 2.65 per centum. The provisions of the preceding sentence shall not apply to funds appropriated or otherwise made available under title I of this Act for Federal Law Enforcement Training, the Bureau of Alcohol, Tobacco and Firearms, the United States Customs Service, the Internal Revenue Service, and the United States Secret Service, or title 11 of this Act for the Postal Service.

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1986".

AMENDMENT NO. 708

(Purpose: To require a study of the effects of rulemaking with respect to distilled spirits)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 708.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment follows:

On Pages 5, line 17 before the period insert the following: *Provided further,* That none of the funds made available by this Act or any other Act shall be used to promulgate or enforce any final rulemaking or other action concerning the labeling of low or reduced alcohol distilled spirits until such time as the appropriate committee of the Congress have been provided with a thorough study of the consequences of such potential labeling changes. Such study shall be undertaken under the direction of the Bureau of Alcohol, Tobacco and Firearms.

Mr. DODD. Mr. President, it has come to my attention that the Bureau of Alcohol, Tobacco, and Firearms [BATF] will issue a rule in the near future designating a new category of distilled spirits labeled as "low" or "reduced" alcohol content. Concern has been expressed that unless this new category is confined to a specified, limited proof it could invite a proliferation of mislabeled products, confusing the consumer and creating havoc in the marketplace. It is extremely important that we move deliberately here since a reduction in the proof of distilled spirits could result in the loss of revenues to the Treasury, which bases its excise taxes on alcohol proof or content.

My amendment simply requires the BATF provide the Congress with a study of the consequences of such a charge prior to final implementation. Beyond the fact that such a study should be thorough in seeking out all possible ramifications and points of view, the BATF would have total discretion in structuring such an examination which should not unduly delay the resolution of this matter.

Mr. President, very briefly, this amendment is one that has been agreed to by both the majority and minority.

As stated it calls for a study of an anticipated rule by the Bureau of Alcohol, Tobacco, and Firearms that would designate a new category of distilled spirits labeled as low or reduced alcohol content.

Mr. President, great concern has been expressed that unless this new category is confined to a specified, limited group, it could invite a proliferation of mislabeled products, causing great confusion among consumers.

Therefore, before such a rule would be implemented, this amendment calls for a study of that rule to examine thoroughly both the consumer issues as well as the potential loss of revenues to the Treasury which, of course, as we all know, bases its excise taxes on alcohol proof or content.

I have raised this amendment with both the majority and minority. I believe it is cleared on both sides.

Mr. President, I ask for its adoption.

Mr. ABDNOR. Mr. President, if my colleague will yield, I wish to say we feel this is a very important amendment and addresses a very important question with regard to public hearings. I am happy the Senator brought this to our attention. We are more than willing to accept the amendment.

Mr. DECONCINI. Mr. President, this side has no objection to the amendment and is prepared to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment (No. 708) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABDNOR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LET'S HOLD THE LINE

Mr. PROXMIRE. Mr. President, I intend to vote against the appropriations bill for Treasury, Postal Service, and against every appropriations measure which exceeds the President's budget. We have to start saying "no," as painful as that might be.

The managers have worked diligently on this bill. And the leaders of the Budget Committee have made a valiant effort to see that the bill is within the guidelines established by the budget resolution. Despite these efforts, the bill is still too high.

By this vote, I do not mean to endorse the priorities in the President's budget. Far from it. They are badly skewed—too much for the military. And the deficits are still far too high.

That brings me to the crux of the problem. The only way those deficits can be reduced is by slowing the growth of defense spending, which Congress is doing. This slowdown must be matched by restraint on the domestic side of the budget, as recommended by the administration. Combine the two—lower defense spending, as recommended by Congress and lower domestic spending as recommended by the administration—and we would be well on the way toward controlling spending.

Here is where I differ with some of my colleagues. They would use the money saved in defense to bolster domestic spending. I believe this money, and that saved from domestic spending, should be used to reduce the deficit.

This is not an easy course to follow. Many of the domestic programs which the administration wants to chop are desireable, even useful. But we cannot afford them. It is just that simple. We don't have the money.

Unfortunately, there are no easy ways to reduce the deficit. Everyone now agrees that we aren't going to grow our way out of it. And even if we cut into both domestic and defense spending, more revenues are going to be required.

If we continue with business as usual, as we have done for the past several years, deficits are going to remain around $200 billion. Remain, that is, until the next recession, when they will head toward $300 or even $400 billion. Then we will really be in a pickle. We will have gone a long way toward crippling the greatest economy the world has ever seen. Is that what we want to do? I sincerely believe not.

Mr. LEVIN. Mr. President, I would like to engage in a brief colloquy with the chairman of the Subcommittee on Treasury-Postal Appropriations relative to the need for more Customs inspectors at Michigan ports on the northern border.

H.R. 3036 includes appropriations for increasing the number of customs agents to allow for increased border patrol and other inspection and enforcement activities of the Customs Service. While I am all too familiar with the serious demands and needs of the southern border, I am concerned about the shortage of inspection personnel at the northern border as well. I am, therefore, pleased that this appropriation bill provides for an increase to other areas of the country on top of the increase for the southwest border initiative.

I would like to take this opportunity to impress upon the chairman and ranking member of the subcommittee of the particular need for increased Customs agents for the northern border as well. I believe it is important to do this in order to establish a record that Michigan should receive an appropriate share of the increase contained in this bill. In particular, I want to point out how this need may require raising the ceilings for customs officials in these offices as well as the need to fill out the vacancies which currently exist.

The Port of Detroit is the largest port of entry along the northern border. Complaints to my office are constant from both the travelling public and the business community about the long lines and intolerable wait at the Detroit-Windsor Tunnel, the Ambassador Bridge and the Blue Water Bridge between Port Huron and Sarnia. One constituent wrote to me on April 26, 1985, that she and her family were "held captive for 2½ hours" on the Ambassador Bridge. According to my constituent, during this period, "* * * cars were boiling over, clutches were smelling, and cars were being towed off * * ." The lines are so long and intolerable that fist fights have broken out in the tunnel. People have become ill while waiting and have not been able to move their cars out of the tunnel for help.

Mr. President, business in the Michigan area is being discouraged and even lost due to the cost of these lengthy waits and inconvenience at the Detroit-Canada border. Michigan's economy cannot tolerate a hardship that can so easily be avoided. I need not tell the chairman that our trade with Canada is vast and vital. It is in the interest of both our nations to restore our mutual border to the effective industrial and international link it once was. A letter I received from St. Clair County, MI, stated:

> At its meeting of August 28, 1985, the St. Clair County Board of Commissioners entered into considerable discussion on a problem that effects both the United States and Canada. The problem is the increasing amount of time that it takes to clear Customs and/or Immigration at various points of entry and specifically at the Blue Water Bridge between Port Huron and Sarnia. As you would appreciate, any delay has an impact upon the social and economic life of both countries, but as of late, the delay is becoming more and more apparent.

The problem can easily be identified. The volume of car truck traffic at entry points in Michigan has increased dramatically. For instance, traffic volume at the Ambassador Bridge in Detroit has increased by more than one-half million in the past decade. The increase at the Detroit/Windsor Tunnel has been greater than 300,000 for that same period.

I realize that resources are limited and that a principal goal in authorizing increased funding for inspection and enforcement activities by the Customs Service is the problem of illegal immigration at the southern border. I hope that the northern border will not be ignored because our needs are so great and we are also under a mandate from the national headquarters to increase enforcement efforts.

Can the chairman give me some assurance that the ports of entry on the northern border and specifically, the Port of Detroit and the Port of Port Huron, will receive some increase in

the number of inspection personnel under this legislation?

Mr. ABDNOR. We recognize that increase in the number of people entering ports on the northern border might well create a need for more inspectors. I will ask the Customs Service to look at the need for more inspectors at the Port of Detroit and the Port of Port Huron and to do everything possible to meet those needs.

Mr. DECONCINI. I can also understand the concern of the Senator from Michigan. I will join the chairman in asking the Customs Service to reevaluate the need for additional personnel in the areas that the Senator from Michigan has described.

Mr. MATTINGLY. Mr. President, I would call to the attention of our colleagues the fact that I had earlier intended to offer an amendment to the pending legislation. My amendment would have the effect of allowing the U.S. Customs Service, the Postal Service and our law enforcement agencies to more efficiently crack down on the importation by mail of obscene and pornographic materials. At present, action to have the materials seized for forfeiture and any determination by the U.S. attorney to lodge criminal charges must be handled in the Federal court district having jurisdiction over the location of the point of entry. This results in overloading the handful of districts where the vast majority of such pornographic materials enter the country.

My amendment would simply allow the Customs Service to forward the questionable materials to the U.S. attorney in the region to which such mail is addressed for delivery. This would give officials greater flexibility, and would also ensure that the community standards of each neighborhood, township, and locality would be considered in determining whether or not the materials are indeed obscene.

Mr. President, I see that our distinguished colleague, the chairman of the Senate Finance Committee, is present. I remember that only a short time ago I had another amendment dealing with the unfair way in which the IRS was dealing with farmer cooperatives and, of course, a matter over which Senator PACKWOOD's committee has jurisdiction. I want to extend my sincere thanks to the chairman for his prompt and efficient action in seeing that the issue was given expeditious hearings and in guiding it through markup as a provision in the reconciliation measure which will be before the Senate in the near future. As then, I realize that the subject matter of my amendment comes within the jurisdiction of Chairman PACKWOOD's committee, and I would inquire of the Senator at this time whether he would be in a position to express his thoughts regarding how we should handle my proposed amendment?

Mr. PACKWOOD. Mr. President, I thank the Senator from Georgia for his courtesy in asking my guidance as chairman of the Finance Committee. Our committee does have jurisdiction over the subject matter of his amendment. I believe we are faced with a situation which is indeed very similar to that presented by the Senator's farmer cooperative amendment which he and I discussed in this Chamber 2 or 3 months ago during Senate debate on the imputed interest measure. I am delighted that we were able to hold hearings in Senator CHAFEE's subcommittee on the co-op tax matter, and that during committee markup of reconciliation, Senator MATTINGLY's concerns and those of the committee were resolved to our mutual satisfaction.

I would suggest to the Senator from Georgia that we should deal with his present amendment in a manner similar to the co-op legislation, and I would extend my commitment to cooperate with him in every way possible to schedule a hearing on the issue and seek committee action on it as soon as possible.

Mr. MATTINGLY. Mr. President, I thank my distinguished colleague from Oregon for his kind words and sage advice. I know that he will exert every effort to see that we reach a speedy resolution of this matter through the regular procedures of the Finance Committee, and for that reason I will gladly withhold from offering my amendment to the pending measure.

Mr. DECONCINI. Mr. President, I know the time is late. I wish to thank the chairman and his staff and Bob Mills and others for their assistance here.

I particularly thank the chairman of the Appropriations Committee, the Senator from Oregon, for taking the time today to come over and I think lay out very clearly one of the most difficult problems that we have not addressed in this Chamber. That is, what figures are we going to use and when and where are we going to follow the budget resolution and if the budget says add something then are we going to come back and cut it on a 2-percent cut after the committee has already made cuts?

So, I thank the Chairman of the Appropriations Committee for taking the time and investing his efforts here, even though we did not succeed in defeating the amendment of the Senator from New Mexico. I think a good groundwork has been made, and I thank him sincerely for that effort.

Mr. MURKOWSKI. Mr. President, I commend my colleagues on the Senate Appropriations Committee for their recommendations with respect to funding for the U.S. Customs Service.

As the primary defense along our borders, Customs plays a key role in our country's drug interdiction efforts. This agency must be adequately funded to carry out its drug interdiction responsibilities.

Narcotics trafficking is now a multibillion-dollar business. With an estimated $100 billion in narcotics profits available, todays drug dealers are well armed with the most modern high tech communications equipment, planes, boats, and weapons. We cannot allow our law enforcement officers to find themselves consistently outmanned, outspent, and outgunned.

The Treasury, Postal Service, and General Government Appropriations bill for fiscal year 1986, provides funding for Customs to implement Phase I of the Mexican-United States border security and narcotics initiative. The legislation also provides funding for additional Customs Service manpower to be placed in those areas of the country most vulnerable to narcotics and commercial fraud enforcement problems.

This additional funding for Customs is particularly timely for me. A hearing I chaired in Alaska recently to examine the scope and impact of drug trafficking in the State revealed an alarming trend. Use of every type of illegal drug in Alaska exceeds the national average. Seizures of illegal drugs have doubled during the past 5 years. This trend toward increasing drug abuse can be translated into increased domestic violence, suicide, violent crime, and lost productivity. An analysis published by the National Institute on Drug Abuse showed that nationally we lost $49.9 billion due to the costs of drug abuse. That's 5 percent of the total Federal budget.

Coincidentally, just yesterday I had the opportunity to tour the Customs Service facility at Dulles International Airport. The U.S. Customs Service has the authority for the processing and regulation of people and cargo arriving on international flights. I was very impressed with the demonstration at Dulles and stress to my colleagues the importance of providing Customs adequate resources to continue effective narcotics interdiction programs at our international airports.

Overcoming drug abuse and drug trafficking is one of our most challenging national problems. I strongly support the Appropriations Committee's actions to strengthen U.S. Customs drug enforcement capabilities.

Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 3036, the Treasury, Postal Service and General Government appropriation bill for fiscal year 1986. This legislation contains one provision of particular significance to the State of New Jersey—funds to construct a new Federal building-courthouse in Newark.

Earlier this year, I offered an amendment to S. 1030, the Public Buildings Authorization Act of 1985,

during its markup by the Environment and Public Works Committee. My amendment authorized $44,975,000 to construct a badly needed new Federal building-courthouse in Newark, NJ. H.R. 3036 provides the funds for construction of this building.

Mr. President, the U.S. District Court in Newark has one of the fastest growing caseloads in the Nation. The courts presently occupy 83,000 square feet of space in the U.S. Post-Office-courthouse. With the passage of the Bankruptcy Amendments and Federal Judgeship Act of 1984, the increased caseload of the Newark courts will require 108,722 square feet of expansion space by 1990. The additional space is needed to accommodate seven additional district judges and other judicial functions.

The construction of a new Federal building-courthouse is the most efficient way to meet this need because the alternative is to continue leasing space which is very expensive. In addition, providing funds for this project is consistent with the expressed policy of the courts and Congress to house court functions in Government-owned space.

Mr. President, this vital project for Newark would not have been possible without the patient assistance of the chairman of the Environment and Public Works Committee, Senator STAFFORD, and the ranking minority member, Senator BENTSEN. In addition, I very much appreciate the cooperation of the Senator from South Dakota, Senator ABDNOR, in including funds for this project in H.R. 3036. I thank my distinguished colleague for his help.

Mr. President, I urge adoption of this legislation.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON, I announce that the Senator from North Carolina [Mr. EAST], the Senator from Nevada [Mr. LAXALT], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Idaho [Mr. SYMMS], are necessarily absent.

Mr. CRANSTON, I announce that the Senator from Ohio [Mr. GLENN], the Senator from Massachusetts [Mr. KENNEDY], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 88, nays 6, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—88

Abdnor	Garn	Metzenbaum
Andrews	Goldwater	Mitchell
Armstrong	Gore	Moynihan
Baucus	Gorton	Murkowski
Bentsen	Gramm	Nickles
Biden	Grassley	Nunn
Bingaman	Harkin	Packwood
Boren	Hart	Pell
Boschwitz	Hatch	Pressler
Bradley	Hatfield	Pryor
Bumpers	Hawkins	Quayle
Burdick	Hecht	Riegle
Byrd	Heinz	Rockefeller
Chafee	Hollings	Rudman
Chiles	Inouye	Sarbanes
Cochran	Johnston	Sasser
Cohen	Kassebaum	Simon
Cranston	Kasten	Simpson
D'Amato	Kerry	Stafford
Danforth	Lautenberg	Stennis
DeConcini	Leahy	Stevens
Denton	Levin	Thurmond
Dixon	Long	Trible
Dodd	Lugar	Wallop
Dole	Mathias	Warner
Domenici	Matsunaga	Weicker
Durenberger	Mattingly	Wilson
Eagleton	McClure	Zorinsky
Evans	McConnell	
Ford	Melcher	

NAYS—6

Exon	Helms	Proxmire
Heflin	Humphrey	Roth

NOT VOTING—6

East	Kennedy	Specter
Glenn	Laxalt	Symms

So the bill (H.R. 3036), as amended, was passed.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABDNOR. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. ABDNOR, Mr. LAXALT, Mr. MATTINGLY, Mr. HATFIELD, Mr. DECONCINI, and Mr. STENNIS conferees on the part of the Senate.

Mr. ABDNOR. Mr. President, I want to say in closing that we now have a freestanding Treasury bill. We have not had one since 1980. Overall, it is a good bill. We did pass a bill last year but there were a couple of disagreements with the other body. Because of a shortage of time, we had to be included in the continuing resolution. That should not be the case this year.

I want to say in closing that again I want to offer my heartfelt thanks to Senator DECONCINI for all he has done on this bill. His knowledge of the agencies, as well as his leadership has been extremely helpful.

I certainly would be remiss if I did not offer my appreciation and thanks to members of his staff, Bobby Mills and Marilyn Washington. Also, we could not have gone through this without the very able help of the majority staff, Chuck Parkinson and Dorothy Pastis. Their contribution to the final product certainly deserves our thanks.

Mr. DOLE. Mr. President, let me extend my thanks to the distinguished managers of the bill, the distinguished Senator from South Dakota, Senator ABDNOR, and the distinguished Senator from Arizona, Senator DECONCINI. We have completed this bill in good order. There has been some good debate. There is no question in my mind but the distinguished managers of the bill have done an outstanding job, as well as members of their staff. We congratulate them.

Mr. President, we hope we can continue to take care of these appropriations bills and not cover everything in a continuing resolution.

BUDGET ACT WAIVER

Mr. DOLE. Mr. President, if the distinguished minority leader would have no objection, I would like to turn to calendar No. 305, the Budget Act waiver, Senate Resolution 216, the budget waiver for S. 801.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 216) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 801.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 216) was agreed to, as follows:

S. RES. 216

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 801, a bill to authorize appropriations for the National Science Foundation for fiscal year 1986. Such waiver is necessary to permit the authorization of funds for the National Science Foundation and for certain programs under the Education for Economic Security Act, relating to mathematics, science, foreign languages and computer learning.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL SCIENCE FOUNDATION AUTHORIZATIONS, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of calendar No. 281, S. 801, the National Science Foundation authorization bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 801) to authorize appropriations for the National Science Foundation for fiscal year 1986.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources with an amendment to strike out all after the enacting clause, and insert the following:

S. 801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
That this Act may be cited as the "National Science, Engineering, and Mathematics Authorization Act of 1986".

TITLE I—NATIONAL SCIENCE FOUNDATION AUTHORIZATION

SEC. 101. This title may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There is authorized to be appropriated to the National Science Foundation $1,500,780,000 for the fiscal year 1986.

(b) Funds authorized for the fiscal year 1986 will be available for the following categories:

(1) Mathematical and Physical Sciences, $406,820,000.

(2) Engineering, $160,640,000.

(3) Biological, Behavioral, and Social Sciences, $261,010,000.

(4) Astronomical, Atmospheric, Earth and Ocean Sciences, $357,670,000.

(5) Scientific, Technological, and International Affairs, $37,770,000.

(6) Advanced Scientific Computing, $44,010,000.

(7) Program Development and Management, $72,230,000.

(8) United States Antarctic Program, $110,080,000.

(9) Science and Engineering Education and titles I and IV of the Education for Economic Security Act, $50,550,000 together with amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in this paragraph.

(c) Notwithstanding any other provision of this Act, from the amounts authorized under subsection (a), not less than $1,000,000 shall be available for the ethics and values in science and technology program. The Foundation shall report to the Committee on Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives on the distribution of the funds made available under this subsection not later than December 30, 1986.

AVAILABILITY

SEC. 103. Appropriations made under authority provided in sections 102 and 105 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 104. From appropriations made under authorizations provided in this Act, not more than $3,500 for fiscal year 1986 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the National Science Foundation. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 105. In addition to the sums authorized by section 102, not more than $1,000,000 for fiscal year 1986 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 106. Funds may be transferred among the categories listed in section 102(b), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 102. The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amounts authorized for that category in section 102. An explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, the Senate Committee on Labor and Human Resources, and the House Committee on Science and Technology. The proposed transfer may be made only when thirty calendar days have passed after submission of the written proposal.

NATIONAL SCIENCE FOUNDATION ADMINISTRATIVE AMENDMENTS

SEC. 107. (a) The last sentence of section 4(e) of the National Science Foundation Act of 1950 is amended by striking out "by registered mail or certified mail mailed to his last known address of record.

(b) Section 5(e) of the National Science Foundation Act of 1950 is amended to read as follows:

"(e)(1) The Director may make grants, contracts, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

"(2) The authority delegated by the Board under paragraph (1) of this subsection and the conditions specified by the Board shall be reported to the Chairman of the Committee of the Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives.".

(c) Section 9 of the National Science Foundation Act of 1950 is amended to read as follows:

"SPECIAL COMMISSIONS

"SEC. 9. (a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(d) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(e)(1) Subsection (b) of section 12 of the National Science Foundation Act of 1950 is repealed.

(2) Section 12 of such Act is amended by striking out "(a)".

(f)(1)(A) Subsection (b) of section 14 of the National Science Foundation Act of 1950 is repealed.

(B) Section 14 of such Act is amended by redesignating subsections (c), (d), (e), (f), (g), (h), and (i), and all references thereto, as subsections (b), (c), (d), (e), (f), (g), and (h), respectively.

(2) Section 14 of such Act (as amended by paragraph (1)) is further amended by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsections (a)(5) or (a)(6) of section 3 of this Act may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats which do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(g) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(h) Section 6(a) of the National Science Foundation Authorization Act, 1976 (Public Law 94-86) is amended—

(1) by striking out "a grant not to exceed $50,000 per year for a period not to exceed 3 years" in the second sentence of such section, and

(2) by adding at the end thereof the following new sentence: "The National Science Board shall establish the amount and period of each such grant.".

AMENDMENT TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950 RELATING TO ENGINEERING

SEC. 108. (a) Section 3(a)(1) of the National Science Foundation Act of 1950, hereafter in this section referred to as "the Act", is amended—

(1) by striking out "engineering,"; and

(2) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering,"; and

(3) by striking "scientific and educational activities" and inserting in lieu thereof "scientific, engineering, and educational activities".

(b)(1)(A) Section 3(a)(3) of the Act is amended—

(i) by inserting "and engineering" after "scientific"; and

(ii) by inserting "and engineers" after "scientists".

(B) Section 3(a)(4) of the Act is amended—

(i) by inserting "and engineering" after "sciences"; and

(ii) by inserting "and engineering" after "sciences".

(C) Section 3(a)(5) of the Act is amended by inserting "and fields of engineering" after "sciences".

(D) Section 3(a)(6) of the Act is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(E) Section 3(a)(7) of the Act is amended by inserting "and engineering" after "scientific".

(2) Section 3(b) of the Act is amended by inserting "and engineering" after "scientific" each place it appears.

(3) Section 3(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(4) Section 3(d) of the Act is amended by striking out "basic research and education in the sciences" and inserting in lieu thereof "research and education in science and engineering".

(5) Section 3(e) of the Act is amended by inserting "and engineering" after "sciences".

(6) Section 4(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and ", engineering," after "scientific", in the third sentence.

(7) The first sentence of section 10 of the Act is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(8) Section 11 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c), (d), and (i);

(B) by inserting in subsection (g) ", engineering," after "scientific" where it first appears; and

(C) by inserting in subsection (g) "or engineering" before "value".

(9) Section 12(a) of the Act is amended by inserting "or engineering" after "scientific".

(10) Section 13 of the Act is amended—

(A) by inserting in subsection (a) "or engineering" after "scientific" each place it appears;

(B) by inserting in subsection (a) "or engineers" after "scientists";

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering"; and

(D) by inserting in subsection (b)(1) "or engineering" after "scientific".

(11) Section 14 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (f); and

(B) by striking out "technical" in subsection (g) and inserting in lieu thereof "engineering".

(12) Section 15(b) of the Act is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(c) Section 2(b) of the National Science Foundation Authorization Act, 1976 is amended by inserting "or engineering" after "science" each place it appears.

AMENDMENT TO SCIENCE AND TECHNOLOGY EQUAL OPPORTUNITY ACT RELATING TO ENGINEERING

SEC. 109. (a) Section 31 of the Science and Technology Equal Opportunities Act, hereafter in this section referred to as the "Act", is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(b)(1) Section 32(a) of the Act is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by inserting after "scientific" the following: "and engineering".

(2) The first sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" a comma and the following: "engineering,";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by inserting after "scientific" the second time it appears the following: "and engineering"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(3) The second sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" the following: "and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The third sentence of section 32(b) of the Act is amended by striking out "technology" both times it appears and inserting in lieu thereof "engineering" each such time.

(c) Section 33 of the Act is amended—

(1)(A) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technology" in clause (1)(B) and inserting in lieu thereof "engineering";

(C) by striking out "technology" in clause (1)(C) and inserting in lieu thereof "engineering";

(2)(A) by inserting after "science" in clause (2) a comma and the following: "engineering,";

(B) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (3)(B) and inserting in lieu thereof "engineering";

(4)(A) by striking out "technology" in clause (4)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technical" in clause (4)(B) and inserting in lieu thereof "engineering";

(5) by inserting after "scientists" in clause (5) the following: "and engineers";

(6) by striking out "technology" in clause (6) and inserting in lieu thereof "engineering";

(7) by striking out "technology" in clause (7) and inserting in lieu thereof "engineering";

(8) by inserting after "scientists" in clause (8) the following: "and engineers";

(9) by inserting after "science" in clause (10) the following: "and engineering"; and

(10) by striking out "science, engineering, and technology" in clause (11) and inserting in lieu thereof "science and engineering".

(d) Section 34 of the Act is amended—

(1) by inserting after "science" the following: "and engineering"; and

(2) by striking out "technology" and inserting in lieu thereof "engineering".

(e)(1)(A) The first sentence of section 36(a) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(a) of the Act is amended by striking out "engineering, professional, and technical" and inserting in lieu thereof a comma and the following: "engineering and professional".

(2)(A) The first sentence of section 36(c) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(c) is amended—

(i) by striking out "technology" and inserting in lieu thereof "engineering",

(ii) by striking out "technology" in clause (1) of such section and inserting in lieu thereof "engineering", and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(3)(A) The first sentence of section 36(d) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of such section is amended—

(i) by striking out "Technology" and inserting in lieu thereof "Engineering";

(ii) by striking out "technology" in clause (1) and inserting in lieu thereof "engineering"; and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(4) The heading of section 36 of the Act is amended to read as follows:

"COMMITTEE ON EQUAL OPPORTUNITIES IN SCIENCE AND ENGINEERING".

(f) Section 37(b) of the Act is amended—

(1) by striking out "technical" in clause (1) and inserting in lieu thereof "engineering" in the matter preceding subclause (A) of clause (1);

(2) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (1)(B) and inserting in lieu thereof "engineering";

(4) by striking out "technical" in clause (1)(C) and inserting in lieu thereof "engineering";

(5) by striking out "technical" in clause (1)(E) and inserting in lieu thereof "engineering";

(6) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(7) by striking out "Technology" in clause (3) and inserting in lieu thereof "Engineering".

(g) The heading of part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act is amended to read as follows:

"PART B—WOMEN, MINORITIES, SCIENCE, AND ENGINEERING".

SCIENTIFIC REVIEW PRIOR TO CLOSURE OF A NATIONAL FACILITY

SEC. 110. Of the funds authorized to be appropriated in section 102, no funds shall be expended with respect to closure of a National facility without appropriate scientific review, including review by the National Science Foundation's appropriate advisory committee or committees and the National Science Board.

DATA COLLECTION AND ANALYSIS

SEC. 111. The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of

universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.

TITLE II—EDUCATION FOR ECONOMIC SECURITY REAUTHORIZATION

PART A—NATIONAL SCIENCE FOUNDATION MATHEMATICS AND SCIENCE PROGRAMS

TEACHER INSTITUTES

SEC. 201. (a) Section 101 of the Education for Economic Security Act (hereafter in this title referred to as the "Act") is amended by striking out ", applying jointly,".

(b)(1) Section 102(a) of the Act is amended by—

(A) striking out in the first sentence "a joint" and inserting in lieu thereof "an";

(B) by striking out "jointly" in the second sentence; and

(C) by striking out "jointly" in the third sentence.

(2) Section 102(b) of the Act is amended—

(A) by redesignating clauses (3) and (4) as clauses (4) and (5); and

(B) by inserting after paragraph (2) the following new clause:

"(3) provide assurances that local educational agencies will be involved in the design and operation of the institute in the case of applications submitted by institutions of higher education, or that institutions of higher education will be involved in the design and operation of the institute in the case of applications submitted by State or local educational agencies;".

(c)(1) Section 113(a) of the Act is amended—

(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end thereof the following new paragraph.

"(2) All applications made under this part shall be subject to a peer review prior to approval.".

(2) Section 113(b) of the Act is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

MATHEMATICS AND SCIENCE EDUCATION DEVELOPMENT PROGRAMS

SEC. 202. (a) Section 122(a)(1) of the Act is amended by striking out "in the case of a profession of a" and inserting in lieu thereof a comma and the following: "(C) in the case of a professional".

(b) Section 122(b)(2) of the Act is amended by striking out "and" and inserting in lieu thereof "or".

GRADUATE FELLOWSHIPS

SEC. 203. Title I of the Act is amended—

(1) by redesignating part E as part F, and

(2) by inserting immediately after part D the following new part:

"PART E—GRADUATE FELLOWSHIPS

"PROGRAM AUTHORIZED

"SEC. 151. (a) The Foundation is authorized, in accordance with the provisions of this part, to establish and carry out a program of graduate fellowships for the purpose of encouraging and assisting promising students to continue their education and research in science, mathematics, and engineering.

"(b) Application for graduate fellowships under this part shall be in such form and contain such information as the Foundation may require.".

AVAILABILITY OF FUNDS

SEC. 204. Section 164 of the Act is amended to read as follows:

"AVAILABILITY OF FUNDS

"SEC. 164. (a) From amounts authorized under section 102(b)(9) of the National Science Foundation Authorization Act for Fiscal Year 1986 for the category Science and Engineering Education for the fiscal year 1986, together with amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in such section—

"(1) not less than $3,000,000 shall be available to carry out the provisions of part C of this title; and

"(2) the Foundation shall apportion funds remaining after complying with clause (1) of this subsection and subsection (b) of this section among parts A, B, D, and E of this title.

"(b) From the amounts described in subsection (a) of this section for fiscal year 1986 not more than $1,000,000 shall be available to carry out the provisions of title IV of this Act.".

PART B—EDUCATION FOR ECONOMIC SECURITY

DEFINITIONS

SEC. 221. Section 3(1) of the Act is amended by striking out "section 195(2) of the Vocational Education Act of 1965" and inserting in lieu thereof "section 521(3) of the Carl D. Perkins Vocational Educational Act.".

PROGRAM REAUTHORIZATION

SEC. 222. (a) Section 203(b) of the Act is amended—

(1) by striking out "and", and

(2) by inserting after "1985" a comma and the following: "and $350,000,000 for each of the fiscal years 1986, 1987, and 1988".

(b) Section 205 of the Act is amended by striking out "the fiscal years 1984 and 1985" each place it appears and inserting in lieu thereof "the fiscal years 1984, 1985, 1986, 1987, and 1988".

STATE ALLOTMENTS

SEC. 223. (a) Section 204(a)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "the remaining 10 per centum" and inserting in lieu thereof "9 per centum of such amount"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) The Secretary shall reserve the remaining 1 per centum to carry out the provisions of subsection (c).".

(b) Section 204(c) of the Act is amended to read as follows:

"(c)(1) From the amount reserved for each fiscal year under subsection (a)(2)(B), the Secretary shall allot—

"(A) not less than one-half of that amount to whatever agency the Secretary determines appropriate for programs authorized by this title for children in elementary and secondary schools operated for Indian children by the Department of the Interior; and

"(B) the remainder of that amount among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title.

"(2) The Secretary shall make payments under paragraph (1)(A) on whatever terms the Secretary determines will best carry out the purpose of this title.

ELEMENTARY AND SECONDARY EDUCATION PROGRAM

SEC. 224. (a) Section 206(b)(1)(A) of the Act is amended by striking out "inservice training" and inserting in lieu thereof "training, inservice training,".

(b)(1) Section 206(b)(1)(B) of the Act is amended to read as follows:

"(B) if the local educational agency determines that the agency has met its need for training, inservice training, and retraining under subparagraph (A), subject to the provisions of section 210(c), such training, inservice training, and retraining in the fields of computer learning and foreign languages, and the acquisition of instructional materials and equipment related to mathematics and science instruction.".

(2) The fifth sentence of section 206(b)(1) of the Act is amended by inserting "training," before "inservice training".

(c) Section 206(b)(2)(A) of the Act is amended to read as follows:

"(2)(A) The State educational agency shall distribute 50 per centum of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school district of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools and (i) private nonprofit schools, or (ii) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this title. Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this title.".

(d) The first sentence of section 206(d) of the Act is amended—

(1) by striking out "for demonstration and exemplary programs" in the matter proceeding clause (1); and

(2) by inserting "demonstration and exemplary programs for" immediately after the clause designation in clauses (1), (2), and (3), respectively.

HIGHER EDUCATION

SEC. 225. (a) Section 207(b)(2)(B) of the Act is amended to read as follows:

"(B) retraining of secondary school teachers who specialize in disciplines other than the teaching of mathematics, science, foreign languages, or computer learning to specialize in the teaching of mathematics, science, foreign languages, or computer learning, including the provision of stipends for participation in institutes authorized under title I; and".

(b)(1) Section 207 (b)(2)(C) of the Act is amended by striking out "and science" and inserting in lieu thereof a comma and the following: "science, foreign languages".

(2) The second sentence of section 207(b)(2) of the Act is amended by inserting after "science" a comma and the following: "foreign languages".

(c) The first sentence of section 207(c)(1) of the Act is amended—

(1) by striking out "private nonprofit organizations" and inserting in lieu thereof "nonprofit organizations"; and

(2) by inserting "computer learning" immediately before "and critical foreign languages".

STATE ASSESSMENT

SEC. 226. (a)(1) The second sentence of section 208(a) of the Act is amended by striking out "section 210" and inserting in lieu thereof "section 210(b)".

(2) The fourth sentence of section 208(a) of the Act is amended by striking out "first" and inserting "preliminary".

(b) Section 208(c)(1)(E) of the Act is amended by striking out "public" and inserting in lieu thereof "nonprofit".

(c) Section 208 of the Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall prepare and submit to the Congress a summary report of the final version of the assessments submitted by States under subsection (a) as soon as practicable after the receipt of such assessments.".

STATE APPLICATION

SEC. 227. Section 209(b) of the Act is amended—

(1) by striking out "sections 207 and 208" in clause (1) and inserting in lieu thereof "sections 206 and 207";

(2) by striking out "sections 207 and 208" in clause (3) and inserting in lieu thereof "sections 206 and 207";

(3) by striking out "by local educational agencies, institutes of higher education, junior or community colleges, and other organizations for programs described in section 206" in clause (4)(A) and inserting in lieu thereof "for programs described in sections 206 and 207"; and

(4)(A) by striking out "of such funds, be available for" in clause (6) and inserting in lieu thereof "or such Federal funds, be available from non-Federal sources for";

(B) by striking out "sections 207 and 208" in clause (6) and inserting in lieu thereof "sections 206 and 207"; and

(C) by inserting before the semicolon in clause (6) the following: "from non-Federal sources".

LOCAL EDUCATION ASSESSMENTS

SEC. 228. The first sentence of section 210(c) of the Act is amended—

(1) by striking out "retraining" and inserting in lieu thereof "training, retraining,"; and

(2) by striking out "its funds" and inserting in lieu thereof the following: "all or a portion of its funds".

SECRETARY'S DISCRETIONARY FUND FOR PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 229. (a) Section 212(a) of the Act is amended to read as follows:

"(a) From the amount reserved by the Secretary under section 204(a)(2)(A), the Secretary is authorized to carry out directly, or through grants, cooperative agreements, or contracts, projects which are authorized by this section.".

(b) Section 212(b)(1) of the Act is amended—

(1) by striking out "make grants to" in the first sentence and inserting in lieu thereof "make grants to and enter into cooperative agreements with"; and

(2) by striking out "awarding of grants" in the third sentence and inserting in lieu thereof "awarding of grants and cooperative agreements".

PAYMENTS

SEC. 230. Section 213(a) of the Act is amended by striking out "section 211" and inserting in lieu thereof "section 212".

PART C—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING

ADMINISTRATIVE AMENDMENT

SEC. 231. Title III of the Act is amended by striking out "Foundation" wherever it appears (other than in section 303(3)) in such title and inserting in lieu thereof "Secretary".

DEFINITIONS

SEC. 232. Section 303 of the Act is amended:

(1) by inserting "and" at the end of clause (2);

(2) by striking out clauses (3), (4), and (5); and

(3) by redesignating clause (6) as clause (3).

PARTNERSHIP PROGRAM AUTHORIZATION

SEC. 233. Section 304(b) of the Act is amended to read as follows:

"(b) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1986, 1987, and 1988, to carry out the provisions of this title.".

PART D—PRESIDENTIAL AWARDS

AUTHORIZATION AND AVAILABILITY OF FUNDS

SEC. 241. (a) Section 403(a) of the Act is amended to read as follows:

"(a) From amounts authorized under section 102(b)(9) of the National Science Foundation Authorization Act for Fiscal Year 1986 for the category Science and Engineering for the fiscal year 1986, together with the amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in such section, not more than $1,000,000 shall be available to carry out this title.".

(b) Section 403(b) of the Act is amended by inserting after "subsection (a)" the following: "and amounts made available under subsection (a)".

PART E—EXCELLENCE IN EDUCATION

PROGRAM REAUTHORIZATION

SEC. 251. Section 604(b)(1) of the Act is amended by striking out "the fiscal years 1984 and 1985" and inserting in lieu thereof "the fiscal year 1984 and each of the succeeding fiscal years ending prior to October 1, 1988,".

AMENDMENT NO. 709

(Purpose: To extend the authorization of appropriations for magnet schools assistance, to make certain technical corrections in the Carl D. Perkins Vocational Education Act, the Harry S Truman Act, the Education of the Handicapped Act, the Library Services and Construction Services Act, and for other purposes)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator STAFFORD and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. STAFFORD, proposes an amendment numbered 709.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, after line 23, insert the following:

PART F—MAGNET SCHOOLS ASSISTANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 261. Section 701 of the Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, and 1988".

STATEMENT OF PURPOSE

SEC. 262. Section 703 of the Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 703. It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

"(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.".

USES OF FUNDS

SEC. 263. Section 726 of the Act is amended to read as follows:

"USES OF FUNDS

"SEC. 706. Grants made under this title may be used by eligible local educational agencies for—

"(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

"(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

"(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the state and who are necessary for the conduct of programs in magnet schools;

where with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, english, foreign languages, art, or music, or to improving vocational skills.".

MODIFICATION OF PROHIBITION

SEC. 264. Section 709 of the Act is amended to read as follows:

"PROHIBITIONS

"SEC. 709. Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.".

TITLE III—LIBRARY SERVICES PROGRAM

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

SEC. 301. (a) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) (hereafter in this title referred to as the "Act") is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(b) Section 3(15) of the Act is amended—

(1) by inserting "by the Secretary of the Interior" after "recognized"; and

(2) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM

SEC. 302. (a)(1) The first sentence of section 5(d)(2) of the Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof "sections 402(b), 403,".

(2) The second sentence of section 5(d)(2) of the Act is amended by striking out "(8)" and inserting in lieu thereof "(9)".

(3) Section 5(d)(2) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall issue criteria for the approval of applications and plans but the criteria may not include an allotment formula and may not contain a matching of funds requirement.".

(b) Section 6(b)(4) of the Act (20 U.S.C. 351d(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION

SEC. 303. (a) The references in section 8 of the Act (20 U.S.C. 351f) to "such titles" means, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(b) The matter preceding clause (1) of section 102(b)(1) of the Act (20 U.S.C. 353(b)(1)) is amended by striking out "this title" and inserting in lieu thereof "this Act".

MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS

SEC. 304. Section 102(c)(1) of the Act (20 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" after "section 4(a)".

SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS

SEC. 305. Title IV of the Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska.".

TITLE IV—MINORITY INSTITUTIONS: MIGRATORY CHILDREN PROGRAM

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM AUTHORIZATION

SEC. 401. The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B, and

(2) by inserting after such section the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

MIGRATORY CHILDREN RECORDS SYSTEM

SEC. 402. Section 143(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "grants to, or enter into contracts with," and inserting in lieu thereof "enter into contracts with"; and

(2) by adding at the end thereof the following: "For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.".

TITLE V—HARRY S. TRUMAN MEMORIAL SCHOLARSHIP PROGRAM

PROGRAM AMENDMENTS

SEC. 501. (a) Section 8 of the Harry S Truman Memorial Scholarship Act (20 U.S.C. 2007) is amended—

(1) by inserting "and" before "room", and

(2) by striking out ", or $5,000 which ever is less".

(b) Section 13(a)(3) of the Harry S. Truman Memoral Scholarship Act is amended by inserting before the semicolon at the end thereof a comma and the following: "and the amount of stipends payable under this Act".

TITLE VI—EDUCATION OF THE HANDICAPPED ACT

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

SEC. 601. (a) Section 611(c)(2)(A)(i)(II) of the Education of the Handicapped Act (20 U.S.C. 1411(c)(2)(A)(i)(II)) is amended by striking out "300,000" and inserting in lieu thereof "400,000".

(b) Section 611(c)(1)(B) of such Act is amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

EFFECTIVE DATE

SEC. 602. The amendment made by section 601(a) shall take effect on July 1, 1985.

TITLE VII—CARL D. PERKINS VOCATIONAL EDUCATION ACT TECHNICAL AMENDMENTS

TERRITORIAL HOLDHARMLESS

SEC. 701. Section 101(a)(3)(D) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2311(a)(3)(D)) (hereafter in this title referred to as the "Act") is repealed.

STATE ALLOCATION

SEC. 702. Section 102 of the Act is amended to read as follows:

"WITHIN STATE ALLOCATION

"SEC. 102. (a)(1) Each State shall reserve from its allotment of funds appropriated under section 2(a) for each fiscal year an amount that does not exceed 7 percent of the allotment for State administration of the State plan. If the cost of carrying out the provisions of section 111(b) exceeds 1 percent of a State may reserve that excess amount from that allotment in addition to the 7 percent authorized by the preceding sentence.

"(2) The amount reserved under paragraph (1) shall be considered as part of that portion of the state's allotment that is retained for State activities and is not distributed under section 113(b)(4).

"(b) From the remainder of its allotment of funds appropriated under section 3(a), each State shall reserve for each fiscal year—

"(1) 57 percent for activities described in part A of title II; and

"(2) 43 percent for activities described in part B of title II.".

STATE COUNCIL ON VOCATIONAL EDUCATION

SEC. 703. (a) Section 112(b) of the Act is amended to read as follows:

"(b) The State shall certify to the Secretary the establishment and membership of the State council by the beginning of each State plan period described in section 113(a)(1).".

(b) Section 112(d) of the Act is amended by striking out "(d)" and all that follows through clause (1) and inserting in lieu thereof the following:

"(d) During each State plan period described in section 113(a)91), each State council shall—

"(1) meet with the State board or its representatives to advise on the development of the subsequent State plan;".

(c)(1) Section 112(f)(1)(A) of the Act is amended by striking out "From' and inserting in lieu thereof "Except as provided in subparagraph (B), from".

(2) Section 112(f)(1)(B) of the Act is amended to read as follows:

"(B) From the amounts appropriated pursuant to section 3(c), for each fiscal year, the Secretary shall make grants of $50,000 to the State councils of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

STATE PLANS

SEC. 704. Section 133(b)(9)(C) of the Act is amended by striking out "not less than" and all that follows through "year" and inserting in lieu thereof "the projects, services, and activities supported under this Act of not less than 20 percent of the participating eligible recipients within the State in each fiscal year".

WITHIN STATE ALLOCATION

SEC. 705. Section 203(a)(3) of the Act is amended to read as follows:

"(3) The State board shall ensure that each eligible recipient that receives funds under paragraph (2) uses those funds to provide vocational education services and activities for individuals with limited English proficiency at least in proportion to the number of such individuals enrolled by that eligible recipient in the fiscal year preceding the fiscal year in which the determination is made as compared to the total number of disadvantaged individuals, including individuals with limited English proficiency, so enrolled in that fiscal year.".

CONSUMER AND HOMEMAKING EDUCATION

SEC. 706. (a) The heading of part B of title III of the Act is amended to read as follows:

"PART B—CONSUMER AND HOMEMAKING EDUCATION".

(b)(1) The first sentence of section 311 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking".

(2) The heading of section 311 of the Act is amended to read as follows:

"CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(c)(1) Subsection (b) of section 312 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking" both places it appears.

(2) The heading of section 312 of the Act is amended to read as follows:

"USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(d) The table of contents of the Act is amended by striking out the items relating to part B of title III and sections 311 and 312 and by inserting in lieu thereof the following:

"PART B—CONSUMER AND HOMEMAKING EDUCATION

"Sec. 311. Consumer and homemaking education grants.

"Sec. 312. Use of funds from consumer and homemaking education grants.".

CONSUMER AND HOMEMAKING EDUCATION STATE LEADERSHIP

SEC. 707. Section 313(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

CAREER GUIDANCE AND COUNSELING STATE LEADERSHIP

SEC. 708. Section 333(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

AUTHORIZATION OF GRANTS

SEC. 709. Section 342(c) of the Act is amended by striking out "subsection (b)(2)" both places it appears and inserting in lieu thereof "subsection (b)(3)".

MODEL CENTERS FOR VOCATIONAL EDUCATION FOR OLDER INDIVIDUALS

SEC. 710. Section 417(b) of the Act is amended by inserting "shall" immediately after "subpart".

FEDERAL SHARE

SEC. 711. (a) Section 502(a) of the Act is amended in the introductory clause by striking out "shall be" and inserting in lieu thereof "shall not exceed".

(b)(1) Section 502(a)(2) of the Act is amended by striking out "not to exceed".

(2) Section 502(b) of the Act is amended by adding at the end thereof the following new sentence: "The non-Federal contributions from local resources may be in cash or in kind, fairly valued, including facilities, overhead, personnel, equipment, and services, if the eligible recipient determines that it cannot otherwise provide such contribution.".

TRANSITION

SEC. 712. The matter preceding clause (1) of section 3(a) of Public Law 98-524 (98 Stat. 2487) is amended to read as follows: "Until July 1, 1986, a State or eligible recipient may use funds received under the Vocational Education Act of 1963 or the Carl D. Perkins Vocational Education Act to—".

TECHNICAL AMENDMENTS

SEC. 713. (a)(1) Section 113(b)(10) of the Act (20 U.S.C. 2323(b)(10)) is amended by inserting "of 1981" after "Education Consolidation and Improvement Act".

(2) Section 113(b)(11) of the Act is amended by inserting "provide assurances" before "that".

(3) Section 504(d)(1) of the Act is amended by striking out "section 434(c)" and inserting in lieu thereof "section 453".

(4) Section 521(15) of the Act is amended by inserting "or language" immediately after "speech".

(b)(1) Section 4(a)(1)(A) of Public Law 98-524 is amended by striking out "section 4(15)" and inserting in lieu thereof "section 521(19)".

(2) Section 4(a)(6)(D) of Public Law 98-524 is repealed.

EFFECTIVE DATE

SEC. 714. (a) Except as provided in subsection (b), the provisions of this title shall take effect July 1, 1985.

(b) Section 702 of this Act shall take effect July 3, 1986.

TITLE VIII—HIGHER EDUCATION PROGRAMS

NATIONAL DIRECT STUDENT LOAN APPORTIONMENT

SEC. 801. (a) Section 12 of the "Student Financial Assistance Technical Amendments Act of 1982" is amended—

(1) by inserting "(a)" after the section designation; and

(2) by inserting at the end thereof the following new subsection:

"(b) Notwithstanding subsections (a) and (b) of section 462 of the Higher Education Act of 1965, if in the fiscal year 1986 the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 are less than the sums appropriated pursuant to such section for the fiscal year 1980, the Secretary shall apportion the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 for such fiscal year among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in fiscal year 1980 bears to the total amount appropriated pursuant to section 461(b)(1) for the fiscal year 1980.".

(b) The amendments made by this section shall take effect October 1, 1985.

NATIONAL GRADUATE FELLOWS PROGRAM

SEC. 802. The last sentence of section 931(a) of the Higher Education Act of 1965 is amended to read as follows: "In the fiscal year beginning October 1, 1985, and each succeeding fiscal year, all funds appropriated in each fiscal year shall be awarded to students by March 1 of the fiscal year for which the funds were appropriated. All funds appropriated in a fiscal year shall be obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.".

Mr. HATCH. Mr. President, I support the amendment to the math/science bill, specifically the reauthorization of the magnet schools provision. This amendment even more clearly focuses the Magnet School Program on its two purposes—desegregation and quality education.

The Magnet School Program is necessary because too many minority students attend very poor schools. We must reverse this situation. Thus, the Magnet School Program is meant primarily to improve the academic quality of these minority students' education, and to make these schools so attractive that students from all kinds of backgrounds want to attend them. That is precisely what a "magnet school" is—a school that, because it is good or special, draws, like a magnet, the willing attendance of students.

The amendment offered to the magnet school provision will make it even more certain that desegregation will be furthered and that the Federal money will be used solely for improvement in basic, academic courses offered in magnet schools. I thus am happy to support this amendment.

Mr. DANFORTH. Mr. President, I join my colleague, Senator EAGLETON, in supporting this amendment to the Harry S Truman Memorial Scholarship Act. The amendment would allow the board of trustees of the Truman Foundation to increase the $5,000 annual limit on Truman scholarships to cover higher educational costs.

The Harry S Truman Scholarship Foundation was established in 1974 to award scholarships to young people "who demonstrate outstanding potential for and who plan to pursue a career in public service." The scholarships were intended to cover tuition, fees, room, board, and books up to an annual maximum of $5,000. And in 1974, $5,000 adequately covered the annual educational costs for most of the Truman scholars.

As those of us who have had children in college in the 10 years since the establishment of the Truman Scholarship Program know, the costs of postsecondary education have soared during this period. Five thousand dollars is now woefully inadequate to cover the annual costs at most colleges and universities in our Nation. The $5,000 limit on the awards should therefore be raised to preserve the value of the Truman scholarships.

This amendment would authorize the board of trustees of the Truman Scholarship Foundation to raise the maximum annual scholarship award, after considering both the foundation's financial resources and the annual changes in the costs of eduation. The amendment does not authorize additional appropriations for the foundation. Rather, it allows the trustees to use the income of the foundation's trust fund to increase the amount of the awards.

I urge my colleagues to join us in supporting this amendment.

Mr. EAGLETON. Mr. President, I rise to support the pending amendment to eliminate the present statutory $5,000 maximum on the amount that can be awarded annually to a Truman scholar.

Ten years ago, when this body enacted the Truman Scholarship Act as a living memorial to Harry Truman, the 33d President of the United States, a $5,000 cap seemed reasonable and gave some leeway for inflationary increases. But even in 1974, during the Labor and Human Resources Committee hearing on the proposed scholarship legislation, the question was raised by the distinguished Senator from Rhode Island, Senator PELL, as to the adequacy of a $5,000 cap in future years. At that time, some thought was given to amending the proposed statute to allow the $5,000 to be adjusted for future inflation. However, no such amendment was forthcoming.

Given the 1985-86 academic year annual average cost of higher education of $5,300 at a 4-year public insti-

tution, and $10,000 at a 4-year private institution, the existing $5,000 cap is clearly inadequate.

In the 1983-84 academic year, the maximum $5,000 stipend covered the eligible costs of only 17 percent of the 333 Truman scholars participating in the program.

I would also point out that to translate 1975's $5,000 cap to today's dollar, that is, to apply a 10-year CPI inflator, would elevate the cap to $9,649.50 in 1985.

Some concern has been raised that elimination of the statutory maximum on the amount that can be awarded annually to a Truman scholar will allow the Foundation to reduce substantially the number of scholarships awarded annually.

In my view, the Foundation's scholarship award process to date gives no cause for such concern. Indeed, although the statute requires the Foundation to award a minimum of 53 new scholarships each year, 79 scholarships were awarded in 1980 and 1981, and 105 new scholarships have been awarded in each year since 1982.

In an effort to allay concerns about the Foundation's plans to reduce the number of scholarships in the future, I ask unanimous consent that a letter from Mr. Malcolm McCormack, Executive Secretary of the Foundation, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HARRY S TRUMAN
SCHOLARSHIP FOUNDATION,
Washington, DC, May 31, 1985.

Hon. THOMAS F. EAGLETON,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR EAGLETON: The Foundation greatly appreciates your help in seeking congressional consideration of a bill to eliminate the present statutory $5,000 maximum on the amount that can be awarded annually to a Truman scholar.

This amount is woefully inadequate to meet the educational costs which have more than doubled since the Harry S. Truman Scholarship Act was passed ten years ago. The Foundation's Trustees thus voted unanimously to ask Congress to remove the $5,000 maximum, and to permit the Trustees each year to determine the appropriate ceiling after considering both existing educational costs and the Foundation's financial resources.

The statute requires, as you know, a minimum of 53 new scholarships each year—one for each state, the District of Columbia, Puerto Rico, and the Pacific Trust Territories. Although currently prohibited from increasing the annual stipend above $5,000, the Trustees are permitted to increase the number of scholarships, and they have twice done so. Seventy-nine scholarships were awarded in 1980 and 1981, and 105 new scholarships have been awarded in each year since 1982. There is no present plan or intent to reduce this number of scholarships.

Instead, the Trustees, at their most recent April 1985 meeting, voted to award the same number of new scholarships, 105, as in each of the last three years. They also voted, if authorized to do so by Congress, to raise the annual stipend to $7,000 for the 1985-86 academic year. The Foundation's expected fiscal 1986 income will be sufficient to permit this increase and still allow the trust fund's principal to grow enough to keep pace with anticipated inflation.

Please call me if the Foundation can provide any additional information.

Sincerely,

MALCOLM C. MCCORMACK,
Executive Secretary.

Mr. EAGLETON. Let me just highlight one portion of Mr. McCormack's letter in which he states:

There is no present plan or intent to reduce this number 105 of scholarships. Instead, the Trustees, at their most recent April 1985 meeting, voted to award the same number of new scholarships, 105, as in each of the last three years. They also voted, if authorized to do so by Congress, to raise the annual stipend to $7,000 for the 1985-86 academic year.

Finally, Mr. President, I emphasize that this amendment requires no additional appropriations. The raising of the scholarship award amounts would be done totally from within the Foundation's existing financial resources.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 709) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 710

(Purpose: Make various amendments to the bill.)

Mr. DOLE. Mr. President, I now send an amendment to the desk on behalf of the distinguished Presiding Officer (Mr. GORTON) to the committee substitute.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. GORTON, proposes an amendment numbered 710.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 14, strike "$1,500,780,000" and insert in lieu thereof "$1,517,156,000".

On page 15, line 19, strike "$406,820,000" and insert in lieu thereof "$408,820,000".

On page 15, line 20, strike "$160,640,000" and insert in lieu thereof "$169,796,000".

On page 15, line 22, strike "$261,010,000" and insert in lieu thereof "$262,010,000".

On page 15, line 24, strike "$357,670,000" and insert in lieu thereof "$359,670,000".

On page 16, line 1, strike "$44,010,000" and insert in lieu thereof "$46,230,000".

On page 18, line 10, strike "record." and insert in lieu thereof "record'.".

On page 18, line 20, strike "Chairman" and insert in lieu thereof "Chairmen".

On page 18, strike line 21 and insert in lieu thereof "tees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the".

On page 19, insert the following immediately after line 11:

(e) Section 11 of the National Science Foundation Act of 1950 is amended—

(1) by striking out "and" at the end of paragraph (i);

(2) by striking out the period at the end of paragraph (j) and inserting in lieu thereof "; and"; and

(e) by adding at the end thereof the following:

"(k) to indemnify grantees, contractors, and subcontractors associated with the Ocean Drilling Program under the provisions of section 2354 of title 10, United States Code, with all approvals and certifications required by such indemnification made by the Director.".

On page 19, line 12, strike "(e)" and insert in lieu thereof "(f)".

On page 20, line 15, strike "'a grant" and insert in lieu thereof "'and a grant".

● Mr. GORTON. Mr. President, I am delighted that we are considering a bill to authorize appropriations for the National Science Foundation for fiscal year 1986. This will be the first authorization bill for this agency that the Senate has passed since 1980. An authorization bill for 1986 is possible because of the statesmanlike conduct of the distinguished chairman of the Committee on Labor and Human Resources, Senator HATCH, the committee's ranking member, Senator KENNEDY, and the other members of that committee. They have recognized that the Committee on Commerce, Science, and Transportation has a strong and legitimate interest in the activities of the Foundation. I am delighted that the two committees can work together to restore the integrity of the authorization process and, more importantly, to support the National Science Foundation.

The National Science Foundation's budget reflects the importance of scientific research, even in this year of fiscal restraint. The Commerce Committee reported out on original bill, S. 903, which authorizes the Foundation at the level recommended by the President. The bill reported by the Labor Committee, which we are considering today under a unanimous consent agreement reached between the two committees, funds the agency at a lower, freeze level, but is otherwise similar to the bill reported by Commerce. It maintains support for the program on ethics and values in science and technology, and it includes a study of research facilities at universities, both of which were included in the Commerce bill.

The amendment I am offering today increases funding for two programs of special concern to the Commerce Com-

mittee. One is the Supercomputer Program, under which the Foundation has established four centers to provide the most advanced, scientific computers to our academic research community. The second is the Engineering Research Centers Program. These are centers for cooperative research between industry and universities.

Last year the Senate passed the Manufacturing Sciences and Technology Research and Development Act, a bill which I introduced to establish centers for research in manufacturing. These centers were to be cooperative research centers for industry and universities to collaborate in areas of engineering important to improving manufacturing. This bill, unfortunately, was not signed by the President. But the many of the goals of the bill are being realized today through the National Science Foundation's engineering research centers.

My amendment also adds $5 million, divided among three research directorates, to S. 801. These additional funds are intended to help the Foundation continue its program to improve instruments, equipment, and facilities for scientific research. This is an area of profound concern to the research community, and one in which Senator DANFORTH has been a leader in seeking solutions. His resolution, Senate Concurrent Resolution 60, addresses the problem of inadequate resources in a comprehensive fashion.

S. 801 includes a number of amendments to the Foundation's organic act and other legislation, to help the Foundation operate more efficiently. All of these amendments were also included in the Commerce-reported bill. These amendments, among other things, give the National Science Board more flexibility to delegate authority to the Director to approve grants, and emphasize that the Foundation's mission includes support of engineering as well as science.

Mr. President, the National Science Foundation has not been authorized for 4 years, because of an unfortunate dispute over jurisdiction between the Commerce and Labor Committees. The chairman of the Labor Committee has been receptive to the Commerce Committee's interest, and Senators HATCH, DANFORTH, KENNEDY, and HOLLINGS have reached an agreement to share jurisdiction over the Foundation. I am grateful to these Senators for the work they have put into reaching this agreement, and I look forward to working with them and with Senator RIEGLE in the future in support of the National Science Foundation.

I urge my colleagues to support my amendment to S. 801, and to support final passage of this bill.●

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 710) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, I want to express my support for the amendment offered by Senator GORTON and for final passage of S. 801, the National Science Foundation authorization bill. It would be difficult to overstate the importance of support for fundamental scientific research in this country. Not only is our Nation's scientific leadership at stake, but our national security, our economic competitiveness in international trade, and our health and well being as well are built on the foundation of scientific research. No agency is more important in its support for basic research than the National Science Foundation.

I also want to express my sincere and deep gratitude to the chairman and ranking member of the Senate Committee on Labor and Human Resources and the ranking member of the Committee on Commerce, Science, and Transportation for their agreement to share jurisdiction over the Foundation with the Commerce Committee. This has been a difficult issue over the years, and has prevented us from working together in support of the Foundation.

I believe the agreement we have reached is a fair one that recognizes the strong interest of the Commerce Committee in the Foundation. I look forward to renewing this agreement in future Congresses, and to working with the members of the Labor Committee in support of scientific research.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. STAFFORD. Mr. President, it is with great pleasure that I rise today in support of S. 801, the "National Science, Engineering and Mathematics Authorization Act of 1986." This legislation designates the recommended funding levels for all National Science Foundation research and education activities for fiscal year 1986, and it reauthorizes the "Education for Economic Security Act of 1984," as well as providing other technical amendments and provisions.

We are all aware of the national problem of coping with rapidly changing technology and labor force requirements, as well as a pressing national need to improve our international economic competitiveness. These problems demand a response at the Federal level. When we first started considering this matter over 2 years ago, Americans were concerned about the problems with science and mathematics instruction in our schools. Today these concerns remain.

The reauthorization of the "Education for Economic Security Act of 1984" is essential in providing financial assistance through State educational agencies, school districts, and institutions of higher education, to promote inservice training and retraining in math and science instruction for teachers in our elementary and secondary schools. S. 801 also provides important funds for scholarships, programs of curriculum development, excellence in teaching awards, and the retention of teachers in these fields.

S. 801 holds great promise for continuing the initiative to improve the state of mathematics and science programs and teaching. I urge my colleagues to support this bill.

Mr. President, on behalf of the Senate Subcommittee on Education, Arts and Humanities I would like to introduce committee amendments to S. 801 which are primarily technical. Among the amendments are necessary changes added to the Library Services and Construction Act which had been overlooked during last year's reauthorization. One amendment corrects an error brought to my attention by Senator NICKLES which has prohibited Indians who are living off of reservations from receiving library funds.

The vocational education amendments are technical amendments provided by the administration which clarify and facilitate the understanding of the law's original intent. One important correction allows for the proper distribution of vocational education funds to the territories.

The amendment regarding the Harry S. Truman Scholarship Foundation is put forward on behalf of Senators EAGLETON and DANFORTH. This amendment eliminates the maximum amount for the scholarship awards and allows the Board of Trustees the authority to set the stipend limit. This will allow a more reasonable grant award limit in light of the dramatic increase in college costs since the enactment of this program in 1975.

Another amendment authorizes States to use up to $400,000 to administer Public Law 94-142 programs. This amendment will not effect appropriations nor will it take money away from direct services benefiting handicapped children.

An amendment has been made to correct a technical error made in the National Direct Student Loan Program, and another important change requires that funds appropriated for the Graduate Fellows Program must be spent in that same year.

Mr. President, I commend S. 801 and its amendments to the attention of my colleagues and ask for prompt approval of this measure.

Mr. HATCH. Mr. President, I am very pleased to recommend passage of S. 801, the National Science Foundation Authorization Act for 1986. This measure represents the concerted efforts of many Senators. I would especially like to mention the contributions of Senators STAFFORD, QUAYLE, KENNEDY, and PELL. In keeping with the tradition established years ago on the Labor and Human Resources Committee, it is a truly bipartisan measure designed to advance the commonly held goal of American scientific excellence.

The committee recommended an authorization of $1,501,780,000 for fiscal year 1986. This is the same as the amount appropriated to NSF for fiscal year 1985 and $67.7 million below the Foundation's request. The committee's decision to hold the 1986 NSF budget at the 1985 level was in response to the immediate need to reduce Federal expenditures. The total authorization level is consistent with both House and Senate passed budget resolutions as well as the budget compromise adopted in July. In no way should this action be interpreted as a sign that the committee is critical of the Foundation's programs. The committee continues to support NSF's basic research and education activities.

The committee's recommendation for fiscal year 1986 reflects the overall strategy and program priorities that are evident in the Foundation's proposals for fiscal year 1986. Thus, instead of a line item budget freeze, the committee's recommendations allow NSF to proceed with its highest priorities, although in some cases this would be at a rate less than originally proposed.

I will not take the Senate's time by going into a long description of the NSF programs this bill authorizes. For that, I refer Senators to the report of the Labor and Human Resources Committee (Rept. 99-131). I believe the new initiatives of the Foundation, particularly in advanced scientific computing and engineering, as well as its traditional support of basic research are of special consequence. The long-term importance of NSF's conduct of basic research cannot be understated. Even though our budget constraints do not permit a recommendation for as much money as we believe can usefully be expended, it is essential to support basic research at no less than a freeze level. Scientific breakthroughs which ultimately contribute to a higher standard of living for all Americans are most often the result of a constant and dedicated pursuit of basic research.

The bill makes changes in the NSF Organic Act of 1950 which incorporates technology and engineering as an official part of NSF's mission. The legislation also supports NSF programs for undergraduate research, women and minorities, ethics and values in science and technology, Presidential Young Investigators, and very importantly, scientific equipment and instrumentation.

S. 801 also extends the Education for Economic Security Act for an additional 3 years. Science and mathematics education in our country must be improved if we are to insure the supply of talented scientists, doctors, and engineers in the future. This legislation provides greater opportunities for teachers to upgrade their skills in these disciplines as well as encourages state and local schools to form partnerships with businesses and universities for innovative science and mathematics education projects. Because the new program for math and science education was enacted late in 1984, and because the NSF Science and Engineering Education Directorate has recently been reorganized, the funds authorized for the new program were not expended efficiently. S. 801, therefore, authorizes a freeze level for this NSF activity. These programs are now fully operational and it is expected that the full authorization—$50.5 million in new obligational authority plus $30.5 in carryover—will be used to fund quality science and math education projects around the Nation.

I thank my colleagues for their support of S. 801. I am also very pleased to have entered into an agreement with Senators DANFORTH, GORTON, and HOLLINGS on the issue of NSF jurisdiction. The interest of these Senators is proof of how high a priority the Senate attaches to the activities of the NSF and to the role of science and technology in meeting America's future economic needs.

Mr. KENNEDY. Mr. President, it is with great pleasure that I join Senator HATCH to bring the National Science Foundation authorization before the Senate.

Advances in science and engineering are vital building blocks for the future. Although the commanding lead of the United States in scientific research and industrial achievement was uncontested for many years, over the last decade worldwide acceleration in scientific and technologic innovation has transformed the world economy. Other nations have progressed and now match our achievement in many areas. This country will retain its place in the forefront only if we demonstrate a national commitment to do so. Reauthorizing the National Science Foundation gives us an opportunity to demonstrate that commitment.

This authorization bill continues the funding for many important areas of basic scientific research. It also allows for expansion of initiatives that are meant to upgrade our technologic capabilities and regain our world leadership in innovative manufacturing techniques. Engineering is key to the renewal of our manufacturing base. Such engineering is highlighted in this reauthorization bill. The establishment of engineering research centers which has already begun will be given impetus by this bill.

Engineering research centers embody a new concept to be implemented at six of our Nation's universities. This is the concept of academic institutions working cooperatively with industry to map out areas of research that have both scientific significance and practical application.

We in Massachusetts are also proud that Massachusetts Institute of Technology has been selected as one of the sites for a new engineering research center.

The MIT center will focus on biotechnology process engineering. Another center will involve collaboration between Harvard University and the University of Maryland for research on robotics, computer-aided engineering, and artificial intelligence.

I would also like to take this opportunity, to pay special tribute to the scientists at the Woods Hole Oceanographic Institute on Cape Cod who brought honor to themselves and their institution when they found the *Titanic* on the ocean floor earlier this month. This achievement represents years of research. The techniques used to locate the *Titanic* will allow us to explore the ocean floors extensively. These techniques have great implications for geological research and the secrets buried on the floor beneath the surface of our oceans.

Discovering the *Titanic* was heavily dependent on the development of the Argo sonar and video imaging system which is a brandnew technique that was tested in field trials over the last year. This technique was developed in part through funds supplied by the National Science Foundation. The other technique which played a key role in the discovery of the *Titanic* is the Angus technique developed during the 1970's. This was also developed in part with National Science Foundation funds.

I would like to cite the names of two Woods Hole scientists in particular. They are Dr. Robert Ballard, senior scientist in the Ocean Engineering Department and head of the Deep Submergence Laboratory, and Dr. Robert Spindel, chair of the Ocean Engineering Department. I would like to congratulate all who participated in the development and testing of the techniques used in this endeavor.

This bill also provides support for another recent initiative, advanced scientific computing—supercomputer—

centers. The Foundation has already announced the selection of five supercomputer centers. Each one of these centers will give access to state-of-the-art computers to multiple institutions of higher learning. These centers represent regionalization of expensive sophisticated technologies. They embody the finest accomplishments of the communications revolution and the computer revolution.

The Education for Economic Security Act of 1984 also is authorized in this legislation. This act, which was passed just last year, addresses improvements in science and engineering education. The National Science Foundation was originally given responsibility to implement titles I, III, and IV of this act, and the Department of Education responsibility for title II. This bill gives the Department of Education responsibility for title III as well.

There was strong bipartisan feeling on our committee that this would be the best place for administration of the title III partnership program. The National Science Foundation will continue to be responsible for the Presidential Awards for teaching excellence in mathematics and science, and for the other science and math education programs in title I.

It is especially important as we renew our commitment to the National Science Foundation that we also restate our belief in equal opportunity for women and minorities to participate in the scientific endeavor. This country must benefit from the talent of all its citizens. The capacity for genius is color blind and has no gender preference.

We must also renew our commitment to ethics and values in science. Rapid change creates new questions and dilemmas. Supercomputers, biotechnology, genetic engineering, and continued explorations of space will all contribute to changing the fabric of our daily lives. We must prepare to meet our future with integrity and virtue.

The Labor and Human Resources Committee is fortunate to have the responsibility for the reauthorization of the National Science Foundation. It is a pleasure to bring this bill, with full bipartisan support, before us as a piece of business before the Senate today.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 82, H.R. 1210, the House companion bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1210) to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

Mr. DOLE. Mr. President, I move to strike all after the enacting clause and insert the text of S. 801, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed for a third reading, and the bill to be read the third time.

The bill (H.R. 1210), as amended, was read the third time, and passed, as follows:

H.R. 1210

Resolved, That the bill from the House of Representatives (H.R. 1210) entitled "An Act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "National Science, Engineering, and Mathematics Authorization Act of 1986".

TITLE I—NATIONAL SCIENCE FOUNDATION AUTHORIZATION

SEC. 101. This title may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There is authorized to be appropriated to the National Science Foundation $1,517,156,000 for the fiscal year 1986.

(b) Funds authorized for the fiscal year 1986 will be available for the following categories:

(1) Mathematical and Physical Sciences, $408,820,000.

(2) Engineering, $169,796,000.

(3) Biological, Behavioral, and Social Sciences, $262,010,000.

(4) Astronomical, Atmospheric, Earth and Ocean Sciences, $359,670,000.

(5) Scientific, Technological, and International Affairs, $37,770,000.

(6) Advanced Scientific Computing, $46,230,000.

(7) Program Development and Management, $72,230,000.

(8) United States Antarctic Program, $110,080,000.

(9) Science and Engineering Education and titles I and IV of the Education for Economic Security Act, $50,550,000 together with amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in this paragraph.

(c) Notwithstanding any other provision of this Act, from the amounts authorized under subsection (a), not less than $1,000,000 shall be available for the ethics and values in science and technology program. The Foundation shall report to the Committee on Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives on the distribution of the funds made available under this subsection not later than December 30, 1986.

AVAILABILITY

SEC. 103. Appropriations made under authority provided in sections 102 and 105 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 104. From appropriations made under authorizations provided in this Act, not more than $3,500 for fiscal year 1986 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the National Science Foundation. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 105. In addition to the sums authorized by section 102, not more than $1,000,000 for fiscal year 1986 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 106. Funds may be transferred among the categories listed in section 102(b), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 102. The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amounts authorized for that category in section 102. An explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, the Senate Committee on Labor and Human Resources, and the House Committee on Science and Technology. The proposed transfer may be made only when thirty calendar days have passed after submission of the written proposal.

NATIONAL SCIENCE FOUNDATION ADMINISTRATIVE AMENDMENTS

SEC. 107. (a) The last sentence of section 4(e) of the National Science Foundation Act of 1950 is amended by striking out "by registered mail or certified mail mailed to his last known address of record".

(b) Section 5(e) of the National Science Foundation Act of 1950 is amended to read as follows:

"(e)(1) The Director may make grants, contracts, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

"(2) The authority delegated by the Board under paragraph (1) of this subsection and the conditions specified by the Board shall be reported to the Chairmen of the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives.".

(c) Section 9 of the National Science Foundation Act of 1950 is amended to read as follows:

"SPECIAL COMMISSIONS

"SEC. 9. (a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(d) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(e) Section 11 of the National Science Foundation Act of 1950 is amended—

(1) by striking out "and" at the end of paragraph (i);

(2) by striking out the period at the end of paragraph (j) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(k) to indemnify grantees, contractors, and subcontractors associated with the Ocean Drilling Program under the provisions of section 2354 of title 10, United States Code, with all approvals and certifications required by such indemnification made by the Director.".

(f)(1) Subsection (b) of section 12 of the National Science Foundation Act of 1950 is repealed.

(2) Section 12 of such Act is amended by striking out "(a)".

(g)(1)(A) Subsection (b) of section 14 of the National Science Foundation Act of 1950 is repealed.

(B) Section 14 of such Act is amended by redesignating subsections (c), (d), (e), (f), (g), (h), and (i), and all references thereto, as subsections (b), (c), (d), (e), (f), (g), and (h), respectively.

(2) Section 14 of such Act (as amended by paragraph (1)) is further amended by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsections (a)(5) or (a)(6) of section 3 of this Act may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats which do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(h) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(i) Section 6(a) of the National Science Foundation Authorization Act, 1976 (Public Law 94-86) is amended—

(1) by striking out "and a grant not to exceed $50,000 per year for a period not to exceed 3 years" in the second sentence of such section, and

(2) by adding at the end thereof the following new sentence: "The National Science Board shall establish the amount and period of each such grant.".

AMENDMENT TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950 RELATING TO ENGINEERING

SEC. 108. (a) Section 3(a)(1) of the National Science Foundation Act of 1950, hereafter in this section referred to as "the Act", is amended—

(1) by striking out "engineering,"; and

(2) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering,"; and

(3) by striking "scientific and educational activities" and inserting in lieu thereof "scientific, engineering, and educational activities".

(b)(1)(A) Section 3(a)(3) of the Act is amended—

(i) by inserting "and engineering" after "scientific"; and

(ii) by inserting "and engineers" after "scientists".

(B) Section 3(a)(4) of the Act is amended—

(i) by inserting "and engineering" after "sciences"; and

(ii) by inserting "and engineering" after "sciences".

(C) Section 3(a)(5) of the Act is amended by inserting "and fields of engineering" after "sciences".

(D) Section 3(a)(6) of the Act is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(E) Section 3(a)(7) of the Act is amended by inserting "and engineering" after "scientific".

(2) Section 3(b) of the Act is amended by inserting "and engineering" after "scientific" each place it appears.

(3) Section 3(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(4) Section 3(d) of the Act is amended by striking out "basic research and education in the sciences" and inserting in lieu thereof "research and education in science and engineering".

(5) Section 3(e) of the Act is amended by inserting "and engineering" after "sciences".

(6) Section 4(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and ", engineering," after "scientific", in the third sentence.

(7) The first sentence of section 10 of the Act is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(8) Section 11 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c), (d), and (i);

(B) by inserting in subsection (g) ", engineering," after "scientific" where it first appears; and

(C) by inserting in subsection (g) "or engineering" before "value".

(9) Section 12(a) of the Act is amended by inserting "or engineering" after "scientific".

(10) Section 13 of the Act is amended—

(A) by inserting in subsection (a) "or engineering" after "scientific" each place it appears;

(B) by inserting in subsection (a) "or engineers" after "scientists";

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering"; and

(D) by inserting in subsection (b)(1) "or engineering" after "scientific".

(11) Section 14 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (f); and

(B) by striking out "technical" in subsection (g) and inserting in lieu thereof "engineering".

(12) Section 15(b) of the Act is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(c) Section 2(b) of the National Science Foundation Authorization Act, 1976 is amended by inserting "or engineering" after "science" each place it appears.

AMENDMENT TO SCIENCE AND TECHNOLOGY EQUAL OPPORTUNITY ACT RELATING TO ENGINEERING

SEC. 109. (a) Section 31 of the Science and Technology Equal Opportunities Act, hereafter in this section referred to as the "Act", is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(b)(1) Section 32(a) of the Act is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by inserting after "scientific" the following: "and engineering".

(2) The first sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" a comma and the following: "engineering,";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by inserting after "scientific" the second time it appears the following: "and engineering"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(3) The second sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" the following: "and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The third sentence of section 32(b) of the Act is amended by striking out "technology" both times it appears and inserting in lieu thereof "engineering" each such time.

(c) Section 33 of the Act is amended—

(1)(A) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technology" in clause (1)(B) and inserting in lieu thereof "engineering";

(C) by striking out "technology" in clause (1)(C) and inserting in lieu thereof "engineering";

(2)(A) by inserting after "science" in clause (2) a comma and the following: "engineering,";

(B) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (3)(B) and inserting in lieu thereof "engineering";

(4)(A) by striking out "technology" in clause (4)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technical" in clause (4)(B) and inserting in lieu thereof "engineering";

(5) by inserting after "scientists" in clause (5) the following: "and engineers";

(6) by striking out "technology" in clause (6) and inserting in lieu thereof "engineering";

(7) by striking out "technology" in clause (7) and inserting in lieu thereof "engineering";

(8) by inserting after "scientists" in clause (8) the following: "and engineers";

(9) by inserting after "science" in clause (10) the following: "and engineering"; and

(10) by striking out "science, engineering, and technology" in clause (11) and inserting in lieu thereof "science and engineering".

(d) Section 34 of the Act is amended—

(1) by inserting after "science" the following: "and engineering"; and

(2) by striking out "technology" and inserting in lieu thereof "engineering".

(e)(1)(A) The first sentence of section 36(a) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(a) of the Act is amended by striking out "engineering, professional, and technical" and inserting in lieu thereof a comma and the following: "engineering and professional".

(2)(A) The first sentence of section 36(c) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(c) is amended—

(i) by striking out "technology" and inserting in lieu thereof "engineering",

(ii) by striking out "technology" in clause (1) of such section and inserting in lieu thereof "engineering", and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(3)(A) The first sentence of section 36(d) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of such section is amended—

(i) by striking out "Technology" and inserting in lieu thereof "Engineering";

(ii) by striking out "technology" in clause (1) and inserting in lieu thereof "engineering"; and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(4) The heading of section 36 of the Act is amended to read as follows:

"COMMITTEE ON EQUAL OPPORTUNITIES IN SCIENCE AND ENGINEERING".

(f) Section 37(b) of the Act is amended—

(1) by striking out "technical" in clause (1) and inserting in lieu thereof "engineering" in the matter preceding subclause (A) of clause (1);

(2) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (1)(B) and inserting in lieu thereof "engineering";

(4) by striking out "technical" in clause (1)(C) and inserting in lieu thereof "engineering";

(5) by striking out "technical" in clause (1)(E) and inserting in lieu thereof "engineering";

(6) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(7) by striking out "Technology" in clause (3) and inserting in lieu thereof "Engineering".

(g) The heading of part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act is amended to read as follows:

"PART B—WOMEN, MINORITIES, SCIENCE, AND ENGINEERING".

SCIENTIFIC REVIEW PRIOR TO CLOSURE OF A NATIONAL FACILITY

SEC. 110. Of the funds authorized to be appropriated in section 102, no funds shall be expended with respect to closure of a National facility without appropriate scientific review, including review by the National Science Foundation's appropriate advisory committee or committees and the National Science Board.

DATA COLLECTION AND ANALYSIS

SEC. 111. The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.

TITLE II—EDUCATION FOR ECONOMIC SECURITY REAUTHORIZATION

PART A—NATIONAL SCIENCE FOUNDATION MATHEMATICS AND SCIENCE PROGRAMS

TEACHER INSTITUTES

SEC. 201. (a) Section 101 of the Education for Economic Security Act (hereafter in this title referred to as the "Act") is amended by striking out ", applying jointly,".

(b)(1) Section 102(a) of the Act is amended by—

(A) striking out in the first sentence "a joint" and inserting in lieu thereof "an";

(B) by striking out "jointly" in the second sentence; and

(C) by striking out "jointly" in the third sentence.

(2) Section 102(b) of the Act is amended—

(A) by redesignating clauses (3) and (4) as clauses (4) and (5); and

(B) by inserting after paragraph (2) the following new clause:

"(3) provide assurances that local educational agencies will be involved in the design and operation of the institute in the case of applications submitted by institutions of higher education, or that institutions of higher education will be involved in the design and operation of the institute in the case of applications submitted by State or local educational agencies;".

(c)(1) Section 113(a) of the Act is amended—

(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end thereof the following new paragraph.

"(2) All applications made under this part shall be subject to a peer review prior to approval.".

(2) Section 113(b) of the Act is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

MATHEMATICS AND SCIENCE EDUCATION DEVELOPMENT PROGRAMS

SEC. 202. (a) Section 122(a)(1) of the Act is amended by striking out "in the case of a profession of a" and inserting in lieu thereof a comma and the following: "(C) in the case of a professional".

(b) Section 122(b)(2) of the Act is amended by striking out "and" and inserting in lieu thereof "or".

GRADUATE FELLOWSHIPS

SEC. 203. Title I of the Act is amended—

(1) by redesignating part E as part F, and

(2) by inserting immediately after part D the following new part:

"PART E—GRADUATE FELLOWSHIPS

"PROGRAM AUTHORIZED

"SEC. 151. (a) The Foundation is authorized, in accordance with the provisions of this part, to establish and carry out a program of graduate fellowships for the purpose of encouraging and assisting promising students to continue their education and research in science, mathematics, and engineering.

"(b) Application for graduate fellowships under this part shall be in such form and contain such information as the Foundation may require.".

AVAILABILITY OF FUNDS

SEC. 204. Section 164 of the Act is amended to read as follows:

"AVAILABILITY OF FUNDS

"SEC. 164. (a) From amounts authorized under section 102(b)(9) of the National Science Foundation Authorization Act for Fiscal Year 1986 for the category Science and Engineering Education for the fiscal year 1986, together with amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in such section—

"(1) not less than $3,000,000 shall be available to carry out the provisions of part C of this title; and

"(2) the Foundation shall apportion funds remaining after complying with clause (1) of this subsection and subsection (b) of this section among parts A, B, D, and E of this title.

"(b) From the amounts described in subsection (a) of this section for fiscal year 1986 not more than $1,000,000 shall be available to carry out the provisions of title IV of this Act.".

PART B—EDUCATION FOR ECONOMIC SECURITY

DEFINITIONS

SEC. 221. Section 3(1) of the Act is amended by striking out "section 195(2) of the Vocational Education Act of 1965" and inserting in lieu thereof "section 521(3) of the Carl D. Perkins Vocational Educational Act.".

PROGRAM REAUTHORIZATION

SEC. 222. (a) Section 203(b) of the Act is amended—

(1) by striking out "and", and

(2) by inserting after "1985" a comma and the following: "and $350,000,000 for each of the fiscal years 1986, 1987, and 1988".

(b) Section 205 of the Act is amended by striking out "the fiscal years 1984 and 1985" each place it appears and inserting in lieu thereof "the fiscal years 1984, 1985, 1986, 1987, and 1988".

STATE ALLOTMENTS

SEC. 223. (a) Section 204(a)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "the remaining 10 per centum" and inserting in lieu thereof "9 per centum of such amount"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) The Secretary shall reserve the remaining 1 per centum to carry out the provisions of subsection (c).".

(b) Section 204(c) of the Act is amended to read as follows:

"(c)(1) From the amount reserved for each fiscal year under subsection (a)(2)(B), the Secretary shall allot—

"(A) not less than one-half of that amount to whatever agency the Secretary determines appropriate for programs authorized by this title for children in elementary and secondary schools operated for Indian children by the Department of the Interior; and

"(B) the remainder of that amount among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title.

"(2) The Secretary shall make payments under paragraph (1)(A) on whatever terms the Secretary determines will best carry out the purpose of this title.

ELEMENTARY AND SECONDARY EDUCATION PROGRAM

SEC. 224. (a) Section 206(b)(1)(A) of the Act is amended by striking out "inservice training" and inserting in lieu thereof "training, inservice training,".

(b)(1) Section 206(b)(1)(B) of the Act is amended to read as follows:

"(B) if the local educational agency determines that the agency has met its need for training, inservice training, and retraining under subparagraph (A), subject to the provisions of section 210(c), such training, inservice training, and retraining in the fields of computer learning and foreign languages, and the acquisition of instructional materials and equipment related to mathematics and science instruction.".

(2) The fifth sentence of section 206(b)(1) of the Act is amended by inserting "training," before "inservice training".

(c) Section 206(b)(2)(A) of the Act is amended to read as follows:

"(2)(A) The State educational agency shall distribute 50 per centum of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school district of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools and (i) private nonprofit schools, or (ii) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this title. Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this title.".

(d) The first sentence of section 206(d) of the Act is amended—

(1) by striking out "for demonstration and exemplary programs" in the matter proceeding clause (1); and

(2) by inserting "demonstration and exemplary programs for" immediately after the clause designation in clauses (1), (2), and (3), respectively.

HIGHER EDUCATION

SEC. 225. (a) Section 207(b)(2)(B) of the Act is amended to read as follows:

"(B) retraining of secondary school teachers who specialize in disciplines other than the teaching of mathematics, science, foreign languages, or computer learning to specialize in the teaching of mathematics, science, foreign languages, or computer learning, including the provision of stipends for participation in institutes authorized under title I; and".

(b)(1) Section 207 (b)(2)(C) of the Act is amended by striking out "and science" and inserting in lieu thereof a comma and the following: "science, foreign languages".

(2) The second sentence of section 207(b)(2) of the Act is amended by inserting after "science" a comma and the following: "foreign languages".

(c) The first sentence of section 207(c)(1) of the Act is amended—

(1) by striking out "private nonprofit organizations" and inserting in lieu thereof "nonprofit organizations"; and

(2) by inserting "computer learning" immediately before "and critical foreign languages".

STATE ASSESSMENT

SEC. 226. (a)(1) The second sentence of section 208(a) of the Act is amended by striking out "section 210" and inserting in lieu thereof "section 210(b)".

(2) The fourth sentence of section 208(a) of the Act is amended by striking out "first" and inserting "preliminary".

(b) Section 208(c)(1)(E) of the Act is amended by striking out "public" and inserting in lieu thereof "nonprofit".

(c) Section 208 of the Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall prepare and submit to the Congress a summary report of the final version of the assessments submitted by States under subsection (a) as soon as practicable after the receipt of such assessments.".

STATE APPLICATION

SEC. 227. Section 209(b) of the Act is amended—

(1) by striking out "sections 207 and 208" in clause (1) and inserting in lieu thereof "sections 206 and 207";

(2) by striking out "sections 207 and 208" in clause (3) and inserting in lieu thereof "sections 206 and 207";

(3) by striking out "by local educational agencies, institutes of higher education, junior or community colleges, and other organizations for programs described in section 206" in clause (4)(A) and inserting in lieu thereof "for programs described in sections 206 and 207"; and

(4)(A) by striking out "of such funds, be available for" in clause (6) and inserting in lieu thereof "or such Federal funds, be available from non-Federal sources for";

(B) by striking out "sections 207 and 208" in clause (6) and inserting in lieu thereof "sections 206 and 207"; and

(C) by inserting before the semicolon in clause (6) the following: "from non-Federal sources".

LOCAL EDUCATION ASSESSMENTS

SEC. 228. The first sentence of section 210(c) of the Act is amended—

(1) by striking out "retraining" and inserting in lieu thereof "training, retraining,"; and

(2) by striking out "its funds" and inserting in lieu thereof the following: "all or a portion of its funds".

SECRETARY'S DISCRETIONARY FUND FOR PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 229. (a) Section 212(a) of the Act is amended to read as follows:

"(a) From the amount reserved by the Secretary under section 204(a)(2)(A), the Secretary is authorized to carry out directly, or through grants, cooperative agreements, or contracts, projects which are authorized by this section.".

(b) Section 212(b)(1) of the Act is amended—

(1) by striking out "make grants to" in the first sentence and inserting in lieu thereof "make grants to and enter into cooperative agreements with"; and

(2) by striking out "awarding of grants" in the third sentence and inserting in lieu thereof "awarding of grants and cooperative agreements".

PAYMENTS

SEC. 230. Section 213(a) of the Act is amended by striking out "section 211" and inserting in lieu thereof "section 212".

PART C—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING

ADMINISTRATIVE AMENDMENT

SEC. 231. Title III of the Act is amended by striking out "Foundation" wherever it appears (other than in section 303(3)) in such title and inserting in lieu thereof "Secretary".

DEFINITIONS

SEC. 232. Section 303 of the Act is amended:

(1) by inserting "and" at the end of clause (2);

(2) by striking out clauses (3), (4), and (5); and

(3) by redesignating clause (6) as clause (3).

PARTNERSHIP PROGRAM AUTHORIZATION

SEC. 233. Section 304(b) of the Act is amended to read as follows:

"(b) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1986, 1987, and 1988, to carry out the provisions of this title.".

PART D—PRESIDENTIAL AWARDS

AUTHORIZATION AND AVAILABILITY OF FUNDS

SEC. 241. (a) Section 403(a) of the Act is amended to read as follows:

"(a) From amounts authorized under section 102(b)(9) of the National Science Foundation Authorization Act for Fiscal Year 1986 for the category Science and Engineering for the fiscal year 1986, together with the amounts available for fiscal year 1986 from funds previously appropriated for the purpose described in such section, not more than $1,000,000 shall be available to carry out this title.".

(b) Section 403(b) of the Act is amended by inserting after "subsection (a)" the following: "and amounts made available under subsection (a)".

PART E—EXCELLENCE IN EDUCATION

PROGRAM REAUTHORIZATION

SEC. 251. Section 604(b)(1) of the Act is amended by striking out "the fiscal years 1984 and 1985" and inserting in lieu thereof "the fiscal year 1984 and each of the succeeding fiscal years ending prior to October 1, 1988,".

PART F—MAGNET SCHOOLS ASSISTANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 261. Section 701 of the Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, and 1988".

STATEMENT OF PURPOSE

SEC. 262. Section 703 of the Act is amended to read as follows:

STATEMENT OF PURPOSE

SEC. 703. It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

"(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.".

USES OF FUNDS

"SEC. 263. Section 706 of the Act is amended to read as follows:

"USES OF FUNDS

"SEC. 706. Grants made under this title may be used by eligible local educational agencies for—

"(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

"(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

"(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of programs in magnet schools;

where with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.".

MODIFICATION OF PROHIBITION

SEC. 264. Section 709 of the Act is amended to read as follows:

"PROHIBITIONS

"SEC. 709. Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.".

TITLE III—LIBRARY SERVICES PROGRAM

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

SEC. 301. (a) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) (hereafter in this title referred to as the "Act") is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(b) Section 3(15) of the Act is amended—

(1) by inserting "by the Secretary of the Interior" after "recognized"; and

(2) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM

SEC. 302. (a)(1) The first sentence of section 5(d)(2) of the Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof "sections 402(b), 403,".

(2) The second sentence of section 5(d)(2) of the Act is amended by striking out "(8)" and inserting in lieu thereof "(9)".

(3) Section 5(d)(2) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall issue criteria for the approval of applications and plans but the criteria may not include an allotment formula and may not contain a matching of funds requirement.".

(b) Section 6(b)(4) of the Act (20 U.S.C. 351d(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION

SEC. 303. (a) The references in section 8 of the Act (20 U.S.C. 351f) to "such titles" mean, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(b) The matter preceding clause (1) of section 102(b)(1) of the Act (20 U.S.C. 353(b)(1)) is amended by striking out "this title" and inserting in lieu thereof "this Act".

MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS

SEC. 304. Section 102(c)(10) of the Act (20 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" after "section 4(a)".

SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS

SEC. 305. Title IV of the Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska.".

TITLE IV—MINORITY INSTITUTIONS: MIGRATORY CHILDREN PROGRAM

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM AUTHORIZATION

SEC. 401. The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B; and

(2) by inserting after such section the following new section:

AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

MIGRATORY CHILDREN RECORDS SYSTEM

SEC. 402. Section 143(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "grants to, or enter into contracts with," and inserting in lieu thereof "enter into contracts with"; and

(2) by adding at the end thereof the following: "For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.".

TITLE V—HARRY S. TRUMAN MEMORIAL SCHOLARSHIP PROGRAM

PROGRAM AMENDMENTS

SEC. 501. (a) Section 8 of the Harry S. Truman Memorial Scholarship Act (20 U.S.C. 2007) is amended—

(1) by inserting "and" before "room", and

(2) by striking out ", or $5,000 whichever is less".

(b) Section 13(a)(3) of the Harry S. Truman Memorial Scholarship Act is amended by inserting before the semicolon at the end thereof a comma and the following: "and the amount of stipends payable under this Act".

TITLE VI—EDUCATION OF THE HANDICAPPED ACT

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

SEC. 601. (a) Section 611(c)(2)(A)(i)(II) of the Education of the Handicapped Act (20 U.S.C. 1411(c)(2)(A)(i)(II)) is amended by striking out "300,000" and inserting in lieu thereof "400,000".

(b) Section 611(c)(1)(B) of such Act is amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

EFFECTIVE DATE

SEC. 602. The amendment made by section 601(a) shall take effect on July 1, 1985.

TITLE VII—CARL D. PERKINS VOCATIONAL EDUCATION ACT TECHNICAL AMENDMENTS

TERRITORIAL HOLDHARMLESS

SEC. 701. Section 101(a)(3)(D) of the Carl D. Perkins Vocational Educational Act (20 U.S.C. 2311(a)(3)(D)) (hereafter in this title referred to as the "Act") is repealed.

STATE ALLOCATION

SEC. 702. Section 102 of the Act is amended to read as follows:

"WITHIN STATE ALLOCATION

"SEC. 102. (a)(1) Each State shall reserve from its allotment of funds appropriated under section 3(a) for each fiscal year an amount that does not exceed 7 percent of the allotment for State administration of the State plan. If the cost of carrying out the provisions of section 111(b) exceeds 1 percent of a State's allotment of funds appropriated under section 3(a), the State may reserve that excess amount from that allotment in addition to the 7 percent authorized by the preceding sentence.

"(2) The amount reserved under paragraph (1) shall be considered as part of that portion of the State's allotment that is retained for State activities and is not distributed under section 113(b)(4).

"(b) From the remainder of its allotment of funds appropriated under section 3(a), each State shall reserve for each fiscal year—

"(1) 57 percent for activities described in part A of title II; and

"(2) 43 percent for activities described in part B of title II.".

STATE COUNCIL ON VOCATIONAL EDUCATION

SEC. 703. (a) Section 112(b) of the Act is amended to read as follows:

"(b) The State shall certify to the Secretary the establishment and membership of the State council by the beginning of each State plan period described in section 113(a)(1).".

(b) Section 12(d) of the Act is amended by striking out "(d)" and all that follows through clause (1) and inserting in lieu thereof the following:

"(d) During each State plan period described in section 113(a)(1), each State council shall—

"(1) meet with the State board or its representatives to advise on the development of the subsequent State plan;".

(c)(1) Section 112(f)(1)(A) of the Act is amended by striking out "From" and inserting in lieu thereof "Except as provided in subparagraph (B), from".

(2) Section 112(f)(1)(B) of the Act is amended to read as follows:

"(B) From the amounts appropriated pursuant to section 3(c), for each fiscal year, the Secretary shall make grants of $50,000 to the State councils of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

STATE PLANS

SEC. 704. Section 113(b)(9)(C) of the Act is amended by striking out "not less than" and all that follows through "year" and inserting in lieu thereof "the projects, services, and activities supported under this Act of not less than 20 percent of the participating eligible recipients within the State in each fiscal year".

WITHIN STATE ALLOCATION

SEC. 705. Section 203(a)(3) of the Act is amended to read as follows:

"(3) The State board shall ensure that each eligible recipient that receives funds under paragraph (2) uses those funds to provide vocational education services and activities for individuals with limited English proficiency at least in proportion to the number of such individuals enrolled by that eligible recipient in the fiscal year preceding the fiscal year in which the determination is made as compared to the total number of disadvantaged individuals, including individuals with limited English proficiency, so enrolled in that fiscal year.".

CONSUMER AND HOMEMAKING EDUCATION

SEC. 706. (a) The heading of part B of title III of the Act is amended to read as follows:

"Part B—Consumer and Homemaking Education".

(b)(1) The first sentence of section 311 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking".

(2) The heading of section 311 of the Act is amended to read as follows:

"CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(c)(1) Subsection (b) of section 312 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking" both places it appears.

(2) The heading of section 312 of the Act is amended to read as follows:

"USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(d) The table of contents of the Act is amended by striking out the items relating to part B of title III and sections 311 and 312 and by inserting in lieu there of the following:

"PART B—CONSUMER AND HOMEMAKING EDUCATION

"Sec. 311. Consumer and homemaking education grants.

"Sec. 312. Use of funds from consumer and homemaking education grants.".

CONSUMER AND HOMEMAKING EDUCATION STATE LEADERSHIP

SEC. 707. Section 313(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

CAREER GUIDANCE AND COUNSELING STATE LEADERSHIP

SEC. 708. Section 333(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

AUTHORIZATION OF GRANTS

SEC. 709. Section 342(c) of the Act is amended by striking out "subsection (b)(2)" both places it appears and inserting in lieu thereof "subsection (b)(3)".

MODEL CENTERS FOR VOCATIONAL EDUCATION FOR OLDER INDIVIDUALS

SEC. 710. Section 417(b) of the Act is amended by inserting "shall" immediately after "subpart".

FEDERAL SHARE

SEC. 711. (a) Section 502(a) of the Act is amended in the introductory clause by striking out "shall be" and inserting in lieu thereof "shall not exceed".

(b)(1) Section 502(a)(2) of the Act is amended by striking out "not to exceed".

(2) Section 502(b) of the Act is amended by adding at the end thereof the following new sentence: "The non-Federal contributions from local resources may be in cash or in kind, fairly valued, including facilities, overhead, personnel, equipment, and services, if the eligible recipient determines that it cannot otherwise provide such contribution.".

TRANSITION

SEC. 712. The matter preceding clause (1) of section 3(a) of Public Law 98-524 (98 Stat. 2487) is amended to read as follows: "Until July 1, 1986, a State or eligible recipient may use funds received under the Vocational Education Act of 1963 or the Carl D. Perkins Vocational Education Act to—".

TECHNICAL AMENDMENTS

SEC. 713. (a)(1) Section 113(b)(10) of the Act (20 U.S.C. 2323(b)(10)) is amended by inserting "of 1981" after "Education Consolidation and Improvement Act".

(2) Section 113(b)(11) of the Act is amended by inserting "provide assurances" before "that".

(3) Section 504(d)(1) of the Act is amended by striking out "section 434(c)" and inserting in lieu thereof "section 453".

(4) Section 521(15) of the Act is amended by inserting "or language" immediately after "speech".

(b)(1) Section 4(a)(1)(A) of Public Law 98-524 is amended by striking out "section 4(15)" and inserting in lieu thereof "section 521(19)".

(2) Section 4(a)(6)(D) of Public Law 98-524 is repealed.

EFFECTIVE DATE

SEC. 714. (a) Except as provided in subsection (b), the provisions of this title shall take effect July 1, 1985.

(b) Section 702 of this Act shall take effect July 1, 1986.

TITLE VIII—HIGHER EDUCATION PROGRAMS

NATIONAL DIRECT STUDENT LOAN APPORTIONMENT

SEC. 801. (a) Section 12 of the "Student Financial Assistance Technical Amendments Act of 1982" is amended—

(1) by inserting "(a)" after the section designation; and

(2) by inserting at the end thereof the following new subsection:

"(b) Notwithstanding subsections (a) and (b) of section 462 of the Higher Education Act of 1965, if in the fiscal year 1986 the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 are less than the sums appropriated pursuant to such section for the fiscal year 1980, the Secretary shall apportion the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 for such fiscal year among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in fiscal year 1980 bears to the total amount appropriated pursuant to section 461(b)(1) for the fiscal year 1980.".

(b) The amendments made by this section shall take effect October 1, 1985.

NATIONAL GRADUATE FELLOWS PROGRAM

SEC. 802. The last sentence of section 931(a) of the Higher Education Act of 1965 is amended to read as follows: "In the fiscal year beginning October 1, 1985, and each succeeding fiscal year, all funds appropriated in each fiscal year shall be awarded to students by March 1 of the fiscal year for which the funds were appropriated. All funds appropriated in a fiscal year shall be obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that Calendar No. 75, S. 903, and Calendar No. 281, S. 801, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF NSF AUTHORIZATION

Mr. DOLE. Mr. President, I ask unanimous consent that the National Science Foundation Authorization Act for fiscal year 1987, after being reported by the Committee on Labor and Human Resources, be sequentially referred to the Committee on Commerce, Science, and Transportation for a period not to exceed 30 days, after which the bill will be automatically discharged and placed on the Senate Calendar, I request further, that any amendments agreed to by the Commerce, Science, and Transportation Committee shall be considered first after the bill is brought to the floor for the consideration of the full Senate, and that the Commerce, Science, and Transportation Committee be allowed to appoint two conferees, one majority and one minority, should a conference with the House of Representatives be required. I request further that the jurisdiction of this sequential referral extend only to the Foundation's research and related ac-

tivities, Antarctic and Special Foreign Currency Programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me suggest the absence of a quorum to see what may be following this action. Let me thank the principals involved in the National Science Foundation. It is the first time, I believe, in about 5 years that we have been able to pass this legislation. I commend all my colleagues.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordred.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, let me indicate to my colleagues what we are planning to do this evening. I have been advised by the distinguished chairman of the Appropriations Committee, Senator HATFIELD, he would not like to proceed with any additional appropriations bills. HUD will not be considered tonight, nor will the D.C. appropriations bill. We are trying to get an agreement to take up intelligence authorization, with a 1-hour time limit. I do not want to stay very late, if that is a possibility. I know the distinguished Senator from Vermont and the Senator from Minnesota may have been discussing that.

Mr. LEAHY. I am sorry, Mr. President, I did not hear what the distinguished majority leader raised.

Mr. DOLE. I was indicating there would be no HUD bill, no appropriations bills. I have raised the possibility of an intelligence authorization bill, if we can reach some agreement on that.

Mr. LEAHY. As the ranking member on both those bills I am happy to proceed with either one of them tonight. I have just spoken with the distinguished chairman of the Intelligence Committee. I think that I speak accurately of what he says. He is prepared to proceed as well. I informed him that it is my understanding that there are a number of Senators on our side of the aisle who may have an amendment. I have asked staff to check with them. I believe the amendment relates to Nicaragua. It is my hope that they would be willing to agree to a relatively short time agreement, perhaps 45 minutes or an hour evenly divided. I mentioned that as a possibility to the distinguished chairman of the committee. That did not seem to pose any problem for him. In my capacity as vice chairman of the Intelligence Committee or as ranking member of HUD, I am perfectly willing to proceed on either piece of legislation.

Mr. DOLE. How many amendments, maybe the distinguished Senator could advise me, would there be to the intelligence authorization bill?

Mr. LEAHY. I think there are the ones that the distinguished majority leader saw in the proposed unanimous-consent agreement, in addition to an amendment on Contra aid. With the exception of that Nicaraguan amendment I do not know of anything of real controversy, and even those issues have been rehashed enough that I should imagine it could be handled very briefly.

Mr. DOLE. Mr. President, the majority leader will contact the chairman of the committee, Senator DURENBERGER. If we can dispose of this bill rather quickly, we will not be in session tomorrow. So I will contact the chairman. If it is going to extend into a whole new debate on Contra aid, we had better be prepared to be here tomorrow. Let me check with the chairman of the committee.

Mr. LEAHY. Mr. President, I am looking down the list of proposed amendments. They all seem to be fairly technical amendments which would not require rollcall votes.

I suggest that if there is a Contra amendment, I think Senator DURENBERGER and I would be perfectly willing to enter into a very limited time agreement. Maybe other Senators might not be willing to do that. Senator DURENBERGER and I would be willing to do that.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TRIBLE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, it is my understanding that the distinguished managers of the intelligence authorization bill have reached a tentative agreement. If that is the case, that bill can be disposed of without a rollcall vote.

I would like to do a couple of wrapup matters first, if there is further discussion which is needed.

If the distinguished minority leader has no objection, I will proceed to some of the wrapup.

Mr. BYRD. That will be fine.

EXTENSION OF CERTAIN EXCISE TAX RATES

Mr. DOLE. Mr. President, I send a bill to the desk on behalf of the distinguished Senator from North Carolina [Mr. HELMS] and the distinguished Senator from Kentucky [Mr. FORD].

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1712) to provide an extension of certain excise tax rates.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

The Senate proceeded to consider the bill.

Mr. HELMS. Mr. President, the purpose of this legislation is simply to extend the 16-cents-per-pack Federal cigarette excise tax for 45 days. The current 16-cents-per-pack Federal excise tax on cigarettes was included in the Tax Equity and Fiscal Responsibility Act of 1982. Also a part of that legislation was an amendment to "sunset" the tax back to its original 8 cents on October 1, 1985.

Just recently the Senate Finance Committee reported their budget reconciliation package and included in it was a provision making the 16-cent cigarette tax permanent. This legislation will be reported to the Senate Budget Committee, and action on the Senate floor should take place in October. It is clearly the intent of the Senate Finance Committee to keep the tax at 16 cents.

The House of Representatives has also taken similar action with respect to the cigarette tax. An extension of the 16 cents tax is included in the House Ways and Means Committee Budget Reconciliation package, although this committee does dedicate 1 cent of the tax to fund the tobacco program. Nevertheless, the House of Representatives seems to be in complete agreement as to their intent to keep the tax at 16 cents.

The problem occurs if and when this legislation is not passed by both bodies of Congress and signed by the President prior to October 1, 1985. Because of other pressing business, it is clear that Congress will be unable to enact budget reconciliation legislation by October 1. The Federal tax sunsets back to 8 cents for a short period of time, only to go back up to some other level when the legislation is enacted. Meanwhile, 17 States have on the books statutes that automatically would increase their excise tax on cigarettes should the Federal excise tax sunset on October 1. Of those 17 States, 7 have automatic rollback provisions that would reduce the State excise tax by 8 cents should Congress later act to reinstate the 16 cents Federal excise tax. The remaining 10

States have no such rollback provisions and therefore their excise taxes would remain at the higher level even after Congress acts to reinstate the 16 cents Federal excise tax.

Such action causes much disruption in the business sector of the tobacco economy—particularly in the wholesaling and distribution business. These people have no way of knowing what the tax level will be. They do not know whether to deplete their inventories and hold off purchasing new cigarettes until after October 1, or to keep doing business as usual. The cigarette "pipeline" is backing up on some of the cigarette manufacturers and causing layoffs and other disruptions in the production of cigarettes.

In the absence of a temporary extension of the 16 cents Federal excise tax, the U.S. Treasury will lose approximately $6 million for each day that Congress fails to enact the budget reconciliation action. States will go through an administrative nightmare moving their excise taxes up and down to compensate for Congress's inability to act on this measure on a timely basis.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

Mr. METZENBAUM. Mr. President, the only thing this measure does is to deal with the extension of the 16-cents-per-package tax on cigarettes. Is that correct?

Mr. DOLE. That is correct.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 1712) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 283(c) of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out "October 1, 1985" and inserting in lieu thereof "November 15, 1985."

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORITY TO ESTABLISH AND ADMINISTER FLEXIBLE AND COMPRESSED WORK SCHEDULES FOR GOVERNMENT EMPLOYEES

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 3414, a bill to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3414) to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (H.R. 3414) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PUBLIC HEALTH SERVICE ACT AMENDMENTS

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 2409.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 2409) entitled "An Act to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Dingell, Mr. Waxman, Mr. Scheuer, Mr. Broyhill, and Mr. Madigan be the managers of the conference on the part of the House.

Mr. DOLE. Mr President, I move that the Senate insist on its amendments and agree to the conference requested by the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Chair appointed Mr. HATCH, Mr. QUAYLE, Mr. NICKLES, Mr. KENNEDY, and Mr. DODD conferees on the part of the Senate.

CALENDAR

Mr. DOLE. Mr President, I inquire of the minority leader if he is in a position to pass any of the following calendar items:

Calendar No. 312, Senate Resolution 228;

Calendar No. 313, Senate Resolution 229;

Calendar No. 314, Senate Resolution 230;

Calendar No. 315, Senate Resolution 231;

Calendar No. 316, Senate Resolution 232;

Calendar No. 317, Senate Resolution 181; and

Calendar No. 319, S. 1701.

Mr. BYRD. Mr. President, there is no objection to considering and acting on any or all of those measures.

Mr. DOLE. I thank the distinguished minority leader.

GRATUITY TO KATHERINE M. RYAN

The resolution (S. Res. 228) to pay a gratuity to Katherine M. Ryan, was considered and agreed to, as follows:

S. RES. 228

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Katherine M. Ryan, widow of Vincent G. Ryan, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO CHRISTINE NELSON GALLOWAY

The resolution (S. Res. 229) to pay a gratuity to Christine Nelson Galloway, was considered, and agreed to; as follows:

S. RES. 229

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Christine Nelson Galloway, widow of J.C. Galloway, an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO EVERETT D. SHEAFFER

The resolution (S. Res. 230) to pay a gratuity to Everett D. Sheaffer, was considered, and agreed to; as follows:

S. RES. 230

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Everett D. Sheaffer, widower of Mary R. Sheaffer, an employee of the Senate at the time of her death, a sum equal to one years' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING PRINTING OF A REVISED EDITION OF THE "STANDING RULES OF THE SENATE"

The resolution (S. Res. 231) authorizing the printing of a revised edition of the "Standing Rules of the Senate," as a Senate document, was considered, and agreed to; as follows:

S. RES. 231

Resolved, That the Committee on Rules and Administration hereby is directed to prepare a revised edition of Senate Document Numbered 98-10, entitled "Standing Rules of the Senate", and that such standing rules shall be printed as a Senate document.

SEC. 2. There shall be printed two thousand five hundred additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PURCHASE OF CALENDARS

The resolution (S. Res. 232) relating to the purchase of calendars, was considered, and agreed to, as follows:

S. RES. 232

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $67,980 for the purchase of one hundred and three thousand calendars. The calendars shall be distributed as prescribed by the committee.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING THE PRINTING OF A REPORT

The resolution (S. Res. 181) authorizing the printing of the report entitled "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress," as a Senate document, was considered, and agreed to, as follows:

S. RES. 181

Resolved, That the annual report of the Secretary of Transportation to the Congress of the United States in compliance with section 144(i) of title 23, United States Code entitled, "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress" be printed as a Senate document.

SEC. 2. There shall be printed three hundred additional copies for the use of the Committee on Environment and Public Works.

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSFER OF CERTAIN AUTHORITY TO THE STATES OF MAINE AND NEW HAMPSHIRE

The bill (S. 1701) to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1701

Be it enacted by the Senate and House of Representatives of the United Staes of America in Congress assembled, That the Act approved July 28, 1937 (50 Stat. 535), is amended by striking out in the first paragraph thereof, "and approaches thereto" and by inserting at the end thereof "The States of Maine and New Hampshire are authorized to assume all construction, maintenance, and operational authority over the approach roads and grade separation structures in their respective areas. As provided in Maine Private and Special Law, Chapter 38, 1985, and New Hampshire Statutes, Chapter 415, 1985, the respective States shall require the Authority to provide Authority funds for capital improvements.".

Mr. DOLE. I move to reconsider the vote by which the measure was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STAR PRINT OF REPORT NO. 99-105

Mr. DOLE. Mr. President, I ask unanimous consent that Senate Report No. 99-105 be star printed to reflect the following changes which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

STAR PRINT OF REPORT NO. 99-135

Mr. DOLE. Mr. President, I ask unanimous consent that Senate Report No. 99-135 be star printed to reflect the following changes which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

TITLE AMENDMENT TO H.R. 2005

Mr. DOLE. Mr. President, I ask unanimous consent that the title of H.R. 2005 be amended so as to read:

A bill to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar.

Mr. BYRD. Mr. President, I am not prepared to do that yet.

Mr. DOLE. Mr. President, as I understand it, the managers handling the intelligence authorization bill will not require a rollcall vote. Is that correct?

Mr. LEAHY. My understanding on this side, Mr. President, is that there will not be a request for a rollcall. There will be a short colloquy that the chairman of the committee and I shall have regarding Contra aid. That will obviate the necessity of an amendment and a rollcall. I know of no rollcalls that are going to be requested on this side of the aisle.

Mr. DURENBERGER. Mr. President, as far as the Chair is concerned, there is no reason for a rollcall vote. There will be two minor amendments, one on behalf of Senator BENTSEN, the other on behalf of Senator SIMPSON, neither of which requires a rollcall vote. No rollcall will be necessary on passage.

Mr. DOLE. Mr. President, on that basis, and I think the distinguished minority leader might agree, with that assurance on both sides that no rollcall vote will be requested, I think we can indicate to Members that there will be no rollcall votes tonight. We will not be in session tomorrow. We will come in at approximately 11 a.m. on Monday, and there will be no votes on Monday until 4 p.m.

Mr. BYRD. Mr. President, I think that would be desirable.

Mr. DOLE. I thank the managers of the bill. I yield the floor.

Mr. President, there will be no more rollcall votes this evening and we will not be in session tomorrow.

INTELLIGENCE AUTHORIZATION, 1986

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 287, S. 1271, the Intelligence Authorization Act.

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1271) to authorize appropriations for intelligence activities of the United States Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services and on behalf of the Committee on Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

S. 1271

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for fiscal year 1986".

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1986 for the conduct of the intelligence activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of the Treasury.
(8) The Department of Energy.
(9) The Federal Bureau of Investigation.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1986, for the conduct of the intelligence activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Select Committee on Intelligence of the Senate. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and the House of Representatives, and to the President. The President shall provide for suitable distribution of the schedule, or of appropriate portions of the schedule, within the executive branch.

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1986, funds may not be made available for any intelligence activity unless such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, except that in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secretary of Defense unless for higher priority intelligence acitivities, based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence activity for which funds were requested has been denied by Congress.

PERSONNEL CEILING ADJUSTMENTS

SEC. 104. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for fiscal year 1986 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

AUTHORIZATION OF APPROPRIATIONS FOR DESIGN AND CONSTRUCTION OF A RESEARCH AND ENGINEERING FACILITY AT THE NATIONAL SECURITY AGENCY HEADQUARTERS COMPOUND

SEC. 105. The National Security Agency is authorized to secure the design and constuction of a research and engineering facility at its headquarters compound at Ft. Meade, Maryland. A single continuous contract may be employed to facilitate completion of the building authorized by this section, and the Secretary of Defense is authorized to contract for design and construction in advance of appropriations therefor, but the cost of such facility may not exceed $75,064,000. Of the amounts authorized to be appropriated under section 101(4) of this Act, there is authorized to be appropriated for fiscal year 1986 the sum of $21,364,000 for design and construction of the facility authorized by this section during fiscal year 1986.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1986 the sum of $22,283,000.

AUTHORIZATION OF PERSONNEL END STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two-hundred-and-thirty-three full-time personnel as of September 30, 1986. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1986, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence activities.

(c) During fiscal year 1986, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1986, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 430a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1986 the sum of $101,400,000.

TITLE IV—GENERAL PROVISIONS

AUTHORITY FOR THE CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 401. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW

SEC. 402. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for any increases in such employee compensation or benefits authorized by law.

TITLE V—FACILITATING NATURALIZATION OF CERTAIN FOREIGN INTELLIGENCE SOURCES

IMMIGRATION AND NATIONALITY ACT AMENDMENT

SEC. 501. Section 316 of the Immigration and Nationality Act (8 U.S.C. 1427) is amended by adding at the end thereof the following new subsection:

"(g)(1) Whenever the Director of Central Intelligence, the Attorney General and the Commissioner of Immigration determine that a petitioner otherwise eligible for naturalization has made an extraordinary contribution to the national security of the United States or to the conduct of United States intelligence activities, the petitioner may be naturalized without regard to the residence and physical presence requirements of this section, or to the prohibitions of section 313 of this Act, and no residence within the jurisdiction of the court shall be required.

"(2) A petition for naturalization may be filed pursuant to this subsection in any district court of the United States, without regard to the residence of the petitioner. Proceedings under this subsection shall be conducted in a manner consistent with the protection of intelligence sources, methods and activities.

"(3) The number of aliens naturalized pursuant to this subsection in any fiscal year shall not exceed fifteen. The Director of Central Intelligence shall notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on In-

telligence of the House of Representatives each time a determination is made to apply the provisions of this subsection.".

TITLE VI—ADMINISTRATIVE PROVISIONS

USE OF PROCEEDS FROM DEFENSE DEPARTMENT COUNTERINTELLIGENCE OPERATIONS

SEC. 601. (a) During fiscal year 1986, the Secretary of Defense may authorize use of proceeds from counterintelligence operations conducted by components of the Military Departments to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code.

(b) As soon as the net proceeds from any such counterintelligence operation are no longer necessary for the conduct of that operation, such proceeds shall be deposited into the Treasury as miscellaneous receipts.

RETIREMENT BENEFITS FOR CERTAIN CENTRAL INTELLIGENCE AGENCY EMPLOYEES SERVING IN UNHEALTHFUL AREAS

SEC. 602. Section 251 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by inserting "(a)" after "SEC. 251." and by adding at the end thereof the following new subsection:

"(b) The Director of Central Intelligence may from time to time establish, in consultation with the Secretary of State, a list of places which by reason of climatic or other extreme conditions are to be classed as unhealthful posts. Each year of duty at such posts, inclusive of regular leaves of absence, shall be counted as one and a half years in computing the length of service of a participant under this Act for the purpose of retirement, fractional months being considered as full months in computing such service. No extra credit for service at such unhealthful posts shall be credited to any participant who is paid a differential under section 5925 or 5928 of title 5, United States Code, for such service.".

[COMPENSATION OF DIRECTOR AND DEPUTY DIRECTOR OF GENERAL INTELLIGENCE

SEC. 603. (a) Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following: "Director of Central Intelligence.".

(b) Section 5313 of title 5, United States Code, is amended by inserting "Deputy" before "Director of Central Intelligence.".

(c) Section 5314 of title 5, United States Code, is amended by striking out "Duputy Director of Central Intelligence.".]

APPLICATION OF FOREIGN MISSIONS ACT TO INDIVIDUALS ON SECONDMENT TO THE UNITED NATIONS SECRETARIAT

SEC. [604.] *608.* The Secretary of State is directed to apply to all individuals who are on secondment from their respective governments to the United Nations Secretariat any and all terms, limitations, restrictions, or conditions applicable to indivduals pursuant to the Foreign Missions Act of 1982 (22 U.S.C. 4301 et seq.), as may from time to time be applied to members of the consulates, embassies, or missions to the United Nations of those respective governments in the United States, pursuant to the Foreign Missions Act.

TITLE VII—DIPLOMATIC EQUIVALENCE AND RECIPROCITY

SHORT TITLE

SEC. 701. This title may be cited as the "Diplomatic Equivalence and Reciprocity Act of 1985".

POLICY

SEC. 702. (a) It is the policy of the United States that the number of nationals of the Soviet Union admitted to the United States who serve as diplomatic or consular personnel of the Soviet Union in the United States shall not exceed the number of United States nationals admitted to the Soviet Union who serve as diplomatic or consular personnel of the United States in the Soviet Union unless the President determines and so certifies to the Congress that additional admissions of such personnel would be in the best interests of the United States.

(b) The policy contained in subsection (a) shall not apply to dependents or spouses who do not serve as diplomatic or consular personnel.

REPORTING REQUIREMENT

SEC. 703. Not later than six months after the date of enactment of this title, the Secretary of State and the Attorney General shall prepare and transmit to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives a report setting forth a plan for ensuring that the number of Soviet nationals described in section 701 does not exceed the limitation described in such section.

DEFINITIONS

SEC. 704. For purposes of this title—

(1) the term "diplomatic or consular personnel" means the members of the diplomatic mission or the members of the consular post, as the case may be;

(2) the term "members of the diplomatic mission" is used within the meaning of article 1(b) of the Vienna Convention on Diplomatic Relations, done on April 18, 1961; and

(3) the term "members of the consular post" is used within the meaning of article 1(g) of the Vienna Convention on Consular Relations, done April 24, 1963.

TITLE VIII—ACCESS TO CRIMINAL HISTORY RECORDS FOR NATIONAL SECURITY PURPOSES

CONGRESSIONAL FINDINGS AND POLICIES

SEC. 801. The Congress finds—

(1) that under the Constitution, Congress has the responsibility and power to provide for the common defense and security of our Nation;

(2) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency conduct investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services;

(3) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency have access to criminal history record information when conducting investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services; and

(4) that the interests of national security have been adversely affected by the reluctance and refusal of some State and local criminal justice agencies to provide criminal history record information to the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency for use in investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services.

SEC. 802. Chapter 31 of title 10, United States Code, is amended by striking out section 520a and substituting the following:

"§ 520a. Criminal history record information for national security purposes

"(a) As used in this chapter:

"(1) The term 'criminal justice agency' includes Federal, State, and local agencies and means: (A) courts, or (B) Government agency or any subunit thereof which performs the administration of criminal justice pursuant to a statute or Executive order, and which allocates a substantial part of its annual budget to the administration of criminal justice.

"(2) The term 'criminal history record information' means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, information, or other formal criminal charges, and any disposition arising therefrom, sentencing, correction supervision, and release. The term does not include identification information such as fingerprint records to the extent that such information does not indicate involvement of the individual in the criminal justice system. The term does not include those records sealed pursuant to a lawful order of a court of law.

"(3) The term 'classified information' means information or material designated pursuant to the provisions of a statute or Executive order as requiring protection against unauthorized disclosure for reasons of national security.

"(4) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of Pacific Islands, and any other territory or possession of the United States.

"(5) The term 'local" and 'locality' means any local government authority or agency or component thereof within a State having jurisdiction over matters at a county, municipal, or other local government level.

"(b)(1) Upon request by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency, criminal justice agencies shall make available criminal history record information regarding individuals under investigation by the Department of Defense, the Office of Personnel Management or the Central Intelligence Agency for the purpose of determining eligibility for (A) access to classified information, (B) assignment to or retention in sensitive national security duties, or (C) acceptance or retention in the armed services. Fees charged for providing criminal history record information pursuant to this subsection shall not exceed those charged to other criminal justice agencies for such information.

"(2) This subsection shall apply notwithstanding any other provision of law or regulation of any State or of any locality within a State, or any other law of the United States.

"(c) The Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency shall not obtain criminal history record information pursuant to this section unless it has received written consent from the individual under

investigation for the release of such information for one or more of the purposes set forth in subsection (b).

"(d) Criminal history record information received under this section shall not be disclosed except for the purposes set forth in subsection (b) or as provided by section 552a of title 5, United States Code.".

SEC. 803. The amendments made shall become effective with respect to any inquiry which begins after the date of enactment of this Act conducted by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency, for any of the purposes specified in subsection (b) of section 520a of title 10, United States Code, as added by this Act.

SEC. 804. These amendments are made pursuant to the powers vested in Congress as found in section 8 of article I of the United States Constitution.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the amendments of the Committees on Armed Services and Governmental Affairs be agreed to and that the bill as amended be treated as original text for the purpose of future amendments.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendments were agreed to.

AMENDMENT NO. 711

Mr. DURENBERGER. Mr. President, on behalf of the Select Committee on Intelligence, I send to the desk amendments to amend title VI and title VII and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER], for himself and Mr. LEAHY, proposes an amendment numbered 711.

Beginning on page 10, line 12, strike out all through page 12, line 16.

Mr. DURENBERGER. Mr. President, it is my privilege to bring to the floor the intelligence authorization bill which authorizes appropriations for U.S. intelligence activities for fiscal year 1986.

The Select Committee on Intelligence views the annual budget authorization process as one of the principal means of fulfilling its oversight responsibilities because of the insight and leverage that this process provides in influencing the long-term scope and direction of U.S. intelligence efforts.

The legislation which we are laying before the Senate today authorizes appropriations for those programs and activities of the U.S. Government which serve the intelligence needs of our national policymakers. This includes the Central Intelligence Agency and the National Security Agency, as well as the national intelligence activities of the Departments of Defense, State, Treasury, and Energy, and the Federal Bureau of Investigation. The bill also authorizes appropriations for the intelligence community staff and the Central Intelligence Agency retirement and disability system, and it includes several legislative provisions to enhance the effectiveness of our intelligence agencies.

This year, as in the past, the committee conducted a comprehensive examination of the intelligence budget request. However, for the first time since the committee was formed, the entire budget authorization process was reviewed at the full committee rather than the subcommittee level, which enhanced member participation. Twelve hearings were held which included testimony from the Director and Deputy Director of Central Intelligence, key Defense Department officials, and each of the principal intelligence program managers.

Because of the sensitivity of the matters dealt with in the intelligence authorization bill, I cannot discuss details in open session. These recommendations have, however, been set forth in the classified annex to the committee's report, which has been available to Members under the provisions of Senate Resolution 400 since June.

As is stressed in our reports, the committee believes that strengthening and improving the U.S. intelligence system should remain among our highest national priorities. As we have emphasized in the past, investment in intelligence must grow to ensure that the intelligence community is able to meet the challenges that our Nation will face in the late 1980's and beyond. The committee recognizes that increased investment alone will not necessarily lead to the intelligence capabilities required in the years ahead. We must also be more innovative in crafting the Nation's intelligence activities to assure our capability to meet the challenges U.S. policymakers will face as we rapidly approach the 21st century. Our assessment continues to be the same; we see no lessening of the worldwide competition with our principal adversaries while, at the same time, developments in the Third World and global issues will grow in importance to our national security. We see an ever-increasing threat against us, both as individuals who are potentially targeted for terrorist actions and as a nation which must keep an ever-constant vigil for those who would threaten our security.

The committee feels that it is becoming increasingly important to structure the intelligence capability so that our Nation is assured of the peace and independence upon which it was founded. In its charter in Senate Resolution 400, the committee was assigned the responsibility to assure that the appropriate departments and agencies of the United States provide informed and timely intelligence to the executive and legislative branches. With these factors in mind, the members of the committee have identified and established a long-range goal that will provide a framework for our future review of intelligence budget proposals.

Our first major goal became the formulation of a requirement for the administration to develop and submit a strategy for national intelligence. The committee agreed early in the year on this goal for a national intelligence strategy. We will examine the fiscal year 1986 budget in terms of the strategy and expect the fiscal year 1987 budget to reflect adherence to the strategy process. While intelligence activities will remain unique, the process employed will not be dissimilar to the posture statement and resource allocation exercise currently utilized by the DOD.

We intend this strategy to be updated annually and to be the basis for understanding what is being done in intelligence and what is proposed.

There has never been a comprehensive strategy for the intelligence community which was based on a disciplined, consistent standard against which one could measure the state of American intelligence. The intelligence target is infinite, and our resources will always be limited. Yet, there is no vehicle which explains our strengths and weaknesses in intelligence in terms other than "more intelligence is better than less" and "faster processing and dissemination is better than slower."

To address these concerns and to achieve our goal, the committee has designed a series of hearings to be held in phases. We have already completed phase I in this hearing process and are now well into phase II. These hearings allow us to look at specific areas to see whether strategic thinking is guiding intelligence decisions. We are calling in experts from the intelligence community—those consumers and decision makers from both the current as well as the prior arena of intelligence.

From these hearings, the committee is developing a set of guidelines for the intelligence community. The Director of Central Intelligence will then develop a national intelligence strategy which will form the backbone of the committee's annual comprehensive examination of the intelligence budget request.

It is because the committee feels so strongly the importance of strengthened national security that it has taken on these added responsibilities of contributing to a more structured and coordinated effort toward our country's intelligence capabilities.

With that in mind, the committee believes that the investments included in the authorization before you now, as well as continued investments are absolutely essential. Intelligence is the Nation's first line of defense; it is also one of our major assets for maintaining world peace. In these perilous times, when miscalculations could have such devastating consequences, it is more important than ever that this Nation maintain a strong intelligence system. I strongly urge my colleagues' support for this important legislation.

Mr. President, I ask unanimous consent that a letter from the Congressional Budget Office, submitted pursuant to section 403 of the Congressional Budget Act of 1974, be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 30, 1985.

Hon. DAVID DURENBERGER,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate on S. 1271, the Intelligence Authorization Act for Fiscal Year 1986, as ordered reported by the Senate Select Committee on Intelligence on June 11, 1985.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

With best wishes,

Sincerely,

RUDOLPH G. PENNER,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number.—S. 1271

2. Bill title.—Intelligence Authorization Act for fiscal year 1986.

3. Bill Status.—As ordered reported by the Senate Select Committee on Intelligence on June 11, 1985.

4. Bill purpose.—To authorize appropriations for the fiscal year 1986 for intelligence activities of the United States Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability Fund, and for other purposes.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1986	1987	1988	1989	1990
Authorization amount [1]	145.0				
Estimated outlays [1]	123.2	7.7	6.4	3.9	2.1

[1] Does not include costs of Sec. 101 or receipts from Sec. 601 which are classified.

Basis for Estimate.—The authorization amounts are stated in the bill. The estimate assumes the funds will be appropriated for the full amount of the authorization. Expenditure of these funds is assumed to follow historical patterns.

Section 101 authorizes funds for the conduct of intelligence activities of several elements of the United States government. The amounts authorized by this section are classified and are excluded from this cost estimate.

Section 105 authorizes $21.4 million for the construction of a research and engineering facility at Fort Meade, Maryland for the National Security Agency.

Section 201 authorizes $22.3 million for the Intelligence Community staff. This amount provides for 233 full-time personnel as of September 30, 1986.

Section 301 provides $101.4 million for the Central Intelligence Agency Retirement and Disability Fund.

Section 601 authorizes the Secretary of Defense to use the proceeds of counterintelligence operations conducted by components of the Military Departments to offset necessary and reasonable expenses incurred in such operations. Surplus funds are to be deposited in the Treasury as miscellaneous receipts. The amounts involved in this provision are classified and are excluded from this cost estimate.

Section 602 authorizes the Director of Central Intelligence to establish a list of posts deemed unhealthful. Personnel would receive one and one half years credit toward retirement for each year served in such a post. Because the number of posts determined to be unhealthful and the number of personnel affected by such a determination are not known, it is not possible to estimate the budgetry impact of this provision.

The bill includes other provisions that do not have significant budgetary impacts.

6. Estimated cost to state and local governments.—None.

7. Estimate comparison.—None.

8. Previous cost estimate.—None.

9. Estimate prepared by.—Jonathan Tyson (226-2840).

10. Estimate approved by.—James L. Blum, Assistant Director for Budget Analysis.

Mr LEAHY. Mr. President, I compliment the distinguished chairman of the committee for his remarks. We have done something different this year than I have seen in the slightly over 5 years that I have served on the Intelligence Committee: that is to handle the budget at the full committee rather than the subcommittee level. Having served at both levels, I think there had been distinct advantages to allowing all members of the Intelligence Committee involved in the budget process. With the complement of new members on both sides of the aisle, hallowed members to have a better idea of what is in often a very complex and, of course, very secret budget. I think the only way one fully understands what goes in the intelligence community is by analysis of the budget. As the Intelligence Committee has found, no matter how well-intentioned all of us are, often the only real oversight control we have is through the budget process.

So it was a good experiment to try this year. I think it is one that should be continued for the next fiscal year. I am most pleased with the committees activism in the area of terrorism. It is one that I have encouraged for years. As recent events have shown us, terrorist activity throughout the world contitutes one of the major, if not the major, nonnuclear threats to the security of the United States and to our interests worldwide as well as to our domestic security.

I believe this legislation takes very affirmative action to address the threat posed by terrorism.

Mr. President, I yield to the distinguished chairman of the committee.

The PRESIDING OFFICER. The question is now on agreeing to the amendment.

The amendment (No. 711) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendments was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 713

(Purpose: To require notification of the Judiciary Committees that certain naturalization requirements do not apply to certain aliens because of their extraordinary contribution to United States national security, and for other purposes)

Mr. DURENBERGER. Mr. President, I send an amendment to the desk on behalf of the Senator from Wyoming [Mr. SIMPSON] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER], for Mr. Simpson, proposes an amendment numbered 713.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, beginning on line 12, strike out "fifteen" and all that follows through "Intelligence" on line 15 and insert in lieu thereof the following: "Ten. The Director of Central Intelligence shall notify the Select Committee on Intelligence and the Committee on the Judiciary of the Senate and the Permanent Select Committee on Intelligence and the Committee on the Judiciary".

Mr. DURENBERGER. Mr. President, the purpose of this amendment very simply is to require notification of the Judiciary Committees that certain naturalization requirements do not apply to certain aliens because of the extraordinary contributions to U.S. national security. It is a very appropriate amendment on behalf of our colleague from Wyoming, who is also chairman of the Immigration and Naturalization Subcommittee of Judiciary. He spotted an oversight on the part of the committee, and I highly recommend its adoption.

Mr. LEAHY. Mr. President, I thoroughly concur with the statement of the Senator from Minnesota and also urge adoption of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 713) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 714

(Purpose: To provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counter-terrorist capabilities of the Bureau)

Mr. LEAHY. Mr. President, I send an amendment to the desk on behalf of the Senator from Texas [Mr. BENTSEN], for himself, Mr. DURENBERGER, myself, and other Senators listed on the amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY], for Mr. BENTSEN, Mr. DURENBERGER, Mr. LEAHY, Mr. COHEN, Mr. BOREN, Mr. ROTH, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. ZORINSKY, Mr. SPECTER, Mr. BRADLEY, Mr. LONG, and Mr. GRASSLEY, proposes an amendment numbered 714.

Mr. LEAHY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) There are authorized to be appropriated for fiscal year 1986, $59,539,000 for the Federal Bureau of Investigation to carry out the counterterrorism activities.

(b) Notwithstanding any other provision of law, the Federal Bureau of Investigation may purchase for fiscal year 1986, an additional 40 vehicles to be used in counterterrorist activities.

(c) Notwithstanding any other provision of law, the Attorney General may make payments in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism.

Mr. BENTSEN. Mr. President, it has been 3 months now since the hijacking of TWA Flight 847 and the execution of Navy diver Robert Stethem by Middle Eastern terrorists. As the circumstances surrounding this tragic event lose their sharp edge in our collective memory, it would be all too easy for us to lapse into complacency and to ignore the growing potential for terrorist activities here in the United States.

Ignoring the reality of terrorism, however, would be exceedingly shortsighted. We are fortunate that terrorist activity in this country has not risen to the heights that it reaches routinely elsewhere in the world, but we cannot assume that it will remain at a reduced level. Indeed, on a worldwide basis the number of terrorist incidents is increasing steadily. And for the past few years over 40 percent of these incidents have been directed against the U.S. Government or U.S. citizens or their property.

Nor are internationl terrorists the only threat we face. This past week in Seattle, 11 members of a neo-Nazi group called "The Order" went on trial for committing 67 crimes designed to finance the overthrow of the U.S. Government and establish a white supremacist society. And barely 3 weeks ago the FBI arrested 13 members of the Puerto Rican terrorist organization "Los Macheteros," the group that was apparently responsible for the killing of two sailors in an attack on a United States Navy bus in Puerto Rico.

The actual number of terrorist incidents in the United States has decreased over the past few years, but the number of incidents the FBI has prevented has increased significantly. Furthermore, according to FBI statistics, there were no terrorist actions in the United States in 1983 attributable to Middle Eastern groups, and only one such incident in 1984. I am not at all confident that this trend will continue.

As a case in point, the Reverend Ben Weir, the Presbyterian minister who was held captive by Moslem extremists in Lebanon for 16 months, was recently released. We were all delighted to have the Reverend Weir back with us, safe and unharmed. But he brought with him his captors' threats of more kidnappings and more executions of Americans.

Given what we know about how Libya's Colonel Qadhafi and Iran's Ayatollah Khomeini feel about us, and given the number of pro-Qadhafi Libyans and pro-Khomeini Iranians resident here in the United States, I do not believe that this is the time to relax and let down our guard. Those concrete barricades that block the entrances onto the Capitol grounds are not there to enhance the beauty of the place.

On the contrary, the very openness of our society makes us vulnerable to terrorist attacks, particularly attacks directed at Government offices, communications centers, transportation hubs, or power grids.

Our first line of defense against domestic terrorism is the Federal Bureau of Investigation, and the FBI has been doing a good job. Despite the increasing threat of terrorism, though, the FBI budget in this area has not even been enough to keep up with inflation.

For fiscal year 1985 the FBI's counter-terrorism budget was just under $40 million. For fiscal year 1986, OMB froze the counter-terrorism budget at that same level and rejected a request for an $11 million supplemental appropriation for fiscal year 1985. Subsequently, the FBI has identified additional needs in this area. After talking with them and working over the figures very carefully, the total requirement for the FBI in this area for fiscal year 1986 has been established at $59.5 million. This represents an increase of about $20 million over both the actual budget for fiscal year 1985 and the proposed budget for fiscal year 1986, and it is money which I believe would be well spent to help protect the people of the United States against the threat of terrorism in this country.

Now, what will this additional funding provide in counter-terrorist capability?

First, it will allow the FBI to hire 75 more agents and 45 support staff for counter-terrorism task forces in seven major cities. It will allow 11 more agents for the hostage rescue team, 40 additional positions in support of the Terrorist Research and Analytical Center, and 20 more analysts to support counter-terrorist operations. It will also provide support and equipment for a secure teleconferencing capability for hostage-counter-terrorist coordination, will provide additional automobiles, equipment, training, and weapons for counter-terrorism, and will allow the FBI to reimburse local law enforcement agencies for their overtime assistance to the FBI in this area. The details of some of this funding are classified, and it is the intention of this amendment that appropriate language be included in the classified annex to the committee report on this authorization, explaining how certain of these funds will be expended.

Mr. President, the total reflected in this amendment will be money well spent when compared with the potential cost of just one terrorist attack. I believe this amount is reasonable and is a wise investment to help protect the citizens of this country against the growing danger of terrorist activities. I urge your support of this amendment.

Mr. LEAHY. Mr. President, the purpose of the amendment is to increase the assistance needed by the FBI in their counterterrorist activity. I believe the increase is vitally needed. From my dual role as a member of the Intelligence Committee and the Judiciary Committee, I can state that during the past 4 years the FBI has significantly improved its counterterrorist activities, I believe this amendment will further enhance the FBI's counterterrorist activities. I congratulate my distinguished colleague from Texas, Senator BENTSEN on his fine work.

Mr. DURENBERGER. Mr. President, I concur in the judgment of my colleague, the ranking member of the Intelligence Committee, and that of the Senator from Texas who proposed the amendment which we have joined

in cosponsoring. I, too, urge its immediate adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 714) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DURENBERGER. Mr. President, I ask for third reading.

Mr. LEAHY. Mr. President, will the Senator withhold just for a moment?

Mr. DURENBERGER. Yes, I will.

Mr. LEAHY. A question arose earlier this evening, Mr. President, as we were preparing to go forward with this bill, by a number of Senators concerned, as a number of us have been, with our policy in Nicaragua. Specifically they were concerned about the funds for humanitarian assistance provided by this bill to the insurgents in Nicaragua. I do not mean to revisit the whole debate we have on the floor of the Senate. We have had a series of votes on it. But the assurance I have given to Senators, if I might say, Mr. President, is that we have passed legislation which allows humanitarian aid to the Contras, to be administered by the only office of Nicaragua Humanitarian Assistance in the Department of State under certain restrictions that have been voted on in the past by both bodies and signed into law by the President in an amount of $28 million.

I have further assured these Senators that the $28 million for this aid to be administered through the Department of State is included in this bill in the CIA's contingency fund. I have assured them further that only the funds only can be used for humanitarian assistance.

Furthermore, no other moneys for the CIA or any other agency or Department covered by this bill can be used in excess of that $28 million. As I said, that $28 million is to be administered only by the Department of State. I have given that assurance to those Senators who at one point had considered bringing further amendments to this bill.

I ask my good friend from Minnesota, the distinguished chairman of the committee, if the assurances I have outlined are accurate in his understanding.

Mr. DURENBERGER. Mr. President, I say to my colleague from Vermont that if I accurately understand the gist of his characterization, I certainly do agree with it.

As he well knows and many others know, I made a point at the end of 1984 of declaring my personal opposition to continued use of covert activity in Nicaragua. I took a similar position as chairman of the committee since January of this year.

In the committee, we have deliberately steered a course of neutrality on the issue of utilization of the CIA or other intelligence agencies in some of the areas that my colleague talked about.

In effect, what we accomplished as we went through the budget process was to say that whatever the authorization on the floor of the Senate with regard to the appropriation for Nicaragua, that authorization would control any expenditures from the reserve account. Specifically, for our colleagues, this issue is dealt with in a classified supplement through the Intelligence Committee's report, and even more specifically is dealt with on page 82 of the Intelligence Committee's classified supplement.

The committee moved the $28 million requested for Nicaraguan paramilitary to the reserve, to be spent only for humanitarian assistance to the so-called Nicaraguan democratic resistance, in an amount and in a manner consistent with congressional action on this issue. Because congressional action has proscribed CIA and DOD administration of the humanitarian aid funds—all of it in the separate authorization, as I indicated—the Intelligence Committee's action, in effect, has been overtaken by events.

I say to my colleague and the others, particularly on his side of the aisle, who have expressed a concern about this issue, that he is correct in his characterization of our authority.

Mr. LEAHY. With that assurance, Mr. President—and it is also my understanding—I have been told by the Senators who have a concern about this that they do not intend to bring up another amendment and thus revisit something that has been voted on.

The Senators who raised the point have been on the losing side before, and they realize that the vote would be the same if held again. I think they realize that the Intelligence Committee handled this matter in a straightforward fashion. It is clear we in the committee watch how and where the money is spent; to be certain it is done so in a manner prescribed by the law.

With that assurance, I assure the chairman that there will not be amendments on this side on this matter.

Mr. DURENBERGER. I thank the Senator.

Mr. President, I ask for third reading of S. 1271.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 2419, Calendar No. 239, a companion bill.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2419), to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DURENBERGER. Mr. President, I move to strike all after the enacting clause of H.R. 2419 and substitute in lieu thereof the text of S. 1271, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 2419, as amended) was passed, as follows:

H.R. 2419

Resolved, That the bill from the House of Representatives (H.R. 2419) entitled "An Act to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Intelligence Authorization Act for fiscal year 1986".

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1986 for the conduct of the intelligence activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of the Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1986, for the conduct of the intelligence activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Select Committee on Intelligence of the Senate. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and the House of Representatives, and to the President. The President shall provide for suitable distribution of the schedule, or of appropriate portions of the schedule, within the executive branch.

CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

SEC. 103. During fiscal year 1986, funds may not be made available for any intelligence activity unless such funds have been specifically authorized for such activity or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, except that in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secretary of Defense unless for higher priority intelligence activities, based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence activity for which funds were requested has been denied by Congress.

PERSONNEL CEILING ADJUSTMENTS

SEC. 104. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for fiscal year 1986 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

AUTHORIZATION OF APPROPRIATIONS FOR DESIGN AND CONSTRUCTION OF A RESEARCH AND ENGINEERING FACILITY AT THE NATIONAL SECURITY AGENCY HEADQUARTERS COMPOUND

SEC. 105. The National Security Agency is authorized to secure the design and construction of a research and engineering facility at its headquarters compound at Ft. Meade, Maryland. A single continuous contract may be employed to facilitate completion of the building authorized by this section, and the Secretary of Defense is authorized to contract for design and construction in advance of appropriations therefor, but the cost of such facility may not exceed $75,064,000. Of the amounts authorized to be appropriated under section 101(4) of this Act, there is authorized to be appropriated for fiscal year 1986 the sum of $21,364,000 for design and construction of the facility authorized by this section during fiscal year 1986.

FUNDING AND AUTHORITY FOR FEDERAL BUREAU OF INVESTIGATION TO IMPROVE ITS COUNTERTERRORIST CAPABILITIES

SEC. 106. (a) There are authorized to be appropriated for fiscal year 1986, $59,539,000 for the Federal Bureau of Investigation to carry out the counterterrorist activities.

(b) Notwithstanding any other provision of law, the Federal Bureau of Investigation may purchase for fiscal year 1986, an additional 40 vehicles to be used in counterterrorist activities.

(c) Notwithstanding any other provision of law, the Attorney General may make payments in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1986 the sum of $22,283,000.

AUTHORIZATION OF PERSONNEL END STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized two-hundred-and-thirty-three full-time personnel as of September 30, 1986. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1986, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence activities.

(c) During fiscal year 1986, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1986, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 430a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1986 the sum of $101,400,000.

TITLE IV—GENERAL PROVISIONS

AUTHORITY FOR THE CONDUCT OF INTELLIGENCE ACTIVITIES

SEC. 401. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW

SEC. 402. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for any increases in such employee compensation or benefits authorized by law.

TITLE V—FACILITATING NATURALIZATION OF CERTAIN FOREIGN INTELLIGENCE SOURCES

IMMIGRATION AND NATIONALITY ACT AMENDMENT

SEC. 501. Section 316 of the Immigration and Nationality Act (8 U.S.C. 1427) is amended by adding at the end thereof the following new subsection:

"(g)(1) Whenever the Director of Central Intelligence, the Attorney General and the Commissioner of Immigration determine that a petitioner otherwise eligible for naturalization has made an extraordinary contribution to the national security of the United States or to the conduct of United States intelligence activities, the petitioner may be naturalized without regard to the residence and physical presence requirements of this section, or to the prohibitions of section 313 of this Act, and no residence within the jurisdiction of the court shall be required.

"(2) A petition for naturalization may be filed pursuant to this subsection in any district court of the United States, without regard to the residence of the petitioner. Proceedings under this subsection shall be conducted in a manner consistent with the protection of intelligence sources, methods and activities.

"(3) The number of aliens naturalized pursuant to this subsection in any fiscal year shall not exceed ten. The Director of Central Intelligence shall notify the Select Committee on Intelligence and the Committee on the Judiciary of the Senate and the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives each time a determination is made to apply the provisions of this subsection.".

TITLE VI—ADMINISTRATIVE PROVISIONS

USE OF PROCEEDS FROM DEFENSE DEPARTMENT COUNTERINTELLIGENCE OPERATIONS

SEC. 601. (a) During fiscal year 1986, the Secretary of Defense may authorize use of proceeds from counterintelligence operations conducted by components of the Military Departments to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code.

(b) As soon as the net proceeds from any such counterintelligence operation are no longer necessary for the conduct of that operation, such proceeds shall be deposited into the Treasury as miscellaneous receipts.

RETIREMENT BENEFITS FOR CERTAIN CENTRAL INTELLIGENCE AGENCY EMPLOYEES SERVING IN UNHEALTHFUL AREAS

SEC. 602. Section 251 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note) is amended by inserting "(a)" after "SEC. 251." and by adding at the end thereof the following new subsection:

"(b) The Director of Central Intelligence may from time to time establish, in consultation with the Secretary of State, a list of places which by reason of climatic or other extreme conditions are to be classed as unhealthful posts. Each year of duty at such posts, inclusive of regular leaves of absence, shall be counted as one and a half years in computing the length of service of a participant under this Act for the purpose of retirement, fractional months being considered as full months in computing such service. No

extra credit for service at such unhealthful posts shall be credited to any participant who is paid a differential under section 5925 or 5928 of title 5, United States Code, for such service.".

TITLE VII—ACCESS TO CRIMINAL HISTORY RECORDS FOR NATIONAL SECURITY PURPOSES

CONGRESSIONAL FINDINGS AND POLICIES

SEC. 701. The Congress finds—

(1) that under the Constitution, Congress has the responsibility and power to provide for the common defense and security of our Nation;

(2) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency conduct investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services;

(3) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency have access to criminal history record information when conducting investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services; and

(4) that the interests of national security have been adversely affected by the reluctance and refusal of some State and local criminal justice agencies to provide criminal history record information to the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency for use in investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services.

SEC. 702. Chapter 31 of title 10, United States Code, is amended by striking out section 520a and substituting the following:

"§ 520a. Criminal history record information for national security purposes

"(a) As used in this chapter:

"(1) The term 'criminal justice agency' includes Federal, State, and local agencies and means: (A) courts, or (B) Government agency or any subunit thereof which performs the administration of criminal justice pursuant to a statute or Executive order, and which allocates a substantial part of its annual budget to the administration of criminal justice.

"(2) The term 'criminal history record information' means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, information, or other formal criminal charges, and any disposition arising therefrom, sentencing, correction supervision, and release. The term does not include identification information such as fingerprint records to the extent that such information does not indicate involvement of the individual in the criminal justice system. The term does not include those records sealed pursuant to a lawful order of a court of law.

"(3) The term 'classified information' means information or material designated pursuant to the provisions of a statute or Executive order as requiring protection against unauthorized disclosure for reasons of national security.

"(4) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of Pacific Islands, and any other territory or possession of the United States.

"(5) The term 'local' and 'locality' means any local government authority or agency or component thereof within a State having jurisdiction over matters at a county, municipal, or other local government level.

"(b)(1) Upon request by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency, criminal justice agencies shall make available criminal history record information regarding individuals under investigation by the Department of Defense, the Office of Personnel Management or the Central Intelligence Agency for the purpose of determining eligibility for (A) access to classified information, (B) assignment to or retention in sensitive national security duties, or (C) acceptance or retention in the armed services. Fees charged for providing criminal history record information pursuant to this subsection shall not exceed those charged to other criminal justice agencies for such information.

"(2) This subsection shall apply notwithstanding any other provision of law or regulation of any State or of any locality within a State, or any other law of the United States.

"(c) The Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency shall not obtain criminal history record information pursuant to this section unless it has received written consent from the individual under investigation for the release of such information for one or more of the purposes set forth in subsection (b).

"(d) Criminal history record information received under this section shall not be disclosed except for the purposes set forth in subsection (b) or as provided by section 552a of title 5, United States Code.".

SEC. 703. The amendments made shall become effective with respect to any inquiry which begins after the date of enactment of this Act conducted by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency, for any of the purposes specified in subsection (b) of section 520a of title 10, United States Code, as added by this Act.

SEC. 704. These amendments are made pursuant to the powers vested in Congress as found in section 8 of article I of the United States Constitution.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DURENBERGER. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses on H.R. 2419 and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. DURENBERGER, Mr. COHEN, Mr. HATCH, Mr. MURKOWSKI, Mr. HECHT, Mr. MCCONNELL, Mr. LEAHY, Mr. BENTSEN, Mr. NUNN, Mr. BOREN, and Mr. BRADLEY conferees on the part of the Senate.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that S. 1271 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I compliment the distinguished chairman of the committee for his expeditious handling of this matter. It has been a pleasure to work with him in putting this bill together.

Also, we have an excellent and nonpartisan staff that has helped us.

In carrying out my duties, I especially want to thank Eric Newsom, Dan Finn, and George Tenet. In mentioning those three, I do not mean in any way to preclude others, because we have some of the finest men and women serving on the Intelligence Committee, working with Senators on both sides of the aisle, of any committee on which I have served.

Mr. DURENBERGER. Mr. President, I am grateful to my colleague from Vermont for his comments.

I am particularly grateful to the majority leader and the minority leader for the wisdom they have demonstrated in January in the appointment of nine new members to a committee which is incredibly important to this body.

I compliment in particular the nine of our colleagues who are new to the Intelligence Committee, for the effort they have put in during the last 8 months in mastering a difficult subject under somewhat difficult conditions.

In addition, the six of us who were holdovers had to adjust to some new realities, in which most of us did quite well. The new staff and the old staff have performed incredibly well under the direction of the new staff director, to whom I am most grateful, Mr. Bernie McMahon, who left the U.S. Navy for much more challenging responsibilities here.

All the members of the majority and minority staff are gifted and have made and will continue to make outstanding contributions to this effort. On my behalf and on behalf of my colleague from Vermont, I am grateful to them for the expeditious way in which this matter was handled, and to our colleagues who may have had some concerns about the content, for permitting us to go ahead with this bill this evening.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. MELCHER. Mr. President, reserving the right to object, I wonder if the assistant majority leader can inform me whether I can call up the extension of the dairy program.

Mr. SIMPSON. Mr. President, we have——

The PRESIDING OFFICER. If the Chair may state, the pending business is the quorum call that has yet to be withdrawn.

Is there objection to withdrawal of the quorum?

Mr. MELCHER. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bill and joint resolution:

September 19, 1985:

S.J. Res. 31, Joint Resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as "National Family Week."

September 25, 1985:

S. 444, An act to amend the Alaska Native Claims Settlement Act.

MESSAGES FROM THE HOUSE

At 3:09 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill and joint resolution, without amendment:

S. 1617. An Act to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office on the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities, and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such Act; and

S.J. Res. 127. Joint resolution to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1246. An act to establish a federally declared Floodway for the Colorado River below Davis Dam;

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; and

H.R. 3166. An act to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 3:57 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1689, An act to amend various provisions of the Public Health Service Act;

S.J. Res. 127. Joint resolution to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; and

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes.

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore (Mr. THURMOND).

At 5:41 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3414. An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1246. An act to establish a federally declared Floodway for the Colorado River below Davis Dam; to the Committee on Environment and Public Works.

H.R. 2453. An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 3166. An act to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Relations.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The PRESIDENT pro tempore (Mr. THURMOND) announced that yesterday, September 25, 1985, he had signed the following enrolled bill and joint resolutions which had previously been signed by the Speaker of the House of Representatives:

S. 1514. An act to approve the Interstate Cost Estimate and Interstate Substitute Cost Estimate;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year";

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week"; and

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month".

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 26, 1985, she had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1514. An act to approve the Interstate Cost Estimate and Interstate Substitute Cost Estimate;

S. 1689. An act to amend various provisions of the Public Health Service Act;

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month";

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year";

S.J. Res. 127. Joint resolution to grant the consent of Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois;

S.J. Res. 141. Joint resolution to designate the week beginning on May 18, 1986, as "National Tourism Week"; and

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month".

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-438. A resolution adopted by the Senate of the State of Illinois; to the Committee on Appropriations.

"SENATE RESOLUTION No. 424

"Whereas, The KILnGAS Commercial Module in East Alton has been established

to develop a new, efficient and clean process to efficiently utilize high sulphur Illinois No. 6 coal by providing an alternative to conventional pulverized coal-fired power plants with fuel gas desulfphurization systems; and

"Whereas, KILnGAS demonstrated its ability to convert high sulphur Illinois coal into low BTU gas, which is a secure, economical fuel source for power generation, by processing more than 17,000 tons during demonstration runs in 1984; and

"Whereas, These tests showed that the KILnGAS process has the ability to reduce sulphur emissions by well over 90%, with very low particulate concentrations in the product gas; and

"Whereas, Because the gas contains a significant fraction of nitrogen, it burns at a temperature several hundred degrees lower than conventional fuels or other synthetic gases, resulting in substantially lower NO_x emission; and

"Whereas, The process is a cost-efficient and effective solution for utilizing Illinois coal for power generation while protecting air quality; and

"Whereas, The KILnGAS process has the potential to provide a secure, clear fuel source to the Nation's electric utilities; and

"Whereas, The KILnGAS process deliberately avoids the problems associated with oxygen-blown medium BTU gas production, which is more complicated, costly, and less flexible; and

"Whereas, Substantial non-Federal funds, in excess of $217 million, have supported the project throughout its five-year history and it's timely for the Federal government to provide some funding for the program now that near term commercial applications are appearing; and

"Whereas, The State of Illinois has invested $28 million in the KILnGAS demonstration to date, or about 12.9 percent of its total cost; and

"Whereas, A $15 million Federal appropriation for funding KILnGAS 1986 operations, when coupled with the $7.38 million provided for the 1985 program, will represent only 8.4 percent of the total project cost, which is a far smaller fraction of support than has been provided by the Federal government to any other coal gasification demonstration program; therefore, be it

"Resolved, by the Senate of the eighty-fourth general assembly of the State of Illinois, That we urge the Illinois Congressional Delegation to seek a $15,000,000 appropriation in support of the KILnGAS demonstration in the 1986 Federal budget; and be it further

"Resolved, That a suitable copy of this preamble and resolution be presented to the Speaker of the House of Representatives and the President of the Senate of the United States Congress, and to each member of the Illinois Congressional Delegation."

POM-439. A resolution adopted by the Council of the City of Steubenville, Ohio concerning the Fair Labor Standards Act and sovereign immunity for the City of Steubenville, Ohio; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 274. A bill to provide for the national security by allowing access to certain Federal criminal history records (Rept. No. 99-143).

By Mr. PACKWOOD, from the Committee on Finance, without amendments:

H.J. Res. 372. Joint resolution increasing the statutory limit on the public debt (with additional views) (Rept. No. 99-144).

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment and with a preamble:

S.J. Res. 97. Joint resolution designating the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems at the University of Maryland as the National Study Center for Trauma and Emergency Medical Systems.

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title and with a preamble:

S.J. Res. 158. Joint resolution designating October 1985 as "National Community College Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 189. Joint resolution designating the week beginning January 12, 1986 as "National Fetal Alcohol Syndrome Awareness Week."

S.J. Res. 201. Joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week."

S.J. Res. 206. Joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

David A. Nelson, of Ohio, to be United States Circuit Judge for the Sixth Circuit;

James L. Ryan, of Michigan, to be United States Circuit Judge for the Sixth Circuit;

Henry T. Wingate, of Mississippi, to be United States District Judge for the Southern District of Mississippi;

Brian P. Joffrion, of Louisiana, to be United States Marshal for the Western District of Louisiana for the term of four years;

Stephen M. McNamee, of Arizona, to be United States Attorney for the District of Arizona for the term of four years; and

Patrick M. McLaughlin, of Ohio, to be United States Attorney for the Northern District of Ohio for the term of four years.

Marshall Jordan Brefer, of the District of Columbia, to be Chairman of the Administrative Conference of the United States for the term of five years.

(The above nomination was reported from the Committee on the Judiciary with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Governmental Afairs:

James C. Miller III, of the District of Columbia, to be Director of the Office of Management and Budget.

(The above nomination was reported from the Committee on Governmental Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURDICK:

S. 1705. A bill for the relief of Gregorio L. Sianghio, M.D.; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself, Mr. BENTSEN, and Mr. MOYNIHAN):

S. 1706. A bill to authorize the Architect of the Capitol, in cooperation with the Union Station Redevelopment Corp., to design a building or buildings adjacent to Union Station in Washington, DC; to the Committee on Evironment and Public Works.

By Mr. SIMON:

S. 1707. A bill to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MITCHELL:

S. 1708. A bill for the relief of Fernando Esquivel, Marcos Antonio Esquivel, and Nieves Julio Esquivel; to the Committee on the Judiciary.

By Mr. JOHNSTON:

S. 1709. A bill to return the ad valorem and specific duties on necktie imports to the levels in effect as of January 1, 1981, for a period of 5 years; to the Committee on Finance.

By Mr. HOLLINGS (for himself, Mr. TRIBLE, Mr. FORD, Mr. RIEGLE, Mr. EXON, Mr. GORE, and Mr. HEFLIN):

S. 1710. A bill to establish a motor carrier administration in the Department of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (by request):

S. 1711. A bill to amend subtitle IV of title 49, United States Code, to reduce regulation of motor carriers of property, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE (for Mr. HELMS (for himself, Mr. FORD, and Mr. MITCHELL)):

S. 1712. A bill to provide an extension of certain excise-tax rates; considered and passed.

By Mr. COCHRAN (for himself, Mr. MITCHELL, Mr. HELMS, Mr. THURMOND, Mr. MATTINGLY, Mr. NUNN, and Mr. BURDICK):

S.J. Res. 208. Joint resolution to designate the week of October 27, 1985, through November 2, 1985, as "National Alopecia Areata Awareness Week"; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mrs. HAWKINS, Mr. DECONCINI, and Mr. MOYNIHAN):

S.J. Res. 209. Joint resolution to designate the period from October 28, 1985, through October 28, 1986, as the Centennial Year of Liberty in the United States; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD:

S. Res. 234. A resolution to authorize the printing of a report entitled, "The Superpowers at a Crossroads: Soviet-American Relations in the Autumn of 1985—Report by the Senate Delegation to Hungary and the Soviet Union Led by Senators Robert C. Byrd and Strom Thurmond August 27-September 6, 1985"; considered and agreed to.

By Mr. KENNEDY:

S. Con. Res. 73. A concurrent resolution expressing support of Congress for early and peaceful return of democratic rule in Chile; to the Committee on Foreign Relations.

By Mr. SIMON (for himself, Mr. HATFIELD, and Mr. GRASSLEY):

S. Con. Res. 74. A concurrent resolution expressing the support of the Congress for an initiative to involve the United States and the Soviet Union in a constructive dialog via television to further mutual understanding; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD (for himself, Mr. BENTSEN, and Mr. MOYNIHAN):

S. 1706. A bill to authorize the Architect of the Capitol, in cooperation with the Union Station Redevelopment Corp., to design a building or buildings adjacent to Union Station in Washington, DC; to the Committee on Environment and Public Works.

UNION STATION AREA DEVELOPMENT

● Mr. STAFFORD. Mr. President, I am pleased today to introduce legislation to initiate a process that will lead to the appropriate development of a portion of the Capitol Grounds adjacent to Union Station in Washington, DC. At the same time, the bill should increase the efficiency of the administration of the Federal judicial system.

I am particularly pleased that this bill is cosponsored by the distinguished ranking member of the Committee on Environment and Public Works [Mr. BENTSEN], as well as the distinguished Senator from New York [Mr. MOYNIHAN]. Both have worked with me in recent months and years to resolve the longstanding problems over development at, and adjacent to, Union Station.

Before explaining the specifics contained in this bill, I would like to discuss briefly its background.

For quite some time, Congress has sought to redevelop Washington's Union Station. Initially, we made the mistake of seeking to convert it into a National Visitors Center. In 1981, we passed the Union Station Redevelopment Act as Public Law 97-125. The concept of that law was to revive Union Station as a station for Amtrak, while attracting commercial development into the building. Just today, work has begun to remove the asbestos that exists in certain areas of the station; some interior demolition work is to begin next month.

As a part of Public Law 97-125, Congress included a provision allowing the Department of Transportation, which is in charge of the revival of Union Station, to obtain from the Architect of the Capitol the use of two squares—721 and 772—on the north side of Massachusetts Avenue. For the past decade, these two squares have been used as open, ground-level parking for Senate staff.

In that 1981 law, Congress took the position, which remains valid today, that development on these squares must occur in a manner that complements the revival of Union Station.

But because the Department of Transportation has dragged its feet, and has not requested use of that land, control over those two squares remains somewhat uncertain. The land continues to be a part of the Capitol Grounds, yet is subject to an option that has not been exercised.

When it became clear that both the Union Station Act and the Master Plan for Capitol projected copnstruction of some sort of Federal building on squares 721 and 722, discussions began to focus on the opportunity to locate there the Administrative Office of the United States Courts and related judicial activities.

The Administrative Office currently faces a severe housing problem. In fiscal year 1986, its 635 employees, along with another 122 persons assigned to the Federal Judicial Center, will be scattered among eight buildings in Washington, many of them several miles from the Supreme Court, to which they are responsible ultimately.

On July 17 of this year, the Committee on Environment and Public Works conducted a hearing on the options for squares 721 and 722. It is important to note that each witness favored, to one degree or another, the use of the site for the Administrative Office. Three basic alternatives were presented:

The first grew out of H.R. 2416, a bill reported from the House Committee on Public Works and Transportation. That bill would authorize the Architect of the Capitol to spend $70.5 million in Federal money to build a project with 455,000 square feet—about half the size of the Hart Senate Office Building—plus underground parking.

Second, there was the option, which still exists in the law, allowing the Department of Transportation to exercise its rights to develop the site for the Administrative Office, in connection with Union Station.

Third, a private developer suggested a public-private partnership, permitting private interests to develop and lease the property to the Administrative Office. Private developers, who control the land immediately north of squares 721 and 722, suggested they could do a combined project more rapidly and less expensively than the Architect's plan, with the Federal Government retaining ownership of the land and controlling the building's design.

It seems to me that each of these approaches contains both opportunities and flaws. For example, I doubt that we can, or should, appropriate $70 million for another Federal building. I also doubt we should simply turn over the use of Capital Grounds to a private developer.

In an effort to resolve this question, my committee colleagues and I have worked up what we hope is a rational alternative, one that will move the project forward, while retaining the proper degree of public control.

This bill will not slow down development. Rather, it provides $2 million to the Architect of the Capitol, then directs that he, working with DOT's Union Station Redevelopment Corp., make an 11-month study to produce the following information for the Congress:

Plans for how much space should be built, both the space needed for the Administrative Office and related uses, as well as other potential uses. For example, the best proposal might be a building far larger than needed simply to accommodate the Administrative Office. Such a building could include restaurants, shops, and other offices.

Results of a national architectual competition on the building's design. Such a competition, as I see it, would involve selection of half a dozen or so leading architects, each of whom would be paid a sum, possibly $10,000 or $25,000, to develop a basic design. The building's ultimate design would be selected from these submissions, with work on the drawings to begin immediately, using much of the $2 million authorized in this bill. It is my expectation that such an open process will develop a building design of international significance. It is important that the design befits the magnificance of the setting next to Union Station. I will oppose, and urge the Senate to oppose, simply "another" Federal building.

Finally, several options for financing the building or buildings. We should expect to receive plans for alternative financing that would lessen or eliminate any need for a direct Federal capital investment. While the study is undertaken by the Architect, in cooperation with DOT's Union Station agency, it is intended to be sufficiently flexible so that developers can bid at a later date to participate in the financing and construction.

I believe this is a sound approach. But I would stress a few points: This is a cooperative venture, between the Architect and the DOT's Union Station Redevelopment Corp. I shall be very disappointed if the conclusion of this study is yet another proposal for total Federal financing. I shall be extremely disappointed if the design fails to be innovative and worthy of international attention. I shall be most disappointed if the design simply allows for space for the Administrative Office, and fails to meet the spirit of the Public Building Cooperative Use Act. And I shall be particularly disappointed if the plan fails to enhance Union Station visually and economically.

Due to time constraints, it is our intent to ask that the Committee on Appropriations include, subject to authorization, an appropriation of $2 million in H.R. 2965, the fiscal year 1986 bill for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies. We recognize that this is an unusual procedure, one to which I normally would object. But I am convinced that, in this unusual case, such an approach is appropriate.

Mr. President, I urge that my colleagues give their attention to this bill and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of Section 116, Subtitle B, of the National Visitors Center Facilities Act of 1968, as amended by Public Law 97-125, the Architect of the Capitol shall, by August 15, 1986, file a report, with recommendations, to the Committees on Appropriation and Environment and Public Works of the Senate and the Committees on Appropriations and Public Works and Transportation of the House of Representatives for the construction on Squares 721 and 722 in the District of Columbia of a building or buildings for the use of the Administrative Office of the United States Courts, the Federal Judicial Center, and other judicial functions (hereinafter referred to as the "administrative agencies of the Federal judiciary").

(b) In the report authorized by this section, the Architect of the Capitol, in cooperation with the Union Station Redevelopment Corp. (hereinafter referred to as the "Corporation"), shall:

(1) study alternatives for the size, design, and estimated costs of constructing a building or buildings on Squares 721 and 722 to meet the current and future needs of the administrative agencies of the Federal judiciary, together with such other commercial, governmental, cultural, educational, and recreational activities as may appropriately occupy such building or buildings in a manner that benefits the United States;

(2) seek to utilize Squares 721 and 722 in a manner that complements the surrounding area, fulfills the goals of mixed use contained in the Public Building Cooperative Use Act (Public Law 94-541), and is not inconsistent with either the Master Plan for the United States Capitol or the intent of Section 116 of Public Law 97-125; and

(3) make specific recommendations on the most feasible and most economical method for financing and constructing such building or buildings in the shortest possible time.

(c) As studies warrant, the Architect of the Capitol shall file interim reports under this Act with the committees of the Congress specified in subsection (a) of this section.

SEC. 2. (a) In preparing the report required by Section 1 of this Act, the Architect of the Capitol, as soon as possible, contract with the Corporation to:

(1) develop a program of space utilization that will accommodate the current and future needs of the administrative agencies of the Federal judiciary and provide for the renting, leasing, or use of any space not needed immediately by the administrative agencies of the Federal judiciary; Provided, that no space in the building or buildings shall be rented or leased to anyone having business before, or whose business would be incompatible with the mission of, the administrative agencies of the Federal judiciary;

(2) develop a plan that will compatible with the authorized redevelopment of Union Station and with other developments in the vicinity, including residential neighborhoods; and

(3) recommend ways that will minimize or eliminate the initial capital investment in such project by the United States through the use, when appropriate, of a public-private partnership to finance and construct such project: Provided, however, that such property remains in the ownership of the United States.

(b) In cooperation with the Corporation, the Architect of the Capitol shall devise and undertake a limited and selected competition to choose an architect for such building or buildings, based on the excellence of design.

SEC. 3. For the purposes of this Act, the sum of $2,000,000 is authorized to be appropriated to the Architect of the Capitol in the fiscal year ending September 30, 1986, such sum to remain available until expended.●

By Mr. SIMON:

S. 1707. A bill to authorize the President to present a gold medal to the parents of Father Jerzy Popieluszko; to the Committee on Banking, Housing, and Urban Affairs.

PRESENTATION OF A GOLD MEDAL TO THE PARENTS OF FATHER JERZY POPIELUSZKO

● Mr. SIMON. Mr. President, human rights in Poland suffered a severe blow when Father Jerzy Popieluszko was murdered last year. The authorities have all but admitted that their security men carried out this heinous act because of Father Popieluszko's involvement with and support for solidarity. Rather than weakening opposition to the regime, the Polish Government instead martyred Father Popieluszko.

There is not much we in Congress can do to persuade the Jaruzelski Politburo to resume church-state-union negotiations, or to stop its persecution of human rights activists. We can, however, express our profound dissatisfaction with the regime's lack of respect for basic rights, and for its tragic role in murdering an innocent priest.

I am pleased to introduce this bill authorizing the President to bestow on Father Popieluszko's parents a U.S. gold medal. This resolution has already been introduced as H.R. 2263 in the House of Representatives. By presenting a posthumous gold medal to the parents of Father Popieluszko, we in Congress send a very strong message to the Polish government: that we are proud of the work done by Father Popieluszko on behalf of the poor and the oppressed, and that the flame ignited by Solidarity will never be forgotten or ignored in the United States.

Mr. President, Dr. Paul S. Anderson—the "S" stands for Simon, I'm pleased to say, though to my knowledge we are not related—wrote an article for the Christian Science Monitor about the conversion of the defense force to some more constructive avenues that lead to peace.

Obviously, we have to maintain an adequate defense, and you could not use too high a percentage of the Armed Forces in the direction he suggests now. But it could be done gradually.

I don't think the numbers could be as massive as suggested in his article, and I do not agree completely with his characterization of Colombia, but the idea of a gradual conversion and constructive cooperation with other countries is an idea that makes sense.

I ask unanimous consent that Dr. Anderson's article be inserted in the RECORD at this point, and I urge my colleagues to read it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIP VAN WINKLER: 2010

(By Paul S. Anderson)

On a pleasant Saturday afternoon in 1985, Mr. Vance Winkler prepared to wash his car. He was a typical middle-aged American in his thoughts on baseball, prosperity, welfare, patriotism, justice, politics and war (which are listed in their order of importance and understanding to him). On this particular day he would have been happier discussing any of those topics, but his wife had nagged him all morning: "Van, get the car washed, and have Junior help you." Finding the hose all in snarls, he gave it a mighty pull. The hose turned into a rubber whip with a steel tip that hit him on the second vertebra in the back of his neck. Everything went black even before he hit the pavement.

Four men were clustered around him when his eyes opened. One said: "Hello? Mr. Winkler, can you hear me?"

Van nodded slightly.

"The operation was successful."

Another man moved in closer. He looked so much like Vance Winkler that Van's eyes widened and a short 'Ah" came from his mouth.

"Dad, it's me, Junior. I've grown up. You've been in a coma for twenty-five years. Welcome to the year 2010."

The rehabilitation period was an ordeal, but not because of the physical therapy or adjustments to technological changes. He even adapted quickly to his son's family, his own wife having passed away several years earlier. His ordeal was to comprehend the political and socio-economic conditions of the world in 2010 without knowing the past twenty-five years of history.

"You see, Dad, the world is at peace. No World War III. Not even any small wars lately."

"What happened? I missed the whole thing! Did the Communists give up? Are we still on top?"

"There was a war, but not what you'd expect. Let me start from the beginning," said the younger Winkler. "In the mid-1980's a simple but radical idea was proposed. It called for helping the opposition. The industrialized nations were asked to give massive development aid to semi-socialist Third World countries. Do you remember Angola, Mozambique, Nicaragua,—"

"Like it was yesterday."

"And Comlashi, Jenu and Pilcobeni."

"What?"

"I guess those countries changed their names while you were in the coma. With over a hundred developing countries it's hard to keep track of them.

As Junior described the plan for the western capitalist nations to support countries adopting leftist policies, Van remembered that the USA had done exactly the opposite to Allende's Chile, post-Somoza Nicaragua and even post-colonial Vietnam and Angola. "After all, Dad, semi-socialist programs have long been part of American society in Social Security, unemployment benefits, Medicare and other welfare efforts. Also, democratic socialism was very popular in Western Europe. Land reform was advocated by the USA for El Salvador, so why didn't we actively support it in Nicaragua? We were just driving them into the hands of the Soviets and Cubans. Many countries considered us the bad guys. We supported some repressive, elitist governments, and when they were overthrown we didn't have the courage to support real change that was directed toward the impoverished masses. We refused to face the fact that in poor nations the people might actually desire some welfare/socialist conditions instead of a capitalist system in which a new elite class could easily gain power."

"But why not put aid into a country like Colombia?"

"You mean where the people in control were the elite who were unwilling to make major, fundamental changes what would benefit the populace and reduce the power of the elite? The friendly governments in such countries were really a minority of people who maintained control, partly with our assistance. We had no allegiance from the common people because we offered nothing to them. Even in the 1960s John F. Kennedy said: 'If the only alternatives for the people of Latin America are the status quo and Communism, then they will inevitably choose Communism.' Little progress toward peace was made by orthodox methods between 1960 and 1985. You saw that period. Well, that was the same number of years as from 1985 to 2010. Something unorthodox was needed."

"But I can't believe the USA changed, not with Reagan in the White House."

"It didn't, Dad," he said slowly. "It didn't. The plan was taken up by other countries, mainly in Europe. I think Sweden was one of the first, and maybe West Germany and Australia; I don't really remember. It was called the Plowshare Plan because the massive aid was primarily in the form of unarmed military troops to develop education, agriculture and industry. The name came from the Biblical verse 'Let us beat our swords into plowshares.' The project was financed from military budgets."

Junior explained that only three conditions were required of the receiving countries. One was to permit and cooperate with a prearranged develoment plan, including open access to voluntary birth control information after death rates dropped. Another was that the receiving country had to implement a parliamentary form of government in which a multi-member executive council was elected from within the parliament. That way the elections were held more frequently and fought separately in each province where they could be carefully watched by the international plowshare workers. The final condition was that the individuals and the countries that benefited must participate almost immediately in helping others less fortunate.

Two countries agreed to those conditions and within six months the Plowshare nations had almost twenty thousand unarmed soldiers improving the drinking water, health care, schools, factories, tourism, and everything else. It was treated as a military operation where practical training, distance education and cooperative experience were given top priority. There were also student exchanges and high level political and economic study groups, but the focus was on grass roots development. Within a year dramatic changes started to appear in the statistics on infant mortality, school enrollments, and some export sectors. Other benefits became visible later. Politically, the people became experienced in voting by having more frequent and closely supervised elections.

Junior recounted how the Plowshare countries agreed to increase their aid in the second year to over fifty thousand troops plus operational supplies. As expected, they had some benefits in return, like increased foreign trade and tremendous goodwill. Other donor nations were attracted to the program. A couple of Eastern European countries joined, partly to keep an eye on the initial Plowshare soldiers and partly to show that the Communists could help too. They made very significant contributions, and the constructive competition was seen as a plus by both sides. Counting the work of the recipient people, there was a massive surge of progress, all paid for out of the military budgets of those countries. The progress wasn't as fast as hoped for, but some five and ten year assistance agreements were signed and those nations eventually became models for others. Most of Europe, both communist and capitalist, made contributions to the project, often in their reform-oriented former colonies, like Tanzania. In the third year of operation the Plowshare Plan was a clear success with a waiting list of recipient nations. Candidate countries were reviewed on the basis of potential for gain to the common people. Meanwhile, the balance between the Superpowers was not affected.

"And that is when Uncle Sam joined in and showed up the Ruskies, right?" said Van with a grin.

"Not quite. You see America wasn't ready for the Plowshare challenge. Public opinion wasn't strong enough to shift the Reagan attitude toward places like Angola and Nicaragua. Dad, I hate to tell you this, but the Soviets made a commitment to the Plowshare Plan before we did. A five percent pledge. They caught us by surprise, and our leaders claimed that it was not a real disarmament effort. We responded with a token commitment. Dumb! Real Dumb! We could have led, but instead we dragged behind. The Plowshare Plan became a major political issue in the Congressional elections of 1990 when the pro-Plowshare candidates won enough seats to get some action started. They held their own for two years, and then a pro-Plowshare presidential candidate won in '92. That was when the big war began."

Vance was confused. "But you said there was no big war."

"Not a fighting war; a development war. The USA put ten percent of its military budget into the Plowshare project. The traditionalist, right leaning countries with elite populations in control were quick to propose superficial reforms so that they would get the American aid. But fortunately by then the reviewing system for candidate countries was well established and only places with true reforms were acceptable recipients. So we put eighty thousand troops to work in two reform-minded countries. The Soviets counter-attacked by raising their support to twelve percent and we quickly went to sixteen, which they matched two months later. It was a wartime scene. Food shipments to Comlashi and elsewhere boosted our farmers. Our industry boomed for anything that was of use in Third World countries."

"And so we finally did it!"

"No, Dad. Look at reality. We just got on the bandwagon. We had big muscle, but we weren't driving. Some of the original Plowshare countries had over half of their defense budgets in the projects. And in 1994 they challenged us and the Soviets to go to twenty-five percent. Considering that most of our military budget is in personnel, that means sending one out of every four soldiers, and a quarter of the civil service in the Defense Department, to work in foreign development, plus the equipment so they could work effectively. In 1985 money, that represented about eighty billion dollars."

"Go on," said Van.

"I'm sure there was some haggling, until finally it was announced that the two Superpowers would mutually withdraw some troops from Europe and elsewhere and deploy them in the Plowshare Plan. They weren't the same troops, of course. We discharged the fighters and trained the enlistees in rural development, health, small business management, construction, and many other appropriate skills. That's when I joined, and the three years overseas really opened my eyes. One of the best parts was the slum improvement campaign I worked on with a fine Russian fellow named Boris." Junior proudly told Van about his enlistment and how Boris became a life-long friend.

"I'm glad you went, son. The experience seems to have made a lasting impression on you."

"When I got back to the USA in 1997, forty percent of the defense budget from both Superpowers was for Plowshare, enough even to tackle a couple big countries. That doesn't mean we were defenseless. The overkill firepower still remained. Then the call came for an even higher percentage, plus increased inputs from the other federal departments. It was starting

to look like a real war. Full employment, but some commodities were in short supply. The budget deficit was unreal! Taxes were up and some people began to grumble. However, in the developing nations real progress was made in food production, literacy, health—you name it. Most of them stayed strongly socialist, although not hard-line communist. Unfortunately, the Plowshare project was seen by some as a Marxist trick. The result was a strong backlash in the 1998 elections. The President held on course, but the conservatives won the presidency in 2000 and drastically cut the Plowshare portion of the defense budget. The United Kingdom and a few other western countries did too. Trade became less linked with aid, and we bought big quantities of lower cost items from previously 'undesirable' regimes like those in Chile, the Philippines and South Africa. Prices of imports fell and things looked good for the American pocketbook for awhile. Those countries became staunch allies and we provided the weapons to stabilize their regions of the world. It was back to business as usual for the military-industrial complex that Eisenhower had warned us against. He said: 'In the councils of government, we must guard against the acquistion of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.' "

"But the developing countries," Junior continued, "didn't want to return to the old ways. They put up a weak boycott of American goods. The participating Plowshare nations rebuked us. Of course they had no power over us and our allies. It looked like the end of the Plowshare era as soon as the Soviets would cut their commitment. The arms race was ready to start anew."

"Ah ha! See, Reagan was right."

"Maybe, but the Communists had new, younger leaders and they launched a surprise attack. Without firing a shot they almost buried us. Instead of increasing their weapons, they increased their input for Plowshare! Most of the world cheered. We called it a trick, but it was monitored by the other nations. Within twelve months the United Kindgom went back to its Plowshare commitment, further isolating the USA."

Van was dismayed. "You make us sound like the villain. We're the good guys, remember. We're the ones who want to allow any individual to rise to the top. We stand for free elections and justice."

"I know, Dad. We all thought that way in the 1980s. But you see, we wanted it on our terms because we were the biggest kid on the block. We wanted developing countries to have free enterprise to utilize their cheap labor to make products to trade with us. We let their elite do the dirty work of exploitation. Free enterprise without social-minded balances does not work well in poor countries because there isn't any large middle class to act as a balance mechanism." Junior pointed out how in 200 years America had developed numerous measures against abuses by the wealthy and powerful. Safeguards included antitrust laws, income and estate taxes, fair trade practices, and legalization of labor unions. "Power corrupts, so we controlled it in our country. But we traditionally supported the powerful elites who ruled their countries along our guidelines. That is why the initial Plowshare challenge was to support what we had not supported in the past. Even Richard Nixon wrote that if Americans exported their revolution, the Communists would have nothing to offer the developing world. But it had to be a revolution of true justice, not some warped parody that gives opportunities to a few and exploitation to everyone else."

"That sounds mighty 'pinko' to me, Junior. If you follow that line, then Americans would have to make some big sacrifices in their standard of living."

"For a guy twenty-five years out of date, you catch on fast. Fear of a reduction of living standards scared many Americans into defending the obsolete idea that people who are born with advantages have a right to ignore the needs of others. During the initial years of the Twenty-first Century, when we were leading the anti-Plowshare nations, much of the world called us 'greedy fat-cat warmongers' and 'hypocrites who only wanted equality among the rich'. We were increasingly isolated because of selfishness even though we had more than anyone else on Earth. Our only saving grace was that many Americans really did want to be among the good guys, even if it meant reducing our conspicuous consumption. They organized politically and the Plowshare Coalition won the presidential elections in 2004 and 2008. They called for constructive war overseas and sacrifices at home. Billions of dollars and millions of lives, but not deaths, went into the project. Some did it to beat the Soviets, but we found that everyone was a winner. Americans and Europeans still live well; education, health care, employment and security are abundant. But the truly frivolous things are much less common. Some people grumble about the sacrifices of peace, but they are far more tolerable than the sacrifices of war."

Van was very interested in the changes in other countries. Junior told him how the oppressive regimes died as the tide of world sentiment plus uncontrollable internal pressures literally demanded change. Even the Communist countries couldn't prevent change within themselves. After several million Soviets and Eastern Europeans spent a year or more in international service, some of their old ideas broke down. They became more democratic and incentive oriented at the same time the capitalists were adopting some socialist ways.

Concerning the military and the national defense systems, Junior explained how the Department of Defense was given responsibility for the mobilization of the Plowshare resources. The military actually grew by playing a leading role in massive international development in which every American male and female now serves at least one tour of duty. The capacity for limited conventional warfare has been maintained by almost every country, but the economies are so interwoven that the world acting together could blockade and isolate any belligerent nation. Likewise, the nuclear arms were decreased to the 'doomsday reserve' spread around the globe in carefully monitored situations. "Too much of the world is now developed for a few nations to start and win a nuclear war. It is like a hundred people in a big circle, each with a gun and only five bullets. Nobody can win by fighting, so everyone spends their time in the Plowshare project."

"Fantastic", said Van. "Who would have thought it would end up with cooperation."

"But there was no other way. The planet is now too small for extremes of rich/poor, capitalist/communist, black/white, North/South and East/West. There couldn't have just been disarmament. Disarmament without solving the world's problems would have been suicide. It was cooperate or fight eventually. And the price of the Plowshare Plan is far less than the price of war and possible annihilation.

"You had better rest now, Dad."

"Yes. My head is hurting a little. Come back tomorrow and tell me about specific places like the Middle East."

Junior kissed him on the check as Van slipped into a deep sleep with dreams of peace at last.

The next thing Van knew, he was stretched out on hard concrete. As his eyes opened he saw his young boy's face.

"He's awake!" shouted the boy. "Golly, Dad, you scared us. You've been out cold for almost half an hour."

Van seemed fully recovered in a couple days, but the neighbors thought he was permanently touched in the head. He soon became known as "Rip" Van Winkle as he told the same story over and over. Eventually it was printed in a leading newspaper. Everybody knew that the future wouldn't exactly follow his story, but the concepts attracted the attention of courageous people everywhere. Will you support the Plowshare Plan for peace on Earth?●

By Mr. MITCHELL:

S. 1708. A bill for the relief of Fernando Esquivel, Marcos Antonio Esquivel, and Nieves Julio Esquivel; to the Committee on the Judiciary.

RELIEF OF ESQUIVEL FAMILY

● Mr. MITCHELL. Mr. President, today I am introducing a bill for the relief of Fernando Esquivel, Marcos Antonio Esquivel, and Nieves Julio Esquivel, three children under the legal guardianship of Mrs. Emma Batchelder of Leeds, ME.

Mrs. Emma Batchelder, my constituent, is a naturalized U.S. citizen of Mexican birth, married to a U.S. citizen. She has been caring for the four children of her brother since June 1979, a responsibility she assumed at his direct request. They have lived with her and her family in Maine since that time.

Mrs. Batchelder's brother is a Mexican national who illegally entered the United States with his wife—also a Mexican national—and three minor children in February 1973, in the border area of Tijuana, Mexico and San Diego, CA. At that time, the children—Fernando, Marcos, and Nieves—were 6, 5, and 3, respectively. As minors, they neither understood the illegality of the action of their parents, nor did they play any constructive role in the illegal action.

The family settled in the San Diego area, although their exact addresses are not known, and in 1975, another son, Jose, was born to them. He is, by virtue of his U.S. birth, a U.S. citizen.

Mrs. Batchelder's brother and his wife divorced in 1979, and the four children were given into Mrs. Batchelder's care in June of that year. Subsequently, their mother and father both discontinued contact with Mrs. Batchelder and have, effectively, vanished.

Since June of 1979, Mrs. Batchelder has been unable to locate either natural parent in this country or Mexico. The boys have no close relative—other than Mrs. Batchelder—to whose care they can be consigned. Their closest living relative outside the United States is an elderly and infirm grandmother living in Mexico.

With the help of my Lewiston office, Mrs. Batchelder became their legal guardian on February 26, 1980. However, she cannot petition for naturalization for the three eldest children because she is not their natural or adoptive parent.

Repeated and extensive inquiry of officials at the Department of Justice in Washington, and the Immigration and Naturalization Service in Boston, MA and Portland, ME has found no administrative remedy for this case. Their history and ages make it obvious that they cannot qualify for legal residence under any political or humanitarian asylum provisions of the law.

Since 1979 when they moved to Leeds and became part of the Batchelder household, the boys have been actively involved in the Leeds Community Church and have progressed through the Leeds community public school system. The boys are now 18, 17, and 16. Like other teenagers throughout America, they are entering the part of their lives where they would like to get a job, a driver's license, and save for college. The oldest boy, Fernando, would like to join the Army.

I believe the unique circumstances of the case warrant private legislation to aid the boys in becoming legal U.S. residents. I therefore hope my colleagues will act favorably and promptly on this legislation so that Fernando, Marcos, and Nieves can continue to follow their goals.●

By Mr. JOHNSTON:

S. 1709. A bill to return the ad valorem and specific duties on necktie imports to the levels in effect as of January 1, 1981, for a period of 5 years; to the Committee on Finance.

DUTIES ON IMPORTS OF NECKTIES

● Mr. JOHNSTON. Mr. President, today I am pleased to introduce legislation to return the ad valorem and specific duties on necktie imports to the levels in effect as of January 1, 1981, for a period of 5 years.

Unfortunately, imports of men's and boys' neckties have accelerated sharply in the last 4 years. Since 1980, imports have grown from insignificant levels to 20 percent of the U.S. market. In 1984 alone, neckwear imports increased by a whopping 64 percent, double the very high growth in overall textile and apparel imports over the same period.

The problem with silk necktie imports is particularly grave. In the first half of 1985, imports of silk neckties rose by 34 percent over the same period in 1984. Silk is the largest category of imports, and accounted for 52 percent of total U.S. imports of neckties in the January to June 1985 period.

The situation with silk necktie imports is exacerbated by the fact that silk and products of silk are not covered by the multifiber arrangement and, thus, the industry is unable to seek relief under this mechanism, which purpose is to control international trade in textiles and apparel. Moreover, while S. 680, the textile quota bill, does include silk and silk products as textile products for purposes of quota, the bill excludes Italy from quota coverage. And Italy is the source for most U.S. imports of silk neckties—some 87 percent in the first half of 1985. This is precisely why the necktie industry needs the legislative relief called for by my bill.

Necktie imports are growing by record numbers at a time when duties on these imports are being phased down as a result of the Tokyo Round tariff cuts. These cuts range from 20 percent in some categories to over half the former duty rate in others. While the average tariff rate last year on clothing imports was in excess of 21 percent, the average duty on necktie imports was 12 percent. Virtually no category of neckties has escaped the pressures of increased imports. And the industry sees the situation worsening as the multilateral trade negotiation [MTN] phased duty rate reductions continue to be implemented through 1987.

If necktie imports continue to accelerate at the current rate—stimulated by declining duty rates—this industry's continued viability will be very much in question as will be the jobs of its workers.

This is an industry composed of many small establishments, generally employing fewer than 20 workers. The work is highly labor intensive and skill levels are not transferable to jobs outside of the cut-and-sew industries where unemployment is already staggering. This industry has provided a source of employment for many minorities; it has provided entry level employment when no other employment was to be found.

Because the import situation in this industry is so grave, and conditions have worsened so rapidly, legislation for a temporary adjustment to the ad valorem and specific duties on necktie imports is needed. A temporary adjustment is well warranted. Without it, the consequences for the industry and its workers will be severe. It is now time for the Congress to act on this matter. Consequently, I urge my colleagues to expeditiously approve this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 6 of schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(a) by striking out—

	"Men's and boys' neckties of textile materials:	
373.05	Ornamented	16.9% ad val.
	Not ornamented:	
373.10	Of vegetable fibers (359)	10.8% ad val.
373.15	Of wool (459)	12¢ per lb. +8.8% ad val.
	Of silk:	
373.20	Knit	8.7% ad val.
373.22	Not knit	10.7% ad val.
	Of man-made fibers:	
	Knit (659)	4¢ per lb. +10.7% ad val.
373.27	Not knit (659)	12¢ per lb +13.5% ad val.
373.30	Other	8.7% ad val.".

and inserting in lieu thereof

	"Men's and boys' neckties of textile materials:	
373.05	Ornamented	21% ad val.
	Not ornamented:	
373.10	Of vegetable fibers (359)	16.5% ad val.
373.15	Of wool (459)	37.5¢ per lb. +10.5% ad val.
	Of silk:	
373.20	Knit	10% ad val.
373.22	Not knit	16% ad val.
	Of man-made fibers:	
373.25	Knit (659)	12¢ per lb. +16% ad val.
373.27	Not knit (659)	12¢ per lb. +13.5% ad val.
373.30	Other	10% ad val. ".

(b) The rates of duty in column numbered 1 for items 373.05, 373.10, 373.15, 373.20, 373.22, 373.25, and 373.30 of the Tariff Schedules of the United States (19 U.S.C. 1202), as amended by subsection (a), shall be exempt from any staged rate reductions which have been proclaimed by the President before the date of enactment of this Act.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after fifteen days following the date of the enactment of this Act.●

By Mr. HOLLINGS (for himself, Mr. TRIBLE, Mr. FORD, Mr. RIEGLE, Mr. EXON, Mr. GORE, and Mr. HEFLIN):

S. 1710. A bill to establish a motor carrier administration in the Department of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MOTOR CARRIER ADMINISTRATION ACT

Mr. HOLLINGS. Mr. President, I rise today to introduce legislation to establish within the Department of Transportation [DOT] a Motor Carrier Administration. This bill, which I introduce with my colleague from Virginia, Senator PAUL TRIBLE, is designed

to increase governmental efficiency and enhance the development of a coordinated national transportation system. I am also pleased to have as cosponsors to this bill Senators FORD, RIEGLE, EXON, GORE, and HEFLIN.

As most of us well know, the trucking industry is the largest and most pervasive of all modes of transportation in this country. It carries the most freight, travels the greatest number of miles, employs the most people, and offers the greatest variety of transportation services.

Unlike other methods of transporting goods—rail, air, and water—trucking is not limited to a few terminals and byways. Its operations are conducted on the streets, roads, and highways of the Nation—in every county, town, and city. It has a daily impact on the traveling public, and on people in residences, businesses, farms, and factories along those routes. In addition, trucking very significantly effects the governments responsible for maintaining and operating those roads.

Since Congress created it in 1966, the Department of Transportation has been home to a number of administrative agencies which represent specific modes of transportation. The Federal Aviation Administration, the Urban Mass Transportation Administration and the Federal Railroad Administration, among others, are examples of how the consolidation of functions has improved Government's role in enhancing transportation safety, efficiency, and productivity.

Yet, curiously, there is no single organizational entity in the Federal Government which can represent the motor carrier industry and serve as the principal outlet for information to the public. Questions on motor carrier safety are diverted to the Federal Highway Administration and the National Highway Traffic Safety Administration, while decisions on regulatory and taxation matters seem to bubble up out of nowhere.

The bill we are introducing today would address this obvious deficiency. It represents a very simple legislative step—the creation within DOT of a modal administration that would consolidate all bus and trucking functions now spread throughout the Department. This would be known as the Motor Carrier Administration. The bill would also require the Secretary of Transportation and the Chairman of the Interstate Commerce Commission [ICC] to report to Congress within 6 months of enactment, outlining which ICC functions should be transferred to the new agency.

The Motor Carrier Administration would serve several important functions. First, it would facilitate truck and bus operations to benefit the public interest now and in years to come. Second, it would fulfill the purposes of the Department of Transportation Act relative to transportation policy, technological development, transportation safety, protecting the environment, improving transportation systems, and protecting consumer interests. Finally, the Motor Carrier Administration would provide comprehensive research, planning, and programming that will enable Congress and the Federal Government to make well founded and properly directed legislative and regulatory decisions.

By consolidating activities which are now needlessly duplicated among Federal agencies, I fully expect the new Motor Carrier Administration to increase efficiency and possibly achieve cost savings. At the very worst, the complete consolidation of motor carrier functions would be cost neutral. And it will further the public interest by establishing a single organization that will improve the Federal Government's ability to serve and respond to carriers, shippers, and the traveling public.

This bill has strong support within the trucking and bus industries. Other groups also realize the potential benefits and have endorsed its passage. Supporters of a Motor Carrier Administration include:

American Retreaders Association.
American Trucking Associations.
Food Marketing Institute.
International Brotherhood of Teamsters.
Motor Vehicle Manufacturers Association.
National American Wholesale Grocers Association.
National Association of Truck Stop Operators.
National Automobile Dealers Association.
National Farmers Union.
The National Grange.
National Safety Council.
Truck Body and Equipment Association, Inc.
Trucking Industry Alliance.
Truck Trailer Manufacturers Association.
United Bus Owners of America.
United Fresh Fruit and Vegetable Association.

Mr. President, the creation of a Motor Carrier Administration will increase governmental efficiency. It can be established at a cost savings resulting from elimination of activities which are now duplicated among Federal agencies. Such an Administration would be relatively small in size, but would benefit virtually all Americans by providing better access, ensuring improved coordination, and resulting in an improved national transportation system.

I urge my colleagues to support the passage of our bill, which would accomplish these objectives.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that—

(1) within the Federal Government there is, for each mode of transportation (other than motor carrier), one organizational entity responsible for coordinating activities to ensure the safe and efficient operation of transportation by such mode;

(2) such coordination for motor carrier transportation has been lacking with regard to advising Congress, conducting research, planning and programming, and developing and integrating policies and programs within our total national transportation network;

(3) the establishment of a Motor Carrier Administration within the Department of Transportation will increase productivity and efficiency, and will provide cost savings resulting from the elimination of duplicative activities within the Federal Government; and

(4) the Motor Carrier Administration will facilitate improved access and interaction among the Federal, State and local governmental agencies, motor carriers, shippers, and the traveling public, thereby furthering the public interest.

SEC. 2. (a) Section 104 of title 49, United States Code, is amended—

(1) in subsection (c), by (A) inserting "and" immediately after the semicolon at the end of paragraph (1), (B) striking paragraph (2), and (C) redesignating paragraph (3) as paragraph (2); and

(2) by striking subsection (d).

(b)(1) Chapter 1 of subtitle I of title 49, United States Code, is amended by adding at the end thereof the following new section:

"§ 111. Motor Carrier Administration

"(a) The Motor Carrier Administration is an administration in the Department of Transportation.

"(b)(1) The head of the Administration is an Administrator who is appointed by the President, by and with the advice and consent of the Senate. The Administrator reports directly to the Secretary of Transportation.

"(2) The Administration has a Deputy Administrator who is appointed by the Secretary, with the approval of the President. The Deputy Administrator shall carry out duties and powers prescribed by the Administrator.

"(c) The Administrator shall carry out—

"(1) duties and powers related to motor carrier safety vested in the Secretary by chapters 5 and 31 of this title; and

"(2) other functions, powers, and duties of the Secretary relating to motor carriers prescribed by the Secretary.

"(d) A duty or power specified in subsection (c)(1) of this section may be transferred to another part of the Department only when specifically provided by law or a reorganization plan submitted under chapter 9 of title 5. A decision of the Administrator in carrying out those duties or powers and involving notice and hearing required by law is administratively final.".

(2) The analysis for chapter 1 of subtitle I of title 49, United States Code, is amended by adding at the end thereof the following:

"111. Motor Carrier Administration.".

(c)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"Administrator, Motor Carrier Administration, Department of Transportation.".

(2) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Deputy Administrator, Motor Carrier Administration, Department of Transportation.".

(d) Section 104 of title 49, United States Code, is amended—

(1) by inserting "and" at the end of paragraph (1);

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

SEC. 3. Within six months after the date of enactment of this Act, the Secretary of Transportation, in consultation with the Chairman of the Interstate Commerce Commission, shall—

(1) review all activities of the Interstate Commerce Commission which affect transportation by motor carriers, to determine which activities could be more efficiently performed by the Motor Carrier Administration; and

(2) transmit to the Congress the results of the review conducted under paragraph (1) of this section, together with such recommendations for legislation or other action necessary to achieve such efficiencies.

Mr. TRIBLE. Mr. President, I am pleased to join with Senator HOLLINGS in introducing legislation to create a Motor Carrier Administration within the Department of Transportation. This Administration would be responsible for the wide range of issues dealing with the truck and bus industries which are now handled by numerous offices throughout the Department. The new organizational structure we propose will streamline the existing programs and increase managerial efficiency, thus saving taxpayers' dollars.

Numerous issues arise from trucking and bus industry operations and must be dealt with by the Federal Government and the Congress. Such issues include safety, hazardous materials transportation, sizes and weights of vehicles, environmental pollution, productivity, and taxation policy. There must be a coordinated and cohesive program at DOT to deal with these issues and to seek out potential problems and prospective solutions. Despite the importance of these industries and the substantial Federal interest in a wide range of trucking and bus industry issues, there is no modal administration for either industry within DOT. The other major modes of transportation—air, rail, and ships and barges—are represented within the Department by the Federal Aviation Administration, the Federal Railroad Administration, and the Maritime Administration respectively. This structure undoubtedly increases administrative efficiency, saving taxpayers' money, and improves communication between the Federal Government and the industries involved, thereby ensuring that the public interest is advanced.

Issues involving trucks and buses are dealt with on a reactive basis by any one of several units within DOT, none of which has responsibility or expertise relating to all aspects of truck and bus operations. These units are the Office of the Secretary, the Federal Highway Administration, the National Highway Traffic Safety Administration, the National Highway Traffic Safety Administration, and the Research and Special Programs Administration. In DOT, the truck and bus industries are represented on a continuing basis only on safety matters, by the Bureau of Motor Carrier Safety within the Federal Highway Administration. This bill will advance the Federal interest by bringing each of these existing Federal efforts within a common, streamlined administrative structure.

Mr. President, this bill is a positive step to increase the efficiency and responsiveness of the Federal Government. I look forward to its early enactment.

By Mr. DANFORTH (by request):

S. 1711. A bill to amend subtitle IV of title 49, United States Code, to reduce regulation of motor carriers of property, and for other purposes; to the Committee on Commerce, Science, and Transportation.

TRUCKING DEREGULATION ACT

● Mr. DANFORTH. Mr. President, today I am introducing by request the "Trucking Deregulation Act of 1985." This legislation provides for total economic deregulation of the motor carrier industry, both carriers of general freight and household goods.

Mr. President, I want to emphasize that I am introducing this bill at the request of the Reagan administration. It is not my bill. As I have often stated publically, I do not believe that now is the time to pursue further deregulation of the trucking industry. The trucking industry in recent years has been hit hard in three major areas. First, the Motor Carrier Act of 1980, which substantially reduced Federal regulation of the trucking industry, required carriers to adjust to a new regulatory environment. This was made especially difficult by the economic recession which hit not only the trucking industry but this Nation's entire economy. The reduced amounts of freight available for motor carriers to transport, combined with the increased number of carriers operating in the industry as a result of the 1980 Act, created substantial financial problems for many carriers. Lastly, the trucking industry faces a major Federal and State tax burden, far greater than that to which the trucking industry's major competitor—the railroads—are subject.

There are indications that the trucking industry is beginning to recover from these difficulties. I believe, however, that it would be unfair to require carriers to adjust to even further deregulation at this time. The trucking industry needs time to fully adjust to the regulatory reforms in place at this time and to become stronger financially. Only then should we even consider total deregulation of this vital transportation industry.

Mr. President, I ask unanimous consent that the text of the "Trucking Deregulation Act of 1985" and the administration's section-by-section description of their bill be included in the RECORD in their entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trucking Deregulation Act of 1985."

PURPOSE OF THE ACT

SEC. 2. This Act is a part of the continuing effort by Congress to reduce unnecessary and burdensome government regulations and to insure the competitiveness and efficiency of motor carrier transportation in the United States. It is intended to further amend the Interstate Commerce Act, as amended through the Motor Carrier Safety Act of 1984.

CONGRESSIONAL FINDINGS

SEC. 3. (a) The Congress hereby finds that a safe, sound, competitive, and fuel efficient motor carrier system is vital to the maintenance of a strong national economy and a strong national defense; that the statutes governing Federal regulation of the motor carrier industry are outdated and must be revised to reflect the transportation needs and realities of the present and future; that, historically, the existing regulatory structure has tended in certain circumstances to inhibit market entry, carrier growth, maximum utilization of equipment and energy resources, and opportunities for minorities, small businesses, and others to enter the trucking industry; that protective regulation has resulted in operating inefficiencies and anticompetitive pricing, has tended to suppress technological and managerial innovation, and has tended to restrict the range of price and service options available of shippers; that available evidence suggests that significant competitive and consumer benefits have been associated with the partial deregulation of the Motor Carrier Act of 1980 and that the remaining regulations are unnecessary and impose costs on society; that commercial laws have general applicability and are more appropriate for meeting desirable goals than specific regulations; that adequate protection for shippers and consumers can be provided by shifting certain functions to other agencies or by applying the antitrust laws; that in order to reduce the uncertainty felt by the Nation's transportation industries, many of the Interstate Commerce Commission's remaining responsibilities for the regulation of motor carrier transportation should be legislatively, rather than administratively, reduced and the Commission should be given well-defined parameters within which it may exercise its remaining jurisdiction, subject to Congressional policy; that the Interstate Commerce Commission should not attempt to go beyond the powers vested in it by the Interstate Commerce Act and other

legislation enacted by Congress; and that legislative and resulting changes should be implemented with the least amount of disruption consistent with achieving the reforms enacted.

(b) The appropriate authorizing committees of Congress shall conduct periodic oversight hearings on the effects of this legislation, no less than annually for the first 3 years following the effective date of enactment of this Act, to ensure that this Act is being implemented according to Congressional intent and purpose.

GENERAL PROVISIONS

SEC. 4. Section 10101 of title 49, United States Code, is amended.

(a) in subsection (a)(2) by inserting "of passengers" after "motor carrier";

(b) in subsection (a)(2)(A) by striking "shippers, receivers,";

(c) in subsection (a)(2)(B) by striking "shipping and";

(d) in subsection (a)(2)(E) by striking "and small shippers";

(e) in subsection (a)(2)(H) by striking "and" after the semicolon;

(f) by striking subsection (a)(2)(I) and the connector "and" at the end thereof;

(g) in subsection (a)(3)—

(1) by striking "(3) in regulating transportation by motor carrier of passengers";

(2) by striking "(A) to" and inserting "(I)" in lieu thereof;

(3) by striking "(B) to" and inserting "(J)" in lieu thereof; and

(4) by striking "(C) to" and inserting "(K)" in lieu thereof.

SEC. 5. Section 10102 of title 49, United States Code, is amended—

(a) in paragraph (9)(C)—

(1) by inserting "a motor carrier of property or" after "transportation"; and

(2) by striking ", II," after "subchapter I";

(b) in paragraph (11) by striking "and such other similar property as the Commission may provide by regulation" each time it appears; and

(c) in paragraph (12) by adding the following new sentences at the end thereof:

"'Motor carrier' is further defined as meaning a motor carrier of passengers and does not include a motor carrier of property unless otherwise specifically stated. This further definition is not applicable to the definition of motor carrier as used in other subtitles or titles of the U.S. Code."

INTERSTATE COMMERCE COMMISSION ADMINISTRATION

SEC. 6. Section 10322 of title 49, United States Code, is amended—

(a) in subsection (a)—

(1) by striking ", or section 10934" at the end of the first sentence;

(2) by striking "10530," in the second sentence;

(3) by striking "10922(i)(2), 10922(i)(4)" in the second sentence and inserting "10922(h)(2)" in lieu thereof;

(4) by striking "10934(c)," in the second sentence; and

(5) by striking "10922(c)(2)(A)" in the third sentence and inserting "10922(b)(2)(A)" in lieu thereof;

(b) in subsection (b)(1) by striking "Except as provided in paragraph (2) of this subsection, a" and inserting "A" in lieu thereof;

(c) by striking subsection (b)(2); and

(d) by redesignating subsection (b)(3) as subsection (b)(2).

JURISDICTION

SEC. 7. Section 10521 of title 49, United States Code, is amended—

(a) by adding the following new sentence at the beginning of subsection (a):

"Notwithstanding any other provision of law, the Interstate Commerce Commission has no jurisdiction over motor carriers of property except as provided in subsection (c).."; and

(b) by adding "of passengers" after "over transportation" in subsection (a);

(c) in subsection (b) by striking "10922(c)(2)" each time it appears and inserting "10922(b)(2)" in lieu thereof; and

(d) by adding at the end of thereof the following new subsection:

"(c) The Commission shall retain jurisdiction over a motor common carrier providing transportation of household goods for the purposes of sections 10934, 11341, and 11342 until three years after the effective date of this act."

SEC. 8. Section 10522 of title 49, United States Code, is amended by inserting "of passengers" after "motor carrier" each time it appears.

SEC. 9. Section 10523 of title 49, United States Code, is repealed.

SEC. 10. Section 10524 of title 49, United States Code, is repealed.

SEC. 11. Section 10525 of title 49, United States Code, is amended—

(a) by striking subsection (e); and

(b) by redesignating subsection (f) as subsection (e).

SEC. 12. Section 10526 of title 49, United States Code, is amended—

(a) by striking subsections (a)(4) through (a)(7) inclusive, (a)(11) through (a)(13) inclusive and (a)(15);

(b) in subsection (a)(8) by striking the paragraph designator "(A)" and by striking subsections (a)(8)(B) and (a)(8)(C);

(c) by redesignating subsections (a)(8) through (a)(10) as (a)(4) through (a)(6) and subsection (a)(14) as (a)(7), respectively;

(d) in subsection (b)(1)—

(1) by striking the dash after "except";

(2) by striking subparagraph (A); and

(3) by striking the subparagraph designator "(B)";

(e) by striking subsection (b)(3); and

(f) by striking "; or" at the end of subsection (2) and inserting a period in lieu thereof.

SEC. 13. Section 10527 of title 49, United States Code, is repealed.

SEC. 14. Section 10528 of title 49, United States Code, is repealed.

SEC. 15. Section 10529 of title 49, United States Code, is repealed.

SEC. 16. Section 10530 of title 49, United States Code, is amended—

(a) in subsection (a)—

(1) by inserting "as of October 30, 1984" before the semicolon in subsection (a)(2)(A);

(2) by striking subsection (a)(3);

(3) by striking subsection (a)(4);

(4) by redesignating subsection (a)(5) as subsection (a)(3); and

(5) in subsection (a)(3) as redesignated, by striking "and transportation in the United States exempt from the jurisdiction of the Commission under section 10526(b)(1) of this subchapter".

(b) in subsection (b)—

(1) by, in subsection (b)(1), striking "(1)" after the designator (b), by striking "of exempt items", and by striking "Commission" and inserting "Secretary of Transportation" in lieu thereof; and

(2) by striking subsection (b)(2).

(c) in subsection (c)—

(1) by striking "to subchapter II of chapter 103 of this title and", by striking "of exempt items", and by striking "and to any foreign motor private carrier authorizing the carrier to provide interstate transportation of property (including exempt items) in any registrable year,"; and

(2) by striking "Commission" each time it appears and inserting "Secretary" in lieu thereof.

(d) in subsection (d)—

(1) by striking "and a foreign motor private carrier"; and

(2) by striking "Commission" each time it appears and inserting "Secretary" in lieu thereof.

(e) in subsection (e)—

(1) by striking "and foreign motor private carriers" in the first sentence;

(2) by striking in subsection (e)(2) the dash after "responsibility", striking the designator "(A)", and striking "or foreign motor private carrier"; and

(3) by striking subsection (e)(2)(B).

(f) in subsection (f) by striking "each" and inserting "Whenever a Presidential order under section 10922(j) of this title is in effect, each" in lieu thereof.

(g) in subsection (g)(2) by striking "Commission, the".

(h) in subsection (h) by striking "Commission" and inserting "Secretary" in lieu thereof.

(i) in subsection (i)(1) by striking at the end of the sentence "this section" and inserting "the Trucking Deregulation Act of 1985" in lieu thereof.

SEC. 17. Section 10561 of title 49, United States Code, is amended in subsection (b)(2) by striking "10526(a)(8)" and inserting "10526(a)(4)" in lieu thereof.

SEC. 18. The analysis of chapter 105 of title 49, United States Code, is amended—

(a) by striking—

"10523. Exempt motor vehicle transportation in terminal areas.

"10524. Transportation furthering a primary business." and inserting in lieu thereof

"10523. Repealed.

"10524. Repealed."; and

(b) by striking—

"10527. Written contracts pertaining to certain interstate movements by motor vehicle.

"10528. Mixed loads of regulated and unregulated property.

"10529. Limited authority over cooperative associations." and inserting in lieu thereof

"10527. Repealed.

"10528. Repealed.

"10529. Repealed."

RATES, TARIFFS, AND VALUATIONS

SEC. 19. Section 10702 of title 49, United States Code, is amended in subsection (b) by striking "shippers" in the second sentence and inserting "passengers" in lieu thereof.

SEC. 20. Section 10703 of title 49, United States Code, is amended—

(a) by striking subsection (a)(4)(A); and by redesignating subsections (a)(4)(B) through (a)(4)(E) as subsections (a)(4)(A) through (a)(4)(D);

(b) in subsections (a)(4)(A) and (a)(4)(B) as redesignated by subsection (a) of this section by striking "(D)" and inserting "(C)" in lieu thereof; and

(c) in subsection (b) by striking ", II (insofar as motor carriers of property are concerned),".

SEC. 21. Section 10704 of title 49, United States Code, is amended in subsection (c)(1) by striking in the last sentence "motor or" each time it appears and by striking ", respectively,".

SEC. 22. Section 10705 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by striking "(except a motor common carrier of property)";

(b) by striking subsections (b)(1) and (b)(2);

(c) by redesignating subsections (c) through (g) as subsections (b) through (f);

(d) in subsection (b) as redesignated, by striking the comma after "rail carrier" and inserting "or" in lieu thereof and by striking ", or motor common carrier of property" in the second sentence;

(e) in subsection (e) as redesignated by subsection (c) of this section by striking "or (b)";

(f) in subsection (f) as redesignated by subsection (c) of this section by striking "(f)" after "subsection" and inserting "(e)" in lieu thereof; and

(g) by striking subsection (h).

SEC. 23. Section 10706 of title 49, United States Code, is amended—

(a) in subsection (a)(2)(A) by striking "(c)(1)(B)-(E)" and inserting "(d)(1)(B)-(E)" in lieu thereof;

(b) by striking subsection (b)(3)(D) and by redesignating subsections (b)(3)(E) through (b)(3)(H) as subsections (b)(3)(D) through (b)(3)(G); and

(c) by striking subsection (b)(4) and by redesignating subsection (b)(5) as subsection (b)(4).

SEC. 24. Section 10708 of title 49, United States Code, is amended—

(a) in subsection (d)(1) by striking "motor common carrier of property or";

(b) in subsections (d)(1)(A) and (d)(1)(B) by striking "carrier" each time it appears and inserting "freight forwarder" in lieu thereof.

(c) in subsection (d)(2) by striking "motor common carriers of property or"; and

(d) in subsection (d)(2)(B)(i) by striking "carriers or".

SEC. 25. Section 10721 of title 49, United States Code, is amended—

(a) in subsection (b)(1) by striking "; expect that any rates for the trasnsportation of household goods for the United States Government shall not be predatory;" and

(b) by striking subsection (b)(3).

SEC. 26. Section 10725 of title 49, United States Code, is amended—

(a) in subsection (a) by striking ", II,"; and

(b) by striking subsection (c).

SEC. 27. Section 10730 of title 49, United States Code, is amended—

(a) in subsection (a) by striking "including a motor common carrier of household goods but excluding any other motor common carrier of property and" and by striking ", II,";

(b) by striking subsection (b); and

(c) by redesignating subsection (c) as subsection (b).

SEC. 28. Section 10732 of title 49, United States Code, is amended—

(a) by striking the title and inserting "Backhaul allowances" in lieu thereof;

(b) in subsection (a)

(1) by striking the designator "(a)";

(2) by striking "food and grocery" each time it appears; and

(c) by striking subsection (b).

SEC. 29. Section 10733 of title 49, United States Code, is repealed.

SEC. 30. Section 10735 of title 49, United States Code, is repealed.

SEC. 31. Section 10741 of title 49, United States Code, is amended in subsection (c) by striking ", II,".

SEC. 32. Section 10743 of title 49, United States Code, is amended—

(a) in subsection (b)(1) by striking "for weekly or monthly payment for transportation provided by motor common carriers and"; and

(b) in subsection (b)(2) by striking the parenthetical phrase.

SEC. 33. Section 10744 of title 49, United States Code, is amended in subsection (a)(1) by striking ", motor,".

SEC. 34. Section 10749 of title 49, United States Code, is amended—

(a) in subsection (a) by striking ", or a motor contract carrier of property";

(b) in subsection (b)(1)

(1) by striking "motor," and ", or motor contract carrier of property";

(2) by striking the dash after "including";

(3) by striking subsection (b)(1)(A); and

(4) by striking the subsection designator "(B)" in subsection (b)(1)(B); and

(c) by redesignating subsection (b)(2) as subsection (b)(3) and inserting a new subsection (b)(2) as follows:

"(2) a motor common or contract carrier of property; or".

SEC. 35. Section 10751 of title 49, United States Code, is amended by striking subsection (c).

SEC. 36. Section 10762 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by striking the last sentence; and

(b) by striking subsection (g).

SEC. 37. Section 10766 of title 49, United States Code, is amended in subsection (b) by striking ", providing transportation subject to the jurisdiction of the Commission under subchapter II of that chapter,".

SEC. 38. The analysis of chapter 107 of title 49, United States Code, is amended—

(a) by striking

"10732. Food and grocery transportation."

and inserting in lieu thereof

"10732. Backhaul allowances.";

(b) by striking

"10733. Rates for transportation of recyclable materials." and inserting in lieu thereof

"10733. Repealed."; and

(c) by striking

"10735. Household goods rates—estimates; guarantees of services.";

and inserting in lieu thereof

"10735. Repealed.".

LICENSING

SEC. 39. Section 10922 of title 49, United States Code is amended—

(a) by striking subsections (b), and (k);

(b) by redesignating subsections (c), (d), (e), (f), (g), (h), (i), (j), and (l) as subsections (b), (c), (d), (e), (f), (g), (h), (i) and (j) respectively;

(c) in subsection (h) as redesignated—

(1) by striking subsections (h)(1) and (h)(2); and

(2) by redesignating subsections (h)(3) and (h)(4) as subsections (h)(1) and (h)(2);

(d) in subsection (i) as redesignated by subsection (b) of this section—

(1) by striking subsection (i)(1); and

(2) by redesignating subsections (i)(2) and (i)(3) as subsections (i)(1) and (i)(2); and

(e) subsection (j) as redesignated by subsection (b) of this section is amended to read:

"(1) Notwithstanding any other provision of law, whenever the President of the United States determines that the government of any foreign country contiguous to the United States, or any political subdivision of such foreign country, has, over objections of the Government of the United States, engaged in unfair, discriminatory, or restrictive practices with a substantial adverse competitive impact upon United States motor carriers of property with respect to motor carrier transportation of such foreign country or political subdivision thereof, the President may suspend, modify, amend, condition, or limit operations by motor carriers of property from such foreign country or political subdivision in interstate or foreign commerce within the United States, if the President determines such action to be in the national interest. The President shall publish notice of his determination including the reasons for the determination in the Federal Register. Unless the President determines that expeditious action is required, the President shall provide an opportunity for presentation of views concerning the taking of such action.

"(2) The President of the United States may also remove or modify any such action under paragraph (1) if the President determines that such removal or modification is likewise in the national interest.

"(3) Any such suspension, modification, amendment, condition, or limitation under paragraph (1) shall be accomplished in accordance with directions of the President of the United States under regulations issued by the Secretary of Transportation in consultation with the Department of State and the Special Trade Representative. Such regulations shall be enforced by the Secretary of Transportation.

"(4) The Secretary of Transportation in consultation with the Department of State and the Special Trade Representative may, at the request of the President of the United States, or upon complaint from any interested person, or upon the Secretary's own motion, investigate and make recommendations to the President with respect to any of the matters described in paragraph (1)."

SEC. 40. Section 10923 of title 49, United States Code, is amended—

(a) by striking subsections (b)(3) through (b)(6);

(b) by redesignating subsection (b)(7) as (b)(3);

(c) in subsection (d)(1) by striking ", except that in the case of a motor contract carrier of property, the Commission may not require such carrier to limit its operations to carriage for a particular industry or within a particular geographic area"; and

(d) in subsection (d)(2)—

(1) by inserting "of passengers" after "motor contract carrier";

(2) by striking "necessary conditions, including each person or class of persons (and in the case of a motor contract carrier of passengers,"; and

(3) by striking the parenthesis after "the number of persons"; and

(e) by striking subsection (e).

SEC. 41. Section 10924 of title 49, United States Code, is amended—

(a) in subsection (a) by striking "of household goods subject to the jurisdiction of the Commission under subchapter II of Chapter 105 of this title,"; and

(b) by striking subsections (b) and (c) and by redesignating subsections (d), (e) and (f) as subsections (b), (c) and (d).

SEC. 42. Section 10927 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by striking

(1) "and a certificate of registration to a motor carrier or motor private carrier under section 10530 of this title";

(2) "the provisions of section 30 of the Motor Carrier Act of 1980, in the case of a motor carrier of property.";

(3) ", in the case of a motor carrier of passengers, or the laws of the State or States in which the carrier is operating, in the case of a motor private carrier"; and

(4) the parenthetical phrase; and

(b) in subsection (a)(2) by striking "and a foreign motor private carrier (as such term is defined under section 10530(a)(3) of this title)"; and

(c) by striking subsection (a)(3).

SEC. 43. Section 10928 of title 49, United States Code, is amended in subsection (c)(1) by striking "not more than 90 days. Such authority for a period of not more than 90 days and, in addition, in the case of motor carriers of passengers, the Commission may extend such authority for a period of more than 90 days but".

SEC. 44. Section 10930 of title 49, United States Code, is amended in subsection (b)(2) by striking "Except for motor vehicle transportation subject to the jurisdiction of the Commission under subchapter IV of chapter 105 of this title by section 10523(a)(2) of this title, a" and inserting "A" in lieu thereof, and by striking ", water, or motor carrier" and inserting in lieu thereof "or water" and by striking ", II,".

SEC. 45. Section 10931 of title 49, United States Code, is repealed.

SEC. 46. Section 10932 of title 49, United States Code, is amended—

(a) by striking subsection (b); and

(b) by redesignating subsections (c) and (d) as subsections (b) and (c).

SEC. 47. (a) Section 10934 of title 49, United States Code, is amended—

(1) by striking subsection (a), (b), and (c);

(2) by redesignating subsection (d) as subsection (a) and by striking "The" and inserting "Unless determined otherwise by the Commission under subsection (b), the" in lieu thereof; and

(3) by adding at the end thereof the following new subsection:

"(b) The Commission may require that an agreement within the scope of subsection (a) be submitted to the Commission for approval. Such an agreement shall be approved by the Commission upon a finding that the agreement fulfills each requirement of section 10706(b)(3) of this title, unless the Commission finds that such agreement is inconsistent with the transportation policy set forth in section 10101(a) of this title. The Commission may require compliance with reasonable conditions to assure that the agreement furthers such transportation policy. If the Commission disapproves the agreement, then no antitrust immunity shall be conferred by subsection (a).

(b) Section 10934 is repealed three years after the effective date of this act.

SEC. 48. Section 10935 of title 49, United States Code, is amended in subsection (h) by striking "10922(c)(4)" and inserting "10922(b)(4)" in lieu thereof.

SEC. 49. The analysis of chapter 109 of title 49, United States Code, is amended—

(a) by striking—

"10931. Motor common carriers providing transportation entirely in one state."

and inserting in lieu thereof

"10931. Repealed."; and

(b) three years after the effective date of this act by striking—

"10934. Household Goods Agents.";

and inserting in lieu thereof

"10934. Repealed.".

OPERATIONS OF CARRIERS

SEC. 50. Section 11101 of title 49, United States Code, is amended by striking subsection (c).

SEC. 51. Section 11107 of title 49, United States Code, is repealed.

SEC. 52. Section 11109 of title 49, United States Code, is amended by striking the parenthetical phrase in each subsection.

SEC. 53. Section 11110 of title 49, United States Code, is repealed.

SEC. 54. Section 11145 of title 49, United States Code, is amended by striking subsection (c).

SEC. 55. The analysis of chapter 111 of title 49, United states code, is amended—

(a) by striking—

"11107. Leased motor vehicles." and inserting in lieu thereof

"11107. Repealed."; and

(b) by striking—

"11110. Household Goods Carrier Operations."

and inserting in lieu thereof

"11110. Repealed."

FINANCE

SEC. 56. Section 11304 of title 49, United States Code, is amended in subsection (a)(1) by striking "a truck of rated capacity (gross vehicle weight) of at least 10,000 pounds, a highway tractor of rated capacity (gross combination weight) of at least 10,000 pounds, a property-carrying trailer or semitrailer with at least one load-carrying axle of at least 10,000 pounds, or".

SEC. 57. Section 11342 of title 49, United States Code, is amended—

(a) in subsection (a) by striking "of property" and inserting in lieu thereof "providing transportation of household goods"; and

(b) in subsection (b)(1)—

(1) by striking "of property" wherever it appears and inserting in lieu thereof "providing transportation of household goods"; and

(2) by adding at the end thereof the following new sentence:

"The Commission shall have authority to approve or authorize an agreement or combination under this subsection only until three years after the effective date of the Trucking Deregulation Act of 1985."

SEC. 58. Section 11343 of title 49, United States Code, is amended in subsection (e)(1) by striking "providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title,".

SEC. 59. Section 11344 of title 49, United States Code, is amended in subsection (c) by inserting "of passengers or property" after "a motor carrier" in the fourth sentence.

SEC. 60. Section 11348 of title 49, United States Code, is amended in subsection (a) by striking "11901(f), (l)(1)" and inserting "11901(f), (h)(1)" in lieu thereof.

FEDERAL-STATE RELATIONS

SEC. 61. Section 11501 of title 49, United States Code, is amended by adding the following new subsection after subsection (f):

"(g)(1) No State or political subdivision thereof and no interstate agency or other political agency of two or more States shall enact or enforce any law, rule, regulation, standard, or other provision having the force and effect of law relating to interstate rates, interstate routes, or interstate services of any motor carrier of property or motor private carrier.

(2) The Secretary of Transportation shall conduct a full investigation of the economic regulation of trucking as conducted by the various state regulatory bodies and the extent, if any, to which such state regulation creates burdens on interstate commerce. A report on the results of such investigation and study, including any legislative recommendations, shall be submitted to the President and the Congress not later than two years after the date of enactment of this Act."

SEC. 62. Section 11504 of title 49, United States Code, is amended in subsection (b)(2) by striking "providing transportation subject to the jurisdiction of the Commission under subchapter II of this title" and inserting "of passengers and a motor carrier of property" in lieu thereof.

ENFORCEMENT: INVESTIGATIONS, RIGHTS, AND REMEDIES

SEC. 63. Section 11701 of title 49, United States Code, is amended—

(a) in subsection (a) by striking the sentence "If the Commission finds that a motor private carrier is violating section 10530 of this subtitle, the Commission shall take appropriate action to compel compliance with such section."; and

(b) in subsection (b) by striking "or a motor carrier or motor private carrier providing transportation under a certificate of registration issued under section 10530 of this title".

SEC. 64. Section 11702 of title 49, United States Code, is amended—

(a) in subsection (a)(2) by striking "10527 or"; and

(b) in subsection (a)(4) by striking "or by a motor carrier or motor private carrier providing transportation under a certificate of registration issued under section 10530 of this title".

SEC. 65. Section 11707 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by striking ", II," each time it appears; and

(b) in subsection (a)(2) by striking "providing transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title".

SEC. 66. Section 11711 of title 49, United States Code, is repealed.

SEC. 67. The analysis of chapter 117 of title 49, United States Code is amended by striking

"11711. Dispute Settlement Program for Household Goods Carriers."

and inserting in lieu thereof

"11711. Repealed.".

CIVIL AND CRIMINAL PENALTIES

SEC. 68. Section 11901 of title 49, United States Code, is amended—

(a) in subsection (g)—

(1) by striking "or transportation provided under a certificate of registration issued under section 10530 of this title";

(2) by striking ", (4)" and inserting ", or (4)" in lieu thereof;

(3) by striking "or (5) does not comply with section 10530 of this title,"; and

(4) by striking the last two sentences.

(b) by striking subsection (h), (i), (j), and (k) and redesignating subsection (l) as subsection (h); and

(c) in subsection (h)(2) as redesignated, by striking ", (i), (j)(1), or (k)".

SEC. 69. Section 11910 of title 49, United States Code, is amended in subsection (a)(2) by striking "motor carrier or" and "carrier or" each time they appear.

SEC. 70. Section 11914 of title 49, United States Code, is amended in subsection (b)—

(a) by striking out "this title" and inserting "this title," in lieu thereof; and

(b) by striking after "1966," the following: "or a condition of a certificate of registration issued under section 10530 of this title,".

SEC. 71. Section 11917 of title 49, United States Code, is amended in subsection (a) by striking "a" after "weight on" and inserting "an interstate" in lieu thereof and by striking "which is subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title.".

FEDERAL TRADE COMMISSION

SEC. 72. (a) Motor carriers of property shall be subject to the jurisdiction of the Federal Trade Commission under the Federal Trade Commission Act, as amended, 15 U.S.C. 41-58 and §11 of the Clayton Act, 15 U.S.C. 21.

(b) The Federal Trade Commission is empowered exclusively to enforce the Interstate Commerce Commission's household goods regulations under 49 C.F.R. 1056 which shall remain in effect until revised or revoked by the Federal Trade Commisson under subsection (c) of this section.

(c) The Federal Trade Commission shall institute a proceeding within 120 days of the enactment of this Act to review the necessity and effectiveness of those regulations and, where appropriate, make revisions (1) to ensure that shippers of household goods receive adequate protection in their dealings with carriers, and (2) to eliminate unnecessary regulations. The intitial proceeding conducted to implement this section shall be governed by section 553 of title 5, and the Federal Trade Commission may dispense with the rulemaking requirements imposed under section 57a of title 15, except that any such rule promulgated shall be subject to the judicial review procedures of section 57a(e) of title 15.

DEPARTMENT OF TRANSPORTATION

DUTIES AND POWERS

SEC. 73. Section 501 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by inserting "except as set forth in paragraph (2) of this subsection" immediately after the paragraph designator "(1)";

(b) in subsection (a) by adding the following new paragraph:

"(2) 'motor carrier' means (A) a motor carrier of property; (B) a motor carrier of passengers; and (C) a motor private carrier as defined in section 10102 of this title."; and

(c) in subsection (a) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4).

SEC. 74. Section 502 of title 49, United States Code, is amended—

(a) by inserting the following new subsection (b):

"(b) If the Secretary finds that a foreign motor carrier is violating section 10530 of this title, the Secretary shall take appropriate action to compel compliance with such section."; and

(b) by redesignating subsections (b)-(f) as subsections (c)-(g), respectively.

SEC. 75. Section 503 of title 49, United States Code, is amended—

(a) in the title by inserting "motor carriers of property," after "and process on";

(b) in subsection (a) by inserting "of property and each motor carrier" immediately after "Each motor carrier";

(c) in subsection (a) by inserting ", operating in the United States," after "motor private carrier"; and

(d) in subsection (a) by adding the following new sentence after the second sentence of the subsection:

"If the designation is made on behalf of a motor carrier not domiciled in the United States, the designation shall indicate the country of the motor carrier on whose behalf the designation is made."

SEC. 76. Section 504 of title 49, United States Code, is amended in subsection (a)(2) by inserting "motor carrier of property," after "means a motor carrier,".

SEC. 77. Section 507(c) of title 49, United States Code, is amended by inserting "or section 10530" after "section 3102".

SEC. 78. Section 521(b) of title 49, United States Code, is amended—

(a) in subsection (b)(1) by inserting "or section 10530" after "section 3102"; and

(b) in subsection (b)(2) by inserting "or section 10530" after "section 3102".

SEC. 79. Section 524 of title 49, United States Code, is amended by inserting "or a condition of a certificate of registration issued under section 10530 of this title," after "chapter".

SEC. 80. The analysis of chapter 5 of title 49, United States Code, is amended in Section 503 by inserting "motor carriers of property," after "and process on".

SEC. 81. Section 3101 of title 49, United States Code, is amended in paragraph (2) by inserting "except that 'motor carrier' shall include a motor carrier of property" at the end of the paragraph.

SEC. 82. Section 3104 of title 49, United States Code, is amended—

(a) in subsection (a)(1) by inserting "a motor carrier of property and" after "transportation provided by";

(b) in subsection (a)(2) by inserting "motor carriers of property and" after "each of those"; and

(c) in subsection (a) by adding the following new paragraph:

"(3) require each of those motor carriers, motor private carriers, and motor carriers of migrant workers to display on the vehicle the name of the carrier and such other information as the Secretary may require."

SEC. 83. This Act shall take effect on July 1, 1986.

SECTION BY SECTION ANALYSIS OF THE TRUCKING DEREGULATION ACT OF 1985

This bill eliminates all federal economic regulation of the trucking industry; it eliminates entry controls and rate regulation; eliminates antitrust immunity for collective ratemaking; eliminates tariff publication requirements; eliminates the "common carrier obligation"; and transfers jurisdiction for consumer protection in household goods operations to the Federal Trade Commission.

There is vigorous competition not only within the for-hire motor carrier industry, but also from other elements of the transportation sector, such as private trucking, freight forwarders, and railroads, and potential competition from independent owner-operators, as well. Hence, there is no need for continued regulation of the trucking industry.

SECTION 1

The short title of the bill is the "Trucking Deregulation Act of 1985."

SECTION 2

The purpose of the bill is to reduce unnecessary and burdensome government regulations and to insure the competitiveness and efficiency of transportation by motor carriers of property in the United States.

SECTION 3

This section states the findings of Congress. It sets out that the statutes governing Federal regulation of motor carriers of property are outdated and must be revised to reflect transportation needs and realities of the present future; and that government regulation has resulted in operating inefficiencies and anticompetitive pricing and should be reduced.

SECTION 4

This section amends the transportation policy of the Interstate Commerce Act to reflect the elimination of economic regulation of motor carriers of property.

SECTION 5

This section amends section 10102(12) of title 49 USC by further defining motor carrier as used in subtitle IV of title 49 as only meaning a motor carrier of passengers. It clarifies that the intent of this Act is to remove Interstate Commerce Commission regulation of motor carriers of property.

SECTION 6

This section deletes the procedural guidelines of section 10322 of title 49 USC for handling applications involving motor carrier transportation incidental to trailer on flatcar or container on flatcar service by rail or registration certificates for foreign motor carriers. This is a conforming change, since this legislation eliminates the necessity for applying to the Interstate Commerce Commission for any kind of motor carrier authority.

SECTION 7

This section amends section 10521 of title 49 USC to remove Interstate Commerce Commission jurisdiction over motor carriers of property, with one limited exception regarding household goods carriers. This exception allows the Interstate Commerce Commission to maintain jurisdiction over motor carrier transportation of household goods for three years after the effective date of the Act, for the limited purposes of retaining special antitrust immunity for household goods van lines (so that they can continue to engage in certain business relationships with their own local agents) and of retaining the Interstate Commerce Commission's power to approve or disapprove pooling agreements between a van line and its agents. This jurisdiction over household goods carriers is retained for three years in order to minimize possible disruption resulting from the eventual removal of all special antitrust immunity for household goods van line-agent relationships. The delayed effective date of removal of immunity will give van lines and their agents additional time to develop corporate business structures and relationships that do not require special antitrust immunity.

SECTION 8

This section amends section 10522 of title 49 USC. It removes the requirement that motor carriers of property providing transportation between Alaska and another state must comply with Interstate Commerce Commission regulations.

SECTION 9

This section repeals section 10523 of title 49 USC. It removes the exemptions for motor vehicle transportation within terminal areas provided by water carriers, rail carriers, freight forwarders, and express carriers. Such exemptions will not be necessary with the removal of regulation of motor carriers of property provided by this bill.

SECTION 10

This section repeals section 10524 of title 49 USC. It removes the exemption from Interstate Commerce Commission jurisdic-

tion for private carriage by motor vehicle. With the deregulation of motor carriers of property provided by this bill, such an exemption is no longer required.

SECTION 11

This section strikes subsection (e) of section 10525 of title 49 USC to preclude regulation of interstate transportation within Hawaii by that State. No other changes to section 10525 are necessary, because this section will apply only to motor carriers of passengers.

SECTION 12

This section amends section 10526 of title 49 USC. It repeals all exemptions of motor carriers of property from Interstate Commerce Commission jurisdiction. With complete deregulation of motor carriers of property such exemptions are not required.

SECTION 13

This section repeals section 10527 of title 49 USC pertaining to written contracts concerning interstate movements by motor vehicles. The Interstate Commerce Commission and the Secretary of Agriculture have determined that requiring written contracts between owners or operators of motor vehicles and brokers, shippers, and receivers is not necessary.

SECTION 14

This section repeals section 10528 of title 49 USC concerning mixed loads of regulated and unregulated property. With motor carriers of property completely deregulated, such distinctions are no longer necessary.

SECTION 15

This section repeals section 10529 of title 49 USC concerning the Interstate Commerce Commission's reporting requirements for cooperative associations. With motor carriers of property completely deregulated, these reporting requirements are no longer necessary.

SECTION 16

This section amends section 10530 of title 49 USC, which was added to title 49 by the Motor Carrier Safety Act of 1984 (P.L. 98-554, 98 Stat. 2829, October 30, 1984). Section 16 transfers responsibility for issuing certificates of registration for foreign motor carriers operating in the United States from the Interstate Commerce Commission to the Secretary of Transportation. References to foreign motor private carriers and exempt transportation are deleted from section 10530 because distinctions for regulatory purposes between private and other motor carriers, and exempt and other transportation, are abolished in other sections of title 49 by this bill. No change is made to the scope of the section as it applies to foreign carriers. Those foreign carriers that were exempted from the registration requirements by virtue of their holding ICC certificates at the time section 10530 was enacted would still be exempt. Likewise, section 10530 as amended by this section will not apply to a contiguous foreign country with respect to which a moratorium is not in effect under section 10922(1) at the time of enactment of this legislation. However, because the current moratorium provision under section 10922(1) is repealed and replaced by different authority and procedures for Presidential action, specific provisions describing the sanctions that may be applied to foreign motor carriers during a moratorium are deleted. Instead, the President is authorized to take any action that is appropriate to respond to unfair practices against U.S. motor carriers of property by a contiguous foreign country.

SECTION 17

This section amends section 10561 of title 49 USC to conform to the change provided in section 12 of this bill.

SECTION 18

This section makes conforming changes in the analysis of Chapter 105 of title 49 USC to reflect the changes introduced by sections 7 through 17.

SECTION 19

This section amends section 10702 of title 49 USC by codifying the ICC administrative action that removed motor contract carriers of property from the requirement to establish and file their rates with the Commission.

SECTION 20

This section amends section 10703 of title 49 USC by removing the statutory reference to the authority of motor common carriers of property to establish through routes and joint rates and classifications with other carriers; however, this does not preclude motor common carriers from entering into such arrangements.

SECTION 21

This section amends section 10704 of title 49 USC to remove Interstate Commerce Commission authority to protect motor common carriers from unreasonable competition from motor contract carriers.

SECTION 22

This section amends section 10705 of title 49 USC by removing the authority of the Interstate Commerce Commission over motor common carriers of property to prescribe through routes, joint classifications, joint rates, the division of rates, and the conditions under which those routes must be operated.

SECTION 23

This section amends section 10706 of title 49 USC by removing Interstate Commerce Commission jurisdiction for providing antitrust immunity to motor carriers of property. Under the provisions of section 83 of this legislation, elimination of antitrust immunity will occur on July 1, 1986. This section does not disturb antitrust immunity for motor carriers of passengers or other carriers.

SECTION 24

This section amends section 10708 of title 49 USC to remove Interstate Commerce Commission jurisdiction to investigate, suspend, revise, or revoke any rate of a motor common carrier of property on the grounds that such rate is unreasonably high or low. The "zone of rate freedom" provided by the Motor Carrier Act of 1980 would remain applicable only to freight forwarders.

SECTION 25

This section amends section 10721 of title 49 USC, which deals with special rate provisions for Government traffic. It removes Interstate Commerce Commission jurisdiction to suspend and investigate rates for the transportation of household goods for the U.S. Government on the basis that such rates may be predatory.

SECTION 26

This section amends section 10725 of title 49 USC by removing the conditions concerning special rates of motor carriers of property when such carriers deal with freight forwarders.

SECTION 27

This section amends section 10730 of title 49 USC to remove the Interstate Commerce Commission's jurisdiction to require or authorize motor carriers to establish rates for transportation of property under which the liability of the carrier for that property is limited to a value established by written declaration of the shipper or by written agreement.

SECTION 28

This section amends section 10732 of title 49 USC by removing the requirement that the Interstate Commerce Commission monitor and report annually on the effects of "backhaul allowances" (discounts for customers of food and grocery products who pick up those products at the shipping point of the seller), and by extending the lawfulness of backhaul allowances to all industries. It is intended, for purposes of this section, that the "actual cost" basis for computing such allowances need not be limited to the cost avoided by sellers.

SECTION 29

This section repeals section 10733 of title 49 USC, which provides statutory permission for free or reduced transportation rates for recyclable materials carried by motor carriers of property. The ability to provide such transportation at reduced rates is not precluded by the amendment.

SECTION 30

This section repeals section 10735 concerning household goods rates and guarantees of service. With deregulation of motor carriers of property this section is no longer necessary. There is no intent to preclude or limit carrier activities described in this section.

SECTION 31

This section amends section 10741 of title 49 USC by removing the general prohibition of motor carrier discrimination against freight forwarder services. The effect of this amendment is to allow the general antidiscrimination provisions of the antitrust laws to apply to motor carriers of property.

SECTION 32

This section amends section 10743 of title 49 USC by removing the prompt payment provisions relating to motor common carriers.

SECTION 33

This section amends section 10744 of title 49 USC by removing the requirements concerning liability for payment of rates for property transportation by motor carriers.

SECTION 34

This section amends section 10749 of title 49 USC by deleting the provision that motor carriers of property regulated by the Interstate Commerce Commission may exchange services with telephone, telegraph, or cable companies. With the deregulation provided by this bill, motor carriers of property do not need express permission to exchange services with other companies.

SECTION 35

This section amends section 10751 of title 49 USC by deleting the subsection which provides that the Interstate Commerce Commission institute a proceeding for the establishment of standards and guidelines for authorized business entertainment expenses.

SECTION 36

This section amends section 10762 of title 49 USC by removing the requirement for motor carriers of property to publish, file, and keep tariffs open for public inspection.

SECTION 37

This section amends section 10766 by deleting the requirement that freight forwarders may only contract with Interstate Commerce Commission regulated motor carriers of property.

SECTION 38

This section makes changes in the analysis of Chapter 107 of title 49 to conform to the changes made in sections 19 through 37.

SECTION 39

This section amends section 10922 of title 49 USC by striking the language concerning entry requirements for motor common carriers of property. With these changes section 10922 will deal only with entry requirements for motor carriers of passengers as amended by the Bus Regulatory Reform Act of 1982.

The Bus Regulatory Reform Act of 1982 provided for a limitation on Interstate Commerce Commission approval of foreign-owned trucking operations in the United States due to discriminatory treatment by their governments. This section authorizes the President to limit such operations when he determines it is in the national interest to do so.

The Motor Carrier Safety Act of 1984 (P.L. 98-554, 98 Stat. 2829, October 30, 1984) amended section 10922(1) to provide for specific sanctions against foreign motor carriers when a moratorium is in effect under section 10922(1)(i). These sanctions are repealed by section 39 because the moratorium provision is replaced by the procedure for Presidential action under new section 10922(j).

SECTION 40

This section amends section 10923 of title 49 USC to strike the language concerning entry requirements for motor contract carriers of property. With these changes, section 10923 will deal only with entry requirements for motor contract carriers of passengers as amended by the Bus Regulatory Reform Act of 1982.

SECTION 41

This section amends section 10924 of title 49 USC by deleting the requirement that brokers use only Interstate Commerce Commission regulated carriers.

SECTION 42

This section amends section 10927 of title 49 USC by removing the language dealing with security and insurance requirements for motor carriers of property, as well as reference to registration certificates for foreign motor carriers.

SECTION 43

This section amends section 10928 of title 49 USC by removing the time limitation for the grant of temporary authority for motor carriers of property. Since this bill removes entry requirements for such carriers to operate, they will not need temporary authority.

SECTION 44

This section amends section 10930 of title 49 USC to delete the reference to section 10523, which is repealed by section 9 of this bill. The net effect of these two changes is to permit freight forwarders to conduct both long haul and terminal area operations.

SECTION 45

This section amends section 10931 of title 49 USC. Section 10931 provides for ICC grants of interstate motor carrier authority under certificates of registration for intrastate carriers who provide transportation entirely in one state.

SECTION 46

This section amends section 10932 of title 49 USC by striking the language permitting motor carriers certificated under section 10931 to continue to provide such transportation as long as the intrastate certificates so provide.

SECTION 47

Three years after the effective date of this Act, this section repeals the provision of section 10934 of title 49 USC that confers special antitrust immunity upon certain business relationships between a household goods van line and its own local agents. The three year deferral of this effective date is designed to give van lines and their agents additional time to develop corporate structures and business relationships that do not require any antitrust immunity. During the three year period before special immunity is removed, the Commission is given the explicit power to require van lines and their agents to submit agreements setting forth those aspects of their business relationship requiring such immunity. This power is currently implicit in chapter 107, but is being generally repealed for motor carriers of property. The criteria for approval of the agreements are the same as the Commission would use under its current general authority to review rate agreements among household goods carriers. During the three year period, the Commission could approve, disapprove, or modify van line-agent agreements, as a means of ensuring that the limited antitrust immunity is not abused. This section also eliminates other types of jurisdiction over household goods van line-agent relationships as of the effective date of the Act. Principal-agent relationships are satisfactorily governed under common law, and the temporary retention of special antitrust immunity is designed merely to deal with the transition to a system of principal-agent relationships that parallels such relationships in other industries.

SECTION 48

This section amends section 10935 of title 49 USC to conform to the change provided by section 39 of this bill.

SECTION 49

This section amends the analysis section of Chapter 109 of title 49 USC to conform to the changes made by sections 44 and 47.

SECTION 50

This section amends section 11101 of title 49 USC to conform to the change provided in section 7 of this bill, and by implication removes the authority of the Interstate Commerce Commission to prescribe requirements for continuous and adequate transportation service by motor carriers of property under the so-called "common carrier obligation."

SECTION 51

This section repeals section 11107 of title 49 USC. The result is to repeal all Interstate Commerce Commission requirements concerning leasing arrangements for motor carriers of property. Such arrangements can be made satisfactorily under normal commercial law.

SECTION 52

This section amends section 11109 of title 49 USC by making conforming changes to reflect the deregulation of transportation by motor carriers of property. It retains the prohibition against "lumping," a practice of forcing truckers, by threat of violence, to accept unloading assistance, when such assistance is not needed.

SECTION 53

This section repeals section 11110 of title 49 USC. ICC jurisdiction over household goods operations is transferred to the Federal Trade Commission under section 72.

SECTION 54

Section 11145 of title 49 USC authorizes the Interstate Commerce Commission to require periodic and special reports by carriers subject to its jurisdiction, and requires the Commission to streamline such reports in the case of motor carriers of property. Section 54 deletes the requirement that the Commission streamline reports by motor carriers of property, and by implication removes such carriers from all reporting requirements.

SECTION 55

This section amends the analysis section of Chapter 111 of title 49 USC to conform to the changes made by sections 51 and 53.

SECTION 56

This section amends section 11304 of title 49 USC by deleting trucks from the definition of motor vehicle. As a result of this amendment, trucks that were previously regulated by the Interstate Commerce Commission will no longer be entitled to preferential financing.

SECTION 57

This section amends section 11342 of title 49 USC by removing the power of the Interstate Commerce Commission to approve pooling agreements and agreements dealing with division of transportation or earnings among motor carriers of property, with one temporary exception dealing with household goods carriers. Removing this power has the effect of subjecting such agreements to the antitrust laws as defined in the first section of the Clayton Act. The power to approve pooling and related agreements would be removed as of the effective date of the Act for all motor carriers of property except household goods carriers. The power to approve such agreements for household goods carriers will sunset three years after the effective date of the Act. Since the Interstate Commerce Commission has traditionally used its power to approve pooling agreements to ensure that household goods carriers do not abuse their grants of special antitrust immunity, this power is retained for the same period of time as the right to grant such special immunity.

SECTION 58

This section amends section 11343 of title 49 USC by deleting reference to Interstate Commerce Commission jurisdiction to exempt merger, consolidation, and acquisition of control transactions involving a motor carrier of property from the requirements of subchapter III of chapter 113 of title 49. Because motor carriers of property would no longer be subject to ICC jurisdiction (see section 7), Commission approval of these transactions among two or more motor carriers of property is not necessary. However, this section keeps intact the exemption from subchapter III requirements in the case of transactions involving a motor carrier of property and any other carrier subject to Commission jurisdiction.

SECTION 59

This section makes a conforming amendment to section 11344 of title 49 USC in order to keep in force the criteria for Commission approval of transactions involving

consolidation, merger, and acquisition of control of motor carriers of property by rail carriers.

SECTION 60

This section amends section 11348 to conform to the changes provided in section 68 of this bill.

SECTION 61

This section amends section 11501 of title 49 USC by adding a new subsection (g) which prevents state and other political agencies from enacting or enforcing any regulations concerning interstate rates, routes, or services that were subject to the jurisdiction of the Interstate Commerce Commission prior to the enactment of this bill. This subsection is intended to prevent states and other local governments from directly or indirectly regulating the trucking industry in areas from which they are presently precluded from regulating by the Interstate Commerce Act.

For example, a state seeking to impose sanctions on an interstate truck operator for violations of that state's size and weight laws or its safety regulations could not, as a sanction for such violations, bar that truck operator from conducting interstate operations through that state. The courts have observed that such a sanction would be tantamount to denial of interstate operating authority, and have concluded that the Interstate Commerce Act reserved such sanctions to the federal government.

This section also requires the Secretary of Transportation to conduct a full investigation of the economic regulation of trucking by state regulatory bodies and the extent, if any, to which it creates burdens on interstate commerce and to make any recommendations, within two years of enactment of this bill.

SECTION 62

This section amends section 11504 of title 49 USC by making conforming amendments to the regulations concerning state withholding of income taxes for motor carriers.

SECTION 63

This section amends section 11701 of title 49 USC by making conforming amendments deleting the ICC's authority to compel compliance with section 10530 of title 49, which requires certificates of registration for foreign motor carriers of property. That authority is transferred to the Secretary of Transportation under sections 16 and 74 of this bill.

SECTION 64

This section amends section 11702 of title 49 USC to conform to the changes provided in sections 13, 16, and 74 of this bill.

SECTION 65

This section amends section 11707 of title 49 USC. Section 11707 provides the legal standards of liability of common carriers under receipts and bills of lading. This amendment means that common carriers no longer subject to ICC jurisdiction will be subject to standards of liability under state law, including applicable sections of the Uniform Commercial Code.

SECTION 66

This section repeals section 11711 of title 49 USC, which authorizes dispute settlement programs for household goods carriers. The household goods consumer protection function will shift to the Federal Trade Commission. Moreover, carriers do not need specific statutory authority to set up dispute settlement programs.

SECTION 67

This section amends the analysis section of Chapter 117 of title 49 USC to conform to the change made by section 66.

SECTION 68

This section amends section 11901 of title 49 USC. Section 11901 provides for penalties against carriers for violations of various aspects of the Interstate Commerce Act. This section has the effect of removing from section 11901 penalties against motor carriers of property. The Federal Trade Commission Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund Act) and, with respect to violations of section 10530 (certificates of registration for foreign carriers), the Secretary's enforcement authority, provide for appropriate civil penalties.

SECTION 69

This section amends section 11910 of title 49 USC by deleting motor carriers of property from the unlawful disclosure provisions of section 11910, since such carriers will no longer be subject to regulation by the Interstate Commerce Commission.

SECTION 70

This section amends section 11914(b) of title 49 USC by removing applicability of the general criminal penalty under that section to violations of the registration requirements for foreign carriers under section 10530 of title 49. Because enforcement of section 10530 is transferred from the ICC to the Secretary of Transportation (see section 16 of this bill), the applicable penalty for such violations will be under section 524 of title 49 (see section 79).

SECTION 71

This section makes a conforming amendment to section 11917 of title 49 USC by deleting a reference to Interstate Commerce Commission jurisdiction over household goods, which is transferred to the Federal Trade Commission under section 72 of this Act.

SECTION 72

This section states that the Federal Trade Commission Act shall apply to motor carriers of property. The section also directs the Federal Trade Commission to enforce the Interstate Commerce Commission's household goods regulations and to conduct a review of those regulations.

SECTION 73

This section amends section 501 of title 49 USC by including private motor carriers of property within the definition of motor carrier for purposes of enforcement of safety regulations of the Department of Transportation.

SECTION 74

This section amends section 502 of title 49 USC to authorize the Secretary of Transportation to enforce compliance with the registration requirements for foreign motor carriers under section 10530. Section 16 of this bill transfers responsibility for administering section 10530 to the Secretary.

SECTION 75

This section amends section 503 of title 49 USC by requiring motor carriers of property operating in the U.S., including foreign motor carriers, to designate agents for service of notice and process with the Department of Transportation. Prior to enactment of this bill such designations had to be filed with the Interstate Commerce Commission. Section 75 also requires that agent designations made on behalf of a carrier not domiciled in the United States indicate the nationality of the carrier on whose behalf the designation is being made.

SECTION 76

This section, which amends section 504 of title 49 USC, continues the recordkeeping requirements of the Department of Transportation for motor carriers of property.

SECTION 77

This section amends section 507(c) of title 49 USC, which was added to title 49 by the Motor Carrier Safety Act of 1984, P.L. 98-554, and which provides for equitable relief in the Secretary's enforcement powers, to include a reference to violations of the registration requirements for foreign carriers under section 10530 of this title.

SECTION 78

This section amends section 521(b) of title 49 USC to include violations of registration requirements for foreign carriers under section 10530 of this title under the Secretary's authority to assess civil penalties. The procedures for civil penalty assessment and the penalties for recordkeeping violations would be applicable to violations of section 10530.

SECTION 79

This section amends section 524 of title 49 USC to include willful violations of the registration requirements for foreign carriers under section 10530 of this title within the general criminal penalty provision of the DOT Act.

SECTION 80

This section makes changes in the analysis of chapter 5 of title 49 USC to conform to the change made by section 75.

SECTION 81

This section, which amends section 3101 of title 49 USC, continues the requirement that motor carriers of property are subject to the motor carrier safety requirements of chapter 31 of title 39 USC.

SECTION 82

This section amends section 3104 of title 49 USC by adding motor carriers of property to those carriers which may be required to display identification plates on their vehicles.

SECTION 83

This section provides that the effective date of the Act shall be July 1, 1986.●

By Mr. COCHRAN (for himself, Mr. MITCHELL, Mr. HELMS, Mr. THURMOND, Mr. MATTINGLY, Mr. NUNN, and Mr. BURDICK):

S.J. Res. 208. Joint resolution to designate the week of October 27, 1985, through November 2, 1985, as "National Alopecia Areata Awareness Week"; to the Committee on the Judiciary.

NATIONAL ALOPECIA AREATA AWARENESS WEEK

● Mr. COCHRAN. Mr. President, today I am introducing legislation to designate the week of October 27, 1985, through November 2, 1985, as "National Alopecia Areata Awareness Week."

Alopecia Areata is an immunological disease which causes severe hair loss. Its approximately 2 million victims are mostly children and young adults, who often lose all of their hair, including eyelashes, eyebrows, and body hair.

Total or partial hair loss causes a dramatic change in an alopecia victim's appearance. This is particularly hard on children, who suffer emotionally when they are teased about being different, and on young adults, who are constantly reminded that our society equates beauty with a shiny, healthy head full of hair. Without question, the disease can cause devastating psychological effects.

"Alopecia Areata," a Latin phrase meaning "bald spot," occurs when hair follicles stop production. While little is known about the cause of alopecia, researchers believe that a malfunction of the body's immune system can cause "hibernation" of the hair follicles. There is some hope that a cure is within reach.

A week set aside to increase public awareness of this disease will enhance the research and support efforts of the National Alopecia Areata Foundation. This network of support groups in 42 States has helped thousands of victims and their families cope with the physical and emotional problems caused by alopecia areata.

I believe it is crucial to set aside a week to promote awareness of alopecia areata in order to work toward finding a cure and toward easing the trauma of the thousands of alopecia areata victims across the country.

Mr. President, I urge my colleagues to join me in this effort and to cosponsor my joint resolution designating "National Alopecia Areata Awareness Week."●

By Mr. D'AMATO (for himself, Mrs. HAWKINS, Mr. DECONCINI, and Mr. MOYNIHAN):

S.J. Res. 209. Joint resolution to designate the period from October 28, 1985, through October 28, 1986, as the Centennial Year of Liberty in the United States; to the Committee on the Judiciary.

CENTENNIAL YEAR OF LIBERTY IN THE UNITED STATES

● Mr. D'AMATO. Mr. President, I rise today to introduce a joint resolution proclaiming October 28, 1985, through October 28, 1986, as the Centennial Year of Liberty in the United States.

The Statue of Liberty celebrates her 100th birthday on October 28, 1986. For more than a century her torch has been a beacon of freedom as she welcomed to the United States tens of thousands of immigrants seeking refuge from persecution and suffering.

"Liberty Enlightening the World" as this proud woman is properly called, is a symbol of the friendship and the liberty that all citizens of the world enjoy under a free form of government. At her feet lies a broken shackle representing her indignation of tyranny. Held in her left arm is a tablet inscribed with the date July 4, 1776, the date of our Nation's Declaration of Independence.

Mr. President, it is with honor that New York Harbor is the home of this great woman. It is only fitting and proper that we revere Miss Liberty in her centennial year with a grand celebration.

Mr. President, I urge my colleagues to adopt this joint resolution.●

ADDITIONAL COSPONSORS

S. 259

At the request of Mr. DANFORTH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 259, a bill to protect the public interest in stable relationships among communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes.

S. 274

At the request of Mr. DENTON, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 554

At the request of Mr. ROTH, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 812

At the request of Mr. GARN, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Nevada [Mr. HECHT], the Senator from New York [Mr. D'AMATO], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 812, a bill to amend the Export Administration Act of 1979 to authorize controls on the export of capital from the United States.

S. 865

At the request of Mr. MATHIAS, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 887

At the request of Mr. DOLE, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

S. 925

At the request of Mr. HUMPHREY, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Nevada [Mr. HECHT], the Senator from California [Mr. CRANSTON], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 925, a bill to deny most-favored-nation trading status to Afghanistan.

S. 942

At the request of Mr. DANFORTH, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 942, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 985

At the request of Mr. GRASSLEY, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 985, a bill to protect the rights of victims of child abuse.

S. 1107

At the request of Mr. NUNN, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1107, a bill to authorize the Society of the Third Infantry Division to erect a Memorial in the District of Columbia or its environs.

S. 1223

At the request of Mr. ARMSTRONG, the names of the Senator from Illinois [Mr. SIMON], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean War.

S. 1250

At the request of Mr. HEINZ, the names of the Senator from Tennessee [Mr. SASSER], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1277

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or communi-

ty-based services under the Medicaid program without the necessity of obtaining a waiver.

S. 1305

At the request of Mr. TRIBLE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1322

At the request of Mr. HECHT, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1322, a bill to amend the Geothermal Steam Act of 1970.

S. 1427

At the request of Mr. GRASSLEY, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1427, a bill to prohibit the suspension of an employee's benefit accrued under a retirement plan solely because of age before accruing the maximum normal retirement benefit.

S. 1509

At the request of Mr. CRANSTON, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1509, a bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance under the All-Volunteer Force Educational Assistance Program for pursuit of a program of education by correspondence.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1624

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. BURDICK], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 1624, a bill to make ineligible for certain agricultural program benefits persons who are convicted under Federal or State law of planting, cultivation, growing or harvesting of controlled substances.

S. 1639

At the request of Mr. EXON, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1639, a bill to authorize the minting of gold bullion coins.

S. 1679

At the request of Mr. GRASSLEY, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 1679, a bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security.

S. 1702

At the request of Mr. GRAMM, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. EAST], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1702, a bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require a graduated reduction of the Federal budget deficit, to establish emergency procedures to avoid unanticipated deficits, and for other purposes.

SENATE JOINT RESOLUTION 150

At the request of Mr. BRADLEY, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 150, a joint resolution to designate the month of March 1986 as "National Hemophilia Month."

SENATE JOINT RESOLUTION 158

At the request of Mr. MURKOWSKI, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 188

At the request of Mrs. KASSEBAUM, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE JOINT RESOLUTION 195

At the request of Mr. KASTEN, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Louisiana [Mr. JOHNSTON], the Senator from South Carolina [Mr. THURMOND], the Senator from Michigan [Mr. LEVIN], the Senator from Michigan [Mr. RIEGLE], the Senator from Nevada [Mr. LAXALT], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 195, a joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week."

SENATE CONCURRENT RESOLUTION 68

At the request of Mr. DURENBERGER, the names of the Senator from Kentucky [Mr. FORD], the Senator from Nebraska [Mr. EXON], the Senator from Illinois [Mr. SIMON], the Senator from Massachusetts [Mr. KERRY], the Senator from South Dakota [Mr. PRESSLER], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of Senate Concurrent Resolution 68, a concurrent resolution expressing support for Chile's National Accord for the Transition to Full Democracy.

SENATE RESOLUTION 199

At the request of Mr. HEINZ, the names of the Senator from Georgia [Mr. MATTINGLY], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Resolution 199, a resolution to urge the Senate of the United States to reject any tax reform proposal which would impose a tax on the annual increase in the value of permanent life insurance.

AMENDMENT NO 700

At the request of Mr. GRASSLEY, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Illinois [Mr. DIXON], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of amendment No. 700 proposed to H.R. 3036, a bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

SENATE CONCURRENT RESOLUTION 73—SUPPORTING A PEACEFUL RETURN TO DEMOCRATIC RULE IN CHILE

Mr. KENNEDY submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 73

Whereas September 11, 1985, marked the twelfth anniversary of authoritarian rule in Chile:

Whereas General Pinochet has been unwilling to take concrete steps to prepare for a transition to democracy and has rejected civilian proposals on the grounds that the democratic opposition in Chile is not unified on a reasonable timetable for a transition;

Whereas on August 25, 1985. Cardinal Juan Francisco Fresno brought together 11 parties spanning the political spectrum to sign a National Accord for the Transition to Full Democracy in Chile;

Whereas the signatories to the Accord repudiate violence as a method of political action; and

Whereas these parties together with labor unions, professional organizations, and other groups who support the Accord, reflect the overwhelming support of the Chilean people for an early and peaceful return to civilian democratic rule: Now, therefore, be it

Resolved by the Senate (House of Representatives concurring), That the Congress supports the efforts of democratic forces in Chile to achieve a peaceful return to democratic government, and expresses its view that the National Accord for the Transition to Full Democracy in Chile is an important first step toward that goal. Furthermore, the Congress encourages the Government of Chile and the signatories of the Accord to engage in direct dialog as an important second step toward a return to democratic rule.

● Mr. KENNEDY. Mr. President, I rise to submit a concurrent resolution expressing the support of the Senate for an extraordinary document produced by almost every single political party in Chile, the national accord for the transition to full democracy.

Just this morning the House of Representatives passed an identical resolution and I believe it is imperative that the Senate act in a prompt and bipartisan fashion on this concurrent resolution. There are currently two other resolutions pending in the Foreign Relations Committee also commending this Chilean document—one introduced by Senator DODD and one introduced by Senators DURENBERGER and LUGAR. The basic intent and substance of each of the three resolutions are essentially identical. One contains slightly stronger language than the House version, one contains slightly milder language than the House version.

It appears that we all recognize the importance of this national accord. It appears that we all want to support and encourage those who drafted it and it appears that we all agree that General Pinochet has no choice but to enter into a meaningful dialog with the authors of the document. The House version is a realistic and responsible compromise between the two resolutions currently in the Senate Foreign Relations Committee and rather than haggle over the minor differences in the language, I encourage my colleagues to adopt as soon as possible the resolution I am introducing today.

The national accord was signed last August by 11 political parties in Chile. Only the Communist Party did not join in the effort. In a rare instance of compromise and unity, these 11 parties joined together to produce a realistic proposal calling for the restoration of democracy in Chile. It includes the extraordinary concession of allowing the continuation of the Pinochet regime until 1989. It calls for the restoration of those political and civil rights—including a general election—that the people of Chile desire and deserve. The Chilean people are heirs to one of the longest and strongest traditions of democracy and after 12 long years of military rule, it is high time that democracy was restored to Chile. And it is high time that the Senate send a clear and strong support to the people of Chile that we support and encourage a prompt return to a democratic Chile.

Last June, General Pinochet lifted his 7-month state of seige—but he kept his emergency powers and most of his repressive policies against the Chilean population. He allowed the resumption of the publication of six opposition newspapers but maintained his strict censorship of those publications. He gave up his power to banish people to remote areas of Chile for indefinite periods of time, yet still has the power to banish anyone for up to 3 months. In my view that is no great reform and no great step toward restoring the basic rights of Chile's citizens.

Pinochet still has the power to arrest Chilean citizens and hold them up to 3 weeks incommunicado, without charges and in secret locations. And Pinochet still has refused to negotiate with those leaders who represent the overwhelming majority of the Chilean people on a return of democracy to Chile.

We in the United States have a moral obligation to do everything in our power to pressure Pincohet to relinquish his strong hold on power and allow the people of Chile to freely chose their own system of government and their own leaders.

Just this past summer, the United States reversed its policy of abstaining on its votes in multilateral institutions on loans to Chile—a policy the administration had adopted to protest the state of siege in Chile. While in theory, the state of siege has been lifted, but, as I have just outlined, in practice the most basic civil rights continue to be denied the Chilean population. U.S. law currently requires our Government to instruct our representatives at these international institutions to oppose loans to governments guilty of gross human rights violations. The Pinochet regime is by any reasonable definitions a gross violator of human rights. Americans must show our support for the people of Chile by opposing all loans to Chile until the government enters into a meaningful dialog with the signatories of the national accord on returning Chile promptly to democracy.

I urge a speedy consideration of my concurrent resolution and ask my colleagues to join me in supporting my resolution and this national accord which provides a great hope for the people of Chile.●

SENATE CONCURRENT RESOLUTION 74—EXPRESSING THE SENSE OF THE CONGRESS WITH RESPECT TO A UNITED STATES—SOVIET RECIPROCAL TELEVISION AGREEMENT

Mr. SIMON (for himself, Mr. HATFIELD, and Mr. GRASSLEY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations.

S. CON. RES. 74

Whereas both the United States and the Soviet Union, as signatories of the United Nations Declaration of Human Rights and the Helsinki Accords, are pledged to allow information to flow freely across their national boundaries;

Whereas allowing information to flow freely across their national boundaries is in the best interest of the people of the United States and the Soviet Union, and is a necessary response to the times;

Whereas increased communication between the United States and the Soviet Union reduces the risk that misunderstandings will cause conflict; and

Whereas the Director of the United States Information Agency, Charles Z. Wick, has extended to the Chief of the International Information Department of the Soviet Union, Mr. Leonid M. Zamyatin, an invitation to participate in reciprocal exchanges using the medium of television; Now, therefore, be it

Resolved by the Senate (the House of Representative concurring), That the Congress, recognizing the significant potential for improving communications, enhancing mutual understanding, and aiding the free flow of information through the medium of television, supports the intiative of the Director of the United States Information Agency to—

(1) arrange for a high level official of the Soviet Union to appear on American television if the Soviet Union reciprocates by arranging for a high level official of the United States to appear for an equal time on Soviet television; and

(2) plan for participation by the United States and the Soviet Union in a worldwide discussion using the WORLDNET international satellite television transmission network, and giving journalists an opportunity to ask uncensored questions of such officials.

● Mr. SIMON. Mr. President, I am pleased to introduce Senate Concurrent Resolution 74 with Senator HATFIELD and Senator GRASSLEY today, expressing the support of the Congress for an initiative to involve the United States and the Soviet Union in a constructive dialog via television to further mutual understanding and improve the access of our political leadership to the ordinary Soviet citizen. This initiative could help build the foundations for a better United States-Soviet relationship, and improve the chances of success across the broad range of bilateral negotiations now underway.

The resolution supports the Director of the United States Information Agency [USIA], Mr. Charles Wick, in his efforts to arrange for a high American official and a high Soviet official to appear for equal time on WORLDNET, the international satellite television transmission network, to answer open-ended questions by a team of journalists. To his credit, Mr. Wick saw the great opportunity to narrow the scope of misunderstanding and mistrust and proposed such an exchange to Moscow this past January. In April, a number of us applauded this proposal and sent a letter to Mr. Wick encouraging him in his efforts.

To date, Mr. Wick has not received a reply from Mr. Leonid Zamyatin, the Chief of the International Information Department of the Central Committee. I was recently in the Soviet Union, as were a number of our colleagues since Mr. Gorbachev's accession as General Secretary, and I know that I was not alone in urging that ad-

ditional avenues of communication be opened as soon as possible between our two countries. What has become known as Mr. Wick's Zamyatin initiative is now receiving careful Soviet attention. It is my concern that we do everything we can in the Senate to foster a positive response.

We all know that the Soviet Union is largely a closed society, that information is tightly controlled, and that access to top Soviet officials is difficult. The Soviet leadership is not used to facing a barrage of independent journalistic inquiry, and a decision on their part to proceed will not come easily. Yet the stakes are so great, the prospects for our collective future so uncertain, that with enought persistence and patience on our part, the Soviet leadership, I hope, will realize that it is in their best long-term interest to talk with all of us in the West. Candor is called for, and Mr. Wick's initiative calls on both United States and Soviet officials to speak and be heard. We in the Senate need to speak forcefully on the importance of being understood within the international community. I urge that you join with Senators HATFIELD, GRASSLEY and me in supporting the Zamyatin initiative.●

SENATE RESOLUTION 234—AUTHORIZING THE PRINTING OF THE REPORT OF THE SENATE DELEGATION TO HUNGARY AND THE SOVIET UNION

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 234

Resolved, by the Senate of the United States of America, that there shall be printed for the use of the Senate an additional one thousand copies of "The Superpowers at a Crossroads: Soviet-American Relations in the Autumn of 1985—Report by a Senate Delegation to Hungary and the Soviet Union led by Senators ROBERT C. BYRD and STROM THURMOND, August 27-September 6, 1985" for distribution to the Members of the Senate as an official Senate document.

AMENDMENTS SUBMITTED

TREASURY, POST OFFICE, AND INDEPENDENT AGENCIES APPROPRIATION ACT, 1986

LAXALT AMENDMENT NO. 702

Mr. LAXALT proposed an amendment to the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes; as follows:

TITLE IV, PAGE 32, BEGINNING LINE 1, INSERT:

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

For the year ending September 30, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $15,000,000 is appropriated, to remain available until expended, for a grant to construct Phase II of the Mines Building at the Mackay School of Mines, University of Nevada Reno, relocate the Generic Center on the Recycling of Strategic Metals and establish the Policy Center on Strategic Materials, including such equipment as the school deems necessary to the conduct of its activities.

TRIBLE (AND OTHERS) AMENDMENT NO. 703

Mr. TRIBLE (for himself, Mr. ABDNOR, and Mr. DECONCINI) proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 58, between lines 2 and 3, insert the following:

SEC. 615. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees applies to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such services, such officer or agency may allot space in such a building to such individual or entity if—

(1) such space is available; and

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 95 percent are Federal employees.

(b)(1) If an officer or agency allots space to an individual or entity under subsection (a), such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) or services provided in connection with such space, nothing in title 31, United States Code, or any other provision of law, shall be construed to prohibit or restrict payment by reimbursement to the miscellaneous receipts or other appropriate account of the Treasury.

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone service), and other expenses associated with security systems).

WARNER AMENDMENT NO. 704

Mr. ABDNOR (for Mr. WARNER) proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 58, after line 2, insert the following new section:

SEC. . (a) Section 5723 of title 5, United States Code, is amended—

(1) by redesignating the second subparagraph (B) in subsection (a)(1) as subparagraph (C); and

(2) by adding at the end thereof the following new subsection (f):

"(f) Under regulations prescribed pursuant to the authority contained in subsection (a) of this section, any appointee who is referred to in paragraph (1)(B) or (1)(C) of such subsection and receives travel and transportation expenses under this section may be allowed relocation expenses to the same extent and under the same conditions and limitations as are prescribed for a transferred employee in sections 5724a, 5724b, and 5724c of this title.".

(b) Paragraph (4) of section 5724a(a) of title 5, United States Code, is amended by adding at the end thereof the following new subparagraph (C):

"(C) Reimbursement under this paragraph may also be allowed for (i) the expenses of the sale of the residence at the old official station located within the areas listed in subparagraph (A) incident to an employee's transfer to a post of duty located outside those areas to serve an agreed upon tour of duty and the employee's travel and transportation expenses are allowed pursuant to 5724(d) of this title, and (ii) the expenses of the purchase of a residence at a new official station located within the areas listed in subparagraph (A) when the employee is transferred in the interest of the Government to such official station from a post of duty located outside those areas and residence sale expenses are allowable under clause (i) of this subparagraph. Agencies may pay expenses under clause (i) or (ii) of this subparagraph only after the employee agrees in writing to remain in Government service for 12 months after each of the transfers described in clauses (i) and (ii) unless separated for reasons beyond his control which are acceptable to the agency concerned. If the employee violates the agreement for either transfer, the money spent by the United States for the expenses incident to that transfer is recoverable from the employee as a debt due the United States. The benefits authorized under this subparagraph shall in no case duplicate benefits or allowances authorized under other statutory provisions for the same basic purposes.".

HELMS AMENDMENT NO. 705

Mr. HELMS proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 14, after line 10, insert the following new section:

SEC. . No funds appropriated under this Act shall be used to grant, maintain, or allow tax exemptions to any cult, organization, or other group that has as a purpose, or that has any interest in, the promoting of satanism or witchcraft: *Provided*, That for purposes of this section, "satanism" is defined as the worship of Satan or the powers of evil and "witchcraft" is defined as the use of powers derived from evil spirits, the use of sorcery, or the use of supernatural powers with malicious intent.

DOMENICI (AND OTHERS) AMENDMENT NO. 706

Mr. DOMENICI (for himself, Mr. CHILES, Mr. BOSCHWITZ, Mr. EVANS, Mr. MATTINGLY, Mr. NICKLES, Mr. EXON, Mr. GRAMM, Mr. HATCH, Mr. SYMMS, Mr. JOHNSTON, Mr. PROXMIRE, Mr. ZORINSKY, Mr. BINGAMAN, and Mr. ARMSTRONG) proposed an amendment to the bill H.R. 3036, supra; as follows:

At the end of the bill, add the following new section:

"SEC. 618. Each dollar amount contained in this Act as reported by the Senate Committee on Appropriations which is provided for non-defense discretionary programs and activities is hereby reduced 2.0 per centum."

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND RELATED AGENCIES APPROPRIATION ACT, 1986

GORTON (AND OTHERS) AMENDMENT NO. 707

(Ordered to lie on the table.)

Mr. GORTON (for himself, Mr. EVANS, Mr. CHILES, Mrs. HAWKINS, Mr. NUNN, and Mr. MATTINGLY) submitted an amendment intended to be proposed by them to the bill (H.R. 3038) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes; as follows:

At page 17, line 9, insert a "." after "1987" and strike all following "1987." through and including page 17, line 23.

TREASURY, POST OFFICE, AND INDEPENDENT AGENCIES APPROPRIATION ACT, 1986

DODD AMENDMENT NO. 708

Mr. DODD proposed an amendment to the bill H.R. 3036, supra; as follows:

On page 5, line 17 before the period insert the following:

: *Provided further,* That none of the funds made available by this Act or any other Act shall be used to promulgate or enforce any final rulemaking or other action concerning the labeling of low or reduced alcohol distilled spirits until such time as the appropriate committees of the Congress have been provided with a thorough study of the consequence of such potential labeling changes. Such study shall be undertaken under the direction of the Bureau of Alcohol, Tobacco and Firearms.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION

STAFFORD AMENDMENT NO. 709

Mr. DOLE (for Mr. STAFFORD) proposed an amendment to the bill (S. 801) to authorize appropriations for the National Science Foundation for fiscal year 1986; as follows:

On page 41, after line 23, insert the following:

PART F—MAGNET SCHOOLS ASSISTANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 261. Section 701 of the Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, and 1988".

STATEMENT OF PURPOSE

SEC. 262. Section 703 of the Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 703. It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

"(22) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.".

USES OF FUNDS

SEC. 263. Section 706 of the Act is amended to read as follows:

"USES OF FUNDS

"SEC. 706. Grants made under this title may be used by eligible local educational agencies for—

"(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

"(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

"(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of programs in magnet schools;

where with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.".

MODIFICATION OF PROHIBITION

SEC. 264. Section 709 of the Act is amended to read as follows:

"PROHIBITIONS

"SEC. 709. Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.".

TITLE III—LIBRARY SERVICES PROGRAM

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

SEC. 301. (a) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) (hereafter in this title referred to as the "Act") is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(b) Section 3(15) of the Act is amended—

(1) by inserting "by the Secretary of the Interior" after "recognized"; and

(2) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM

SEC. 302. (a)(1) The first sentence of section 5(d)(2) of the Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof "sections 402(b), 403,".

(2) The second sentence of section 5(d)(2) of the Act is amended by striking out "(8)" and inserting in lieu thereof "(9)".

(3) Section 5(d)(2) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall issue criteria for the approval of applications and plans but the criteria may not include an allotment formula and may not contain a matching of funds requirement.".

(b) Section 6(b)(4) of the Act (20 U.S.C. 351(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION

SEC. 303. (a) The references in section 8 of the Act (20 U.S.C. 351f) to "such titles" mean, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(b) The matter preceding clause (1) of section 102(b)(1) of the Act (20 U.S.C. 353(b)(1)) is amended by striking out "this title'" and inserting in lieu thereof "this Act".

MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS

SEC. 304. Section 102(c)(1) of the Act 920 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" and "section 4(a)".

SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS

SEC. 305. Title IV of the Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska.".

TITLE IV—MINORITY INSTITUTIONS; MIGRATORY CHILDREN PROGRAM

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM

Sec. 401. The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B; and

(2) by inserting after such section the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

MIGRATORY CHILDREN RECORDS SYSTEM

SEC. 402. Section 143(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "grants to, or enter into contracts with," and inserting in lieu thereof "enter into contracts with"; and

(2) by adding at the end thereof the following: "For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary

in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.".

TITLE V—HARRY S TRUMAN MEMORIAL SCHOLARSHIP PROGRAM

PROGRAM AMENDMENTS

SEC. 501. (a) Section 8 of the Harry S. Truman Memorial Scholarship Act (20 U.S.C. 2007) is amended—

(1) by inserting "and" before "room", and

(2) by striking out ", or $5,000 whichever is less".

(b) Section 13(a)(3) of the Harry S. Truman Memorial Scholarship Act is amended by inserting before the semicolon at the end thereof a comma and the following: "and the amount of stipends payable under this Act".

TITLE VI—EDUCATION OF THE HANDICAPPED ACT

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

SEC. 601. (a) Section 611(c)(2)(A)(i)(II) of the Education of the Handicapped Act (20 U.S.C. 1411(c)(2)(A)(i)(II)) is amended by striking out "300,000" and inserting in lieu thereof "400,000".

(b) Section 611(c)(1)(B) of such Act is amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

EFFECTIVE DATE

SEC. 602. The amendment made by section 601(a) shall take effect on July 1, 1985.

TITLE VII—CARL D. PERKINS VOCATIONAL EDUCATION ACT TECHNICAL AMENDMENTS

TERRITORIAL HOLDHARMLESS

SEC. 701. Section 101(a)(3)(D) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2311(a)(3)(D)) (hereafter in this title referred to as the "Act") is repealed.

STATE ALLOCATION

SEC. 702. Section 102 of the Act is amended to read as follows:

"WITHIN STATE ALLOCATION

"SEC. 102. (a)(1) Each State shall reserve from its allotment of funds appropriated under section 3(a) for each fiscal year an amount that does not exceed 7 percent of the allotment for State administration of the State plan. If the cost of carrying out the provisions of section 111(b) exceeds 1 percent of a State's allotment of funds appropriated under section 3(a), the State may reserve that excess amount from that allotment in addition to the 7 percent authorized by the preceding sentence.

"(2) The amount reserved under paragraph (1) shall be considered as part of that portion of the State's allotment that is retained for State activities and is not distributed under section 113(b)(4).

"(b) From the remainder of its allotment of funds appropriated under section 3(a), each State shall reserve for each fiscal year—

"(1) 57 percent for activities described in part A of title II; and

"(2) 43 percent for activities described in part B of title II.".

STATE COUNCIL ON VOCATIONAL EDUCATION

SEC. 703. (a) Section 12(b) of the Act is amended to read as follows:

"(b) The State shall certify to the Secretary the establishment and membership of the State council by the beginning of each State plan period described in section 113(a)(1).".

(b) Section 112(d) of the Act is amended by striking out "(d)" and all that follows through clause (1) and inserting in lieu thereof the following:

"(d) During each State plan period described in section 113(a)(1), each State council shall—

"(1) meet with the State board or its representatives to advise on the development of the subsequent State plan;".

(c)(1) Section 112(f)(1)(A) of the Act is amended by striking out "From" and inserting in lieu thereof "Except as provided in subparagraph (B), from".

(2) Section 112(f)(1)(B) of the Act is amended to read as follows:

"(B) From the amounts appropriated pursuant to section 3(c), for each fiscal year, the Secretary shall make grants of $50,000 to the State councils of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

STATE PLANS

SEC. 704. Section 113(b)(9)(C) of the Act is amended by striking out "not less than" and all that follows through "year" and inserting in lieu thereof "the projects, services, and activities supported under this Act of not less than 20 percent of the participating eligible recipients within the State in each fiscal year".

WITHIN STATE ALLOCATION

SEC. 705. Section 203(a)(3) of the Act is amended to read as follows:

"(3) The State board shall ensure that each eligible recipient that receives funds under paragraph (2) uses those funds to provide vocational education services and activities for individuals with limited English proficiency at least in proportion to the number of such individuals enrolled by that eligible recipient in the fiscal year preceding the fiscal year in which the determination is made as compared to the total number of disadvantaged individuals, including individuals with limited English proficiency, so enrolled in that fiscal year.".

CONSUMER AND HOMEMAKING EDUCATION

SEC. 706. (a) The heading of part B of title III of the Act is amended to read as follows:

"PART B—CONSUMER AND HOMEMAKING EDUCATION".

(b)(1) The first sentence of section 311 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking".

(2) The heading of section 311 of the Act is amended to read as follows:

"CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(c)(1) Subsection (b) of section 312 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking" both places it appears.

(2) The heading of section 312 of the Act is amended to read as follows:

"USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(d) The table of contents of the Act is amended by striking out the items relating to part B of title III and sections 311 and 312 and by inserting in lieu thereof the following:

"PART B—CONSUMER AND HOMEMAKING EDUCATION

"Sec. 311. Consumer and homemaking education grants.

"Sec. 312. Use of funds from consumer and homemaking education grants.".

CONSUMER AND HOMEMAKING EDUCATION STATE LEADERSHIP

SEC. 707. Section 313(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

CAREER GUIDANCE AND COUNSELING STATE LEADERSHIP

SEC. 708. Section 333(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

AUTHORIZATION OF GRANTS

SEC. 709. Section 342(c) of the Act is amended by striking out "subsection (b)(2)" both places it appears and inserting in lieu thereof "subsection (b)(3)".

MODEL CENTERS FOR VOCATIONAL EDUCATION FOR OLDER INDIVIDUALS

SEC. 710. Section 417(b) of the Act is amended by inserting "shall" immediately after "subpart".

FEDERAL SHARE

SEC. 711. (a) Section 502(a) of the Act is amended in the introductory clause by striking out "shall be" and inserting in lieu thereof "shall not exceed".

(b)(1) Section 502(a)(2) of the Act is amended by striking out "not to exceed".

(2) Section 502(b) of the Act is amended by adding at the end thereof the following new sentence: "The non-Federal contributions from local resources may be in cash or in kind, fairly valued, including facilities, overhead, personnel, equipment, and services, if the eligible recipient determines that it cannot otherwise provide such contribution.".

TRANSITION

SEC. 712. The matter preceding clause (1) of section 3(a) of Public Law 98-524 (98 Stat. 2487) is amended to read as follows: "Until July 1, 1986, a State or eligible recipient may use funds received under the Vocational Education Act of 1963 or the Carl D. Perkins Vocational Education Act to—".

TECHNICAL AMENDMENTS

SEC. 713 (a)(1) Section 113(b)(10) of the Act (20 U.S.C. 2323(b)(10)) is amended by inserting "of 1981" after "Education Consolidation and Improvement Act".

(2) Section 113(b)(11) of the Act is amended by inserting "provide assurances" before "that".

(3) Section 504(d)(1) of the Act is amended by striking out "section 434(c)" and inserting in lieu thereof "section 453".

(4) Section 521(15) of the Act is amended by inserting "or language" immediately after "speech".

(b)(1) Section 4(a)(1)(A) of Public Law 98-524 is amended by striking out "section 4(15)" and inserting in lieu thereof "section 521(19)".

(2) Section 4(a)(6)(D) of Public Law 98-524 is repealed.

EFFECTIVE DATE

SEC. 714. (a) Except as provided in subsection (b), the provisions of this title shall take effect July 1, 1985.

(b) Section 702 of this Act shall take effect July 1, 1986.

TITLE VIII—HIGHER EDUCATION PROGRAMS

NATIONAL DIRECT STUDENT LOAN APPORTIONMENT

SEC. 801. (a) Section 12 of the "Student Financial Assistance Technical Amendments Act of 1982" is amended—

(1) by inserting "(a)" after the section designation; and

(2) by inserting at the end thereof the following new subsection:

"(b) Notwithstanding subsections (a) and (b) of section 462 of the Higher Education Act of 1965, if in the fiscal year 1986 the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 are less than the sums appropriated pursuant to such section for the fiscal year 1980, the Secretary shall apportion the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 for such fiscal year among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in fiscal year 1980 bears to the total amount appropriated pursuant to section 461(b)(1) for the fiscal year 1980.".

(b) The amendments made by this section shall take effect October 1, 1985.

NATIONAL GRADUATE FELLOWS PROGRAM

SEC. 802. The last sentence of section 931(a) of the Higher Education Act of 1965 is amended to read as follows: "In the fiscal year beginning October 1, 1985, and each succeeding fiscal year, all funds appropriated in each fiscal year shall be awarded to students by March 1 of the fiscal year for which the funds were appropriated. All funds appropriated in a fiscal year shall be obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.".

GORTON (AND DANFORTH) AMENDMENT NO. 710

Mr. DOLE (for Mr. GORTON, for himself, and Mr. DANFORTH) proposed an amendment to the bill S. 801, supra; as follows:

On page 15, line 14, strike "$1,500,780,000" and insert in lieu thereof "$1,517,156,000".

On page 15, line 19, strike "$406,820,000" and insert in lieu thereof "$408,820,000".

On page 15, line 20, strike "$160,640,000" and insert in lieu thereof "$169,796,000".

On page 15, line 22, strike "$261,010,000" and insert in lieu thereof "$262,010,000".

On page 15, line 24, strike "$357,670,000" and insert in lieu thereof "$359,670,000".

On page 16, line 1, strike "$44,010,000" and insert in lieu thereof "$46,230,000".

On page 18, line 10, strike "record." and insert in lieu thereof "record'.".

On page 18, line 20, strike "Chairman" and insert in lieu thereof "Chairmen".

On page 18, strike line 21 and insert in lieu thereof "tees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the".

On page 19, insert the following immediately after line 11:

(e) Section 11 of the National Science Foundation Act of 1950 is amended—

(1) by striking out "and" at the end of paragraph (i);

(2) by striking out the period at the end of paragraph (j) and inserting in lieu thereof "; and"; and

(e) by adding at the end thereof the following:

"(k) to indemnify grantees, contractors, and subcontractors associated with the Ocean Drilling Program under the provisions of section 2354 of title 10, United States Code, with all approvals and certifications required by such indemnification made by the Director.".

On page 19, line 12, strike "(e)" and insert in lieu thereof "(f)".

On page 20, line 15, strike " 'a grant" and insert in lieu thereof " 'and a grant".

INTELLIGENCE AUTHORIZATION ACT

DURENBERGER (AND LEAHY) AMENDMENT NO. 711

Mr. DURENBERGER (for himself and Mr. LEAHY) proposed an amendment to the bill (S. 1271) to authorize appropriations for fiscal year 1986 for intelligence activities of the U.S. Government, the intelligence community staff, the Central Intelligence Agency retirement and disability system, and for other purposes; as follows:

Beginning on page 10, line 12, strike out all through page 12, line 16.

JAPANESE TRADE PRACTICES

HOLLINGS AMENDMENT NO. 712

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill (S. 1404) to require the President to respond to unfair trade practices of Japan; as follows:

At the appropriate place insert the following:

TITLE I

SECTION 101. SHORT TITLE.

This Title may be cited as the "Textile and Apparel Trade Enforcement Act of 1985".

SEC. 102. POLICY.

The policy of this Title is (1) to prevent further disruptions of the United States textiles and textile product markets, damage to United States textile and apparel manufacturers, and loss of jobs by United States workers by providing for orderly and nondisruptive growth of imports of textiles and textile products; and

(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective enforcement of import levels of textiles and textile products contemplated by the Multi-Fiber Arrangement.

SEC. 103. FINDINGS.

The Congress finds that—

(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations;

(2) the Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was most recently extended in December, 1981, through July 1986, contemplates a 6 per centum annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from significant exporting countries;

(3) since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 per centum, far in excess of the 1 per centum growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 per centum that prevailed during the period 1974 through 1980;

(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

(5) import growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last six years, reaching a level of 50 per centum in 1984;

(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 per centum of domestic consumption;

(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

(8) imports of textiles and textile products into the United States are predominantly the product of significant export countries, with five large exporting countries now accounting for more than 50 per centum of all imports of textiles and textile products;

(9) the domination of import trade by producers in the significant exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourge mutually beneficial trade and investment, with the United States;

(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

(11) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 per centum over 1983, and accounted for 13 per centum of the Nation's overall merchandise trade deficit;

(12) the current level of imports of textiles and textile products, ten billion square yard equivalents in 1984, represents over

one million job opportunities lost to United States workers;

(13) imported textiles and textile products now account for 38 per centum (the equivalent of three million two hundred thousand bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1,000,000,000 loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that United States cotton producers, who are spending about $20,000,000 annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; the Multi-Fiber Arrangement recognizes that imports of certain products, such as wool products, in certain countries, including the United States, pose particular problems for certain industries, such as, the wool products industries in those countries and import growth rates of 1 per centum or less have been permitted in such cases;

(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last ten years at the average annual rate of 4.2 per centum and in the apparel sector at the average annual rate of 3.4 per centum, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 per centum;

(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established, under this Act;

(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 per centum during the next several years;

(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United States market with reduced domestic competition for imported products;

(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 per centum annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 per centum in the case of wool products, or

(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual import growth rate of less than 6 per centum,

whichever is the lesser,

(B) to require the establishment of import levels for textiles and textile products supplied by exporting countries that reflect their 1984 import levels,

(C) to require the establishment of import levels for textiles and textile products supplied by small exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such shares consistent with the Multi-Fiber Arrangement, and

(D) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocal extending the Multi-Fiber Arrangement;

(21) the establishment of import levels, and limitation of future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and textile products will fulfull announced policy objectives of the United States regarding trade in textiles and apparel;

(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States;

(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United States textile and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

SEC. 104. DEFINITIONS.

For purposes of this Title—

(1) The term "textiles and textile products" includes, but is not limited to, all manmade fibers, tops, yarns, piece goods, made-up articles, apparel, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or manmade fiber, or blend thereof, that are classified under schedule 3, part 6 of schedule 6, parts 1, 4, 5 (except subpart E), 7 or 13 of schedule 7, part 1 of schedule 8, or part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202);

(2) The term "category" means, with respect to textiles and textile products imported from each country, each of the following—

(A) Each category of textiles and textile products identified by a three-digit textile category number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated", dated January 1985 and, subsequently, in the first edition of such document that is revised to reflect the adoption by the United States of the Nomenclature Structure of the Harmonized System;

(B) With respect to each country with which the United States has (i) an agreement on the date of enactment of this Title limiting exports of textiles and textile products to the United States that includes specific limitations on subdivisions of a category described in subparagraph (A), or (ii) taken unilateral action to limit products entered under such a subdivision, each such subdivision;

(C) A category consisting of the man-made fiber articles classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States; and

(D) Each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

(i) yarn,

(ii) fabric,

(iii) apparel, and

(iv) other textile products;

(3) The term "import sensitive category" means—

(A) a category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication "U.S. Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel", equals or exceeds 40.0 for the preceding calendar year; and

(B) a category covering wool products;

(4) The term "country" means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship or political entity, whether affiliated with the United States or not, that is outside the Customs territory of the United States;

(5) The term "major exporting country" means a country from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in subparagraph 2(A) of this section that equalled or exceeded 10 per centum of all textiles and textile products under such categories and from Canada and the Member States of the European Economic Community during calendar year 1984;

(6) The term "exporting country" means a country (other than a major exporting country and a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under the categories referred to in subparagraph 2(A) of this section that equalled or exceeded 1.25 per

centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and Member States of the European Economic Community during calendar year 1984;

(7) The term "small exporting country" means a country other than a major exporting country and an exporting country;

(8) The term "country in the Caribbean region" means the United Mexican States and a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

(9) The term "wool product" means an article containing over 17 per centum by weight of wool;

(10) The term "cotton, wool and man-made fiber sweaters" means articles classified under categories 345, 445, 446, 645 or 646 as defined in the Department of Commerce publication "Correlation Textile and Apparel Categories with Tariff Schedules of the United States Annotated," dated January 1985;

(11) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

(12) The term "imported" means entered; and

(13) The term "Multi-Fiber Arrangement" means the Arrangement Regarding International Trade in Textiles, as extended by the Protocol done at Geneva, December 22, 1981.

SEC. 105. LIMITS ON TEXTILE AND APPAREL IMPORTS.

(a) CALENDAR YEAR 1985.—Notwithstanding any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

(1) in the case of textiles and textile products that are a product of a major exporting country, other than textile luggage and textile flat goods subject (as of the date of enactment of this Title) to a specific limitation under an agreement with a major exporting country, the lesser of an amount equal to 101 per centum (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by 6 per centum annually, or 1 per centum annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983 and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than 6 per centum, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

(2) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this Title) to specific limitation under an agreement with a major exporting country, the specific limitation quantity in effect as of the date of enactment of this Title;

(3) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of (A) such products from such country classified under such category that entered during calendar year 1984, or (B) in the case of textile luggage and textile flat goods subject (as of the date of enactment of this Title) to specific limitation under an agreement with an exporting country, of the specific limitation quantity in effect as of the date of enactment of this Title;

(4) in the case of textiles and textile products that are a product of a small exporting country, other than cotton, wool and man-made fiber sweaters described in paragraph (5) of this subsection, an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) 15 percentum of such quantity, in the case of a category that is not an import sensitive category, or (B) 1 per centum of such quantity, in the case of a category that is an import sensitive category; and

(5) in the case of cotton, wool and man-made fiber sweaters that are—

(A)(i) the product of Guam, or (ii) the product of substantial assembly operations in Guam from otherwise completed knit-to-shape component parts, an aggregate amount equal to 160,000 dozen; and

(B)(i) the product of the Commonwealth of the Northern Mariana Islands, or (ii) the product of substantial assembly operations in such Commonwealth from otherwise completed knit-to-shape component parts, an aggregate amount equal to 70,000 dozen.

If application of paragraph (1) would result in the aggregate quantity of textiles and textile products from a major exporting country classified under a category permitted entry during calendar year 1985 to be less than 70 per centum of the aggregate quantity of such products from such country classified under such category that was entered during calendar year 1984, then, notwithstanding paragraph (1), the aggregate quantity of such products from such country classified under such category that is entered during calendar year 1985 shall not exceed 70 per centum of the aggregate quantity of such products from such country classified under such category that was entered during calendar year 1984.

For purposes of this section, if during any calendar year after 1984 the United States imports from a small exporting country, other than a country in the Caribbean region, an aggregate quantity of textiles and textile products under the categories referred to in subparagraph 2(A) of section 104 of this Title that equals or exceeds 1.25 per centum of all textiles and textile products under such categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during such calendar year, then such country shall be considered to be an exporting country for all succeeding calendar years.

(b) GROWTH ADJUSTMENT.—For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

(1) in the case of such products that are a product of a major exporting country or of an exporting country, be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year; and

(2) in the case of such products that are a product of a small exporting country, be increased by an amount equal to—

(A) in the case of a category (other than an import sensitive category), 6 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year, and

(B) in the case of an import sensitive category, 1 per centum of the aggregate quantity that could be entered under that category during the preceding calendar year.

If the aggregate quantity that could be entered under a category for a calendar year after 1985 is reduced under section 110(b), then, in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 110(b) in previous calendar years.

(c) MINIMUM QUANTITIES.—If, under subsection (a) or (b), the aggregate quantity of textiles and textile products from a country that may be entered during a calendar year a category is—

(1) less than one million square yard equivalents, in the case of a category covering yarn, fabric, made-ups, and miscellaneous products, other than wool products;

(2) less than seven hundred thousand square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

(3) less than one hundred thousand square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be one million, seven hundred thousand, or one hundred thousand square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out this Title.

SEC. 106. IMPORT LICENSING.

In order to ensure the equitable and efficient administration of section 105 of this Title, the Secretary of Commerce shall, within six months after the date of enactment of this Title, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

SEC. 107. ANNUAL REPORT.

Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Title during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 105. All departments and agencies shall cooperate in preparation of this report as requested by the President.

SEC. 108. REVIEW.

The Secretary of Commerce shall commence ten years after the date of enactment of this Title a formal review of the oper-

ation of the Textile Import Control Program under the provisions of this Title. The Secreatary shall consult members and committees of Congress, representatives of the labor unions and industries affected by the program, and appropriate government agencies. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings as well as his recommendations for the future conduct of the program.

SEC. 109. DUTY FREE ENTRY OF CERTAIN SWEATERS FROM GUAM AND THE NORTHERN MARIANAS.

Subpart A of part 7, schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding at the end thereof the following new item:

385.97	Cotton, wool and man-made fiber sweaters that are entitled to enter under the quotas established under section 5(a)(5) of the Textile and Apparel Trade Enforcement Act of 1985 or the increased quotas under section 5(b) of such Act that adjust the quotas under such section 5(b)(5) and that do not contain foreign materials to the value of more than 50 percent of their total value as this standard is applied pursuant to Headnote 3(a).	Free

SEC. 110. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to the provisions of subsection (b), the provisions of this Title shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Title.

(b) CALENDAR YEARS 1985 AND 1986.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products that may be entered under section 105(a) or (c) of this Title from each country under each category during the period beginning on the date of enactment of this Title and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quant ity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this Title exceeds the quantity permitted entry for such country and such category during calendar year 1985 under section 105(a) or (c), then the limit that would otherwise apply under section 105(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 105(b) for such category for such country for calendar year 1986, then the limit for such category and country for calendar years after 1986 shall be reduced until such excess is accounted for.

TITLE II

SEC. 201. SHORT TITLE.

This Title may be cited as the "American Footwear Industry Recovery Act of 1985".

SEC. 202. FINDINGS AND PURPOSE.

(a) The Congress finds that—

(1) The domestic nonrubber footwear industry is important to the national economy, and footwear firms are vital to the economic health of small towns throughout the United States.

(2) The domestic nonrubber footwear industry is highly labor intensive, and low capital requirements for entry into footwear production make it a primary target for industrializing or newly industrialized countries. As a consequence, footwear is produced in virtually every footwear consuming country in the world.

(3) Tremendous competitive pressure has been created in the world footwear market in the last decade as a result of rapidly growing production and capacity in numerous developing and developed countries. This development has resulted in the widespread erection of tariff and nontariff barriers by foreign countries designed to protect their domestic footwear industries.

(4) The United States has historically resisted the protectionist trends of other producing nations and has instead maintained a market distinguished by its accessibility. As a result, the United States market has become a focal point for world trade in nonrubber footwear.

(5) The diversion of international trade to the United States market has resulted in serious injury to domestic producers as manifested by—

(A) the loss of 155,000 footwear jobs since 1968,

(B) a decline in domestic production and production capacity, and

(C) the permanent closure of over 500 plants during the same period.

(6) The serious injury to domestic producers poses a significant danger to the industry's supplier base as well.

(7) The domestic nonrubber footwear producers have made a significant commitment to the future of the industry through substantial capital investment.

(8) Since the termination of temporary import relief in 1981, capital investment in the domestic nonrubber footwear industry has declined as the industry struggled to battle the massive surge in imports which increased the percentage share of imported footwear in the United States market from, 51 percent in 1981 to 77 percent in 1985.

(9) Without the restriction of import levels, capital investment in this domestic industry will continue to decrease.

(10) The domestic nonrubber footwear industry has thrice been judged by the International Trade Commission, as recently as May 1985, to be seriously injured by imports.

(11) Since the termination of the two, four-year orderly marketing agreements in 1981, the harm to the domestic industry is even more critical than the serious injury which triggered the Commission's unanimous findings in 1976 and 1977.

(12) The domestic nonrubber footwear industry has not been afforded adequate and appropriate relief from imports; therefore, the Congress concludes that—

(A) the administrative process under sections 201, 202, and 203 of the Trade Act of 1974 has proven inadequate; and

(B) in the absence of an effective remedy under such process, legislative relief is essential.

(b)(1) It is the purpose of Congress in enacting this section to—

(A) promote and expand the economic health of the United States nonrubber footwear industry,

(B) preserve the jobs of American workers, and

(C) prevent the further decline of this important domestic industry.

(2) It is declared to be the policy of Congress that access to the United States market for foreign-produced nonrubber footwear should be on an equitable basis to ensure orderly trade in nonrubber footwear, reduce unfair trade in nonrubber footwear, and address United States balance-of-payments problems, of which footwear is the seventh largest component. In order to accomplish these objectives, it is deemed necessary and appropriate to limit imports of nonrubber footwear into the United States market.

SEC. 203. DEFINITIONS.

For purposes of this Title—

(1) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

(2) The term "Secretary" means Secretary of Commerce.

(3) The term "nonrubber footwear" means the following categories of nonrubber footwear products, identified by reference to the following item numbers of the Tariff Schedules of the United States (as in effect on January 1, 1985): 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95.

(4) The term "apparent domestic consumption" means, with respect to any 1-year period, the sum of imports plus domestic production less exports.

SEC. 204. QUANTITATIVE LIMITATION ON NONRUBBER FOOTWEAR.

(a)(1) During the 8-year period beginning on the date of enactment of this Title, the aggregate number of pairs of nonrubber footwear which may be entered during any 1-year period shall not exceed 60 percent of the estimated apparent domestic consumption of nonrubber footwear for such period.

(2) The quantitative limitation imposed by paragraph (1) for any 1-year period shall be distributed among the following categories of nonrubber footwear so that the aggregate number of pairs of nonrubber footwear in such category which may be entered during any 1-year period shall not exceed the quantity equal to—

(A) in the case of nonrubber footwear with a customs value that does not exceed $1.25 per pair, 10 percent of apparent domestic consumption of nonrubber footwear for such period,

(B) in the case of nonrubber footwear with a customs value that exceeds $1.25 per pair but does not exceed $2.50 per pair, 5.4 percent of apparent domestic consumption of nonrubber footwear for such period, and

(C) in the case of nonrubber footwear with a customs value that exceeds $2.50 per pair, 44.6 percent of apparent domestic consumption of nonrubber footwear for such period.

(b) Within sixty days after the effective date of this Title, and on the first day of the fourth quarter of each 1 year period thereafter, the Secretary shall determine on the basis of the best information available, including his own or independent forecasts, the expected apparent domestic consumption of nonrubber footwear for, in the case of the initial determination, the remainder of the current 1 year period and in the case of the first day of the fourth quarter of each 1 year period thereafter, the next succeeding 1 year period. On each such date, the Secretary shall determine and publish in the Federal Register the allocation for the next succeeding 1 year period of permissible imports of nonrubber footwear as required by this section.

(c) On the first days of the first, second, and third quarters of each 1 year period, the Secretary shall revise the determinations of expected apparent domestic consumption made under subsection (b) for the current 1 year period on the basis of the best information then available and shall make such adjustments in the quantity of nonrubber footwear permitted to be imported under

this section as indicated by the revision. All revisions and adjustments made under this subsection shall be published in the Federal Register.

(d) If the revised determination of expected apparent domestic consumption published in the Federal Register under subsection (c) on the first day of the third quarter in any 1 year period for nonrubber footwear varies from the actual apparent domestic consumption of nonrubber footwear for such 1 year period, the Secretary shall publish in the Federal Register on the first day of the second quarter of such succeeding 1 year period a revision to the determination of expected apparent domestic consumption for such 1 year period made under subsection (c) of this section. The revision shall be in the amount of such variance and shall be in addition to any other revision that would be made on any such first day of the second quarter under subsection (c) of this section.

(e)(1) The Secretary and the Secretary of the Treasury shall take such actions within their respective jurisdictions as may be necessary or appropriate to enforce the provisions of this section, including without limitation, the issuance of orders to customs officers to bar entry to merchandise if the entry of such merchandise would cause the limitations established under this section to be exceeded.

(2)(A) The Secretary and the Secretary of the Treasury are each authorized to issue such implementing regulations, including the issuance of import licenses, as may be necessary or appropriate to effect the purposes of this section and to enforce the provisions of this section.

(B) Before prescribing any regulations under subparagraph (A), the Secretary or the Secretary of the Treasury, as the case may be, shall—

(i) consult with interested domestic parties,

(ii) afford an opportunity for such parties to comment on the proposed regulations, and

(iii) consider all such comments before prescribing final regulations.

SEC. 205. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), the imposition of the quantitative limitation under section 204 shall be treated as action taken under section 203 of the Trade Act of 1974 (19 U.S.C. 2253).

INTELLIGENCE AUTHORIZATION ACT

SIMPSON AMENDMENT NO. 713

Mr. DURENBERGER (for Mr. SIMPSON) proposed an amendment to the bill S. 1271, supra; as follows:

On page 8, beginning on line 12, strike out "fifteen" and all that follows through "Intelligence" on line 15 and insert in lieu thereof the following: "Ten. The Director of Central Intelligence shall notify the Select Committee on Intelligence and the Committee on the Judiciary of the Senate and the Permanent Select Committee on Intelligence and the Committee on the Judiciary".

BENTSEN (AND OTHERS) AMENDMENT NO 714

Mr. BENTSEN (for himself, Mr. DURENBERGER, Mr. LEAHY, Mr. COHEN, Mr. BOREN, Mr. ROTH, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. ZORINSKY, Mr. SPECTER, Mr. BRADLEY, Mr. LONG, and Mr. GRASSLEY) proposed an amendment to the bill S. 1271, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) There are authorized to be appropriated for fiscal year 1986, $59,539,000 for the Federal Bureau of Investigation to carry out the counterterrorism activities.

(b) Notwithstanding any other provision of law, the Federal Bureau of Investigation may purchase for fiscal year 1986, and additional 40 vehicles to be used in counterterrorist activities.

(c) Notwithstanding any other provision of law, the Attorney General may make payments in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the nomination of Mary L. Walker, of Maryland, to be an Assistant Secretary of Energy (Environment, Safety and Health), will be considered at the hearing previously scheduled before the Committee on Energy and Natural Resources on Thursday, October 3, 1985, 10 a.m., room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The other two nominations to be considered on that day are as follows: Anthony G. Sousa, of Hawaii, to be a member of the Federal Energy Regulatory Commission and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-358, Dirksen Senate Office Building, Washington, DC. 20510. For further information, please contact David Doane or Gerry Hardy at (202) 224-5305.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, October 2, 1985, at 2 p.m., in S-128, the Capitol, to deal with legislative and administrative business currently pending on its agenda.

The committee will be marking up the following three measures which concern Smithsonian Institution activities: S. 581, to authorize construction of facilities for the Whipple Observatory in Arizona and to authorize repair and replacement of facilities at the Tropical Research Institute in Panama; S. 582, to reauthorize the National Museum Act; and S. 583, to authorize appropriations for construction of additional facilities for the Cooper-Hewitt Museum in New York. Hearings were held by the committee on these bills on July 24, 1985.

On its administrative agenda the committee will be considering a proposed amendment to the Senate mass mail regulations which would provide for printing the pictures of missing children on certain Senate mail.

For further information regarding this business meeting, please contact Carole Blessington of the Rules Committee staff at 224-0278.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, September 26, 1985, in executive session, to hold a hearing to consider the budget reconciliation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, September 26, 1985, at 10 a.m. to conduct a business meeting to discuss pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND NUCLEAR PROLIFERATION AND GOVERNMENT PROCESS

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Nuclear Prolification and Government Process, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, September 26, 1985, in order to conduct a hearing on the Federal Debt Recovery Act, S. 209.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources of the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, September 26, 1985, to conduct a hearing on pending small watershed projects of the Soil Conservation Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be author-

ized to meet during the session of the Senate on Thursday, September 26, 1985, in closed session, to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, September 26, 1985, in order to conduct a hearing on the reauthorization of the Higher Education Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

LIBRARY SERVICES AND CONSTRUCTION ACT

● Mr. NICKLES. Mr. President, the enactment of several important technical amendments (H.R. 1997) to the Library Services and Construction Act [LSCA] has been delayed too long by threats of unrelated amendments. H.R. 1997 is vital for assuring that the provisions of LSCA are upheld and that the authorized funds are spent correctly.

As the act currently reads, many Indians in Oklahoma, California, and Alaska are not eligible to receive Library Services Program funds because they do not live on reservations. The original idea behind this provision was that urban—that is, nonreservation—Indians had access to already existing public libraries and thus did not need funds for facilities of their own. This is not the case in either California, Alaska, or my own State of Oklahoma where Indians do not live on reservations but live instead on their own private lands, many of which are some distance from publicly supported library and educational facilities.

The language in H.R. 1997 clarifies this misnomer, exempting these Indians from the clause which demands that they live on reservations in order to receive funds. If H.R. 1997 is not passed promptly, the 20 eligible tribes in Oklahoma risk losing all of the $160,000 set aside for them.

Mr. President, in light of this fact I urge passage of this bill.

CHALLENGING YOUTH

● Mr. SIMON. Mr. President, some weeks ago, Matthew Cossolotto, legislative aid to Congressman JIM WRIGHT of Texas, had an article published in the Christian Science Monitor talking about the possibility of imaginatively moving on public service for young people.

My own reading of the situation is that before this decade is out, we will be seriously talking about a draft because of simple demographic factors. The group that generally enlists in the Armed Forces is going to be down appreciably in numbers.

My own feeling is that if we have a draft it ought to be universal, ought to be for 1 year with special educational benefits for those who choose the military. Those who do not choose the military would have to serve 1 year in a mental hospital, a park district, the Peace Corps, or in some form of public service of their choice.

But, by adding educational benefits and perhaps even job voucher benefits, as Mr. Cossolotto suggests, there would be incentives to go into the military.

In any event, Mr. Cossolotto is thinking about the problem when too few are.

I ask that Mr. Cossolotto's article be inserted in the RECORD.

The article follows:

CHALLENGING YOUTH

(By Matthew Cossolotto)

Sen. Edward Kennedy of Massachusetts recently called for "new ideas" for helping to meet the needs of poor people. The possible presidential contender in 1988 urged "[T]hose of us who care about domestic progress" to do "more with less. . . . We cannot and should not depend on higher tax revenues" to "redeem" costly government programs.

Some weeks before the Kennedy speech, another potential Democratic presidential candidate in 1988, Sen. Gary Hart, made a forceful plea for a "New Patriotism" that would "challenge" America's young people to perform public service. The Colorado senator suggested that a system of mandatory national service would remind our youth of their "obligation" to serve the country.

It seems to me there ought to be a way to merge these two worthwhile proposals. What better—and inexpensive—way to meet social needs than to rely upon the energy and initiative of young Americans?

The idea of harnessing the will to serve is not new, having first been articulated by American philosopher William James around the turn of the century. James called for a system of national service, dubbing the rigors of performing useful conservation and human-service work the "moral equivalent of war." In the mid-1960s, the Johnson administration gave the concept of national service more than passing attention. More recently, legislation has been introduced in the Congress proposing varying forms of voluntary—or even mandatory—national service.

There are two major stumbling blocks in the way of any large-scale program of national youth service.

The first challenge is obviously that of cost. How much of a burden will national service be for taxpayers already straining to shoulder massive federal budget deficits and a bloated national debt?

The other problem is the general opposition of United States military manpower planners. The Pentagon has been cool to the idea of national service because it is viewed as a program that competes with the military for a limited pool of potential recruits. Demographic changes in American society show a gradual reduction in the 18- to 21-year-old age group. In 1980, for example, 4.2 million Americans turned 18. In 1985 that number had shrunk to 3.6 million.

We can design a national-service program that heeds the concerns of military recruiters, faces the reality of budget austerity, and yet succeeds in providing new opportunities and incentives for Americans to serve.

Here's one "new idea" that costs nothing. We should create a call-up order for a future draft that gives deferment priorities to those who have completed at least one year of public service.

Other incentives to stimulate volunteer service might include:

GI Bill education benefits for those who complete two years of military service.

"National service" educational loans for those who complete one year of civilian service. This loan program could replace in part some of the existing student grants and loans, college aid that is currently available regardless of one's service record.

Some type of job voucher system for those who volunteer for military or civilian service. Employment vouchers would give service veterans a leg up in the job market.

Whatever mix of incentives is finally decided upon, the key principle is to reduce government assistance for those who have not served and to increase certain federal benefits for those who do serve. Military service should carry with it decidedly higher benefits, commensurate with the markedly higher risks that attend military service.

Senators Kennedy and Hart deserve credit for raising the issues of "more-for-less" government and national service. If we combine the fundamental elements of these proposals. I believe we will be able to infuse young people with a new spirit of patriotism, while at the same time meeting basic social and military needs through voluntary service. Surely making an attempt in this direction is worth a try.●

FISH—HEALTH BENEFITS

● Mr. GORTON. Mr. President, I want to share with my colleagues an article that recently appeared in the Marine Fisheries Review. It was written by Maurice E. Stansby, who is a recognized authority in fish oil research as well as a scientific consultant with the Northwest and Alaska Fisheries Center, National Marine Fisheries Service, located in Seattle, WA.

Mr. Stansby points out in his article the medical benefits of fish or fish oil in the human diet. Specifically, the "omega-3 fatty acids," which are found only in fish can reduce the level of cholesterol and fats in the blood. This lowers the risk of coronary heart disease—the Nation's No. 1 killer with 550,000 deaths occurring each year. In fact, research shows that fish oil may be a deterrent to inflammatory ailments such as arthritis and psoriasis, and it may even play a role in preventing breast cancer. The article also discusses the findings that fatty fish, such as salmon, as well as lower fat fish were beneficial. In contrast, a diet high in polyunsaturated vegetable oils was less effective.

Scientists do not yet know how much fish needs to be eaten to provide protection against heart attacks. They do know, however, that there is a direct correlation between ingestion of fish oils and reduced heart disease. Research is underway to develop an affordable method to produce fish oil in capsular form but, until then, we should all eat more fish.

I urge my colleagues to read this interesting article regarding the positive effects eating fish has on our bodies. I ask that the full text of Mr. Stansby's article be printed in the RECORD.

The article follows:

FISH OR FISH OIL IN THE DIET AND HEART ATTACKS

(By Maurice E. Stansby)

INTRODUCTION

Research has shown that polyunsaturates in the human diet reduce serum cholesterol levels and probably thereby reduce risk of heart attacks, whereas saturated fatty acids exert the opposite effect. Fish contain certain polyunsaturates but also often equivalent amounts of saturates. Vegetable oils, on the other hand, contain principally polyunsaturates.

Nevertheless, fish oils reduce serum cholesterol levels to a greater extent than do vegetable oils (Peifer et al., 1960). While work on effect of polyunsaturates of fish oil on serum cholesterol levels was being done, a 20-year clinical study (Nelson, 1972) indicated that fish oils were much more effective in reducing incidence of fatal heart attacks in heart patients than were any other polyunsaturated oils. The reasons for these differences, which seemed quite illogical, were then unknown.

RECENT RESEARCH FINDINGS

Current research, some of which began a little over a decade ago, is revealing the reasons for the superior effectiveness of fish oils. Much of this research prior to 1981 has been summarized in the last three chapters of a recent book (Barlow and Stansby, 1982). This research has shown that the omega-3 long-chain fatty acids found in food to any considerable extent only in oils of marine origin can act to reduce blood platelet aggregation and thereby reduce the risk of heart attack. This effect is quite separate and in addition to the well known reduction of serum cholesterol levels by polyunsaturates.

Research was begun in the early 1970's to determine why Eskimos in remote areas of Greenland almost never suffered heart attacks. It was found that the protection against heart attacks was associated with the Eskimo diet which consisted almost entirely of the flesh of marine fish or marine animals. Further research related the effect to the presence of eicosapentaenoic acid and possibly other long-chain omega-3 fatty acids derived from the Eskimo's marine food (Dyerberg, 1982).

Most of the original work by Dyerberg and his co-worker (Dyerberg, 1982) focused on the omega-3 fatty acid, eicosapentaenoic acid, as the fish oil fatty acid involved in decreased platelet aggregation. For some time it was assumed by many researchers that only the eicosapentaenoic acid was effective in this role.

This idea perhaps originated from the analogy that eicosapentaenoic acid very closely resembles the chemical structure of arachidonic acid, the former having merely an additional double bond in the omega-3 position. In the normal diet, arachidonic acid is the fatty acid which acts as the precursor for prostaglandin formation. Thus the theory probably developed from assuming that the eicosapentaenoic acid, replacing the very similarly structured arachidonic acid, was required to bring about the metabolism involving omega-3 structured fish oil fatty acids to prostaglandins which could then diminish thrombotic events.

At a London symposium on nutritional evaluation of long-chin fatty acids of fish oils in October 1981, a portion of the papers and the subsequent discussion dealt with the role of fish oils in alleviating heart disease and other conditions. During the discussion following the paper presentations, the matter of whether only eicosapentaenoic acid was required or if other omega-3 fatty acids were involved was considered in some depth (Barlow and Stansby, 1982:307-311). Partly based upon his earlier work (Lands et al., 1973), W.E.M. Lands concluded that the diminishment of thrombotic events was caused by activity of any long-chain omega-3 fatty acid to inhibit prostaglandin biosynthesis, Even J. Dyerberg, although indicating that most of his research dealt with eicosapentaenoic acid, also felt that other long-chain omega-3 fatty acids could be involved.

Today, the opinion seems to be gaining favor that any long-chain omega-3 fatty acids may be involved. In fact, there is some belief that the more highly polyunsaturated fatty acids such as decosahexaenoic acid may be even more effective in this regard than eicosapentaenoic acid. Manufacturers of long-chain fish oil polyunsaturated concentrates for dietary use are now emphasizing production of mixtures of omega-3 fatty acids or of increasing the content in such concentrates of the docosahexaenoic acid.

Since the first publications in Denmark presenting ideas on the reasons for virtual immunity of Greenland Eskimos to heart attacks, well over 100 scientific papers have confirmed and extended these results. These studies have been underway in many different laboratories throughout the world. In addition to the work on the mechanism for the action of omega-3 fatty acids from fish oil influencing through prostaglandins formation formed in such a way as to decrease platelet aggregation and thereby to reduce incidence of heart attacks, many papers have been shown a similar mechanism for the action of anti-inflammatory drugs such as aspirin on heart attacks. Three European scientists won in 1982 the Nobel prize in medicine for this work. One of these three (John Vane) had authored with Dyerberg a paper (Dyerberg et al., 1978) on this effect when fish oil was involved.

In addition to this effect on heart attacks, apparently with some animals by a similar mechanism, omega-3 fish oil fatty acids can affect the severity of the after-effects of strokes. In experiments with cats, Lands (1982) showed that those animals fed omega-3 fatty acids from fish oils showed a decrease in the extent of such effects.

SERUM CHOLESTEROL VS. OMEGA-3 EFFECTS

Much of the early work on serum cholesterol depressant activity of fish oil (summarized by Stansby, 1969) showed merely that fish oil was at least as effective, usually more so, as other polyunsaturated oils in lowering serum cholesterol levels. In most cases where population groups (e.g. Japanese fishermen's families with high fish consumption rates) had diminished thrombotic events, it was assumed that the effects upon decreased heart attacks were due solely to reduction in serum cholesterol levels. Recent research on families of Japanese fishermen (Hirai et al., 1980; Kobayashi et al., 1981) confirms that at least a part of the effect stems from intake of eicosapentaenoic acid.

In the 20-year study of Nelson (1972), the use of increased fish in the diet resulted in decrease of subsequent fatal heart attacks to less than one-fourth of that of the controls. In the absence of any other causes known at that time, the results were laid to lowering of serum cholesterol levels. At this late date, there is no way to discriminate as to cause. However, since the reduction in fatal heart attack was far greater than in any other known clinical experiment, it now seems highly probable that the newer discovered omega-3 mechanism was partly involved.

Very recent research has been concerned to a large extent with determining more precisely the mode whereby the ingestion of omega-3 fatty acids bring about decreased platelet aggregation. The question as to whether the effect is due primarily to eicosapentaenoic acid or to other long-chain fish oil omega-3 fatty acids as well is a difficult one to answer. The two most commonly occurring such acids in fish oils are eicosapentaenoic acid (EPA) and docosahexaenoic acid (DHA). In oils from some species EPA occurs to the greatest extent; in others DHA predominates. There is always, however, more by far of either of these two omega-3 fatty acids than any others. It is very difficult and expensive to separate DHA from EPA. While for gas chromatography standards of pure DHA or EPA is available, the cost is so great (around $100/g) that it makes use of these pure long-chain omega-3 fatty acids prohibitively expensive for research on their respective mode of action. In such work, it is common to use either fish oils or manufactured concentrates of EPA and DHA. Such research does not permit discriminating as to the effectiveness of either since both occur often at about equal concentrations.

While many current investigators are assuming that the main effect of the omega-3 fatty acid is a matter of incorporation of the omega-3 characteristics into the prostaglandin, it must be remembered that there is an entirely different mode of action which may be important involving inhibition of production of prostaglandins. Lands et al. (1973), showed that polyunsaturated omega-3 long-chain fatty acid inhibited prostaglandin synthesis, and the greater the degree of polyunsaturation, the greater was this inhibition effect.

Most of the very recent research has employed in vitro experiments on the role of EPA or a mixture of EPA with other omega-3 fatty acids on aggregation of platelets, but Fisher and Weber (1984) have shown, using in vivo techniques applied to human subjects, that mackerel oil high in EPA forms prostaglandin I_3.

In other recent work the commercially sold concentrate of EPA and DHA, Maxepa,[1] which contains roughly equiva-

[1] Mention of trade names or commercial firms does not imply endorsement by the National Marine Fisheries Service, NOAA.

lent amounts of EPA and DHA, has been investigated for its effect on platelet function in human patients (Sanders and Roshanai, 1983; Saynor et al., 1984). In both studies, positive effects were obtained upon the platelet function. It is interesting to note, however, that in the work of one laboratory (Saynor et al., 1982) the entire effect was laid to the EPA present and it was not even mentioned that DHA was present in the Maxepa used in the experiment. On the other hand, in a paper from a different laboratory using the same Maxepa product (Sanders et al., 1983), credit for the effects was attributed to both EPA and DHA.

DIETARY CONSUMPTION OF OMEGA-3 FATTY ACIDS IN FISH OIL CONCENTRATES

Dietary omega-3 fatty acids can be increased either by consumption of concentrates of fish oil in capsules or by increasing the amount of fish in the diet. At present there is one such encapsulated fish oil product available for sale in the United States. However, it is so expensive that it would cost about $600/month for an individual to attain the same dietary level of omega-3 fatty acids as did the Greenland Eskimos who rarely suffered heart attacks.

Cheaper ways of concentrating omega-3 fatty acids in fish oils are being studied. Initially fish oil concentrate manufacturers believed that the single omega-3 fatty acid with chain length of 20 carbon atoms and five double bonds (EPA) was the only effective one for reducing heart attacks. However, it remains difficult and expensive to isolate a single fatty acid.

Now, however, with the likelihood that any long-chain omega-3 fatty acid will be at least as effective as EPA in bringing about the desired effect, efforts are underway in serveral countries, especially in Japan, to develop a better and cheaper method of concentrating the omega-3 fatty acids. Meanwhile, the most practical way to obtain omega-3 long-chain fatty acids is to eat more fish.

OMEGA-3 FATTY ACIDS FROM FISH IN THE DIET

Consumers who wish to improve their dietary levels of long-chain omega-3 fatty acids should select fish of relatively high oil content. The oil content of fish flesh may vary by more than 200 times (from 0.1 to 20 percent or more). This is not just a matter of variation from species to species. The oil content in flesh even of the same species may vary by more than ten times depending upon the area and season in which the fish is harvested. The oil content is controlled by the particular feed available to the fish.

The content of long-chain omega-3 fatty acids in fish of different species also varies to some extent but this variation is much less important in selection of fish for their omega-3 content than is the fat or oil content. While the content of any one long-chain omega-3 fatty acid may vary considerably in oils from different fish species, the sum total of all long-chain omega-3 fatty acids has a much smaller variation.

Ways to select fish to high oil content based upon such factors as choosing cuts of fish from near the head where the oil content is greatest have been discussed in an earlier paper by Stansby (1973).

Greater consumption of fish generally considered to have high or medium oil content (Stansby, 1962) would be most desirable. These are species of fish in which the oil content, while varying considerably, is nearly always at least 5 percent. Examples include herring, mackerel, rainbow trout, all species of salmon (except chum), sardines, and albacore (if caught near California).

Low oil content fish vary in oil content from 0.1 to 5 percent. Those species in the uppper range of this category (2 to 5 percent) furnish enough omega-3 long-chain fatty acids to be useful as a limited supply of such acids. Fish in this category include most tunas, carp, chum salmon, mullet, swordfish, and Great Lakes white fish. For shellfish such as oysters and clams, although the oil content usually does not exceed 1 percent, the oil is considerably higher in the omega-3 long-chain fatty acids. Such shellfish, therefore, can be included in this category despite their lower oil content.

Most of the species of fish listed here are available in the fresh state for only a part of the year. An exception are fish like rainbow trout which are grown by aquaculture and are available year-round. Rainbow trout also is one of the species with the highest total omega-3 long-chain fatty acids content. Canned albacore (which can be identified by the label "white meat" tuna) can contain considerable amounts of omega-3 long-chain fatty acids if the fish have been caught close to California. Other canned albacore and other canned tunas have a lower oil content and hence less of the omega-3 fatty acids.

LEVELS OF OMEGA-3 FATTY ACIDS NEEDED TO INSURE SOME SIGNIFICANT DIMINISHMENT IN HEART ATTACKS

It is much too early to reach any conclusion as to the minimum amount of fish or omega-3 fatty acids in the diet which is required to significantly reduce the likelihood of heart attacks. The Greenland Eskimo diet was nearly 100 percent fish. It is reasonable to assume that at a lower level of consumption of fish, some decrease in risk of heart attacks might occur even though not reaching nearly the practical immunity enjoyed by the Eskimos. Unfortunately, current research has made little attempt to address this problem. In most cases, in recent research the level of omega-3 fatty acids fed has been at very high levels sometimes approaching those in the diet of the Eskimos. This might require eating over a pound of fish per day or taking very considerable amounts of fish oil. In some instances where several levels of omega-3 fatty acids were fed, there has been some measurable decrease in platelet aggregation at the lower levels. This might or might not result in decreased risk of heart attacks.

In the case of the heart patients of Averly Nelson (Nelson, 1972) where those consuming fatty fish at least three times per week for periods of time from 16 to 19 years had only about 25 percent as many fatal heart attacks as in the control group, it seems likely that this difference could have been caused at least in part by a decreased level of platelet aggregation. Undoubtedly, if continued success is achieved in research now underway, experiments will be designed and carried out on effects of different levels of omega-3 fatty acids in the diet.●

OHIO FOSTER PARENTS HONORED

● Mr. METZENBAUM. Mr. President, I wish to call the attention of my colleagues to the recognition being given by the Cuyahoga County Department of Human Services this Sunday, September 29, 1985, to a very special group of Ohioans.

We all know full well that the kind of future our Nation can expect is dependent upon the kind of children we raise today. In Cuyahoga County we have a group of caring individuals who have, for many years, taken it upon themselves to see that our future will be in good hands. These individuals are foster parents. They bring children from unfortunate circumstances into their own families. They give them love—and a home. They give them a quality of life that they might never have known.

Mr. President, I ask my colleagues to join me today in honoring these foster parents. We all have reason to be proud of them. Though they will be recognized on Sunday for their 25, 30, or 35 years of dedication, I would like to take the time to mention each of them today. They are:

For 35 years: Mark and Sylvia McGuinea.

For 30 years: Anna Barath, Raymond and Emma Earhart, Clarence and Roxie Newell, and Edna Shinholser.

For 25 years: Clifton and Sally Brown, Erma Bryant, Mary Burnett, Charles and Lucille Farris, Clothilde Feliciano, Robert and Alice Flanigan, L.C. and Trudie Hubbard, Frank and Lee Kasmarek, Paul and Frances Lewis, Henry and Mary Nolen, Richard and Jean Peters, Lula Simon, Johnnie and Nancy Smith, Sam and Hannah Smith, and Roy and Cleola Wynne.●

OUTSTANDING JTPA PROGRAMS

● Mr. QUAYLE. Mr. President, today I would like to draw attention to some successful Job Training Partnership Act [JTPA] programs that are receiving national recognition this weekend. I am particularly proud of one of the programs because it is in my home State of Indiana. I want to commend the Northeast Indiana Private Industry Council for its innovative program, Indiana Northeast Development, which is an outstanding example of how JTPA can be a real partner in economic development leading to jobs for the unemployed.

Indiana Northeast Development is one of 14 JTPA programs and individuals nationwide that have been selected by the National Alliance of Business [NAB] as national models. The 1985 NAB awards will be presented on Sunday, September 29, during the organization's 17th annual conference.

Created in 1982, the Indiana Northeast Development is the economic development arm of the Northeast Indiana Private Industry Council, which administers JTPA for the nine most northeastern counties in Indiana, including Adams, Allen, De Kalb, Huntington, LaGrange, Noble, Steuben, Wells, and Whitley.

With the closing of International Harvester, which began phasing out

operations in 1982, and the concurrent layoffs at related firms, Fort Wayne, IN, and the 9 surrounding counties found themselves with 30,000 fewer jobs, an unemployment rate of 13 percent and climbing, and no industrial prospects in sight.

But that was 4 years ago. Today northeast Indiana is an acknowledged economic "hotspot" of the Midwest. Much of the credit for this economic revival goes to Indiana Northeast Development. I am happy to be able to report this kind of success in my home State. It is especially gratifying that this successful program is a direct result of legislation I sponsored. In 1982, I helped author and worked for passage of the Job Training Partnership Act which funds the Indiana Northeast Development.

Here are some statistics compiled by the Indiana Northeast Development that demonstrate its success: 95 new firms have been brought into the area, and another 95 expanded in the last 2 years alone. This growth has generated nearly 15,000 new jobs directly, and an additional 6,000 have been created as spinoffs. Further, $70 million in new business with the Federal Government has come into the area, helping to keep countless other local firms healthy and their workers employed.

Because it is funded by JTPA, improving the job situation among the disadvantaged is at the heart of everything the Indiana Northeast Development does. According to Steve Corona, the director for the Northeast Indiana Private Industry Council, of 1,500 on-the-job training contracts for JTPA participants, 1,000 were with companies who first heard of JTPA through the Indiana Northeast Development.

To help create opportunities for disadvantaged job seekers, the Indiana Northeast Development utilizes primarily four interrelated marketing strategies: national advertising, out-of-State industrial prospecting, in-State industrial prospecting and government and industrial marketing—emphasizing Federal job training assistance as a primary incentive for new and expanding industries. The goal of the Indiana Northeast Development is to pool limited resources in the pursuit of areawide development.

Using $200,000, annually, in JTPA funds and another $100,000 in local government and private sector contributions, Indiana Northeast Development has coordinated all the area's employment and economic development actors and incentives, both public and private, into a single cohesive entity. The Indiana Northeast Development receives in-kind donations from area businesses valued at approximately $40,000.

I congratulate the Northeast Indiana Private Industry Council and the Indiana Northeast Development for the success of this exemplary program. I especially want to commend Jack Schrey, who recently stepped down as chairman of the Northeast Indiana Private Industry Council; the current chairman, Bill Burtnett; and Steve Corona. They deserve recognition for their hard work and dedication in making this program a success. Thanks to their efforts, Indiana Northeast Development serves as a model for other localities and States to emulate.

In closing, I also commend the National Alliance of Business, an independent, business-led, nonprofit corporation whose mission is to promote the goals of JTPA, for its role in highlighting this and other program success stories. I ask to have printed in the RECORD brief descriptions of the recipients of the 1985 NAB awards. They are all to be commended and praised for their outstanding achievements.

The descriptions follow:

NATIONAL ALLIANCE OF BUSINESS 1985 DISTINGUISHED PERFORMANCE AWARDS

EMPLOYMENT/ECONOMIC DEVELOPMENT PARTNERSHIPS

Illinois Department of Commerce and Community Affairs. The state has a complex and well-developed system for linking its employment and economic development programs. This system includes:

Most of state's employment and development programs consolidated in a single department.

Aggressive marketing program packages all business assistance, including JTPA and other training resources, available through state.

Decision process on state-provided business assistance supports integration of employment and development objectives.

Numerous special focus programs link development and E&T objectives; JTPA funding for federal procurement assistance centers, Title III funding for state enterprise zones.

Links with state-funded industrial training leverage JTPA jobs.

Variety of formal and informal means for strengthening program coordination.

Service oriented towards business.

Indiana Northeast Development, Fort Wayne, Indiana, the employment generating arm of the Fort Wayne Area Job Training Program, overseen by the Northeast Indiana Private Industry Council, regarded as a national model for the effective linkage of economic development and job training efforts. Created in 1982 by local economic development officials in the nine most northeastern counties of the state (Adams, Allen, De Kalb, Huntington, LaGrange, Noble, Steuben, Wells, Whitley) to pooling limited resources in the pursuit of areawide development.

IND applies four interrelated marketed strategies: national advertising, out-of-state industrial prospecting, in-state industrial prospecting and government and industrial marketing—emphasizing federal job training assistance as a primary incentive for new and expanding industry. Strong private sector support is evidenced by financial contributions exceeding $95,000 (closely matching IND's annual budget) from government, private sector and foundations; plus another approximately $40,000 in services donated by area business.

MARKETING JOB TRAINING PARTNERSHIPS

Work Unlimited, Albuquerque, New Mexico. An outstanding example of the comprehensive marketing process, which uses market research to determine job training programs and services geared to the needs of customers. This is the only nominee that did equally well on both market research and putting the research into action in an organized manner, with professional promotional material and business and community involvement. Marketing activities are overseen by the private industry council, with continuous (monthly) planning and evaluation to ensure efforts are coordinated with program needs. Formal written plan. Marketing activities center around a two-part, customer-oriented strategy:

For Employers—Business Assistance Tool Kit, employer hotline, speaker's bureau (with slide/tape), participation in trade shows, annual celebration/recognition of business involvement.

For Participants—Paid and donated radio, TV, Bus boards, bill boards, inserts in utility bills, recruitment booth at State Fair, establishment of Youth Force—network of 14 youth organizations working together.

Work Unlimited's marketing activities also emphasize other important results/activities:

Business/community involvement—Time, products, services donated by Albuquerque businesses ($200,000 value), speaking opportunities, association newsletters, endorsements.

Understanding of key role word of mouth has in marketing (e.g.—need to perform).

Exceeds performance goals.

Once marketing system professionally established, much of marketing activities can be handled in house.

DISLOCATED WORKER PROGRAMS

Arizona Department of Economic Security, Division of Employment and Rehabilitation Services. Uses a uniquely flexible statewide network of regional assistance centers and satellite offices that can be moved where needed, along with an extensive array of services for an identified 20,000 dislocated workers widely dispersed across the state. 60 percent are laid-off copper workers.

93 percent of participants have been placed in unsubsidized jobs. In first 13 months, centers served 3,332 participants; average cost per placement was $1,141 and average entry wage was $7.98 per hour.

Only state to have established a fully operative pre-layoff intervention system (PACT) designed to prevent layoffs. Project utilizes services of state DW program, Job Service, UI and appropriate block grants and community colleges. Services delivered on job site. In past 10 months, PACT team enrolled 1,275 workers prior to layoff and 117 re-employed prior to receiving UI benefits, saving state $107,640.

Services emphasize renewing self confidence, capitalizing on old skills, training for new ones, and getting quickly back into the workforce.

Solid public/private coordination. Strong working relations and coordination built with other state agencies, including Job Service, UI, education, department of health and block grants; the SJTCC and their dislocated worker committee; union training programs with the Communication Workers of America, International Brotherhood of Electrical Workers, and the Operating Engineers; the Arizona Department of Education/Vocational Education; and local

community service organizations and representatives of private business.

Innovative, simplified OJT contractor procedure for major employers permits multiple client groups to access to a single contract. Also training vouchers for use at accredited public or private facilities.

INDUSTRY/EDUCATION COOPERATION

Contra Cost County Private Industry Council (SELPA OJT Project), Concord, California. Good example of effective use of the 8 percent set aside for a particularly hard-to-serve target group—handicapped youth. Private industry council selects service providers.

OJT project is operated by a consortium of three special education local planning agencies (SELPAs), which were brought together for the first time with the PIC. Budget was $160,000. Major goals are to:

Place handicapped youth in unsubsidized employment: Identify and place approximately 70 high school special education seniors in OJT and place approximately 74 percent (52 youth) in unsubsidized jobs.

Results: 92 youth enrolled and 72 percent entered unsubsidized jobs. Most were learning disabled; about 30 percent severely. Physically disabled included orthopedically handicapped, visually and hearing impaired.

Develop cooperative working relationships between educators (nine secondary school districts), employers, union representatives community groups, and private industry council through Project Advisory Committee.

Expose special ed teachers to business community: Enhance services provided by education agencies by assisting special education teachers to deliver pre-vocational and job-related skills training and conduct job development activities; incorporate business-related information in classroom activities. Used existing school facilities and staff used and Vocational Assessment Center.

Extensive employer involvement (80 employers, and low cost per placement ($2,950) due to in-kind contributions. Employers provide on-side skills training and identify and evaluate work maturity and job skills competency.

TRAINING FOR TARGETED POPULATIONS

Women Working Technical, Bergen County (Hackensack), New Jersey. Non-traditional training for women in electricity, electronics, mechanics; many participants are welfare recipients or displaced homemakers.

Four-year (six class) placement average: 95 percent; 1984—100 percent.

Five months of training, 600 hours; nearly 100 percent retention during training.

Budget: $55,000, cost/participant approximately $4,000; per placement, $4,000.

Good company involvement: local PIC, Pitney Bowes, Xerox, IBM, Hewlett Packard, Public Service Electric and Gas. Pitney-Bowes involved in development.

Older Kansans Employment Program, Manhattan, Kansas. Begun as state-funded pilot in 1982; now has 3 percent money also.

Cost per person $222; placement rate 82 percent; 137 placed in FY 1984.

Good marketing and PR; outreach to business community; business advisory board.

Skills training, not just placement; training in clerical, microcomputer operation.

Placements in small business.

YOUTH PROGRAMS

Skills Training and Education Program, Montgomery, Alabama. Fully utilizes the exemplary program models of Section 205 of JTPA (all four segments of youth competencies approach—basic education, pre-employment, tryout employment and school to work transition activities) in 65-county SDA. Exclusively serving high-risk youth.

Offers a comprehensive array of services, including academic remediation, functional skills training, and tryout work experiences.

Competency based assessement and program delivery integrating youth employment competencies into program design.

New program that was pilot-tested; judged successful and then expanded statewide. Piloted in November 1984 at eight rural sites for high risk out-of-school youth; by March 1985 had expanded to 36 separate projects. 572 participants served without a single negative termination.

Entered Employment Rate = 88 percent (performance standard 40 percent).

Average cost per placement $4,175; expected to drop below $3,500 contract performance standard by end of June.

Network Employment Training Program, Oakland, California, was founded in 1982 with funding from Sea-Land Service, Inc., R.J. Reynolds industries and the Gannett Foundation to prepare Oakland youth with competitive job seeking, getting and keeping skills, and to encourage and enable employers to hire from the community in which they do business.

This privately funded ($420,000 from June 1, 1984–May 31, 1985), non-profit youth program training unemployed or underemployed youth, 17–26, for entry-level jobs. An essential feature is the mentoring system which matches pairs of business people with small groups of interns for weekly, two-hour meetings.

The instructional component, which includes basic skill and clerical training, is offered in conjunction with the VISTA Downtown Business Education Center, which tailors classes to Network needs, and which offers interns community college credit. Interns are selected, in part, for their motivation to succeed in the rigorous, non-paid 16-week program.

Business and industry participate in all aspects of the program, from leadership on the board of directors to involving their personnel; representatives from over 50 local companies have been actively involved in program design, planning and implementation. They also serve as personal mentors for individual interns, providing a role model for young people who may have had little contact with effective adults from the working world.

RURAL PROGRAMS

Farmers-In-Transition, Greater Nebraska Job Training Program. Innovative program dealing with dislocated farmers and their families. Offers career counseling, help with resume writing and job applications, pre-employment training, on-the-job training, classroom training, supportive services, relocation assistance, and referrals for services provided by other organizations. Outreach provided by Greater Nebraska Job Training staff, augmented by five farmers hired on part-time basis. Serves both farmers eligible (foreclosure) and not eligible for Title III, so can be used by farmers to obtain jobs and training to supplement family income and forestall foreclosure.

One of few states that have taken initiative to include farmers in their eligibility criteria for dislocated workers.

Unique program in that it reaches out to population group not previously touched in the past. Real farmers hired to assist with recruitment and outreach, lending tremendous viability and credibility to program.

Coordination: many state and local agencies are cooperating, including the agriculture department, governor's office, PIC and several human resource agencies.

Program works with entire family, not just the farmer; services available to wives and children.

Active business involvement credited, in part, to support of Private Industry Council members.

New Hampshire Job Training Councils is a national model for rural recruitment. Despite the fact that it has one of the lowest unemployment rates in the nation and state is basically rural, an aggressive, cost-effective promotional program has enabled the Council to recruit more than 6,000 people in the first nine months of JTPA—for less than $13,000 in promotional costs. Promotional plans are developed on a quarter basis in response to fluctuations in labor market needs, program starts and private industry council plans. All graphic design and layout is done in-house, and paper companies often donate paper, so production costs are reduced. Some of New Hampshire's innovative promotional activities have included:

17,000 brochures (9,000 mailed to welfare recipients) yielded 1,000 calls to 800 telephone number.

Burger King printed one million placements at no cost to be used in the state's 22 Burger Kings.

Boston Bruin's Rick Middleton and Johnny Bucyk donated their time, Boston Garden donated ice time and lights and personnel, and film company donated their time at half-cost to film PSA. TV stations donated 2–3 free spots to every spot purchased; buying prime time spots averaged $30–$35; commercial production cost $600.

Churches and religious organizations used to provide information and recruit.

Public relations—average 8 press releases disseminated each week; marketing director regular visits editors. N.E. Telephone provides press clippings from their clipping service.

Posters placed in people spots—laundromats, grocery stores, convenience stores, movie theatres, all state liquor stores, video arcades and libraries.

Summer Youth Program—brochures, buttons, Arrowsmith concert, etc.

OUTSTANDING JOB TRAINING PROFESSIONAL

Eunice Elton, President, Private Industry Council of San Francisco, California. One of the country's outstanding experts on employment, training and labor exchange policies, she has provided exemplary professional and leadership in the job training arena since 1934. She is widely known for her ability to educate a diversity of persons about training policies and for her authority as a manager in executing these policies; seen as both "cement" and "fuel" for E&T activities in San Francisco. As a result of her leadership, San Francisco's overall performance exceeds almost all standards and demand on E&T system (from both labor supply and demand sides) exceeds all available financial resources.

In September 1983, San Francisco became one of the first SDAs in nation to establish local partnership with private sector; named as both subgrant recipient and administrative entity.

Program established to address needs of diverse eligible populations. Established Refugee Targeted Assistance Programs, becoming first such organization in the country, other than local welfare department, to take on such a role. Developed and imple-

mented performance-based training, private sector try-out employment and small business development programs, completely novel approach to what prior to that had been basically refugee welfare support programs.

In 1984, PIC obligated all JTPA incentive monies earned from its performance in 1983 for a performance-based program to attack (without regard to placement-oriented JTPA performance standards) the basic education problems of some of San Francisco's more difficult to serve populations. Program designed to increase, by four grade-level equivalents or more within 12 months, the basic English reading skills of a group of persons aged 17 or older who had between third and fifth grade reading equivalents.

PIC and its subcontractors have record in 1983-85 over 2,000 placement in almost 300 different occupational groupings with over 500 employers located within and outside city and county of San Francisco.

PIC takes lead in organizing and operating privately-financed Mayor's Summer Youth Program, now in seventh year, which is designed to supplement JTPA Title IIB; comprises almost 60 percent of those hired.

"Targeted Jobs-and-Targeted People" system used by PIC's 60-odd subcontractors ensures that those most in need are served. Program allows a mixture of different combinations of four approaches to ensure appropriate services are provided to the broadest range of unemployed people. This flexible, mixed services approach ensures that costs are kept within budget while performance goals are met and exceeded. The average hourly adult placement wage was the highest in California, and perhaps the U.S.

BUSINESS VOLUNTEER OF THE YEAR

James Van Vleck, Group Vice President and Director of Corporate Planning, The Mead Corporation, Dayton, Ohio. Has been involved with Private Industry Council since CETA Title VII. Has been chair of Dayton PIC since 1982 and a member since 1977 of Dayton City-wide Development Corporation.

Under his leadership, Private Sector Advisory Councils established for every vocational training program in Dayton Public Schools.

During transition to JTPA, his leadership and position in community critical to what became a remarkable merger between two prime sponsors, among two county governments and a city, between an urban center and suburban/rural communities. Spent countless hours meeting with local elected officials, political leaders and community representatives. He was first chair of the newly formed Greater Dayton Private Industry Council.

Dayton SDA has been designated by the State of Ohio as model program area, which will bring together community resources to develop comprehensive, coordinated economic development/employment and training system.

Appointed in 1983 to SJTCC, he was chair of Planning Committee and instrumental in formulating recommendations for statewide operation of JTPA. When Governor expanded role of State Council to include development of strategic planning initiatives, he again took leadership as Planning Chair.

Dayton City Commission has asked him to head special "blue-ribbon" task force to attempt to solve troubling problems of neighborhood youth gangs.

STATE LEADERSHIP IN JOB TRAINING PARTNERSHIPS

State of Oregon has done an outstanding job of creating job training programs geared to local employer needs that has exceeded all state performance standards despite double-digit unemployment rates in 26 of 36 Oregon counties. State council has established key goals that: promote job training as tool for economic development; effective, efficient use of resources; coordinate activities of all employment and training organizations; encourage local program initiative, flexibility and decision making; ensure employer input is driving force in program design.

Increased coordination between SDA and welfare agency professionals resulted in streamlined grant systems, statewide agreements; number of JTPA participants on welfare increased from 17 percent in April 1984 to over 23 percent in December 1984, and entered employment rate for this group topped 78 percent.

Local initiatives keystone of Oregon's success: 6%, 3% and Title III funds contracted directly to SDAs and majority of 8% funds are subcontracted to SDAs through Oregon Department of Education. Economic development and job training assistance tied together at local levels, and joint cooperative ventures among SDAs have resulted in new businesses being located in state.

Other coordination initiatives: cooperation between JTPA and employment agencies resulted in improved local labor market information geared to job training needs; state employment initiatives for youth, a three year demonstration program assisted with JTPA funds, is developing and implementing more effective employment policies and programs for at-risk youth, and Oregon Youth Coordinating Council develops recommendations for Legislature and state-level agencies; staff development encouraged through funding from Oregon Employment and Training Association; risk management—potential risks and liabilities JTPA programs identified and analyzed to prevent or minimize occurrence.

Performance (council minimum):
Adult entered employment: 82.9% (58%)
Adult entered employment cost: $2,538 ($5,704)
Adult average wage: $4.65 ($4.26)
Welfare entered employment: 78.2% (41%)
Youth entered employment: 73.7% (41%)
Youth positive termination: 88.4% (82%)
Youth positive termination cost: $2,341 ($4,900)
Title III—Dislocated Workers
Entered employment rate: 85% (58%)
Entered employment cost: $2,395 ($5,704)●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. James Jatras of the Republican Policy Committee staff to participate in a conference in Luxembourg, sponsored by the Konrad Adenauer Foundation, from September 19-20, 1985.

The committee determined that participation by Mr. Jatras in the program in Luxembourg, at the expense of the Konrad Adenauer Foundation, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Mr. Tom A. Friedman of the Democratic Policy Committee, be permitted to participate in an educational program aboard the Australian Navy ship *HMAS Hobart*, sponsored by the Australian Navy, from August 18-25, 1985.

The committee determined that participation by Mr. Friedman in the program aboard the *HMAS Hobart*, sailing from San Diego, CA, to Vancouver, British Columbia, at the expense of the Australian Navy, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Senator MITCH MCCONNELL be permitted to participate in a program in Japan, sponsored by the Japanese Institute of Social and Economic Affairs, from August 30 through September 8, 1985.

The committee determined that participation by Senator MCCONNELL in the program in Japan, at the expense of the Japanese Institute of Social and Economic Affairs, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Ms. Susan Aheron Magill of the staff of Senator JOHN WARNER, be permitted to participate in a program in Turkey, sponsored by the Turkish Industrialists and Businessman's Association, from August 17-24, 1985.

The committee determined that participation by Ms. Magill in the program in Turkey, at the expense of the Turkish Industrialists and Businessman's Association, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Mr. William Reinsch, of the staff of Senator HEINZ, be permitted to participate in a conference in Toronto, Canada, sponsored jointly by the Canadian Institute of International Affairs and the Centre for Canadian Studies at Columbia University, from September 8-9, 1985.

The committee determined that participation by Mr. Reinsch in the conference in Toronto, Canada, at the expense of the Canadian Institute of International Affairs and the Centre

for Canadian Studies at Columbia University, was in the interest of the Senate and the United States.●

EFFECTS OF TEXTILE BILL ON TRADE WITH CHINA

● Mr. GORTON. Mr. President, I submit for the RECORD an excellent and pointed article on the possible effects of the passage of the textile bill is likely to have on our trade with China.

The article follows:

CHINA THREATENS TO SHUT THE TRADE DOOR

(By Robert E. Norton)

(A pending bill would cut textile imports from China. If it becomes law, the Chinese will zap imports from the United States)

Congress' rush to protectionism threatens to trample on China's textile industry, and the Chinese are warning that they'll fight. The angry Chinese reaction provides a cautionary example of protectionism's boomerang effect.

What's getting the People's Republic mad is the Jenkins bill, aimed at preserving jobs in America's besieged clothing industry. Named after its House sponsor, Georgia Democrat Edgar L. Jenkins, the bill would cut back textile and apparel imports from a dozen countries to below their 1983 levels. China would lose around 56% of its textile sales to the U.S. at a cost of more than $500 million a year in export earnings.

The first warning shot was fired in May, two months after the Jenkins bill was introduced. Boeing, confidently awaiting an order for some 16 airplanes, was stunned when China signed up for only eight. Then U.S. wheat growers saw their summer orders from China shrivel 85% from last year's levels. In both cases it was possible to find internal reasons for the sudden reasons for the sudden retrenchment—good harvests in China, a general pullback in capital equipment outlays—but exporters saw a clear retaliatory signal.

In July, China's ambassador, Han Xu, spelled out his country's concerns in a letter to American lawmakers. Noting that China bought $3 billion of U.S. goods last year, and that textile exports are its chief source of dollars, Han warned that passage of the Jenkins bill would "severely jeopardize trade relations between our two countries."

U.S. companies that might be at risk include General Electric, which is completing deliveries of $450 million of locomotives and parts to China, and Weyerhaeuser, a major supplier of the $250 million of American timber the Chinese bought last year. Chinese anger over textiles could also work against builders of nuclear power equipment like Westinghouse and Combustion Engineering. The U.S. government may soon permit these companies to compete with French and German outfits for a share of China's multi-billion-dollar nuclear power program, but the permission may do them little good.

Why so much fuss over just one of the several hundred protectionist measures before Congress? The explanation is that the Jenkins bill has momentum. Two-thirds of the House enlisted as co-sponsors, and a majority of the Senate supports the measure. Opponents consider enactment likely and are saving their strength to fight a congressional override of the President's expected veto.

Pleaders on both sides talk in end-of-the-world terms. Proponents of the Jenkins bill predict nothing less than the extinction of the U.S. clothing industry if Asian imports are unchecked. On the free-trade side, opponents liken the potential impact of the bill to that of the Smoot-Hawley tariff act of 1930, which provoked trade-clobbering countermeasures abroad and deepened the Great Depression. China's early reaction points to nearer-term consequences. Protect the jobs of Georgia textile workers and New York garment workers if you will, the Chinese are saying, but the cost may be laid-off lumberjacks in Oregon and idle factory machines in Pennsylvania.●

ORDERS FOR MONDAY, SEPTEMBER 30, 1985

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that when the Senate convenes on Monday, September 30, 1985, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with and, following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE], for not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 10 minutes each; and provided further, that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, the Senate will convene at 12 noon on Monday, September 30, 1985. There will be time for the two leaders under the standing order of 10 minutes, a special order in favor of Senator PROXMIRE for not to exceed 15 minutes, and routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 10 minutes each.

Following the conclusion of routine morning business, the Senate will turn to any of the following items: the Compact of Free Association, Agriculture appropriations, Interior appropriations, HUD appropriations, District of Columbia appropriations, and, also, S. 1691—on Monday sometime early because we have a time problem—a bill to extend the current Dairy Price Support Program, and suspend the noncash benefit requirement for the Puerto Rico Nutrition Assistance Program for 60 days. That is food stamps for Puerto Rico.

No rollcall votes will occur prior to the hour of 4 p.m., on Monday.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 30, 1985

Mr. SIMPSON. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in adjournment until 12 noon on Monday September 30, 1985.

The motion was agreed to; and, at 9:02 p.m., the Senate adjourned until Monday, September 30, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 26, 1985:

DEPARTMENT OF JUSTICE

Charles J. Cooper, of Virginia, to be an Assistant Attorney General, vice Theodore B. Olson, resigned.

Stephen J. Markman, of Virginia, to be an Assistant Attorney General, vice Harold J. Lezar, Jr., resigned.

Charles Fried, of Massachusetts, to be Solicitor General of the United States, vice Rex E. Lee, resigned.

Donald R. Brookshier, of Illinois, to be U.S. Marshal for the southern district of Illinois for the term of 4 years, vice William J. Nettles, resigned.

EXTENSIONS OF REMARKS

H.M. DAUGHTRY, JR., ONE OF A KIND

HON. GUY VANDER JAGT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. VANDER JAGT. Mr. Speaker, this is a most unique experience for me. As a matter of fact, this is the first time in my congressional career that I have brought to the attention of my colleagues personal remarks that I have made. But, as all will soon discover, H.M. would influence one to do things a little bit differently and to do them with fullest concern and effort. And, of even far more importance—to do them right.

H.M. Daughtry, Jr., my friend, passed away on Labor Day, September 2, 1985. I was honored deeply when asked by his family to deliver the eulogy in his memory. It was not easy—I tried very hard.

In further honoring H.M. Daughtry now, I do so because he so honored and cherished his country. He was a builder by profession and he was a "builder" of the American way of life.

We have all heard, at one time or another, "they broke the mold" when he was born. Well, let me assure you that certainly was the case with H.M. And, it's sad because we need more men like H.M. Daughtry. As I mentioned in my closing remarks—"I am so proud that H.M. Daughtry gave me the gift of his friendship."

EULOGY TO H.M. DAUGHTRY, JR.

We gather here together at a time of grief and sorrow but in a strange way a time of celebration and rejoicing. Our grief and sorrow are not for H.M. Daughtry. H.M., who worked so hard all of his life, was released from his pain and labors at six o'clock on Labor Day. Our grief and sorrow are for ourselves. For everyone of us in a different way has lost something very special. Our lives are emptier and poorer because H.M. is no longer with us but we are filled with beautiful memories and we are richer and better people because we knew him.

H.M. died like he lived, with strength and courage, and no complaints. He went out in a blaze of glory, showing the real mettle of man he was. He died with so much grit and grace that even longtime cancer ward nurses did something they seldom do. They broke down and cried when H.M. died. One of them summed it up: "He must have been a hell of a man." And he was!

When the end came, it came just as H.M. would have wanted it to come. His wife was holding one hand and his daughter the other. His sons and family were gathered around him, except for one son who was off doing his dad's business, making sure the job moved along. H.M. would have liked that. He would have understood that. And appreciated it. When Dan got back and they told him the news, he was silent a moment, then he looked up and said, "Well, Dad's up there now and I'll bet he's already complaining about how they built the place." And he probably is. No one except a son who over and over went through the scrutizing inspections of a builder who demanded nothing less than perfection could have so captured the essence of H.M.

And I suspect that if right now H.M. is up there complaining to God about how they built Heaven, that God, like his sons, sees through those complaints and that grumbling, and sees the life he lived, the homes he built, the family he raised, and I'll bet God is saying "Well done, thou good and faithful servant."

So in a way we are here to celebrate that such a good man lived his life so well.

What is the measure of a man anyway? I think you measure a man by what he leaves behind. Some great men leave behind stone monuments. H.M. left behind living monuments: the beautiful homes of quality into which he poured so much pride. Even more than for profit, H.M. built for doing a job and doing it right. Of one new employee he once complained, "You know he's a good worker. If now I could just teach him that we don't cut corners when we build a Daughtry home."

Those of us who are lucky enough to have lived in a home that H.M. built know that we live in the best. It's more than the best home that money can buy because all the money in the world couldn't buy the pride and craftmanship and experience and honesty and integrity that H.M. poured into every job that he ever did.

Of course, whatever he did, he did it all-out. He always gave it his best shot whether it was bringing the ball down the basketball court as a superb high school and Army basketball player; or later on cheering his kids in their high school games, second-guessing the referee so loudly that everybody in the whole gym knew that H.M. was there; or cheering on his beloved Redskins; or sponsoring his own basketball team; or playing a crazy wild card game that he taught me called "North Carolina Pitch." Whatever it was, H.M. did it all-out with gusto and with enthusiasm.

And yet most of the time H.M. didn't say much. He was sorta the strong silent type. He had a hard time expressing how he felt inside or putting his emotions into words. And yet in a way he didn't need to. By the life that he lived, he stated more eloquently than any words ever could how much he loved his family and how proud he was of them.

I suspect he probably didn't tell Mike or Jenny they played a good game very many times in high school basketball but he was always there. He never missed a game!

Probably didn't tell Keith that he was proud of him very often. Yet there wasn't a visitor who came to this home that H.M. didn't drag to the basement to show them the beautiful bar that Kieth had built.

And I suspect that poor Danny and Mike didn't hear to often from H.M. about the great home that they built for us. But whenever H.M. was there, he was always showing any new visitor those terribly difficult to build towers and turrets and the impossible ceiling that "his boys had built." And then he'd go into infinite detail about how hard it had been and what a great job his boys had done.

H.M. was one of the best friends I ever had. But how do I know that? He never told me. Not once did he express his friendship for me, but in a way he didn't have to. He expressed that friendship in hundreds of acts of kindness and deeds of friendship over the years. He expressed his friendship when my car ran out of gas, or when it was stuck in a snowbank, when there was something in the house I couldn't fix, or some other emergency where I desperately needed H.M.

I remember once when Carol and I were in Europe, a burglar in the middle of the night had broken the basement window and come up the stairs and was peering in the doorway at our then little daughter Ginny sleeping in her canopy bed. Fortunately the baby sitter startled the burglar and he ran down the front steps and out the door and disappeared into the middle of the night. Who did the baby sitter call right away? H.M.! Who was there immediately? H.M.! And H.M. wouldn't go home that night. He insisted on sleeping on the couch in the den just in case that burglar came back. Then he spent days after that constructing all sorts of poles and sticks and barriers that never caught anybody in the middle of the night except me.

How do I know how much he loved our Ginny, almost like his own daughter? By the lengths he went to make sure no harm befell her in any way.

I asked Carol, "What do you most remember about H.M.?" She instantly replied, "He was *always* there when I needed him." If a friend in need is a friend indeed, then H.M. was a friend indeed. He didn't talk about friendship; he lived it. And his life spoke so eloquently of his love that maybe words weren't really necessary.

There's one thing about our relationship that bothered me just a little bit. H.M. was always doing things for me and it didn't seem as though I was ever doing anything for him in return. That's because he could do so many things that I couldn't do, I always needed him. And because he could do so many things, he never seemed to need me.

Well, H.M., I think maybe I finally caught up with you because there is one thing that I can do a little bit that you never did like to do. And that's make a speech. And so I'm going to say for you, to your friends here, what I think probably you would have said if you could have:

Thank you everybody for coming, and thank you for your friendship. It meant more to me than I ever told you.

I built a lot of things in my life and I've built them with pride and I'm proud of those things that I have built.

But the best monuments I ever built were the lives of my children. I didn't do it perfect. I made a lot of mistakes. But I did it the best that I could. Fortunately, I had the help of a woman who loved them just as

much as I did. You kids are my living monuments. What you are and how you spend the rest of your lives, how close you come to living up to the high standards I set before you by example rather than words, will determine how fitting my living monuments are going to be.

So, Mike, make sure you lay those foundations straight and don't cut any corners when you build a Daughtry house.

Danny, with your sense of reliability and responsibility, make sure those jobs get done on time and always give the client honest value for his honest dollar.

Keith, make me proud of you, boy, Make me proud of you. I know you will because you know how much I loved you. Don't let me down.

Jenny, you were always the apple of my eye. I never could say "No" to you, about anything, not even when you wanted to go out with older boys. So just stay as sweet and nice and thoughtful and living as you are. Then even when you're an old gray-haired grandmother, you'll still be "Daddy's little girl" to me. And I'll be so grateful for the joy and pride you put into my life.

And Carolyn, you were an awful mess the first time I saw you. You were a scrawny kid in pigtails. You wouldn't wash the dishes for your older sister so I could take her out on a date. But then when you grew up and I saw you again on a blind date, I thought you were the most beautiful woman I had ever seen. And I still do! I never had no truck with any other woman, once I saw you. I knew I had the very best. Thank you, Carolyn, for being my wife!

To all my friends, thanks. Thanks for your friendship that meant so much to me even though I never said so. Thanks for all the good times and we sure had a lot of good times together.

H.M.'s life said all those things so much more eloquently than I was just now able to put it into words for him. So I guess, H.M., you didn't really need me—even now.

And now H.M. will go on his way in a wooden coffin, so appropriate to a man who spent all of his life working with wood. He'll be taking with him his Timex watch to make sure the jobs run on time; and a pocketknife, which was just one of the tools that he used with those huge hands with so much magic artistry to make beautiful things.

And we, who look back at his living monuments, the friends whose lives he touched, the homes that he built, the children that he raised, I know that we can say with God, "Well done, though good and faithful servant! That's why today we celebrate a good man who lived life so well.

As I said a little earlier, H.M. never once expressed to me that I was his friend. Well, we're all kinda guilty of things like that in our lives. I never told him that he was my friend. Not once. It's a little bit late now to tell H.M. Thank God there is still time to tell you, who loved him; you who are here to honor him and to pay tribute to him, to tell you, that like so many of you, I loved that man. I am so proud that H.M. Daughtry gave me the gift of his friendship.

H.R. 3416, THE SMALL BUSINESS SUPERFUND CLEAN-UP TECHNOLOGIES RESEARCH ACT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 24, 1985

Mr. BROOMFIELD. Mr. Speaker, Monday I introduced legislation that would greatly expand the Nation's ability to research and develop new and innovative technologies for use in permanently cleaning up our Nation's hazardous waste sites.

My bill, H.R. 3416, the Small Business Superfund Clean-up Technologies Research Act, would divert just 1 percent of the Superfund for the research and development of permanent clean-up solutions at many of the country's hazardous waste sites. An office within the EPA's Office of Emergency and Remedial Response would be created to administer this program.

This bill would direct the EPA to harness the abilities of efficient and highly technological small firms within the proven and highly successful Small Business Innovation Research [SBIR] framework.

News reports detail how drinking water is being affected, basements are oozing with sludge, and property is becoming worthless. Unfortunately, affordable permanent solutions haven't yet been found and we, in the Congress, want to spend some $10 billion more on the Superfund. Are we really going to be better off after another 5 years, Mr. Speaker?

There are many technological and financial barriers to effective cleanups and that is why we need to spend more on basic research. In the past, we have just avoided the problem by packing up the wastes, where we could and moving them elsewhere, and in turn, risking even more dangerous problems. What is needed are funds for researching new and innovative permanent solutions that are cost-effective.

A small percentage of money from the Superfund, used to fund this program is very appropriate because of EPA's failure in the past to spend adequate amounts on research directly related to Superfund cleanup technology. This is due largely to the fact that the EPA has viewed this problem as a short-term, instead of a long-term, problem.

According to the Office of Technology Assessment's recent Superfund Strategy report, EPA spends only 4 percent of its research budget on Superfund R&D while 35 percent of its total funding comes from the Superfund. Only a small percentage of that 4 percent goes toward basic research applicable for Superfund related cleanups.

With such large sums of money being considered, and the current budget constraints we have before us, it is necessary that the money come from the Superfund. Finding better and cheaper ways of cleaning up waste sites is directly related to cleanups.

While this bill is a departure from past uses of the Superfund, the funding of R&D grants devoted toward the research and development of new and innovative technologies for hazardous waste cleanups from the Superfund is desperately needed because of the current cost of permanently cleaning up sites. Long-term benefits can be obtained at a low cost, just 1 percent of the Superfund. If we spend just a small percentage now, we can save billions in the future and ensure a clean environment for everyone. We need to look at the long-term costs. I hope my colleagues will join me in support of this vital measure.

TRIBUTE TO CARDENAS AND MENCHACA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LAGOMARSINO. Mr. Speaker, I wish to bring to the attention of my colleagues a special recognition that will be bestowed by the Hispanic Achievement Council of Santa Barbara County, CA, on two dedicated citizens of my congressional district.

The community achievements of Elvia Cardenas and Etelvina Menchaca will be recognized and honored on October 4, and I believe their records of service deserve our praise.

Elvia Cardenas has, for 13 years, served as director of Centro Familiar, a nonprofit child care and parent education center in Santa Barbara. This year marks her 20th anniversary of service to the community, dating back to her early work with the Jack and Jill Nursery School in 1965, and the Los Ninos Headstart Program in 1967. Ms. Cardenas has helped to build and expand the Centro Familiar into a comprehensive, uniquely successful agency focusing on the Hispanic community but also serving all local residents. Additionally, she administers children's information and resource centers in both the north and south county, an infant center, a Child Care Food Program, and through the State of California, provides child care for parents being trained through the Job Training Partnership Act.

Ms. Cardenas is a member of the South Coast Coordinating Council, Latinos for Better Government, the Santa Barbara City College and UCSB Advisory Committee on Early Childhood Education. She also raises funds for Buena Nueva, a Spanish-language religious television and radio broadcasting program. Remarkably, with ail these community responsibilities, she admirably fulfills her role as wife and mother of three.

Etelvina Menchaca's dedicated work in the community of Santa Barbara is a testiment of numerous advances on behalf of Hispanics, particularly in migrant and bilingual education. Born and rasied in Santa Barbara and the mother of nine children, Ms. Menchaca is an advocate of positive change. She has worked tirelessly to make the local and statewide educational systems responsive to the needs of migrant

workers and their families. As an advocate for social progress, she continues a long family tradition. As a young girl, she assisted her mother in work with various local Mexican-American organizations.

Ms. Menchaca has lobbied successfully on behalf of Hispanic issues in education, employment, immigration and naturalization locally, in Sacramento and Washington. She presently serves as volunteer director of CINAC, a nonprofit immigration, naturalization and legal aid agency; as vice-president of the Migrant Education Advisory Commission for region 18; as vice-president of the Santa Barbara School District's Migrant Education Advisory Board; and as treasurer for La Casa de la Raza—all in a volunteer capacity. She is also on the education committee of Latinos for better government and is active in various programs for migrant students.

Etelvina Menchaca has distinguished herself as a mother and as a dedicated community activist. She is a valued leader in our community.

KEVIN WHEELER HONORED FOR OUTSTANDING CAREER AS EDUCATOR

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BADHAM. Mr. Speaker, I rise today in honor of Kevin R. Wheeler, a fine educator from my district in California who is retiring after an outstanding career, spanning nearly 35 years as a teacher, school principal, and district administrator.

In his most recent assignment, Mr. Wheeler has served for 17 years as assistant superintendent for personnel services of this Newport-Mesa Unified School District. During this period, nearly half his career in education, Mr. Wheeler devoted many hours beyond the call of duty, giving of his expertise out of a personal desire to serve the youth of our community. As a result of his efforts and commitment to quality education, the lives of thousands of students, faculty, and staff have been enriched.

Even before his current and final assignment, Mr. Wheeler spent many years in direct daily contact with students, teachers, parents, and staff members, first as an elementary teacher in Arcadia, CA, and later as a school principal and administrator in Garden Grove, CA.

Throughout his career, Mr. Wheeler extended himself well beyond the rigors of his daily work, taking on additional responsibilities with professional groups and organizations and serving on numerous advisory boards seeking to improve student success and instructional quality.

Mr. Chairman, as our Nation strives for renewed excellence in our public schools, our continued success will depend upon the strong foundation and vigorous efforts of our outstanding educators. Kevin R. Wheeler has proved himself to be one such educator and I wish him health and happiness in his retirement years.

NATIONAL ADULT DAY CARE CENTER WEEK

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Ms. SNOWE. Mr. Speaker, I am pleased to take this opportunity to applaud the fact that September 22–28 has been identified by both the House and the Senate as "National Adult Day Care Center Week." As an original cosponsor of House Joint Resolution 229, my support for these centers represents part of my longstanding commitment to improving the quality of life for older persons.

To date, there are approximately 1,000 adult day care centers nationwide, and the number is steadily growing as these centers become more generally recognized as an important community service. In my home State of Maine we currently have 14 adult day care programs serving more than 190 people. Many of these elderly individuals would be institutionalized if these programs did not exist.

Adult day care programs typically serve the impaired older person who cannot live entirely independently, but who, nevertheless, is not a candidate for a nursing home. The adult day care client tends to live with relatives or in some other form of group living and attends the day care center on a daily basis. With adult day care, family members can remain employed and still maintain responsibility for the dependent adult. Others receive respite while the dependent relative spends the day engaged in social and therapeutic activities among peers. Trained professionals provide comprehensive care during the day, allowing participants to return home at night and on weekends.

The primary purpose of such centers is to prevent premature institutionalization, to relieve families of the burden of full-time caregiving, to help families remain in the job market, to help individuals remain independent for as long as possible, and to curtail health care costs. These goals are particularly significant for caregiving families of victims suffering from congenitive disorders such as Alzheimer's disease. The course of this devastating brain disorder can last anywhere from 2 to 20 years. Adult day care centers can save institutional costs by allowing families to keep victims at home longer.

Long-term care for the elderly remains fragmented and expensive in this country. Adult day care centers provide a needed alternative to the more expensive care provided by nursing homes and other institutions. Representative dollar comparisons of day care programs and other long-term care costs are revealing. Adult day care costs range from $20 to $25 per day. For this comparatively small amount, a participant receives one or two meals, transportation, nursing care, various therapeutic treatment, if needed, stimulating activities and peer socialization for 6 to 10 hours per day. Further, subsidies to assist low-income families are available in many States such as through the title XX social service block grant. In comparison, nursing home care costs run betweeen $45 and $75 per day. Clearly, day care does not provide the 24-hour care that these institutions provide, but it does meet the needs of many families who without day care would have to seek nursing home placement at a much greater cost.

By designating the week beginning September 22, 1985, as "National Adult Day Care Center Week," Congress has performed a valuable public service. As adult day care centers become more available in our communities, and as their services become better known, I am convinced that families will find these programs to be a welcome, affordable alternative to the long-term, and often unnecessary institutionalization of their loved ones.

FULL EXTENSION OF EVJTA IS NEEDED

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DASCHLE. Mr. Speaker, earlier today the House passed S. 1671, an action I fully support. The interim extensions provided in this bill are necessary to ensure that several important programs which are facing expiration are not terminated. I do want to express, however, my disappointment in the extension provided in this legislation for the Emergency Veterans' Job Training Act [EVJTA].

On May 20, the House unanimously passed H.R. 1408, a bill to extend and improve the program established under EVJTA. This highly successful program has placed over 36,000 long-term unemployed veterans of the Vietnam era and the Korean conflict in stable, permanent jobs. In passing H.R. 1408, the House expressed its desire to provide an extended period of time for veterans to be placed in approved programs of job training and an opportunity for additional veterans to participate in EVJTA. Under S. 1671, however, only the date by which a veteran must enter employment is extended. No provision is made to allow new veterans to be certified for participation under EVJTA.

A recent in-depth report, which evaluated the operation and impact of the Emergency Veterans' Job Training Act Program, had high praise for this program, both in terms of veteran and employer satisfaction with EVJTA. Job service offices from around the country have indicated their strong support for extending EVJTA but make it clear that legislation should include an advancement of the date for new entrants as well as the date by which a certified veteran must enter training. Their reason for requesting new veterans is quite simple—the

remaining number of certified veterans is not adequate to meet employer demands. Additionally, they point out that there are thousands of eligible veterans who continue to seek employment assistance but who cannot be certified because the cut-off for new entrants was February 28, 1985.

The limited extension provided in S. 1671 is a stopgap measure which allows for the continuance of EVJTA while the other body further considers its position on EVJTA. The Senate Veterans' Affairs Committee held hearings on veterans' employment issues recently, with particular emphasis on EVJTA, and it is my hope that the testimony presented at that hearing convinced our colleagues in the other body that Vietnam era and Korean conflict veterans deserve the opportunity for assistance in their efforts to find meaningful and stable employment.

A TRIBUTE TO LeROSA HAMPTON SMITH

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. CHAPPELL. Mr. Speaker, I rise today in the U.S. House of Representatives to pay tribute to LeRosa Hampton Smith—an outstanding leader and pioneer of social change in the Volusia County educational system—on the occasion of her retirement. Praised widely by local educators for her many contributions throughout her 36-year association with our schools, Mrs. Smith has, herself, become an educational institution who will be dearly missed.

This Saturday evening in Daytona Beach, I will be one of many members from the community participating in "A Tribute to LeRosa Hampton Smith and her Lifetime of Service and Dedication." I would like to take this opportunity to bring to the attention of my colleagues some of the achievements for which the retiring assistant superintendent for personnel and administrative services will be honored. And I am particularly pleased to point out that Mrs. Smith and I share the same birthplace—Ocala.

The first-born daughter of Dr. Lee Hampton, a local dentist, and Dr. Effie Carrie Hampton, the first black female licensed physician in Florida, she received a bachelor degree from Florida A&M University [FAMU] and went on to earn a master's degree in personnel administration at New York University. LeRosa Hampton Smith started her career in community service as dean of students and English instructor at her alma mater FAMU.

Mrs. Smith charted a new course in 1949, when she began working in Volusia County as a guidance counselor and English and social studies teacher at Campbell High School. She quickly became active in the black education organization, the Volusia County Teachers Association, as well as civic and church groups, too numerous to mention. Once at the helm of Bonner Elementary School, she continued as a district administrator and the first black to head an integrated education association.

In 1968, as Volusia Education Association [VEA] president, Mrs. Smith gave support and encouragement to hundreds of educators and united them during the statewide teachers' walkout.

In ironing out the back-to-work agreement, Mrs. Smith demonstrated the grace, efficiency, and leadership that have been the hallmark of her career. She also chaired the VEA committee that developed the agreement leading to the first negotiated contract between an education organization and a school board in Florida. In 1970, as principal of Turie T. Small Elementary School, her diplomacy brought black and white students, parents, and teachers together for the first time.

In her role as Volusia County schools assistant superintendent for personnel and administrative services, Mrs. Smith is credited with streamlining the county employee selection process, the targeted selection of school principals and improved administrative evaluations, among other achievements.

This distinguished career of community service has earned Mrs. Smith a number of nicknames, but none is as appropriate or as telling as the title of "Mrs. Human Relations." In 1981, she was the recipient of the Volusia Educators Association's Human Relations Award, later renamed in her honor. She also recieved the Florida Teaching Professionals' Human Relations Award, one of only three made in the State that year.

Her encouragement, competence, and leadership will serve as a model to all who would aspire to a career in community service. I join countless others in wishing LeRosa Hampton Smith well in her retirement and in thanking her for having graced both our educational system and our community.

CUBA RESCHEDULES PAYMENTS ABROAD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LAGOMARSINO. Mr. Speaker, a great deal of attention was given to the recent conference hosted by Fidel Castro to urge the debtor nations of the Third World to repudiate their foreign debts. Less attention is paid to Castro's own willingness to have Cuba repay its debts on time and to reschedule part of its foreign debt. The following report appeared in the September 20 edition of the Washington Times article. I urge my colleagues to recognize Fidel Castro for the hypocrite he is and to reject any consideration that Castro may be sincere in seeking improved relations with the West.

CUBA RESCHEDULES PAYMENTS ABROAD

PARIS.—Cuba, which has been urging Third World nations to repudiate their foreign debts, agreed on a rescheduling plan for some of the debt it owes to foreign banks, Credit Lyonnais said yesterday.

Credit Lyonnais, the government-owned French bank that is chairman of Cuba's debt coordinating committee, said the accord gives Cuba a six-year grace period on its medium-term debt due in 1985 and then allows repayment over the following four years.

The debt from 110 banks was equivalent to $90 million in West German marks, Swiss francs, Canadian dollars and Japanese yen, the bank said. Cuba will have about the same amount of debt falling due to bank creditors next year.

Also covered by the accord is about $375 million of short-term credit lines to the National Bank of Cuba that will be extended to Sept. 30, 1986, from Sept. 30, 1985. Seventy banks were involved in extending the credit lines.

Cuban President Fidel Castro has been devoting much effort to the Third World debt issue in recent months, urging others to repudiate the debts they owe foreign banks and governments.

He has said Latin America's heavy debt obligations prevent the creation of new jobs for the more than 100 million unemployed workers in the region and prevent financially strapped governments from providing health care to the sick.

Latin American leaders have ignored Mr. Castro's call for debt repudiation but have asked for concessions from their lenders such as longer payback periods and lower interest rates.

For example, an agreement to provide Argentina with $4.2 billion in new loans has gone into effect.

DR. IRWIN J. LUBBERS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. VANDER JAGT. Mr. Speaker, I would like to direct my colleagues' attention to an important editorial which appeared in the Holland Sentinel on September 10, 1985, paying tribute to Dr. Irwin J. Lubbers who passed away on September 8 at the age of 90. These remarks serve to underline Dr. Lubbers' outstanding contribution to Hope College and the field of education. I was privileged to attend Hope College when Dr. Lubbers was president and I have counted him a good friend and teacher through the years.

The editorial is a profile of an outstanding individual and educator. I believe it captures very well Dr. Lubbers' commitment to excellence and his commitment to Hope College and its students. He will be sorely missed by all those privileged to have known him, worked with him, and learned from him.

The editorial follows:

DR. IRWIN J. LUBBERS

More than any other individual, Dr. Irwin J. Lubbers was responsible for establishing the strong town-grown relationship between Hope College and the city of Holland.

In his 18 years of directing Hope College, Lubbers instituted a philosophy of cooperative efforts between the college and the

community. Because of the seeds planted during his tenure from 1945-1963, both parties gaines immeasurably.

Lubbers died Sunday at age 90.

Relations started by Hope's seventh president have been enhanced by his successors, Dr. Calvin Vander Werf and Dr. Gordon Van Wylen. Lubbers' predecessor, Dr. Wynand Wichers, wrote in "A Century of Hope" that Lubbers "was always ready to promote good relations and always willing to listen to any individual or group who had an interest in improving these relations. He himself promoted the cause by speaking persuasively to individuals and groups concerning the possibilities of the liberal arts college in the present age, and the need of larger support."

It was during Lubbers' tenure that Hope College began its new look. This ever-changing campus scene included radical departures from its pre-war appearance as Lubbers added buildings and remodeled others. Included in some of the early transition were temporary buildings and permanent structures used for a variety of purposes from classrooms to dormitories.

About the time World War II ended in Europe Hope College trustees approached Lubbers, then president of Central College in Pella, Iowa. He accepted the challenge, ready to fulfill his Ph.D. dissertation on "College Organization and Administration." When the Japanese surrendered later that summer Lubbers knew Hope would receive an influx of veterans.

Combining his talents of organization and leadership, Lubbers responded to immediate needs and established an administrative structure of deans, business manager, health facilities and alumni relations which has burgeoned into the present administrative staff.

Simultaneously, Lubbers realized a growing student body needed a larger teaching body. His personality helped lure competent instructors as he watched enrollment swell from 400 when he arrived to 1,200 in 1947, including 533 veterans. Hope's population dipped a few years later. Lubbers responded positively. He became the college's strongest personal envoy and boosted the college wherever he appeared.

Constantly recruiting and working closely with the Reformed Church in America and alumni, he saw enrollments soar. When he retired, Hope had more than 1,500 students. Perceptive, he realized Hope should encourage a larger student body and never restrict registration. Rather, he countered with necessary buildings.

Lubbers was an opportunist. After Hope was recognized in 1959 by the Chicago Tribune as one of the 10 best liberal arts colleges in the nation, Lubbers questioned, "Are we on a pedestal or on the spot?" Sage in his community, faculty and student associations, Lubbers saw to it contributions and financial grants kept Hope in the forefront. An excellent fundraiser, Lubbers instituted drives to include the Holland community, alumni, church and friends of the college.

One of his final public appearances as Hope's president emeritus occurred during the Holland visit of Queen Beatrix of the Netherlands. Lubbers had escorted her mother, Queen Juliana, 30 years before. Talking of ties between the two nations, Lubbers recalled being a farm boy "who went forth with great expectations to find his own identity." "Now, as an 87-year-old grandfather I look back in retrospect on the odyssey with deep emotion . . . and I now say with great pride and real conviction, Ik ben een Hollander (I am a Hollander.)"

"He was without peer in college administration and did a lot to give other church colleges new hope," Wichers wrote. "In 18 years, he had created a college of distinction."

THE SEAMIER SIDE OF THE SOVIETS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BROOMFIELD. Mr. Speaker, all of us hope that real progress will be made in the upcoming meeting between President Reagan and Soviet leader Gorbachev.

I believe, however, that the President should keep a few important points in mind.

When President Reagan sits down at the negotiating table with the Soviet leader, he should take great care to avoid getting dust on himself. You will recall that the KGB uses chemical dust to track diplomats.

It is possible that the Soviet Intelligence Service will spray the conference site with this powder so that the President's movements in Geneva could be tracked.

Perhaps the President's Secret Service contingent could liberally spray the meeting place with "Endust" and provide our President with a degree of protection from the probing Soviet sleuths.

I also understand that the Soviet Intelligence Service likes to put bugs in sensitive facilities. Perhaps our negotiating team could carry a good supply of "Raid" or "Black Flag" to put an end to the problem of being bugged.

I would also caution the President to keep his hotel windows in Geneva closed. It seems that the KGB enjoys beaming microwaves at our Embassy in Moscow. They might also try this trick in Geneva.

What disturbs me, however, is the fact that microwave radiation may be injurious to the health of the person who is being targeted.

Finally, the protection of endangered species will surely be discussed at the talks.

I might suggest that the President raise the issue of Soviet Jewry with Mr. Gorbachev. In the eyes of many, those innocent human beings are surely an endangered species in today's Soviet Union.

I wish the President good luck on his forthcoming mission to Geneva.

IN SUPPORT OF THE SAKHAROV FAMILY

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DASCHLE. Mr. Speaker, I am adding my voice to those in support of Senate Concurent Resolution 62, expressing unity with Dr. Andrei Sakharov, his wife Dr. Yelena Bonner, and their family.

For years, the Soviet Union has denied the Sakharov family their basic rights—freedom of expression, of travel, and of communication. Rights that are guaranteed by international treaties. Rights that we in the United States take for granted.

They cannot leave the Soviet Union. They cannot communicate with their children. Dr. Bonner needs medical attention available only in the West. And in order to gain his Government's sympathy for his wife's illness, Dr. Sakharov is thought to have begun a hunger strike.

In any other country the thoughts and words of Dr. Sakharov, winner of the 1975 Nobel Peace Prize, would be national treasures. In the Soviet Union, he is forbidden from speaking out. In any other country this brave couple would be honored for their contributions. The Soviets stand by and watch their physical deterioration.

In November, the leaders of the United States and the Soviet Union will meet in Geneva for the first time since this courageous couple was placed in internal exile. Their plight presents a unique opportunity for both President Reagan and Mikhail Gorbachev.

I urge President Reagan to protest the treatment the Sakharov's have received at the hands of the Soviets. To be effective the protest must not be sent through traditional diplomatic channels, it must be stated face-to-face and in the strongest terms.

And I urge Mr. Gorachev to put aside his public relations campaign and demonstrate his desire to improve the relationship between our two nations. One way to achieve this would be for the Soviets to restore this couple's basic rights, allowing them to travel, receive needed medical care, and communicate with their family.

A TRIBUTE TO JOE T. DeSILVA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Joe DeSilva, a pioneer in the free trade union movement. On May 19, 1985, Joe died at the age of 81. However, his accomplishments and vision will remain with us for generations to come.

In 1937, grocery clerks worked 72 hours and only made $15 a week. Joe DeSilva was fired from his job for trying to organize a union. By the following year, Joe had organized local 770 of the United Food & Commercial Workers International Union and got the workweek reduced to 54 hours.

Joe was a man ahead of his time in many ways. In 1947, long before the major battles of the civil rights and women's movements, Joe DeSilva asked for equal pay for women and nondiscrimination of color, race, or creed in employment. These requests, which now seem quite modest, resulted in a 2-week strike. At the end, Joe and the union emerged victorious, with nondiscrimination written into the local's contract and a $17.50 per week raise for female clerks.

The central theme of Joe's vision was comprehensive care for people. As a result, he became known as "Mr. Fringe Benefit." However, Joe did not consider such benefits as health coverage to be on the fringe of employee compensation. In 1949, after investigating many U.S. health facilities, Joe brought the Kaiser Plan to the Los Angeles area. It was only fitting that Joe spent his last days in one of these Kaiser hospitals.

In 1959, Joe led the second major strike in local 770 history. This time the issues were dental care, unemployment and disability benefits, medical and hospital care for retirees, and psychiatric care. No one in the United States had such a comprehensive benefit package. The clerks won this package, which became a model for many community mental health programs.

Local 770 membership had grown to 24,000 by 1973. Joe DeSilva had dedicated his life to negotiating full benefit coverage for the members. After 35 years as leader of local 770, Joe retired with a legacy of accomplishments to his credit.

After retiring from the union, Joe began a second career in the field of vitamins and nutrition. He was always a proponent of preventive medicine, and he continued to work for the issues that concerned him during his union years.

My wife, Lee, joins me in commemorating the lifetime of dedication and achievements of Joe DeSilva. We hope that through his example, we will all strive to make our communities better places to live and work.

THE INTRODUCTION OF TELECOMMUNICATIONS TRADE ACT OF 1985

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MATSUI. Mr. Speaker, I am introducing legislation today designed to obtain access to foreign markets for exports of U.S. manufactured telecommunications products. This bill is similar in scope with legislation introduced earlier this year in the Senate with bipartisan support and which has received endorsement from key trade associations, labor, and leading telecommunications companies.

The seriousness of the deterioration in our telecommunications trade balance cannot be overstated. From an impressive surplus only a few years ago, deficit for 1984 exceeded $1 billion. There are predictions that the deficit could double during this year.

This current situation is the result of numerous causes. The U.S. market which represents 45 percent of the world's demand for telecommunications technology is essentially wide open to all manufacturers of telecommunications equipment. The deregulation of our telephone system and the divestiture of AT&T have resulted in a unilateral, uncompensated trade concession being granted to our major trading partners. Therefore, foreign manufacturers enjoy a protected domestic market while taking advantage of these developments to sell increased amounts of equipment in the United States. However, I believe that the U.S. telecommunications industry remains committed to keeping our markets open and calls for protectionism and quotas to keep out foreign products have been minimal.

The picture for U.S. exports remains discouraging. It is an economic fact of life that virtually all export markets are closed to our products—despite consumer preference, price, quality, and other features. The U.S. telecommunications industry represents state-of-the-art world-class technology. U.S. companies have made significant commitments of resources abroad as well, in an effort to develop foreign markets. However, results to date are reflected in the growing trade deficits. Since January, the United States and Japan have engaged in extensive bilateral discussions to open the Japanesse telecommunications market. As a result, regulatory barriers to U.S. exports are beginning to ease. However, sales of U.S. products have not increased. The legislation I am introducing today is focused on the achievement of tangible sales results.

Japan is not the only country that has telecommunications trade barriers. Canada is more protectionist than Japan. The Canadians protect their domestic telecommunications industry with a 17.5-percent import tariff and preferential procurement practices. Most European telecommunications common carriers are excluded from the GATT procurement code which allows them to favor domestic manufacturers for telecommunications equipment purchases.

I know that many of my colleagues share my concern that Congress not take rash actions as short-term solutions which will ultimately do more harm than good to long-term trade policy. This bill offers the President a menu of policy options to be taken only when negotiations fail and leaves to him the tough decisions of selecting a remedy. Based on information on trade practices compiled after lengthy study pursuant to this legislation, the Chief Executive may select an appropriate response weighing other bilateral concerns as well. Although the President must act, and I believe this certainty of action by him to be an important tool, he is left with appropriate flexibility in discharging his responsibilities under the act.

This legislation is directed to the world market. It directs the administration to aggressively negotiate market access for the U.S. telecommunications industry to sell to all major trading partners. As a result, the U.S. telecommunications industry will remain in a position of technological leadership in the world market.

SUMMARY OF THE TELECOMMUNICATIONS TRADE ACT OF 1985

I. RATIONALE

The purpose of the bill is to promote the expansion of international trade in telecommunications equipment and services.

The United States telecommunications market has changed radically due to deregulation and divestiture of AT&T, and imports have increased dramatically resulting in a first-time trade deficit and a threat to employment. Foreign markets which represent considerable market potential, are essentially closed to U.S. manufacturers of competitive technologcially superior products. The objective of the legislation is to grant the Administration negotiating authority designed to obtain market access and a more open trading environment abroad in a timely fashion by using the U.S. market as leverage and to enforce existing trade agreements. The economic and technological growth of the United States telecommunications industry is at risk.

II. NEGOTIATING AUTHORITY AND PROCEDURES

The President would be granted authority for three years to enter into bi-lateral or multi-lateral trade agreements for open trade in telecommunications. As positive inducements for negotiations, the President may reduce, eliminate or otherwise modify, any barriers to the U.S. domestic market. Any such agreement would be reviewed by Congress. After two years, however, the President must correct any trade imbalance which exists with countries which have not signed agreements by employing remedies available under existing law (e.g. the Trade Act of 1974), such as duty increases, restrictions on registration or certification of equipment by the FCC, government procurement practices, or other measures.

After a thorough investigation, the United States Trade Representative is authorized to retaliate immediately against any country which fails to live up to commitments undertaken, by raising duties or restricting the entrance of telecommunications products into the U.S. The USTR's investigation would focus on key markets and analyze on a country-by-country basis barriers to U.S. exports of telecommunication equipment and provision of value-added network services (e.g. computer links).

SANDINISTA NOW SPELLS CORRUPTION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LAGOMARSINO. Mr. Speaker, the Sandinistas came to power in Nicaragua destroying the Somoza government and the corruption it represented. Now, reports indicate the Sandinistas are themselves just as guilty of corruption as their notorious predecessor. I urge my colleagues to read the following report by Jack Anderson and Dale Van Atta chronicling the abuses of the Sandinistas in power.

SANDINISTA NOW SPELLS CORRUPTION

(By Jack Anderson and Dale Van Atta)

Are the revolutionary rulers of Nicaragua trying to surpass the late, corrupt Anastasio Somoza's record as the hemisphere's greediest dictatorship? The word we get from Managua is that the Marxist Sandinistas are making a good run for Somoza's title.

In fact, the Sandinista leaders and their cronies are so blatant about their pursuit of luxury and wealth that the long-suffering Nicaraguan people know all about it, and

some of them cynically refer to the revolution as el engano, meaning the trick or hoax.

From U.S. intelligence and other sources, we've pieced together this story of a people's revolution betrayed by the Marxist millionaires who stole control:

The three commandantes who dominate the Sandinista junta, Daniel Ortega, Humberto Ortega and Tomas Borge, have divvied up the country's import market through two monopoly companies. What the Ortega brothers don't control, Borge does.

Daniel Ortega is the president of Nicaragua; Humberto is minister of defense and head of the army. Their key company is Alfa Comercial, which handles goods imported for the government. It is like the U.S. General Services Administration, except that the Ortegas are allowed to skim a percentage off the top of each transaction.

Rivaling their official pillage is the empire being built by Borge, the only surviving founder of the Sandinista movement. He is in charge of the police and internal security.

Borge walks with a pronounced limp, a souvenir of torture in the same Somoza prisons where his enemies are now mistreated. Borge was liberated in 1978 during the dramatic takeover of government buildings in Managua by Eden Pastora, now an embittered foe of his old Sandinista comrades.

Borge's import company, H M Corp., imports whatever goods the Ortegas don't.

Like the Ortegas, Borge has his own elegant private restaurants, off-limits to everyone but the Sandinista leaders and their guests. The government pays the tab. Borge also owns the Mau Mau, a discotheque in Managua that is the favorite of U.S. Embassy Marine guards.

Borge and the Ortegas flaunt their nouveau riches. Each owns more than half a dozen houses in the capital, according to competent sources. The Ortega family has nine beach houses in the San Juan del Sur resort.

Mansions that once were Somoza's also are available for the Sandinista leader's use. they are known as "protocol houses" in a transparent attempt to make them look official.

This is the tragedy of the Nicaraguan revolution. A popular uprising after years of repression and exploitation has been totally corrupted. The people still live in poverty.

FOOTNOTE: A spokeswoman for the Nicaraguan Embassy denied "absolutely" that Borge and the Ortega brothers owned any houses other than the ones they live in. She also maintained that only one company imports goods used by the government and it is state-owned. All of the restaurants in question, she added, are owned by the state.

ANATOLY SHCHARANSKY AND THE SUMMIT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BROOMFIELD. Mr. Speaker, as we prepare for the upcoming summit meeting between President Reagan and Soviet leader Mikhail Gorbachev, some people tend to forget the basic values and principles which set American democracy and Soviet communism so far apart. Perhaps the suffering of one Soviet citizen, Anatoly Shcharansky, offers a grim reminder of these immutable differences.

Even as we in the West prepare for the November summit, the Soviet Government continues to deliberately and tortuously crush the life out of this hapless individual—in open defiance of the West. This disdain for the life, liberty and basic human rights of Anatoly Shcharansky should not be lost on us, particularly not at a time when some here in the United States would have us believe that the Politburo is now made up of reasonable people, not much different than ourselves.

For this reason I would like to insert in the RECORD a statement made by Avital Shcharansky in the New York Times. This sad plea by the wife of a man the Soviets have in essence condemned to a slow and tortured death is well worth reading as we prepare for the summit.

[From the New York Times, Sept. 24, 1985]

SPEAK UP FOR SOVIET JEWS

(By Avital Shcharansky)

Some 400,000 Jews, among them my husband Anatoly, are being held hostage in the Soviet Union. Will any of these thousands ever taste the bright air of freedom in their ancient homeland, Israel? The American public and its officials might usefully put this excruciating question to the Soviet Foreign Minister, Eduard A. Shevardnadze, during his visit this month to the United States—for its answer lies entirely in the hands of his barbaric Government.

Tyrannies of all sorts have been known on earth, but until our day it has been virtually unheard of for any regime, no matter how despotic, to deny that most elementary of all political alternatives, the right to leave. Even Naxi Germany in the years before World War II grudgingly allowed free emigration—to say nothing of Russia under the Czars or South Africa under apartheid. In places where whole classes of citizens have been denied the right to vote or the right to a free press or to freedom of religion, they have been given the right to emigrate. Not, however, in the Soviet Union.

Yet Moscow did in fact put its signature 10 years ago to the Final Act of the Helsinki conference. It thus conceded, among other things, that "everyone has a right to leave any country, including his own, and return to it." It is in accordance with this provision and with internal Soviet regulations that 400,000 Jews have asked to emigrate by requesting invitations from Israel. Yet last year only 896 were permitted to leave (and only 702 through August 1985), while leaders of Soviet Jewry languish in prisons and work camps.

To the charge of barbarism, then, we may add the charge of violation of an international agreement. In flouting this convenant, the Kremlin mocks the values on which civilization itself must rest. Does this not cast the darkest doubts on Moscow's present diplomatic efforts to impart an image of sweet reasonableness and moderation? Should this not put into question the Soviet Union's right to be admitted into the comity of nations?

Anatoly Shcharansky was refused a visa in 1973, but like many others he placed his hopes in the Helsinki convenant. In the mid-1970's, he served as a prominent member of a group that took it upon itself to monitor Soviet compliance. It was on account of these wholly legal activities—and not for the spurious crime of spying with which he was charged—that he was arrested and imprisoned more than eight years ago.

His fate since then is a macabre commentary on the brave words of the Helsinki accords. In 1977, he was sentenced to three years in prison and 10 years of hard labor. After transfer to a work camp, he was placed in solitary confinement for 90 days as punishment for lighting Hanukkah candles and reciting the Hebrew Psalms. While there, he was kept alive on a diet of bread and water, the bread on alternative days only. In November 1984, he was again isolated in the camp's internal prison.

My husband's health has deteriorated dangerously. He suffers from severe pains in his chest and eyes. Months pass when he is not heard from, when no one is allowed to visit him. For him, as for Iosif Begun, Dan Shapiro, Yuli Edelshtein, Alexander Kolimiansky and countless other Soviet Jews, this has been the meaning of the Helsinki accords.

These are days of high hopefulness in the West. Talks between the superpowers are proceeding apace, a summit meeting is in the offing and the democracies, yearning for peace, bend with eager pliancy in the direction of Mikhail S. Gorbachev's smile. The Soviet leader, eager to derail the Strategic Defense Initiative and acquire Western high technology, is desperately seeking accommodation and normalization. Can it be too much, in this season of expectation, to suggest that one unequivocal demand be made of those who have so systematically trampled on the rights and the lives of countless human beings begging for nothing but release? Is it too much to ask that before we seek or trust its signature on future treaties, the Soviet Government be required to honor the Helsinki accords—the most easily implementable of agreements?

Ultimately, the question is for Mr. Shevardnadze's Government to answer. But it is up to the West, particularly the United States, to ask. My husband and the Jews of the Soviet Union wait upon the word.

OTA BMD REPORT HIGHLIGHTS IMPORTANT ARMS CONTROL IMPLICATIONS OF SDI

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FASCELL. Mr. Speaker, OTA released yesterday a report on "Ballistic Missile Defense Technologies" that reinforces many of the points made in the House Foreign Affairs Committee's "Interim Report on the Administration's Space Arms Control and Defense Policy" released in May 1984. Namely, the OTA report reinforces the point that U.S. pursuit of a vigorous BMD research program could stimulate an offensive and defensive arms race between the superpowers.

The OTA report further shows that the success of the President's strategic defense initiative [SDI] depends on Soviet cooperation. At the present stage of United States-Soviet arms control negotiations in Geneva, the Soviets have made clear their unequivocal opposition to the SDI. However, it appears that some Soviet softening on their opposition to SDI research may be immi-

nent. At any rate, the OTA report points out that prospects for a cooperative transition look dim.

No one, the OTA report explains, has offered a viable plan that would reduce offensive missiles, make the transition to defense dominance cooperative, while at the same time preventing the United States and the Soviet Union from developing BMD systems before such a transition plan can be negotiated. Advanced development of these systems before a transition can be negotiated would increase instabilities and defeat the purpose of the SDI.

It is clear from the OTA report that there are many unanswered questions surrounding the SDI Program ranging from defining just what the SDI is, to technical feasibility questions, to questions regarding its impact on arms control.

Moreover, it is evident from the report that without arms control reductions a successful SDI is impossible. In other words, if the United States vigorously pursues SDI research, and the Soviets do the same, and both superpowers continue to upgrade their offensive arsenals to better penetrate each other's upgraded defensive systems, we will have worsened the strategic balance between the superpowers.

The OTA report also clarifies an important bone of contention among opponents and proponents of the SDI concerning United States and Soviet BMD capability. The report states that:

In terms of technological capabilities, the United States clearly remains ahead of the Soviet Union in key areas required for advanced BMD systems. . . . The Soviet Union does not surpass the United States in any of the 20 basic technologies that have the greatest potential for significantly improving military capabilities in the next 10 to 20 years which were surveyed by the Under Secretary of Defense for Research and Engineering

Along these lines, the OTA report comments on an assertion made in the White House pamphlet on "The President's Strategic Defense Initiative" released last January. The administration pamphlet states that in the next 10 years, the Soviets will be able to deploy a nationwide ABM defense system and that if they do, "deterrence would collapse," and we would have no choices between "surrender and suicide." OTC counters this by saying that "Although any defense deployable by the Soviets in the next 10 years would certainly complicate United States targeting, the available offensive countermeasures technologies make it extremely unlikely that we could be forced to choose between surrender and suicide." In other words, our offensive countermeasures would more than likely be adequate for penetrating Soviet defense.

While most everyone would agree that some level of ballistic missile defense research is advisable and necessary, we must be careful to conduct this research within the bounds of the ABM Treaty. If we are not careful, OTA warns, and we "allow the ABM Treaty regime to erode, and then find out at the end of our BMD research program that the new BMD technologies did not fulfill expectations, we could end up with the worst of both worlds: no arms control to limit BMD, Soviet BMD deployment, no effective United States BMD, and, quite possibly, asymetrical Soviet offensive forces intended to overcome an anticipated Unite States BMD.

If our goal is to maintain the ABM Treaty, OTA explains that we must conduct our research program in such a way that we do "not either prematurely compromise the ABM Treaty by encouraging Soviet exploitation of technical ambiguities, or stimulate the Soviets to begin deploying BMD and enhanced offensive forces at a time more advantageous to them than to us." This may mean that some of the planned SDI demonstration projects, some of which will definitely raise ABM Treaty compliance questions, should be delayed in the interests of preserving the ABM Treaty regime. These and other issues will most assuredly be addressed by the Congress in the months ahead.

A CONGRESSIONAL SALUTE TO COMMISSIONER JULES D. BARNETT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ANDERSON. Mr. Speaker, I would like to take this opportunity to honor one of Long Beach's most distinguished and prolific citizens. Retired Superior Court Commissioner Jules D. Barnett soon will be vacating his position as professor of law at California State University at Long Beach.

Jules' dedication to community betterment has been made evident during his many diverse careers. Not one to shy away from the front line of municipal service, he has been a patrolman in New York City. He was also an assistant U.S. attorney in Los Angeles before becoming a superior court commissioner in Los Angeles County. It is fitting that I point out, on the eve of this final retirement, the selfless concern for the welfare of the public which has so illuminated his life. The knowledge and guidance he has bestowed on his many students during his tenure as professor of law will most certainly be missed by future students after his departure.

Jules' educational achievement rivals his public service in its comprehensiveness. He received his B.A. from New York University in 1936, his LL.B. from New York University Law School in 1938, and his LL.M. from the University of Southern California in 1963. He has numerous legal articles to his credit.

A life such as this indicates that he will continue to make a significant contribution to society during his retirement years, and southern California will continue to benefit from the endeavors of one of its exemplary citizens, Jules D. Barnett. My wife, Lee, joins me in wishing Jules, his wife Claire and their sons Bob, Jeff, Fred, and Dan all the best in the years to come.

NATIONAL ADOPTION INFORMATION CLEARINGHOUSE ACT

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BLILEY. Mr. Speaker, I am pleased today to introduce the National Adoption Information Clearinghouse Act, which amends title X of the Public Health Service Act, the Family Planning Program.

For far too long, family planning has meant only preventing pregnancy, limiting family size, and spacing pregnancies. We must change our focus to emphasize positive family planning—that is the formation of families through adoption for those who would otherwise not be able to establish families.

Across this great Nation, interest in adoption is running high. This concern encompasses both infant adoption and special needs adoption, which involves children who are older, handicapped, members of a minority, or in sibling groups. I am greatly encouraged by this intense interest. There are few things we can do more important than finding permanent homes for needy children.

The National Adoption Information Clearinghouse Act amends section 1001 of the Public Health Service Act to authorize family planning projects to offer adoption services. This amendment would not require that these services be offered, it simply states that adoption services may be offered by recipients of family planning funds. By doing so we would acknowledge that adoption services, along with natural family planning methods, and infertility services are an important aspect of family planning.

In addition, this legislation directs the Secretary of Health and Human Services to establish a national adoption information clearinghouse. The clearinghouse will collect data and information on both infant and special needs adoption, and maintain up-to-date directories of information concerning emergency pregnancy services, shelters, and residences for pregnant women, educational programs on adoption, licensed adoption agencies, State laws relating to adoption, statistics on adoption, and any other services relating to adoption for pregnant women, infertile couples, adoptive parents, unmarried individuals who want to adopt children, individuals who have been adopted, birth parents who have placed a child for adoption, adoption agencies, social workers, counselors, or other individuals who work in the adoption field. Most important, the clearinghouse will provide the American people with current and complete information relating to all aspects of adoption.

Mr. Speaker, I am fully aware that adoption and foster care have generally been under the jurisdiction of the States. I would be the last Member here to suggest that we should impose the Federal Government's jurisdiction over an issue that prop-

erly lies with the States. It is essential that we have reliable national data. Only then can we properly assist in bridging the gap between children in need of a permanent loving home and individuals wishing to establish a family.

We have established clearinghouses through the Department of Health and Human Services to provide information on arthritis, cancer, drug abuse, and smoking and health—just to mention a few. Surely, finding homes for children deserves no less attention.

President Reagan has repeatedly advocated increased support for adoption—both in public speeches and private meetings. In his Father's Day address last year he said:

We want to see fewer abandoned, handicapped or underprivileged children left in foster care; and we want to see the unborn child given his or her chance to love and to know the joys of life. Adoption is often the best option. Too often, it has been the forgotten option.

Adoption has been called "the loving option." I urge my colleagues to support this effort to ensure that adoption is not the forgotten option.

Mr. Speaker, I ask unanimous consent that the text of the National Adoption Information Clearinghouse Act of 1985 be printed in the RECORD.

H.R. 3426

A bill to require the Secretary of Health and Human Services to establish the National Adoption Information Clearinghouse.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Adoption Information Clearinghouse Act of 1985".

SEC. 2. (a) Title X of the Public Health Service Act is amended by adding at the end thereof the following new section:

"NATIONAL ADOPTION INFORMATION CLEARINGHOUSE

"SEC. 1010. The Secretary shall establish, either directly or by grant or contract, a National Adoption Information Clearinghouse. The Clearinghouse shall—

"(1) collect and synthesize data and information obtained from studies, research, and reports by public and private agencies, institutions, or individuals concerning all aspects of infant adoption and adoption of children with special needs;

"(2) compile, maintain, and periodically revise directories of information concerning—

"(A) emergency pregnancy services;

"(B) shelters and residences for pregnant women;

"(C) training programs for counselors who work with pregnant women;

"(D) educational programs on adoption;

"(E) licensed adoption agencies;

"(F) State laws relating to adoption;

"(G) statistics on adoption; and

"(H) any other services relating to adoption for pregnant women, infertile couples, adoptive parents, unmarried individuals who want to adopt children, individuals who have been adopted, birth parents who have placed a child for adoption, adoption agencies, social workers, counselors, or other individuals who work in the adoption field; and

"(3) disseminate the most current and complete information regarding adoption, including the directories compiled, maintained, and revised pursuant to paragraph (2).".

(b) Section 1001(a) of such Act is amended by inserting after the first sentence the following new sentence: "Such projects may also offer adoption services.".

FIGHTING FOR FREEDOM IN AFGHANISTAN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. COURTER. Mr. Speaker, unlike so many courageous but ill-fated Eastern European and Baltic peoples, the Afghans have never before felt the crush of Red Army occupation. For 6 years now, they have resisted fiercely. Their pride and their religion are two firm guarantees that they wish to continue to do so. But even a holy war cannot be fought without weapons.

The news reports and interview materials which reach us suggest that American aid to the freedom fighters arrives in markedly inadequate amounts. The Mujahadeen do not ask us to fight their war for them. Like Winston Churchill in the first stages of the Second World War, they say to a distant and reluctant American Government only this: "Give us the tools, and we'll finish the job." They need ammunition especially, as well as weapons, clothing, and medicine in order to continue the battle against the strongest army on the face of the Earth.

Mr. Speaker, I would like to include in the RECORD the following report from Peshawar by Christina Dameyer. It indicates why the war in Afghanistan can still be won by the Afghans, who have survived so many other would-be conquerors before.

[From the Christian Science Monitor, Aug. 6, 1985]

IN AFGHANISTAN, SOVIETS FIND REPLACING ISLAM WITH COMMUNISM ISN'T EASY

(By Christina Dameyer)

Peshawar, Pakistan.—The devout Afghan belief in Islam is proving a major obstacle to the Sovietization of Afghanistan.

Ninety-nine percent of Afghanistan's population is Muslim, and the Afghans practice their religion diligently. The element of atheism in communist doctrine has thus provoked instinctive hostility, and resisting Afghans rallied around the banner of Islam—the only belief system that unites Afghanistan's diverse ethnic and linguistic groups.

Even before the Soviet invasion in 1979, the Afghan government had tried to promote an acceptance of communist ideology among the Afghans, according to Afghan refugees in Pakistan. The regime of Nur Muhammad Taraki tried direct methods to spread its Marxist message through the mosques. However, the mullahs (religious leaders) usually refused to read the communist propaganda at prayers, and when they did, the congregation would walk out.

When the Soviets invaded, they switched to less direct tactics. Prof. Rasul Amin, former dean of social sciences at Kabul University, says that although they officially support Islam, the Soviets are in reality pursuing a policy of "de-Islamization".

Government-run Kabul Radio broadcasts proclaim that Islam and socialism are in reality the same thing, and that Afghans are free to practice their religion.

But government actions suggest otherwise. For instance, religious content in schoolbooks—traditionally a major element of education in any Islamic country—has been greatly reduced, and anything Islamic is regarded as antigovernment.

Afghans have become fearful of praying in mosques because of surveillance by undercover government agents, Afghan refugees say. Increasing numbers now pray only in their homes.

Under the guise of supporting Islam, the Soviets are also infiltrating the ulems (college of Islamic regligious scholars and clergy) to win control of it. Afghan refugees say. The Soviets seem to be aware of how much influence the mullahs and religious scholars have on the average Afghan. They have reportedly imprisoned or forced out anticommunist religious leaders and replaced them with a supreme council of ulema considered to have close ties to the Afghan secret police.

To ease suspicions that comminism will destroy the Islamic system, groups are invited to visit the Muslim Soviet Central Asian republics and, occasionally, Moscow. About four times a year delegations of 50 to 100 religious figures, accompanied by members of the Afghan secret police, take these tours. They are conducted by undercover agents of the Soviet secret police, Professor Amin says.

The visitors are taken to both functioning mosques and ones under renovation. Abdul Majid Mangal, the former deputy to the Afghan ambassador to the Soviet Union, saw what he called "frameup prayer meetings" at a Moscow mosque. Some 150 Uzbeks and Tajiks had been imported from Central Asia, he said, to pray alongside the Afghans in the otherwise seldom used mosque.

"The Soviets select the oldest and poorest mullahs from rural areas to go, to impress them with the Soviet standard of living," says a Peshawar University professor who studies the Afghan situation. "They don't understand that all of it is being arranged for them."

In addition to ulema groups, many other Afghan delegations are invited to the Soviet Union every year to witness firsthand the virtues of the Soviet system.

Peasants visit Soviet collective farms, laborers view model factories, judges and lawyers meet their Soviet counterparts, Afghan Communist Party and youth league members meet their parent organizations, and sports teams play matches. One hundred tribal elders are sent each year; according to Abdul Tawab Hikmat, a recent defector from the Ministry of Foreign Affairs. Also, a few hundred of the most industrious workers are rewarded each year with vacations to Soviet bloc countries.

But apparently not all the Afghan visitors are taken in by these actions. A former Afghan government official who met, many of the returnees said, "The ones interviewed in the Kabul airport after a trip proclaim for TV that yes, Soviet Muslims are allowed to pray. However, others secretly admitted to me that they had concluded that the Soviet government is against Islam."

THE 25TH ANNIVERSARY OF IRWIN CLOTHING CO.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MATSUI. Mr. Speaker, I rise today on the occasion of the 25th anniversary of Irwin Clothing Co. in Sacramento to acknowledge an exemplary business that has demonstrated the true meaning of American entrepreneurship.

Sometimes, in the search for a healthy profit, it is easy for a business to lose sight of some of the virtues of business enterprise that have made this country the greatest free Nation on Earth. Irwin Clothing Co. has become an integral part of the Sacramento community providing a sense of stability and business security. Mr. Irwin Weintraub, the owner of Irwin Clothing Co., has always strived to provide a warm personal service, an exceptional quality to survive the competitive pressure of large, impersonal chain stores.

Most of all, it is the importance that Irwin's has given to good, honest business practice that I would like to commend today. Such an example to the community is in true American tradition. It has shown over the past 25 years that it is possible to retain high standards and values in business without losing profit.

Such business integrity is part of the moral substance of capitalism, and deserves special recognition. I extend my personal congratulations on behalf of the community of Sacramento to which Irwin's has made such an outstanding contribution, and offer my best wishes for many more years of successful trading.

NEGOTIATING WITH THE PLO IS WRONG

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LEVINE of California. Mr. Speaker, I want to bring to my colleagues' attention an op-ed piece by Jeane J. Kirkpatrick entitled "The 'New' Mideast Peace Process," that appeared in the September 23 Washington Post.

Mr. Speaker, over the last 2 months the administration has been signaling its interest and willingness to meet with individuals who are closely involved in, if not members of, the Palestine Liberation Organization. Doing so would violate both the spirit and letter of U.S. law. I authored a successful amendment prohibiting negotiations with members of the PLO until they recognize Israel's right to exist, accept U.N. Security Council Resolutions 242 and 338, and renounce the use of terrorism. The U.N. resolutions state that Israel would give up certain land in exchange for peace with its neighbors, to be worked out through direct negotiations of the parties. But, as Kirkpatrick writes, present administration efforts have taken a different path:

The catch is that a very different "peace process" is now being proposed. Instead of negotiations between Israel and Jordan, there are to be negotiations between the United States and a joint Jordanian-Palestinian delegation that would include the PLO, followed by negotiations at an international conference at which Israel and the Soviet Union would be present . . .

For the U.S. government to follow the course now urged upon us would require that we break our promise to Israel not to deal with the PLO unless it has accepted Resolutions 242 and 338 and renounced terrorism (it has done neither), and to do so without any commitment that even then Jordan would enter direct negotiations with Israel. Accepting the proposal would also require giving the Soviet Union a new role and new influence in a vital area.

Kirkpatrick also writes that the reason Israel's neighbors hve refused to negotiate under Resolutions 242 and 338 is that:

The prospect of tangible gains has not been as compelling as the intangible satisfaction of denying Israel's existence.

Ms. Kirkpatrick's article succinctly states the problems and pitfalls of present administration policy with respect to Mideast peace. I hope my colleagues will read it. The text follows:

THE "NEW" MIDEAST PEACE PROCESS

(By Jeane J. Kirkpatrick)

The opening of the United Nations General Assembly provides an opportunity for U.S. government officials to hear another round of complex and subtle arguments about the dispute between Israel and her neighbors and to observe the "new" Arafat and the "new" PLO.

Americans like negotiations. We believe parties to a dispute ought to sit down together, hear each other out, make mutual concessions, compromise their differences. It is the American way. It works well for us in domestic affairs. We don't see why it shouldn't work for everyone, everywhere. So our government keeps trying to get disputants to the world's conflicts to a table even when they would rather fight than switch. Nowhere does our government try harder than in the Middle East where the U.S. Department of State has once again been engaged in complicated negotiations about negotiations between Israel and her neighbors.

The U.S. goal is to get the "peace process," launched at Camp David, going again. That "process" is based on Resolutions 242 and 338 passed by the United Nations Security Council in the wake of the 1967 and 1973 wars against Israel. Those resolutions embody our favorite recipe: negotiation and compromise. Israel is to give up territory won from neighbors who made war against her in 1967 and 1973. The neighbors are to give up war. There are to be secure boundaries for all. It is to be worked out through direct negotiations of the parties.

For more than a decade this "land for peace" formula has been the basis of a largely unsuccessful U.S. diplomacy. Why has so patently reasonable a solution been so hard to work out? Complicated explanations are offered, but the answer is discouragingly simple. The reason no start has been made in implementing Resolutions 242 and 338 is that Israel's neighbors—Jordan, Syria and Lebanon—have refused to negotiate with Israel even though they know they could regain lost territories by doing so. The prospect of tangible gains has not been as compelling as the intangible satisfaction of denying Israel's existence.

In the United Nations, some Arab countries will not even pronounce Israel's name, calling her instead the "Zionist entity." Obviously a country that does not exist cannot be a negotiating partner. Not negotiating with Israel became the litmus test of Arab solidarity. Men have been murdered just for suggesting it. When Egyptian President Anwar Sadat broke ranks and negotiated peace with Israel's Prime Minister Menachem Begin (under the helpful eye of President Jimmy Carter), for Egypt the reward was return of the Sinai, for Israel the reward was peace, for Anwar Sadat the reward was death at the hands of Moslem fanatics.

So far Israel's other neighbors have refused negotiations for peace, either because they fear their own extremists or because they have been unwilling to accept Israel's existence. The most implacable enemy of Israel, peace and negotiations has been the Palestine Liberation Organization, which steadfastly denies that Israel has any legitimate borders.

The PLO National Charter makes their position clear. It defines all of Israel as part of Palestine. It describes "armed struggle" as "the only way to liberate Palestine," and asserts that participation in the armed struggle is the first priority for Palestinians. It describes Israel as Zionist, racist, illegitimate, and its founding as null and void. It asserts that the Palestinian people "reject all solutions which are substitutes for the total liberation of Palestine and rejects all proposals aiming at liquidation of the Palestinian problem." "Camp David" was such a proposal. The PLO fought it with vehemence and violence.

In diplomatic circles it is said that the PLO leadership no longer holds these views, but it has not renounced the covenant. However, the organization has undergone various other changes. Hammered first by Israel, then by Syria, its territorial base was smashed, its forces scattered, its leadership divided.

The result, we are told, is a new, more "moderate" Arafat. Certainly he's keeping more moderate company. The governments of Jordan and Egypt are working to bring the "new" PLO into the "peace process."

The catch is that a very different "peace process" is now being proposed. Instead of negotiations between Israel and Jordan, there are to be negotiations between the United States and a joint Jordanian-Palestinian delegation that would include the PLO, followed by negotiations at an international conference at which Israel and the Soviet Union would be present.

Jordan's King Hussein and Egypt's President Mubarak—both good friends of good faith—urge the U.S. Department of State to take a chance on the new initiative. The PLO, they urge, should be put to the test. Deal with it, and it will consider dealing with Israel . . . in the company of its Soviet friends and patrons.

For the U.S. government to follow the course now urged upon us would require that we break our promise to Israel not to deal with the PLO unless it has accepted Resolutions 242 and 338 and renounced terrorism (it has done neither), and to do so without any commitment that even then Jordan would enter direct negotiations with Israel. Accepting the proposal would also re-

quire giving the Soviet Union a new role and new influence in a vital area.

So far, the only visible effects of these proposals have been to refurbish Arafat's reputation as a major actor, to create anxiety in Israel, and to speed the reintegration of Egypt into the Arab world—Morocco invited Egypt to a conference; Jordan restored diplomatic relations.

At the brand-new session of the U.N. General Assembly one hopes that U.S. officials will remember that negotiations should be the means and not the ends of the process, and remember, too, that while we hope for peace, we are not parties to the conflict.

RECIPIENTS HONOR THEIR MERRILL BENEFACTOR

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. OBEY. Mr. Speaker, as life and education have changed at Notre Dame University over the last 58 years, one thing has stayed the same. Each year, four students from Merrill, WI, have attended Notre Dame as a result of the generosity of a Merrill pioneer, the late Leonard N. Anson.

With a gift of $100,000 in 1927 Mr. Anson established a trust which awards an all-expenses-paid scholarship to Notre Dame each year to a student from Merrill High School. These unique scholarships, worth an annual $11,000 each in today's dollars, cover tuition, room and board, books and fees, and other living expenses.

The Leonard Anson Memorial Scholarship has given 58 students from Merrill an opportunity, which many of them might otherwise never have had, to reach their full potential by financing study at one of the best universities in the world.

Recently, former scholarship winners paid tribute to the Anson family. They presented a plaque to Leonard Anson Donoghue, grandson of Leonard Anson.

Mr. Speaker, I include an article and an editorial from the Wausau-Merrill, Wisconsin Daily Herald and commend them to my colleagues.

RECIPIENTS HONOR THEIR MERRILL BENEFACTOR

(By Jim Elliott)

MERRILL.—It's been 57 years since the Leonard N. Anson Memorial Scholarship was established.

And every year since 1928 a Merrill high school graduate has been selected to attend the University of Notre Dame, with all four-year expenses paid by the scholarship trust.

Monday, three of the scholarship recipients met in Merrill for a testimonial thank you to descendants of Anson, a Merrill lumber baron, businessman and one-time mayor.

"The purpose of this event is to take time out of our busy schedules to reflect on the generosity of the Anson family," said Dr. George M. Krembs, West Hurley, N.Y., the 1952 winner.

Krembs, who has traveled the world as an engineer for IBM, said he's never heard of a better scholarship anywhere.

"This is truly an outstanding, if not the most outstanding, scholarship that I'm aware of," he said.

Frank Piano, retired, Daily Herald publisher and the 1957 winner, said the generous nature of the scholarship tells a lot about the type of people the Ansons were.

"It was given to persons unknown. Most were not even born at the time the gift was made," Piano said. The Ansons were known as the "backbone" of the community and helped finance construction of Holy Cross Hospital in Merrill, he said.

Robert Savaske, a 1946 scholarship recipient who is now president of M&I Citizens American Bank in Merrill, said the scholarship trust was established with $100,000.

"That was a lot of money then, and it's a lot of money now," he said. If the investment had been allowed to continue with no withdrawals, it would now be worth more than $2.75 million, he said.

The scholarship covered all expenses, from room and tuition right down to laundry. In 1928 it cost about $1,250 to send a student to Notre Dame, but now it costs $11,000. And there are four Merrill students there every year.

"It would take a minimum of $744,000 to establish such a trust today," Savaske said. "We all have a lot to be thankful for."

Leonard Anson Donoghue, grandson of Leonard Anson, said he wished his ancestors were alive to see the results of their gift.

"By giving the gift of education to the young men of Merrill, they were able to give fulfillment of my grandfather's dream. It was always the wish of my family to give back partial payment for all Merrill has meant to them."

The scholarship continues in perpetuity, thanks to a contract with the university, which selects the winner from a list of eligible candidates from Merrill High School.

GIFT IS HIS LEGACY

There are two kinds of endeavors: those we do for ourselves, and those we do for others.

In the end, we will be judged for the latter.

And in that analysis, Leonard N. Anson won't be found wanting.

Anson, of lumber fame, established a scholarship in perpetuity with a $100,000 gift to Notre Dame University in 1928. Every year since, a Merrill High School graduate has received what some students call a "free ride."

The Anson scholarship is the most prestigious gift given to any graduate in the Merrill district, which probably has among the largest per-student payout for scholarship of any school in the nation each awards day.

Generosity befits Merrill, and Anson leads the way.

The Leonard N. Anson Memorial Scholarship pays for books and tuition, worth about $11,000 a year. In any given year there are four Merrill High School grads at Notre Dame, each benefitting from the generosity of Anson.

Merrill people also should be grateful to Anson, even those whose sons and daughters have not received the scholarship. The mere existence of such a generous award in a district challenges students to do their academic best.

Why did Anson give the $100,000 gift, the one that would be worth about $2.75 million if it had been left to earn interest over the past 57 years?

Leonard Anson Donoghue, grandson of Leonard Anson, put it this way: "By giving the gift of education to the young men of Merrill, they were able to give fulfillment to my grandfather's dream. It was always the wish of my family to give back partial payment for all Merrill has meant to them."

Granted, Leonard Anson has been handsomely rewarded in the lumbering business. One does not have $100,000 to give in 1927 unless he has accumulated a substantial amount of money. That's a lot of money now and was even more then.

But Anson could have taken his money and run. He didn't His legacy is a future of quality higher education for some select Merrill graduates.

In so doing, he guaranteed a steady supply of leaders in business, education, medicine, law, and industry, all of whom will share two things—the values inherent in having been raised in a small, caring community and a degree from one of the nation's top colleges.

That bodes well for the future and speaks well for Merrill.

An aside: The Anson Scholarship pays the freight, but it is the academic preparation and the individual's ability that make the whole equation work. If Merrill students were not bright, talented young men and women who have had the kind of an education an exemplary school system offers, all would be for naught. Merrill's Anson scholars not only have perservered, they have excelled, both at Notre Dame and in later life.

The community can be justly proud of them, and of itself.

When some Anson scholars got together at Merrill High School earlier this week to pay tribute to the man who had founded the scholarship that was the turning point in some families' lives, they were doing something that Anson would have understood.

This time they were giving back partial payment for all Anson's gift had meant to them.

May we all do the same, to our communities and our benefactors, some day.

THE SIMULTANEOUS NUCLEAR TEST BAN ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mrs. SCHROEDER. Mr. Speaker, in April I introduced the Simultaneous Nuclear Test Ban Act (H.R. 1834) that challenged both the U.S. and the U.S.S.R. to declare a moratorium on the testing of nuclear weapons beginning August 6, 1985, the 40th anniversary of the bombing of Hiroshima. On July 29, Soviet Leader Mikhail Gorbachev met that challenge and announced a 5-month unilateral moratorium on nuclear tests. Fifteen minutes before the Soviets officially announced their moratorium, the Reagan administration rejected the Soviet offer and instead invited the Kremlin to monitor a single American nuclear weapon test.

The administration says they are going the "extra mile in order to get some results in arms control discussions." By rejecting the Soviet offer President Reagan surrendered the moral high ground. The Soviets gave the mile and the President took an inch.

In response to the Soviet moratorium, 34 of my colleagues are joining me in introducing a revised Simultaneous Nuclear Test Ban Act. The bill, in recognition of the Soviet moratorium, calls for the President to declare a moratorium on testing nuclear warheads by January 1, 1986. If the President does not initiate a moratorium then Congress would cut off the use of funds for testing nuclear warheads for a 6-month period as long as the Soviets continued their moratorium.

The people of this country recognize the opportunity we have to work toward a peaceful coexistence. If the President will not seize the opportunity then it is the responsibility of Congress to act by using the power of the purse strings.

JOB CORPS WORK OFFSETS COSTS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. WILLIAMS. Mr. Speaker, I rise today to share an article from the Ravalli Republic, a newspaper in the district I represent, on September 16, 1985. This article relates the findings of a study released by the U.S. Forest Service on the civilian conservation corps centers of the Job Corps as they relate to the centers in my district.

FOREST SERVICE: JOB CORPS WORK OFFSETS COSTS

The nation's Job Corps Centers have been assailed Reagan budget makers in recent months as a costly program that's not worth the expense.

But the U.S. Forest Service has come out with a report that defends two of the centers, including Trapper Creek Job Corps south of Darby and the Anaconda Job Corps Center near Anaconda.

The agency says that in the past year, the two Job Corps Centers contributed more than $2 million worth of work in the National Forests and other public properties.

Mission of the centers is to educate and train young men and women. And the Forest Service says Job Corps enrollees at the center last year put in 2,265 work months in accomplishing $2,083,600 of work on public lands and facilities in the National Forests.

Work included maintenance and upgrading the Center's facilities. Men and women enrollees did welding, carpentry, concrete work, bricklaying, operated heavy equipment, and did maintenance work.

The Forest Service says the Job Corps centers contributed work only on projects with inadequate funds for completion. Contributed Job Corps work, under federal rules, cannot displace workers or contractors and the project, says the Forest Service, must provide "meaningful training and work experience."

A total of 233 men and women are enrolled at Trapper Creek while 229 men and women are enrolled at the Anaconda Job Corps Center.

GETTING TOUGH ON NERVE GAS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FASCELL. Mr. Speaker, the editorial entitled "How To Get Tough With Nerve Gas" in yesterday's New York Times captures the sound foreign policy, arms control, defense, and budgetary reasons why a bipartisan majority in the House has opposed the production of binary nerve gas chemical munitions.

In addition, persistent test failures and technical deficiencies continue to plague the binary Bigeye bomb. This fact was reaffirmed just last week in the General Accounting Office report to Congress in which GAO again recommended that Congress should not fund the binary production program in fiscal year 1986. This GAO report concludes that the binary funding request is premature because "the Bigeye bomb has not met the established minimum chemical requirement for chemical purity and numerous critical technical issues are unresolved."

This is sound counsel and advice which I hope will be affirmed as we appropriate defense levels in fiscal year 1986.

The New York Times editorial follows:

[From the New York Times, Sept. 25, 1985]

HOW TO GET TOUGH WITH NERVE GAS

Nerve gas is a hideous weapon, but as long as Soviet troops are equipped with chemical munitions, American troops cannot be denied an effective response. That's why the Defense Department's plan to build a new generation of chemical arms—so-called "binary" weapons—is so dismaying. Never mind their vast extra cost, their stabilizing effect on NATO or the initiation of a new race in chemical arms; the new binary weapons will be less effective.

Every new weapon has defects, often serious, which field tests may remedy. Binary weapons surely have their share, but these as-yet-unknown flaws remain undetected because Congress has restricted field tests. No soldier should be asked to fight with untested weapons. And the Bigeye bomb, one of the proposed binary weapons, is still plagued with manifest design flaws.

Advocates say binary weapons will be safer to handle, since the nerve gas is not generated until two chemicals are mixed, in flight, in the delivery shell. Maybe, but the present shells and bombs have a long and excellent safety record, without a single serious accident. Why fix a non-problem? Advocates of binaries contend the present stockpile has sprung leaks. Yes, there are minute leaks—in 0.0006 percent of artillery shells. All other stockpiled shells are usable.

The only practical reason for moving to binary weapons would be evidence that the present stockpile might later deteriorate beyond use. That's an answerable technical question. A blue-ribbon panel appointed by the Department of Defense is conducting aging tests. Why rush to start making binary weapons, costing $2.3 billion over five years, when these tests may well show the present stockpile has a long life ahead?

What truly needs fixing is not chemical offense but defense. The Pentagon has so far failed to institute advice by the Defense Science Board to remedy gaps in manpower, training and equipment. The Army has no medical products in the field for care of chemical casualties, no proper decontaminants of equipment and no antidote against the standard Soviet nerve gas. Commanders ofter subvert training requirements, such as showing troops how to eat in a contaminated environment, according to the General Accounting Office.

Maintaining deficient chemical defenses, and replacing effective weapons with unproven ones, is hardly the best way of deterring the Soviet Union from first use of chemical weapons.

For the last three years the House has refused to allow production of binary weapons. This year, under the shadow of the hijacked Americans taken hostage in Lebanon, it mistakenly changed position, but required that production not begin until NATO requests that binary weapons be stored in Europe. Since several NATO countries are highly unlikely to allow present stockpiles to be replaced with binaries, the condition is highly desirable insurance. Yet it was surrendered in conference with the Senate.

The House has a chance to redress its error next month as it writes the Pentagon's appropriations bill. Binary weapons are a bad buy, and there's no good reason for the House to abandon its longstanding distrust of them.

A TRIBUTE TO DR. WILLIAM R. CLARK

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. CONTE. Mr. Speaker, I rise today to share with my distinguished colleagues some of my thoughts on one of my outstanding constituents from Williamstown, MA. It is always a pleasure for me to have an opportunity to honor a devoted and professional man such as Dr. William R. Clark who is retiring from the teaching profession after over 36 years of strong commitment to the education of children. Dr. Clark has dedicated his life to the education of the young, and Williamstown has indeed been most fortunate to have had Dr. Clark teach its children since 1955 when he came to Massachusetts from Virgina.

We have all had in our past teachers who have inspired and motivated us to excel in various ways, whether it is in the classroom or on the sport's field. Dr. Clark is one of those teachers who has been the spark for so many of his students. His flame will continue to burn brightly for them for many years to come providing warmth, inspiration, and imagination.

Our children have learned not only important historical lessons and facts from this dedicated professional, but they have observed firsthand Dr. Clark's high moral character and integrity. His students have always come first and he has worked diligently to creatively challenge and channel this vast and valuable resource. His tireless work has touched everyone in some way in

the Williamstown area and we are truly the beneficiaries of his many talents. We thank him for the years he has given us and we wish him many, happy years of retirement.

Mr. Speaker, I am honored today to be able to represent such a dedicated person in Congress and am extremely pleased to share with you the reasons for this well-deserved recognition.

SECONDARY SCHOOL RECOGNITION PROGRAM

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. EDGAR. Mr. Speaker, I rise to commend two schools in my district which have received the Secondary School Recognition Program Award given by the U.S. Department of Education. Out of 509 nominations for the award this year, 2 of the 217 schools awarded this honor were E.T. Richardson Middle School and Strathhaven High School in Delaware County, PA. After sending in their respective resumes to the National Secondary Board, these schools were selected to have an onsite visitor for 2 days to observe their programs and speak with the staff. These two schools were selected to receive the award because of their obvious outstanding qualities in the areas of curriculum, activities, and staff.

E.T. Richardson Middle School, which includes grades 5 through 8, should be congratulated for its excellence in teacher effectiveness, administrative leadership, community support and its unique curriculum. The team teaching program practiced there, where four teachers work closely together and plan projects focused on a single theme, is superior. E.T. Richardson should be applauded for the effective implementation of this innovative program.

Strathhaven High School's achievements in the areas of teaching, leadership, discipline, community support, and curriculum are particularly impressive since this high school has really only existed for 2 years. In 1983, two area high schools were redesigned to form Strathhaven High School which incorporates the very best qualities of both of the original schools. Strathhaven is very proud of its highly individualized program which allows students the opportunity to reach their educational goals and expand upon their talents and interests.

I firmly believe the future of our Nation is dependent on the investment we make in young Americans. The needs of our society are changing rapidly; we should not remain passive, but instead work to meet these needs and attempt to foresee the demands of the future. Schools like E.T. Richardson and Strathhaven have gone a long way toward achieving these goals. May they be a source of encouragement and inspiration to educators everywhere.

A CONGRESSIONAL SALUTE TO FATHER PAT McPOLIN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ANDERSON. Mr. Speaker, it is with great pride and pleasure that I rise today to recognize and commend Father Pat McPolin on many years of outstanding service to southern California.

Born in Chicago's South Side, Father Pat began his studies for the priesthood, first at Quigley, and then in 1933, he continued his studies at St. Jude's Seminary of the Clarelian Fathers at Momence, IL.

Finished with his studies, Father Pat's first assignment was to Our Lady of Guadalupe Church in south Chicago. That same year, he became a police chaplain for St. Jude's League. Throughout these years, Father Pat devoted long hours to the citizens of Chicago. Whether it was to answer sick calls in the middle of the night, officiate at a wake, or organize a counseling session, you could count on Father Pat being there. It was also during this same period that Father Pat began his great work with youths in the Mexican community. It was through his insistence that countless Hispanic youths continued their education, obtained a good job, and became concerned and productive members of the community.

By appointment from Rome in 1965, Father Pat became the provincial of the Clarelian Fathers at their western headquarters in Los Angeles. Although it would be impossible for me to name all of Father Pat's accomplishments in my area, there is one that deserves special attention. It was through Father Pat's guidance and supervision that the Dominguez Rancho Adobe was restored. This, of course, was the family home and headquarters for California's first Spanish land grant belonging to the Dominguez family.

Mr. Speaker, simply put, Father Pat is one of those unique individuals that have made America great. His spiritual and emotional guidance has inspired thousands across this great land, and for that, we are grateful.

My wife, Lee, joins me in congratulating Father Pat McPolin on a tremendous job over the years. His contributions to the betterment of society are many, and you can be sure that his efforts have not gone unnoticed. We wish him continued success and happiness in all his future endeavors.

FIREWOOD FOR SENIOR CITIZENS AND HANDICAPPED

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. WILLIAMS. Mr. Speaker, today I am introducing a bill to provide an exemption for senior citizens and handicapped individuals from paying fees for obtaining firewood for personal use from National Forest System lands.

Mr. Speaker, fuel wood cutting in the national forest continues to be very popular with the public. In 1983 a minimum charge of $10 per permit was established to provide consistency within Forest Service fuel wood programs and to be in step with sale practices of other public agencies and private forest landowners.

The initiation of a charge for personal use firewood has been recieved with mixed emotion by different segments of the public. Most importantly are the 38 million senior citizens and 43 million handicapped with this bill will provide and exception.

I have had discussions with the Forest Service and their original intent when they began the charge program was to permit exceptions for senior citizens and handicapped persons to insure access to Federal programs for these individuals. The Forest Service requested their Office of General Counsel to review the various Federal laws as to the propriety of this approach. I have been advised that there are no authorities available to the Forest Service to permit this type of preferential treatment.

This legislation does not change the definition of handicappeds as defined in the Rebabilitation Act of 1973 nor does it change the term senior citizen as defined in the Older Americans Act of 1965.

Mr. Speaker, the Forest Service manages and protects 191 million acres of the National Forest System land of which 87 percent are in the Western United States. The guiding principle for use of these lands is the greatest good to the greatest number in the long run. I believe that this bill which provides an exemption to senior citizens and handicapped individuals from paying fees for obtaining firewood for personal use, will be the greatest good to the greatest number.

I am placing the bill in the RECORD as follows:

H.R. 3445

A bill to provide an exemption for senior citizens and handicapped individuals from paying fees for obtaining firewood for personal use from National Forest System lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION.

The Secretary of Agriculture shall exempt senior citizens and handicapped individuals from paying fees for obtaining firewood for personal use from National Forest System lands.

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term "handicapped individual" has the same meaning given such term in section 7(7)(B)(i) of the Rehabilitation Act of 1973 (29 U.S.C. 706(7)(B)(i)); and

(2) the term "senior citizen" has the same meaning given the term "older individual" in section 302(10) of the Older Americans Act of 1965 (42 U.S.C. 3022(10)).

SHOULD WE REPEAL THE PRIVATE EXPRESS STATUTES?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mrs. SCHROEDER. Mr. Speaker, I received a copy of the following letter from Postmaster Janice Yabes of Eldorado Springs, CO, which she sent to the Daily Camera newspaper editor. I believe my colleagues would appreciate hearing some of the arguments against repealing the private express statutes.

HOW MANY MAILS?

EDITOR: If people think the breakup of AT&T is a mess, just wait and see what happens if the U.S. Postal Service is broken up.

Everyone and his brother will be able to deliver mail; you won't know who will be delivering mail to your home. You may have a half-dozen people a day bring mail to your home.

The United States has the best Postal Service in the world and the least expensive. It has its faults, but what company doesn't?

Just stop and think: if a letter doesn't show up, where will you go to complain? You will have to contact the person who mailed the letter to find out which company was used. Have you ever tried to contact UPS in Boulder? Impossible; you have to call Denver.

Sure, they might deliver mail within the city for 10 or 15 cents, but will they deliver the same letter across the country for 10 cents? No way!

What if they don't deliver to rural towns, farms, ranches, mountain towns? Then you're back to the U.S.P.S.: they deliver everywhere for 22 cents.

Will they pick up your letters everyday at your home, or just when they happen to deliver them?

Are you going to keep stamps for each company, so you can use each one? Will you drive all over looking for a company mail drop?

When you move, you will have to notify each company and hope for the best. Do you think they will forward your mail free for 18 months, like the U.S.P.S. does? No way! You will be charged for forwarding. You bet!

Has your phone bill gone down since the breakup of AT&T? No way! If business is taken away from U.S.P.S., the price of a postal stamp will go up much faster. The other companies might start out a few cents cheaper, but they will have to increase their rates. Just like MCI, Sprint, etc.

Remember the old saying. "The check is in the mail?" Now you will have to say, "which mail?"

Companies will be able to deliver pornography right to your door, whereas now you are protected from that by the U.S.P.S.

These are just a few things to consider. I could go on and on. Stop and give this some real thought, and contact your Congressperson soon.

You can't buy a candy bar for 22 cents, but you can get a letter across the U.S.A. for 22 cents. Yes, we have our faults, but we are still darn good.

J. YABES,
Postmaster, Eldorado Springs.

TAX REFORM SHOULD NOT DESTROY THE DREAM OF HOMEOWNERSHIP

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DASCHLE. Mr. Speaker, in 1973 the South Dakota State Legislature created the South Dakota Housing Development Authority [SDHDA] to sell tax-exempt bonds to finance low-interest housing loans. These bonds are sold on the national market and the money is loaned at a slightly higher rate to offset the cost of administration. The SDHDA does not receive any State or general fund tax dollars.

Using proceeds from the bonds which it has issued, the SDHDA provides below-market mortgage financing for first-time home buyers who otherwise would not qualify for conventional financing to purchase a home. Since 1974, the dream of homeownership has been transformed into solid reality for thousands of South Dakota families as the South Dakota Housing Development Authority has provided mortgage financing for more than 19,000 single family homes. In addition, the SDHDA has used the proceeds from tax-exempt bonds to provide construction and financing for the production of more than 2,700 new and rehabilitated multifamily rental developments.

To fully appreciate the importance of this type of financing, it is relevant to note that 33.5 percent of the total mortgage originations for single family owner occupied homes in South Dakota last year was provided by the South Dakota Housing Development Authority. Since its creation, an estimated 6,084 worker-years of employment have been created, $63 million in construction wages have been earned, and property tax revenue has been increased by more than $19 million as a direct result of the mortgage financing provided by the South Dakota Housing Development Authority.

Mr. Speaker, Members of Congress may soon have the opportunity to vote on tax reform legislation. Among the proposals included in the tax plan unveiled in May by President Reagan is a severe restriction on the use of proceeds from bonds sold by State and local governments and public agencies like the South Dakota Housing Development Authority. If this proposal is adopted, the mortgage financing program of the SDHDA would be terminated and the use of State and local bonds as a source of financing would be virtually eliminated.

Creating a more simplified and equitable tax system is a goal which few oppose. However, not all changes in current tax law proposed under the banner of tax reform are deserving of our support. Tax reform should not destroy the dream of homeownership.

MOUNT HOLYOKE COLLEGE CELEBRATES BIRTH OF ITS FOUNDER, MARY LYON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. CONTE. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a very special woman who was the founder of one of the finest colleges for women. Mount Holyoke College in South Hadley, MA, was the first school in the country devoted to the higher education of women.

Mary Lyon was born on a farm in Buckland, MA, 188 years ago. It was from this farm that Mary Lyon became inspired to channel her energy and resources into establishing this outstanding educational institution.

Mary's dedication to this dream became a reality in 1837 when she and 4 teachers accepted 80 students into Mount Holyoke College in South Hadley. These 80 students were the select few who became the pioneers in the establishment of a women's college dedicated to higher education.

Because of Mary's undaunted will and faith in herself and in her dream, she attained her goal. She braved unchartered waters for future generations in order to bring an educational institution to Massachusetts which is now a symbol of excellence. Mount Holyoke College stands today as a strong vehicle not only for women to become educated citizens, but free, self-reliant, and responsible members of the community to which they belong. One needs only to observe its students and alumni in order to discover that Mount Holyoke is continuing today to instill in its students the search for excellence.

I congratulate Mount Holyoke today on its celebration of the birth of its founder, Mary Lyon, and I salute this college for the legacy it continues in her memory. Thank you for giving me this opportunity to share with you a true pioneer in the education field.

CELEBRATING THE BICENTENNIAL OF THE U.S. CONSTITUTION WITH A BALANCED BUDGET AMENDMENT

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. KRAMER. Mr. Speaker, on September 17, 1787, the Convention of the Constitution of the United States adjourned with a document ready for ratification by the States. In 2 years we will celebrate the bicentennial of this event. What better way to celebrate than to finally ratify a balanced budget amendment to the Constitution, forcing Congress to put its fiscal house in order.

That is why today, along with Senator WILLIAM L. ARMSTRONG, I have reintroduced the Balanced Budget Amendment Constitutional Convention Convening Resolution. When Senator ARMSTRONG and I initially introduced this resolution last Congress, it marked the first time a resolution had been introduced calling for the convening of a constitutional convention for a specific purpose.

This resolution is designed to force Congress to approve a balanced budget amendment to the U.S. Constitution. In effect, it gives Congress an ultimatum—either pass a balanced budget amendment now or have a constitutional convention automatically convened for that purpose if two more State petitions are received calling for a constitutional convention.

In the months since the 99th Congress convened, we've heard a lot about the perils of deficits. Unfortunately, there is a tremendous gulf between rhetoric and reality.

Earlier this summer, the House waived budget requirements in order to pass appropriations bills. The congressional budget process is coming apart at the seams, and we're even starting to hear rumblings of a tax increase as the only solution to our deficit crisis. A tax increase—after 49 of the 50 States resoundingly rejected that approach at the polls last November!

Meanwhile, 81 percent of the constituents who responded to the questionnaire I sent out this summer indicated they do not have faith that Congress will act to significantly reduce deficits. This skepticism is justified in light of the budget Congress adopted August 1 which projects a deficit of $171.9 billion—and that figure is very optimistic. When the House passed the budget resolution, it also voted to put the debt ceiling over $2 trillion.

The message is clear: Unless we act now to halt this exponential growth, we will see a return to days of high inflation, high interest rates, and high unemployment. No matter how much we in Congress might will it otherwise, huge deficits mean the Federal Government must either print or borrow money. This in turn causes inflation or high interest rates, or both.

President Reagan pointed out the seriousness of the problem in his budget message to Congress this year:

At some point the question must be raised: "Where is the political logrolling going to stop?" At some point, the collective demands upon the public Treasury of all the special interests combined exceed the public's ability and willingness to pay. The single most difficult word for a politician to utter is a simple, flat "no." The patience of the American people has been stretched as far as it will go. They want action; they have demanded it.

To solve this serious problem, the President reiterated his support for a balanced budget amendment to the Constitution during his State of the Union Address this year.

In 1983, Missouri became the 32d State since 1975 to petition Congress to call a national constitutional convention for the purpose of drafting a constitutional amendment mandating a balanced budget. This is just two shy of the number of States required under article V of the Constitution in order for a constitutional convention to be convened. Michigan narrowly missed becoming the 33d State earlier this year and another vote there is expected this fall. In addition, the measure has passed one house in several other States.

Let me emphasize that I would prefer to see Congress act before 34 States take the matter into their own hands. In fact, the chief purpose of this resolution is to force Congress to adopt a balanced budget amendment by eliminating any doubt about the validity of the 32 petitions already received and setting up an automatic mechanism that would expedite the convening of a constitutional convention upon receipt of petitions from two additional States. Briefly, this measure would:

Declare the 32 States petitions already received to be valid and contemporaneous under the terms established in article V of the Constitution;

Establish an automatic mechanism for determining the validity of any new petitions;

Clearly limit the scope of the convention so it could only deal with the subject of drafting a balanced budget amendment;

Call for the balanced budget convention to be convened in Philadelphia within 180 days after the 34th application is determined valid;

Provide for selection and compensation of convention delegates and describe their duties;

Limit the duration of the convention to 120 days;

Provide for ratification by State legislatures.

Mr. Speaker, as you know, we have not had a constitutional convention since the Founding Fathers drafted the Constitution in Philadelphia in 1787. Article V, which spells out how the Constitution is to be amended, stipulates that an amendment can be proposed by either of two methods—a two-thirds vote of both Houses of Congress or a national constitutional convention called at the request of two-thirds of the State legislatures. Yet, to date, all amendments have been proposed by the first method.

Thus, the convening of a constitutional convention admittedly would be a bold step. However, I would argue that, given the prospects of continued out-of-control Federal spending and congressional paralysis in dealing with the situation, bold action is not only justified, but demanded, particularly if Congress continues to ignore the best interest of the Nation and fails to propose an amendment on its own.

In No. 43 of the Federal Papers, James Madison, widely regarded as the Father of our Constitution, gave these reasons for article V:

That useful alterations [In the Constitution] will be suggested by experience, could not but be foreseen. It was requisite therefore that a mode for introducing them should be provided. The mode preferred by the Convention [in 1787] seems to be stamped with every mark of propriety. It guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover equally enables the general and State governments to originate the amendment of errors as they may be pointed out by the experience on one side or on the other.

Indeed, in 1787 who could have predicted $200 billion annual fiscal deficits?

During the 60-year period between 1789 and 1849, the Federal Government ran a budget surplus of $70 million. In fact, the general rule of thumb until about 1930 had always been to balance the budget except in times of emergency, such as war. For example, after piling up $22.9 billion in deficits during World War I, the Federal Government ran a budget surplus in each of the next 10 years. In 1930, the total Federal debt from the first 140 years of our Nation's existence stood at $16.2 billion, nearly all of which was attributable to World War I. In 1945, at the end of World War II, the total national debt had risen to $259 billion. However, it was not until the Great Society programs of the 1960's, combined with the cost of financing the Vietnam war, that the debt began to increase by geometric progression. The last time we had a budget surplus was in 1969.

As our former colleague from Illinois, the late Senator Everett Dirksen, was fond of saying, "A few billion dollars here and a few billion dollars there and soon we're talking about real money." Although this statement facetiously illustrates what many perceive to be the prevalent attitude in Washington, it is also true that the numbers have become so big that they are difficult for the average American to comprehend.

Therefore, let me offer the following examples which help explain the gravity of the problem of our national debt:

A $2 trillion national debt represents a 186 million mile stream of $1 bills—long enough to stretch to the Sun and back;

A $2 trillion spending spree, at the rate of $1,900 per minute, would last 2,000 years;

A debt of $2 trillion is a $8,500 liability for every man, woman, and child in the country;

If a small business were formed at the time Jesus was born, and spent money at the rate of $1 every minute throughout history, the total would be approximately $1 billion, which would be enough to run our current Federal budget less than one-half of 1 day.

On numerous occasions the last couple of decades, both Congress and Presidents have sought to restrain spending and limit deficit spending—each time without success. Most notable of these attempts were: First, five separate proposals to limit Federal spending which Congress approved between 1966 and 1973; second, the impoundment battles initiated by President Nixon; third, congressional adoption of the 1974 Budget Act, which proponents argued would give Congress the necessary tools to put its financial house in order; fourth, the series of spending vetoes by President

Ford; and fifth, passage of the Byrd amendment of 1978, which statutorily provided that outlays shall not exceed receipts, beginning in 1981.

Although perhaps it can be argued that the first four of these examples may have prevented the deficit problem from becoming even worse, there is no doubt that Congress blatantly ignored the Byrd amendment. Despite the statutory requirement to balance the budget, the deficit for 1981 was $57.9 billion, making it the third largest deficit at that point in our Nation's history.

Clearly, there is a spending bias inherent in the legislative process, which has been accentuated by built-in increases in the budget of the last couple of decades. Members of Congress win praise, and often votes, for "bringing home the bacon" in terms of projects for their districts and programs which benefit their constituents. Conversely, those who try to hold the line on expenditures, or attempt to cut major spending programs, often incur the wrath of effected voters. As author Allen Schick, who has analyzed the Federal budget process in some detail, observed.

The process of budgeting comes to be "whose ox is to be fattened," a much more agreeable task than deciding "whose ox is to be gored."

Given these facts, it becomes apparent that a constitutional amendment is the only feasible way of achieving a balanced budget. This fact was underscored by Senator STROM THURMOND, chairman of the Senate Judiciary Committee, when he stated during debate over a balanced budget amendment:

Congress has violated its own laws in recent years in enacting Federal budgets that are not balanced. * * * A constitutional amendment is the only way. Congress must obey the Constitution.

Without doubt, public opinion is far ahead of Congress on this issue. Since 1979, a number of polls have been conducted by highly respected research organizations such as Gallup, the Harris survey, the Roper organization, New York Times-CBS News, and the Associated Press-NBC News. All have consistently shown strong support for a constitutional amendment to balance the budget, with support ranging from approximately 2 to 1 better than 3 to 1, depending upon when the particular poll was taken.

I would also point out that 15 States, including my home State of Colorado, have a balanced budget requirement written into their State constitutions. By and large, these amendments have been highly successful in forcing legislators to set spending priorities based on incoming revenues, just as every American household must do.

Grassroots lobbying finally forced Congress to take up a balanced budget amendment in 1982. However, even though the Senate approved a balanced budget amendment on August 4, 1982, by a vote of 69 to 31, the House Judiciary Committee successfully kept the issue bottled up in committee until the last day of the 97th Congress. Although supporters were successful in using a discharge petition to force it out of committee, the measure was brought to the floor with only a couple hours notice. Even though a majority of the House—236 to 187—voted in favor of the amendment, it fell short of the two-thirds vote necessary to send the amendment on to the States for ratification.

The combination of this congressional inaction and deficits that continue to soar has led many people to wonder if anyone in Washington is minding the store. As a result, the time is fast approaching when the American people will take the issue out of our hands.

Were that to happen, a number of questions arise on what would happen upon receipt of the 34th State application for a convention since article V does not provide these details. Anticipating this, the American Bar Association did a thorough analysis several years ago to resolve some of the uncertainty surrounding a constitutional convention. Although I would commend the ABA's report to anyone seriously interested in this issue, space here does not permit me to reproduce this report in its entirety. Therefore, let me summarize the report's most important conclusions:

Citing the constitutional convention debate history over article V, as well as the Federalist Papers, the ABA concluded that a national constitutional convention can be limited to a single subject;

Congress does have the power to establish procedures governing the calling of such a convention consistent with this single purpose, but any standards requiring that State applications be identical in wording would be improper; and

Congress' duty to call a convention whenever two-thirds of the State legislatures have concurred on the subject matter of the convention is mandatory.

Thus, as former Senator Sam Ervin, who was a widely recognized constitutional expert on this subject, stated:

The fear of a runaway convention is just a nonexistent constitutional ghost conjured up by people who are opposed to balancing the budget, because they want to be able to promise special groups something for nothing out of an empty pocket.

Mr. Speaker, the time to enact a balanced budget amendment is now. I suggest it is very appropriate that we should celebrate the bicentennial of our great Constitution by finally ratifying such an amendment to preserve the fiscal health of our Nation and the economic welfare of all Americans.

In closing, let me recall the wisdom of Justice Joseph Story, who wrote in 1826:

A government which * * * provides no means of change * * * will either degenerate into a despotism or, by the pressure of its inequities, bring on a revolution.

A CONGRESSIONAL TRIBUTE TO DR. EVA A. JESSYE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Dr. Eva A. Jessye, who is being honored from September 14 to October 4 by California State University, Long Beach, with a symposium on authentic North American music. The symposium is entitled "Eva Jessye's America: The Legacy of Porgy and Bess."

Eva Jessye was born in 1895 in Coffeeville, KS. For more than 70 of her 90 years, she has struggled to keep authentic North American music alive through professional choruses, especially the Eva Jessye Choirs. In addition to performing, Eva has also arranged and published rare folksongs, established collections of North American music and memorabilia at such institutions as the University of Michigan, Ann Arbor, and Pittsburg State University, Pittsburg, KS, and she continues to give lectures and workshops on American music.

Two great American composers have chosen Eva to train the choruses for their operas. In 1934, Virgil Thompson had her audition and train the chorus for his production of Gertrude Stein's "Four Saints in Three Acts." The following year, George Gershwin chose Eva to train the chorus for the premiere performance of "Porgy and Bess." She was the only black member of the directing staff for this "all-black opera," which has also been called our national opera.

During the 1920's Eva and her Dixie Jubilee Singers were regulars at the Major Bowes Capitol Theater, where she met her violin teacher, the late Eugene Ormandy. On the Major Bowes Family Radio Hour, Eva's choir backed up such singers as Paul Robeson, Rudy Vallee, and Lawrence Tibbett. Conductors Leopold Stokowski, Arturo Toscanini, Alexander Smallens, and Eugene Ormandy have directed the successor to the Dixie Jubilee Singers, the Eva Jessye Choir.

Eva is also a poet and commentator on a broad range of social, political, and racial issues. In 1923 and 1927, Robert Kerlin published three of her poems in "Negro Poets and Their Poems." Eva has had more than 50 poems published, some of them award winning. During the symposium, Eva will read her own and Langston Hughes' poetry. She has also been named Kansas Ambassador for the Arts.

In her hometown of Pittsburg, KS, Eva built a yellow brick road to her house that is now a historical site. My wife, Lee, joins me in wishing Dr. Eva Jessye and her 100-year-old aunt Celie continued success on their stroll down the yellow brick road of life.

STUDENT FINANCIAL AID EQUITY ACT INTRODUCED BY WILLIAMS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. WILLIAMS. Mr. Speaker, today my colleagues and I are introducing the Student Financial Aid Equity Act. This bill is designed to meet the needs of the older, so-called nontraditional student who constitutes an ever-increasing proportion of today's student body. The census reported that the proportion of students over 30 years of age has doubled in the last 10 years and much of the growth has come from women returning to school. Today, 40 percent of our student body is over 25 and half the students are going to school part time; 82 percent of part-time students are working for pay. These older, part-time students tend disproportionately to be women who enter school with fewer resources and the responsibilities of family and work. Over two-thirds of the students over 34 are women. Women are twice as likely as men to be self-supporting when they enter college. The financial pressure on these nontraditional students and their families is enormous. While only making 60 cents on the dollar, women have faced the 60-percent inflation in college costs. Currently, our financial aid policies do not reflect the dramatic changes in our student body nor the needs of these students. Education policy analysts and school administrators have identified the three biggest factors to eliminate sex-related differences in financial aid and thus access to quality education. They are: providing dependent care expenses, opening up financial aid to less than half-time students, and increasing information available about eligibility for financial aid.

This bill deals with all three of these issues.

It opens up all student financial aid to less than half-time students, providing needy students with aid for education related expenses. Currently, there are 1.3 million students attending college less than half time, yet in 1983 part-time students received less than one-tenth of 1 percent of all Federal student financial aid. Only 1,000 students received assistance because most programs do not allow their participation and several are capped at 10 percent. The bill also requires that college work study funds pay wages consistent with the Equal Pay Act of 1963 and title VII of the Civil Rights Act of 1964.

The bill allows for student financial aid to adjust current allowances for transportation and for dependent care to reflect actual expenses. The allowance for dependent care also for the first time includes both child care and care of older family members and covers lab, library, and field time as well as class time. This bill provides for loan payment deferment for a year's parental leave, if the person is in school. The bill mandates that the Department of Education implement the independent student provisions established in the 1980 education amendments. These provisions recognized that independent students with dependents have greater financial burdens than other independent students and should not be expected to make the same kinds of financial contributions to their education. These are all measures which help families.

The bill directs the Secretary of Education to develop and disseminate information about student financial aid for nontraditional students. The Department of Education has cut back information efforts in the last 5 years by over a third—eliminating such things as a brochure targeted to nontraditional students and a brochure for Spanish speaking students—just when such resources would be most needed. The bill also authorizes the fund for the improvement of postsecondary education to fund projects which establish innovative programs of student assistance information and dissmenination, focusing particularly on the needs of nontraditional students. The Secretary will also conduct a survey of student financial aid recipients so we have the necessary information for future policymaking.

Finally, many nontraditional students are caught in a catch-22. AFDC recipients and other Federal assistance recipients who want to go back to school often face the choice of reduced benefits if they receive financial assistance for tuition, books, et cetera. Clearly, this is a shortsighted policy and has resulted in a cycle of poverty with only 2 percent of AFDC recipients returning to school. This bill would count Federal assistance as income in determining eligibility for financial assistance but would prohibit recipients from being thrown off assistance by receiving student aid.

I believe that this bill is an important step in reducing the barriers that nontraditional students, particularly women, face in going back to school. I want to commend the leadership that the AAUW and the Coalition of Women and Girls in Education have shown in moving these issues along. I believe that the introduction of this bill will further the discussion of these important changes in the reauthorization of the Higher Education Act this year. Through the reauthorization hearings and our discussions with education groups and our constitutents all of us are aware of the changing needs for student financial assistance. I look forward to working for passage of these provisions.

THE 25TH ANNIVERSARY OF THE YANKEE ATOMIC ELECTRIC CO. IN ROWE, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. CONTE. Mr. Speaker, in the young adulthood of our nuclear age, I would like to commemorate a landmark in nuclear power safety. This year marks the 25th anniversary of the oldest operating nuclear powerplant in the United States, the Yankee Atomic Power Co. in Rowe, MA.

Over the last 25 years, the Yankee powerplant has enjoyed an excellent operating record. Credit for this record is awarded to its experienced operators, five of whom will soon be honored by the Nuclear Regulatory Commission and the American Nuclear Society, for 20 years of service at the plant. This anniversary is also celebrated by a 17-month performance audit of the plant, which shows Yankee with a perfect rating in 7 of 10 categories.

The birth of the plant was inexpensive and efficient. Its conception to operation took only 5 years—compared with the minimum of 6 to 14 years for other plants—and cost 40 percent less than had been budgeted. Since the beginning of operation, $45 million has been spent on improving and upgrading the plant but it has not been necessary to replace any major components. As well, the plant boasts of an operating efficiency far superior to that of all oil-fired power and even other more recently constructed nuclear powerplants, like Seabrook in Seabrook, NH.

In June, the American Nuclear Society meeting commemorated the 25th anniversary of the Yankee Rowe plant by featuring speakers at the annual meeting from both the Yankee Atomic Power Co. and the plant's construction company, the Stone and Webster Engineering Group. The popularity of this anniversary is visible around the country, and was even mentioned by Willard Scott on the NBC "Today" show.

The building of the plant in 1960 was obscured by the fear of nuclear bombs, and overlooked because of ignorance of nuclear powerplants. There were no protests of the construction, no labor disputes, and uninterrupted construction was quickly completed in 3 years. There was no negative attention brought to the plant during that time, and it continues to represent a favorable model for the industry.

This plant is one of seven plants which compose a "fleet" to power one-third of New England's electricity. This saves the use of millions of barrels of foreign oil. It is because of these advantages, and the productivity which has helped improve our country to make it more efficient and clean, that I honor the anniversary of this plant and its success.

AIRPLANE CRASHES—THEY ARE BECOMING AN EVERYDAY HEADLINE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. STARK. Mr. Speaker, almost as regular as my morning cereal, orange juice, and the Washington Post are headlines of "near misses," airplane crashes and the tragic deaths that are the result.

Two days ago, the crash that made the headlines of the Post was a Henson commuter plane with 14 persons aboard. At the time the plane was scheduled to arrive at the airport, the peaks of surrounding mountains were enveloped in fog, an electronic beam at the field that should have guided the plane to a safe landing was malfunctioning. The skies were overcast yesterday, with a cloud cover, but most aviation experts said that should not have been a problem if the localizer beam were working.

Yesterday the headlines read, "Pilot Averts Collision at National." Fortunately no one was injured during the jet's aborted takeoff, although the crowded Eastern Air Lines shuttle had reached takeoff speed. Apparently, both the Eastern Air Lines jet and a helicopter had been cleared for takeoff, but their takeoff courses intersected. Perhaps skill, perhaps luck, enabled the pilot of the jet to slam on the brakes and narrowly avert a collision with the helicopter. In any case it was too close a call.

Last week, Secretary of Transportation Elizabeth Dole stated that she will add about 1,000 air traffic controllers and 500 safety inspectors to the Federal Aviation Administration to make the system safer. I commend her for this action. But, as this is the worst year ever in civil aviation history, with more than 1,430 deaths worldwide from nearly 20 accidents, I feel that even stronger action is needed.

Legislation I introduced in January calls for a study that includes, but is not limited to, the need for additional radar warning equipment in aircraft of various sizes; the need to adjust the minimum and maximum altitude requirements at which radar transponders must be used; the correction of inadequacies in the computer and radar equipment in the control towers and the safety and practicality of visual flight rules [VFR] as the number of flights and airplanes increase.

Mr. Speaker, I urge Members of this Congress to act constructively and quickly on these tragic occurrences. I encourage Members to examine and lend their support to House Joint Resolution 66, my legislation which would help deal with these catastrophes. We in Congress have a responsibility to see that air traffic is carried out in the safest possible manner.

A COMPREHENSIVE TEST BAN CAN BE VERIFIED

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MARKEY. Mr. Speaker, within the next few days, the House will take up consideration of House Joint Resolution 3. This resolution calls upon the President to submit the Threshold Test Ban [TTBT] and Peaceful Nuclear Explosion [PNE] Treaties for Senate ratification, and to propose to the Soviet Union the immediate resumption of negotiations toward the conclusion of a mutual and verifiable Comprehensive Test Ban [CTB] Treaty.

One of the arguments frequently used against a CTB is that it would not be adequately verifiable—that the Soviets might somehow be able to conduct clandestine nuclear tests that would escape detection and give the Soviet Union a military advantage over the United States. If true, this would indeed be a devastating argument against our entering into a Test Ban Treaty.

But it is not true. Scientists have met the fundamental technical problems of verifying a CTB, and an overwhelming majority agree that a CTB would be verifiable with a high degree of confidence down to explosions of very small size and doubtful military significance. Political considerations are what stand in the way of such an agreement, and verification concerns are being used as an excuse by those who want to continue nuclear explosive testing in order to develop new generations of nuclear warheads.

Mr. Speaker, for the benefit of our colleagues, I would like to insert in the RECORD at this point two articles on the verification of a Comprehensive Test Ban, one an address by Columbia University Seismologist Lynn Sykes, and the other a San Francisco Chronicle article summarizing the findings of seismic verification experts at the U.S. Geological Survey.

[From the San Francisco Chronicle, Feb. 9, 1985]

EXPERTS SAY A-TEST CHEATS WILL FAIL

(By David Perlman)

New earthquake-detecting techniques are so sensitive that they can identify extremely small blasts from secret underground atomic tests, a team of American scientists has concluded.

The seismic experts at the U.S. Geological Survey in Menlo Park, maintain that even if the nuclear explosions are hidden in deep caverns designed to muffle shock waves, they can still be identified with enough confidence to thwart Soviet bomb-testers, trying to conceal them.

The findings contradict earthquake specialists at the Lawrence Livermore National Laboratory, who insist that even networks of American quake-monitoring stations on Soviet territory could not identify every clandestine test the Russians might use to develop atomic weapons.

The Livermore scientists published their conclusions last month in the journal Science. Now the geological survey seismologists have developed a mass of data rebutting their claims.

The controversy is particularly important as American and Soviet negotiators prepare to bargain again next month on slowing the buildup of offensive nuclear missiles.

A ban on all nuclear weapons testing underground is not on the Geneva agenda, but "public interest in such a test ban is widespread," the Livermore scientists noted. Political pressures are strong from many American arms-control specialists, who see a comprehensive treaty barring all underground tests as a major step toward stopping the arms race.

If underground testing were completely brought to a halt, many specialists reason, it could end all development of atomic weapons by both sides. This is because each new weapons system must undergo test firings, and if it cannot be tested, there is no point in developing or building it.

It might then become far more feasible to negotiate reductions of existing arsenals, which now total more than 50,000 warheads on both sides. Such a cutback, leading eventually to the abolition of all superpower nuclear weapons is President Reagan's avowed goal—although the president has argued that his so-called Star Wars defense is the more realistic route to atomic disarmament.

Treaties between the United States and the Soviet Union ban all nuclear weapons tests in the atmosphere in the oceans and in space. A 1974 treaty that was signed but not ratified limits underground weapons tests to a yield of 150 kilotons. Both sides have agreed to abide by the 150-kiloton limit.

A 150-kiloton bomb releases as much energy as 150,000 tons of TNT—more than 10 times the explosive force of airborne weapons that destroyed Hiroshima and Nagasaki.

Today's intercontinental missiles—both American and Soviet—carry warheads with yields measured in the millions rather than the thousands of tons. Tactical atomic weapons designed for battlefield use may have yields smaller than a kiloton.

Recent intelligence reports claim the Russians have already cheated on the 150-kiloton limit. The Livermore scientists insist that American ignorance about the behavior of seismic waves inside Soviet territory would also allow the Russians to cheat on any new agreement to lower the testing limit.

Reports just completed by Jack F. Evernden, a U.S. Geological Survey research geophysicist, together with Edward Cranswick of the geological survey and Charles B. Archambeau of the University of Colorado, offer technical arguments to dispute those claims. Evernden has also worked with Lynn R. Sykes of Columbia's Lamont-Doherty Geological Observatory to back the conclusions with more data.

These seismic experts contend that years of earthquake analysis have given American scientists detailed knowledge of the nature of the Earth's crust throughout Soviet Union—solid enough knowledge to understand exactly the way seismic waves from quakes or blasts would travel through Soviet terrain.

Underground explosions and earthquakes touch off four types of seismic waves—two that move swiftly through the Earth's crust and its deeper region of viscous semi-molten rock and two that ripple over the surface. The waves can be detected over vast distances.

Evernden and his colleagues note that improved seismic detectors can analyze distant shock waves in the Earth at extremely high frequencies. The instruments can differentiate a natural quake from an underground blast as small as half a kiloton at least 95 percent of the time, Evernden's group maintains. Older seismographs can analyze shock waves only at much lower frequencies and are far less discriminating, they say.

The seismic signals of explosions and quakes also differ in other ways: shock waves from underground blasts radiate with equal strength in all directions, but waves from earthquakes—caused by the sudden release of strain along faults—radiate with different strengths in different directions.

Today's seismic detectors can also distinguish these subtle differences, according to Evernden and his colleagues.

Because quakes almost invariably originate at far greater depths than shafts and tunnels can be dug to house underground explosions, even classic seismographs can pick out those differences, the geological survey experts note.

In the arguments over detecting Soviet weapons tests underground, it is assumed that the Russians would agree—as they have in the past—to the installation of at least 15 unmanned American seismic monitoring stations at Russian sites where the complex shock waves from blasts and quakes could be quickly identified and distinguished. The Americans, in turn, would allow Soviet instrument networks on U.S. soil.

The Livermore group has argued that the Russians might cheat on a tightened test-ban agreement by timing their hidden blasts within seconds of large earthquakes that generate huge and confusing seismic signals. They might also use "microseisms"—the tiny earth movements caused by storms and pounding surf—to conceal tests, say the Livermore scientists.

Given today's state of the seismic art, Evernden dismisses these scenarios as absurd. He and his colleagues maintain that the newest high-frequency seismographs are so sensitive that they can be programmed to ignore the unique frequencies and shapes of any earthquake shock waves. The instruments can also reject any interfering signals from microseisms, according to Evernden.

If the Russians wanted to cheat on a new agreement that lowered the permissible threshold of underground tests from 150 kilotons to a single kiloton or less, Evernden said, they would have to hide them in huge excavated caverns to muffle the shock waves.

But the only feasible place to build such caverns is in salt formations just north of the Caspian Sea, the geological survey scientists maintain. The Russians have long pursued an active program of "peaceful" underground nuclear blasts for mining and excavating in that region and elsewhere.

An array of only three unmanned seismic stations in the Caspian area could identify every test explosion—even the muffled ones—down to a kiloton or less there, according to Evernden, so the risk of being caught cheating would be too high to make it worthwhile, he maintains.

He said that a network of 25 detectors in Soviet territory and 15 additional stations outside the Soviet Union would, with 95 percent accuracy, detect explosions with yields down to half a kiloton anywhere in the country.

That is why Evernden, speaking as a scientist and not as a government official, is arguing for a U.S.-Soviet agreement lowering the test-ban threshold on underground tests from 150 kilotons to one kiloton.

That threshold in reality would have the same effect as a comprehensive test-ban agreement, Evernden and Sykes argue, because tests of such small-yield weapons would serve no purpose in developing additions to superpower arsenals.

VERIFICATION OF A COMPREHENSIVE TEST BAN TREATY, SOVIET COMPLIANCE WITH THE THRESHOLD TEST BAN TREATY AND TESTING OF NUCLEAR WEAPONS

(By Lynn R. Sykes)

INTRODUCTION AND MAJOR CONCLUSIONS

I am addressing you today as a scientist who has been involved in research related to verification of nuclear test ban treaties for the past 24 years. I was a member of the U.S. delegation that negotiated the Threshold Test Ban Treaty with the Soviet Union in 1974. I have been a member of several U.S. Government panels that have examined questions of verification of atomic testing. Seismology, my main field of expertise, provides the main tools for verification of a Comprehensive Test Ban and for ascertaining if the Soviet Union has detonated explosions above the 150 kiloton limit of the Threshold Treaty.

In my presentation I would like to make the following major points:

1. A Comprehensive Test Ban Treaty is verifiable with high reliability down to explosions of very small size. Recent advances in seismology ensure that clandestine cheating will be even easier to detect than was thought only two years ago.

2. There is a growing preponderance of scientific opinion that the Soviet Union has not violated the 150 kt limit of the Threshold Test Ban Treaty. Both the USSR and the United States have tested repeatedly near the limit since the treaty took effect in 1976.

3. The main impediments to a Comprehensive Test Ban Treaty are not scientific or technical but rest on the notion that U.S. security is best enhanced by continued testing and development of new atomic weapons.

4. A Comprehensive Test Ban Treaty or a very low yield threshold treaty with a limit of about 1 kt would put an end to the testing of a so-called third generation of new atomic weapons like the x-ray laser.

VERIFICATION OF A COMPREHENSIVE TEST BAN TREATY

A Comprehensive Test Ban Treaty is one of the longest running items on the arms control agenda. Active interest in it now goes back more than 30 years. Most seismologists who have been involved in test ban research, like myself, believe that the main technical and scientific impediments to verifying a comprehensive treaty were solved by 1968. Since that time the capability to detect small explosions and to identify or discriminate their signals from those of small earthquakes has improved steadily. The United States has spent about one-half billion dollars in this area over the past 25 years; more than a billion dollars has been spent worldwide.

Extensive negotiations towards a comprehensive treaty were conducted among the United States, the United Kingdom and the Soviet Union from 1977 to 1980. All of the long-contested aspects of verifying such a treaty were resolved, at least in principal, by 1980 including a moratorium on the testing of peaceful explosions, provisions for U.S. seismic monitoring posts within the USSR, international exchange of seismological data and on-site inspections of the challenge type. Those negotiations have been in abeyance since 1980.

Enough experience has been accumulated in operating arrays of seismic detectors so there is no longer serious disagreement that explosions of 0.1 to 0.2 kt in hard rock would be detected and identified with high confidence. Those sizes of explosions are, of course, well below the yields of weapons deployed on strategic systems and well below the 5 to 10 kt limit cited in unclassified congressional testimony a few years ago as the size of weapons testing that would be of military significance.

There is greater disagreement among experts about the sizes of weapons that might go undetected if the Soviet Union tries its best to cheat by detonating explosions in ways that would muffle their seismic waves. All seismologists involved in this problem conclude that the most serious evasion possibility is that of detonating explosions in large cavities—the so-called Big Hole or decoupling theory. Scientists from the weapons laboratory usually assume that the Big Hole decoupling will work near the maximum theorical limit and that such attempts to cheat will not be verified by satellite surveillance.

I think that Big Hole evasion has been seriously overrated for a number of reasons. The volume of rock that must be excavated to fully decouple an explosion of about 8 kt is equivalent to the volume of the largest Egyptian pyramid, a fact that pessimists usually forget to tell you. Experience with the one atomic explosion that the U.S. detonated to test this idea and theory both indicate that muffling is not as strong at high frequencies. In the last two years it has been recognized that high frequency seismic waves propagate readily across large parts of the Soviet Union. Using a high-frequency capability and with seismic monitoring posts in the Soviet Union, it is possible to verify even the most strenuous attempts to cheat at a level of 1 kt and larger.

It is clear that arguments will continue to be put forth that the testing of very tiny nuclear explosions would be of significant military advantage, whether that is case or not. Thus, a serious alternative to a Comprehensive Test Ban Treaty would be a very low yield threshold treaty with an agreed upon limit of about 1 kt.

COMPLIANCE WITH THE THRESHOLD TEST BAN TREATY

Allegations that the Soviet Union has violated the Threshold Test Ban Treaty by testing above the 150 kt limit have formed a critical component of the case now being made by the United States Government that the Soviets have cheated repeatedly on arms control agreements. Two years ago this was described as definite cheating. In the statement released by the White House on February 1 that allegation has now been reduced to a "likely violation." That change in language has, I believe, resulted from strenuous objections by the seismological community over the past two years.

I and many others have long argued that the United Sates Government is not using the correct formula for converting the sizes of seismic waves generated by Soviet explosions into yields. It is now universally accepted that the correct methodology for estimating yields must take into account the geological and geophysical properties of the upper 100 miles of the earth directly beneath various testing areas. All of the main Soviet testing areas are on old geological terrains while the U.S. data come mainly from Nevada, a region of recent earth movements and volcanic activity. If these differences are not accounted for correctly, the estimated yields of USSR tests are too large. Several years ago the U.S. Government moved in the direction we advocated. Nevertheless, they did not move far enough and the methodology still leads to serious overestimates of the sizes of Soviet explosions. For too long we have seen an obsession with trying to justify the largest possible yields that cannot be absolutely refuted rather than adopting a formula that gives the most likely estimate of yield.

Two of us organized a major symposium for the American Geophysical Union almost two years ago. About 500 people heard presentations on whether the Soviet Union was

likely to have cheated on the Threshold Treaty and how well a Comprehensive Test Ban could be verified. About 15 experts presented their findings. Only two of them, scientists from the Defense Advanced Research Projects Agency (DARPA), believed that the Soviet Union had cheated on the Threshold Treaty. There was a strong consensus among the participating experts, those attending the symposium and in press coverage of the symposium that the U.S.S.R. had not cheated. This was indeed surprising since most of the scientific experts receive major funding from DARPA. Other U.S. Government agencies, scientists from the Lawrence Livermore Weapons Laboratory and scientists from the United Kingdom and Sweden also do not think the Soviet Union has cheated.

NEED FOR AN INDEPENDENT REVIEW

As I outlined above, there is a heavy weight of scientific opinion in the United States, in several U.S. Government agencies and among knowledgeable scientists abroad that the Soviet Union has not cheated on the Threshold Treaty and that the United States has been using an incorrect formulation for estimating yield. Here is a classical case where bureaucratic infighting and the opinions of a few have dominated policy. There is a strong need for an independent review of scientific and technical capabilities for the verification of the Threshold Treaty and a Comprehensive Test Ban Treaty. I recommend that the Congress ask the U.S. National Academy of Sciences to conduct such a review. Another possibility would be a major review by the Office of Technological Assessment. It must be remembered that the weapons laboratories will strenuously object to a Comprehensive Test Ban Treaty as a threat to what they see as their essence and reason for being. Major hearings by Congress on these matters are long overdue.

PATTERNS OF ATOMIC TESTING BY THE U.S.S.R.

The United States has paid a heavy price for following a methodology that overestimates yields of Soviet explosions and assigns those yields a large uncertainty. This price is twofold: (1) in the area of arms control agreements and (2) in intelligence about Soviet capabilities.

Figure 3 shows histograms of the numbers of explosions (vertical axis) of various sizes as a function of a measure of size, the short-period seismic magnutide m_b. Our best estimates of yields in kilotons are shown for the pronounced peaks in the histograms. There are many explosions of nearly the same yield, and most explosions are confined to a few pronounced peaks.

There is a very pronounced peak near 500 kt for tests at Novaya Zemlya for the period before the Threshold Treaty took effect in 1976. The peak at 500 kt probably respresents the size of the weapon carried by the SS-18. Its yield is often assumed to be considerably larger. Overestimates of this type can lead to exaggerated estimates of the total megatonnage carried by Soviet ICBM's and to overestimates of the yield for a given weight. Thus, it is certainly not in the best interests of the United States to have the Soviet Union test lighter weapons of say 500 or 1000 kt. They have not done so since 1975. Ratifying the Threshold Test Ban Treaty would prevent them by treaty from doing so again.

CONCLUSIONS

1. The Soviet Union has not violated the 150 kt limit of the Threshold Treaty as alleged. It is in the best interests of the United States that the Soviet Union not test above the 150 kt limit.

2. A Comprehensive Test Ban Treaty can be verified down to explosions of very small size, about 1 kt. An alternative to a comprehensive treaty would be a low yield threshold treaty with a limitation of about 1 kt.

3. The major impediment to a Comprehensive Test Ban Treaty is the notation that the United States should continue testing new weapons to keep ahead of the Soviet Union. As in the past, the U.S.S.R. can be expected to develop similar weapons a few years later, resulting in an increasingly dangerous world.

ROBERT STRAUSS OFFERS SOUND ADVICE ON CURRENT TRADE CRISES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FLORIO. Mr. Speaker, as a member of the Democratic Task Force on Trade, which you appointed earlier this year, I have been privileged to work with many in this Nation who are concerned with the current trade deficit. We are faced with an enormous problem—one which affects the very underpinnings of the American economy.

Mr. Speaker, there is perhaps no one man in this country who hold as much respect and consideration as a problem solver than Bob Strauss. Bob has been sought out by Presidents over the years for his advice on a range of issues which would overwhelm a lesser man. His success with those issues have marked him as a man who's advice should be listened to.

Last week Bob Strauss delivered a speech before the Economic Club of New York. In it, the former Ambassador for Trade Negotiations for President Carter offers a well thought out and convincing plan for America to follow. I offer this entire speech for inclusion into the RECORD for all Members, on both sides of the aisle, to consider. Bob Strauss is internationally known for his insight and pragmatism. All will discover, after reading this speech, that those trademarks are still firmly in place.

Mr. Speaker, the speech follows:

ADDRESS BY ROBERT S. STRAUSS

I want to depart from the usual perspective of statistics and cliches relating to our trade problem, and begin my remarks tonight by putting the alarming trade posture of this country into a political perspective, because it is in the political arena, and from political pressures that the current economic situation will be addressed by the Administration and Congress.

Within the last 48 hours, the press has reported Senator Bentsen, a Democrat with a long free trade posture, saying: "When the president won't do anything, the Congress has to look at its options and stop the hemorrhaging of the industrial base of this country." And Senator John Danforth, Republican and Chairman of the Senate Trade Subcommittee, saying: "I don't like the idea of Congress managing trade policies, but we have no alternative." John Heinz, Chairman of the Republican Senatorial Committee and an influential lawmaker on the trade issue saying: "I think the Administration is becoming more practical. There is growing realization at the White House that many of the issues the Administration has had on the back burner or even didn't know were cooking in the kitchen, like trade, will not go away." Roger Stone, a Republican political strategist said that the stakes are high in terms of controlling the agenda and also said: "Reagan was an activist president in his first term. He cannot afford in his second term to be a stand-pat political figure. He can't just say, 'I'm a free trader, and that's the end to the trade problem.'" And finally, Fred Bergsten, Democrat and Director of the Institute for International Economics has stated: "There is a mistaken impression in Congress that changes in the trade policy would turn around the deficit." Bergsten estimates that ending other countries' unfair trade practices and protecting some American industries would shave only $10 billion from the $150 billion trade deficit.

This is the political climate Ambassador Yeutter faces as he attempts to guide U.S. trade policy—and I don't envy him. While obviously some of our problems have been beyond our control, the truth is, we are responsible for much of the dreary trade picture. The complex relationships between domestic and international goals have been either misunderstood, ignored or both. The White House primarily, and to a lesser extent, the Congress, have failed to appreciate that domestic economic policy has a direct effect on the United States' external position.

So let me begin my remarks by next listing a few givens so far as trade is concerned.

1. An open trading system is absolutely essential.

2. There is no real open trading system today. What we call an open trading system is just not working—it's broken—so we better try to fix it.

3. The GATT is weak, and in many ways ineffective, but it is essential and must be strengthened. But if we rely on the GATT alone, we won't make it.

4. It's hard to find a sector or industry where free trade really exists. It doesn't exist in copper, and it doesn't exist in wheat, it doesn't exist in autos, and it doesn't exist in corn. It doesn't exist in steel, or textiles and it doesn't exist in telecommunications—to name a few.

5. More and more, trade is government managed. Our industries and farmers compete with governments, not people and companies.

6. If we don't come to grips with the present deteriorating situation, the forces of protectionism will substantially close the doors on world trade as we have known it for 40 years.

To those givens, I would add, that in my judgment, there are no simple, easy or quick answers. As a matter of fact, we haven't identified any hard and difficult answers. But there are strategies to be put in place to begin the long and arduous road to a better trade climate for the free world.

Today's trade problems are entirely new and different from those cast against the background of World War II. This is not 1944 in Bretton Woods, New Hampshire. Simply stated, the world has changed and the United States, through Republican and Democratic administrations alike, has not adapted to that change.

The country's trade problems cannot really be solved until we understand the

global impact of our domestic policies, put our economy on solid ground and live within our means. Moderate progress in highly visible areas such as inflation, while significant, is masking a basic erosion of our economic strength. Let me offer an example.

The Administration recently announced that unemployment has been reduced to 7 percent—an encouraging development, but not surprising given the Keynesian economic policies the Reagan Administration has been pursuing. However, with each passing day, one reads stories in the press of Fortune 500 companies deciding to close modern plants in the United States and transfer production abroad. How long can it continue—where will it end? There is no question that the merchandise trade deficit, if not corrected and corrected soon, could have long-term consequences for the U.S. economy. In recent days the Administration has announced that it will work the Congress to develop a new trade legislative package. I hope this effort is successful, but we must recognize that it is no substitute for a set of economic policies aimed at solving our basic problems. Domestic policy can't be made in a vacuum in the United States, Europe or Japan. What each does at home has dramatic impact abroad.

While closed markets and predatory practices have taken their toll and must be addressed, there are three additional and fundamental causes of the merchandise trade deficit. First is the differential growth rates which have distinguished the United States from its slower growing trading partners, particularly Japan and Europe; second, the huge debt of developing countries which has significantly impaired their ability to purchase our exports; and finally, the massive overvaluation of the dollar.

The single most important thing we can do to restore equilibrium to exchange markets is to reduce our budget deficit. To do so in today's political climate requires budget cuts and increased taxes, and both seem unlikely in the light of Administration policy and Congressional attitudes. Nevertheless, there are certain things the Administration could be doing to begin to talk the dollar in off the ledge, including but not limited to creditable statements to intervene in exchange markets where appropriate, pick up on Secretary Baker's initiative regarding reform of the monetary system and more vigorously encourage the Japanese to adopt policies aimed at gradually reducing the massive capital outflows which should appreciate the yen and lower the dollar. In addition, the Administration should pursue its plans with respect to trade legislation and continue to urge multilateral trade negotiations. This sort of program is doable, is not pie-in-the-sky and gets closer to attacking the fundamental causes of our trade problems and would help quell the protectionist fires now raging in Congress.

Let me now change the thrust of my remarks a bit and look at a few specific situations, beginning with Japan. Frank Gibney, in his superb new book, makes the point well that since World War II, the Japanese have continued to think of themselves as a vulnerable, semi-developed and resource-poor country pushing intensely to keep up. And further, that Japan has nurtured a semi-dependent attitude toward the United States that sacrifices a great deal in the relationship in return for American tolerance of Japanese marketing successes. Japan obviously is willing to pay a high political price for continued U.S. economic indulgence.

Gibney points out America's self-images are no less illusory. That we have appointed ourselves the world's arbiter in all fields and have been so impressed with our position and importance that we have neglected the hard work necessary to stay in that position. We live in the memory of a world that no longer exists and we have totally overlooked the unraveling of our economic position. Now we find ourselves, by virtue of neglect and self-indulgence, debtors instead of creditors. This, combined with Japan's policies, has brought on the Japan-bashing over trade imbalances that could easily destroy a relationship we both need.

Our theory seems to be when in trouble, spend and consume, and theirs just the opposite, when in trouble save and produce more for export. Japan must stimulate domestic demand through increased private and public spending.

We are familiar with tariff and non-tariff barriers, unfair trade practices and other actions standing in the way of true free trade. Something must be done about them. We must really toughen up in dealing with our partners. But few in the business or political community seem to understand that while attacking the problem of closed markets and predatory trade practices is absolutely essential, it will only marginally reduce our trade deficit if we don't simultaneously deal with the basic underlying causes.

I'm not trying to make an excuse for the protectionism embedded into the Japanese system. They deserve a great deal of the public criticism they get, but they are not alone. And we surely can't expect them to disrupt their economic structure to appease our political forces. A long-term solution requires that their economy be operated with sensitivity to its impact on the economic and political relationship with this country, just as our policies must be made with recognition of their impact not only at home, but in Japan, Europe and the rest of the world.

My purpose tonight is not to pass judgment on where we have been. There's plenty of blame to go around. The revival of our national spirit accomplished by President Reagan has not and will not solve our critical trade problem caused by neglect. To do that, the President must take the lead in forging a real debate which results in a policy for this country that will lead us forward with a meaningful, effective, hard-hitting, progressive trade posture for this country and indeed the free world. It's absolutely essential that the free world leadership, led by Ronald Reagan with his popularity base, address itself to global solutions. Together, the U.S., Japan, the EC and Canada, with sensitivity to the needs of the Third World, as well as to their excesses, must strike a major global bargain and enter into a compact. A compact in which the parties agree to take the kind of steps that are politically impossible for any one of them to make alone. Out of such a trade summit must come a simultaneous, long-term commitment for action with each of the four putting enough on the table to make it politically viable for the others to go along. It isn't going to be easy, and it's only the beginning of a process. The domestic politics are dramatic and the policy changes take years to implement.

The U.S., among other things, must be prepared to commit itself to take some of the steps we've discussed tonight. The EC must agree, among other things, to deal with the agricultural mess their subsidies are creating around the world. And the Japanese must take the actions mentioned, including dealing aggressively with their industrial procurement policies and other non-tariff barriers. President Reagan has the popular support and he should spend it here.

And now in closing, let me be clear that these criticisms of the world trading system are not partisan, nor are they an argument for protectionism. It's a frank recognition of the problems we face and a call for the beginning of an effort to avoid an almost certain course of protectionism that will have a devastatingly negative impact at home and abroad. There's much more than just dollars involved. A free world mired in protectionism and trade wars is not a healthy world in which to keep peace. The poison spills over into all of our other international relationships.

As long ago as 1844, Ralph Waldo Emerson wrote a few lines about trade and America that are pertinent for all of us today. He said: The philosopher and lover of man have much harm to say of trade, but historians will see that trade was the principle of liberty, that trade planted America and destroyed feudalism, that it makes peace and keeps peace, and it will abolish slavery.

AL HUNT OF WALL STREET JOURNAL ON HOW PROTECTIONISM IMPERILS U.S. LEADERSHIP AND PROSPERITY

HON. JACK F. KEMP

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, September 26, 1985

Mr. KEMP. Mr. Speaker, the new idea Democrats are centering their hopes for a renaissance of the Democratic Party on a protectionist philosophy. But I wonder if they realize they are taking up the mantle of the old time Republicans who brought on the 35-year eclipse of the Republican Party and helped precipitate the Great Depression?

In 1929 Republican Congressmen lead the fight for the disastrous Smoot-Hawley tariff, which most experts believed helped instigate the Great Depression. Not only did Smoot and Hawley lose the next election, but their tariff caused the Republican Party to become synonymous with austerity and tax increases for many years.

Now Democrats are doing their best to assume the role as the Party of trade barriers, isolationism, and withdrawal. I say you're welcome to it. But austerity will not win you any elections.

But won't protectionism allow Democrats to reclaim the high ground of patriotism? Not likely. The American people know that protectionism has nothing to do with patriotism or affirming U.S. leadership. In fact protectionism is the abdication of U.S. world leadership, borne of the belief that our international leadership is a burden rather than an awesome privilege and advantage.

Protectionists don't believe in America "standing tall and proud," they believe that America is declining, in retreat from its ideals and leadership, insecure of its own faith. They would have us fail our own people and the hopes of the world. How

else can one describe policies that would close the gates on imports and punish our allies, including Third-World nations reeling under heavy debt, with beggar-thy neighbor policies?

We need more active U.S. leadership, not a hunker down mentality. We can and should do more to force foreign nations to open up their markets to the U.S. goods; we should dispense with the floating exchange rates which have caused chaos and instability in world trade and investment; we should stop the deflation which is wrecking havoc on agriculture, mining, and other basic industries. We should encourage other countries to lower their tax rates to spur world growth and U.S. exports.

But the United States is not at economic war with Japan or Asian nations as some have suggested. We don't need a stick in the closet, we need a partnership for world progress and growth. We cannot separate ourselves from the world community—even if we wanted to. The world economy is simply too interdependent. The world community can and must prosper together because it can't prosper separately as the following article suggester.

I encourage my colleagues to read Albert R. Hunt's insightful Wall Street Journal article, September 24, 1985, "No Democratic Majority in Assailing Imports" because it sends our Congress a clear message: protectionism is bad economics but even worse politics.

I hope all my colleagues read Mr. Hunt's outstanding article and reflect on the lessons of history.

NO DEMOCRATIC MAJORITY IN ASSAILING IMPORTS

(By Albert R. Hunt)

This seems to be the age of espionage, so here's a new spy theory: Jim Chapman is a Republican mole.

Mr. Chapman is the newest member of the House of Representatives, elected, as a Democrat, in a special East Texas contest last month. He frustrated Republican hopes of winning that seat, conventional wisdom here says, because of the trade issue, thus giving many dispirited Democrats visions that protectionism may be a key to their political salvation in the 1980s.

To be sure, other factors are fueling the protectionist tide, which President Reagan is trying to stem with a tough speech yesterday and plans to intervene in the world's financial markets to lower the value of the dollar. More than 300 trade bills have been introduced, protecting everything from textiles and shoes to roses and water beds. As the trade deficit soars to $150 billion and the U.S. becomes a net debtor nation for the first time in 71 years, the business community is turning more protectionist, and anti-Japanese sentiment, in particular, is on the rise.

It's not only Democrats who're clamoring for action. Top GOP lawmakers, such as Sen. Robert Dole and Rep. Robert Michel, returned from the August congressional recess demanding some tough measures to correct the burgeoning trade deficit.

DEMOCRATS MAY BE MISCALCULATING

But it's the Democrats, following Jim Chapman's win, who see big political dividends. "There is no question we won the Texas election as a result of trade dominating the debate . . .," gloats House Democratic campaign chief Rep. Tony Coelho. Three of the party's heavyweights—House Ways and Means Committee Chairman Dan Rostenkowski, Rep. Richard Gephardt and Sen. Lloyd Bentsen—are proposing to impose stiff tariffs on imports from Japan and a few other nations if their trade situation with the U.S. doesn't improve.

These Democrats, however, may be making a major miscalculation. Two of the party's smartest poll takers, with different perspectives—Greg Schneiders, a top adviser to Sen. John Glenn's presidential campaign, and Patrick Caddell, the party's enfant terrible and adviser last year to Sen. Gary Hart—reach similar conclusions about the protectionist issue: It's an ill-fated, backward-looking attempt to revive the party's old coalition, and is full of risks.

"The Democrats simply equate trade with jobs, while the Republicans better understand that values are the driving force here," worries Mr. Schneiders. "I can see Reagan going on the offensive, talking about restoring traditional values, such as hard work, commitment to excellence and international competitiveness, and leaving the Democrats behind."

Mr. Caddell sees the protectionist pitch as "extremely defensive and negative, as opposed to fashioning a positive, activist high ground." This approach, he fears, is bound to turn off young voters "who constitute the Democrats' single biggest problems."

Moreover, the Democrats may be misreading the reasons behind Jim Chapman's election. Trade became an issue when the Republican candidate, Edd Hargett, said that he didn't understand "what trade has to do with jobs in East Texas." That added to the perception that Mr. Hargett, a former Texas A&M football player, was a brighter light on the gridiron than in the political arena.

But GOP polls suggest the Republican's identification this summer with curbing Social Security benefits was the real factor. Right before the election, only 9% of the voters agreed that Mr. Hargett didn't "understand issues related to jobs," which is how the Democrats presented the trade issue. But 2½ times as many voters, or 22%, thought the GOP aspirant was "soft" on protecting Social Security.

"Trade paled in importance next to Social Security," says Lee Atwater, the top GOP strategist who directed the Hargett campaign.

Indeed, public opinion on protectionism is elusive. There is no doubt that public awareness and concern over trade has grown recently, but the depth of protectionist sentiment is very uncertain.

Kevin Phillips, one of the shrewdest political analysts in America, thinks trade protectionism may be the most important emerging political issue of this decade. But, as this paper's Art Pine reported on a recent foray to Tennessee, the deeper the conversation about trade the less clear-cut the views. Asked about foreign imports, one man replied: "You know, they don't force us to buy these things; people buy them because they want to." Any measure that increases prices or restricts market choices usually doesn't meet with strong public support.

So why did all these lawmakers return from their summer sojourns proclaiming the public is demanding tough action on trade? Mainly it reflects pressure from selected business interests. "All the talk about protectionism is coming not from their constituents but from their campaign contributors," ventures public-opinion expert William Schneider of the American Enterprise Institute.

There already are indications that the closer politicians get to protectionism the more apprehensive they become. For example, Rep. Marcy Kaptur, a liberal Toledo, Ohio, Democrat, discovered that a big umbrella company in her district imports metal frames and that a surcharge would send the price on those umbrellas soaring. "For a community like mine, which depends on both imports and exports," Rep. Kaptur told Congressional Quarterly, "I could see a [protectionist] bill hurting my district."

This isn't a new phenomenon. A dozen years ago the Burke-Hartke protectionist trade bill was given a serious chance of enactment; it never even got serious consideration. A few years ago, domestic-content legislation protecting the auto industry was hot; it then fizzled. Presidential candidates John Connally, a Republican, and Walter Mondale, a Democrat, tried to parlay tough trade talk into the Oval Office; both faltered badly.

This doesn't mean the Reagan administration isn't vulnerable on the trade issue. Contentions that the administration has taken the high road on trade or that the public is squarely behind the president are naive nonsense. This administration has either been inconsistent—talking free trade while bowing to piecemeal protectionist pressures from textile, steel, auto and motorcycle lobbyists among others—or tepid and tardy in its response, such as last weekend's vow to intervene in the international currency markets. Vice President Bush's threat of "no more Mr. Nice Guy" on trade provokes only sneers and laughter.

This leaves plenty of room for Democrats to pursue a more activist role, convincing a confused public that they're serious about the issue while steering clear of the economically and politically bankrupt road of massive tariffs and quotas. Two of the party's more future-oriented politicians, Sens. Bill Bradley and Gary Hart, are doing exactly that, calling, not surprisingly, for a much stronger government involvement.

Sen. Bradley wants the Federal Reserve to automatically intervene in international exchange markets and put together a strategic capital reserve whenever the U.S. trade deficit exceeds $50 billion; he also advocates a modest import surcharge to finance retraining and job insurance for workers adversely affected by imports. Sen. Hart is calling for a new international monetary accord, more trade preferences for debt-ridden developing countries and expansion of the International Trade Commission's authority to act on unfair trade practices. These palliatives may or may not make sense, but politically they avoid the pitfalls of a pure protectionist approach.

The Democrats should avoid simple import-bashing, warns poll taker Greg Schneiders. "If the economy remains relatively strong throughout 1986, it's going to be exceedingly difficult to convince the public that their well-being is threatened by the trade deficit. But if there's a recession in 1986, any number of issues will work for the Democrats and many will work more powerfully and simply than protectionism."

Pat Caddell says the protectionist approach is very shortsighted. "You can win congressional districts with this and maybe even make a difference in some Senate elections," he notes. "But there is no national majority here."

So if the Democrats want to struggle to put parts of their old coalition together for individual elections, such as Jim Chapman's, trade may be their issue. But if they want to reclaim their role as the governing party in America, they should be wary of heeding the example of that GOP mole. For, just as in the world of espionage, those who follow moles in politics can find themselves relying on disinformation.

OPERATION EAGLE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. EDGAR. Mr. Speaker, this country has always believed that every individual can make a difference. It is one of the founding concepts of our democracy, and has made America the unique society that it is. When the Boeing Co. began to look for ways to increase productivity and cut down on waste, they returned to this basic principle, and launched Operation Eagle, a contest to get the best suggestions on increasing productivity at Boeing facilities from the people who really know—the individuals in their plants.

On Friday, September 27, the winners from each of Boeing's facilities will be here in Washington to be honored for their participation in Operation Eagle. I am pleased to have the opportunity to share with you the winning essay from Boeing Vertol written by one of my constituents, Donald J. Harris of Glenolden, PA. Mr. Harris' thoughts on how an individual can make a difference are truly winning ideas.

The essay follows:

BOEING VERTOL COMPANY

(By Donald Harris)

My idea on how the individual can make an even greater contribution to increasing productivity is as follows:

Whatever our job might be, we approach it each day in very much the same manner as our co-worker. The large majority of workers try to "do their best" as the saying goes. Unknowingly, they follow certain guide lines in turning in a productive day.

I believe every employee should sit down and list the guide lines they follow. With deeper thought, everyone could make additions to those guide lines. Any additions would certainly contribute to increased productivity. Maybe, some additions can be found from the following suggestions. Completely examine the next task prior to undertaking it. Know exactly what you're trying to accomplish.

Look for shortcuts in your tasks without sacrificing proficiency. These shortcuts may lead to good suggestions for others.

Find system to recheck yourself in almost everything you do. Show your enthusiasm for your job. Amazingly, it will rub off on others. Be on lookout for items and events that do not appear correct. You could help prevent errors or accidents.

Learn to communicate. Get your point across clearly to others and be certain you understand them.

Tactfully cut short long-winded conversations, even though work related.

SOUTH AFRICAN GOVERNMENT REINFORCES APARTHEID

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GARCIA. Mr. Speaker, this past Monday in the New York Times, distinguished columnist Anthony Lewis discussed in his column the intensification of repression by the South African Government at home and military aggression abroad.

In his usual hard-hitting style, Mr. Lewis analyzes the South African Government's response to international efforts trying to force them to dismantle apartheid. I submit Mr. Lewis' article for the RECORD:

[From the New York Times, Sept. 23, 1985]

SOUTH AFRICA SAYS NO

(By Anthony Lewis)

BOSTON.—After a period of seeming indecision, the South African Government has given its answer to demands for political change. The answer is to intensify repression at home and military aggression abroad.

That policy has been made devastatingly clear by events of the last two weeks. Internally, the Government has taken an increasingly tough line, using the whip and the bullet and the detention cell to silence its opponents. Externally, it has admitted for the first time, without regret, supporting terrorist campaigns against neighboring governments.

The use of violence by the white minority regime to maintain its monopoly of political power is nothing new. But the reported police brutality in recent weeks has been shocking in its scale and indiscriminate character.

A 3-year-old girl named Concilia Ngobeni was playing in her front yard in the black township of Saulsville, near Pretoria, on Sept. 10. According to local residents, a police van with three white policemen in it drove into the quiet neighborhood. A shot was heard, and Concilia died of a rubber bullet in the head.

On Sept. 18, police killed a 10-year-old boy in Elsies River, a colored township near Cape Town. Witnesses said eight black policemen with whips, accompanied by two white policemen carrying rifles, assaulted residents in their homes and gardens.

Large numbers of children, as young as 7, have been taken in by the police in sweeps through townships. Often parents are not notified, and have to travel around to police stations and hospitals looking for their missing children.

The cruelty and violence of the police are not secrets. A study at Cape Town University reported this week that political detainees are tortured "systematically." U.S. diplomats have started to express concern at misconduct by soldiers and police since an emergency was declared on July 21.

Nearly 3,000 people have been detained under the emergency regulations, including most of the leaders of the United Democratic Front, a multiracial organization seeking nonviolent change. A key figure in the U.D.F., the Rev. Allan Boesak, was released last week but charged with subversion for, among other things, urging withdrawal of foreign investment from South Africa.

Those are just a few of the indicia of internal repression. What they add up to is not in doubt. The Government has decided that appearance is less important than power. Even its best friends must have trouble arguing any longer that it is on course for change. Can Jerry Falwell describe as "reformist" a regime that kills children?

The same disregard for outside opinion is evident in the Botha Government's policy toward Mozambique and Angola. Its admissions last week that it had intervened in both countries were unapologetic.

The Mozambique affair was a crude slap in the face of the Reagan Administration. It scored a triumph last year—or thought it did—when it helped to arrange the Nkomati accord between South Africa and Mozambique, each agreeing to respect the other's territorial and political integrity.

But South Africa went right on supplying the terrorist group Renamo, which has ravaged Mozambique. Suspicions to that effect were confirmed when a Renamo headquarters was captured. Last week the South African Foreign Minister, R. F. Botha, admitted that his Government had built a landing strip for Renamo, made air supply drops, and taken Renamo officers in and out by submarine. He called those "technical violations."

As to Angola, South Africa admitted giving military aid to the Unita, the rebel group headed by Jonas Savimbi. Like the Mozambique rebels, Mr. Savimbi uses terrorist tactics; his forces have shot down civilian planes and taken foreigners as hostages.

Here again American diplomacy is given the back of the hand. The Reagan Administration has worked for four years to arrange a peaceful settlement of the conflicts involving Angola, South Africa and neighboring Namibia. As in Mozambique, it relied on South African promises, one of which was to withdraw all forces from Angola.

Will it work, can South Africa's white government once again defy the majority of its own people, and outside opinion, and work its will by force?

No one should underestimate the power of Pretoria. It can roll over its neighbors and put endless thousands of South Africans in prison. But there is a difference this time: The economic system that has given white South Africans so much is not going to keep working—not, at least, if the outside world uses the levers of influence that it now knows it has.

EUROPEAN COMMUNITY ENLARGEMENT SEEN HURTING U.S. EXPORTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. STARK. Mr. Speaker, if you think we have agricultural trade problems now, wait until the European Community completes its enlargement next January to include Spain and Portugal.

I would like to include in the RECORD a description of the problems which will be created for American agricultural exports to Europe. It is an article by H. Peter Dreyer which appeared in the Journal of Commerce and which I found reprinted in

the magazine Europe, September/October 1985, a publication of the EC Commission.

I would, Mr. Speaker, take the article's closing paragraphs with a large grain of salt—and even if true, the question for American farmers is "What about the next few years?"

For the reasons mentioned in the article, I have introduced a House joint resolution urging that the administration explain to the Congress, now, what it is going to do to prevent injury to America's trading interests once the enlargement occurs. We do not need a repetition of the Greek enlargement experience, where our trade fell dramatically.

The article follows:

E.C. ENLARGEMENT SEEN HURTING U.S. EXPORTS—GRAIN SHIPMENTS FACE PRINCIPAL THREAT WHEN SPAIN, PORTUGAL JOIN

(By H. Peter Dreyer)

On January 1, 1986, Spain and Portugal are to join the European Community. This is an event which the United States unreservedly favors. It is, after all, fully in line with the European policy objectives the United States has pursued throughout almost four decades now and which have made Washington a staunch champion of European integration since the days of the Paris and Rome treaties establishing the E.C. and of the extensions which followed.

In this particular case there exists one more weighty reason for U.S. approval. While it is too early yet to evaluate the prospects for the Spanish referendum next year on the country's membership in the North Atlantic Treaty Organization [NATO]—which the United States was most anxious to secure—there can be no doubt whatever that those prospects would be much gloomier had Spain failed to get into the E.C.

But if the political vistas of the forthcoming enlargement of the E.C., as perceived by Washington, thus are clear and positive, that is not the case at all on the economic side. For one thing, uncertainties seem to prevail. For another, according to present expectations, the impact may be distinctly negative. And last but not least, it is only too likely that the negotiations which must follow Spanish and Portuguese accession will add one more to the long list of irritants, not to say areas of potential confrontation, now characterizing the U.S.-E.C. relationship.

Why the uncertainties? They are not perhaps all that surprising. The membership negotiations were only completed in early June. Only then was it possible to start assessing the effect which a host of specific terms and understandings finally agreed on may have on dealings with the outside world.

Just as obviously, this effect was not and could not have been expected to be a major matter of concern to the negotiating parties during their protracted and wearying efforts to hammer out the ultimate accord. Countries which had reason to fear that Spain's membership in particular might pose a threat to vital export opportunities, like Israel and Morocco, may have made protesting noises all along, but there was little more they could do until now.

It is only at this stage—that is, after the conclusion of the negotiations—that the E.C. Commission has turned to the problem (and plans to send appropriate proposals to the E.C. Council of Ministers in early fall) of how to maintain at existing levels the flow of trade of such produce as citrus fruit, tomatoes, potatoes, olive oil and wine from countries around the Mediterranean to the E.C. For it is afraid of the adverse social and eventually political consequences to be excluded from the E.C. market on which they depend so largely.

Naturally, no comparable situation exists with respect to future U.S. exports or, for that matter, other industrial nations like Canada or Japan once Spain and Portugal are inside the E.C. Were they to be jeopardized, there is surely no reason to assume that there would also be a matching social and political fallout.

But does the United States stand to lose? Are American exports to Spain and Portugal, which last year (on an f.o.b. basis) totaled respectively $2.6 billion and just under $1 billion, at risk now? U.S. observers answer these questions unhesitatingly in the affirmative. Furthermore, they are convinced that as a result of the enlargement, U.S. exports will be exposed to other (actual as well as potential) adverse impacts as well, and that such commercial benefits as may also develop will not be sufficient to offset the anticipated minuses.

The principal threat is that facing American grain shipments—corn to Spain, wheat and corn to Portugal—plus other agricultural sales to those two countries which add up at present to around $2 billion annually. They are not expected to disappear overnight, but a certain erosion is likely to set in right away.

Both Iberian peninsula countries, as they gradually adjust to the E.C.'s Common Agricultural Policy, are certain also to follow the process well under way in E.C. countries where some corn is still imported for starch, but no longer for feed purposes. Other cereals, notably barley, are now substituted. Within a few years, therefore, the two new members probably will import French barley rather than American corn.

Theoretically, it would be possible for Spain and Portugal to step up their purchases of U.S. soybean products, thereby compensating for the anticipated reduction of cereal imports. It is not, however, very probable that they will. On the contrary, fears clearly persist that an oils and fats tax—which has been talked about in the E.C. for many years and which would deal a severe blow to U.S. soybean sales to the Community—might move several steps closer to reality and realization in the 12-member E.C.

There will be losses elsewhere, too. The United States currently ships about $500 million a year worth of nuts, fruit and a variety of other fresh and processed horticultural products to the E.C. Yet, in future, it is bound to be Spain which will sell such goods to its then E.C. partners.

Nor is the outlook all that encouraging when it comes to industrial products. The central element is that as Spanish and Portuguese customs duties which currently are mainly on the high side gradually adjust to the E.C.'s Common External Tariff, they should come down a little and thus bestow benefits also on exporters from third countries. It is quite possible therefore that American suppliers may discover new or additional opportunities in areas where competition from firms in the Community is weak.

But where competition is strong, the shoe is very much on the other foot. After the transition period is over, products from E.C. countries will have duty-free access to the Iberian peninsula market, whereas those from the United States will remain confronted with a tariff wall. This comparative disadvantage may well make itself felt even during the transition years, if the case of Greece is anything to go by. Imports there from other E.C. countries have increased since Greece joined the Community, while those from the United States has receded.

Here again uncertainty reigns. within the E.C., work is still proceeding—and not expected to be completed before some time in the fall—on the line-by-line drafting of a new Common External Tariff which ideally should represent a trade-weighted combination of the existing E.C. tariff and Spanish and Portuguese tariffs. Only after that has been done will it be ascertainable where the United States and other third countries would post gains or losses. This process, in turn, is the precondition for the opening—perhaps in April 1986—of the required negotiations under Article 24 (5) and (6) of the General Agreement on Tariffs and Trade [GATT].

As matters stand even now, and in the light once more of what has happened with Greece where those negotiations still have not been brought to a harmonious end, this situation contains the seed of still another U.S.-E.C. conflict. The GATT rules, stating that the duties applied by an enlarged E.C. should not on the whole be higher than the duties applicable before, are obviously not very concise.

In these circumstances, E.C. negotiators not only are certain to insist that their new Common External Tariff is not more restrictive than the pre-enlargement state of affairs. They may go further even and claim, or so U.S. officials suspect, that on balance the new Common Extended Tariff will benefit the United States which therefore owes the E.C. a credit, to be "paid off" conceivably in the form of raised E.C. duties on, say, some U.S. agricultural products. Such a conclusion—as yet, of course, hypothetical—the United States would view as both illegal under GATT and generally unacceptable.

What all this adds up to is that, as far as it can be ascertained at this stage, the effect of the E.C. enlargement on U.S. commerce will produce little cheer. Yet for the longer term there may well be a silver lining to this cloud, too.

Throughout the E.C.'s history, and somewhat contrary to original assumptions, the European integration process and the growth of prosperity it brought with it have paid handsome dividends overall to American business. The expanding activities of U.S. firms in Europe have been a vital part of this. Hence the thought is surely neither unrealistic nor unreasonable that, should the Spanish and Portuguese economies achieve "quantum leaps" through E.C. membership, American enterprises ought to be among the ultimate beneficiaries once more.

THE CTB AND MEGATONNAGE FEVER

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MARKEY. Mr. Speaker, in an op-ed piece that appeared in yesterday's Washington Post, the distinguished gentleman from

Illinois [Mr. HYDE] made an argument against negotiation of a comprehensive test ban treaty that took my breath away. He stated that a CTB would actually "feed the arms race by increasing, or at least maintaining, U.S. megatonnage, precisely at a time when we are trying to minimize this aspect of our strategic forces through defense reserch and development as well as arms control efforts in Geneva."

I thought I had heard most of the arguments that CTB opponents generally use: Arguments over verification, the need for reliability testing, and the possibility of Soviet cheating. But never before have I heard that a CTB is a bad idea because it will fuel an arms race in missile megatonnage.

I see little support for the gentleman's contention that "we are trying to minimize this aspect of our strategic forces through research and development as well as arms control efforts at Geneva." On the contrary, as a result of our current reserch and development efforts, the yields of U.S. strategic warheads are now increasing, not decreasing. From what I can tell, the Geneva arms talks have focused on reducing numbers of warhads and launchers, which would indirectly reduce the overall megatonnage of both sides' arsenals, but have little impact on the yield of individual warheads in the arsenal.

The gentleman from Illinois is correct in suggesting that the older heavy megatonnage warheads would have caused a great deal of "collateral damage" in a nuclear war, but forgets to mention that both sides have been moving toward more accurate warheads with high yields that will make them much more lethal and destabilizing "counterforce" weapons. The new warheads do not seem to have been designed to minimize collateral damage to populations, but to maximize their capability to pulverize the opponent's military forces. And that is going to cause a lot of casualities, for there is no such thing as a "surgical" nuclear strike.

The distinguished gentleman also has forgotten to mention that in the absence of a comprehensive test ban, the Soviet Union will be free to develop and test smaller warheads with improved yield-to-weight ratios (the maximum yield that can be obtained from a warhead of a given weight). If the Soviets are allowed to develop and test warheads with the yield-to-weight ratios of their American counterparts, they could take advantage of the high throw-weight of their missiles to dramatically increase the number of warhads deployed in their arsenal. I doubt very much that the gentleman would like to see such a development.

Mr. Speaker, I would remind my colleagues that the overall yield of the U.S. nuclear stockpile peaked in 1960, and then declined as we replaced inaccurate high-yield single warhead missiles with more accurate, lower-yield MIRV'ed missiles. At the same time, we phased out many of our older high-yield, bomber-delivered gravity bombs. The yield of our weapons is now on the rise again, as succeeding generations of warheads are developed, tested, and deployed with improved yield-to-weight ratios.

According to the Congressional Reserch Service, the Minuteman I ICBM was first deployed in 1962 with a single 1-megaton W59 warhead. The Minuteman II was initially deployed 2 years later with single 1–2-megaton W56 warhead. Five years later, the Minuteman III became operational with three 170-kiloton W62 warheads. By 1979, technological improvements permitted the United States to replace these warheads with three 375-kiloton W78 warheads. The first MX missile will be deployed in 1986 with 10 W87 warheads, each possessing an estimated yield of 300 kilotons. CRS reports that the follow-on Midgetman missile is expected to be deployed in 1992 with a warhead having a yield of 300–475 kilotons.

Our sea-based strategic forces have undergone similar changes over the years. When the Polaris SLBM's were initially deployed in 1962, they were armed with a single 800-kiloton W47 warhead. When the Polaris was MIRV'ed in the mid-sixties, it was armed with three 200-kiloton W58 warheads. The Poseidon SLBM, first deployed in 1971, was armed with an average of 10 40-kiloton W68 warheads. More recently, SLBM warhead yields have been on the increase. First, the Trident I missile became operational in 1979 with eight 100-kiloton W76 warheads. Now, the administration plans to deploy a follow-on Trident II missile with eight W88 warheads that reportedly will have a yield of 475 kilotons apiece.

The Soviet nuclear arsenal has also moved away from large single warhead missiles to MIRV's of increasing explosive yield. For example, the SS–18 (Mod 1) was first deployed in 1974, armed with a single 24-megaton warhead. The most recent modification of this mammoth missile—Mod 4—provides the SS–18 with 10 500-kiloton warheads.

Both sides are introducing more accurate MIRV'ed missiles with warheads of increasing yield because both want weapons with the combination of high-yield and accuracy that gives them a capability to destroy hardened targets such as missile silos and command control centers. Though I share the gentleman from Illinois' concern over the indiscriminate destructive power of high-yield nuclear warheads, I am somewhat skeptical that in a nuclear war, the detonation of thousands of nuclear warheads—each with a yield of hundreds of kilotons—is going to be very clean or discriminate. Moreover, I think we should all be concerned that the improved counterforce capabilities such warheads provide will threaten strategic stability.

A CTB would actually slow the arms race and prevent the Soviets from taking advantage of the greater throw-weight of their missiles to put larger numbers of more accurate MIRV'ed warheads on missiles such as the SS–18. As John Pike argues in an article in this month's Federation of American Scientists Public Interest Report, this would preserve the U.S. advantage in lightweight, efficient warheads. I would think that both the gentleman from Illinois and the administration would see some value in preserving the American advantage in this area.

The gentleman from Illinois assumes that the Soviets will be forced to continue to rely on bigger, more destructive warheads, and fears that under a CTB, the Soviets may be unable to test smaller, less destructive warheads. Fortunately, others are not so sanguine about the military consequences of continued Soviet testing. Perhaps that is why the distinguished chairman of the Senate Intelligence Committee recently argued in favor of a CTB by reminding his colleagues in the other body that a comprehensive test ban treaty would stop meanacing Soviet developments while preserving the technological edge the United States enjoys in their nuclear warheads.

Mr. Speaker, at this point, I would like to insert in the RECORD the op-ed piece by the gentleman from Illinois and the aforementioned article by John Pike:

[From the Washington Post, Sept. 25, 1985]

TEST BAN FEVER—WITH AN EMPHASIS ON IMAGE, NOT SECURITY

(By Henry J. Hyde)

Recently, one of my colleagues from the Senate, Democrat Carl Levin of Michigan, made a plea for the revival of Comprehensive Nuclear Test Ban talks with the Soviet Union [op-ed, Sept. 19]. While he offered several reasons for a resumption of these talks, his bedrock argument was that if we failed to do so, we would almost certainly receive a "diplomatic black eye from our closest friends," thus "embarrassing us" on the eve of the Reagan-Gorbachev summit.

The linkage between political considerations and national security policy is perhaps inevitable, but I fail to see the wisdom of advocating—at this critical presummit juncture—what has been a Soviet propaganda proposal for years.

President Reagan has stated repeatedly that he will not resume negotiations on a Comprehensive Test Ban (CTB) Treaty at the present time for one very important reason: our nation's security. Levin says we should continue, but for public relations reasons, which he somehow finds compelling. In any weighing of national security concerns against public relations considerations, the scales had better tilt toward security.

This entire issue, the banning of all nuclear testing, has grave consequences for our nation's security, not merely for our image abroad. Moreover, although Levin believes that our allies may reject our unwillingness to immediately negotiate a CTB, it is worth remembering that these same allies depend upon a credible, U.S. nuclear deterrent. Nuclear testing plays an essential role in maintaining this deterrent in view of the massive and ongoing Soviet nuclear force modernization, as well as a lack of substantive Soviet nuclear arms reduction proposals at Geneva.

Overall, it is cause for worry that some prominent political figures have seized upon this issue, politicized it and treat it as a soft "confidence building measure," which it certainly is not. This attempt to decouple nuclear testing from national security is demonstrated by the fact that House Democrats have placed a Comprehensive Test Ban Treaty resolution on the legislative fast track. Talk about "friends and allies" trying

to embarrass the president on the eve of the summit! It seems that our armchair arms controllers have decided to take that upon themselves, at a time when bipartisan support for the president and our Geneva negotiators is imperative.

The Democrats' proposal, H.J. Resolution 3, will probably be before the House in early October. It is composed of two parts. Part one calls upon the President to submit the unratified Peaceful Nuclear Explosions Treaty (PNET) and Threshold Test Ban Treaty (TTBT) to the Senate for ratification. The second part calls upon the President to resume immediately negotiations with the Soviet Union on a Comprehensive Test Ban Treaty.

Many experts, including our chief negotiator of PNET and TTBT, Ambassador Walter Stoessel Jr., seriously question whether either of these treaties can be adequately verified. In fact, in recent public testimony before Congress, Dr. Donald Kerr, the director of the Los Alamos National Laboratory, pointed out that on at least one occasion a Soviet test, which we knew about, was not seismically detected.

H.J. Resolution 3, by demanding that the United States resume immediately negotiations with the Soviet Union on a Comprehensive Test Ban Treaty, overlooks some recent history—namely, that it was Jimmy Carter, not Ronald Reagan, who cut off CTB negotiations with the Soviets for several reasons, among them the Soviet invasion of Afghanistan. The Democratic leadership seems to prefer political opportunism over common sense in this instance. Clearly a nuclear test ban is a logical follow-on to an arms reduction agreement, not a prelude to one. As an editorial in The Post Aug. 1 appropriately stated, "why give away through a test ban what the Soviet Union should be expected to pay in arms reductions. This is why a ban cannot be treated as a separate option distinguishable from the proposals on the table in Geneva."

Test ban proponents would have you believe that the best reason for a ban on all testing is that, as time passes, weapons makers simply won't trust their old systems and at the same time won't be able to test new ones. So, following this line of thinking . . . Voila! No more nuclear weapons, no more arms race. Unfortunately, the opposite will be the case.

Additionally, we must keep in mind that under a comprehensive test ban the nature of Soviet society and government would permit the Soviet Union to keep its most skilled technical people in their weapons program, whereas many U.S. experts would leave for more professionally active fields.

Nuclear testing is very significant for a number of reasons, but one of the most important is that it allows us to move away from large nuclear weapons with indiscriminate destructive power to smaller weapons designed to accomplish their military tasks more efficiently and with less collateral damage. A ban on testing will make this type of megatonnage reduction impossible, but it won't stop production. All nuclear weapons experts agree that the basic ability to build large, "dirty" nuclear weapons—able to accomplish their goals by brute destructive force—may always be available, without further testing.

So ironically, a Comprehensive Test Ban Treaty—which has not been preceded by an arms reduction agreement—could well feed the arms race by increasing, or at least maintaining, U.S. megatonnage, precisely at a time when we are trying to minimize this aspect of our strategic forces through defense research and development as well as arms control efforts in Geneva.

Furthermore, in the absence of an arms reduction agreement limiting warheads, yet in an environment in which both sides are tied down by a testing ban, the United States could find itself forced to build larger, more destructive and unsafe warheads in order to insure a continued strategic balance. At the same time, the Soviets, who already rely on bigger and more destructive warheads, will be forced to continue to do so, since they may be unable to test smaller, less destructive warheads. In essence, it could spark an arms race in megatonnage.

As congressional test ban advocates frame it, this issue turns the world on its head. For the Soviets it is merely a propaganda exercise of unilateral challenges and "moratoriums." For the United States, it is a matter of vital security. But one thing it is not—it is definitely not, as the Democratic leadership would have us believe, an innocuous confidence-building measure designed to save us "embarrassment" and show our "goodwill."

[From American Scientists Public Interest Report, September 1985]

MILITARY ADVANTAGE OF THE COMPREHENSIVE TEST BAN

The Comprehensive Test Ban Treaty (CTBT) would provide one military advantage for the United States that has been generally overlooked in the CTBT debate. The CTBT would preserve the continuing American lead over the Soviet Union in light-weight, efficient warheads. In the absence of a CTBT, the Soviets could significantly improve the yield-to-weight ratios (the maximum yield that can be obtained from a warhead of a given weight) of their warheads.

If the Soviets were to achieve the yield-to-weight ratios of American warheads, this could result in an effective doubling or tripling of the number of warheads on their missiles, without adding a single missile to their arsenal.

The United States had traditionally concentrated on small, solid-fueled missiles with limited payloads. Thus American weapons designers have had the incentives to improve yield-to-weight ratios in order to increase the number of warheads that each missile can carry, and to reduce the weight and cost of each missile. The Soviets until recently were content with large liquid-fueled missiles, and their warhead designers were not compelled to seek significant improvements in yield-to-weight ratios.

WHY YIELD-TO-WEIGHT RATIOS MATTER

Some Administration officials, including Paul Nitze and Richard Perle, have sought to make limitations on total missile payload (or throw weight) the principal objective of the current arms control talks (the total throw weight of American ballistic missiles today is about 2,000,000 kilograms; the Soviet figures is several times larger). They argue that payload is the best measure of the lethality of a missile. This might be true if Soviet and American yield-to-weight ratios were the same, but they are not.

Advocates of throw-weight limitations argue that if the Soviets were to take advantage of their substantial lead in throw weight they could achieve militarily significant advantages. Substantial increases in the number of Soviet warheads could improve their prospects for the destruction of fixed land-based missiles. Perhaps even more important, additional warheads could also be used to barrage bombers, mobile missiles, and submarines, raising the spectre of new "windows of vulnerability." They could also be used to overwhelm an American anti-missile system designed to protect missile silos or cities.

CBTB AND THE PRESERVATION OF THE AMERICAN LEAD

In the absence of negotiated deep reductions in Soviet ballistic missile throw weight, the most direct means of preventing the Soviets from taking advantage of their current lead in missile throw weight would be by preventing them from improving the yield-to-weight ratio of their missile warheads. The Comprehensive Test Ban Treaty is the best, if not the only, way of achieving this.

Improving the yield-to-weight ratio of a warhead is a difficult task, requiring the use of novel components and materials fitted together with very exacting tolerances. These improvements require extensive testing to verify that the design innovations work together as planned. Unlike stockpile confidence testing, which typically involves only the low-yield fission primary of a weapon, testing of an improved design requires testing at full yield, or at some significant fraction (perhaps 25 percent to 33 percent) of the full yield.

Limitations in Soviet warhead fabrication and manufacturing capabilities seem to have discouraged them from attempting the sophisticated and exacting designs that characterize American nuclear weapons. However, in the absence of a CTBT, there is nothing to preclude them from doing so in the future.—*John E. Pike.*

COMPUTERS AND CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, September 25, 1985, into the CONGRESSIONAL RECORD:

COMPUTERS AND CONGRESS

Computers are one of the great stories of our time. They are the subject of press reports and conversation everywhere. I am fascinated to see how quickly they have become the dominant machine in offices in southern Indiana. The computer has changed the way we work and revolutionized the economy. It promises even greater changes. Computers have also changed the way Congress writes the federal budget, watches the executive branch, and deals with constituents and special interest groups.

The computer has drastically changed my work as a Congressman. Messages from constituents who call my Indiana office are relayed to me in Washington instantaneously. My schedule is set on the computer. I use a terminal to find out what bills will be voted on, and what amendments are under consideration. I can tap into the Library of Congress system for information ranging from the latest economic statistics to quotations from speeches on the House floor.

My computer also helps me prepare responses to constituent inquiries and re-

quests. The new technique of "direct mail" lobbying, in which interest groups prompt hundreds of voters to send cards and letters to Congress, initially overwhelmed many congressional offices. In 1973, Congress received 40 million pieces of mail. By 1984 that figure topped 200 million. In 1981, when the President asked voters to give Congress their views on the budget, the appeal produced 1.2 million letters. The new volume of correspondence forced members of Congress to turn to computers.

Computers help me take a more active part in local community development projects. I use my computer to track local projects and issues in the 21 counties of the 9th District, from water supplies to housing. A data base available from House Information Systems provides information and filing deadlines for federal grants.

Members of Congress use computers to keep track of Congress and its committees. Congress uses a service called LEGIS to track the 10,000 bills Congress considers each year. Updated daily, LEGIS is a valuable source of information on the status and content of pending legislation. The LEGIS office is contacted by phone over 1,000 times a day, and by direct computer link an uncounted number of times.

In 1970, Congress spent only $732,000 on computers, mostly for payroll and bookkeeping. Congress now owns about 7,500 computers, costing some $30 million each year. Most committees and subcommittees in Congress, as well as the vast majority of members' offices, use them. My office is no exception.

By improving Congress's ability to monitor the Executive, computers have made the Congress a more competent partner in government. For example, computers help Congress prepare the federal budget with better and more accurate information. Each year the President delivers to Congress a budget and an Economic Report. These complex documents are debated throughout the following year as Congress works to develop a plan for federal spending. That debate has become better informed in recent years due to another item delivered to Congress: a copy of the Budget Office's computer tape, which has more detailed figures than the written budget. The tape is used to break down budget items by committee jurisdictions, quickly compare the President's budget with alternatives, and make independent judgments on its economic effects. Computers are also used to project the effect of changes in federal aid formulas or in tax law. They produce sophisticated reports on federal programs and how they are affected by different budget plans.

Congressional support agencies also rely on computers. Finding a book in the Library of Congress is now done at a terminal, as are research tasks like finding articles and reports. Before the introduction of computers, the card files used to catalogue the world's largest collection were so heavy the floor was in danger of collapsing. The creation of a nationwide network of cataloguing computers centered at the Library of Congress prevented this catastrophe and also spared 25,000 U.S. libraries the job of cataloguing new books.

Computers also aid the thousands of private groups whose task it is to watch Congress. At least three commercially-offered data bases designed to assist these groups monitor Congress. They provide lobbyists with valuable information on pending legislation and the voting records of members of Congress. As a result, voters across the country have more information about the records of their representatives.

Congress still lags behind the private sector in computers. A group of businessmen visiting Congress in 1983 found office automation inferior to that in business. "We never saw anything that was state of the art," said one manager. The report blamed small office budgets and high staff turnover for the backwardness. The market's small size also discourages computer companies from designing systems for congressional use.

The computer does not solve all our problems. It even creates a few. Their effective use depends on people using them properly, something that happens less often than it should. Much of the new information goes unread. Computers are not cheap, and costs are frequently underestimated. Software programs can be inadequate, and learning to use a computer takes time. Each office uses a separate microcomputer. This makes computerizing Congress more expensive, and prevents the exchange of information between offices. But the alternative, one central computer for the whole Congress, would make information less private and secure. Separate computers also allow offices to tailor computer services to their needs.

Despite the problems, I expect the use of computers in Congress to accelerate. Their potential for strengthening communication between representatives and constituents is unlimited. I hope that in years ahead we will use computers to strengthen representative government itself.

THE POLITICS OF SUGAR

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GRADISON. Mr. Speaker, on Thursday, Mr. DOWNEY and I will be offering an amendment to H.R. 2100, the Food Security Act of 1985. Our proposal is to reduce gradually the price support for sugar over a 4-year period through a reduction in the nonrecourse loan rate. Yesterday, the Cincinnati Post published an editorial regarding the current sugar program. I urge my colleagues to consider the arguments of the Post as we take up the farm bill.

[From the Cincinnati Post, Sept. 23, 1985]

THE POLITICS OF SUGAR

In 1981, when the public's eye was on tax cuts, Congress passed a bill to support sugar growers in their accustomed style. To put the case starkly, the bill has cheated consumers out of billions of dollars a year, destabilised friendly nations in the Caribbean and built Soviet influence in a region President Reagan regards as vital to this country.

Congress insisted that the government lend growers 18 cents for every pound of raw sugar they produce. If the domestic price falls below that figure, the producers can forfeit the crop and not pay back the loans.

To keep unsalable sugar from weighing too heavily on the budget, the government maintains strict quotas on sugar imports. The system pushes the U.S. price for raw sugar to more than 20 cents a pound; the world price is below 5 cents.

For the benefit of only 11,000 domestic cane or sugar beet producers, consumers of soft drinks, candy and bakery goods thus pay a huge hidden tax, one that boosts their cost of living.

For poor nations of the Caribbean Basin and Latin America, the quotas are devastating. Sugar, a vital commodity to them, is being pushed out of the American market, exacerbating poverty, joblessness and unrest. Dangerous rioting in the Dominican Republic and Jamaica in recent months can be attributed to sugar woes.

As U.S. sugar imports drop from 5 million tons in 1981 to an expected 1 million tons next year, the Soviet Union has more than tripled its sugar purchases from Caribbean countries other than Cuba. If one thinks those buys are made without political ambitions, one is being naive.

The sugar bill that did so much harm expires this year, and Congress is writing a new one. Given Congress' record, the bill will be bad. The public and the White House ought to demand phasing out of the unjustifiable price-support program, and the president should be brandishing his veto pen.

It would be far cheaper to pay sugar producers to shift to crops that can be grown efficiently here than to send foreign aid, and possibly troops, to prop up Caribbean democracies we are helping to undermine.

NEW SUPPLEMENTAL EXTRADITION TREATY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GILMAN. Mr. Speaker, there has been a great deal of concern expressed among my constituents regarding the new supplemental extradition treaty between the United States and the United Kingdom. The primary effect of this treaty, presently before the Senate Foreign Relations Committee, would be to eliminate the political offense exception which protects against the use of American courts for the extradition of political fugitives whose crimes consist of authentic political dissent of rebellion. I share their deep concern that the U.S. Senate not act in haste in their deliberations and that the U.S. Government continue to facilitate a peaceful, workable solution toward achieving a unified Ireland.

The United States is party to upward of 100 bilateral extradition treaties. The governments of the countries to which these treaties apply range from constitutional democracies to repressive autocracies. Whatever the character of the particular foreign government however, every bilateral extradition treaty to which the United States is a party contains a provision excepting political offenders from extradition. Clearly the renegotiation of the extradition treaty between the United States and the United Kingdom to exclude the political offense exception is a matter of grave concern and deserves a long, careful study prior to any action by the Senate.

By analogy, if a similar treaty had existed 200 years ago between the United States and the United Kingdom, private United States citizens could have been extradited

to England and imprisoned for their part in America's war for independence from British rule.

In my capacity as a member of the House Committee on Foreign Affairs, I have for some time now been monitoring the tragic conflict in Northern Ireland. Having had the privilege to visit that troubled land, I was able to see first hand how persons being held for political crimes against the British Government are treated not as political prisoners, but as common, hardened criminals. I share the reluctance of many of my colleagues in Congress to permit the extradition from this country of persons accused of political crimes in other countries into a situation where these persons will be treated as criminals. Please bear in mind that the treaty currently in force between the United States and the United Kingdom addresses and permits the extradition of persons found guilty of violent crimes.

I was pleased to note that the chairman of the Senate Committee on Foreign Relations has announced that his committee will hold an additional day of hearings; bringing the total to 3. As I noted in a letter sent to Chairman LUGAR by myself and several of my colleagues here in the House, "the fact that the treaty establishes so many new precedents warrants that it be given full and careful consideration. It is interesting to note that this Supplemental Treaty is being considered within a time period just over 1 month. The original Extradition Treaty, signed in London on June 7, 1972, required 4 years to negotiate." I appreciate the time and care the Senate Foreign Relations Committee is taking in reviewing this vitally important matter.

I am offering for the CONGRESSIONAL RECORD and for the construction of my colleagues a letter sent to me by Hon. Andy O'Rourke, county executive of Westchester County, which lies within my district, discussing the new Supplemental Extradition Treaty. I believe Mr. O'Rourke provides a thoughtful analysis of the many issues surrounding the new Supplemental Extradition Treaty and I commend it to my colleague's attention:

WESTCHESTER COUNTY,
White Plains, NY, August 27, 1985.

Hon. BENJAMIN GILMAN,
Member of Congress.

DEAR CONGRESSMAN GILMAN: The New Supplemental Extradition Treaty between the United States and the United Kingdom is currently before the United States Senate Committee on Foreign Relations. This treaty ought to be a matter of grave concern to all Americans who believe in the rule of law and in the Constitutional principle of separation of powers.

The immediate purpose of this proposed treaty seems to be to overturn the political offense exception, upheld in recent judicial decisions (E.g., U.S. District Judge John Sprizzo in December 1984 found that the case of Joseph Doherty, a member of the Irish Republican Army, presented "the political offense exception in its most classic form," and denied extradition to "Northern Ireland."). The proximate issue may be the continuing Anglo-Irish conflict in those six of the divided Irish Province of Ulster's nine counties known as "Northern Ireland," but the ultimate question involves two heretofore exceptionless norms, principles if you will, of American diplomatic practice (i.e., the political offense exception to extradition) and of Constitutional law (i.e., judicial review).

The political offense exception protects against the use of American courts for the extradition of political fugitives whose alleged "crimes" consist of authentic political dissent or rebellion. It does not cover criminal anarchists, Sikh terrorists, the "Black Liberation Army" or the various so-called "Red Brigades." Neither does it cover any act which violates international law or is inconsistent with international standards of civilized conduct. What it is is an aspect of the humanitarian practice of granting political asylum in deserving cases.

The New Supplemental Extradition Treaty would in effect deny access to the judicial process for political offense extradition cases and instead substitute the political judgment of the State Department. Once the principle is violated in this one instance, the door is then opened to other foreign governments to demand the return of their political dissidents and/or rebels. Will Marcos of the Philippines come asking next, or the Communist Chinese? The same principle protects the Nicaraguan "Contras" and their supporters and protected Benjamin Franklin and John Adams in France during the American Revolution. Once violated, the principle will no longer be inviolate.

I urge you to visit the grave of Thomas Addis Emmett in the churchyard of Saint Paul's Chapel in New York City. Thomas Addis Emmett was a lawyer of international reputation, admitted to the New York Bar by acclamation. He was the first Attorney General of the State of New York. Thomas Addis Emmett was also the brother of the martyred Irish patriot, Robert Emmett, who led an ill-fated rebellion against English rule in Ireland in 1803. Upon learning that a warning has been issued for his arrest, Thomas Addis Emmett escaped to the United States, where he found political asylum. Had the proposed New Supplemental Extradition Treaty been in effect in 1803, Thomas Addis Emmett would have been extraditable to in all probability share his brother's fate of being "hanged, drawn and quartered."

It should be obvious, upon reflection, that any proposal to tamper with the principle of judicial review of political offense extradition cases must not be accepted in haste or in secret, but rather must be fully scrutinized and publicly reviewed before even the consideration of bringing the same to the full Senate. I therefore urge you to insist that the Senate Foreign Relations Committee's hearings on the New Supplemental Extradition Treaty be full and open to the testimony of all interested parties. These hearings must consider the nature of the ongoing Anglo-Irish conflict and its current tragic manifestation in "Northern Ireland." The interest of the United States lies in the establishment of political, economic and military/naval stability in a part of the world which lies immediately beside the jugular vein of commerce and communication between North America and the rest of the North Atlantic community. Our foreign policy should actively seek a just and lasting peace for all Ireland and the corollary reconciliation of the "British" and Irish peoples.

Our primary concern must be the preservation of the principle of judicial review of political offense extradition requests.

Your expertise, developed generally through service on the House Foreign Affairs Committee and specifically with the Ad Hoc Congressional Committee for Irish Affairs, recommends your testimony before the Senate Foreign Relations committee.

Please do not hesitate to contact me if I can be of any assistance in this matter.

Sincerely,

ANDREW P. O'ROURKE,
County Executive.

ACADEMIC FREEDOM

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FUQUA. Mr. Speaker, for the information of my colleagues I am placing in the RECORD today a letter I recently wrote to the Director of the National Science Foundation [NSF] concerning academic freedom and the use of supercomputers.

It has come to my attention that consideration is being given to imposing restrictive Federal controls over the supercomputers funded by the NSF and established at various universities. The academic freedom issue is over whether the universities should be policing the use of these machines by persons properly residing in this country.

The letter follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE
AND TECHNOLOGY,
Washington, DC, September 10, 1985.

Mr. ERICH BLOCH,
Director, National Science Foundation, Washington, DC.

DEAR MR. BLOCH: I have noted with some concern that consideration is being given to imposing restrictive federal controls over access to those supercomputers which have been established at various universities within the NSF program. In my view, and assuming that published reports are correct, this restriction on access to university supercomputers is contrary to the spirit of academic freedom.

I believe, firmly, that if we have information or processes that should be kept protected for the defense of the nation, they should be classified as such. We should guard the material carefully. On the other hand, if material is not to be classified, then universities should proceed in the time-honored tradition of openness and free inquiry. Above all, universities should not be put in the awkward situation of having to monitor or investigate the users of this equipment.

I trust that you, in your position, will be able to ensure that the traditions of academic freedom are maintained in the operation of the supercomputer centers. Please keep me informed if problems develop on this score.

Sincerely,

DON FUQUA,
Chairman.

THE INTRODUCTION OF A HOUSE RESOLUTION RELATING TO VERTICAL RESTRAINTS GUIDELINES

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FISH. Mr. Speaker, I am introducing a resolution today expressing the sense of the House that the vertical restraints guidelines published by the Department of Justice on January 23, 1985, do not have the force of law, do not accurately state antitrust law, and should not be considered by the courts of the United States as binding or persuasive. I am taking this step to provide the House Judiciary Committee and the House of Representatives with an alternative way to proceed in this matter.

Except for the change of form, the text of this House resolution is identical with House Concurrent Resolution 128, which I introduced on April 24 of this year. Even the 17 cosponsoring Members, including many who serve on the Judiciary Committee and its Monopolies and Commercial Law Subcommittee, are identical on both resolutions. While identical legislation—Senate Concurrent Resolution 56—has been introduced in the other body by Senators RUDMAN and METZENBAUM, its schedule has not been announced. Accordingly, we may choose to proceed by House resolution rather than by a resolution requiring the concurrence of our friends across the Hill.

I was encouraged recently by the adoption of a resolution similar to my own by the National Association of Attorneys General, meeting in July at Colorado Springs. This is now the official policy position of that organization, which is composed of the attorneys general of each of the 50 States. I believe the text of the NAAG resolution will be useful in helping Members inform themselves on this matter, and, accordingly, I ask unanimous consent that it appear at the conclusion of my remarks.

Mr. Speaker, I invite cosponsorship to this resolution by other Members who share my concern regarding the importance of vigorous and effective enforcement of our antitrust laws against resale price maintenance and other vertical restraints of trade.

NATIONAL ASSOCIATION OF ATTORNEYS GENERAL

RESOLUTION 1.—UNITED STATES DEPARTMENT OF JUSTICE VERTICAL RESTRAINTS GUIDELINES

Whereas, the United States Department of Justice published antitrust enforcement guidelines entitled "Vertical Restraints Guidelines" on January 23, 1985, which have been circulated to the judiciary, business community, and the public at large; and

Whereas, such Guidelines were issued with the avowed purpose of clarifying the enforcement policy of the Department of Justice's Antitrust Division with regard to non-price vertical restraints of trade and in so doing have purported to interpret and state what the current federal law is in the area of vertical restraints; and

Whereas, the Antitrust Division has not filed any lawsuits challenging vertical restraints of trade in the past 55 months; and

Whereas, the Antitrust Division engaged in an "amicus intervention program" in the period 1981-1983, intervening in private antitrust suits where defendants were charged with vertical price-fixing, urging the courts to abandon the settled law that such price-fixing agreements were per se unlawful, and continued such amicus filings until Congress barred further activity in the Department of Justice appropriation for fiscal year 1984; and

Whereas, despite the stated purpose of clarifying policy in the area of non-price vertical restraints and despite the Supreme Court's recent refusal to overturn the rule that vertical price-fixing is per se unlawful in the case of *Monsanto* v. *Spray-Rite Service Corp.*, 104 S. Ct. 1464 (1984), the Guidelines clearly apply to certain vertical price-fixing agreements and treat these as subject to the "rule of reason" rather than settled per se rule; and

Whereas, the Guidelines misstate the law applicable to vertical restraints by totally excluding anticompetitive effects in intrabrand markets from the rule of reason analysis; and

Whereas, the Guidelines treat certain horizontal restraints of trade that are per se unlawful as though they were vertical restraints subject to rule of reason analysis; and

Whereas, the Guidelines adopt the position that certain vertical restraints are always lawful, when the lawfulness of such restraints can only be determined after a full rule of reason inquiry and such restraints have in certain cases been found unreasonable and illegal, thereby jeopardizing businesses that might rely upon the Guidelines in adopting these restraints; and

Whereas, the Guidelines misstate the rule of per se illegality applicable to certain restraints of trade and adopt an unprecedented modified rule of reason test in relation to certain restraints that are per se unlawful; and

Whereas, the Guidelines misstate the law applicable to tying arrangements despite the fact that the applicable law was recently clarified by the Supreme Court in the case of *Jefferson Parish Hospital District No. 2* v. *Hyde*, 104 S. Ct. 1551 (1984); and

Whereas, the Guidelines misstate the law concerning the liability of corporations for acts of responsible corporate employees;

Now, therefore, be it resolved, That it is the sense of National Association of Attorneys General that:

(1) The Vertical Restraints Guidelines issued by the Department of Justice on January 23, 1985, do not accurately reflect the judicial interpretation of the federal antitrust laws with regard to non-price vertical restraints of trade, vertical price-fixing agreements, the relevance of intrabrand competition, the application of per se rules, tying arrangements, the distinction between horizontal and vertical restraints, and the liability of corporations for the acts of responsible corporate employees; and

(2) The Guidelines should not be accorded any force of law or treated by the courts of the United States or of any state as persuasive; and

(3) The Guidelines are a danger to the business community in that reliance thereupon might encourage businesses to adopt restraints of trade that might be actionable and ultimately held unlawful, exposing the defendants to treble damages and litigation costs; and

Be it further resolved, That the National Association of Attorneys General directs its Executive Director and General Counsel to furnish copies of this resolution to the Administration, Congress, leaders of the business community, and other interested individuals.

A SALUTE TO MISS EDITH L. BROWNING

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MYERS of Indiana. Mr. Speaker, in Greencastle, a city of 8,500 people, in the heart of my Indiana district, lives a most remarkable lady who has touched the lives of thousands. For the past 40 years Miss Edith L. Browning has been passing out sticks of chewing gum to the children of this Putnam County city.

Known throughout the State for her kindness, I would like to salute Miss Browning's generosity by reprinting an article which appeared in the Monday, September 9, 1985, edition of the Indianapolis Star.

GREENCASTLE CHEWERS STUCK ON GUM LADY FOR 40 YEARS

The Chewing Gum Lady is a special delight;
She works at our bank, just barely in sight.
When I go in, holding my mother's hand,
She calls to me, "Hi there, young man."
I run to her counter, hoping for gum.
She reaches over to give me some.
I wish we went to the bank every day.
I like to see my friend and say,
"Thanks for the gum you give to me."
My friend likes children, you can see.

(By James A. Gillaspy)

GREENCASTLE, IND.—The poem, by a DePauw University professor and his wife, is part of a Sunday school storybook that was published in 1968.

"They were trying to emphasize big people being nice to little people," says Edith I. Browning. "That seems to be my forte."

Indeed, for more than 40 years Miss Browning has been the nice lady who always has a free stick of gum for children like the professor's son. Most people know her by name, yet children of all ages refer to her with affection as the Chewing Gum Lady.

It is a moniker she has heartily approved of and encouraged. Her Christmas cards—with a stick of gum inside—routinely bear the signature of "The Chewing Gum Lady." Ditto for her welcome mat, an instant clue to what awaits visitors on the other side of her door.

"This all started during World War II when they couldn't get gum," recalls Miss Browning, whose tiny countenance used to pop up daily from behind the counter of Central National Bank to greet little ones with a smile, a bit of conversation and a stick of gum.

"After the war was over I thought they could get all the gum they wanted and they wouldn't want to get it from me anymore. But they just kind of got in the habit of it. So it never stopped."

Almost 80 years old now, Miss Browning has been retired from the bank since 1968,

when she ended 39 years of service as secretary to the president. But she is still greeting smiling neighborhood children who visit her at home, stop her on the street or see her at Sunday school classes.

And she never forgets to "gum them," says the small lady with the big heart.

"In the last 35 years, I've never given anything but Juicy Fruit," she exclaims proudly, noting the extra effort she's taken to please her chewing gum beneficiaries. "Children like Juicy Fruit better."

Attention to such detail has not gone unnoticed by the makers of Juicy Fruit, either.

In October, Miss Browning will be featured in the fall issue of All Around Wrigley, a quarterly magazine for employees of the Wm. Wrigley Jr. Co., the Chicago-based chewing gum manufacturer.

"We just thought it was a nice story to share with our employees, to show that someone outside the company had that much confidence in one of our products to distribute it for that many years," says editor Linda A. Keane, who recently visited the Chewing Gum Lady and her hometown.

"We do have other people who do this, and they're usually from small towns," says Mrs. Keane. "But I'm sure she has done it the greatest number of years."

That comes as no surprise to Miss Browning, who says she recently "gummed" a local tyke whose mother looked familiar. It turned out that she had given gum to the mother in her childhood years.

That was not uncommon. "There's plenty of second-generations around." notes the Chewing Gum Lady. However, a brief chat revealed that Miss Browning had also given gum to the mother's mom as a child.

"I had gummed a third generation," says Miss Browning," who estimates that she handed out 100 sticks of gum a week during her employment at the bank and 35 to 40 sticks a week since then.

"Little did I think that when I got to be 80 years old that gum would still be that important," says Miss Browning. The 1927 DePauw University graduate and longtime civic leader credits local youths with keeping her young and active.

"There's two things I don't do," she says laughing. "I don't go to the senior citizens center and I don't watch soap operas."

Surprisingly, there is a third thing she doesn't do. She doesn't chew gum—she never has.

The upcoming Wrigley article explains the essence of Miss Browning and acknowledges that her years of generosity were "not entirely due to the delicious flavor of Juicy Fruit gum."

"Edith Browning has a genuine affection for children, an interest in people that would be hard for anyone to resist," says Mrs. Keane in her article.

Miss Browning put it another way in her chat with the editor for the All Around Wrigley article: "Some people collect stamps and coins. I collect people."

NATO'S IMPORTANCE TO THE UNITED STATES

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GARCIA. Mr. Speaker, I am submitting for the RECORD an article from the September 30 edition of the New Republic by Walter Laqueur on NATO. While I don't agree with everything that Mr. Laqueur has to say about NATO—particularly his assessment of the importance of Greece to the alliance—I think Greece plays an important role—or his belief that NATO is more important to the Europeans than to the United States—I believe it is equally important to both—I think he does deal fairly with an issue of crucial importance to America's security.

Too often we overlook just how important NATO is to the United States. We have a tendency to become too preoccupied with crises in other regions of the world to remember the cornerstone of our Nation's defense—NATO. I believe, therefore, that we must be reminded from time to time just how important and dependable NATO has been and still is for the United States.

[From the New Republic, Sept. 30, 1985]

NATO'S IDENTITY CRISIS

NATO, as usual, faces problems. Prime Minister Andreas Papandreou of Greece recently announced that he will make good on his commitment to remove American bases from Greece. In coming months Spain will vote on whether to join NATO. There has been some worried speculation that within the next two or three years parties opposed to current NATO strategies will assume power in West Germany and Britain. Above all, a growing number of U.S. legislators seem to be losing patience with the state of the alliance.

This predicament is nothing new. Alliances are characteristically strife-torn and unstable. (Someone once said that Napoleon was not, after all, a great general because he always confronted notoriously weak and unrealiable alliances rather than strong and united enemies.) NATO, moreover, has been in a state of disarray from the beginning. In 1949, when NATO was first conceived, there were mighty outcries from both the right and the left, in the United States as well as in Europe. Henry Wallace called it an instrument of aggression in violation of the U.N. Charter. Senator Robert Taft, who was advocating an isolationism of the right, was equally opposed. The subsequent history of the alliance will be written one day in terms of a permanent crisis, from Secretary of State John Foster Dulles' "agonizing reappraisal" in 1954 to the cancellation of Skybolt in 1962 (a blow to Britain, which had insisted it was an essential part of its nuclear defense strategy), from the gradual withdrawal of France beginning in 1962 to Secretary of State Henry Kissinger's Brussels speech a few years ago, in which he told Europeans that they could not automatically count on America in a time of crisis unless they worked to restore some balance to NATO.

In a closely reasoned article some seven years ago, Earl Ravenal wrote that NATO had in fact died, and no one had even noticed. He rightly pointed out that the alliance had been created in another time and designed for another state of affairs. How could such a structure survive in a "radically different geopolitical era"? Ravenal's clothes were later stolen, figuratively speaking, by Irving Kristol and others, much to Ravenal's dismay. Other schools of thought proposed as an alternative that American foreign policy be reoriented toward the Pacific basin.

Ravenal's obituary notwithstanding, NATO has shown an astonishing resilience. One does not have to look far for the reasons. The world situation in 1985 does not, of course, resemble that of 1950, but the threat that made these nations join forces has not disappeared. I am not certain what a "geopolitical era" is, but I was taught that anything connected with "geo" seldom if ever changes. As for the Pacific basin proposal, New Zealand, the Philippines, South Korea, and event Singapore and Taiwan, are not promising candidates for establishing global defense alliances.

And so after all these years of doubts and setbacks, some political scientists investigating the state of the American alliance system have concluded that we never had it so good. In the lead article of *International Security's* spring issue, Stephen Walt proclaims that the world's democracies are "wealthy, technologically advanced and militarily capable. . . . The American alliance system is both impressive in its capabilities and unusually cohesive. . . ." This assertion becomes somewhat suspect if one looks more closely at the facts and figures on which it is based. Not all will share Walt's enthusiasm about the military capabilities (or agree about the willingness to shed blood for the alliance) of Mexico and Brazil, of Greece and Saudi Arabia, of Pakistan and New Zealand—to single out but a few of Mr. Walt's stalwart allies.

Nevertheless, there is a grain of truth in what he is saying. The true state of the alliance is somewhere between the theory of premature demise and the wilder flights of optimism. The last few years have been relatively calm. The dire predictions about the consequences of stationing the Pershing II have been proved wrong; even the Soviets have more or less dropped the subject. But how long will the calm last? It is always misleading to generalize about Europe, because there is not one Europe. And this, of course is very much part of the problem.

Once upon a time there was consensus on defense; now if there is a consensus, it is mainly negative. Reduced to the lowest common denominator, the dilemma can be defined as follows: the European members of NATO, rightly or wrongly, are skeptical about Star Wars because they believe it would weaken deterrence. But they do not like deterrence either. They want a higher nuclear threshold—a wholly laudable desire—but they claim that for political, social, and economic reasons they are unable to strengthen their conventional defense in accordance with past NATO resolutions. They complain about American predominance, but they are unable to bring about the Europeanization of Europe's defense. They express fear of strategies that would result in a military" decoupling" (that is, contrary to the original NATO agreement, an attack on one country wouldn't necessarily mean an attack on the others), but they do not hesitate to pursue political decoupling in their dealings with the Soviet bloc and the Third World. They support détente, but are willing to accept the Kremlin rules, under which détente is limited to Europe.

The American record with its partners has been far from unblemished. But would the situation be radically different even if American policymakers had acted with the wisdom of sages and the patience of angels? Seen in retrospect, America's main sin has not been neglect and lack of consultation, but an excess of zeal. The handling of Star Wars is the most recent example: whatever the merits of the initiative, was it really necessary to beg European governments to col-

laborate, to bring pressure on them, even to create the impression of an ultimatum? There is now a sweeping conviction that U.S. investment in Western Europe—financial as well as political and strategic—is so extensive that America cannot afford to reduce its commitment. What's more, there is a widespread belief that the conflict is essentially between the two superpowers and thus only of limited concern to Western Europe.

The threat posed by the Soviets is not of a blitzkrieg, but of the gradual establishment of Russian hegemony in Europe. This danger has become difficult to understand in Europe, precisely because of too much American solicitude. In fact, Europe needs the alliance as much (or more) than America because of its unfortunate proximity to the one superpower that also happens to have the greater appetite. To understand this, neither great political wisdom is needed nor ideological sympathy with the White House. But American overprotectiveness has helped to suppress this simple truth, and instead a "false consciousness" has developed. Hence the erosion of the consensus.

Could it be restored? Certainly not by an American policy more European than that of most European governments. A new consensus might emerge on the basis of a hard look at the realities of the world situation. But this will come about only as the result of European self-education, in which America cannot and should not play a prominent role. Why should it implore millions of Spaniards to vote for NATO in the forthcoming elections? Why should it endlessly upbraid the Danes and others for failing to meet their defense commitments? All this is clearly the task of the major European governments. American initiatives in this direction are neither dignified nor effective.

It is not entirely clear whether the loss of Greece would be a disaster or a blessing for NATO. The difficulties go deeper than the fact that the Greek military effort is wholly directed against another NATO member. Greece's links with Europe are tenuous; there is more affinity between Papandreou and Colonel Qaddafi than between him and most European leaders, and there seems to be a genuine longing in the country for nonalignment. Its record in the European Economic Community has persuaded most members that it was a mistake to let Greece join. The EEC decision cannot now be reversed. But the NATO situation is different. In view of Greece's economic plight, it is quite likely that Papandreou, desperately seeking loans and other aid, will be ready for some "concessions," which might include subletting naval bases to the alliance. But the price should be reasonable, and it should be clear to Papandreou that the other Western nations do not want him to act against his conscience.

Spain is also torn in two directions—forward to Europe and freedom, and backward to northern Africa. Thirty years of Francoism cannot be quickly lived down. Spain's political self-education is by necessity a long, drawn-out process; as with Greece, its self-interest may in the end propel it toward cooperation with Europe. One encouraging sign is that even the socialist ministers who in the past opposed this move are now willing to help the prime minister fight for it. Still, many Spaniards have yet to resolve the question of their country's place in the world. Until then, outside pressure will not be appreciated.

Then there remains the problem of the leaders and movements in the major European countries who in recent years have increasingly stressed their national interests—and the special interests of Europe—in contradistinction to those of America. French neo-Gaullists, German and British socialists, Dutch churchmen, British and Danish liberals (and not a few conservatives), and others have expressed unhappiness with American leadership—whatever the name and the style of the president, and regardless of his party affiliation.

During the last year there have been some new initiatives toward the Europeanization of the defense of Europe within the framework of the West European Union and the Independent European Program Group. WEU was founded in the early 1950s, and was revived in 1984 after being dormant for many years. Among its handful of members are France, Great Britain, West Germany, and Italy; but it does not include Denmark and Norway, Greece and Turkey. Various common projects have been discussed such as European fighter aircraft and European tanks. There is, of course, no certainty that WEU will succeed where NATO has so far failed: progress has been very slow. According to the recent annual Strategy survey, published London's International Institute for Strategic Studies: "It must be said, however, that the impulses toward cooperation are a good deal clearer than the precise nature of such cooperation. Most West European governments are adopting a cautious . . . attitude. . . . It is likely to be a year or two before it is clear whether or not this particular train is going anywhere."

Some European leaders have expressed fears that these initiatives may offend Washington, but this should be the least of their worries. They may be well advised to ignore the kind of letter that the State Department has been sending, warning them against uncoordinated defense activities. Americans will prefer almost any sign of life, almost any initiative emanating from Europe, even if they may not agree with all the details.

But what if forces should come to power in one or more European countries whose views about Western defense are even more divergent from America's? A victory of the German Social Democrats and a weakening of the position of the British Conservatives cannot be ruled out. Yet both in Britain and in West Germany during the last year there has been a marked movement from the extreme anti-American left toward the center—partly, no doubt, in recognition that an extreme political platform is an invitation for defeat. The Greens, whose influence was always overrated by the American media, are on the decline; and the unfriendly statements of Neil Kinnock or the German young turks such as Oskar Lafontaine should not be taken too seriously: the dismantling of the alliance is not part of their program. The Socialist leaders have spent many days in Soviet bloc capitals in the hope of bringing back some positive messages. They have returned with empty hands. Even European Communists overwhelmingly favor the preservation of the status quo as far as Western defense is concerned. For obvious reasons they do not feel free to say so openly.

The great majority of European neutralists simply lack the courage of their convictions. If America were to challenge them tomorrow, there would be no rush to take the plunge. A neutral Europe, they would say, yes, of course. . . . But the time is not ripe yet. Much more preparatory work is needed to create the preconditions. . . . It might be a spectacle worth watching.

No alliance lasts forever, but as for the coming years, it can be said with considerable assurance that if the western alliance disintegrates, it will not be on the initiative of the Europeans but because of a loss of patience among a growing number of Americans.

European attitudes toward defense have been contradictory for a long time: they have been critical of American insensitivity and overreliance on nuclear weapons. But at the same time there has been little willingness to do something about this. They want a Europe not subjected to outside command, but they do not want too many sacrifices toward this end. Perhaps the threat does not exist or is not as formidable as the "cold warriors" maintain. A comforting thought this, and it would solve most problems. But the facts so far do not bear it out, and even the neutralists in their innermost hearts know it.

Thus, in the final analysis, the future of the alliance does not mainly depend upon the resolution of Papandreou's financial difficulties, the outcome of a Spanish plebiscite, or a vote in the Danish parliament. It depends upon the course the United States chooses to take. Patience has never been an outstanding American virtue, which is something Europeans should keep in mind as they struggle to resolve their ambivalence about their own defense needs.

RECORD COCAINE FLOW CONTINUES UNABATED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. RANGEL. Mr. Speaker, I call the attention of my colleagues and the public to an article that appeared in the New York Times of August 8, 1985, entitled "U.S. Says Smugglers 'Overwhelm' Borders With Record Cocaine Flow."

The news story states:

According to Congressional staff experts, national cocaine consumption, which in 1984 was about 85 metric tons will exceed 100 (metric) tons this year. The Drug Enforcement Administration estimated consumption of cocaine at 34 to 45 metric tons in 1982, and 50 and 61 metric tons in 1983.

According to the Drug Enforcement Administration, 4,400 kilograms of cocaine was seized nationally in 1982, 7,300 kilograms in 1983, and 11,742 kilograms in 1984. In the first six months of this year in south Florida alone over 13,000 kilograms of cocaine was seized, more than the entire country in 1984.

Mr. Speaker, I have just returned from visiting the drug-producing nations of Colombia, Ecuador, Peru, Bolivia, Brazil, Argentina, and Uruguay. Our delegation met with heads of state of six nations and with the ranking Cabinet minister responsible for narcotics control in each country.

I am sad to report that we found a shocking increase in the growth of coca, the raw material from which cocaine is made, and the ability of traffickers to operate unimpeded in vast areas of South America. The situation is out of control, narcotics traffickers are winning the war

even in the face of increased efforts by most governments in the region to combat the escalating production and trafficking. Within the past year, the House Foreign Affairs Committee, the House Judiciary Committee, the U.N. International Narcotics Control Board, the State Department, and the President's Commission on Organized Crime have all noted the dramatic increase in the traffic and abuse of narcotic and psychotropic drugs in the United States and throughout the world.

The annual report of the Select Committee on Narcotics Abuse and Control for 1984 calls upon producer nations to develop plans for the elimination of all illicit drug production within a reasonable period of time, and for the United States, other industrialized nations, and the United Nations to provide the technical and financial assistance needed to bring the problem under control.

I sponsored an amendment to H.R. 1555, "International Security and Development Cooperation Act of 1985," that makes military and economic assistance to Bolivia contingent upon Bolivia developing a narcotics control plan and meeting certain eradication targets, and that makes nonhumanitarian aid to Peru contingent upon that country developing a narcotics control plan. This bill was enacted into law on August 8, 1985, Public Law 99-83.

An estimated 25 million Americans are users of cocaine and 5,000 people experiment with the drug every day. The price of cocaine has fallen, which is an indicator of an ample supply of the drug, and it is readily available on our streets. The total cost to America of narcotics abuse is over $200 billion a year. We, in the Congress, must do everything in our power to bring this staggering figure down.

The conclusion of the article from the New York Times is that "despite improved vigilance by Federal and local agencies, more cocaine than ever is entering the United States, and law enforcement officials expect that improved smuggling strategies and unrelenting demand will keep the record-breaking flow coming."

Mr. Speaker, I ask that the news story entitled "U.S. Says Smugglers 'Overwhelm' Borders With Record Cocaine Flow" be inserted in the CONGRESSIONAL RECORD at this point.

The news story follows:

[From the New York Times, Aug. 8, 1985]

UNITED STATES SAYS SMUGGLERS "OVERWHELM" BORDERS WITH RECORD COCAINE FLOW

(By George Volsky)

MIAMI, Aug. 7.—Despite improved vigilance by Federal and local agencies, more cocaine than ever is entering the United States, Law-enforcement officials say. And they expect that improved smuggling strategies and unrelenting demand will keep the record-breaking flow coming.

The officials said Miami was the center of cocaine traffic in this country, adding that about three-quarters of the cocaine intercepted nationwide last year was seized in the Florida-Caribbean district of the Drug Enforcement Administration. With a long coast and thousands of unused airstrips, south Florida has for years been the main point of entry of cocaine into the United States, which, according to recent statistics, has seen a dramatic increase in cocaine use at all social and economic levels.

The officials, interviewed over several months, cited a shift from the use of large ships and airplanes for transporting cocaine to a wave of smaller boats and planes. They say this makes interception harder and, as one official said, "overwhelms our interdiction resources."

Trying to counter this new transportation technique, Congress has appropriated funds for a fleet of 104 high-speed boats to be stationed in south Florida and manned by United States Coast Guard and Customs personnel.

COCAINE IN ARTIFICIAL YAMS

Concealment of cocaine has also become more professional. For example, it was by chance that agents of the United States Customs Service discovered 300 pounds of cocaine packed inside artificial yams in a freighter that had just docked at the Port of Miami in June. Agents said the artfully painted fiberglass yams were almost impossible to distinguish from the real ones they were mixed with.

"They're always ahead of us," William Rosenblatt, the top Customs Service agent in the area, said of cocaine smugglers. "They scheme 18 hours a day how to smuggle coke into the U.S. We often work more than 10 hours daily, but what we basically do is to react."

In Washington, a new report by the General Accounting Office says the National Narcotics Border Interdiction System, a new program to coordinate the seizing of drugs at the borders, was spending nearly all its energy on marijuana and making almost no effort on cocaine.

The officials interviewed suggested that the effort against narcotics smuggling had been weak basically because agents lacked detailed knowledge of the inner workings of the international drug business.

A LACK OF COOPERATION

Major drug organizations are very difficult to penetrate, they say. The smugglers who have been arrested are usually people in the low and middle levels of drug smuggling rings, and they refuse to cooperate with investigators because they fear reprisals by the organization.

Officials here have complained that over the last few years their resources have grown only moderately while the number of people working in drug syndicates has more than doubled.

A result is that Latin American cocaine is increasingly available to supply what by all indications is a steadily expanding demand for the drug in the United States.

According to Congressional staff experts, national cocaine consumption, which in 1984 was about 85 metric tons, will exceed 100 tons this year. The Drug Enforcement Administration estimated consumption of cocaine at 34 to 45 metric tons in 1981, 45 to 54 metric tons in 1982 and 50 to 61 metric tons in 1983.

Basing his statement on customs service projections, Senator Lawton Chiles, Democrat of Florida, said last month that 20 percent more cocaine would enter the Southeastern United States this year than in 1984. "From time to time there are suggestions that we are beginning to win the war on drugs," Senator Chiles said. "But in Florida and in the Southwest we are still in the trenches."

TWENTY-TWO KILOGRAMS INTERCEPTED

These estimates contrast with the situation in 1967, when a commission on law enforcement appointed by President Johnson did not find cocaine consumption a matter of concern. That year agencies intercepted 22 kilograms in all at a time when experts estimated that seizures accounted for less than 10 percent of what was smuggled.

According to official reports, cultivation of coca leaves and their processing into coca paste, from which pure cocaine is refined, is taking place in Argentina, Brazil, Ecuador, Mexico, Nicaragua and Venezuela in addition to the traditional sources of the drug, Bolivia, Colombia and Peru.

To be sure, more cocaine than ever is being discovered at the point of entry, or relatively shortly after arrival in the United States. But larger cocaine seizures only suggest that proportionately more is getting through, according to law-enforcement officials.

"An analysis by the House Subcommittee on Operations has concluded that we are intercepting only 0.5 percent of the drug coming by air and about 5 percent of the sea shipments," said John P. Cusack, chief of staff of the House Select Committee on Narcotics.

"This is really frightening," he said, "because it shows that we have made no progress in detecting what is being shot at us."

According to the Drug Enforcement Administration, 4,400 kilograms of cocaine was seized nationally in 1982, 7,300 kilograms in 1983 and 11,742 kilograms in 1984. In the first six months of this year, in south Florida alone over 13,000 kilograms of cocaine was seized, more than in the entire country in 1984.

"Colombian traffickers—and so far Colombia has been mostly what the cocaine problem is all about—have perfected the drug transportation, distribution and financing of operations," said S. B. Billbrough, assistant special agent in charge of the D.E.A. district office in Miami.

"They have realized that small planes and boats are very difficult to detect on the radar screens," Mr. Billbrough said, "Moreover, they use their boats and planes more efficiently. They have established refueling, transshipment and repair facilities in the Bahamas, Belize, Jamaica, the Dominican Republic, Haiti, Puerto Rico, Turks and Caicos and other smaller Caribbean islands."

Traffickers have also become more proficient in packaging, rapid loading and unloading of shipments and in communications. Mr. Cusack believes many Americans are working for the drug syndicates.

Mr. Billbrough said that even though the United States had been pressing foreign countries to step up their antidrug campaigns, "the extent of their cooperation is not known."

"The problem in working with them," he said, "is that drug business has become an important part of their economies."

JAMAICAN AIRSTRIPS BULLDOZED

The Colombian Government recently arrested 1,400 people in its efforts to root out illegal processing and smuggling of cocaine and seized tons of the drug. But officials say there have been no signs that this has lessened the amount shipped to the United States.

Recently Jamaica ordered bulldozing of some airstrips to deny their use to marijuana-laden planes. But according to law-en-

forcement reports from Jamaica, traffickers are now using general aviation facilities.

When some officials call an "Americanization of the drug business" has also been detected in South Florida. In the Miami area alone, 22 small cocaine laboratories were discovered in 18 months by the Miami-Dade Organized Crime Bureau.

Arthur R. Nehrbass, commander of the bureau, a former agent in charge of the Federal Bureau of Investigation's Miami office, said the trend indicated that more cocaine refining facilities would be established in the United States.

LINK TO ORGANIZED CRIME

Like other experts interviewed, Mr. Nehrbass spoke about what he called "a new breed of cocaine traffickers." Until about five years ago, he said, three or four Colombian syndicates dominated the processing and transportation of cocaine to the United States. Syndicate agents sold the drug to other Hispanic people, among them a strong Cuban contingent here, who were in charge of the wholesale and, in part, of the retail end of the business.

In recent years "Colombians have moved into the distribution of cocaine, too," he said, adding, "About 17 Colombian families are known to be engaged now in the cocaine business in the United States."

According to Mr. Billbrough, Colombians have established a "heavy interaction" with organized crime families in New York City and with Hispanic criminal elements in other cities, especially Los Angeles.

There have been other substantial changes in the last few years, law-enforcement officials said.

"The flamboyance has disappeared," said William Dingfelder, spokesman for Vice President Bush's South Florida Task Force on Drugs. "Smugglers are more sophisticated and knowledgeable in the use of computer software and hardware.

"For them, the drug operations is a regular business. They can establish a corporate structure, with heads of production, transportation, marketing and investment departments, with their own collection service, public relations and, of course, a strong professional enforcement section."

According to Mr. Rosenblatt, after a period of violence in the early 1980's, "the pecking order has been established in the drug syndicates."

"The time 'cocaine cowboys' could kill enemies all over Miami in broad daylight, is over," he said. "The killing is now more professional and discrete. These people realize that gang-style executions are bad for business."

Law-enforcement officers have noticed that a number of Americans have entered the drug business. "Often small-town 'redneck' elements put together a modest investment syndicate, travel to Bogotá and buy a small quantity of cocaine which then is transported in their areas," Mr. Billbrough said. "This leads to larger investments, bigger smuggling operations, more contacts with Colombians and more Americans invovled. This pattern has been repeated time and time again."

DESTINATION OF PROFITS SOUGHT

In the face of all this, law-enforcement agencies are trying to improve their intelligence capabilities. "We are getting better, even though we are often caught flatfooted," said Mr. Billbrough. "We are expanding our analytical resources through the National Narcotics Intelligence Consumer Committee, which coordinates foreign and domestic information from 12 agencies engaged in antidrug campaigns."

For years Federal investigators have been trying to learn the destination of profits realized by the drug syndicates, presuming that a large part has been invested in the United States.

It has been difficult because in the course of transfers of millions of dollars made by American financial institutions to banks around the globe and back into this country, the sender's identity is invariably covered up.

"Traffickers are back to where they were in the late 1970's," said Mr. Nehrbass. "Now we see cash going out of the country. They use speedboats to move the dollars in the Bahamas, Grand Cayman and Panama, which is relatively easy because they seldom intercept boats, planes or passengers leaving the country."

Mr. Nehrbass said he thought that the United States was "making progress now," but, like his colleagues, believes that the cocaine problem can be overcome only with an extensive educational campaign among young people to counteract the notion that cocaine makes people happy, lucid and powerful without harming them.

Analyzing the overall drug-enforcement effort, Mr. Cusack said: "We are still losing ground. We know that coke is now available in almost every town in the United States and in many schoolyards. We simply have to invest more money and resources into this bucket."

TRIBUTE TO T. HAROLD FORBES

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DioGUARDI. Mr. Speaker, I take this respite from proceedings of the House to note the centennial anniversary of the birth of T. Harold Forbes on September 27. Mr. Forbes was the late founder and first publisher of the New Rochelle "Standard-Star," a daily newspaper in my home community that to this day continues to prosper.

Harold Forbes was the son of a newspaperman, George Morris Forbes, who came to New Rochelle in 1870. Later, Harold and his wife, Carrie, raised five sons, each of whom has made a career in various aspects of the newspaper business.

To best appreciate the late Harold Forbes and his impact on my home community of New Rochelle, the county of Westchester and, in the later years of his life, on Long Island I submit a "Standard-Star" editorial published on March 6, 1953:

T. HAROLD FORBES, PUBLISHER

When T. Harold Forbes was a young man he went on the stage and with Carrie Bohrman, who later became his wife, he formed a song and dance team. His early connections indicated he was on the way to unusual success upon the theatrical boards.

However, Mr. Forbes was stricken ill and his ailment at that time forced him from the bright lights scene to an upstate country town where he went to regain his health, which, incidentally, he did in remarkable fashion. In that upstate community, Livingston Manor by name, he became interested in newspaper publishing and there was born a career that had much to do eventually with the development of newspaper enterprises in this vicinity.

Of course, it is true that Mr. Forbes was not exactly a stranger to the newspaper publishing field before he went to Livingston Manor. He was born in a family that has made newspaper history in New Rochelle and elsewhere. His father was a New York City newspaperman and later was active in the weekly newspaper field here. One brother, the late Robert Lucas Forbes, founded The Daily Star and also owned the New Rochelle Paragraph, a weekly. Another brother, George P. Forbes, at that time and for many years thereafter was publisher of the Larchmont Times. Mr. George Forbes was also publisher of The Daily Times, Mamaroneck, when that paper was founded in the twenties.

So, with that family background, it was natural that T. Harold Forbes would turn to newspaper publishing when he was unable to continue in the theatrical world. He spent about eight years at Livingston Manor overcoming his illness and gaining the experience of turning out a small weekly newspaper before coming back to his home town.

But, once having gotten printer's ink in his blood, as the saying goes, he remained in the publishing field the rest of his life. He acquired The Daily Star in New Rochelle and worked out a merger of interests with the publishers of The Daily Argus, Mount Vernon, in 1923 by which The Evening Standard was purchased and The Standard-Star was born. In 1929, he and his affiliates sold his newspapers . . . and Mr. Forbes devoted himself to a new daily newspaper in White Plains. Later, he went to Flushing in another venture with a daily and then returned to the weekly field when he acquired a plant at Riverhead, L.I., where he was president of the News-Review Publishing Corporation at the time of his death.

The period Mr. Forbes spent here as publisher of The Standard-Star was the lush era of the twenties. As the executive head of the community newspaper he had a keen interest in civic betterment. One of the public improvement projects for which he campaigned ardently was the widening of Rose Street, as it was then known. This became a reality but not until after he had left the local scene. Rose Street was a short, narrow street, between Main and Huguenot, parallel to and similar to Lawton and Mechanic. It became a part of the North Avenue extension, built in 1931 from Pershing Square to Pelham Road. The improvement had a major effect on the appearance and development of a business area, which, due to the depression of the early 1930s, was slow in coming but eventually came to pass as economic conditions improved.

Mr. Forbes was closely allied with other newspapers in the county but, until he sold out, he maintained his offices (then) in the newspaper's present plant at 251 North Avenue which he built and during that time devoted most of his attention to the progress of The Standard-Star. He was active in a score of civic, social and community organizations to which he gave effective service in many ways.

The events reported in a newpaper mirror the community life of the day. In a sense, then, a newspaper publisher is a historian, and Mr. Forbes, in his position as a founder and publisher of this newspaper, made local history by creating and producing the medium through which it was possible to chronicle the events of his time. His interest in his hometown never flagged, for it was

here he had made friendships during the years when his personal popularity as a community citizen was at its zenith.

TEST BAN FEVER—RUNNING HIGH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MICHEL. Mr. Speaker, our colleague HENRY HYDE has once again demonstrated his ability to cut through the malarkey and get to the heart of the matter. This time the subject is the impassioned call for a revival of the comprehensive nuclear test ban talks. Who could be against such nice sounding talks? As HENRY HYDE demonstrates, any American with common sense and an understanding of the complex realities of nuclear testing should be against them. HENRY HYDE gives us chapter and verse of the imposing case against House Joint Resolution 3, which calls for immediate negotiations on such a treaty.

At this point I insert in the RECORD, "Test Ban Fever" by Representative HENRY J. HYDE of Illinois, as published in the Washington Post, September 25, 1985:

TEST BAN FEVER: WITH AN EMPHASIS ON IMAGE, NOT SECURITY

(By Henry J. Hyde)

Recently, one of my colleagues from the Senate, Democrat Carl Levin of Michigan, made a plea for the revival of Comprehensive Nuclear Test Ban talks with the Soviet Union [op-ed, Sept. 19]. While he offered several reasons for a resumption of these talks, his bedrock argument was that if we failed to do so, we would almost certainly receive a "diplomatic black eye from our closest friends," thus "embarrassing us" on the eve of the Reagan-Gorbachev summit.

The linkage between political considerations and national security policy is perhaps inevitable, but I fail to see the wisdom of advocating—at this critical presummit juncture—what has been a Soviet propaganda proposal for years.

President Reagan has stated repeatedly that he will not resume negotiations on a Comprehensive Test Ban (CTB) Treaty at the present time for one very important reason: our nation's security. Levin says we should continue, but for public relations reasons, which he somehow finds compelling. In any weighing of national security concerns against public relations considerations, the scales had better tilt toward security.

This entire issue, the banning of all nuclear testing, has grave consequences for our nation's security, not merely for our image abroad. Moreover, although Levin believes that our allies may reject our unwillingness to immediately negotiate a CTB, it is worth remembering that these same allies depend upon a credible U.S. nuclear deterrent. Nuclear testing plays an essential role in maintaining this deterrent in view of the massive and ongoing Soviet nuclear force modernization, as well as a lack of substantive Soviet nuclear arms reduction proposals at Geneva.

Overall, it is cause for worry that some prominent political figures have seized upon this issue, politicized it and treat it as a soft "confidence building measure," which it certainly is not. This attempt to decouple nuclear testing from national security is demonstrated by the fact that House Democrats have placed a Comprehensive Test Ban Treaty resolution on the legislative fast track. Talk about "friends and allies" trying to embarrass the president on the eve of the summit! It seems that our armchair arms controllers have decided to take that upon themselves, at a time when bipartisan support for the president and our Geneva negotiators is imperative.

The Democrats' proposal H.J. Resolution 3, will probably be before the House in early October. It is composed of two parts. Part one calls upon the president to submit the unratified Peaceful Nuclear Explosions Treaty (PNET) and Threshold Test Ban Treaty (TTBT) to the Senate for ratification. The second part calls upon the president to resume immediately negotiations with the Soviet Union on a Comprehensive Test Ban Treaty.

Many experts, including our chief negotiator of PNET and TTBT, Ambassador Walter Stoessel Jr., seriously question whether either of these treaties can be adequately verified. In fact, in recent public testimony before Congress, Dr. Donald Kerr, the director of the Los Alamos National Laboratory, pointed out that on at least one occasion a Soviet test, which we knew about, was not seismically detected.

H.J. Resolution 3, by demanding that the United States resume *immediately* negotiations with the Soviet Union on a Comprehensive Test Ban Treaty, overlooks some recent history—namely, that it was Jimmy Carter, not Ronald Reagan, who cut off CTB negotiations with the Soviets for several reasons, among them the Soviet invasion of Afghanistan. The Democratic leadership seems to prefer political opportunism over common sense in this instance. Clearly a nuclear test ban is a logical *follow-on* to an arms reduction agreement, not a *prelude* to one. As an editorial in The Post Aug. 1 appropriately stated, "why give away through a test ban what the Soviet Union should be expected to pay in arms reductions. This is why a ban cannot be treated as a separate option distinguishable from the proposals on the table in Geneva."

Test ban proponents would have you belive that the best reason for a ban on all testing is that, as time passes, weapons makers simply won't trust their old systems and at the same time won't be able to test new ones. So, following this line of thinking . . . viola! No more nuclear weapons, no more arms race. Unfortunately, the opposite will be the case.

Additionally, we must keep in mind that under a comprehensive test ban the nature of Soviet society and government would permit the Soviet Union to keep its most skilled technical people in their weapons program, whereas many U.SA. experts would leave for more professionally active fields.

Nuclear testing is very significant for a number of reasons, but one of the most important is that it allows us to move away from large nuclear weapons, with indiscriminate destructive power to smaller weapons designed to accomplish their military tasks more inefficiently and with less collateral damage. A ban on testing will make this type of megatonnage reduction impossible, but it won't stop production. All nuclear weapons experts agree that the basic ability to build large, "dirty" nuclear weapons—able to accomplish their goals by brute destructive force—may always be available, without further testing.

So ironically, a Comprehensive Test Ban Treaty—which has not been preceded by an arms reduction agreement—could well feed the arms race by increasing, or at least maintaining, U.S. megatonnage, precisely at a time when we are trying to minimize this aspect of our strategic forces through defense research and development as well as arms control efforts in Geneva.

Furthermore, in the absence of an arms reduction agreement limiting warheads, yet in an environment in which both sides are tied down by a testing ban, the United States could find itself forced to build larger, more destructive and unsafe warheads in order to insure a continued strategic balance. At the same time, the Soviets, who already rely on bigger and more distructive warheads, will be forced to continue to do so, since they may be unable to test smaller, less destructive warheads. In essence, it could spark an arms race in megatonnage.

As congressional test ban advocates frame it, this issue turns the world on its head. For the Soviets it is merely a propaganda exercise of unilateral challenges and "moratoriums." For the United States, it is a matter of vital security. But one thing it is not—it is definitely not, as the Democratic leadership would have us believe, an innocuous confidence-building measure designed to save us "embarrassment" and show our "goodwill."

CHI CHI RODRIGUEZ

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BILIRAKIS. Mr. Speaker, this weekend in Clearwater, FL, some very special people are playing golf for a very special reason. The "Fifth Annual Chi Chi Rodriguez Charity Golf Classic" will feature more than 132 golfers and will raise more than $60,000 for the Chi Chi Rodriguez Foundation.

Here is what the Clearwater Sun has to say:

The Chi Chi Rodriguez Youth Foundation is an inspiring success story that keeps getting better.

Former golf pro Bill Hayes got the idea from working with troubled youngsters in the Pinellas County school system. He was convinced many of the kids could be turned around by a program that challenged them physically as well as mentally—something fascinating enough to hold their interest.

Hayes figured golf would do the job.

So he got touring pro Chi Chi Rodriguez to sponsor a foundation to help troubled Pinellas County kids.

Mr. Speaker, not only did Chi Chi Rodriguez, the world famous golf pro, lend his name to this foundation, but he has been personally involved in all aspects of it and has enlisted the support of the local community as well as national business leaders like Bill Braddock, Marshall Berkowitz, Laurence Rockefeller, and Jim Kemper. In

fact, this weekend Chi Chi and many friends of his from around the country will come to Clearwater to golf on behalf of the kids.

Through the discipline learned through golf, the young people of our area have been helped with problems ranging from underachievement, drug and alcohol abuse, and other serious criminal activities. In fact, a report from the Pinellas County School Board summarized the foundation's program by saying that in regards to the young people involved, "academic growth and law compliance were the most dramatic changes."

The Chi Chi Rodriguez Foundation is a shining example of what can be done to help the young people of America. I am honored to report their noble goal and know that their project can be a model to many communities throughout our Nation. For every challenge our country faces, there is, indeed, some solution, and the Chi Chi Rodriguez Foundation is a very good solution to a very important challenge.

A CHAMPION AND HIS HOME

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DONNELLY. Mr. Speaker, Brockton, MA, prides itself on being the "City of Champions," the hometown of world middleweight boxing champion Marvelous Marvin Hagler and of the legendary heavyweight champion, Rocky Marciano.

The pride of the city and the character of its champions was explored recently in a perceptive article by John Ed Bradley of the Washington Post.

[From the Washington Post, Sept. 15, 1985]

A CHAMPION AND HIS HOME

(By John Ed Bradley)

BROCKTON, MASS.—Every now and then, Marvelous Marvin Hagler, the middleweight champ, asks his manager about Rocky Marciano. Driving down the back streets of town with no place in particular to go, Hagler says, "Tell me about Rocky Pat."

And Pat Petronelli, who knows Marciano's story from start to finish, says you would have liked the Rock, Marvin. You two were alike, a lot alike.

He says: "it is Brockton you love, and it was Brockton he loved.

But Hagler wants to know, "What else, Pat?" And Petronelli says what Hagler's heard before and always will hear, that Rocky was a tough and honest man, though not very fancy, not even as a fighter. He had the shortest reach of any heavyweight champ ever, only 68 inches on the stretch. And he never lost a professional fight. What he lacked in skill, Petronelli says, he made up for with heart. You could say Rocky was all heart and not embarrass yourself. You could say that and just about hit it right on the money.

"You'd a liked the Rock," Petronelli says he tells Hagler all the time. "And he'd a liked you."

Another thing about Marciano: He never for a minute forget where he came from. And where he came from never forgot him either. Even though he'd moved his wife and kids down to Fort Lauderdale, Fla., several years before he died in a plane crash near Newton, Iowa, in 1969, Brockton was Rocky's town. It was his heart's home, the place where he could walk around in a ragged old sweat top and khaki pants and feel as though he were rich and blessed with all the good things a man could want.

Running with the boys at the old Ward Two Club off Dover Street, down in that part of town everybody called "Little Italy," or hitching a ride to West Bridgewater and the dances at The Canoe Club, Rocky Marciano enjoyed a relationship with Brockton that his brother Peter once described as being "just like a love affair. It was like the town and the man belonged to each other."

Fighters other than Marciano and Hagler, who moved here as a teen-ager, have made Brockton their home, though most everybody you talk to would be hard-pressed to come up with names. But none was like the Rock. And none ever will be.

The only heavyweight boxing champion to retire undefeated, Marciano won 49 fights—43 by knockout—before retiring April 27, 1956, about seven months after knocking out Archie Moore in his sixth title defense. Reporters liked to ask Rocky how he got by without ever losing, and he liked to mention the two times he almost lost, the times he'd been knocked to the canvas. First there was Jersey Joe Walcott in 1952, when Rocky won the title he would hold for about four years, and then there was Moore, the former light heavyweight champ who popped him with a big left hook and sent him reeling in the first round.

Rocky liked to say he felt more embarrassment than hurt those times he came so close to defeat. There were all those people from Brockton to think about. "They couldn't afford to see me lose," he said. "They couldn't afford those $25 seats. I always knew I would get up."

Although he died more than 16 years ago, Rocky Marciano is not forgotten in Brockton, a city of about 100,000 once known as the shoe capital of the world. Now that Larry Holmes, the current heavyweight champion, threatens to tie Marciano's record by beating Michael Spinks Saturday in Las Vegas, the good memory of Marciano once again has gripped the hearts of more than a few townspeople who take great pleasure in talking about their lost friend and hero in the present tense. Still loyal to their native son, and proud, some locals all but growl and kick the earth when asked what they think about Holmes, his career and his campaign to break Marciano's record.

"Larry Holmes is a greedy man, just a greedy man," Pat Petronelli said at his home in Brockton a few weeks ago. "He's not breaking Rocky's record with dignity or class, which surprises me because Larry used to be a good champion. Now he's just picking (his opponents) at random. As a fight man, I can never accept that, not him breaking the record.

"Larry knows he can't fight much anymore. He's 36, his legs are gone, his reflexes are shot. He doesn't care about his people or fans. He picked guys like Scott Frank to fight, not even an eight-round fighter. And Marvis Frazier, he used to spar with the kid and slap him all over the ring. It was a disgrace, a phony record. But it was another easy win for Larry . . . It makes me sick knowing he'll take the Rock's record because he doesn't deserve it. I just can't accept the way he's doing it."

Peter Marciano said that if Rocky were around, he'd probably make very little of it and "applaud what Larry had done. But deep down inside, Rocky thought he was the greatest fighter who ever lived."

Marciano was 23 when he fought his first professional bout against Lee Epperson in Holyoke, Mass. He took that one on a third-round knockout, and he took his first 16 bouts by knockout, nine of them in the first round. Everybody said you'd never seen hard work until you saw the Rock do a job in the gym. More than once, his trainer, Charlie Goldman, had to insist he slow it down some, lest Rocky "leave it all in the gym," as fight people are known to say.

Even on vacation, Marciano liked to stay at hotels with swimming pools so he could take a dip whenever he felt like it and shadow box against the weight of the water. There was a place 12 miles outside of Brockton, a nail factory in Bridgewater where Alan Stone and Alan's father, H. James, and his uncle, Leo, worked. Early in his career, Rocky had asked the Stones if they would help keep him out of trouble and advise him on a thing or two, such as how to go about handling all the silverware at that fancy dinner party Cardinal Spellman was planning to throw in New York. Rocky could have picked up the telephone and called the factory. But he chose to run instead, figuring that extra bit of road work would help build his stamina and might be the difference in one of the fights to come.

"Sometimes after those visits," Alan Stone said, "I'd drive him home in the car, and Rocky would make one stop at every street corner to let him sign autographs for kids. He was kind that way, and a little innocent. But when he hit a guy, that man was never the same again."

In the old days, it never was a big deal to find two kids going at it on the playground, at least not in Brockton. That was sport, recreation, and every neighborhood had its king. Who can say exactly how the shoe factories helped shape the sons of the men who worked the leather? Rocky's old man put his time in at a factory just up Dover Street. His name was Perrino Marchegiano, he weighed about 155 pounds and he owned a pair of hands that could have belonged on someone twice his size. Everybody knew Rocky's father because he was famous for having survived a number of battles during World War I. He had been a Marine and his happiest moment in life came when his commanding officer said, "Perrino, you can be proud to call yourself an American."

Because he was an immigrant, that meant more to Rocky's old man than producing a son who would be champ. The truth is, Perrino Marchegiano never really understood boxing, although he always made a point of attending Rocky's training camps in the Adirondacks and working as his personal chef. That was his way of helping his son's cause, different as it was from the contribution of Mrs. Marchegiano. On fight nights, Rocky's mother went to church and prayed for the safety of her Rocco and of her Rocco's opponent. They were just people looking to do what was right, and they expected the same of their children.

But the town was tough, as are most mill towns, there always was some trouble. One day Rocky got into a fight with a kid named Julie Durham, who could hit you like the end of the world. Everybody said you just don't mess around with Julie. And then here comes Rocky looking for a little trouble down by the Bay State Bakery on Foster Street.

They were rolling around in the dust and pea gravel when Rocky missed a punch and caught Julie with an elbow that split his face open. After a while, no matter how tough Julie was, Rocky was just too strong. They should have stuck that win in the record books, should have made it 50–0 for Marciano.

Whenever Marciano fought, people from all over town would congregate in front of the Brockton Enterprise on 60 Main St. and look through the giant picture window at the bulletins strung across stringers for a news update. There existed a social climate at the newspaper on these nights that surpassed the best town balls and church picnics. Everybody came and everybody won. Carl D. Pitaro, now the mayor of Brockton, said he remembers staring through the window at the bulletins and hearing the rousing cheers of the crowd.

"Rocky's time was our time, his wins were our wins," Pitaro said. "It is not hard to understand why most of the old-timers in town feel that what he accomplished will never be equalled, not by Larry Holmes or by anyone else for that matter. For a long time, Rocky Marciano was Brockton, he was everything the place stood for. Shoes put us on the map, but he was our champion. He belonged to us."

At the end of his career, Peter Marciano said, his brother had trouble dealing with the smell of the gym, the fight game had become that difficult. He loved boxing so much that he gave it up when the work became too hard and the fun was no longer there.

"I think Rocky just decided nobody could beat him," Peter said, "He wanted to get away from it and go out and live."

When he died, on the eve of his 46th birthday, Rocky's wife Barbara decided to bury him in Fort Lauderdale, which is a long way from Brockton. One of the Rock's old friends said it was "just criminal," and he wondered what Rocky would have wanted: Florida or home. The gesture may have been well intended, but there was little consolation in having the wake at the Hickey Funeral Home in Brockton. Hickey's was an Irish place whose property line ran right up to the Peca Funeral Home, an Italian parlor. Peter Marciano said the directors of the two funeral homes were bitter enemies until Rocky's body came back to town. There was a line that ferried across both the Irish and Italian properties, and cars parked on both lots. There was, after all, only one Rocky Marciano.

"The month before he was killed," Peter Marciano said, "I went to see Rocky down in Florida. We jogged the beaches together, and I got to know him better in one week than I had my whole life. He'd say, 'What's going on in Brockton?' And that was strange to me. Rocky wasn't a small-talking kind of guy. But he wanted to know how Eugene and Nicky Sylvester were doing, and how was the Columbo family.

"I said this before, Brockton, Mass., always was and always will be Rocky Marciano's hometown. Any other city or town or country he may have lived in was just a stopping place. He loved this place. And he loved it until the day he died."

THE ARMENIAN GENOCIDE AND AMERICA'S OUTCRY

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. JEFFORDS. Mr. Speaker, Congresswoman NANCY JOHNSON's discussion about two prior congressional resolutions on the atrocities against the Armenian population of Ottoman Turkey is important new information for Members of Congress. Still pending at the Rules Committee is House Joint Resolution 192, a commemorative resolution that would honor the victims of the Armenian genocide of 1915 to 1923. Assuming this resolution reaches the floor this fall, we should cast our votes based on the precedent set in these Halls in 1896 and 1920.

The resolution adopted by both Chambers in 1896, entitled "Armenian Outrages," is especially significant in that it demonstrates congressional concern about Armenian suffering decades before World War I. This resolution mirrors what the Republican Party included in its national platform of 1896:

The massacres in Armenia have aroused the deep sympathy and just indignation of the American people, and we believe that the United States should exercise all the influence it can properly exert to bring these atrocities to an end.

In the later period of genocide, the Democratic Party platforms of 1920, 1924, and 1928 also included statements of sympathy with the Armenians in Turkey and expressed a desire for the Armenians to be given an opportunity for self-rule.

For a period spanning 32 years, the major American political parties placed at the forefront of their agendas the treatment of the Armenian people in their homeland. This cross-party concensus led Congress to adopt resolutions on two occasions condemning the brutal mass murders. Yet, Turkish officials today are asking Members of this body to ignore the actions of our own predecessors and instead believe their own version of history.

Turkey is a valued ally to the United States. However, that does not change the fact that the Armenian people were the victims of genocidal atrocities of the late 1890's. By suggesting that United States-Turkish friendship is dependent upon the Congress' adoption of their revised version of history, these officials are basing our relations on needlessly shaky grounds. A friendship between allies must carry with it an understanding that the two nations will not call upon one another to adopt a course of action which violates a sacred principle of all democratic states—the inviolability of history. While we in Congress have made a point of disassociating present-day Turkey, and Germany from the events of their predecessors, Turkey, like Germany, should understand that the remembrance of the horrors of history is important to Americans as a means of insuring that these tragedies do not recur.

In my view, the best course for Turkey to take is to recognize as best they can the historical facts of Turkish involvement, and work to end the present-day animosities that have resulted. My admirations for the people of Turkey would be greatly enhanced by such an action.

We must pass House Joint Resolution 192 when it comes up for a vote on the floor again this fall. We must do no less than our party platforms advocated beginning 89 years ago.

CHURCH SETS BICENTENNIAL EVENTS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GEKAS. Mr. Speaker, in 1785, parishioners of the newly opened First Presbyterian Church of Sunbury, PA, gathered on the second floor of the sanctuary to worship as guards stationed at the entrance on the ground floor of the church building watched for threatening Indians. Throughout the ensuing years, this institution, like many others, has had to adapt to changing times and adversities.

Mr. Speaker, 200 years later, this church, this institution, in a community situated along the Susquehanna River, is intact not because the building has remained firmly planted on the soil, but because the people who have worshiped there and continue to worship there today have committed themselves to their faith and their church.

The First Presbyterian Church began its year-long bicentennial festival last March and will climax beginning October 6 through 13. I would like to share with my colleagues a brief history of this church as was reported in the Sunbury Daily Item on September 14, 1985.

CHURCH SETS BICENTENNIAL EVENTS

According to church officials. Presbyterian preachers visiting the Sunbury area more than 200 years ago indicated that there was a congregation here before the first known date of the founding of the church.

In 1770 the Synod of Philadelphia and New York appointed several men who were veterans of the armed forces to do missionary work in frontier settlements among the Indians and at Fort Augusta.

These missionaries also had power to organize churches. Following their visits, four Presbyterian churches were constructed about 1774, Old Buffalo, Chillisquaque, Warrior Run and Northumberland.

It is not known for sure whether the Presbyterians of Sunbury assembled under the leadership of elders. But these "sheeps without a Shepherd" voluntarily joined under the leadership of unordained men who acted as elders of the congregation without any formal organization.

Some men called the people together in social meetings for prayer and praise from which grew the larger gatherings.

Chillisquaque and Warrior Run had no "settled" minister until the Rev. John Bryson came in 1789, while Sunbury Buffalo and Northumberland called their first minister in 1787.

It is assumed that 1785 may have been the year the church was founded since the group had been meeting for about two years before the Rev. Hugh Morrison was installed as pastor in 1787.

The early records of the Sunbury church does not exist. They were taken to a Presbytery meeting in Lewisburg in April 1867 by Elder John Eckman. The bridge across the river had been swept away by the flood of 1865 and it was not rebuilt or opened for traffic until 1868. The trip had to be made by boat. By a sudden movement of the boat, the book was torn from the elder's hand and fell into the water and was swept down the stream. All that is known of the early history of the church has been gathered from other sources.

I would like the CONGRESSIONAL RECORD to reflect my personal congratulations to the members of the First Presbyterian and its pastor, the Reverend William Ludwig Hartmann, as the church enters, what very few can claim today—its third century of existence.

JACK BROWN TO RECEIVE GOLDEN DEEDS AWARD

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LEWIS of California. Mr. Speaker, it is befitting that the Exchange Club of San Bernardino will honor Jack Brown, president of Stater Brothers Markets, on October 11, 1985, at a dinner at the National Orange Show, bestowing the highly coveted Exchange Club Golden Deeds Award.

In honor of this occasion, I would like to share with my colleagues the following editorial from the San Bernardino Sun of Thursday, September 19, 1985:

It is appropriate to say "happy birthday" to Stater Bros. markets, the Inland Empire's largest hometown company.

The chain of Groceries began nearly 50 years ago when twin brothers, Leo and Cleo Stater, bought the W.A. Davis market in Yucaipa.

It was a family affair. They later brought their brother, Lavoy, into the business. As their late fourth brother, Virgil, said a few years ago, at one time or another, the entire Stater family worked for the chain. Even their mother, Mary, was an active participant. At one point, she managed three of the stores in Fontana, Rialto and Cedar Glen.

Jack Brown, now Stater's president and chief executive officer, says the dates are "fuzzy," but the company is celebrating its 50th anniversary now and will continue to do so until Aug. 17, 1986, anniversary of the day company officials believe Leo and Cleo acquired the Yucaipa market and started repainting the outside.

Petrolane, a petroleum services company, bought the enterprise from the Stater family in 1968. Brown and other top executives of the chain bought it from Petrolane in 1983.

Today, Stater has 94 stores in five counties, employs more than 5,000 people, and does a gross business of $800 million a year.

That makes it the biggest company headquartered in the Inland Empire—in Colton, specifically—and the sixth biggest grocery chain in the West. With 3,500 of its 5,000 employees working in San Bernardino County, it is the area's largest private employer.

More important, Brown chuckles a polite "no way" when asked if the company might move elsewhere as has happened with some of our other successful home-grown organizations.

Stater Bros. started here, remains here, and is important here. It contributes not only as a supplier, taxpayer and employer, but individually and corporately through its executives, managers and employees who are supporters of academic, civic and cultural activities. They've been good citizens.

We wish the firm a happy golden anniversary, and we hope it will enjoy many more.

DAVID THOMAS, THE LORD PITT OF HAMPSTEAD HONORED IN UNITED STATES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DYMALLY. Mr. Speaker, when I was a young man in Trinidad, I met another young man, a doctor from Grenada. We both were interested in politics. But we found ourselves on opposite sides of the political fence. Nevertheless, over the years we became friends. After a time, I emigrated to the United States and began a career in politics. My friend went to England and did the same thing. I take a lot of pride in my long association with the good doctor. I take pride in the fact that he is only the third black man to have been elevated by the Queen to the House of Lords. I take pride in the fact that he is the first black man to assume the presidency of the British Medical Association.

For the past week, David Thomas, the Lord Pitt of Hampstead has been touring the United States and receiving accolades wherever he goes. He has made a point of visiting all the historically black medical schools in the United States during his tour. And at Shaw University in Raleigh, NC, an institution that has served black people educationally for over a century, Lord Pitt received an honorary doctor of laws degree. In recognition of the magnificent contributions he has made to black people politically and in medicine over the past half century, I ask that the proclamation that accompanied the bestowing of the degree of doctor of laws on Lord Pitt be entered in the permanent RECORD of the proceedings of the Congress of the United States:

DAVID THOMAS, THE LORD PITT OF HAMPSTEAD, DOCTOR OF LAWS

Mr. President: The Honorable David Thomas, the Lord Pitt of Hampstead, has carved out for himself an enviable and inimitable and world renowned record in the areas of medicine and politics.

He obtained his medical training at the University of Edinburgh, Scotland, and served commendably and creditably as a General Medical Practitioner in the Caribbean for nine years before returning to the United Kingdom where, for the past thirty-eight years, he has continued to bring healing and hope to the citizenry of London, England. In recognition of his sterling and exemplary services as a distinguished health professional, he was elected by his medical colleagues this year (1985) President of the prestigious, internationally known and recognized British Medical Association.

While his medical contributions have been great, his contributions in the area of voluntary humanitarianism have been as great, if not greater. As a student leader at Edinburgh he showed a keen political awareness and an alert social consciousness. He carried those qualities with him and they have aided him as he has served some twenty-five organizations and movements in promoting political, civic and social causes in the Caribbean and England, including: President, West Indian National Party; Member, Greater London Council; Deputy Chairman and Chairman of Greater London Council; and Deputy Chairman and Chairman of the Community Relations Commission. This strong sense of Social responsibility and this profound commitment to the healing and helping arts have culminated in the quintessential recognition when in 1975, he was created Life Peer (Baron) and assumed the laudable appellation of the Lord Pitt of Hampstead.

Mr. President, any man who has accomplished so much in a chosen career and in voluntary service deserves the highest commendations. With that in mind, I proudly present David Thomas, the Lord Pitt of Hampstead, for the honorary degree Doctor Laws.

HELP FOR THE HUNGRY

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DONNELLY. Mr. Speaker, the battle against hunger in our society is one that must be fought on many fronts.

A new program in Quincy, MA, is setting an example for community involvement and participation that deserves to be a model for the rest of the country. I encourage my colleagues to encourage a similar response in their own districts to the very successful pilot program that was described recently in the pages of the Quincy, MA, Sun.

The article follows:

[From the Quincy Sun, Sept. 12, 1985]

FARMERS' MARKET CONTRIBUTES OVER 1,000 POUNDS PRODUCE TO NEEDY

The Farmer's Market in Quincy has contributed over 1,000 pounds of fresh produce to the needy since a pilot program to help the state's hungry was launched last month.

According to Anneli Johnson of the Norfolk County Extension Service—Nutrition Agency, a large portion of the 1,127 pounds of produce (including some 40 dozen ears of sweet corn) was picked up by the Southwest Community Center for distribution by Quincy Community Action's Emergency Food Program.

On Aug. 10 the pilot food program was launched in Quincy Center by State Agriculture Commissioner August Schumacher Jr. It was the first time a farmers' market

donated a variety of fresh fruits and vegetables at the end of the selling day.

According to Schumacher, if the program is successful, it will be expanded to include all 45 farmers' markets in the state, and if necessary, recruit foundations to help pay the costs.

Contributing to the cost of the pilot program at the Quincy Farmers' Market are The Colonial Federal Savings Bank, Quincy Savings Bank, and the City of Quincy.

Quincy Farmers' Market is coordinated and supervised by the Nutrition Education program of Norfolk County Extension Service, and a group of volunteers from the community.

LESSONS OF GREENPEACE

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LEACH of Iowa. Mr. Speaker, the admission this week by the French Government of direct responsibility for the attack on the Greenpeace ship, the *Rainbow Warrior,* has raised profound moral questions as well underscored important lessons for all democratic systems of governance.

For 14 years, Greenpeace has striven to prevent nuclear testing and save endangered sea animals. It is a profound irony that an organization dedicated to peace and nonviolence should fall victim to such a senseless act of state-sponsored terrorism.

From an American perspective, it is instructive to search out the important lessons of this tragedy. There appear to be several of note.

First, a great power can make a great mistake, this one bordering on the silly. For France to seek recourse in sabotage against an idealistic few could not demonstrate more graphically the increasing tendency of peoples—and governments—to vent their disagreements and accomplish their objectives through violence against innocents.

Second, even if seemingly justified from a national interest perspective, acts that violate international law and international norms of behavior are generally counterproductive. Support for Greenpeace as well as senseless rifts between democratic countries like New Zealand and France can only grow after such egregious, premeditated violence.

Third, seldom can a democratic society engage in covert violence without eventually being forced to accept responsibility. Intelligence services must understand that despite great safeguards, leaks often occur and, as in this instance, a government in power has been forced to recant, to its embarrassment and jeopardy.

Fourth, few governments have armies that can stand up to the awesome military capabilities of the nuclear powers. But in the area of terrorism, they can compete on equal, and in some cases stronger, footing because acts of a terrorist nature are usually less acceptable in democratic as opposed to authoritarian societies. Accordingly, democratic governments have a vested interest in avoiding terrorism and conforming foreign policy as pristinely as possible to international law. Adherence to the rule of law should be the touchstone that distinguishes democracy from politically repressive systems of the left and the right. Authoritarian societies should never be given the excuse of rationalizing terrorism as a tit-for-tat response to the illegal acts of democracies.

Europeans sometimes assume that the venerable histories of their societies provide them a greater grasp of the subtleties of international affairs and diplomacy. The Greenpeace episode belies such assumptions.

But in the case, we would do well to assess the mistakes of the French and ask whether there are lessons for our own foreign policy. Does it, for instance, advance international law to deny the jurisdiction of the World Court over our policies in Central America? Do we retard or invite greater terrorism by aiding and abetting counterrevolutionary forces in Nicaragua? Can we insulate our interventionist policy in Lebanon from reactions against Americans and governmental facilities, here and abroad?

In plotting the sinking of the *Rainbow Warrior,* the French appear to have overreacted to the Greenpeace movement. In initially denying public accountability they appear to have underestimated the demand for truth in a democracy.

An American might ask whether Paris has become anesthetized to the subtleties of right and wrong in national security policy. A Frenchman might respond that the anesthesia had been administered in powerful doses on this side of the Atlantic.

THE YEAR OF THANKSGIVING

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HALL of Ohio. Mr. Speaker, today the gentleman from New York [Mr. KEMP] and I are introducing a resolution to designate 1987 as the "Year of Thanksgiving."

Previously, we had introduced House Joint Resolution 398, a resolution to designate 1986 as the "Year of Thanksgiving." The National Committee of the Year of Thanksgiving has advised us of their decision to focus upon 1987 as the "Year of Thanksgiving." The year 1987 will be especially appropriate since it marks both the bicentennial of the Constitution of the United States and the convening of the 100th Congress. In addition, the selection of the year 1987 will provide extra time for the preparation of ceremonies and activities to observe the "Year of Thanksgiving."

Therefore, we are introducing a new resolution to reflect this change. The resolution we are introducing is identical to House Joint Resolution 398, except that the "Year of Thanksgiving" has been changed from 1986 to 1987.

We urge our colleagues to join with us as cosponsors of the "Year of Thanksgiving" resolution. The text of the resolution follows:

H.J. RES. 398

To designate 1987 as the "Year of Thanksgiving".

Whereas, since the days of the early settlers, it has been a tradition of the American people to celebrate a season of thanksgiving;

Whereas many of our great national leaders, including President Washington and President Lincoln, recognized the importance of setting aside a time of thanksgiving by Presidential proclamation, as in proclamations which established the fourth Thursday in November as Thanksgiving Day;

Whereas, in 1941, Thanksgiving Day was established as a permanent national holiday; and

Whereas, in 1987, the people of the United States will celebrate the Bicentennial of the Constitution of the United States and the convening of the 100th Congress: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1987 is designated as the "Year of Thanksgiving", and the President is authorized and requested to issue a proclamation calling upon the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such year with appropriate ceremonies and activities.

LEV ELBERT'S 37th BIRTHDAY

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LOWRY of Washington. Mr. Speaker, I would like to take this opportunity to extend my best wishes to Lev Elbert of Ki'ev on the occasion of his 37th birthday on September 30. Lev, his wife Inna, and their son Carmi are among the many Soviet Jews who inspire us all with the courage, dignity, and determination that characterize their struggle to win the rights to worship freely and to emigrate.

The past few years have been difficult ones for the Elberts. In 1983, Lev was sentenced to imprisonment in a labor camp for refusing to report for reserve military duty. His refusal stemmed from his concern that the authorities would claim that he was exposed to military secrets during the additional military service and use this excuse to permanently deny him permission to emigrate. Inna's health has suffered from a hunger strike that she began to protest phony drug charges against Lev, which were eventually dropped. Their son Carmi was injured in anti-Semitic attacks at his school. In May of this year, Lev's most recent application for permission to emigrate was turned down. Lev's brother has received anti-Semitic hate mail. But the family has shown immense inner strengths throughout their ordeal.

I know that our continuing expressions of support and concern are a great help. I

would like to express my deep appreciation to the National Conference on Soviet Jewry and the Union of Councils for Soviet Jews for their continuing devotion to this most important cause. In addition, I very much appreciate the efforts of the Members from Georgia to send books to the Elberts. As the occasion of Lev's birthday reminds us, we must continue our efforts as long as they are needed.

CLEVELAND'S POLONIA HERITAGE AWARDS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Ms. OAKAR. Mr. Speaker, on Sunday, October 6, 1985 the Polonia Foundation of Ohio will be holding its "Pulaski Commemorative and Recognition Banquet" at the Knights of Columbus Hall in Garfield Heights. This year's event will mark the 206th commemorative observance of the untimely death of Gen. Casimir Pulaski.

General Pulaski is an important figure in American as well as Polish history. He is known as the "Father of American Cavalry" and distinguished himself in our Revolutionary War. At the Battle of Brandywine, he saved the life of Gen. George Washington, the "Father of our Country." General Pulaski was wounded in combat at the battle of Savannah, GA and died from wounds on October 11, 1779. In 1929, Congress passed an act designating each October 11 as "Pulaski Day."

The memory of General Pulaski is traditionally observed in our country by honoring the men and women of Polish descent who have distinguished themselves with unselfish service to their communities. This year, Stanley Preebe, chairman of the Honoree Selection Committee, announced that the prestigious "Polonia Heritage Awards" will be bestowed to Mrs. Irene Morrow, secretary of the Cleveland Civil Service Commission; Jerome Krakowski, clerk of the Cleveland Municipal Court; and Edmund Goodwin, former national, State, county and Cleveland leader in the Polish Legion of American Veterans.

Violet Paul, chairman of the Scholarship Committee, will present the academic, engineering and medical assistant grants. Mayor Raymond Grabow will serve as toastmater and Casimir Bielen as banquet general chairman.

I ask that short biographical sketches of this year's honorees be printed in the RECORD.

ABOUT IRENE MORROW

Irene Morrow was born in Cleveland, an only child of Lottie and the late George Tomcik, and although her father's roots were Slovak, Irene was raised in the Polish traditions of her mother. As a child, she attended Immaculate Heart of Mary School, where she learned to read and write in the Polish language, however, it was her mother who taught her about her Slavic heritage and those traditions which she so strongly embraces, even to this day. She attended Marymount High School, Cleveland College and the Cleveland Institute of Art. Her interest in music lead her to study piano, violin and voice, and although her career has lead her down other paths, she still enjoys the arts, in both music and drawing. Irene married in 1951 and the products of this union are Jeffrey, Patrick, Martin, Roberta, Lorraine and Christine. Irene has carefully guided her children through college and into successful careers.

Among her most cherished hobbies is her love of politics. She has been involved in numerous campaigns from the Presidency of the United States down to local campaigns for Councilmen and School Boards. A review of her political record would indicate that she has been an asset to her favorite candidates. She has been a member of the Cuyahoga County Republican Organization's Executive Committee for many years. During her twenty-two (22) years of public service, Irene worked for the Cuyahoga County Auditor as the Supervisor of County Payrolls, then became a Personnel Administrator at the City of Cleveland for ten (10) years. For the past four years, she has served as the Secretary of the Civil Service Commission of Cleveland administering the testing programs in over 850 classifications.

For most of her life, Irene has been a member of the Association of Polish Women, holding two (2) different offices. She also has been a life long member of the Slovak Catholic Union, and a member of the Polish American Congress for the past ten (10) years. During the last twenty (20) years, Irene has been on the Executive Committee of the American Nationalities Movement, an organization comprised of thirty-three (33) different nationalities, serving as the Treasurer for the last two (2) years. She has been active with the National Republican Heritage Groups Council and has represented her nationality at their conventions.

ABOUT JEROME KRAKOWSKI

Cleveland Municipal Court Clerk, Jerome F. Krakowski, has been a lifelong resident of Cleveland. Mr. Krakowski graduated from Benedictine High School in 1955, then went on to major in economics at Kent State University. Prior to his coming to the Cleveland Municipal Court, Mr. Krakowski was a partner with his father in the family-owned plumbing business. Later, he served as the Editor of a neighborhood newspaper, the "Perry News", which to this day still serves the community in which he resides. In 1972, Mr. Krakowski was named Personnel Bailiff to tthe Chief Judge of the Cleveland Municipal Court, Edward F. Katalinas. When the Office of Clerk of Courts became vacant in 1977, Mr. Krakowski was unanimously appointed to fill the unexpired term by the Judges of the Cleveland Municipal Court. In his first bid for public office, Mr. Krakowski was elected to fill this unexpired term of office. Then, two years later, he was re-elected to a six year term as Clerk of Courts.

During his distinguished service as Clerk, Mr. Krakowski has been instrumental in the modernization and implementation of several new programs in the Clerk of Courts office. His list of accomplishments include the introduction of electronic microfilming and computerized case indexing. He was instrumental in working with the Ohio General Assembly in developing the legislation that "decriminalized" the parking ticket. Cleveland City Council, recognizing Mr. Krakowski as a nationally acclaimed authority in this field, named him as the Administrator of the new Parking Violation Bureau, providing for the effective collection of parking violation fines, revenues of which are in the millions of dollars.

Throughout his tenure as Clerk, Mr. Krakowski has not only operated his office on a balanced budget, he has, through his investment of public funds, earned interest in excess of one million dollars for the citizens of Cleveland. Mr. Krakowski's involvement in community and civic organizations are many. Among them he is a member of the National Association for Court Administration, the Ohio Association of Municiple Court Clerks, the Northeast Ohio Clerks Association, the Greater Cleveland knights of Columbus, the Citizens League of Greater Cleveland, the Alliance of Poles and the Union of Poles. Mr. Kakowski and his family are members of St. Vitus Catholic Church and is still associated with St. Casimir Catholic church. He is also the recipient of numerous other civic and community awards.

ABOUT EDMUND GOODWIN

PAST

Commander of Brooklyn Post 61—5 terms; District Commander—P.L.A.V. District No. 1; Dept. Commander—State of Ohio; National Americanism officer—P.L.A.V.; National Public Relations officer—P.L.A.V.; President—Parma Heights Chamber of Commerce—Two terms as president (1962 & 1969); Member of the Board of Zoning Appeals—City of Parma Heights; President—Parma Heights Democratic Club; Director of National Dept.—P.L.A.V.—Convention Corp.; Director—Brooklyn Polish American Home, Inc.; Also served as Canteen Chairman while Director, and as Co-chairman of the building committee during the building of our second floor; Past President of Polonia Foundation of Ohio—1982-83; Vice President of Joint Veterans Commission—10 terms and President in 1982-83; Recipient of the "Man of the Year Award"—Parma Heights—Chamber of Commerce 1963-64; Recipient of the "Veteran of the Year Award" of the Joint Veterans Commission 1969.

PRESENT

Treasurer of Memorial Day Association—30 years and now; Trustee of Memorial Day Association—40 years; Member of Cleveland Parade Council—one of 8 marshals on the staff; Organizer and member of P.L.A.V. Brooklyn Post No. 61; Life member of Disabled American Veterans; Life member of Amvets; Member of American Legion and presently serving in the capacity of Vice-Commander of Excelsior Post 628—largest in the district; Service Officer of P.L.A.V. Brooklyn Post No. 61; Inspector General—P.L.A.V. Dept. of Ohio; Public Relations Officer—National Dept. P.L.A.V.; Director of the Board of the Polonia Foundation; Director on the Board of Trustees—Parma Heights Chamber of Commerce; Trustee on the board of the Brooklyn Polish American Home Scholarship Fund; Director on the Convention Corporation Dept. of Ohio, P.L.A.V.; Member of the Executive Board of the Polish Americans, Inc.—Political nonpartisan organization of the Poles in Cleveland; Member of Cleveland Society—An organization of Polish businessmen and professional people; Member of the Board of Trustees Joint Veterans Council; President of Department of Ohio (PLAV) Convention Corp.

FAMILY

Married Victoria on August 21, 1937 and has two married daughters.

CONGRESSMAN WILLIAM M. THOMAS SALUTES POLLY VAUGHAN AND BEBE BURKE

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. THOMAS of California. Mr. Speaker, and my fellow representatives, I would like to take a few moments of your time to bring to your attention the endeavors of two very special women from my district, Mrs. Polly Vaughan and Mrs. Bebe Burke.

Polly and Bebe have shown unselfish dedication to improving the community of which they are a most vital part. Through their personal devotion to teenagers of Bakersfield, Polly and Bebe are providing a long-term solution to a problem that is facing many of our young people throughout the country.

Twenty-three years ago Polly and Bebe began their campaign to help combat teenage drug abuse. Their program, "Teen Involvement" now reaches hundreds of high school and junior high school students, educating them about the dangers of drug abuse. Their program is unique in that it trains high school students to be positive role models for younger students. Their efforts began at West High School in Bakersfield where they trained students to give a series of presentations to a nearby junior high school. They worked with teachers and students of West High to get the program to the successful level it has now achieved.

Before Polly and Bebe began this training, many hours were spent talking with school officials from not only Kern High School District but also San Diego and Anaheim to find out what programs were available to their students. Due to the unavailability of school funds, fund raising was a big part of their job. Their efforts reached out to the state mental health program, the county superintendent of schools, and many friends in the private sector. "Teen Involvement" is now in full-swing at five different high schools. Many junior high students who were once on the receiving end of the drug-abuse presentations have enlisted in the program to serve as role-models. The program has just been institutionalized and for the first time will run without the direct hand of Polly and Bebe.

Polly and Bebe have proven that through hard work and dedication an individual can make a difference. If other schools throughout the country followed the examples set by their program, "Teen Involvement", perhaps the problem of drug abuse among teenagers could be greatly alleviated. I feel these women deserve the highest praise from this body.

CLEARWATER CHAMBER OF COMMERCE

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BILIRAKIS. Mr. Speaker, tonight the Greater Clearwater Chamber of Commerce holds its 62d annual banquet. It will be the time when the gavel is passed from Ron Smith, north suncoast division manager of Florida Power, to Alan Bomstein, president of Creative Contractors. It is also the time when a special milestone is commemorated: achieving more than 2,000 members making the Greater Clearwater Chamber of Commerce the single largest chamber of commerce in Pinellas County.

Reaching that membership goal enabled the Clearwater chamber to be recognized nationwide as having the highest total new membership value for chambers of commerce in the United States in cities with populations of 75,000 to 200,000. According to Mr. Smith, "This is a an outstanding accomplishment for our chamber since Clearwater is in the lower population range for the award. This reflects the strong support our chamber receives from clearwater's business community."

Achieving the membership goal is only one of the many accomplishments this year of the Greater Clearwater Chamber of Commerce. Overall they had undertaken 73 different projects coordinated through the five different divisions of the chamber, economic development, public affairs, business improvement, organizational improvement, and tourism. In turn, each division was composed of eight or nine committees and subcommittees representing the efforts of hundreds of dedicated volunteers, the backbone of the Clearwater chamber.

Mr. Speaker, as a former president of a chamber of commerce I understand the important role it plays in the effective functioning of a single business or an entire community. The Greater Clearwater Chamber of Commerce experience success in both areas, because they listen to people from all walks of life as they try to meet the needs of the entire community.

I feel honored to represent the people who comprise the Greater Clearwater Chamber of Commerce. As they pursue excellence for themselves and their community, they raise the standard for many across the United States to attempt to do the same.

Upon the celebration of the 62d banquet of the Greater Clearwater Chamber of Commerce, I would like to extend my most sincere congratulations.

THE RETIREMENT OF MR. ROBERT U. BELMONT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. COELHO. Mr. Speaker, next month, Mr. Robert U. Belmont will retire as chief of police for the city of Gustine after more than 20 years of service in the field of law enforcement.

Bob was born in Fresno, and attended high school in Dos Palos. He later graduated from the University of Virginia and the National FBI Academy. He served in the Marines from 1946 to 1948, and was later called back for 2 more years of service during the Korean war.

He began his career in law enforcement in the 1950's when he joined the Dos Palos Police Department, and eventually was promoted to chief of police. In 1957, Bob left the department to accept a position with the California State Automobile Association. In 1964, he returned to his law enforcement career, becoming a deputy with the Merced County Sheriff's Department. In 1966, he was appointed to the position he now holds, chief of police in Gustine. During Bob's tenure, due to his efficient law enforcement organization, the crime rate in Gustine has been remarkably low. In fact, Gustine presently has the second-lowest crime rate for small cities in California.

Bob has been very active in local community service organizations. He has been a member of the Salvation Army for over 30 years, and has served as a member of the Gustine School Board. He has been a member of the Rotary Club for 20 years, and has served as president of both the Dos Palos and Gustine chapters. He is also a member of the Gustine Lions Club.

Throughout his career, Chief Robert Belmont has worked hard to serve the people of our community. His successful control of crime in Gustine and his selfless community service will serve as an enduring record of his work. On behalf of the people of Gustine, I would like to commend him for all that he has done to make our community a better place to live, and I wish him continued health and happiness in his retirement.

1985 CALL TO CONSCIENCE VIGIL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. PORTER. Mr. Speaker, as a participant in the 1985 Congressional Call to Conscience Vigil for Soviet Jews I would like to call my colleagues attention to the nightmare that Tatiana Zunshine has been living.

Mrs. Zunshine's husband, Zachar, has been imprisoned since March 6, 1984, for

the simple reason that he desires to emigrate from the Soviet Union. The Zunshines first applied to emigrate in 1981, but were subsequently denied that right. Recently, however, life has become more difficult for Tatiana. She is struggling with Soviet authorities in an attempt to visit her husband in prison.

After learning of her plans to go to Irkutsk for a chance to meet with her husband, who was soon to be transferred from the internal prison, the KGB denied her permission to leave Riga. for 2 weeks she was followed constantly by a team of KGB. When she finally went to Irkutsk prison, she found that her husband was already gone. She then traveled to Bazoi where Zachar was now being held and requested a meeting with her husband. The officials of the camp denied her request and said that Zachar had been placed in solitary confinement since his arrival, by an order signed by the commandant of Khanyahki.

In a meeting with Mr. Stepaneko, chief of the Bazoi Camp, Tatiana learned her husband had been in a solitary confinement punishment cell from July 19 to August 3, allegedly due to his refusal to submit to a medical examination. He was also placed in this cell from August 6 to August 23 for exchanging words with another inmate during exercise. The reason for the first punishment, according to Tatiana, is highly questionable since her husband has sought medical attention repeatedly during his incarceration.

In an unprecedented action by the Soviets, Tatiana was denied access to Government offices in Moscow where she attempted to register her complaints. Mr. Pobezhimov, chief of the board for the Regulation and Fulfillment of Laws of Prisons and Labor Camps refused to see her. Furthermore, Tatiana was the only person not permitted at the monthly reception held by the Gulag office of the U.S.S.R. According to my sources, Tatiana's interpretation of the events is that an official decision has been made by the authorities to neutralize and suppress her activities on behalf of her husband. She has informed the authorities that she will not be silent about continued breaches of Soviet Law and continued denial of her rights as a Soviet citizen.

I am sure that my colleagues can sympathize with Tatiana's struggle to see her husband and the persecution that the Zunshines have been forced to suffer. It is an outrage that this innocent family, who simply desire to practice their religion in Israel, have become victims of the tyranny of Soviet authorities. Unfortunately, the Zunshine family is only one of thousands who are denied permission to emigrate and are subject to great harassment.

We must not forget the Zunshines and the injustice suffered by other Soviet refuseniks. Their situation emphasizes the need for congressional activity, such as the Congressional Human Rights Caucus and International Parliamentary Group for Human Rights in the Soviet Union, to focus attention on abuses practiced by the Soviet Government. We must continue to do all that we can to help the Zunshines realize their dream of living in Israel. There is no more vital task than to help innocent victims, whose only crime is their desire for human liberty.

AMENDMENTS TO H.R. 3228 CONCERNING U.S. MONETARY CONTRIBUTIONS TO THE UNITED NATIONS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. PARRIS. Mr. Speaker, when the Foreign Assistance Appropriations Act, H.R. 3228, comes before the House in the next couple of weeks, it is my intention to offer a number of amendments to various sections of the bill which are aimed at reducing U.S. contributions to the United Nations.

On next Tuesday, during a 1-hour special order, I will share with my colleagues of the House sufficient information on the policies and operations of the United Nations and its related agencies with which to answer a couple of very important questions: First, What kind of voice does the United States have in the votes and day-to-day operations of the United Nations? And, second, Is the United Nations good for the United States and the rest of the free world?

I will show that the United States really does not have any control over the actions of the United Nations or its related agencies. We don't determine where these funds go, to whom, or how much. The United Nations has evolved into a valuable tool used by the Soviet Union and her satellites in executing their expansionist policies.

I invite my colleagues to listen to this speech on Tuesday, whether they are here on the floor or in their offices watching channel 3. And, I would hope that, after listening to the facts, my colleagues would be inclined to support my amendments.

It is high time we, as an institution, do something about this incredible situation.

HONORING FLORIDA A&M UNIVERSITY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FUQUA. Mr. Speaker, today it is my pleasure to call the attention of my colleagues to the outstanding contributions to the field of education, and the Nation as a whole, by a university in the Second Congressional District of Florida.

Florida A&M University, seated on the tallest of seven hills on 419 acres of rolling wooded land in Tallahassee, FL, has become a major force in the field of education and research. The third oldest State institution in Florida's university system, FAMU was founded in 1887 as a State normal school with 15 students and 12 teachers. Today, it is recognized as one of the leading institutions of higher education in America. Led by a long line of distinguished presidents, beginning with Thomas De Salle Tucker to the present head, Dr. Frederick Humphries, and including Dr. William H. Gray, Jr., father of our distinguished colleague from Pennsylvania, the university has maintained for nearly 100 years its primary goals of promoting academic excellence and improving the quality of life for the individuals it serves and their society.

Today, the university serves more than 6,000 undergraduate and graduate students. A 4-year public land grant institution, it offers courses in 10 colleges, a division of graduate studies, and continuing education.

FAMU is a leader in many aspects, including housing the oldest school of nursing in the State. It is the only black college or university to offer the B.S., M.S., Phar.D. and Ph.D. in the area of pharmacy. The chronopharmocology research being conducted in conjunction with NASA will have a significant impact on space flight travel. The school of pharmacy graduates have a 95 percent first-time pass rate on the State board examination. As evidence of its program excellence, FAMU has been the largest producer of black pharmacists in the country during the past 10 years.

The world renowned school of business and industry is one of the few business programs of its kind, emphasizing behavior as an integral part of the curriculum. The school teachers corporate behavior, not just theory but practical as well. Corporate America has been involved in every part of the curriculum. The college sponsored forum series brings in chief executive officers from national and international corporations, including Chase Manhattan, Johnson & Johnson, General Electric, General Motors Corp., and Bank of Tokyo. The number of yearly applicants vastly exceed the number admitted to the program.

The college of engineering science has nearly 400 majors in data processing and technology, and is considered one of the major suppliers of computer programmers in the region.

FAMU's band, the incomparable "Marching 100," has appeared on national television more than 34 times on all three major networks. Their unmatched performances have been viewed by more than 3 billion people, with appearances on 60 Minutes, 20/20, Entertainment Tonight, and PM Magazine. The ban has performed at several Super Bowls and is the only collegiate band to have performed with the U.S. Army Band in a joint concert at Constitution Hall. Led by Dr. William P. Foster, past president of the Collegiate Band Directors National Music Association, the "Marching 100" will, in October, become the fourth recipient of the Sutler Intercollegiate Marching Band Trophy.

FAMU's School of Journalism, Media, and Graphic Arts, offers the only baccalaureate degree in printing in Florida, where the industry is one of the top 10 in the State. The division of journalism was the

first such program at a historically black university to be accredited by the Council for Education in Journalism and Mass Communications. It is still the only one.

FAMU's Black Archives Research Center and Museum, directed by James Eaton, will this year celebrate a decade of service to the State and Nation. Housed in the Carnegie Library, the archives is the largest repository of Afro-American history and artifacts in the Southeast. The museum, which has more than 100,000 guests annually, has been cited in journals throughout the Nation, including U.S. News & World Report. The archives diligently continues to enlarge its holdings and makes a concerted effort to bring different aspects of the center to the attention of the American people.

It is for these and many other reasons, that time will not permit me to list, that I today salute Florida A&M University and the more than 100 national historically black colleges which share such a rich heritage and which grants more than 30,000 degrees each year in every field of study. From such humble beginnings, these schools have risen to the forefront in the field of education and research.

RETIREES CHAPTER OF LOCAL 696 CELEBRATES 50TH ANNIVERSARY OF UAW

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HALL of Ohio. Mr. Speaker, on October 6, the retirees chapter of local 696 of the UAW will hold its annual dinner at the Dayton Convention Center. This year is a special occasion because it marks the 50th anniversary of the founding of the UAW.

At 1,100 members strong, the local 696 chapter is one of the most active UAW retirees group in Ohio. It provides important services not only to its members but to the entire greater Dayton community. Chapter volunteers distribute food to the needy, visit shut-ins, provide toys for children, and work with United Way programs. In addition, members are active with area senior citizen groups.

I wish to take this time to commend the retirees of local 696 for their contributions to the community. In addition, it is fitting on the 50th anniversary of the UAW to mark their contributions to the UAW and to the union movement.

The UAW was 4 years old when local 696 was founded in 1939. Since that time, local members have fought for and won many of the rights which are enjoyed by working men and women today.

The retirees of local 696 helped build the union into a powerful force to represent American labor. They remain concerned and active in promoting the interests of the union.

To the members of the retirees chapter of Local 696 of the UAW, thanks for your service.

CRITICAL NEED TO REDUCE FEDERAL DEFICIT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HUBBARD. Mr. Speaker, I received an excellent letter from my friend and constituent, Mr. Rumsey Taylor, Sr., owner of Princeton Lumber Co. in Princeton, KY, which I would like to share with my colleagues.

Rumsey Taylor, one of Kentucky's most respected business, civic, and religious leaders, is approaching his 83d birthday, and he is extremely concerned about the adverse effects upon America of Federal deficit financing and Congress' inability to make substantive reductions in Federal Government spending.

Mr. Taylor, a close friend and confidant of several past and present Kentucky Governors and Members of Congress, is supportive of a constitutional amendment "that will demand a balanced budget." I urge my colleagues to read his timely comments to me. His September 9 letter follows:

SEPTEMBER 9, 1985.

Hon. CARROLL HUBBARD,
Congressman, First District, Kentucky, 2182 Rayburn Building, Washington, DC.

DEAR CARROLL: This beloved Nation of ours faces a turning point. We are either going to make a new start toward financial stability or we are going bankrupt. I am convinced that the chief cause of our economic crisis is deficit financing. Entirely too much of our tax income must go for servicing these deficit obligations.

I am approaching my 83rd birthday. I have been a student of government and business since college days—the early twenties. I have never seen or known of any business—agricultural, industrial, retail or cooperative—that operated on repeated deficit budgets that did not fail. A government is no different.

Because of the influence of special interests, the lack of "guts" on the part of Congress to tackle the problem of a run-away social programs, and the refusal of Congress to eliminate duplicate and/or unneeded projects, I am convinced that only one avenue offers any hope for the return of financial stability.

That hope is a constitutional amendment that will demand a balanced budget. And I believe that if such a bill is passed by Congress, it will be speedily ratified by the States. Many of them already operate under a balanced budget in State affairs.

As a life-long friend of both you and your father, may I urge you to make every effort to make possible for this Nation a balanced budget—and make it mandatory.

It will not be easy. Some will be hurt as we pay for our sins of the past. But I can see no other solution to our problem. I am positive that I express the feelings of millions of our fellow Americans.

May God bless you in your efforts,

RUMSEY TALYOR, SR.,
Princeton Lumber Co., Princeton, KY.

TIME FOR A REAL WAR ON DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. RANGEL. Mr. Speaker, as chairman of the Select Committee on Narcotics Abuse and Control, I want to bring my colleagues' attention to a column entitled "Time for a Real War on Drugs", by Dr. Mitchell S. Rosenthal, head of the New York City-based drug treatment program called Phoenix House. Dr. Rosenthal's remarks appeared in the September 2, 1985, issue of Newsweek on the "My Turn" page.

Dr. Rosenthal correctly points out that those who advocate legalization of illicit narcotics do not recognize the difference between losing the war on drugs, and not winning it. He cites others who believe, as I do, that legalizing illicit drugs will result in a major increase in their use far beyond the startling numbers of Americans who already are users of these deadly substances.

Dr. Rosenthal also is correct in his assessment that the war against drugs in going badly these days, partly because of a failure of will and also an inappropriate strategy. He notes the Government spends little, comparatively, on drug abuse and my own select committee has found that the amount has decreased steadily under the Reagan administration. We also are losing the interdiction battle, and my committee learned from a recent study mission to South America that this year's skirmishes are likely to be even more tragic as we face a bumper crop of illicit narcotics flowing from our southern neighbors.

Interdiction, prevention and treatment are all parts of a needed multifaceted approach to curbing this killer that is poisoning our young people and our society. We also, as Dr. Rosenthal notes, must change our attitudes about drug abuse. More former drug abusers must step forward to relate their mistakes, and more nonusers must stand up and be proud of their shunning of harmful narcotics. And I hope he is right that if we can change our attitudes about drunken driving and cigarettes, we can continue to work to change our attitudes about the false glamor of illicit drugs.

I ask that Dr. Rosenthal's article "time for a Real War on Drugs" be submitted into the RECORD at this time.

[From the Newsweek, Sept. 2, 1985]

TIME FOR A REAL WAR ON DRUGS

(By Mitchell S. Rosenthal)

America is not winning the war against drugs, at least that is the popular perception. As a result a good many folks—many of them lawyers, some of them scientists and a clutch of writers, including columnist William F. Buckley Jr.—are suggesting it is time to quit. They argue that legalization of marijuana and cocaine would eliminate drug crime and reduce the profits from vice as well.

The "quit now" crowd plainly does not recognize the difference between "not win-

ning" a war and "losing" one. The notion that we could make drugs legal while simultaneously mounting a massive public-education campaign to discourage their use, would give cocaine and marijuana the same status as cigarettes. The most likely result, according to the former director of the National Institute of Drug Abuse, would be a tenfold increase in cocaine use, about as many Americans using cocaine as now smoke cigarettes, of which a sizable number are between the ages of 10 and 18.

INTERDICTION

There is another reason not to give up the fight, and it is because we can win. After more than 20 years of treating and curing drug abuse, I see enough evidence to convince me that the war is winnable—not now, but in time. The war goes badly now for much the same reasons that any war goes badly. In part it is inappropriate strategy—fighting the wrong enemy, in the wrong place, with the wrong weapons. And in part it is failure of will.

Most of the billion dollars a year the federal government spends enforcing drug laws (only $81 million of that is used to fight drug abuse) goes to halt the flow of drugs into our country. Interdiction is the major weapon, and 12 tons of cocaine and 1,500 tons of marijuana worth billions of dollars on the street were seized last year. Yet the more we seize at our end of the pipeline, the more drug traffickers feed into the other end. In frustration, we turn our ire on producing nations and struggle to reduce supply.

The demand side, however, is easier to reach. It is barely concealed at all these days, and it consists of the more than 20 million Americans who now regularly use illicit drugs. Yet our reluctance to attack demand reflects a failure of will—not on the part of law-enforcement agencies or drug abuse professionals, but on the part of the American public. What it comes down to is what Americans feel personally about drugs, about what is wrongheadedly called "recreational" use of marijuana and cocaine by children and friends. We are unwilling to see them at risk of arrest because of it. We are content with a "trickle down" approach—one that focuses on putting major dealers behind bars.

FREEDOM

Unless we reach consensus on the strict enforcement of drug laws, we will not win the war. Too many young adults are convinced they enjoy some special "right" to use illicit drugs. Too many Americans are torn between the urge to codemn behavior of which they disapprove and the need to tolerate what they have somehow come to believe is a matter of individual freedom or simply none of their business.

What is needed is broad societal disapproval of illicit drug use. This does not mean that drug users should go to jail; the purpose of drug laws is not punishment—certainly not when applied to users. The laws are a means of controlling a contagious disease by imposing the requirement of education and treatment on its carriers. And active disapproval and the use of informal social sanctions might even make more aggressive law enforcement irrelevant.

The hostess who is certain of her own unwillingness to tolerate pot smoking in her home doesn't need to call the cops to keep her guests from lighting up—no more than she need call them to stop her guests from stealing the silver or spitting in the soup. There are far more effective ways of bringing the behavior of colleagues into line—once we accept the need to draw such a line.

In many ways our society resembles the American family in the 1960s. Many parents allowed their youngsters to stumble through the drug experience and only later came to realize the costs in terms of chronic impairment and lost educational and career opportunities. Parental attitudes have changed markedly and many are taking the hard line, which is really the loving line, one that shows responsible concern.

The Navy, too, is attacking the demand side. Although it brings heavy weapons into play—drug tests and disciplinary actions—it stresses the interdependence of seamen with the motto: "Not on my watch, not on my ship, not in my Navy."

COSTS

This is the kind of attitudinal change I expect to see over the next decade. And it is already under way. Adolescents have become far more critical of drug use by their friends—the result of better drug education in the schools and more awareness of the dangers on the street. Employers are also responding to the evidence that drug use on the job has economic costs.

We have, in recent years, shown a remarkable capacity to alter our attitudes in response to new evidence. We have, for example, dramatically changed the ways we think about cigarettes and about drunken driving. So now is hardly the time to withdraw from the war against drugs. While we are not winning, we are holding the line. And every day brings us closer to the kind of consensus that will let us really begin to fight.

ROCKFORD HIGH SCHOOL MARCHING BAND

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HENRY. Mr. Speaker, it is with special pride that I ask my colleagues in the House of Representatives to recognize the Rockford, MI, High School Marching Band and celebrate with these individuals their invitation and acceptance of participation in this year's Tournament of Roses Parade in Pasadena, CA.

The Rockford High School Marching Band has the honor of being only the third marching band from the State of Michigan to be invited in the 97-year history of the parade. Rockford High School Marching Band is the first band from western Michigan to enjoy this great honor.

Of the 22 talented bands in the Rose Bowl Parade, only 8 high school bands from States other than California are selected to participate each year. Over 200 bands presented formal applications to the Tournament of Roses Selection Committee this year alone. The Rockford Band will be the only band from Michigan to attend in 1986 and will carry special greetings of "Say Yes to Michigan" to California.

I have had many opportunities to hear the band and participate in parades with them. I am very impressed with the Rockford Band—the music quality is outstanding and the members of the band display the highest level of discipline and style during performances. The leadership and direction provided by Mr. David Bass and Mr. James Mollema is exceptional and always imaginative.

I would ask that my colleagues join me in bestowing best wishes of congratulations to the 252 students which make up this fine band. Watching our high school students work hard and achieve the goals they have set for themselves makes me even more proud to represent the Rockford area.

The Rockford High School Marching Band will significantly contribute to the Rose Bowl Parade both musically and with their presence. These individuals are indeed an excellent representative from the State of Michigan and I look forward to enjoying their performance on national television.

Thank you, Mr. Speaker.

CRITICS OF FARM AID SHOULD BE ASHAMED

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HOWARD. Mr. Speaker, last weekend, a group of entertainers came together under the leadership of Willie Nelson to perform and do their part in illustrating the plight of the American farmer. Although they fell short of their fundraising goal, I believe they were successful in creating a national awareness of the farm crisis.

As a Member of Congress who represents a nonagricultural district, I have heard from more constituents on the plight of the farmer in the past few days than I can remember at anytime. Clearly, these musicians raised public awareness and they are to be congratulated for their unselfish work. It is unfortunate that there are some who have found it necessary to criticize this effort.

Among those are John White, president of the Illinois Farm Bureau, who, according to an article in Wednesday's Washington Post, characterized Farm Aid as

a carefully orchestrated political event • • • loaded with a political message the Farm Bureau totally rejects. The concert stage became a soapbox for a small group of entertainers pleading support for a poorly understood piece of legislation.

Another spokesman for the Illinois Farm Bureau, Jim Altemus, echoed those statements by saying,

After all the rhetoric that the politics should stay out of the concert, we are disappointed and surprised that the politicians did keep politics out) and the entertainers didn't.

And finally, Larry Werries, head of the Illinois Agriculture Department said, "I'll promise not to sing if they promise not to continue developing agriculture policy."

Mr. Speaker, unlike these spokesmen, I feel entertainers have a right to express themselves on matters involving our Government and country. When someone asked

Pablo Picasso why a painter gets involved in politics, he said, "You mean when I pick up my palette, I'm supposed to give away my brain?" Apparently, Mr. White and company believe that when an entertainer picks up a guitar, that disqualifies him from discussing issues important to our society.

Following the Vietnam War, there was a period when musicians seemed to care more about their own personal success than the direction of this country. It is refreshing to see this trend has reversed itself. The late Harry Chapin sang on behalf of the world's hungry long before the issue became popular. The work of Bob Geldoff in organizing African relief efforts through Band Aid and Live Aid has been a tremendous success in providing needed assistance. The USA for Africa group has also demonstrated its valuable commitment in dealing with the problems of world hunger.

I am proud that one of my constituents, Bruce Springsteen, has undertaken a major humanitarian role by donating thousands and thousands of dollars to food banks in many cities across the Nation. He does not contribute the money for publicity, he does it because he cares. He also urges his audience to take a look around their hometown and show some compassion toward their neighbors.

The critics of Farm Aid should be ashamed. We could use more people like Willie Nelson, Bob Geldoff and Bruce Springsteen. Our democracy works best when we have the full participation of our citizens. Entertainers are citizens, and they deserve and have the right to air their views, no matter how political.

And finally, Mr. Speaker, as the House continues to consider the farm bill, I think we can point to one other benefit arriving from the Farm Aid weekend. I think that by looking at the work of those involved and reading the comments of those critical of such efforts, we are able to more clearly determine which organizations truly care about the plight of the small family farmer.

HOUSE JOINT RESOLUTION 3

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BEDELL. Mr. Speaker, I am again today extending my remarks to add the cosponsorship of two other Members of the House who would like to associate their names with the other cosponsors of House Joint Resolution 3—a measure to prevent nuclear explosive testing. I am taking this action because House rules preclude the addition of cosponsors to any measure after a committee has filed a report on pending legislation. Nevertheless, I am most pleased to add the cosponsorship of the Honorable GLEN ANDERSON of California and the Honorable HANK BROWN of Colorado. Their support in this effort is deeply appreciated and brings the total number of cosponsors of this modest but important arms control initiative to 206.

GLORIA CANCELS MARCH, BUT NOT APARTHEID

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. SHARP. Mr. Speaker, young people often have wisdom to offer their elders, if we have wisdom enough to listen.

An 8-year-old friend of mine, Michael Riggs, a student at Horace Mann Elementary School, was looking forward to joining me and many of my colleagues in tomorrow's Congressional Black Caucus march against apartheid.

He was disappointed to learn that it was being canceled because of Hurricane Gloria's expected arrival in the Washington region, and he asked, "Why? The hurricane won't cancel apartheid, will it?"

Let his words remind us: Although we cannot march this time, we must not reduce our commitment to justice for all people everywhere.

ST. MICHAEL CHURCH 75TH ANNIVERSARY

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. KOLTER. Mr. Speaker, the St. Michael Church of New Castle, PA, is celebrating its 75th anniversary on September 29, 1985.

On this grand occasion for the congregation and the religious community of New Castle, let us look at the history of this worthy church.

In May 1910, plans for the building of the church were initiated under the guidance and supervision of A.S. Green, Joseph Klamar, Joseph Duda, Paul Palkovich, Michael Scerlak, and Paul Zidow.

In July of that same year, the plans were completed and approved by 42 families present at the parish meeting. It also decided at this same meeting to present the approved plans to the Right Reverend Bishop, and A.S. Green and Joseph Klamar called upon his excellency for this purpose.

On September 19, 1910, the contractor began laying the foundation of the new church, and the corner stone was blessed on October 10, that same year, at 4 p.m.

Rev. Joseph Eger blessed the corner stone, and Father Joseph Vrhunec delivered a spiritual message in Slovak before the great gathering of priests and laity.

The founder of St. Michael Church was Rev. Joseph Vrhunec. The current pastor is Father Charles Georgevich.

The parish of St. Michael consists of people as hard working as its founders. The congregation of St. Michael claim strong family ties, a proud heritage and an emphasis on traditional values.

I am most pleased and proud to represent the fine people of St. Michael Church and to honor them in this way today before the U.S. House of Representatives. They have established a tradition that their grandchildren—75 years from now—will joyfully carry on.

TRIBUTES TO CARDINAL MINDSZENTY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HORTON. Mr. Speaker, over the past year, I have been working with my friends in the Hungarian community to celebrate the life and accomplishments of Cardinal Mindszenty. As part of this effort, I would like the following remarks entered into the RECORD.

St. Stephen of Hungary Church in New York City paid tribute to Joseph Cardinal Mindszenty on April 16, 1967 on the occasion of his 75th birthday which the Cardinal spent in the 12th year of his involuntary confinement at the American Embassy in Budapest. The Lay Committee of the church sent a letter to all ordinaries of the Catholic hierarchy in the United States, inviting them to particiate "in spirit" in that tribute. The Cardinal was unaware of the remembrance at the time but acknowledged it gratefully when learning about it after taking up residence in Vienna in 1971.

Included here are: the letter of invitation by the Lay Committee; a selection of individual tributes by the American prelates; and, a letter acknowledging the late Terence Cardinal Cooke's—then Auxiliary Bishop of New York—special tribute as principal celebrant. Because of the surrounding circumstances, the material has unique histroic significance in demonstrating that Cardinal Mindszenty was widely remembered and honored in the United States when the rest of the world had virtually forgotten him.

The excerpted material follows:

CHURCH OF ST. STEPHEN OF HUNGARY,
New York, NY, April 11, 1967.

YOUR EXCELLENCY: The Lay Committee of the Church of St. Stephen of Hungary plans a Solemn Tribute to Joseph Cardinal Mindszenty, Primate-Archbishop of Hungary, who has just passed his 75th birthday. The Tribute on April 16, 1967 will consist of a Radio Sermon on WHBI-FM at noon, a Pontifical Mass at 3:30 P.M. and a Solemn Convocation at 5 P.M. We on the Committee respectfully request Your Excellency to join us in spirit on this occasion.

Cardinal Mindszenty earned the admiration of the entire Free World when he took up his fight against atheistic Communism. Facing heavy odds, he chose to resist the abolition of religious education and the political infiltration of the Church. As a good shepherd, he further chose to remain with his flock through all adversity. Harassment, persecution, a mock trial, life imprisonment and, since the 1956 Freedom Fight, involuntary confinement to the American Embassy in Budapest, have only confirmed him as

the living symbol of religious freedom and the source of inspiration to the oppressed.

In his home land where he is a virtual prisoner, the Cardinal's heroism cannot be publicly recognized. That task is left to us who live in the Free World. Our Committee would be very greatful if Your Excellency let us know whether Your Diocese could join us in any small way in our commemoration and in our fervent prayers that God may allow the Cardinal to continue serving his people and his Church. The spiritual union of your faithful with us would be the greatest source of strength for the Cardinal and his suffering nation.

Respectfully yours,

ROBERT L. HARKAY,
Chairman, Lay Committee.

I will be with you in spirit in the celebration you will have on April the 16th and within a couple of weeks I will remind the readers of our Archdiocesan paper, the Pilot, through my special columns, to remember his Eminence's seventy-fifth anniversary through their prayers and sacrifices. He is one of the greatest Prelates of the twentieth century. May God be with him.

(S) RICHARD CARDINAL CUSHING,
Archbishop of Boston.

We wish to assure you of our sympathy and cooperation in the commemoration of His Eminence, Joseph Cardinal Mindszenty. The Cardinal was always a source of most respectful consideration in our memories as we recall the magnificent example he has given to the world of upholding principle, right and justice.

(S) J. FRANCIS MCINTYRE,
Archbishop of Los Angeles.

I wish to assure you that not only the Hungarian people of San Francisco, but the clergy and the faithful also unite their prayers with yours that God may bless the great sacrifice which Cardinal Mindszenty is making for the spiritual welfare and freedom of the sons of St. Stephen.

(S) JOSEPH T. MCGUCKEN,
Archbishop of San Francisco.

I am asking the editor of our paper, the Catholic Standard, to run a special article on Cardinal Mindszenty.

(S) PATRICK A. O'BOYLE
Archbishop of Washington.

I was happy to join with you in spirit, as I offered Mass yesterday, prayerfully remembering the heroic Cardinal Mindszenty and the good Hungarian people who have suffered with him for the sake of freedom. I was happy to join my prayers with yours for these modern heroes against oppression in our time.

(S) WILLIAM G. CONNARE,
Bishop of Greenburg.

I want to assure you of my own prayers and warm remembrance for him and all the people of Hungary. . . . With every good wish and the assurance of my gratitude for your reminder of this tribute which you are justly paying to this great churchman and patriot.

(S) ERNEST J. BRENNAN,
Bishop of Manchester.

I hope that your tribute to Cardinal Mindszenty will be most successful. He is one of the great men of the church.

(S) LAWRENCE B. CASEY,
Bishop of Patterson.

Let me re-assure you that here we join all of you in prayer for this great Churchman, the Beloved Cardinal of Hungary, and we ask the good God to bring untold graces and blessings to the entire Hungarian Nation through all that the Cardinal bears and suffers for the Church of Silence.

(S) WM. T. MCCARTY, C.S.S.R.,
Bishop of Rapid City.

You will be pleased to know that on April 16, 1967 in the Prayer of the Faithful we had a remembrance of that heroic soul, Joseph Cardinal Mindszenty, Primate-Archbishop of Hungary. Certainly, he is one of whom we are all very proud, he has been so faithful to his convictions even withstanding tremendous pressure.

(S) JOHN J. RUSSELL,
Bishop of Richmond.

I am sure that most Catholics in the United States keep the heroic Cardinal in their prayers because he was a champion of human rights and human liberty. I promise a very fervent memento to the Cardinal tomorrow at my Mass here in the Cathedral.

(S) MARK K. CARROLL,
Bishop of Wichita.

APRIL 16, 1967.

Most Rev. TERENCE J. COOKE, D.D., V.G.,
Auxiliary Bishop of New York,
New York, NY.

YOUR EXCELLENCY: In the name of the Lay Committee, I wish to express our deepest gratitude to Your Excellency for coming in our midst and celebrating Mass for us today in prayerful remembrance of Cardinal Mindszenty's 75th birthday. Your presence added so much to our intended tribute to this great churchman and great Hungarian.

Beyond Your active participation in our festivities, Your Excellency also gave us a touching sermon which will long be remembered and treasured by our parishoners. We truly appreciated the kind greetings and encouragement from His Eminence, Francis Cardinal Spellman. We also cherished Your every word concerning Cardinal Mindszenty's service to the Church and, particularly, Your characterization of him as the good shepherd. Our Committee would very much like to obtain and to preserve for posterity a copy of Your entire sermon, if available.

Your Excellency may be interested in the enclosed copy of a letter which the Lay Committee sent to all Bishops Ordinary in the United States. Each letter was individually typed and personally signed. We are indeed gratified at the rate at which a number of Bishops and Vicars General have already replied, indicating their approval of our plans and assuring us of their participation in our tribute. The only Diocese to which we did not send the letter was New York since our good Pastor, Father Edward J. Holleran, had offered to arrange for Your invitation and we did not want to interfere with these arrangements.

Please accept once again our most heartfelt thanks for Your Excellency's playing the leading part in our tribute to Cardinal Mindszenty.

Respectfully yours,

ROBERT L. HARKAY,
Chairman, Lay Committee.

Welcoming remarks of His Excellency William Baum, Archbishop of Washington, delivered at the arrival of Jozsef Cardinal Mindszenty to Washington:

Your Eminence, on behalf of His Eminence Cardinal O'Boyle, the priests and the people of the Archdiocese of Washington I welcome you. It is a great grace that you come to us. We love and venerate Your Eminence and welcome you as a cardinal and as a bishop of the Church. We are overjoyed that you will be with us to celebrate Holy Mass and give the sacrament of confirmation. We are grateful. Your coming among us is a blessing. May I ask Your Eminence would you give us your blessing as your first gesture to the people of Washington.

Welcoming remarks of Congressman William J. Scherle, delivered at the arrival of Jozsef Cardinal Mindszenty to Washington:

Cardinal Mindszenty, as an American Hungarian I want to welcome you to our nation's Capital in behalf of the Congress of the United States and the American people. I wish to welcome you to our country. I want you to know that we in America uphold your philosophy and hold you in high esteem. I thank you for visiting us here in Washington.

Welcoming remarks of Istvan B. Gereben, Co-Chairman of the Hungarian Freedom Fighters Federation, delivered at the arrival of Jozsef Cardinal Mindszenty to Washington:

Your Eminence, the arrival of the Prelate of Hungary to Washington compells us to celebrate, to express our admiration towards our spiritual leader, who is the symbol not only of the Hungarian character, of our humble but sacrificing christianity and of the independence of our downtrodden native land, but of our own commitment to freedom as well. The respect and faithfulness of the Hungarians of Washington, Baltimore and Richmond cannot be expressed better than with the words of the students of our school, of our children, coming from their pure, innocent hearts. Their greeting is our creed also.

Remarks of Jozsef Cardinal Mindszenty, delivered at his arrival to Washington:

Ladies and gentlemen, my beloved Hungarians, I am grateful for the presence of the leaders of the Church and the Nation at my arrival. I thank them for coming in such a great number to greet me. Thank you for the warm welcome. I am thankful to God that I have the opportunity today and the next day to meet with the whole of the Hungarian community of Washington. There is much to be discussed, there is much to be done. I am looking forward to the program which has been prepared for me here with much pleasure. I am joyful to be with my Hungarians. I bless all of you who came to welcome me.

RULE ON H.R. 1562

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my colleagues that the Committee on Ways and Means today favorably reported to the House of Representatives H.R. 1562, the Textile and Apparel Trade Enforcement Act of 1985.

I wish to serve notice, pursuant to the rules of the Democratic caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration of the provisions of this bill by the House of Representatives.

NOT A TYPICAL TEACHER

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GINGRICH. Mr. Speaker, I recently received a letter from a very special teacher in Newton County, GA. As we continue to look for ways of improving the education of our Nation's children, we should pay special attention to those teachers with a special desire to invent creative and innovative ways to educate our children.

I think every Member, parent, and teacher should read the letter from Mr. Randall Lynn and learn from his example.

DEAR REPRESENTATIVE GINGRICH: I am not a typical teacher. I see my role as far more important than merely the imparting of academic knowledge (though, of course, there is nothing "mere" about that!). Beyond that, I see myself as being able to help students enlarge the horizons of their lives and see in a far greater way than they might otherwise the limitless possibilities for thought and action afforded them by virtue of their citizenship in this country at this time in their lives and in this period of its history.

I have been deeply concerned by the fact that so many of them see their own lives and their own potential as limited. Other teachers may write it off as typical teenage apathy and leave it at that, but I can't. I want to light a fire under them that will not go out. I want to help them see that these hours in which we live are more open perhaps to the creative energies and daring of the individual than any other time in our history and that the times fairly cry out for their caring and their involvement. I want them to see that it matters not what county you come from, urban or rural, or what economic condition you were born into, or what color your skin is. I want them to see the opportunities that are literally all around them to achieve their own personal dreams and to assist in the fulfillment of our American dreams.

The problem I have run up against in my high school—a problem, sad to say, that has left some of my fellow faculty members floundering for a solution, though not, happily, our school administration—is that many of our students just don't see things that way. They live in a semirural county. Nothing really "big" ever touches their lives, they will tell you. Most of the boys will tell you that, upon graduation, they hope to get a job at the Hercules plant in town and stay there until retirement. Why try for anything greater when that is the easiest road to follow?

Now you and I both know that there is nothing innately evil in that approach to life, that such a life can be lived with great productivity and nobility. But, frankly, you and I both know that the opportunities out there today are far greater than that!

A wasted life is the greatest tragedy of all, potential unrealized because a young person wrongly measured the limits of his or her horizons. As a teacher, that is what I have made it my mission to fight. I simply do not believe in limited horizons. I am out to show my students that the only limits that will ever truly stop them are the limits they set for themselves, that limitless opportunities are in the road before them as long as they will admit no limitations.

Do you understand what I am trying to say, and what I am trying to do? I hope you do . . .

Anyway, here is what I have decided to attempt, with the help and complete support of the school administration:

Newton County High School is the only public high school in Newton County. This indicates several important things: that our student body is quite large, that we are adequate, if not generously, funded by the county, that our facilities for public events (auditorium, gym, etc.) are the finest in the area, and that there is a great deal of parental interest in the quality of programs that we, as a school, provide.

The extracurricular activity for which I am responsible is the Close Up Club of Newton County, a local unit of the national Close Up Foundation, with which you are familiar. Every year, the central activity of the club is the preparation of students for the trip to Washington in the Spring.

It occurred to me to try to make the club more than that.

In Newton County, though we are relatively close, people see themselves as somewhat isolated from the Atlanta area. To date if prominent political personalities have come through our area they made the standard stop at the Kiwanis, Lion's, Rotary, etc. lunches and dinners, getting their meal, and speaking before the "big people" that so often seem to be the only ones that count to many politicians.

My idea was to do something to help put the Close Up Club of Newton County on the "must" list for visiting speakers. My goal is to build it into the primary forum for the expression of political thought in this area.

It doesn't seem to be an impossible goal. We have student and community interest. We have administrative support. We have a local newspaper ready to cover whatever activities I can put together. And we have that auditorium I've already mentioned that seats hundreds in the atmosphere of a professional theater, one so nice that the Atlanta newspapers covered its opening and the fact that it has attracted international touring acts.

It seemed to me that my idea had some potential. I would like prominent speakers to come here annually. During election campaigns, our auditorium would be perfect for a regional debate or two. But, first and foremost, I would like the Close Up Club to be the primary political forum in our area because it would turn on my students' minds, and help awaken them to the potential for achievement that exists in their own lives. After all, the great achievers were once high school students, too, concerned about what lay ahead for them. If my students could see that, maybe it would shake some of them free from their lethargy and make it all worthwhile.

As I said, I am trying to light some fires that will never go out . . .

RANDALL LYNN,
Social Studies Department,
Newton County High School,
Covington, GA.

THE BETHESDA UNITED METHODIST CHURCH'S 200TH ANNIVERSARY COMMEMORATION

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DYSON. Mr. Speaker, I would like to bring to the attention of my colleagues the 200th anniversary celebration of the Bethesda United Methodist Church in Preston, MD.

As we in Maryland commemorate the Bethesda United Methodist Church's untiring and unwavering commitment to faith during these past 200 years, I believe it is altogether fitting that we give thanks to the many church members who, over the generations, have brought comfort and light to the people of Preston. On momentous occasions such as this, we not only share remembrances of a rich and vibrant past, but we also prepare to perpetuate our ideals far into the future.

So as Bethesda United Methodist Church presents its 200th anniversary pageant next month, I praise its spirit of community and compassion, and hope that this proud place of worship continue to grow and prosper in the years to come.

PROPOSALS TO TAX EMPLOYEE BENEFITS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. HAWKINS. Mr. Speaker, on Friday, September 20, a number of House Members on a broadly bipartisan basis jointed in cosponsoring House Resolution 268 to express the sense of the House of Representatives with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits. The Members of the House who joined with me in sponsoring that resolution went on record as supporting a continuation of the present tax treatment of employee pension and benefit plans.

The pension and employee benefit plans of American workers have taken on a uniquely private character. Other nations of the industrialized world provide protection for their citizens in areas such as health care, education, retirement security and life, disability and unemployment insurance through direct government programs financed out of general revenues. The United States has chosen to meet these needs indirectly through tax policy. Employers receive tax deductions for their contributions to employee benefit plans and their employees are not taxed on those contributions.

It has been this Nation's policy to protect and nurture employee benefit programs, to encourage the extension of their coverage universally to workers and their families.

Just 11 years ago on Labor Day 1974, President Ford in the Rose Garden signed the Employee Retirement Income Security Act. In passing that law, the Congress declared that the continued well-being and security of millions of employees and their dependents are directly affected by employee pension and welfare benefit plans; that employee benefit plans are affected with the national public interest; and that they have become an important factor affecting the stability of employment and the successful development of industrial relations.

Thus, the Congress explicitly recognized the growth, scope, size, and number of benefit plans, their social and economic impact and their importance to the continued well-being and security of millions of employees and their dependents.

It is now proposed by some to change this longstanding and basic policy, to impose taxes on these pension and benefit plans.

None of us cosponsoring House Resolution 268 are unsympathetic to the need for additional revenues. But the relatively small amount of new taxes that would come from taxing these benefits would hardly be worth the devastation that would be worked by their imposition.

It is quite clear that such taxes would substantially dampen employer enthusiasm for the employee compensation and benefit packages that exist today.

The imposition of taxes will result in the erosion of health care to the particular detriment of the elderly, the handicapped, and families. A recent Roper survey disclosed that most employers will move to reduce health benefits. If the tax benefits for health care are scaled back, the young, single, and most physically fit will opt out or more willingly acquiesce in a scaling back of benefits. Health plan costs will rise and eventually they will prove uneconomic. The imposition of taxes may sound the death knell of health benefit plans, and as has been suggested would be "the beginning of a dangerous precedent to tax all employee benefits in the long term."

Imposition of taxes on workers' compensation and unemployment benefits would result in the further impoverishment of injured workers and a compounding of the miseries of unemployment.

Proposals to tax pension and retirement plans, if enacted, are certain to have a devastating effect on the long-term ability of workers and their employers to provide retirement security. Legislative changes in the past have invariably disrupted the retirement planning of some. Employers and pension plan managers have complained about the costs of such changes. In the past, such changes have resulted from a concern for the level and security of employee benefits, for minimum participation standards and other rules forbidding discrimination in contributions and benefits. Congress in the past has encouraged pension plans through laws that made them more fair and more effective. In view of the legislative history, it is particularly difficult to understand the continuing interest in taxing employer contributions to workers' program plans. Such an action is not only disruptive in the extreme, it makes such plans economically less attractive to the employer and to employees.

To those who suggest that fringe benefits would provide a good source of revenue, I say that focusing on the revenue implications alone is not enough. We must be sensitive to the importance of pensions, health insurance, day care, and education programs, workers compensation, unemployment, and other such benefits which form an imperative life-support system for our working people.

So far 181 Members have joined in cosponsoring House Resolution 268. Additional Members have expressed an interest in joining our effort and supplemental lists of cosponsors will be filed. I invite anyone interested in doing so to communicate with us.

SKOWHEGAN, ME, EDUCATOR HONORED FOR FIGHT AGAINST DRUG ABUSE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. McKERNAN. Mr. Speaker, today I rise to pay tribute to Tom Farrell, a Skowhegan, ME, resident, who has been a leader in the fight to reduce alcohol and drug abuse among teenagers.

Mr. Farrell, principal of Skowhegan High School, became concerned about teenage drug and alcohol abuse through his experiences as a teacher, a coach and as a high school administrator. His active involvement with this problem began when he was an assistant principal and found that many of his discipline cases were drug and alcohol related. Since that time, he has established programs at Mount Blue, Dirigo, and Skowhegan High Schools that allow students to get help from support groups and "dryout" programs. Mr. Farrell has been instrumental in helping dozens of teenagers resolve their dependency problems. Along with his local efforts, he has recently spoken throughout the country on his experiences and on the need for teachers and coaches to serve as role models for teenagers.

In recognition of his efforts and accomplishments, he received the National Federation of Parents for Drug Free Youth Award in 1983. This year, he has received the Air Force Commander's Award for his continuing contributions.

I join my colleagues in saluting his tireless efforts and selfless contribution.

THE INTRODUCTION OF A BILL TO NAME THE CLOSED BASIN PROJECT CONVEYANCE CHANNEL, SAN LUIS VALLEY PROJECT, AS THE FRANKLIN EDDY CANAL

HON. MICHAEL L. (MIKE) STRANG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. STRANG. Mr. Speaker, I am honored today to introduce legislation to name the major water collection feature of the "Closed Basin Project in Colorado the Franklin Eddy Canal."

The late Franklin Eddy was the driving force behind efforts to develop the project's concept and to secure authorization and funding for the Bureau of Reclamation project. For 30 years, Franklin Eddy was deeply involved in the important water resource protection issues in the San Luis Valley. He died in May of 1980. Mr. Eddy was active in the original formation of the Rio Grande water conservation district, the primary sponsor of the project. He served on its board of directors and later as its manager.

Mr. Eddy worked tirelessly to help secure local, State and Federal support for the closed basin project. The project's purpose is to help resolve the complicated and at times contentious local, national and international water rights issues in the San Luis Valley and along the Rio Grande River. When the project was first authorized in 1972, the Congress set in motion a program that, when completed in 1989, will help stabilize water rights and water use concerns in the San Luis Valley, while also helping Colorado meet the terms of interstate water delivery compacts and a water treaty with Mexico. The project will put to beneficial use groundwater now lost through evaporation, and will at the same time enhance wildlife and recreation opportunities in at three county area.

The people of the San Luis Valley in Colorado are deeply indebted to the vision and dedication of Franklin Eddy. It is my honor to introduce this legislation in public commemoration of Mr. Eddy's dedication to his friends, his neighbors and this project, by naming the closed basin conveyance channel the "Franklin Eddy Canal."

H.R. 3339, THE CABLE TELEVISION COPYRIGHT DEREGULATION ACT OF 1985

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FRANK. Mr. Speaker, I introduced H.R. 3339, legislation which will eliminate Government intervention in the carriage by cable television of copyrighted broadcast programming. The bill abolishes the compulsory license for copyrighted program-

ming, granted to cable television in 1976 by the Congress, and places greater reliance upon free negotiation by the cable industry in the marketplace for the rights to programming carried by distant television stations. I am convinced that the interests of the public are best served by reducing the role of the Federal Government in the increasingly complex relationship between cable television and the broadcast industries.

In 1976, cable television systems were in their infancy, and, in an effort to nurture the new medium, the Congress insulated the cable systems from unlimited copyright liability in the Copyright Act of 1976. Under the 1976 act, cable is not liable for the prevailing market value of copyrighted programming, but receives a compulsory license to retransmit copyrighted broadcast programming. The Copyright Royalty Tribunal [CRT], a new agency, has the responsibility for implementing the Federal compulsory license scheme; my bill would terminate its role in the distribution of royalties to program producers and adjustment of royalty rates. In place of the present federally regulated royalty system, the cable and broadcast industries will have the freedom to develop their own clearinghouse for copyrighted programming with market rates determined by private negotiation.

Mr. Speaker, the Federal system granting cable a compulsory license was based on three existing, complementary Federal Communications Commission [FCC] rules which benefited broadcasters. The Congress gave cable a compulsory license to balance the interests of the two industries. Since 1976, the three regulations benefiting broadcasters have been eliminated. The FCC has eliminated the distant signal rule which limited cable companies from importing a large number of distant signals, and also, ended broadcasters' syndicated exclusivity of programs where retransmission, is prohibited by, exclusive contract between the program supplier—copyright owner—and local broadcaster. On July 19, 1985, a Federal court struck down the last of these rules, eliminating the requirement that cable not discriminate among local stations, but "must carry" all local signals. In referring to the decision in Quincy Cable TV versus FCC, FCC Chairman Mark S. Fowler issued the following public statement:

Although this Quincy decision takes the first step toward a true marketplace for the distribution of programming by cable systems, we believe that the mass media marketplace will not be set entirely right until cable's copyright immunity is replaced with a scheme of full copyright liability, allowing unimpeded negotiations between the parties.

These changes within the industry add complexity to the complusory license scheme and the role of the Federal government. The time has come for the Federal Government to end its regulatory scheme and to rely on the free market. During the last Congress, I advocated a free market environment in my cable copyright bill, which included the repeal of the "must carry" regulations. My present bill would also prohibit regulation by any government body of cable carriage of local signals of broadcast stations.

Mr. Speaker, the bill accomplishes the following: First, retains the cable television compulsory license, contained in section 111 and chapter 8 of the Copyright Act of 1976, until the orderly expiration of the 6-month royalty fee cycle; second, allows the cable industry to negotiate in the marketplace for the rights to the programming carried by distant broadcast stations; third, excludes satellite resale carriers from the "passive common carrier exemption in section 111(a); fourth, exempts from all copyright liability the cable carriage of local signals, if the cable system chooses to carry all local stations within 50 miles; fifth, creates copyright liability for cable retransmission of local signals, where cable systems discriminate and carry only some of the local signals; sixth, exempts from all copyright liability cable systems with 12 or fewer channels to carry local signals it wishes to carry; seventh, exempts from all copyright liability small cable systems with 2,500 or fewer subscribers for retransmission of local and distant programming signals; eighth, exempts rural cable systems from all copyright liability for importing any network station not available locally; and ninth, eliminates all of the current paperwork cable systems must file with the Copyright Office and eliminates the role of the Copyright Royalty Tribunal in the distribution of royalties from the compulsory license and the adjustment of compulsory license royalty rates.

Mr. Speaker, the cable and broadcast industries have sought numerous changes in the compulsory license regulatory scheme on many occasions since 1976. The free market is the best solution to these concerns and will promote a system which will encourage and foster creative programming in the public interest, which is the stated purpose of copyright law. Program producers and broadcasters will be freed from the current lawful appropriation by the cable industry of their property rights. The free market will provide a more flexible and permanent solution which enables the parties to resolve their copyright issues privately in the free market.

The text of H.R. 3339 follows:

H.R. 3339

A bill to amend the copyright law respecting the limitations on exclusive rights to secondary transmissions; to amend the Communications Act of 1934 respecting retransmission of programs originated by broadcast stations; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. LIMITATIONS ON EXCLUSIVE RIGHTS IN CERTAIN SECONDARY TRANSMISSIONS AND DELETION OF COMPULSORY LICENSES.

(a) AMENDMENT TO SECTION 111 OF TITLE 17.—Section 111 of title 17 of the United States Code is amended to read as follows:

"§ 111. Limitations of exclusive rights: secondary transmissions

"(a) CERTAIN SECONDARY TRANSMISSIONS EXEMPTED.—Notwithstanding the provisions of section 106, the secondary transmission of a primary transmission embodying a performance or display of a work is not an infringement of copyright if—

"(1) the secondary transmission is not made by a cable system, and consists entirely of the relaying by the management of a hotel, apartment house, or similar establishment, of signals transmitted by a broadcast station licensed by the Federal Communications Commission to the private lodgings of guests or residents of such establishment, and no direct charge is made to see or hear the secondary transmission, and—

"(A) the secondary transmission is made within the local service area of such station; or

"(B) the signals are received by such establishment by means of the direct reception of a free space radio wave emitted by such station; or

"(2) the secondary transmission is made solely for the purpose and under the conditions specified by clause (2) of section 110; or

"(3) the secondary transmission is made by any carrier, other than a satellite resale carrier, who has no direct or indirect control over the content or selection of the primary transmission or over the particular recipients of the secondary transmission, and whose activities with respect to the secondary transmission consist solely of providing wires, cable, or other communications channels for the use of others: *Provided*, That the provisions of this clause extend only to the activities of said carrier with respect to secondary transmissions and do not exempt from liabilty the activities of others with respect to their own primary or secondary transmissions; or

"(4) the secondary transmission is not made by a cable system but is made by the governmental body, or other nonprofit organization, without any purpose of direct or indirect commercial advantage, and without charge to the recipients of the secondary transmission other than assessments necessary to defray the actual and reasonable costs of maintaining and operating the secondary transmission service.

"(b) SECONDARY TRANSMISSION OF PRIMARY TRANSMISSION TO CONTROLLED GROUP.—Notwithstanding the provisions of subsections (a) and (c), the secondary transmission to the public of a primary transmission embodying a performance or display of a work is, in the absence of a negotiated license, actionable as an act of infringement under section 501, and is fully subject to the remedies provided by sections 502 through 506 and 509, if the primary transmission is not made for reception by the public at large but is controlled and limited to reception by particular members of the public.

"(c) CERTAIN SECONDARY TRANSMISSIONS BY CABLE SYSTEMS EXEMPTED.—

"(1) Notwithstanding the provisions of section 106 and subject to the provisions of clause (2) of this subsection, the secondary transmission made by a cable system to the public of a primary transmission made by a broadcast station licensed by the Federal Communications Commission or by an appropriate governmental authority of Canada or Mexico and embodying a performance or display of a work is not an infringement of copyright if—

"(A) the cable system serves fewer than 2,500 subscribers; or

"(B) the cable system is located in whole or in part within the local service area of the primary transmitter and the cable

system does not have the capacity to carry more than 12 channels; or

"(C) the cable system is located in whole or in part within the local service area of the primary transmitter and—

"(i) the cable system is not a cable system to which subclause (A) or (B) of this clause applies, and

"(ii) the cable system carries, as part of the basic tier of cable service regularly provided to all subscribers at the minimum charge, in full and in their entirety the signals of every broadcast television station within whose local service area the cable system is located in whole or in part; or

"(D) the primary transmission is of a network television station and—

"(i) the cable system is not located in whole or in part within the local service area of a station affiliated with the same network, and

"(ii) the primary transmission is from the most proximate network television station affiliated with the same network.

"(2) Notwithstanding the provisions of clause (1) of this subsection, the secondary transmission to the public by a cable system of a primary transmission made by a broadcast station licensed by the Federal Communications Commission or by an appropriate governmental authority of Canada or Mexico and embodying a performance or display of a work otherwise exempt under clause (1) of this subsection is actionable as an act of infringement under section 501, and is fully subject to the remedies provided by sections 502 through 506 and sections 509 and 510, if the content of the particular program in which the performance or display is embodied, or any commercial advertising or station announcements transmitted by the primary transmitter during, or immediately before or after, the transmission of such program, is in any way willfully altered by the cable system through changes, deletions, or additions.

"(3) Clause (2) does not apply to the alteration, deletion, or substitution of commercial advertisements performed by those engaged in television commercial advertising market research if—

"(A) the research company has obtained the prior consent of the advertiser who has purchased the original commercial advertisement, the television station broadcasting that commercial advertisement, and the cable system performing the secondary transmission; and

"(B) such commercial alteration, deletion, or substitution is not performed for the purpose of deriving income from the sale of that commercial time.

"(d) DEFINITIONS.—As used in this section, the following terms and their variant forms mean the following:

"A 'primary transmission' is a transmission made to the public by the transmitting facility whose signals are being received and further transmitted by the secondary transmission service, regardless of where or when the performance or display was first transmitted.

"A 'secondary transmission' is the further transmitting by any device or process of a primary transmission simultaneously with the primary transmission, or nonsimultaneously with the primary transmission if by a 'cable system' not located in whole or in part within the boundary of the forty-eight contiguous States, Hawaii, or Puerto Rico: *Provided, however,* That a nonsimultaneous further transmission by a cable system located in Hawaii of a primary transmission shall be deemed to be a secondary transmission.

"A 'cable system' has the meaning given such term under regulations of the Federal Communications Commission which existed on January 1, 1985, and July 1, 1985. A system is covered by such term if it would be a cable system under such regulation as existed on either such date. For purposes of determining the exemption under subsection (c)(1)(A), two or more cable systems in contiguous communities, under common ownership or control, or operating from one headend, shall be considered as one system.

"The 'local service area of a primary transmitter', in the case of a television broadcast station, is the area within a 50-mile radius of the reference point in the community to which that station is licensed or authorized by the Federal Communications Commission, as such reference point is defined under regulations of such Commission as in effect on July 1, 1985.

"The 'local service area of a primary transmitter', in the case of a radio broadcast station, comprises the primary service area of such station, pursuant to the rules and regulations of the Federal Communications Commission.

"A 'network television station' is a broadcast station owned or operated by, or affiliated with one of the three national commercial television broadcast networks or the Public Broadcasting Service."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall take effect on the first January 1 or July 1 occurring more than 180 days after the date of enactment of this Act.

SEC. 2. AMENDMENT TO THE COMMUNICATIONS ACT OF 1934.

(a) PROHIBITION OF MUST-CARRY OR OTHER REGULATION BY THE FCC OR STATES OF RETRANSMISSIONS.—Section 325 of the Communications Act of 1934 is amended by inserting after subsection (c) the following new subsection:

"(d) Except as otherwise provided in subsections (a), (b), and (c), the Commission shall not have any authority to establish or enforce any restriction, requirement, or other rule or regulation relating to the retransmission by any person of any program or portion of a program originated by a broadcast station. No State or unit of general local government shall have any authority to establish or enforce any such restriction, requirement, or other rule or regulation.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.

(a) SUSPENSION OF AUTHORITY TO PETITION COPYRIGHT ROYALTY TRIBUNAL FOR ADJUSTMENTS IN RATES FOR RETRANSMISSIONS UNDER COMPULSORY LICENSES DURING 1985.—(1) Section 804(a)(2) of title 17 of the United States Code is amended by striking out subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B) respectively.

(2) Section 804 of title 17 of the United States Code is amended by striking out the last sentence of subsection (b).

(b) CONFORMING AMENDMENTS TO PROVISIONS RELATING TO REMEDIES FOR COPYRIGHT INFRINGEMENT.—(1) Section 501(c) of title 17 of the United States Code is amended by striking out "subsecton (c) of section 111" and inserting in lieu thereof "section 106".

(2) Section 501(d) of title 17 of the United States Code is amended by striking out "section 111(c)(3)" and inserting in lieu thereof "section 111(c)(2)."

(3) Section 510(a) of title 17 of the United States Code is amended by striking out "section 111(c)(3)" and inserting in lieu thereof "section 111(c)(2)".

(4) Section 510(a) of title 17 of the United States Code is amended by striking out ", and the remedy provided by subsection (b) of this section" both times it appears therein.

(5) Section 510 of title 17 of the United States Code is amended by striking out subsection (b).

(c) TERMINATION OF AUTHORITY OR COPYRIGHT ROYALTY TRIBUNAL TO ADJUST RATES FOR RETRANSMISSIONS UNDER COMPULSORY LICENSES.—(1) Section 801(b) of title 17 of the United States Code is amended—

(A) by striking out subparagraph (2) and redesignating subparagraph (3) as subparagraph (2); and

(B) by striking out "sections 111 and" in such redesignated paragraph (2) and inserting in lieu thereof "section".

(2) Section 804(a) of title 17 of the United States Code is amended by striking out ", and with respect to proceedings under section 801(b)(2)(A) and (D)".

(3) Section 804 of title 17 of the United States Code is further amended—

(A) by striking out subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d) respectively; and

(B) by striking out "section 111 or" in subsection (c) (as so redesignated) and inserting in lieu thereof "section".

(4) Section 809 of title 17 of the United States Code is amended by striking out "sections 111 or" and inserting in lieu thereof "section".

(d) EFFECTIVE DATE.—(1) The amendments made by subsection (a) of this section shall take effect on the date of enactment of this Act.

(2) The amendments made by subsections (b) and (c) of this section shall take effect on the first January 1 or July 1 occurring more than 180 days after the date of enactment of this Act.

NATIONAL TEMPORARY SERVICES WEEK

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LEVIN of Michigan. Mr. Speaker, I rise today in recognition of the American temporary services industry. This relatively young industry is quickly growing into a significant business force, containing 500,000 jobs and bringing 5 million people into the U.S. economy each year. In 1984, the temporary help services industry paid out over $5.5 billion in salaries. It is therefore with honor that I introduce a joint resolution to designate the week of October 20–26, 1985, as "National Temporary Services Week."

The temporary help industry contributes to a strong economy as a private-sector employer. The industry provides business with the ability to react to economic changes and to satisfy short-term labor needs. As employers, temporary help companies create employment for those who might not otherwise be part of the work force.

Over the past 10 years, the temporary services industry has distinguished itself as one of the Nation's fastest growing sectors. According to the Bureau of Labor Statistics, the industry ranked third last year in terms of job growth and people entering the work force.

Mr. Speaker, this industry has built an impressive record. In my own State of Michigan, Kelly Services has become the largest direct-owned temporary services company in the world. I believe that we should now take the time to recognize the contributions the industry has made to our Nation and to encourage its continued success.

COURAGE AND TENACITY OF MEXICAN PEOPLE AND GOVERNMENT LAUDED

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DREIER of California. Mr. Speaker, today marks a week since the killer quake struck central Mexico. And while this quake may have struck out at the country with full force, it certainly did not strike down a very proud people. In this short period, we have witnessed the extraordinary courage of the Mexican people and its Government. Day after day, the pictures and communications arriving from our southern neighbor chronicle a nation picking itself up and refusing to be caught up in self-pity.

With all due respect to the very generous contributions made by other nations including our own, the Mexicans have very bravely, as a community, pitched in together to help each other in the face of disaster without waiting for others to help them out. This sense of community has prevented a chaotic situation from becoming worse. The streets have remained calm in spite of the thousands who remain homeless.

In the coming weeks and months, Mexico, under the guidance of President de la Madrid, will conclude its immediate tasks of recovery and turn to long-term reconstruction. At that time when her needs become clear, I am certain the United States will continue to extend whatever assistance possible. Most important, Mr. Speaker, 1 week after this tragedy, while our prayers continue, we stand in admiration of the solidarity and tenacity demonstrated by the Mexican people.

TRIBUTE TO H.K. THATCHER

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. ANTHONY. Mr. Speaker, I would like to pay tribute in remembrance of a man whose untiring efforts and personal crusade led to the completion of some of the finest water and navigational facilities on Arkansas waterways.

From his childhood days spent along the banks of the Mississippi River in Mark Twain's town of Hannibal, MO, to the years he lived in the river city of Camden, AR, H.K. Thatcher's life was connected with water. He often commented that he had been associated with "the lack of water, plenty of water, and sometimes too much water" all of his life.

In 1938, he was appointed as the director of the Arkansas Agricultural and Industrial Commission based in Washington. From this vantage point Arkansas began reaping the benefits of Mr. Thatcher's deep concern for the need of water and water transportation.

Mr. Thatcher conceived of and instigated numerous important water programs including the Ouachita River navigation project which has been virtually completed. A 9-foot channel was dug along the bottom of the river which will allow barges to navigate all the way up from the Mississippi River to Camden, AR.

In 1950, Mr. Thatcher became the executive vice president of the Ouachita River Valley Association in Arkansas. Through this office he worked closely with Members of Congress and the Army Corps of Engineers. Mr. Thatcher's accomplishments and personal character won him the deepest respect of colleagues and friends.

Mr. Thatcher's death this September at the full age of 94 comes as a great sadness to all of us who have had the opportunity to come in contact with him and his lasting accomplishments. The Ouachita River project is a treasure to the Nation and an enduring testimony to his foresight. I present this tribute in memory of a man who I will always hold in great admiration. It is an honor for all Arkansans to live in a State which benefits each day from Mr. Thatcher's dedicated service.

OLDER AMERICANS NUTRITION ACT SERVES CONTRA COSTA'S ELDERLY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. MILLER of California. Mr. Speaker, I am pleased to join in strong support of H.R. 2453, to increase the funding for reimbursements for meals served under the Older Americans Act nutrition programs.

Without this legislation, the reimbursement rate would be cut between 2 cents and 4 cents below last year's rate just so we could continue to serve the same number of meals we served this year.

These cuts would jeopardize the nutrition and the health of millions of older Americans throughout this country, and would seriously limit participation in the program.

In my own district, Contra Costa County, CA, hundreds of senior citizens take part in daily nutrition programs, both at congregate sites and through home delivery programs. These seniors, and many others who would like to participate in the nutrition programs but cannot due to inadequate Federal support, would vigorously oppose efforts to cut senior nutrition programs—and so do I.

Sound nutrition improves health of seniors, helping them avoid unnecessary medical care and hospitalization. That saves billions of dollars a year for taxpayers who support the Medicare and Medicaid systems.

In my own district, hundreds of seniors have benefited from nutrition services funded in part under the Older Americans Act. In the year ending June 30, 1985, over 268,000 meals were served to thousands of seniors in Contra Costa County through the Nutrition Projects for the Elderly Program.

In addition, nearly 70,000 meals were delivered to home-bound senior citizens whose program is funded by the Meals-on-Wheels Program which I wrote several years ago. This program allows seniors to remain in their own homes instead of forcing them into unfamiliar and expensive institutions, and provides opportunities for social interaction.

I also want to note the fine work of the Contra Costa County Food Coalition which provides food to over 200 programs in my district, including 27 senior centers. In addition, the Brown Bag Program provides weekly groceries to 2,100 seniors, and there is a list of 600 seniors who are waiting to participate in the Brown Bag Program.

Mr. Speaker, there are those who would sharply reduce support for these kinds of essential nutrition programs for seniors. In the recent past, some have even advocated abolishing these programs. But as I travel through my district and talk with those who participate in these programs, the importance of senior nutrition efforts becomes very self-apparent.

Cutting senior nutrition programs would be foolish and unnecessary. Not only would it deprive millions of senior citizens of essential food programs, but it would actually cost taxpayers many times the cost of these programs in increased medical and institutional care. That is why, as in the past, I am pleased to support this legislation.

Passage of this bill assures that these important programs will be able to plan more adequately and assures that millions of older Americans throughout this country will receive the nutrition assistance that they need to sustain healthy lives. I am delighted to support this legislation and the nutrition programs for senior citizens.

H.R. 3248, THE ARTS, HUMANITIES AND MUSEUMS AMENDMENTS OF 1985

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. FORD of Michigan. Mr. Speaker, on Tuesday, September 24 the House debated the Arts, Humanities and Museums Amendments of 1985, which extends the authorization of the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services through fiscal year 1989. I wanted to compliment my colleague, Congressman PAT WILLIAMS, for this legislation which he crafted. It reinforces the Federal mission of fostering a climate of access to excellence in the visual and performing arts as well as fostering scholarship and the preservation of our museum collections across the country. I am proud to cosponsor this legislation which also underscores the need to assure that all Americans benefit from these Federal programs, including those who have traditionally been overlooked because they fall outside the mainstream of our culture or beyond the reach of our cultural centers.

The bill addresses the underrepresented groups in several ways: It encourages support of projects that reach or reflect the culture of a minority, inner city or rural community; it encourages the selection of more individuals from traditionally underrepresented groups for the artists and scholars grant assistance; and it requires that the State planning meetings be open to the public and that the State plan set goals for serving a broad range of groups. These changes will encourage the endowments to respond to the changing demographics of our population by encouraging more rural arts development and access to the arts and humanities for emerging groups and institutions.

I also wanted to comment on another important provision of H.R. 3248 which requires the Secretary of Labor to prescribe regulations so that the National Endowment for the Humanities will pay professional performers and supporting professional personnel employed in their projects at least the prevailing local wage. The 1976 reauthorization amendments included a provision to assure that the National Endowment for the Humanities would conform their hiring practices with those of the National Endowment for the Arts by requiring that workers be paid the prevailing local wage. In the 9 years that have lapsed, the Secretary of Labor has failed to promulgate regulations necessary to carry out the intent of this law. This failure by the National Endowment for the Humanities to adhere to Davis-Bacon provisions is a rare departure from Federal practice which guards against setting up unfair labor projects. I believe the language in H.R. 3248 is vital to retain a consistent Federal policy with respect to hiring practices.

Finally, I would like to note that this year marks the 20th anniversary of the National Endowment for the Arts and the National Endowment for the Humanities. According to a recent poll by Lou Harris, an overwhelming 92 percent of those interviewed are convinced that the arts are important to the quality of life and important to the economy of their community. H.R. 3248 reaffirms the Federal role in assuring a continued flourishing of the arts and humanities in our country.

ROBERT LAMBERT AWARDED "BEST INFORMATION SECURITY PROGRAMMER" BY U.S. AIR FORCE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. DOWNEY of New York. Mr. Speaker, I would like to take this opportunity to offer my congratulations to T. Sgt. Robert Lambert of the U.S. Air Force. Technical Sergeant Lambert has been singled out as the best information security programmer in the Air Force. This award not only distinguishes Technical Sergeant Lambert's 10 years of exemplary service to his country, but is proof positive that clever, capable and dedicated people continue to be our most valuable defense asset.

Technical Sergeant Lambert has played a vital role in assuring the strength, efficiency, and security of our Armed Forces. We are all thankful to him, and owe him, as well as all Americans, our continued dedication to ensuring the strength, reliability, and sensibility of our Nation's defenses. To this end, I will continue to urge my colleagues to support those measures which provide our service people with the benefits they not only need, but deserve.

I know how proud Robert's family and friends are of his accomplishments. I share in that pride, and once again offer my sincere thanks for a job well done.

RECOGNIZING ANNE AND JOHN WANER ON THEIR 50TH WEDDING ANNIVERSARY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. LIPINSKI. Mr. Speaker, I rise today before my colleagues to recognize a significant event achieved by two residents of the Fifth Congressional District of Illinois, which I am privileged to represent. On September 28, 1985, Anne and John Waner will celebrate their 50th wedding anniversary.

A successful entrepreneur, John Waner's skills in mortgage lending, real estate appraisal, and the construction field prompted him to serve in an advisory capacity to four U.S. Presidents. Mr. Waner has directed such governmental agencies as the Federal Housing Administration and the Department of Housing and Urban Development. Anne and John Waner together own and run the Dancing Wheel Skating Rink, a family entertainment center for skating enthusiasts on the southwest side of Chicago. The Waners were both born in Chicago and have resided there all their lives. They were married at St. Camillus Church on the southwest side of Chicago.

Their 50 years together is certainly a worthy accomplishment. It has provided them with four children: Joan, James, Arthur, and Linda; six grandchildren: James Jr., Jonlyn, Geri, Janine, Karen, and Andrew; and one great-granddaughter, Nichole.

Mr. Speaker, it gives me great pleasure to salute this fine couple and I join the residents of the Fifth Congressional District in sending congratulations to Anne and John Waner on this joyous occasion.

H.R. 3371

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. GALLO. Mr. Speaker, recently, I introduced a bill, H.R. 3371, designed to reduce the defaults in the Guaranteed Student Loan Program and the National Direct Student Loan Program.

Each year, Congress provides an increasing amount of money to guarantee loans made to students by banks and other authorized lenders. In addition to subsidizing the interest rates on these loans, the Federal Government also pays lenders in cases of student defaults. The two largest student aid programs are the Guaranteed Student Loan Program and the National Direct Student Loan Program which required Federal obligations of $3.1 billion and $217 million in fiscal year 1984, respectively.

The most recent figures show that defaults on these student loans have reached an alarming total of $1.1 billion, a figure that has doubled in the last 4 years. The Secretary of Education has further indicated that total defaults could go as high as $3 billion in the near future, with the national default rate reaching 10.7 percent last year and projected to go to 11.7 percent this year.

This situation has developed because of the common misconception that no one loses if a student defaults. In fact, you and I, the taxpayers, lose. In addition, the increasing number of students who rely on these loans to finance their education are penalized since more of the Federal contribution to financial aid is required to cover loan defaults.

To remedy this situation, the Federal Government, as well as State governments, has taken action to increase collections on student loans, including garnishing the wages of Government employees who have outstanding loans and withholding tax refund checks.

Further actions, however, are necessary to prevent loans from going into default in

the first place. One way to achieve this goal is to increase the responsibility of the lenders, both schools and financial institutions, in monitoring and collecting the loans.

The bill that I have introduced would contribute to reducing student loan defaults by spreading more evenly the responsibility for monitoring and collecting these loans. I am convinced that one of the most effective ways to make the system more accountable is to recognize those schools and lending institutions with good track records in the loan programs and to remove those with consistently bad records from the list of eligible lenders.

In 1982, for instance, the Department of Education issued final regulations prohibiting any new national direct student loan capital contributions from going to schools with default rates in excess of 25 percent and reducing contributions to those schools with default rates between 10 to 25 percent.

The bill that I have introduced would put these regulations into effect through fiscal year 1987. The Secretary of Education would then be required to report to Congress on the effectiveness of these regulations and propose any necessary or desirable changes that should be made to further reduce defaults.

In addition, H.R. 3371 requires the Secretary of Education to remove from the Guaranteed Student Loan Program those lenders who receive reimbursement from the Federal Government for more than 25 percent of their total GSL matured loan principle.

By limiting the amount of defaulted loans that schools and institutions can turn over to the Federal Government without penalty, the bill makes it clear that lenders are responsible for making good faith loans to students who will repay their debts.

Lenders are ultimately responsible for more than lending money. Lenders should provide a reasonable amount of financial counseling for students applying for federally issued loans and must monitor their process throughout the time that these students are in school and in repayment.

This bill would also encourage those lenders with marginally high default rates to make greater use of private collection efforts in order to maintain their participation in the program.

This legislation provides a mechanism for increasing the responsibility of lenders in monitoring and collecting loans and, thus, will help to ensure that the Guaranteed Student Loan Program and the National Direct Student Loan Program will be maintained at sufficient levels to assist low- and moderate-income students in furthering their education.

CAROL COBB AND CORINNE WRIGHT WIN TEACHER OF THE YEAR AWARD

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. BONER of Tennessee. Mr. Speaker, I want to take this opportunity to recognize two very special people. Special first of all because they are teachers and that makes them more than worth mentioning. But extra special because they have been recognized by their peers as leaders in secondary and elementary education. They are Carol Hamilton Cobb, a kindergarten teacher at Gateway Elementary School in Madison, TN, and the winner of the outstanding elementary social studies teacher of the year by the National Council for Social Studies, and Corinne F. Wright, a U.S. history, government and economics teacher at DuPont Senior High School and the winner of the outstanding secondary social studies teacher of the year award from the National Council of Social Studies. I am doubly proud they both live and teach in the Fifth Congressional District of Tennessee, the district I represent.

I would like to highlight some of their accomplishments and feelings that fellow teachers submitted on the nominating forms:

Carol Hamilton Cobb, a kindergarten teacher believes strongly that the school's role in teaching the qualities and responsibilities of good citizenship begins when a child first enters school. She feels that a kindergarten teacher is in a very special position to give children their first introduction to American government, political processes and political personalities. Instruction in her classroom is planned to foster active, responsible citizenship and patriotism in very young students in the belief that this will provide a sound basis upon which to build pride in our country. Her personal life and professional activities serve as a constructive role model for helping both parents and students understand the concept of active citizenship. Her work in Social Studies education has brought State and national recognition to our school system and it is appropriate that her methods of instruction brought to the attention of the National Council.

Carol develops her own instructional materials and consistently incorporates a high level of creativity in these materials. Her curriculum includes an introduction to many broad social studies from history, government, sociology and geography.

In her words, taken from the Taft Institutes' 1984 collection of exemplary teaching ideas, Carol explains how she works with young children:

I have done major units of study, which introduced my kindergarten children to many aspects of our political system. Among the ideas we have discussed: What is government? Who are the people in government? What do they do each day? What are laws and why do we need them? What are elections? Why do people vote? I have used pictures and television to help children recognize and learn the names of public officials. As a class project, boys and girls helped me compose letters which were sent to President Reagan, Vice President BUSH, Governor Alexander, Senators BAKER and SASSER, Congressmen GORE and BONER, and Mayor Fulton. These officials sent pictures of themselves which are proudly displayed in our classroom.

During the last election, we held a mock election in our classroom. Since the children could not yet read, they were given a ballot with pictures of the candidates and went into our class voting booth, pulled the curtain and voted for the candidate of their choice. Then the votes were tabulated and the winner announced. Later, the children went to a real voting booth in our school and the election officials allowed them to look inside.

It is important for the children to learn about our government and its current political figures, but it is equally important for them to have a sense of our country's history. Thus, I teach about Presidents such as Washington, Jefferson, Lincoln, and Kennedy. Their birthdays are an excellent time for introducing outstanding contributions they have made to our country.

Carol Hamilton Cobb's accomplishments are not just limited to the classroom. Last year, her students studied about the Statue of Liberty and raised money to support the restoration project. She has developed the kindergarten material for the school system's map and globe skills continuum K–6. And, she has shared her ideas with other Tennessee teachers through seminars and presentations.

Corinne F. Wright, a U.S. history, government, and economics teacher at DuPont Senior High School in Hermitage, TN, consistently provides opportunities for students to experience the things they are learning. She organized a schoolwide mock presidential election, served as school sponsor for the system's first annual model metropolitan government day, conducted a schoolwide drive which raised $1,000 for the Statue of Liberty restoration project, planned and coordinated a weeklong liberty week celebration, and sponsored the student council.

The mock election was conducted by her government class. They set up election headquarters registered students, conducted the election, and held a celebration party. Using information from media sources, student-made posters caricaturing each major candidate and listing position statements on major issues were posted in the school lobby. Campaign speeches were presented over the intercom. Students were encouraged to work for candidates at political party headquarters and this class took a leadership role in registering the school's 18-year-olds to vote in the actual election.

Her economics class experienced the workings of the free enterprise process as they produced, promoted, and marketed an ethnic cookbook to raise funds for the Statue of Liberty. A classroom "factory" was set up to print, collate, and assemble the 400 cookbooks. Student sellers in Lady Liberty and Uncle Sam costumes attracted enough attention to dispose of all their cookbooks.

The U.S. history class learned about the Great Depression by conducting taped

interviews with older citizens in the community during an oral history project.

These examples suggest methods this teacher has found effective in motivating students, promoting a spirit of inquiry, and encouraging citizen participation in the school and community as well as on a limited national level. She has initiated programs that help each student in the school identify with the total school program.

She is chair of the school's social studies department, served on last year's system-wide textbook adoption committee, presented sessions at social studies workshops and served on the teacher inservice planning committee.

I am proud to make my fellow colleagues in the House aware of the accomplishments of these two, award-winning teachers. They more than deserve this recognition and I look forward to hearing from them time and time again in the future.

HUMAN RIGHTS VIGIL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. KEMP. Mr. Speaker, with the Geneva summit growing closer, and the plight of Jews in the Soviet Union deteriorating rapidly, TOM LANTOS and I have decided to take further action on the issue. We have organized a series of extensions to appear in the CONGRESSIONAL RECORD every day, beginning after the Jewish High Holy Days have been concluded, and continuing until one has been written about the family of each "Soviet Prisoner of Conscience" known to us. We then plan to bind these statements together, and deliver them to President Reagan for his consideration before the Geneva summit meeting.

The idea originated with my good friend, Lynn Singer, a great woman of courage and an indefatiguable soldier in the fight for the rights of Jews in the Soviet Union. Lynn called me up 1 day and said "Do you realize what's going on in the Soviet Union? What they're doing to the wives and families?" So we devised this scheme to focus attention on these indirect victims of Soviet oppression. The original idea was to write each day about the wife of a Prisoner of Conscience, to focus on her plight. Congressman TOM LANTOS was the obvious choice for cosponsor of this action, since his wife, Annette, founded and chairs the Congressional Spouses' Committee of 21. My wife, Joanne, is on the committee, of which each member has adopted a Prisoner of Conscience with whom she tries to maintain lines of communication.

After discussing the matter with TOM, we realized what a task we had set for ourselves. Information on the prisoners themselves is extremely limited, and it is even more so where their wives and families are concerned. Although all members on the committee have corresponded regularly, the results are less than encouraging.

My wife's adopted prisoner is Aleksander Cherniak. Joanne has written to Aleksander and his wife, Polina, several times. Each letter was registered and a return receipt requested. Oddly enough, as soon as Joanne had sent her second letter 6 weeks after the first, the first letter was returned as undeliverable; "No One by This Name at This Address." A week later, the return receipt from the second letter arrived; it had been addressed identically and this one had been delivered. The first letter was then sent out again, and that return receipt was received within 3 weeks. None have been acknowledged by the Cherniaks and we can't be sure that Aleksander and Polina have received them.

The other members of the Committee of 21 have had similar experiences. None has received a reply from her adopted prisoner or his family.

It is important to bear in mind that each prisoner of conscience has been convicted on spurious charges. Cherniak, for example, was sentenced to 4 years imprisonment for swindling and forgery. His actual alleged crime? He had changed his hours on his timesheet so that he could return home to Kiev a little early. His real crime? Aleksander is Jewish.

This is a microcosmic example of the greater problem. The fact is that the knock on the door may come at night, and a member of the family may be taken away and not seen again, communication cut off; all for the crime of being Jewish. We get little news, but what we do hear is devastating. We know that the children of prisoners are taunted in school, propaganda is printed and circulated against them, that the family is interrogated, harassed and tormented, even as the prisoner is tortured.

This is too painfully reminiscent of the darkest days of the Holocuast, and we cannot allow this to happen again. These prisioners need our voices to speak for them, or the world will hear only their silence.

Avital Shcharansky is an example of the courage required of the wife of a prisoner of conscience. She is a great spokeswoman for the cause of Soviet Jewry. Avital emigrated to Israel the day after her marriage to Anatoly in 1977, and has since traveled the world seeking assistance for her husband and others like him. I am proud to call Avital my friend. It is appropriate here to insert the editorial she wrote for the New York Times on Tuesday, September 24:

SPEAK UP FOR SOVIET JEWS

(By Avital Shcharansky)

Some 400,000 Jews, among them my husband Anatoly, are being held hostage in the Soviet Union. Will any of these thousands ever taste the bright air of freedom in their ancient homeland, Israel? The American public and its officials might usefully put this excruciating question to the Soviet Foreign Minister, Eduard A. Shevardnadze, during his visit this month to the United States—for its answer lies entirely in the hands of his barbaric Government.

Tyrannies of all sorts have been known on earth, but until our day it has been virtually unheard of for any regime, no matter how despotic, to deny that most elementary of all political alternatives, the right to leave. Even Nazi Germany in the years before World War II grudgingly allowed free emigration—to say nothing of Russia under the Czars or South Africa under apartheid. In places where whole classes of citizens have been denied the right to vote, or the right to a free press or to freedom of religion, they have been given the right to emigrate. Not, however, in the Soviet Union.

Yet Moscow did in fact put its signature 10 years ago to the Final Act of the Helsinki conference. It thus conceded, among other things, that "everyone has a right to leave any country, including his own, and return to it." It is in accordance with this provision and with internal Soviet regulations that 400,000 Jews have asked to emigrate by requesting invitations from Israel. Yet last year only 896 were permitted to leave (and only 702 through August 1985), while leaders of Soviet Jewry languish in prisons and work camps.

To the charge of barbarism, then, we may add the charge of violation of an international agreement. In flouting this covenant, the Kremlin mocks the values on which civilization itself must rest. Does this not cast the darkest doubts on Moscow's present diplomatic efforts to impart an image of sweet reasonableness and moderation? Should this not put into question the Soviet Union's right to be admitted into the comity of nations?

Anatoly Shcharansky was refused a visa in 1973, but like many others he placed his hopes in the Helsinki covenant. In the mid-1970's, he served as a prominent member of a group that took it upon itself to monitor Soviet compliance. It was on account of these wholly legal activities—and not for the spurious crime of spying with which he was charged—that he was arrested and imprisoned more than eight years ago.

His fate since then is a macabre commentary on the brave words of the Helsinki accords. In 1977, he was sentenced to three years in prison and 10 years of hard labor. After transfer to a work camp, he was placed in solitary confinement for 90 days as punishment for lighting Hanukkah candles and reciting the Hebrew Psalms. While there, he was kept alive on a diet of bread and water, the bread on alternate days only. In November 1984, he was again isolated in the camp's internal prison.

My husband's health has deteriorated dangerously. He suffers from severe pains in his chest and eyes. Months pass when he is not heard from, when no one is allowed to visit him. For him, as for Iosif Begun, Dan Shapiro, Yuli Edelshtein, Alexander Kolimiansky and countless other Soviet Jews, this has been the meaning of the Helsinki accords.

These are days of high hopefulness in the West. Talks between the superpowers are proceeding apace, a summit meeting is in the offing and the democracies, yearning for peace, bend with eager pliancy in the direction of Mikhail S. Gorbachev's smile. The Soviet leader, eager to derail the Strategic Defense Initiative and acquire Western high technology, is desperately seeking accommodation and normalization. Can it be too much, in this season of expectation, to suggest that one unequivocal demand be made of those who have so systematically trampled on the rights and the lives of countless human beings begging for nothing but release? Is it too much to ask that before we seek or trust its signature on future treaties, the Soviet Government be required to honor the Helsinki accords—the most easily implementable of agreements?

Ultimately, the question is for Mr. Shevardnadze's Government to answer. But it is up to the West, particularly the United States, to ask. My husband and the Jews of the Soviet Union wait upon the word.

We are taking this action now because the increased anti-Semitic activities have reached frightening levels. The actions against those left behind when a prisoner of conscience is arrested have lost any semblance of subtlety; they have become overtly hostile and sanctioned by the state. There is an increased effort to give adverse publicity to these individuals under the guise of anti-Soviet slander.

The brave and timely words of Avital Shcharansky best express the feelings of those of us who are concerned for the Jews in the Soviet Union, the prisoners of conscience and their loved ones everywhere. They look to us as their voice and their hope, and we must not fail them.

CONTINUING HUMAN RIGHTS ABUSES IN EL SALVADOR

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1985

Mr. CONYERS. Mr. Speaker, today along with 13 of my colleagues, I am introducing House Joint Resolution 198 condemning the now widely reported and documented indiscriminate bombing of civilian targets and other human rights abuses by the Armed Forces of El Salvador.

Today, the Salvadoran Armed Forces are supplied with 500 and 750 lb. antipersonnel bombs as well as white phosphorus by the United States. Additionally, the Catholic Archdiocese in San Salvador reports that U.S.-supplied AC-47 gunships—the most powerful weaponry in Central America—are in use, often targeting civilian areas. The administration is continuing to supply the El Salvadoran Armed Forces with billions of dollars of aid while placing very few human rights requirements on that aid.

Since 1980, over 60,000 people have been killed largely by military and paramilitary forces according to Tutela Legal, the human rights monitoring group of San Salvador. Documentation is widespread that the Salvadoran Armed Forces have engaged in systematic human rights abuses including torture, the massacre of civilian populations as well as indiscriminate aerial bombings of civilian areas with white phosphorus and even napalm. Many of these abuses have occurred within the last year.

Last spring, Americas Watch released a report "Draining the Sea . . ." which concluded that the Armed Forces of El Salvador are draining the sea to deny the fish sustenance. The sea is the civilian population in guerrilla-controlled zones; the fish are the guerrillas. This strategy, the report continues, "involves the use of terror tactics—bombings, strafings, shellings, and occasionally, massacres against civilians." To date, there has been virtually no prosecution for these abuses despite the length of time that has elapsed since the documentation.

Just last week, Americas Watch released another report on the human rights abuses in El Salvador. Using figures obtained through the human rights monitoring agencies of San Salvador, press accounts and other documentation, the report concluded that the serious and systemic rights by the armed forces continue unabated and that previous hopes that the Duarte government could control those human rights abuses by the armed forces proved to be just false hopes.

I welcome interested Members to cosponsor. The text of the resolution follows:

H. CON. RES. 198

Concurrent resolution expressing the sense of the Congress condemning the indiscriminate bombings and attacks on civilians and civilian targets in El Salvador

Whereas the past five years in El Salvador has witnessed the killing of over sixty thousand people, mostly civilians, according to the human rights monitoring group of the Archdiocese of San Salvador;

Whereas reports by human rights organizations, journalists, and independent sources confirm that the Salvadoran armed forces have engaged and continue to engage in indiscriminate aerial and ground attacks against civilian targets;

Whereas the documentation indicates that women and children have been targeted by these attacks;

Whereas the salvadoran government has brought to justice virtually no individuals for these well documented human rights abuses five years after their documentation;

Whereas this conduct by the Salvadoran military has received condemnation by human rights monitoring groups in the United States and abroad; and

Whereas the United States has taken a very active role in the civil strife, including providing the Salvadoran government with $1.7 billion in aid, including the provision of antipersonnel bombs and military aircraft as well as continued supervision of military activities: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That, to express condemnation for the continuing human rights abuses in El Salvador, including the indiscriminate aerial and ground attacks against Salvadoran civilians and civilian targets by the armed forces of that country.

HOUSE OF REPRESENTATIVES—*Monday, September 30, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 26, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Monday, September 30, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray this day, O gracious God, for all members of our community and ask Your blessing upon them. We remember specially those who are ill and who desire healing and strength. May they know Your spirit that gives hope and comfort and may Your presence give them that peace that passes all human understanding. In Your holy name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3414. An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2005. An act to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes.

H.R. 2409. An act to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes.

A message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1712. An act to provide an extension of certain excise-tax rates.

JOINT CHIEFS OF STAFF REORGANIZATION ACT OF 1985

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, earlier this month the House Armed Services Investigations Subcommittee put the finishing touches on a bill to strengthen the workings of the Joint Chiefs of Staff [JCS], the Nation's top military body. This bill follows closely one that I introduced. Over the next few days I will address the important changes made in the JCS Reorganization Act of 1985.

The bill approved by the Investigations Subcommittee makes the Chairman of the JCS the principal military adviser to the President, Secretary of Defense, and the National Security Council. As the only member of the JCS with no service responsibilities—unlike the other four members, who are heads of their respective services—the Chairman is uniquely qualified to speak for the broader military viewpoint. The purpose here is to provide military advice from a national perspective and diminish the parochial interests of the four services. This change will strengthen the Chairman's voice.

Another important feature of the bill requires that the Chairman or his deputy attend all National Security Council meetings. In his classic book about what we did wrong militarily in Vietnam "The 25-Year War: America's Military Role in Vietnam," General Bruce Palmer strongly argues for the inclusion of the Chairman in the deliberations of the National Security Council. General Palmer writes:

All too often he is excluded from the high councils of government, some of which, although more informal and smaller than the normal NSC meetings, carry much weight. When military advice is deliberately excluded from such councils, the nation is not well served.

It is this advice that we have taken to heart in this bill.

DESIGNATION OF THE HONORABLE JIM WRIGHT TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL OCTOBER 2, 1985

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore to sign enrolled bills and joint resolutions until October 2, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

THE PEOPLE OF GUATEMALA NEED OUR HELP

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, over recent years, the United States has declined to include Guatemala in our Central America assistance package—primarily because of the dismal record that that country has created with respect to the protection of human rights of its citizens.

Well, I'm here to declare that that record is substantially improved in recent months, particularly in view of the decision by the outgoing military government to lead its country toward democracy through free, open and fair elections of civilian leaders. By January 8, 1986, that process will be completed, and Guatemala will have joined the other fledgling democracies of Latin America.

But the critical financial picture facing Guatemala, one embodied with rampant inflation, unprecedented rates of unemployment, strangled international trade, and waning, almost nonexistent energy supplies—is one of devastating emergency proportions.

Mr. Speaker, the people of Guatemala need our help—not as badly as our devastated neighbors in Mexico—but just as certainly.

ARMS SALE TO JORDAN SHOULD BE REJECTED

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, as I speak, the President of our country sits with the President of Jordan, King Hussein, to discuss the proposed arms sale that we have been notified of.

The arms sale to Jordan is folly. It makes no sense from a policy point of view and should be rejected by this body and the other body. It is a dead-end policy to sell arms to the so-called moderate Arab nations when they merely feint their heads or give us a little wink that maybe they would begin to talk peace with Israel.

That is what has happened over the last few months. They have still refused to recognize Israel, as they have for the last 40 years. They have no intention, in my opinion, of using those arms to protect themselves. Rather, they have an intention of using the arms to attack Israel. Let me give my colleagues an example.

The Saudis recently bought arms from Britain. Where are they stationing those planes? Not near the Persian Gulf, which was the purported reason they wanted the arms, but in Tebuk, 120 miles from Israel's border, and 1,000 miles from the Persian Gulf.

If we wish to bolster King Hussein internally from terrorism, these weapons will not do it. These weapons are simply used as a way of building up the armed forces against Israel. We have the PLO. Supposedly, King Hussein is bringing the PLO over to the peace table. Look at this weekend's papers, ladies and gentlemen. It was the PLO that sponsored an attack and massacred three Israeli civilians in Cyrpus.

The arms sales should be rejected. It cannot produce peace.

FURTHER REPRESSION BY SANDINISTA GOVERNMENT AGAINST LABOR UNIONS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, reports continue of further repression by the Sandinista government in Nicaragua against labor unions. Trade union members have been attacked and jailed for exercising their right to join a union, according to the secretary of the CUS trade union confederation, Jose Espinoza.

According to a recent press report, one union member was shot in the foot and jailed, and two others were jailed because they had joined a labor union. Other trade confederation members have been jailed and have remained in prison since 1982 or 1983.

According to a report by the International Labor Organization, "freedom of association has not been respected in Nicaragua either in law, or, above all, in practice."

The AFL-CIO has worked unceasingly to protect the rights of labor in Nicaragua and is credited with securing the release of seven leaders of the CTN trade union confederation. According to Mr. Espinoza, the Sandinista campaign to force labor union members and boards of directors to register with the Government has seriously imperiled the labor movement in Nicaragua.

□ 1210

MARGARET HECKLER AND GUILT BY ASSOCIATION

(Mr. GREGG asked and was given permission to address the House for 1 minute.)

Mr. GREGG. Mr. Speaker, I do not rise to praise Margaret Heckler, but for that matter, I do not rise to bury her, either. It appears that she has stepped on the sensibility of some of the individuals, the unelected individuals down at the White House. She has been, according to them, unloyal or disloyal, and for this, she must be burned at the stake, or at the minimum, at least sent to Ireland.

It seems to me that this is a very serious situation. What is the cause of her disloyalty? What are the elements of this disloyalty?

Well, she sought counsel on advice first from ALAN SIMPSON, who I believe is the Republican whip of the U.S. Senate, clearly a threat to Republican principles; and second, she sought counsel from my own beloved TRENT LOTT, someone who obviously must be a threat to conservative concerns.

Really, to the people at the White House, I say, if we must return to guilt by association, let us delete from the list at least those Members of our party who lead our party in the two Houses of Congress.

TRADE POLICY

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, last week, the President released his trade policy action plan. We, in Congress, have been anxiously awaiting his views on concrete steps that need to be taken to ameliorate America's trade crisis.

Unfortunately, the President's statement falls far short of what is necessary. The President asks us to crack walnuts without teeth.

It is the responsibility of Congress to tackle the No. 1 cause of our huge trade deficit. And that is to reduce the budget deficit so as to reduce the value of the dollar.

But it is clearly the responsibility of the President to tackle head on an equally imposing obstacle to U.S. exports—that is, unfair trading practices. I commend the President for initiating and accelerating a few trade cases falling under the 301 provisions. But we need more action and results. The time has past for a "strike force" to "identify" unfair trade practices. There is no shortage of information or complaints from our exporters on the difficulties they encounter overseas. In fact, I'm sure every Member of Congress would be happy to ship their constituents' complaints to the strike force. We are spending way too much time identifying, monitoring, and reporting on unfair trade practices. Let's get a track record going so that this time next year, we will see results.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FRANK). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules and on the question of agreeing to the resolution on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on tomorrow, October 1, 1985.

FEDERAL EMPLOYEES BENEFITS IMPROVEMENT ACT OF 1985

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3384), to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the employees health benefits fund; to make miscellaneous amendments relating to the civil service retirement system and the Federal Employees Health Benefits Program; and for other purposes, as amended.

The Clerk read as follows:

H.R. 3384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Federal Employees Benefits Improvement Act of 1985".

SEC. 2. PROVISIONS RELATING TO FEDERAL EMPLOYEE HEALTH BENEFITS.

(a) AUTHORITY TO REFUND CERTAIN CONTRIBUTIONS TO ENROLLEES.—(1) The last sentence of section 8909(b) of title 5, United States Code, is amended by striking out "employees" and inserting in lieu thereof "enrollees".

(2) The amendment made by this subsection shall become effective on the date of the enactment of this Act.

(b) REPEAL OF 75 PERCENT MAXIMUM IN GOVERNMENT CONTRIBUTIONS.—(1) Section 8906(b)(2) of title 5, United States Code, is amended by striking out "75 percent" and inserting in lieu thereof "100 percent".

(2) The amendment made by this subsection shall be effective with respect to con-

tracts entered into or renewed for calendar years beginning after December 31, 1987.

(c) HEALTH SERVICES FOR MEDICALLY UNDERSERVED POPULATIONS.—(1) Section 3 of Public Law 95-368 (92 Stat. 606; 5 U.S.C. 8902 note) is amended by striking out "after December 31, 1984." and inserting in lieu thereof "after December 31, 1984, and before January 1, 1986.".

(2) Section 8902(m)(2)(A) of title 5, United States Code, is amended by adding at the end thereof the following: "This paragraph shall apply with respect to a health practitioner covered by subsection (k)(2) of this section irrespective of whether the contract involved contains the requirement described in clause (i) of such subsection (k)(2).".

(d) ELIMINATION OF REQUIREMENT OF THREE MEDICAL SPECIALTIES FOR GROUP-PRACTICE PREPAYMENT PLANS.—(1) The second sentence of section 8903(4)(A) of title 5, United States Code, is amended to read as follows: "The group shall include at least 3 physicians who receive all or a substantial part of their professional income from the prepaid funds and who represent 1 or more medical specialties appropriate and necessary for the population proposed to be served by the plan.".

(2) The amendment made by this subsection shall become effective on the date of the enactment of this Act.

(e) STUDY.—(1) The Office of Personnel Management shall study and, before March 1, 1986, submit a written report to the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Governmental Affairs of the Senate with respect to—

(A) the adequacy of any sources or methods currently provided under chapter 89 of title 5, United States Code, to assist individuals in making informed decisions concerning the choice of a health benefits plan under such chapter and the use of benefits available under any such plan; and

(B) extending section 8902(k)(1) of title 5, United States Code, as amended by this Act, to cover health practitioners (such as nurse-midwives, nurse practitioners, and clinical social workers) not currently covered thereunder.

(2) Included under subparagraph (A) of paragraph (1) shall be—

(A) an assessment of the adequacy of the sources and methods referred to in such subparagraph in advising individuals with respect to the coordination of benefits under chapter 89 of title 5, United States Code, with benefits available under other health insurance programs established by or under Federal law, particularly title XVIII of the Social Security Act; and

(B) recommendations for any legislation or administrative action which the Office considers necessary in order to improve the effectiveness of any such sources or methods.

(f) ANNUAL OPEN SEASON.—(1) Section 8905(f) of title 5, United States Code, is amended to read as follows:

"(f)(1) The Office shall prescribe regulations under which, before the start of any contract term in which—

"(A) an adjustment is made in any of the rates charged or benefits provided under a health benefits plan described by section 8903 of this title;

"(B) a newly approved health benefits plan is offered; or

"(C) an existing plan is terminated;

a period of not less than 3 weeks shall be provided during which any employee, annuitant, or former spouse enrolled in a health benefits plan described by such section shall be permitted either to transfer that individual's enrollment to another such plan or to cancel such enrollment.

"(2) In addition to any opportunity afforded under paragraph (1) of this subsection, an employee, annuitant, or former spouse enrolled in a health benefits plan under this chapter shall be permitted to transfer that individual's enrollment to another such plan, or to cancel such enrollment, at such other times and subject to such conditions as the Office may by regulation prescribe.".

(2) The amendment made by this subsection shall be effective with respect to contracts entered into or renewed for calendar years beginning after December 31, 1986.

(g) PAYMENTS FOR CERTAIN HEALTH PRACTITIONERS.—(1) Section 8902(k) of title 5, United States Code, is amended—

(A) by striking out "(k)" and inserting in lieu thereof "(k)(1)";

(B) by striking out the last sentence; and

(C) by inserting at the end thereof the following:

"(2)(A) When a contract under this chapter requires payment or reimbursement for services which may be performed by a qualified clinical social worker, an employee, annuitant, family member, or former spouse coverted by the contract shall be entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed. As a condition for the payment or reimbursement, the contract—

"(i) may require that the services be performed pursuant to a referral by a psychiatrist; but

"(ii) may not require that the services be performed under the supervision of a psychiatrist or other health practitioner.

"(B) For the purpose of this paragraph, 'qualified clinical social worker' means an individual—

"(i) who is licensed or certified as a clinical social worker by the State in which such individual practices; or

"(ii) who, if such State does not provide for the licensing or certification of clinical social workers—

"(I) is certified by a national professional organization offering certification of clinical social workers; or

"(II) meets equivalent requirements (as prescribed by the Office).

"(3) The provisions of this subsection shall not apply to group practice prepayment plans.".

(2) The amendments made by this subsection shall be effective with respect to contracts entered into or renewed for calendar years beginning after December 31, 1986.

(h) SENSE OF CONGRESS.—(1) The Congress finds that—

(A) the treatment of mental illness, alcoholism, and drug addiction are basic health care services which are needed by approximately 40 million Americans each year;

(B) mental illness, alcoholism, and drug addiction are increasingly treatable;

(C) timely and appropriate treatment of mental illness, alcoholism, and drug addiction is cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

(D) mental illness is a problem of grave concern in this country, though one which is widely but unnecessarily feared and misunderstood.

(2) It is the sense of the Congress—

(A) that participants in the Federal employees health benefits program should receive adequate insurance coverage for treatment of mental illness, alcoholism, and drug addiction; and

(B) that the Office of Personnel Management should encourage participating plans to provide adequate benefits relating to treatment of mental illness, alcoholism, and drug addiction (including benefits relating to coverage for inpatient and outpatient treatment and catastrophic protection benefits).

SEC. 3. PROVISIONS RELATING TO CIVIL SERVICE RETIREMENT.

(a) Section 4(a) of the Civil Service Retirement Spouse Equity Act of 1984 is amended—

(1) in paragraph (1), by inserting "paragraphs (3), (4), and (5) and" before "subsections (b) and (c),"; and

(2) by adding at the end thereof the following:

"(3) The amendments made by subparagraphs (B)(iii) and (C)(ii) of section 2(4) of this Act (relating to the termination of survivor benefits for a widow or widower who remarries before age 55) and the amendments made by subparagraph (F) of such section 2(4) (relating to the restoration of a survivor annuity upon the dissolution of such a remarriage) shall apply—

"(A) in the case of a remarriage occurring on or after the date of the enactment of this Act; and

"(B) with respect to periods beginning on or after such date.

"(4) The amendment made by section 2(3)(A) of this Act (but only to the extent that it amends title 5, United States Code, by adding a new section 8339(j)(5)(C)) and the amendment made by section 2(3)(C) of this Act (which relate to the election of a survivor annuity for a spouse in the case of a post-retirement marriage or remarriage) shall apply—

"(i) to an employee or Member who retires before, on, or after the 180th day after the date of the enactment of this Act;

"(ii) in the case of a marriage occurring after the 180th day after the date of the enactment of this Act.

Neither of the amendments referred to in the preceding sentence shall apply—

"(I) to an employee or Member retiring before May 7, 1985;

"(II) in the case of a marriage occurring after May 6, 1985, and before the date of the enactment of the Federal Employees Benefits Improvement Act of 1985.

Any election by an employee or Member described in subclause (I) to provide a survivor annuity for that individual's spouse by a marriage described in subclause (II) shall be effective if made in accordance with the applicable provisions of section 8339(j)(1) or 8339(k)(2) of title 5, United States Code, as the case may be, and as in effect on May 6, 1985.

"(5) The amendment made by section 2(4)(A) of this Act (relating to the definition of a widow or widower) and the amendment made by section 2(4)(G) of this Act (but only to the extent that it amends title 5, United States Code, by adding a new section 8341(i)) shall apply with respect to any marriage occurring on or after the 180 day after the date of the enactment of this Act.".

(b)(1) Section 4(b)(4) of the Civil Service Retirement Spouse Equity Act of 1984 is amended in the matter before subparagraph (A) by striking out "Member," and inserting in lieu thereof "Member (or of that portion of the annuity which such employee or Member may have designated for this pur-

pose under paragraph (1)(A) of this subsection),".

(2)(A) An election under subparagraph (A) of section 4(b)(1) of the Civil Service Retirement Spouse Equity Act of 1984 may be made before the expiration of the 12-month period beginning on the date as of which the regulations under subparagraph (C) of this paragraph first take effect, notwithstanding the time limitation set forth in such subparagraph (A).

(B) Any retired employee or Member who has made an election under section 4(b)(1)(A) of the Civil Service Retirement Spouse Equity Act of 1984 (as in effect at the time of such election) before the regulations under subparagraph (C) of this paragraph become effective may modify such election by designating, in writing, that only a portion of such employee or Member's annuity is to be used as the base for the survivor annuity for the former spouse for whom the election was made. A modification under this subparagraph shall be subject to the deadline under subparagraph (A) of this paragraph.

(C) The Office of Personnel Management shall prescribe regulations to carry out this subsection, including regulations under which an appropriate refund shall be made in the case of a modification under subparagraph (B) of this paragraph.

(c)(1) The first sentence of section 4(f) of the Civil Service Retirement Spouse Equity Act of 1984 is amended to read as follows: "Any individual—

"(1) who is entitled to a survivor annuity subsection (b) of this section,

"(2) as to whom a court order or decree referred to in section 8345(j) of title 5, United States Code (or similar provision of law under a retirement system for Government employees other than the Civil Service Retirement System) has been issued before the 180th day after the date of the enactment of this Act, or

"(3) who is entitled (other than as described in paragraph (2)) to an annuity or any portion of an annuity as a former spouse under a retirement system for Government employees as of such 180th day,

shall be considered to have satisfied section 8901(10)(C) of title 5, United States Code, as amended by this Act.".

(2) The second sentence of such section is amended by inserting ", within 12 months after the date of the enactment of the Federal Employees Benefits Improvement Act of 1985," before "enroll".

(d) Section 4(a)(1) of the Civil Service Retirement Spouse Equity Act of 1984 is further amended—

(1) by inserting "(A)" after "shall apply"; and

(2) by striking out "Code." and inserting in lieu thereof "Code, and (B) to any individual who, as of such effective date, is married to a retired employee or Member, unless (i) such employee or Member has waived, under the first sentence of section 8339(j)(1) of such title (or a similar prior provision of law), the right of that individual's spouse to receive a survivor annuity, or (ii) in the case of a post-retirement marriage or remarriage, an election has not been made before such effective date by such employee or Member with respect to such individual under the applicable provisions of section 8339(j)(1) or 8339(k)(2) of such title, as the case may be (or a similar prior provision of law).".

(e)(1) Section 8339(j)(5)(C) of title 5, United States Code, is amended by adding at the end thereof the following:

"(v) An election to provide a survivor annuity to a person under this subparagraph—

"(I) shall prospectively void any election made by the employee or Member under subsection (k)(1) of this section with respect to such person; or

"(II) shall, if an election was made by the employee or Member under such subsection (k)(1) with respect to a different person, prospectively void such election if appropriate written application is made by such employee or Member at the time of making the election under this subparagraph.

"(vi) The deposit provisions of clauses (ii) and (iii) of this subparagraph shall not apply if—

"(I) the employee or Member makes an election under this subparagraph after having made an election under subsection (k)(1) of this section; and

"(II) the election under such subsection (k)(1) becomes void under clause (v) of this subparagraph.".

(2)(A) Section 8339(k)(1) of title 5, United States Code, is amended by adding at the end thereof the following: "In the case of a married employee or Member, an election under this paragraph on behalf of the spouse may be made only if any right of such spouse to a survivor annuity based on the service of such employee or Member is waived in accordance with subsection (j)(1) of this section.".

(B)(i) Section 8339(k)(2)(B)(i) of such title is amended to read as follows:

"(B)(i) The election and reduction shall take effect the first day of the first month beginning after the expiration of the 9-month period beginning on the date of marriage. Any such election to provide a survivor annuity for a person—

"(I) shall prospectively void any election made by the employee or Member under paragraph (1) of this subsection with respect to such person; or

"(II) shall, if an election was made by the employee or Member under such paragraph with respect to a different person, prospectively void such election if appropriate written application is made by such employee or Member at the time of making the election under this paragraph.".

(ii)(I) Subparagraph (B)(ii) of section 8339(k)(2) of such title is amended by striking out "(other than an employee or Member who made a previous election under paragrpah (1) of this subsection)".

(II) Such section 8339(k)(2) is further amended by adding at the end thereof the following:

"(D) Subparagraphs (B)(ii) and (C) of this paragraph shall not apply if—

"(i) the employee or Member makes an election under this paragraph after having made an election under paragraph (1) of this subsection; and

"(ii) the election under such paragraph (1) becomes void under subparagraph (B)(i) of this paragraph.".

(3) The amendments made by this subsection shall take effect as of the 180th day after the date of the enactment of the Civil Service Retirement Spouse Equity Act of 1984.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House will consider H.R. 3384, "The Federal Employees Benefits Improvement Act of 1985." This legislation will amend and improve the Federal Employees Health Benefits Program [FEHBP] and the Civil Service Retirement System.

H.R. 3384 was reported September 26, 1985, by the Committee on Post Office and Civil Service by a unanimous vote of 20 to 0. The bill enjoys widespread, bipartisan support by my colleagues in Congress, Federal employee organizations, mental health advocacy groups, and health care providers.

I am gratified that all of the members of the Subcommittee on Compensation and Employee Benefits, which I chair, are cosponsors of H.R. 3384, as are Representatives BARNES, FAZIO, HORTON, HOYER, MOAKLEY, SCHROEDER, SIKORSKI, and WOLF. I am especially pleased with the cooperation and support in developing this legislation that I received from the members of the subcommittee, Mr. SOLARZ, Mr. LELAND, Mr. MYERS of Indiana, and Mr. YOUNG of Alaska. I firmly believe that the bipartisan support for H.R. 3384 is an indication of the important need for the reforms it mandates.

Over the past few years, the Subcommittee on Compensation and Employee Benefits has conducted extensive hearings on the FEHBP. Numerous provisions of H.R. 3384 to improve the FEHBP were the subject of much discussion and favorable testimony during those hearings. The remainder of the legislation sets forth a series of technical amendments to Public Law 98-615, which was enacted last year to provide retirement equity for former spouses of civil service retirees.

Eight provisions in the bill relate to the Federal Employees Health Benefits Program. The first provision will enable retired enrollees in the FEHBP to receive rebates which will be offered by 11 plans in the program. This change will benefit hundreds of thousands of Federal retirees, who, like active employees, are entitled to refunds on their health insurance premiums due to the excess reserves that have accumulated in the program. It is my hope that the refunds will be made to the enrollees as soon as possible, and that the plans will expedite the distribution of the rebates.

The second provision permanently repeals the 75-percent limitation on

the Government's contribution toward the FEHBP premium. Earlier this month, the Post Office and Civil Service Committee included a 2-year suspension of the 75-percent cap in its reconciliation recommendations. By allowing for the full Government contribution, this provision should lower the cost of health insurance for more than 1 million FEHBP subscribers. This reform has a history of strong support by the administration, the health insurance carriers, and Federal employee organizations.

The third provision in the bill reinstates the authority for FEHBP payments to nonmedical health providers in medically underserved areas. This authority expired on January 1 of this year, and is now badly needed in areas where there are insufficient physicians to meet Federal workers' health needs.

Fourth, this legislation eliminates the requirement that prepaid FEHBP plans, or health maintenance organizations [HMO's], employ physicians representing three medical specialties. Originally, this requirement was designed to assure the availability of a range of health services in each HMO. Today, however, it effectively precludes the development of family practice HMO's and other group providers who seek to serve their community's general health needs, instead of going into a narrower, more specialized practice. H.R. 3384 would replace this provision with a more realistic requirement that comprehensive plans include at least three physicians who represent one or more medical specialties appropriate and necessary for their enrollees.

The fifth provision of this bill requires the Office of Personnel Management to undertake a study of two aspects of the FEHBP. First, OPM will assess the adequacy of information services provided to FEHBP subscribers. With the numerous choices in FEHBP plans available to subscribers, it is essential that they have adequate information to make intelligent decisions. The flood of inquiries into congressional offices alone suggests that Federal workers and retirees would benefit greatly from improved information about their health plans, both before open season and during the contract year.

H.R. 3384 directs the OPM to examine specifically the coordination of coverage for individuals enrolled both in FEHBP and Medicare or other Federal health programs. In this area especially, adequate information is essential if enrollees are to take full advantage of the health coverage they buy. Second, OPM will study and make recommendations to the Congress on requiring direct reimbursement of nonphysician health practitioners, including clinical social workers, nurse midwives, nurse practitioners, chiropractors, and others, for health services covered under FEHBP plans. OPM must report its findings on both portions of the study to Congress by March 1, 1986.

The sixth provision requires the OPM to conduct an open season before the start of any contract year in which a new health benefits plan is offered or an existing plan changes its rates or coverage or terminates participation in the program. Such a requirement will protect FEHBP enrollees by ensuring that when there are changes in the program, they will have an opportunity to review their insurance needs and to make informed choices about their coverage.

The seventh section of H.R. 3384 provides that FEHBP plans may require referral by a psychiatrist as a condition for reimbursement of clinical social workers for covered services provided to enrollees. Plans may not, however, require physician supervision as a condition for reimbursement.

The final provision relating to the FEHBP expresses the sense of the Congress that sufficient coverage for mental health and substance abuse treatment be available to FEHBP subscribers. Our Federal workers deserve adequate insurance coverage for the treatment of these health conditions and should not have to suffer with less simply because mental illness is perceived to be "stigmatized."

In the area of civil service retirement, H.R. 3384 makes six technical changes in the "Civil Service Retirement Spouse Equity Act of 1984," Public Law 98-615, which provided for survivor retirement benefits to former spouses of Federal workers. Technical corrections in this bill will clarify congressional intent in that law.

A number of provisions apply to Federal employees, retirees, and surviving spouses who were unintentionally excluded from the provisions of Public Law 98-615. Another provision will clarify conditions for participation of former spouses in the Federal Employees Health Benefits Program. The bill also clarifies congressional intent with regard to electing an insurable interest for former spouses and others.

In summary, Mr. Speaker, I would like to thank once again the members of my subcommittee and the other cosponsors of this bill for their endorsement and their continuing, tireless efforts to assist Federal workers and retirees. H.R. 3384 incorporates positive changes to improve the Federal Health Insurance and Retirement Programs for the benefit of all Federal workers and retirees. I urge my colleagues to vote for this legislation.

□ 1225

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3384, the Federal Employees Benefits Improvements Act of 1985, and urge that the House suspend the rules and approve this important legislation.

I am pleased to be a sponsor of this legislation, and want to point to the stropg support that it has received from both sides of the aisle.

This legislation is very timely, as we urgently need to enact legislation to facilitate health premium refunds for our retirees. Current law does not permit Federal retirees to participate in the rebates being offered to participants in 11 Federal health benefit plans. This legislation will allow retirees to receive these refunds.

The legislation contains a number of other important provisions.

I am especially pleased with the section which restores the use of nonphysician providers in medically underserved areas, such as Alaska. In many remote areas of my State, nurse practitioners and other nonphysician medical personnel are the only source of medical care. They provide vital services, and it is important that patients be able to employ them under the FEHBP.

The removal of the 75-percent cap on Government contribution to the FEHBP can act as a cost containment provision as well as a benefit improvement. The provision which mandates an annual open season for health benefit plans is also helpful.

With respect to former spouse benefits, the amendments in H.R. 3384 are consistent with the original intent of the legislation that the distinguished Chair of the subcommittee introduced last year and was enacted into law.

I want to acknowledge the hard work that has gone into this bill, both by the staff of the Post Office and Civil Service Committee, and that of the Office of Personnel Management. It is a pleasure to work in a legislative environment of compromise and concensus, where the goal of improving the operation of the Federal health benefit system is of primary importance.

Mr. Speaker, again I urge that the House suspend the rules and approve the Federal Employees Benefit Improvements Act of 1985.

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may use to conclude. What we are trying to do is offer an opportunity to reimburse the workers and the retirees because of the surplus in some of the reserve plans. We are also trying to add some reform at the same time to the health insurance plan.

We are going to take a look at who should be reimbursed which in the future I hope saves money for our Government, and at the same time provides the outstanding health care

that we hope is given to our workers, and we do also have some reform relative to spouse equity, and in making some changes that are more or less technical but will alleviate some of the burdens of some of the women.

Mr. VENTO. Will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman.

Mr. VENTO. I thank the gentlewoman for yielding to me and commend the subcommittee for the work that they are doing in terms of providing the rebates for retirees; as I understand by law they are not permitted to receive a rebate.

More importantly, to amplify the concerns with respect to providing adequate coverage for other types of health ailments; mental health and others, because often these can be very high cost to individuals that work in Federal employment, and certainly we ought to afford the best possible coverage that we can in these areas.

Just to point out in question form to the gentlewoman form Ohio [Ms. OAKAR], the able leader of the subcommittee: What is the cause of these rebates? My understanding was that a substantial amount of coverage to Federal employees was lost by administrative action in 1981. That is to say that benefits were cut.

The consequence, of course, also meant that the amount of coverage that the individual had therefore cost less, so that was a factor. The point is that these rebates will be a poor bargain for most Federal employees if, during this period of time over which the rebate might cover, for instance, they were subject to a coverage that was less if they had mental illness or for other types of coverage that was substantially reduced.

So I ask this more in the way of a question, but also to point out to the Members that these rebates may come at a significant cost to the individual Federal employees that now have less coverage than what they had prior to the 1981 administrative actions.

Ms. OAKAR. I think the gentleman is correct.

Mr. Speaker, we think there are several reasons for the cause of the reserves. One is certainly the fact that the benefits were cut and the premiums were raised in the last 3 years, and that is a factor.

Another factor is that it appears that Government workers are using their health insurance program somewhat more prudently, and there has been some cost containment that in my judgment, some of which did not hurt the Government workers, and that is a positive sign.

It is always helpful if we see that in fact we have more reserves than are necessary, and I think the only adequate, fair way to deal with the issue is to in fact reimburse people for the period of time, which will take place in 11 programs; some have different areas that they are going to deal with such as reducing the premium in the future, which will be a help to the Federal consumer.

The gentleman is correct, one of the difficulties was that, and of course the gentleman and I and others did fight those changes.

Mr. VENTO. Will the gentlewoman yield further?

Ms. OAKAR. I am happy to yield.

Mr. VENTO. I applaud the effects of competition. I applaud the fact that today Federal employees more than ever have more of a range of health care options, from group health care options to many others that are available and that there is more competition here, and that is good.

The fact is the policy path in terms of health care in the future that we should be following and that these insurance programs that we have at the national level should pursue, is that in which we deal with preventative health care, and to try to provide in fact to expand benefits so that more of the health care dollars will be spent on prevention and keeping people healthy rather than the catastrophic sort of events that often have been the focus of health care in the past.

That is to say the home health care type of treatment; preventative treatment such as flu shots and other things. In other words, by expanding coverage of these services, we become better consumers, and by doing so we hold down the overall cost and consequently there is not the sort of catastrophic events that have typified health insurance coverage in the past.

Again, I wanted to point this out, because especially the one element that you brought in, a large, expanding area of health coverage, mental health; and to go back on that in the end may cost us a lot more money.

I hope that they will seriously explore this good suggestion from the subcommittee with regard to that type of coverage.

I again thank the gentlewoman from Ohio [Ms. OAKAR] and thank her for her leadership.

Ms. OAKAR. I thank the gentleman, and suggest that he take a look at my Medicare reform bills that deal with prevention, because I believe strongly that that is one of the elements that can better serve consumers and at the same time save a lot of money.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 3384, the Federal Employees' Benefits Improvement Act of 1985. This legislation would amend and improve the health insurance and retirement programs for Federal employees. In order to insure that our Government employees are given the opportunity to benefit from an affordable and stable health plan, H.R. 3384 must be made into law.

In May 1985, hearings before the House Subcommittee on compensation and Employee Benefits dealt extensively with the accumulated excess reserves in the Federal Employees Health Benefits Program [FEHBP]. At the close of 1984, $1.9 billion—or three times the amount considered necessary to assure program stability—had accumulated in program reserve accounts. To draw down excess reserves, 11 carriers will offer rebates to subscribers during the 1986 contract year. However, current law does not allow for such payments to be made to Federal retirees. H.R. 3384 would amend current law to enable all FEHBP enrollees to be eligible for rebates.

In addition, other changes are necessary to improve the FEHBP in order for enrollees to benefit from a more affordable, stable program with a greater variety of choice. H.R. 3384 includes seven additional provisions to accomplish these changes. These provisions were the subject of extensive hearings in the 98th Congress.

With respect to retirement benefits, H.R. 3384 amends several provisions in Public Law 98–615, a law passed last year to provide for survivor retirement benefits to former spouses of Federal workers. The bill makes technical changes in the law to clarify congressional intent.

Therefore, this bill incorporates positive changes to improve the Federal Health Insurance and Retirement Programs for the benefit of all Federal workers and retirees. Accordingly, I urge my colleagues to support this legislation.

Mr. MATSUI. Mr. Speaker, I rise today to voice my strong support of H.R. 3384, the Federal Employees Benefits Improvement Act. This bill, unanimously passed out of the Post Office and Civil Service Subcommittee on Compensation and Employee Benefits, merits the support of the entire House.

For a variety of reasons, including shorter hospital stays, more outpatient care and more attention to preventive health care, revenues from Federal health care program premiums have outstripped health care expenditures. By the end of 1984 the Federal Employees Health Benefits Program [FEHBP] reserve accounts had accumulated a $1.9 billion surplus. Currently, 11 FEHBP providers are in the process of offering refunds to their subscribers. However, a technicality prevents payments to deserving Federal retirees. The law needs to be changed and a vote in favor of this bill will rectify this unfair situation by making all enrollees, including Federal retirees, eligible to receive refunds.

This legislation will also repeal the 75-percent cap on the Federal Government's contribution toward an enrollee's FEHBP premium. This adjustment, permitting up to a 100-percent contribution, would take effect beginning in 1988. The FEHBP would also be permitted to reimburse enrollees for health care they receive in medically underserved areas from nonphysicians.

As a member of the House Select Committee on Narcotics Abuse and Control, I

am well aware of the physical and mental health aspects of substance abuse. That is why I am especially pleased that the Federal Employees Health Benefits Improvement Act also expresses the sense of Congress that sufficient coverage for mental health and substance abuse be made available through the FEHBP.

I commend Representative OAKAR for her outstanding leadership in bringing this important legislation before the House of Representatives. I encourage all of my colleagues to support this important legislation.

Ms. OAKAR. Mr. Speaker, I have no further requests for time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and pass the bill, H.R. 3384, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on and include extraneous material on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

ALLEGHENY PORTAGE RAILROAD NATIONAL HISTORIC SITE AND JOHNSTOWN FLOOD NATIONAL MEMORIAL

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1963) to increase the development ceiling at Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania, and for other purposes and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambria County Library Building, Pennsylvania, as amended.

The Clerk read as follows:

H.R. 1963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS FOR HISTORIC SITE AND NATIONAL MEMORIAL.

Section 5 of the Act of August 31, 1964 (78 Stat. 752), is amended by inserting "(a)" after "SEC. 5." and adding the following new subsection at the end thereof:

"(b) In addition to such sums as may have been authorized for development prior to the enactment of this subsection, effective October 1, 1986, there is authorized to be appropriated not to exceed $9,800,000 for the purposes of development at both Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial.".

SEC. 2. JOHNSTOWN FLOOD MUSEUM AGREEMENT.

Section 4 of the Act of August 31, 1964 (78 Stat. 752), is amended by inserting "(a)" after "SEC. 4." and by adding the following new subsection at the end thereof:

"(b) In furtherane of the purposes of this Act, the Secretary of the Interior is authorized to enter into an agreement with the Johnstown Flood Museum Association, pursuant to which the Secretary may—

"(1) provide technical assistance to mark, restore, interpret, operate, and maintain the Johnstown Flood Museum, and

"(2) with funds appropriated specifically for the purpose, provide financial assistance to mark, restore, interpret, operate, and maintain the museum.

No Federal funds may be used to provide financial assistance to the Johnstown Flood Museum Association until the agreement referred to in this subsection has been executed. Financial assistance under paragraph (2) shall not cover more than 50 percent of the costs described in paragraph (2). The remaining share of such costs shall be provided from non-Federal funds, services, or materials, or any combination thereof. The Secretary may also accept the donation of the building and collection owned by the Johnstown Flood Museum Association and the parcel of land on which such building is situated. Following acceptance by the Secretary, such parcel shall be included within the boundary of the Johnstown Flood National Memorial without regard to any acreage limitations set forth in any other provision of law.

The SPEAKER pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1963 was introduced by our colleague JOHN MURTHA. The purpose of the legislation is to allow for a raise of $9,800,000 in the combined development ceiling of the Allegheny Portage Railroad National Historic Site and the Johnstown Flood National Memorial. Additionally, the legislation authorizes the Secretary of the Interior to enter into a cooperative agreement with the Johnstown Flood Museum Association to provide technical and financial assistance to the Johnstown Flood Museum.

The Allegheny Portage and Johnstown flood sites, both located in Cambria County, PA, were authorized by Congress in 1964. While the sites are geographically close, they commemorate and interpret two distinct events in our American past.

The Allegheny Portage Railroad constructed between 1831 and 1834, was an engineering wonder of its day. To transport machines and freight up and over the 2,291 foot point in the Allegheny Mountains, the Portage system used a series of 10 inclined planes that functioned as stairs up the mountain. As the first railroad crossing of the Allegheny Mountains, the Portage system was important to early westward expansion.

The Johnstown Flood National Memorial is located at the remains of the South Fork earthen dam, which broke in May 1889 triggering the Johnstown flood. The flood destroyed the city of Johnstown and claimed some 2,200 lives. The Johnstown flood was the major news event of the period, rallying an outpouring of aid and humanitarian assistance unmatched since the Civil War.

The increase in development authority as authorized will permit the National Park Service to undertake park development projects contained in the 1980 general management plan for these two park units. These projects include construction of a visitor center for the Johnstown Memorial; rehabilitation of the historic Lemon House at Allegheny portage for visitor and administrative use; stabilization of historic structures; and trail and road upgrading. As reported by the committee, the new development ceiling is effective October 1, 1986.

H.R. 1963 also authorizes the Secretary of the Interior to enter into a cooperative agreement to provide technical and financial assistance to the Johnstown Flood Museum. Housed in the historic Cambria County Library Building, the nonprofit Johnstown Flood Museum has what is considered the most extensive collection in existence of photos and documents relating to the flood. The authorization for the cooperative agreement is designed to further the availability of the museum collection to the park visitor, so as to enhance the visitor's understanding of this tragic historical event. Financial assistance to the museum is subject to a specific appropriation. Further, the bill, as amended, limits any Federal contribution made to the museum to not more than 50 percent of the museum's operation and maintenance costs.

Mr. Speaker, I want to commend my colleague Representative MURTHA, for his initiative in introducing H.R. 1963 and for his help in moving the legislation forward. The gentleman from Pennsylvania is not only a strong supporter of the Allegheny portage and Johnstown flood sites, but of the entire National Park System as well.

H.R. 1963, as amended, is a worthy proposal to further the development and management of these two park units. I urge the legislation's adoption.

□ 1235

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to briefly comment on H.R. 1963. As you know, this bill would authorize a $9.8 million increase in the development ceiling for the Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania.

As the ranking Republican of the National Parks and Recreation Subcommittee, I am in basic agreement with this legislation and believe it represents the intent of Congress when these Park Service units were authorized in 1964. At that time, the development ceiling was set at $2 million and has been subsequently increased to $6 million. Although only approximately $1.7 million has been appropriated and expended on these units—leaving a ceiling of about $4 million—it is my understanding that Representative MURTHA, the bill's author, intends to seek appropriations exceeding this level in fiscal year 1986 for the construction of a visitor's center and entrance road improvements. The projects proposed to be funded under the increased development ceiling are all contained in the 1980 general management plan by the National Park Service.

This bill also authorizes the Park Service to provide technical and financial assistance to the Johnstown Flood Museum Association for the purposes of interpretation, operation and maintenance of the museum. While, I am concerned about this provision in view of the current fiscal condition of our Nation, I want to commend the chairman of our subcommittee for his amendments which, I believe, make this provision more acceptable. The amendments require that no financial assistance may be provided to the museum until the cooperative agreement between the Park Service and the Johnstown Flood Museum Association is executed; Federal funds may not cover more than 50 percent of the costs; and the remaining share of the costs must be provided by the private sector. While passage of this legislation will result in the expenditure of future Federal funds for operation and maintenance of the museum, I believe the chairman's amendments will insure that the funding will be minimal.

Mr. Speaker, as you know, the Alleghency Portage Railroad National Historic Site and the Johnstown Flood National Memorial serve to commemorate two important historical events in our Nation's history—the first crossing of the Allegheny Mountains which connected the East with the West, and the tragic Johnstown flood of 1889 which, in providing aid to the victims, brought the North and South together in a spirit of unity for the first time since the Civil War. I think it is entirely appropriate that the Park Service develop and interpret these important historic sites which was the intent of Congress when the units were established 21 years ago. H.R. 1963 would assist in this effort by providing the necessary funding authorizations to implement the Park Service plans.

The National Parks and Recreation Subcommittee held a hearing on H.R. 1963 on July 16 and recommended the bill to the full committee, as amended, on September 12. The Interior Committee favorably reported the bill to the House, as amended, by voice vote on September 17. I urge all of my colleagues to support this legislation.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman for his support and participation in developing the amendments to this bill. It is important, I think, too, to note that 20 years ago there was a commitment made in terms of the designation of these two distinct sites, and now we are down the road 20 years and it is time to move forward so that we fulfill the promise in terms of serving the public that might visit these sites. There are two distinct structures here. The authorization of the Johnstown area for the administration building is not adequate to complete that, much less to begin on the historic preservation of the Lemon House and other historic structures at the Allegheny Portage site. So it is fine to put these things into the park system, but I think at some point we have to move forward.

The gentleman from Pennsylvania [Mr. MURTHA] has been very cooperative in working with us in the National Park System. I am hopeful that he will be successful in winning approval of these funds so that they can finally realize the potential which existed when these sites were designated so many years ago.

Mr. Speaker, I appreciate the gentleman's support for this. I wanted to point out those facts.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1963, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2451

Mr. SMITH of Florida. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2451.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1409, MILITARY CONSTRUCTION AUTHORIZATION ACT, 1986

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 196 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 196

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1409) to authorize certain construction at military installations for fiscal year 1986, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto

to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of the bill H.R. 1409, it shall be in order to take from the Speaker's table the bill S. 1042 and to consider said bill in the House. It shall then be in order (1) to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 1409 as passed by the House, and (2) to move to insist on the House amendment to the said Senate bill and to request a conference with the Senate thereon.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 196 is an open rule providing for the consideration of H.R. 1409, the Military Construction Authorization Act for fiscal 1986.

The rule provides for two hours of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services.

The rule makes in order the committee amendment in the nature of a substitute now printed in the bill as original text for the purpose of amendment under the 5-minute rule. To expedite consideration, the rule provides that the substitute shall be considered by titles, instead of by sections, and each title shall be considered as read.

There is also one motion to recommit with or without instructions.

After the passage of H.R. 1409, the rule provides for the consideration of S. 1042 in the House. It shall then be in order to move to strike the Senate language and to insert the provisions of H.R. 1409 as passed by the House. It shall further be in order to move to insist on the House amendment and to request a conference with the other body.

Mr. Speaker, H.R. 1409 authorizes about $9.5 billion for fiscal 1986 for construction activities at military facilities both in the United States and overseas. This amount is about $762 million below the requested level.

Included in the bill is $21.9 million in authorization for six projects at Wright-Patterson Air Force Base. The largest project is a $12.8 millon addition to the Air Force Institute of Technology [AFIT], which offers graduate and professional continuing education programs to over 11,000 students each year. AFIT students are being trained to become the designers of the next generation of weapons systems, the builders of future Air Force bases, and the managers of advanced logistics systems. AFIT's programs are specially designed to meet the unique educational requirements of tomorrow's Air Force, and are not offered at other institutions. It is no exaggeration to say that the ability of the Air Force to fulfill its mission in the future depends heavily upon the quality of education offered at AFIT today.

Mr. Speaker, I am not aware of any opposition to this open rule on H.R. 1409, and I would urge my colleagues to adopt it.

□ 1250

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are no problems in this rule. It is a completely open rule. There are no waivers of points of order. The rule even provides 2 hours of general debate, which should be more than sufficient to discuss the bill.

Mr. Speaker, this bill authorizes $9.55 billion for military construction, which is $759 million less than originally requested by the administration.

However, at the time of the Rules Committee meeting, the Office of Management and Budget sent a policy statement supporting the levels in this bill. This bill is consistent with the compromise deficit reduction agreement approved by the other body.

I might say, Mr. Speaker, that the administration will, however, work in conference to have certain provisions of the bill modified to more closely conform to the details of its request.

Mr. Speaker, if we are going to have a military, then we have got to have the structures to support it. This bill provides that necessary support.

I have no requests for time, and I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1787, EXPORT-IMPORT BANK ACT OF 1945 AMENDMENTS

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 192 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 192

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1787) to amend the Export-Import Bank Act of 1945, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 192 is an open rule which provides for the consideration of H.R. 1787, the Export-Import Bank Act Amendments of 1985. The rule provides for 1 hour of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs. The rule also makes in order the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs as an original bill for the purpose of amendment. Finally, Mr. Speaker, the rule makes in order one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1787 authorizes appropriations for the Export-Import Bank through fiscal year 1987. The provisions of the bill will be fully detailed by the members of the Banking Committee. I would like to take this opportunity, however, to congratulate the members of the Committee on Banking, Finance and Urban Affairs for their work on this bill.

The Banking Committee took responsible fiscal action during their deliberations on this measure to lower the cap on the Direct Loan Program of the Export-Import Bank by some $1.5 billion. The new cap, $2.36 billion, is well below the level assumed in the House budget resolution and will result in a reduction of the deficit in fiscal year 1986 of some $100 million. I hope this responsible committee action will set a standard for subsequent action by the other authorizing committees of the House.

In conclusion, Mr. Speaker, I would also note that the Committee on Rules is aware of the interest on the part of some Members in offering amendments to the bill to either substitute the administration's interest subsidy "I-Match" Program in place of the existing Direct Loan Program, or implement some type of demonstration program along those lines. Any such amendments, assuming they comply with the rules of the House, will be in order when this bill is considered.

Mr. Speaker, this is a very simple, straightforward rule. It contains no waivers of points of order and will allow full and open consideration of this important legislation. I urge adoption of the rule.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Ohio has already indicated, this is an open rule, providing for 1 hour of general debate.

The rule is very noncontroversial. But let me just say something about this bill, that there is some opposition to this legislation. The bill that this rule makes in order, H.R. 1787, extends the authority of the Export-Import Bank to enter into new loan and guarantee commitments from September 30, 1986, through September 30, 1987.

It prohibits the direct subsidy payments to commercial lenders and limits direct loans in fiscal year 1986 to $2.36 billion.

The bill would also permit an Export-Import Bank director whose term has expired to serve until a successor is named.

The minority filed minority views on this matter. They believe that the administration should be encouraged in its efforts to place greater constraints on the amounts and types of financing subsidies extended to U.S. exporters, since we are faced with some record budget deficits.

In this regard, they state that a majority of the minority members on the committee support the administration proposal to establish an interest subsidy program, which will enable the Eximbank to continue to meet foreign official subsidized competition.

They also support further reduction in the Exim direct credit loan ceiling.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and if the gentleman from Ohio [Mr. LATTA] does not have any, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REQUEST TO AUTHORIZE THE SPEAKER PRO TEMPORE TO DECLARE RECESS UNTIL 1:30 P.M. TODAY

Mr. HALL of Ohio. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker pro tempore to declare a recess until 1:30 p.m. today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. SENSENBRENNER. Mr. Speaker, reserving the right to object, I would ask the gentleman from Ohio to explain what is the nature of this request, which is somewhat unusual on a day when we have little legislative business.

Mr. HALL of Ohio. Apparently, Mr. Speaker, if the gentleman will yield so I may respond to the question, it is to give the Ways and Means Committee some time to get their report and their act together on the tobacco bill that is going to be before us.

Mr. SENSENBRENNER. Mr. Speaker, further reserving the right to object, I see the chairman of the Ways and Means Committee, the gentleman from Illinois, present in the Chamber, and I would be happy to yield to him for an explanation of what bills he intends to bring to the floor without notice.

Mr. ROSTENKOWSKI. If the gentleman from Wisconsin will yield, as the gentleman is aware, there is going to be considered, I hope by unanimous consent, the Emergency Extension Act, which includes the extension of the cigarette tax, the borrowing authority on railroad retirement unemployment insurance, the trade adjustment assistance authority, and the Medicare hospital and physician reimbursement rule.

These are all measures that are expiring tonight. The bill was approved by unanimous vote of the members of the Ways and Means Committee. It is my hope to consider this measure extending the present law for 45 days. And the reason I have requested the recess is, the minority has not yet arrived, and I was under the impression that we would meet in the Committee on Ways and Means and then come over to deliberate on this. However, I understand that time to discuss this issue with the committee has elapsed.

Mr. SENSENBRENNER. Further reserving the right to object, is it the intention of the majority to bring up the bill extending the present dairy program as well?

Mr. ROSTENKOWSKI. I defer to the House leadership on that question. But it is my understanding that if they can, they will.

Mr. SENSENBRENNER. Further reserving the right to object, as the gentleman from Ohio knows, I would be very interested in that as well. I think with the adjustment of the schedule that seems to be developing here on the floor, the Members should have as much notice as possible on precisely what is to be brought up. I have no objection to the gentleman from Illinois bringing the Ways and Means bill up, but I am wondering if this is going to be a never-ending panoply of bills that have to be passed because some program expires at midnight tonight.

I would yield to the gentleman from Ohio if he could shed some further light on this subject.

Mr. HALL of Ohio. Mr. Speaker, on these days, on Monday, quite often there are a lot of things going on in various committees, and we had expected to be ready to go after these two rules had come up. This is an unusual circumstance when in fact we are waiting for Members to come to the floor and reports to be done and things to be considered. It is my understanding that with this recess we will be able to get things in order and come back to the floor and be more organized than what we appear to be right now.

Mr. SENSENBRENNER. Further reserving the right to object, I hesitate giving the majority party unanimous consent for a complete blank check on what to bring up. And unless the gentleman from Ohio, who propounded the unanimous consent request, is a little bit more specific and limits what the further program is going to be, I will be constrained to object.

I yield to the gentleman from Ohio, if he can give the body some kind of specific list of what is being brought up which will not be exceeded.

Mr. HALL of Ohio. If I may further respond to the gentleman, it is my understanding that there will only be two things considered today. It is this extension that is presently before us, as the gentleman from Illinois [Mr. ROSTENKOWSKI] mentioned, and the farm extension. Those are the only two matters.

Mr. SENSENBRENNER. Further reserving the right to object, Mr. Speaker, with the understanding that the Ways and Means Committee bill described by the gentleman from Illinois [Mr. ROSTENKOWSKI] and the farm extension bill just referred to by the gentleman from Ohio will be the only items on the agenda after we reconvene at 1:30, I withdraw my reservation of objection.

The SPEAKER pro tempore. If there is no further objection to the request of the gentleman from Ohio, it is agreed to, and the House is in recess——

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I see that the minority has arrived. If it is within the purview of the Chair, we would like to continue.

The SPEAKER pro tempore. Does the gentleman from Ohio [Mr. HALL]

wish to withdraw his request for a recess?

Mr. HALL of Ohio. Mr. Speaker, I withdraw the request.

EMERGENCY EXTENSION ACT OF 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3452) to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain Medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program.

The Clerk read the title of the bill.

□ 1305

The SPEAKER pro tempore (Mr. HALL) of Ohio. Is there objection to the request of the gentleman from Illinois?

Mr. FRANK. Mr. Speaker, reserving the right to object, I do so because I would like to ask the gentleman from Illinois, I had expected that the Superfund extension would also be in this legislation since the Superfund is expiring today.

I would ask the gentleman to tell me what the intention of the committee is with regard to Superfund.

I yield to the gentleman from Illinois for his response.

Mr. ROSTENKOWSKI. I thank the gentleman for yielding to me.

Mr. Speaker, there was, originally, the intention of including Superfund in this extension legislation. However, there were certain objections that were going to be raised. The Committee on Ways and Means felt that the extension of the other provisions included in this legislation was important enough that the committee granted its chairman the opportunity to include or to exclude Superfund.

I would say to the gentleman that it is my intention, however, if the leadership agrees, to take up an extension of Superfund separately tomorrow on the Suspension Calendar. The Superfund legislation can be extended tomorrow without the detrimental effect that would occur in the case of a delayed extension of the cigarette excise tax.

Mr. FRANK. I thank the gentleman very much. I appreciate that the objection did not come from himself and that the gentleman's effort was to keep the Superfund going.

Do I correctly understand the gentleman from Illinois that Superfund will be on the Suspension Calendar tomorrow for a 45-day extension?

Mr. ROSTENKOWSKI. Accordingly, if the leadership agrees, we would consider Superfund tomorrow.

Mr. FRANK. In my experience, the gentleman's record of getting the leadership to agree is sufficiently good for me to have some assurances based on that. With the gentleman having made it clear that the Superfund extension will be on the Suspension Calendar tomorrow, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. CAMPBELL. Mr. Speaker, reserving the right to object, and I shall not object, I just wanted to weigh in from the minority side to inform everyone that this was a unanimous decision in the Ways and Means Committee. It was agreed to. The chairman has been open about it. His problem with the Superfund was not his making, and he was given the latitude to try to deal with it with the general membership, and of course, he has done that.

Mr. Speaker, with that, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. ROSTENKOWSKI]?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I further ask unanimous consent that the Committee on Energy and Commerce be discharged from consideration of this legislation. This is with their consent.

The SPEAKER pro tempore. The Chair will state that the gentleman's initial request for consideration of the bill will take care of that.

The Clerk read the bill, as follows:

H.R. 3452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Extension Act of 1985".

SEC. 2. 45-DAY EXTENSION OF INCREASE IN TAX ON CIGARETTES.

Subsection (c) of section 283 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to increase in tax on cigarettes) is amended by striking out "October 1, 1985" and inserting in lieu thereof "November 15, 1985".

SEC. 3. 45-DAY EXTENSION OF TRADE ADJUSTMENT ASSISTANCE PROGRAM.

Section 285 of the Trade Act of 1974 (19 U.S.C. note preceding section 2271) is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

SEC. 4. 45-DAY EXTENSION OF BORROWING AUTHORITY UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

Section 10(d) of the Railroad Unemployment Insurance Act is amended by striking out "September 30, 1985" each place it appears and inserting in lieu thereof "November 14, 1985".

SEC. 5. 45-DAY EXTENSION OF MEDICARE HOSPITAL AND PHYSICIAN PAYMENT PROVISIONS.

(a) MAINTAINING EXISTING HOSPITAL PAYMENT RATES.—Notwithstanding any other provision of law, the amount of payment under section 1886 of the Social Security Act for inpatient hospital services for discharges occurring (and cost reporting periods beginning) during the extension period (as defined in subsection (c)) shall be determined on the same basis as the amount of payment for such services for a discharge occurring on (or the cost reporting period beginning immediately on or before) September 30, 1985.

(b) MAINTAINING EXISTING PAYMENT RATES FOR PHYSICIANS' SERVICES.—Notwithstanding any other provision of law, the amount of payment under part B of title XVIII of the Social Security Act for physicians' services which are furnished during the extension period (as defined in subsection (c)) shall be determined on the same basis as the amount of payment for such services furnished on September 30, 1985, and the 15-month period, referred to in section 1842(j)(1) of such Act, shall be deemed to include the extension period.

(c) EXTENSION PERIOD DEFINED.—For purposes of this section, the term "extension period" means the period beginning on October 1, 1985, and ending on November 14, 1985.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3452, the Emergency Extension Act of 1985 is extremely important legislation. It includes a short, 45-day extension of five issues that would otherwise expire at midnight tonight.

The items which would be extended through November 14, 1985, by H.R. 3452 are:

First, the 16 cents per pack cigarette excise tax;

Second, borrowing authority for the railroad unemployment insurance account;

Third, trade adjustment assistance authority; and

Fourth, Medicare hospital and physician rembursement rules.

I want to exphasize that each of these extensions is simply an extension of current law. There are no policy changes in the 45-day extention in this bill.

Long-term extensions of these provisions, with or without modifications, will be considered by the House in the very near future in separate legislation. For example, four of the five provisions to be extended are addressed in the Deficit Reduction Act of 1985 (H.R. 3128) which has already been reported by the Committee on Ways and Means.

The Committee on Ways and Means has unanimously approved this 45-day emergency extension legislation. Its enactment will minimize confusion and administrative disruption. It will prevent the loss of revenue due to the expiring excise taxes and increased costs to Medicare. Also it will protect individuals, such as unemployed railroad workers, from bearing the costs of congressional delay.

I have attached to my statement a more detailed description of the provisions before us.

In the interest of avoiding unwarranted disruptions, I urge approval of H.R. 3452.

I. SUMMARY

1. Temporary extension of cigarette excise tax rates

The bill extends the present cigarette excise tax rates (i.e., 16 cents per pack for small cigarettes) from October 1, 1985 through November 14, 1985.

2. Temporary extension of trade adjustment assistance programs

The bill extends the trade adjustment assistance (TAA) programs from September 30, 1985 through November 14, 1985.

3. Temporary extension of the authority for the Railroad Unemployment Insurance Account to borrow from the Railroad Retirement Account

The bill extends for 45 days (through November 14, 1985) the authority for the Railroad Unemployment Insurance account to borrow from the Railroad Retirement account.

4. Temporary extension of Medicare hospital and physician payment provisions

a. Medicare Hospital Payment Program

Under the bill, medicare hospital payment rates remain at the current levels for a 45-day period, implementation of a new wage index would be deferred, and the proportions of hospital-specific and Federal DRG components in the prospective payment amounts would remain unchanged during the 45 days, October 1–November 14, 1985.

b. Medicare Physician Payment Program

Under the bill, medicare physician reimbursement amounts would remain at current levels for the 45-day period, October 1–November 14, 1985.

II. EXPLANATION OF THE BILL

1. Temporary extension of cigarette excise tax rates

Present law

An excise tax is imposed on cigarettes manufactured in or imported into the United States (Code sec. 5701(a)). The present tax rate on small cigarettes is $8 per thousand (i.e., 16 cents per pack of 20 cigarettes). The tax rate on large cigarettes generally is $16.80 per thousand; proportionately higher rates apply to large cigarettes that exceed 6.5 inches in length. Small cigarettes, which comprise most taxable cigarettes, are cigarettes weighing no more than 3 pounds per thousand.

The present cigarette excise tax rates are scheduled to decrease by one-half on October 1, 1985 (e.g., to 8 cents per pack of 20 for small cigarettes).

H.R. 3128, reported by the committee on July 31, 1985, would extend the present-law cigarette excise tax rates on a permanent basis. H.R. 3128 is scheduled for consideration as part of budget reconciliation.

Reasons for change

The committee believes that the present cigarette excise tax rates should be extended on a permanent basis, but that this permanent extension should be enacted only as part of budget reconciliation. The October 1, 1985, scheduled reduction in those rates is imminent. To permit cigarette tax rates to decline and then be increased again could cause economic distortions in the market for that product and hardship for the business involved, and would also lose revenue to the Government. The committee determined, therefore, that a temporary extension of the present tax rates is necessary to allow Congress adequate time to consider this issue as part of the budget process.

Explanation of provision

The bill extends the present cigarette excise tax rates for 45-days, through November 14, 1985.

Effective date

The cigarette excise tax rate extension applies to cigarettes removed after September 30, 1985, and before November 15, 1985.

Revenue effect

This provision is estimated to increase net fiscal year budget receipts by $210 million in 1986, and not affect future fiscal years.

2. Temporary extension of trade adjustment assistance programs

Present law

The trade adjustment assistance (TAA) programs under the Trade Act of 1974 for workers and firms adversely affected by increased import competition terminate by statute on September 30, 1985.

Reasons for change

Section 221 of H.R. 3128, "Deficit Reduction Amendments of 1985", as reported by the Committee on Ways and Means, reauthorizes the TAA programs for four years until September 30, 1989. The Senate Committee on Finance has also agreed to reauthorize TAA as part of its budget reconciliation legislation. The Continuing Resolution for FY 1986 (H.J. Res. 388) as passed by the House and Senate continues funding for worker and firm TAA at present fiscal year 1985 levels until November 14, 1985.

The purpose of the provision is to remove any possible question as to legislative intent and the legality of spending funds included in the Continuing Resolution for present TAA programs during the 45-day period following the expiration of current authority on September 30, 1985, pending completion of House and Senate consideration of the reauthorizing legislation.

Explanation of provision

The bill changes the TAA termination date under section 284 of the Trade Act of 1974 from September 30, 1985 to November 14, 1985.

3. Temporary extension of the authority for the Railroad Unemployment Insurance Account to borrow from the Railroad Retirement Account

Present law

The Railroad Unemployment Insurance account can borrow from the Railroad Retirement Account if there are insufficient funds in the unemployment account to pay benefits to unemployed rail workers. This authority expires on September 30, 1985.

The borrowing authority is permanently extended in both H.R. 3128, reported by the Committee on Ways and Means on July 31, 1985, and in the reconciliation bill approved on September 20, 1985, by the Senate Committee on Finance.

Reasons for change

About 40,000 unemployed rail workers are currently receiving unemployment and sickness benefits payable from the unemployment account. If the account were to be depleted, benefits to these workers would cease if the account could not borrow. The Railroad Retirement Board has developed a contingency plan to reduce unemployment benefits by $25 a week in the event that reserves in the unemployment account are substantially reduced. The Board initially intended to implement the reduction in benefits on October 1, 1985, but has suspended implementation of the plan because account balances appear sufficient to pay full benefits at the present time.

A temporary extension of the borrowing authority will provide certainty that full unemployment benefits will be paid to unemployed rail workers.

Explanation of provision

The bill extends the authority for the unemployment account to borrow from the retirement account through November 14, 1985.

4. Temporary extension of Medicare hospital and physician payment provisions

a. Maintaining Existing Hospital Payment

Present law

Present law provides that the medicare prospective payment rates should be updated annually by the Secretary of Health and Human Services. Regulations implementing the revised rates are required to be published September 1, for implementation October 1 of each year. The law states that the update should reflect increases in hospital input prices but, for FY 1986, may not exceed the rate of increase in the hospital market basket plus one quarter of a percentage point. These regulations also implement other adjustments to the prospective payment system such as wage index adjustments, revisions of the weights assigned to the diagnosis related groups (DRGs), etc.

Reasons for change

The Committee on Ways and Means has already approved legislation (H.R. 3128, the Deficit Reduction Amendments of 1985) that would make significant changes in the PPS and PPS-exempt hospital payment rates, as has the Senate Committee on Finance, which has approved different legislation. The Committee on Ways and Means believes that a temporary freeze on payment rates at the September 30, 1985 level, will minimize confusion and simplify the administration of the medicare program.

Explanation of provision

The bill retains, for an additional 45 days, the current medicare payment rates for hospitals under section 1886 of the Social Security Act. The provision applies both to prospective payment (PPS) hospitals and to PPS-exempt hospitals.

Regulations prepared pursuant to current law for implementation as of October 1, 1985, would not be implemented on that date. Thus, hospital payment rates would be frozen, at the September 30, 1985 levels, for the 45-day period. Implementation of a new wage index would be deferred, and the proportions of the hospital-specific and Federal DRG components in the prospective payments amounts would remain at the fiscal year 1985 levels during the 45-day period.

b. Maintaining Existing Payment Rates for Physicians' Services

Present law

Medicare pays for physician services on the basis of medicare-determined "reasonable charges." Reasonable charges are the lowest of: (1) a physician's billed charge; (2) the charge customarily made by an individual physician; or (3) the prevailing charge limit, derived from charges made by all physicians for services in a geographic area. The customary and prevailing charge screens are

generally updated annually, on October 1. Increases in the prevailing charge levels are limited by an economic index that reflects general inflation and changes in physicians' office practice costs.

Under the Deficit Reduction Act of 1984 (P.L. 98-369) the medicare customary and prevailing charges for all physicians' services provided during the 15-month period beginning July 1, 1984, are frozen at the levels that applied for the 12-month period ending June 30, 1984. The actual charges of nonparticipating physicians are also frozen during the 15-month period, at the levels they charged during April-June 1984.

The Deficit Reduction Act also instituted a medicare participating physician and supplier program. Participating physicians and suppliers voluntarily agree to accept assignment on all medicare claims for the 12-month period beginning on October 1 of a year. Nonparticipating physicians and suppliers can decide on a claim-by-claim basis whether or not to accept assignment.

Reasons for change

A continuation of the freeze on medicare payment rates for physicians' services is intended to prevent confusion that may ensue from lifting the freeze, given the likelihood that the Congress will pass legislation in the very near future to extend the freeze on medicare payments to nonparticipating physicians and on their actual charges to beneficiaries.

Without the extension, the freeze on nonparticipating physicians' actual charges would lapse on October 1, 1985, with the possible consequence that nonparticipating physicians would increase their charges to beneficiaries. The Committee is especially concerned that medicare beneficiaries be protected from such increases in out-of-pocket costs.

Explanation of provision

The bill extends provisions of law now in effect to provide for a 45-day extension period, during which medicare payments would be made at the levels in effect on September 30, 1985. The freeze on nonparticipating physicians' actual charges to beneficiaries is also extended for the 45-day period.

The bill does not alter the duration of the physician participating agreements. Rather, the participating decisions physicians make for the year beginning October 1, 1985 would determine whether they are participating or nonparticipating physicians for that year.

III. BUDGET EFFECTS

In compliance with clause 7 of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effect on the budget of the bill as reported.

From the Congressional Budget Office baseline budget assumption, the bill will reduce the fiscal year 1986 budget deficit by $440 million, as follows:

Fiscal year 1986 deficit reduction

	Millions
Cigarette excise tax extension (net revenue increase)	$210
Medicare provisions:	
(a) Hospital payments (outlay reduction)	175
(b) Physician payments (outlay reduction)	55
Total deficit reduction	440

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I thank the gentleman for yielding to me.

Mr. Speaker, I want to thank the gentleman and make sure that we are absolutely clear that we are dealing strictly with an extension of expiring provisions. Should we not extend, that we will have a substantial loss of revenue and excise taxes, and it would create severe disruption in other programs, and that this is merely temporary until the legislation that has, in the instances of four of the items, cleared the Ways and Means Committee and had time to clear the Congress.

Mr. ROSTENKOWSKI. The gentleman is absolutely correct.

Mr. CAMPBELL. I thank the gentleman and I support the request and passage of this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 3452, EMERGENCY EXTENSION ACT OF 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight tonight, Monday, September 30, to file its report to accompany the bill, H.R. 3452, to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the Railroad Unemployment Insurance Program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 1562, TO ACHIEVE OBJECTIVES OF THE MULTIFIBER ARRANGEMENT AND PROMOTE ECONOMIC RECOVERY OF TEXTILE AND APPAREL INDUSTRY AND ITS WORKERS

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight tonight, Monday, September 30, to file its report to accompany the bill, H.R. 1562, to achieve the objectives of the Multifiber Arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

This request is made to accommodate minority views.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. If the gentleman would remain at the microphone for 1 minute, with respect to the first request which he made, since the House has already passed that bill. The filing of the report is not in order, and distribution of a committee print would be a satisfactory alternative.

Mr. ROSTENKOWSKI. I thank the Chair.

AGRICULTURE ACT OF 1949 EXTENSIONS

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute.)

Mr. DE LA GARZA. Mr. Speaker, I take this 1 minute to inform my colleagues that soon I will ask unanimous consent to bring up the bill, H.R. 3454, with which we have the same problem as the distinguished members of the Ways and Means Committee. There are several agriculture-related laws that expire at the end of this fiscal year. The legislation which we hope to bring up by unanimous consent is to extend them for 45 days. Both sides are agreed—the minority and the majority. We had expected to have a bill from the Senate, but unfortunately, they were somewhat delayed.

So we will endeavor to start on this side and approve the legislation and forward it to the Senate in order that it might be sent to the President today.

Mr. Speaker, it is our intention to do this, this afternoon. I cannot say anymore than that it is needed for technical reasons and very practical reasons in that a couple of those laws will entail a lot of money.

If they are not extended, they would end at the fiscal year and revert to permanent law which would be much more expensive. We are working on, H.R. 2100, the farm legislation we are trying now to modify and extend for several years.

AGRICULTURE ACT OF 1949 EXTENSION

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the bill (H.R. 3454) to extend temporarily certain provisions of law, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. SENSENBRENNER. Mr. Speaker, reserving the right to object, I take this time to have the gentleman from Texas [Mr. DE LA GARZA] explain the bill, and I yield to the gentleman for that purpose.

□ 1315

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman for yielding.

The bill as introduced extends the Food Stamp Program, all of the Food Stamp Program, and it includes also a special provision for Puerto Rico. The bill also extends the dairy program, which would expire at the end of the fiscal year.

This is very important, I might add, if the gentleman will allow me to proceed, because, if not extended, it will revert to permanent law, and the permanent law is much more expensive than what we are operating under now or what is expected from the legislation in the farm bill.

We also have a provision to extend a pilot program for the elderly in the food stamp SSI cash-out which is being studied. Then it has a technical provision for the cotton program, and this would entail the crop that has just been picked or is in the process of being picked. That is the extent of the legislation.

Mr. Speaker, if the gentleman will yield further and will allow me to proceed, I might add that we have been informed that the Senate is agreeable, and that this provision of 45 days is a compromise. I personally would have preferred 30 days. The Senate began with 60 days, and we have compromised at 45 days, and we have been assured that they will pick up the legislation when passed and then forward it on to the President.

Mr. SENSENBRENNER. Mr. Speaker, further reserving the right to object, would the gentleman from Texas kindly explain the amendment to the law that is made by section 3 of the bill? There are two paragraphs that insert some language that appears to be more than a simple extension of these programs for 45 days.

Mr. DE LA GARZA. Mr. Speaker, this is the cotton provision. It is basically technical in nature, and it is required because the 1986 cotton loan rate is tied to the 1986 upland cotton loan rate. That will not be finalized until we have finished with the farm legislation. So we are suspending it in order that this may go into effect when the farm legislation is approved. There was no controversy on this section in the farm legislation at all, but we are getting ahead of it. We have to suspend it pending the farm bill and reinstate it in the proper sequence in the legislation.

Mr. SENSENBRENNER. Mr. Speaker, I appreciate the explanations given by the gentleman from Texas, and I withdraw my reservation of objection.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, under my reservation I would quickly agree with the explanation that has been given by the gentleman from Texas. This does represent a compromise between the House and the Senate leadership which has been agreed to by everyone, and it is exactly as has been represented by the gentleman from Texas.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201(d)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1466(d)(1)(B) is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 15, 1985".

SEC. 2. Effective for the period beginning October 1, 1985, and ending November 15, 1985, section 19(a)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)(A)) is amended by striking out "noncash".

SEC. 3. Section 103(h) of the Agricultural Act of 1949 (7 U.S.C. 1444(h)) is amended by—

(1) inserting ", or within 10 days after the loan level for the related crop of upland cotton is announced, whichever is later," after "effective" in the last sentence of paragraph (2); and

(2) in paragraph (4)—

(A) inserting "and announce" after "establish" in the first sentence; and

(B) striking out the second sentence.

SEC. 4. The last sentence of 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended by striking out "until October 1, 1985" and inserting in lieu thereof "through November 15, 1985".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICARAGUAN BORDER INCURSIONS INTO COSTA RICA

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Wisconsin [Mr. SENSENBRENNER] is recognized for 5 minutes.

Mr. SENSENBRENNER. Mr. Speaker, between September 19 and 24, the gentleman from Ohio [Mr. DEWINE] and I visited Central America under the sponsorship of the National Defense Council Foundation. In all of the countries, it became painfully evident that the Sandinista government of Nicaragua has been committing aggression against its neighbors.

Most distressing are the numerous and repeated violations of the territorial sovereignty of Costa Rica. Costa Rica, we must remember, is a neutral nation, and a country which has no army. It has never posed a military threat to any other country in the region and can be proud of its democratic institutions. Yet, the Sandinistas have repeatedly violated the Costa Rican border.

Recently, Carlos Jose Gutierrez, Minister of Foreign Relations of Costa Rica, published a compendium of numerous Nicaraguan aggressions against Costa Rica from June 6, 1982, until August 16, 1985. What is remarkable about this paper is that it is not the typical one-sided propaganda piece such as those published in Managua, but an objective listing of all allegations of border and human rights violations by both sides, and the results of the diplomatic notes which have resulted from these incidents. By reading this document, one can easily see the Sandinistas have not stopped violating Costa Rica's border, but rather have increased their activities.

Perhaps the ultimate goal of the Sandinistas is to subjugate Costa Rica so it can no longer function as an independent and netural nation. However, it is clear the immediate goal is to create a buffer zone on the Costa Rica border, not in Nicaragua, however, but in Costa Rica.

I call upon my colleagues to express outrage at the Nicaraguan campaign to compromise the neutrality of Costa Rica. So that my colleagues can see the extent of the Sandinista violations of Costa Rica's border, I include the full text of Foreign Minister Gutierrez' document, "Aggressions Against Costa Rica Committed by the Government of Nicaragua, Period: 1982-85" for insertion in the RECORD at this point:

[Ministry of Foreign Relations]

AGGRESSIONS AGAINST COSTA RICA

[Committed by Government of Nicaragua—Period: 1982-85]

INTRODUCTION

This document presents in a chronological and summarized way the events that have taken place at the Nicaraguan border zone since May 8, 1982, when Luis Alberto Monge assumed power as President of the Republic of Costa Rica.

Throughout this document it is clear that during these years Costa Rica and its government has been the target of a constant and permanent aggression manifest in the open and treacherous attacks against Civil Guard patrols, such as the one keeping guard at the border place of Las Cructias last May 31st, and the veiled threats coming from the highest political and military authorities of Nicaragua.

This publication is made because of the need for diffusing not only the events and their implications but also the position held by Costa Rica in the face of repeated violations of the national sovereignty and the integrity of our territory by the Sandinista military forces. The need becomes evident especially since, during the last years, Central America has captured the world's attention on . . . two facts: the confrontation between the United States and Nicaragua, and the civil war in El Salvador.

The situation that Costa Rica is living is not known world-wide. The main purpose of this publication is precisely to allow people who read it to learn about Costa Rica's position and standing within the Central American crisis.

It is difficult to find a state with less aggressive attitudes towards its neighbors than Costa Rica. Unilateral disarmament was decreed in 1949, the date in which the army was abolished as a permanent institution and incorporated into our Constitution. Moreover it is even more significant that this was accomplished by a president who got to power by means of weapons.

Since then, Costa Rica depends on a modest police force subject to a civil jurisdiction not a military one, for the preservation of the internal order and the security of its citizens, as much for the defense of national sovereignty.

On November 17, 1983, President Monge made known his Proclamation of Permanent, Active and Non-Armed Neutrality, to ratify the country's position in warlike conflicts affecting the Central American area and the maximum interest in the face of internal peace and dedication all Government efforts to solve the social and economic problems inherited by his Government.

As is evident in the following pages, even before President Monge proclaimed Costa Rica's neutrality, a continued aggression in the border zone from the Government of Nicaragua has been a main problem. Since the victory of Sandinista revolution, Nicaragua has consistently been building an army, superior in number and equipment to all Central American Armed Forces. The National Guard of Somoza has 7800 men. Today, in its place, there is a 50,000 man army and a 100,000 man and woman militia. The Nicaraguan Army has no less than 100 Soviet medium tanks, T-54 and T-55, 20 PT-76 amphibian tanks, and other 120 armored vehicles. It also has 120 anti-aircraft guns, 700 SA-7 skyrocket launchers, 10 MI-8 helicopters and 6 AN-2 aircraft of armored transportation. The military service is compulsory for all men over 17 years old and it is used not only for military preparation but for ideological indoctrination. The military forces have directed their actions, not only inside Nicaraguan territory but have projected themselves, with no respect for our sovereignty, and bringing on internationally worry, fear and anguish to Costa Rica villages on the border zone.

The present situation has not been well understood internationally. Nicaragua, the aggressor and militarized country presents itself as the victim of U.S. aggression which, as stated, is always ready to invade a defenseless nation with the aid of other Central American countries.

On the other hand, Costa Rica's international claims have not found more than a tepid support that, far from having constituted a reliable warning to the aggressor State, seems to encourage it to continue its actions.

We hereby present the true facts. It is the history of a country that has never been an aggressor: that not needing it, abolished the army as a permanent institution, accomplished its commitments and that, thanks to its peace and its representative democracy, has been able to make important strides in the fields of education, health, social welfare and communications.

With this publication, we hope that people who read it will understand that we have patient, and have dedicated all our efforts to solving our internal problems and that we have had confidence in the International Law and its organisms. The opportunity for a peaceful arrangement in Central America can pass, the victims can change their attitude and seek other defense means. The action which was undertaken by the Contadora countries can evaporate itself as a beautiful dream that temporarily separated us from reality; reality to which we have to return when we open our eyes again: the Government of Costa Rica still trusts that the way to peace, justice and respect to the rights of people, will remain open. But at the same time, it considers necessary to make evident the aggressions that has suffered.

CARLOS JOSE GUTIÉRREZ,
Minister of Foreign Relations of Costa Rica.

A REPORT OF INCIDENTS BETWEEN THE GOVERNMENT OF COSTA RICA AND THE GOVERNMENT OF NICARAGUA

1. JUNE 6TH, 1982

On this day, a tourism ship belonging to "Swiss Travel Service, S.A.", when heading towards Puerto Viejo on the San Juan River, was stopped by Nicaraguan military authorities: passengers were forced to land and their belongings were searched.

The Government of Costa Rica presented its protests to the Nicaraguan Government on the same date for the happenings that attempted against the rights of free navigation on the San Juan River; rights which are guaranteed by the *Cañas-Jerez Treaty* and the *Cleveland Decision*. Moreover, these occurrences damage the economic interests of the Country by directly affecting the arrival of tourists.

The note of protest was answered per Note E.N. 789/82 from the Nicaraguan Embassy, dated August 2nd, 1982, in which it was stated that according to the Cañas-Jerez Treaty and the Cleveland Decision, Nicaragua does have a right of establishing regulations upon Costa Rican navigation on the San Juan River.

1. JUNE 7TH, 1982

On this date members of the *Ejèrcito Popular Sandinista* (EPS), the Popular Sandinista Army, entered Costa Rican territory, more specifically the countries of Upala, Los Chiles and San Carlos and specially the area between the locations of Medio Queso and Poco Sol. The Costa Rican Government protested to the Government of Nicaragua on the same day as the violation of its national integrity and for the first time proposed the implementation of a Mixed Committee, created by the Treaty of Peace and Friendship, and signed by both countries in 1956.

The Note was responded per Note E.N. 607/82 dated June 9th, 1982, from the Nicaraguan Embassy in San Jose. The Note denied the aforementioned charges and rejected the notion that the Sandinista Army had penetrated into Costa Rican territory.

3. JULY 16TH 1982

Attempts against the Costa Rican right of free navigation of tourism ships on the San Juan River, again occurred. On this opportunity, the Costa Rican Government protested against Nicaragua and stated again that Costa Rica had always made pacific and adequate use of its inalienable and indispensable right of navigation on the San Juan River. This note was responded per Note E.N. 789/82 of the Embassy of Nicaragua mentioned above in paragraph 1.

4. JULY 20TH, 1982

The Government of Costa Rica denounced new violations to its right of free navigation of the San Juan River committed by Nicaraguan authorities. The said authorities, in the period of time from the 16th to the 22nd of July, halted and retained the traffic of all Costa Rican vessels in the river due to the celebration of the Sandinista Revolution anniversary.

The note of protest was answered by Note E.N. 789/82 from the Nicaraguan Embassy mentioned in Paragraph 1.

5. JULY 27TH, 1982

The Government of Costa Rica declared as persona *non-grata* the Nicaraguan diplomat German Altamirano and two other employees of the Nicaraguan Embassy in San Jose. The step was taken based upon their participation in a terrorist attack to the headquarters of the Honduran Airline "SAHSA". The Costa Rican Government also requested an excuse from the Nicaraguan Government, not only for Altamirano's participation in acts against the peace and security of Costa Rican people but also for the penetrations of the Sandinista Army into Costa Rican territory and the obstacles posed to free commercial navigation on the San Juan River, as well.

6. JULY 27TH, 1982

The Government of Nicaragua, as a reprisal and without presenting official excuses for the aforementioned facts, issued a declaration of persona *non-grata* upon the Costa Rican diplomats Euclides Sandoval and Luis De Anda. Likewise, the Government cancelled the *exequatur* of the Costa Rican Consul in that country, Mr. Henry Urcuyo.

7. DECEMBER 2ND, 1982

The Nicaraguan Government denounced before the Costa Rican Government the attack which took place on December 1st, against the village of Cardenas in Nicaraguan territory, allegedly carried out by the contra-revolutionary forces which came from the Costa Rican side of the border. The *contra* forces, supposedly, were fought back into Costa Rican territory.

The above mentioned protest was the first made by Nicaragua on the grounds of a supposed utilization of Costa Rican territory on behalf of elements which oppose the Government.

The Note was answered by Note DM-243-82, signed by Costa Rican Foreign Minister, Mr. Fernando Volio, who rejected the protest on the grounds of reports from both the Ministers of Public Security and the Interior, in which they refuted the fact that the attacks came from Costa Rican territory.

8. DECEMBER 14, 1982

The Government for National Reconstruction of Nicaragua issued a report attacking without justification the Costa Rican Government and President Luis Alberto Monge.

On Note DM-240-82 dated December 14, 1982, from Minister Volio to Nicaraguan Foreign Minister D'Escoto, the terms of such communication were refuted officially on the grounds that "the tone and the contents are outrageous and contrary to the truth". This note, however, was not answered by Nicaragua.

9. JANUARY 9TH, 1983

The Nicaraguan government protested to the Costa Rican government for the supposed interferences caused to Channel 2 of the official Sandinista television from Costa Rican territory on the 5th and 7th of January, as well as for the press conferences held in San Jose by representatives of the rebel group "Alianza Revolucionaria Democratica ARDE", formed by opposers to the Nicaraguan regime.

The note of protest was answered by Note DM-03-83, dated January 10th, 1983, in which Minister Volio denied its contents and repeated that Costa Rica's efforts were in favor of non-intervention and neutrality when facing Nicaraguan conflicts, despite the permanent hostility showed by the Nicaraguan government to Costa Rica.

The note was the first of the Costa Rican notes referring to its neutrality in what pertains to the internal conflicts of Nicaragua.

10. MARCH 8TH, 1983

The Costa Rican Government protest to the Nicaraguan Government because on February 23, 1983, two Costa Rican journalists were *bothered* by Sandinista soldiers, when the journalists were trying to cover occurrences of the previous days in the San Juan River.

11. APRIL 12TH, 1983

The Nicaraguan government denounced to the Costa Rican government the capture of Nicaraguan officials in the Tasbapauni region of the San Juan River area. The capture was allegedly carried out by rebels who took them to Puerto Limon. The Nicaraguan government demanded the consequent repatriation of the officials held hostage and the capture and expulsion of the kidnappers. There was not a note of protest for these facts.

The denunciation was responded per Note DM-CP-83-301 of May 2nd, 1983, by the Costa Rican Acting Minister for Foreign Affairs, Ekhart Peters, indicating that of the supposedly kidnapped persons, two of them did not want to return to their country of origin because they were under medical treatment in Costa Rica, and the third one had already returned to Nicaragua a few days before.

12. APRIL 15TH, 1983

The Costa Rican Government protested to the Nicaraguan Government that on this date three Costa Rican vessels with American tourists, who were sport fishing in Costa Rican waters in the Barra del Colorado area, were intercepted by a Nicaraguan patrol boat and taken to Nicaragua. Besides the formal protest, the Costa Rican government asked for the immediate return of the boats and their occupants with the corresponding satisfactions.

On the same date, the Nicaraguan Minister of Foreign Affairs Nora Astorga responded to the note of the Costa Rican Government concerning the captured boats; according to the Nicaraguan communication, the boats were in Nicaraguan and not in Costa Rican waters. Mrs. Astorga also informed the return of the people on board was being arranged.

13. APRIL 16TH, 1983

The Government of Nicaragua denounced to the Government of Costa Rica that on April 15th, Nicaraguan rebels, allegedly from Costa Rican territory, attacked the border delegation of Fatima de Sarapiqui in Nicaragua territory and afterwards returned to Costa Rica. With the denunciation. Nicaragua asked for Costa Rican collaboration in avoiding similar incidents.

14. APRIL 20, 1983

The Nicaraguan government asked the Government of Costa Rica for the return of a Nicaraguan aircraft brought to Costa Rica by a Nicaraguan pilot on April 18th.

15. APRIL 22, 1983

The Government of Costa Rica in response to the preceding note, informed the Government of Nicaragua that the aircraft, registered as Cessna-A.G.-Wagon, is ready to be returned at the Government's or the owner's request.

16. APRIL 22, 1983

The Government of Costa Rica protests to the Nicaraguan government that a Nicaraguan military aircraft allegedly flew over the Costa Rican location of Colorado, frightening inhabitants and provoking the Costa Rican authorities.

17. APRIL 25, 1983

The Costa Rican government protested to the Government of Nicaragua the penetration of Nicaraguan soldiers of the "Coro de los Angeles" division into Costa Rican territory at the location of the village of Balsamito.

18. MAY 2, 1983

The Government of Costa Rica rejected, on the grounds of a report from the Ministry of the Interior and the Police, the aforementioned Nicaraguan protest of a supposed attack on April 16th at the location of Fatima de Sarapiqui.

19. MAY 3, 1983

The government of Nicaragua denounced to the government of Costa Rica the attacks which occurred on May 2 and 3 against the villages of La Esperanza and Fatima, by Nicaraguan rebels, who allegedly came from Costa Rican territory.

20. MAY 4, 1983

The Government of Costa Rica took into account the protest presented by the Government of Nicaragua mentioned above, and reaffirmed its decision of deporting any person who abuses his status of refugee or who performs acts against the Government of Nicaragua, from or in Costa Rican territory. Likewise, the Government informs of the request presented to the Organization of American States (OAS) in order to authorize that a peace force, integrated by the countries of the Contadora Group, watch over the Costa Rica-Nicaragua border.

21. MAY 10, 1983

The Government of Nicaragua sends a note of protest to the Government of Costa Rica because rebel elements, supposedly coming from Costa Rican territory, attacked a Nicaragua vessel navigating on the San Juan River, and captured its occupants.

Also, there was another attack, this time on the border post of Pueblo Nuevo. The attack was alleged to be initiated from Costa Rican territory by forces opposing the Sandinista government.

22. MAY 25, 1983

The government of Nicaragua denounced to the government of Costa Rica that on this date, contra-revolutionaries attacked a Nicaraguan civilian boat which navigated on the San Juan River and captured its occupants, one of them a German, and afterwards penetrated Costa Rican territory.

23. MAY 26, 1983

The Government of Costa Rica as a response to the preceding note of protest, expressed the attack did not originate in Costa Rican territory. This was based precisely on the declarations of the German citizen who was on board the mentioned ship.

24. JULY 3, 1983

The government of Nicaragua denounced to the government of Costa Rica that on June 28th, anti-Sandinista rebels went into Nicaraguan territory, allegedly from Costa Rica, to attack the location of San Juan del Norte.

These charges were denied by the Government of Costa Rica.

25. JULY 4, 1983

The Government of Nicaragua informed the government of Costa Rica that three Costa Ricans illegally entered Nicaraguan territory at the heighth of El Papaturro.

26. JULY 5, 1983

The government of Costa Rica requested the Government of Nicaragua the return of the above mentioned individuals, having proved their Costa Rican citizenship.

27. JULY 7, 1983

The Nicaraguan government informed the Costa Rican government that the Costa Rican citizens mentioned above were being indicted in Nicaragua.

28. SEPTEMBER 9, 1983

The government of Nicaragua denounced to the Costa Rican government that an aircraft, allegedly coming from Costa Rican territory, penetrated into its territory and attacked various villages and, therefore, asked for an explanation of those incidents. The government of Costa Rica rejected the Nicaraguan version of those events.

29. SEPTEMBER 19, 1983

The government of Nicaragua communicated to the Costa Rican government its concern about a Sandinista army boat which was missing and which could be in Costa Rican waters.

The government of Costa Rica informed the Government of Nicaragua that members of the Sandinista Army had been discovered in Costa Rican territory carrying maps of the region with them. These men were taken to Puerto Limon.

30. SEPTEMBER 23, 1983

The government of Nicaragua denounces to the Costa Rican government the penetration into its air space of an aircraft, allegedly coming from Costa Rican territory, which attacked a hydroelectric plant at Nicarao, and afterwards returned to the Costa Rican territory.

The government of Costa Rica, in a Note dated August 26, 1983, denied such charges, as no poof of the event was presented.

31. SEPTEMBER 27TH, 1983

The Government of Costa Rica informed the Nicaraguan government that the members of the Sandinista Army who were supposedly lost, had been found by Costa Rican authorities, and had conciously penetrated Costa Rican territory. This serious event constituted a flagrant violation of Costa Rican sovereignty by the Sandinista Popular Army.

32. SEPTEMBER 27TH, 1983

The Government of Nicaragua denounced to the Costa Rican government that elements of the anti-Sandinista forces attacked, supposedly from Costa Rica, El Naranjo and Las Florecitas sectors in the Nicaraguan location of Rivas.

33. SEPTEMBER 28, 1983

The Government of Nicaragua protested to the Costa Rican government because on this date, allegedly from Costa Rican Territory, rebel groups attacked the Nicaraguan Custom buildings at Peñas Blancas, with land and air forces.

34. SEPTEMBER 30, 1983

The Costa Rican Government protests to the Nicaraguan Government that the events of Peñas Blancas constitute a serious assault upon Costa Rica's national territory and sovereignty, since the Sandinista Popular

Army carried out a heavy hostile attack upon Costa Rican soil. This unjustified agression caused serious danger to the lives of the people who were there at the time, and great damage to the Costa Rican customs installations on the border.

35. OCTOBER 3, 1983

The Costa Rican Government protested to the Nicaraguan Government about Commandant Humberto Ortega's Minister of Defense, unwonted declarations to the effect that the Sandinista Popular Army would pursue counterrevolutionaries as far as 500 meters inside Costa Rican territorial boundaries in the event that they should flee toward Costa Rica.

36. OCTOBER 4, 1983

The Nicaraguan Government protested to the Costa Rican Government that rebel forces, supposedly based within Costa Rican territory, attacked Port Benjamin Zeledon, on the Atlantic coast of Nicaragua, from their speed boats.

The Costa Rican Government denied on October 11, 1983, that the attackers originated from Costa Rica territory.

37. OCTOBER 6, 1983

The Nicaraguan Government denounces before the Costa Rican Government the activities that dissidents Eden Pastora and Alfonso Robelo carry out in Costa Rica and requests that appropriate measures be taken.

38. OCTOBER 7, 1983

The Nicaraguan Government protests to the Costa Rican Government that on this very day rebel forces, supposedly from inside Costa Rica, attacked with mortars the Nicaraguan position of El Naranjo, located a kilometer and a half inside Nicaraguan territory.

The Costa Rican Government, on October 11, 1983, rejects the protest and reaffirms that Costa Rica has taken the necessary measures to avoid the occurrence of incidents such as these.

39. OCTOBER 21, 1983

The Nicaraguan Government protested to the Costa Rican Government that "Negro" Chamorro, the famous rebel leader, would use Costa Rica as a base for his operations against the Sandinista regime.

The Costa Rican Government reaffirms by way of memorandum, on the same day, that it will not permit situations of this type.

40. NOVEMBER 18, 1983

The Nicaraguan Government protests that counter revolutionaries, supposedly from inside Costa Rica, attacked the town of Cardenas, in the Department of Rivas.

The charge was denied on November 19th by the Costa Rican Government, after Costa Rican authorities verified that the attack on Cardenas was not launched from inside national territory.

41. DECEMBER 5, 1983

The Nicaraguan Government informs the Costa Rican Government of a future attack by rebel group from inside Costa Rica in the Peñas Blancas region.

The Costa Rican Government expresses to the Nicaraguan Government that it has exercised effective control over the border region, despite its limited resources and lack of military forces.

42. DECEMBER 6, 1983

The Costa Rica Government protests to the Nicaraguan Government the treacherous attack by Nicaraguan aircraft of the Costa Rican ship "Lyon Heart", which was sailing in international waters.

December 7, the Nicaraguan Government denies that the attack upon the boat had been carried out by Nicaraguan aircraft.

December 9, 1983, the Costa Rican Government reiterates the terms of the protest formulated on December 6, having confirmed that the attacking aircraft belonged to the Sandinista Air Force.

43. JANUARY 5, 1984

The Nicaraguan Government denounces an act of cattle rustling affirming that the cattle had been taken into Costa Rica from inside Nicaragua, and requests that it be returned. The case is transferred to the Ministry of Public Security and the Ministry of the Interior and Police to be investigated.

44. JANUARY 5, 1984

The Nicaraguan Government proclaims that on December 27, 1983, elements of ARDE, supposedly from inside Costa Rican territory, attacked Sandinista Popular Army forces on Bartolo River in the Department of the San Juan River.

On January 13, 1984, the Costa Rican Government, in response to the preceding proclamation, demonstrates that the battle took place inside Nicaraguan territory although a large quantity of Sandinista Popular Army projectiles were found on Costa Rican soil, which Costa Rica protests in view of this new violation of Costa Rican sovereignty on the part of the Sandinista Popular Army.

January 23, 1984, the Nicaraguan Government rejects the Costa Rican protest, arguing that the Sandinista Popular Army had not penetrated nor attacked Costa Rican territory.

45. JANUARY 23, 1984

The Nicaragua Government protests to the Costa Rican Government that rebel forces originating from Costa Rica penetrated Nicaragua in the Loma Quesada region, abducting 14 Nicaraguans who were taken into Costa Rica territory.

46. FEBRUARY 23, 1984

The Costa Rican Government protests to the Nicaraguan Government the attack to Costa Rican territory in the Conventillos region, perpetrated by the Sandinista Popular Army.

The Nicaraguan Government, the same day, rejects the terms of the protest and proclaims that from the 16th to the 22nd of February, the counterrevolutionaries attacked Nicaragua supposedly from Conventillos. Costa Rica.

47. APRIL 11, 1984

The Nicaraguan Government protests to the Costa Rican Government that on the 6th, 8th, and 9th of April, counterrevolutionaries attacked San Juan del Norte, supposedly from inside Costa Rica.

On April 16, the Costa Rican Government rejects the Nicaraguan version since the attack took place within Nicaraguan territory controlled by insurgent ARDE forces.

48. APRIL 12, 1984

The Nicaraguan Government protests President Monge's declarations to the German newspaper "Die Welt", alleging that they pertain to Nicaraguan internal affairs.

49. APRIL 13, 1984

The Costa Rican Government protests to the Nicaraguan Government that two Costa Rican shrimp boats located within Costa Rican national waters at the same latitude as Port Soley, were sequestered, along with their crews, and taken into Nicaragua.

50. APRIL 16, 1984

The Nicaraguan Government protests to Costa Rican Government the supposed use by ARDE of Costa Rican territory for the purpose of launching attacks to the San Juan region. This proclamation was rejected by the Costa Rican Government since the attacks took place on Nicaraguan soil in areas under rebel control.

This protest was reiterated by the Nicaraguan Government on April 28, 1984, alleging that the Costa Rican authorities support the Nicaraguan counterrevolutionaries.

51. APRIL 23, 1984

The Costa Rican Government protests before the Nicaraguan Government the attacks made by the Sandinista Popular Army within Costa Rican territory in "La Pimienta" region of Peñas Blancas. The Nicaraguan Government rejected the terms of the protests, reaffirming that ARDE forces supposedly use Costa Rican territory as a base from which to launch their attacks on Nicaragua.

52. APRIL 30, 1984

The Nicaraguan Government protests to the Costa Rican Government the Democratic Revolutionary Alliance's incursions into the El Castillo region on the San Juan River, supposedly from inside Costa Rican territory.

53. MAY 2, 1984

The Costa Rican Government protests before the Nicaraguan Government the events which took place on the 29th of April in which in five instances. Two push-pull type aircraft of the Nicaraguan Air Force flew over Costa Rican territory firing no less than fifty 68mm "rocket" type missiles upon the civilian population of San Isidro de Pocosol.

The Nicaraguan Government answered the letter of protest on the same day and justified the incident as part of a series of attacks against Nicaragua by rebel forces established in Costa Rica territory; incidents which the Nicaraguan Government cannot avoid given the present circumstances.

54. MAY 2, 1984

The Costa Rican Government reiterates to the Nicaraguan Government that the attacks against Nicaragua are not originating from inside Costa Rican territory. Nor does it accept the supposed link between the Ministry of the Interior and Police and the Bureau of Intelligence and Security with Nicaraguan insurgents that oppose the Sandinista regime.

55. MAY 3, 1984

The Costa Rican Government protests to the Nicaraguan Government of the serious events of May 3, 1984, when members of the Sandinista Popular Army attacked the border post of Peñas Blancas with mortar, machine gun, and rifle fire, producing damage to Costa Rican Immigration and Customs installations and endangering the lives of Costa Ricans who were at the place at that moment peacefully going about their daily tasks.

56. MAY 3, 1984

The Nicaraguan Government protests to the Costa Rican Government the events of May 3, which it describes as a "self-attack" by the Costa Rican Rural Guard. In this way it releases itself from all responsibility for the aggression perpetrated by the Sandinista Popular Army at Peñas Blancas.

57. MAY 7, 1984

The Nicaraguan Government protests to the Costa Rican Government the events transpired on May 7, 1984, in which a group of insurgents attacked the border position of "Palo de Arce", alleging that they supposedly originated from inside Costa Rican territory, from a site located 500 meters from the Costa Rican Rural Guard post known as "El Cachito".

58. MAY 8, 1984

The Costa Rican Government presents its most emphatic protests to the Nicaraguan Government for the press release dated May 4, 1984, which it published in Costa Rica newspapers under the protection of the freedom of press which prevails in Costa Rica. These declarations are part of the misinformation compaign carried out by the Nicaraguan Government against the Costa Rican Government.

This press release is not only untruthful but also constitutes an insult to the people and the Government of Costa Rica, and reveals the agressive conduct of the regime in Managua towards Costa Rica and its people.

The Costa Rican Government, the same day, declares Francisco Gutierrez Solis, administrative official of the Nicaraguan Embassy in San Jose, persona non grata.

59. MAY 17, 1984

The Costa Rican Government answered the Nicaraguan Government's protest for the events taken place since April 24th in which mercenary forces had been launching attacks against Nicaraguan positions in the Castillo region, Department of San Juan River, reporting several confrontations with Sandinista Popular Army troops which defend the region.

Likewise, on April 28, it was denounced that a group of mercenaries attacked with gunfire from within Costa Rican territory. According to reports of the Ministry of Public Security, the Costa Rican border region is completely controlled by troops of the Los Chiles Command, which prevent the occurrence of incidents such as those mentioned earlier.

60. JUNE 12, 1984

The Nicaraguan Government protests to the Costa Rican Government that opposers of the Sandinista regime attacked the "El Castillo" region, supposedly from inside Costa Rica. This was rejected by the Costa Rican Government on June 13, 1984, indicating that on the contrary it was the Sandinista Popular Army which attacked Costa Rican territory with artillery fire.

61. JUNE 13, 1984

The Costa Rican Government protests the declarations made by officials of the Nicaraguan Government claiming that Costa Rican authorities support Nicaraguan counterrevolutionaries.

62. JULY 6, 1984

The Nicaraguan Government requests that the Costa Rican Government surrender a shipment of explosives belonging to it, which was found aboard the vessel "Freedom" and detained in Port Limon, Costa Rica.

The Nicaraguan Government alleged that the dynamite carried by said vessel would be used for industrial and not military purposes.

The Costa Rican Government on the same day, by Security Council resolution, declares that these incidents run against its position of neutrality.

63. AUGUST 24, 1984

The Costa Rica Government vigorously protests to the Nicaraguan Government the unfounded charges which Daniel Ortega, the Governmental Council for National Reconstruction, formulated during the celebration of the fourth anniversary of the National Literacy Crusade. Ortega spoke at that time of "hundreds of mercenaries under the control of the CIA, assembled in the region of Guanacaste, in order to launch an attack against the Nicaragua city of Rivas". He also assured that "they belong to the opposing Nicaraguan Democratic Force, which not only operates from within Honduran territory, but also from within Costa Rican territory.

64. SEPTEMBER 21, 1984

The Costa Rica Government protests the following incidents:

(a) September 11, 1984, the Costa Rican citizens Filiberto Urbina and Dionisio Miranda were abducted by Sandinista Popular Army troops from Finca Quinta Elena, in the "Las Tablillas" region, Country of Las Chiles, in Costa Rica territory and transferred to the barracks in the town of San Carlos inside Nicaraguan territory where they remained under arrest, and were interrogated until they were freed on September 12, and returned to Costa Rica.

(b) September 16, 1984, a group of ten members of the Sandinista Popular Army penetrated Costa Rican territory in the "Las Tablillas" region, landmark 13, opening fire on a small Civil Guard patrol which was carrying out a reconnaissance mission.

65. SEPTEMBER 30, 1984

The Nicaraguan Government addresses the Costa Rican Government in reference to the events of September 20, in which rebel forces attacked the border post of Penas Blancas, supposedly from the Costa Rican region called "El Valle".

The Costa Rican Government answers the note sent on October 1, 1984, and after detailed investigation of the alleged incidents concludes that there are no material grounds for such accusations.

66. OCTOBER 1, 1984

The Costa Rican Government protests to the Nicaraguan Government the events of September 27, 1984, in "La Trocha" region, county of Los Chiles, which was subjected to unwarranted bombing. The artillery attack originated from Nicaraguan territory, caused serious injuries to Costa Rican citizens who were about 1.500 meters from the border.

67. OCTOBER 2, 1984

The Government of Costa Rica answers the note sent by the Government of Nicaragua on September 25, 1984, concerning the establishment of a radio station in the North region of Costa Rica.

In its note, the Costa Rican government expressed that the foresaid radio station is exclusive property of Costa Rican citizens grouped in a legally constituted association, according to Costa Rican law juridical ordinance, under the protection of the liberty of information that is guaranteed by the Politic Constitution of Costa Rica.

The Government of Costa Rica can not forbid the existence of the said association, nor the legitimate right that assists the Costa Rican citizens in order to freely express their opinions, because it will exceed in its functions.

68. OCTOBER 11, 1984

The Government of Costa Rica protests to the Government of Nicaragua on the declarations made by the Commandant Daniel Ortega, Coordinator of the Board of Government of National Reconstruction of Nicaragua, at the General Assembly of the United Nations, and at his return to the Augusto Sandino International Airport in Managua.

The Government of Costa Rica considers that declarations of this nature, that do not respond to the truth, have the clear purpose to confuse the correct relationships between both Governments.

69. OCTOBER 18, 1984

The Government of Costa Rica desauthorized the declarations given by an American citizen, John Hull, who made a public recognition of his consent for the utilization of his farm in Costa Rica, at Muelle San Carlos, at some 80 Kilometers of the Border with Nicaragua, for the landing of airplanes of the anti-Sandinista rebel forces.

70. OCTOBER 18, 1984

The Government of Nicaragua protests to the Government of Costa Rica, about the events that occurred the 15th day of October of 1984, claiming that a group of mercenaries attacked with 81 mm. mortars and rifle firing, allegedly from Costa Rican territory, the frontier post of San Pancho, located 11 kilometers towards the East of San Carlos in the Nicaraguan Department of San Juan River. At the same time, two helicopters were flying over the area.

The 16th day of October a fast airplane penetrated the Nicaraguan air space by the sector of Montelimar in the Department of Managua. Subsequently the airplane withdrew "to Costa Rican territory", alleged the complaining Government.

The Government of Costa Rica answered the same day to the Government of Nicaragua in order to reject the arised accusations, because they lack truth, according to reports presented by the Costa Rican Ministry of Public Security. The attack to the post of San Pancho, did not start from Costa Rican territory and also there was no evidence that an airplane of such characteristics had come in by the North sector into the Costa Rican territory.

71. OCTOBER 20, 1984

The Government of Nicaragua protests to the Government of Costa Rica for the events which occurred on October 20, 1984, when the Nicaraguan border of Peñas Blancas was attacked with rifle fire, allegedly from the Costa Rican territory, according with the Sandinista version.

The Government of Costa Rica answered the accusation made by the Government of Nicaragua about the events of October 20th in the frontier zone. The investigations made by the Costa Rican Ministry of Public Security had demonstrated the attack of rifle firing against the Nicaraguan frontier post did not come from Costa Rican territory, and such was informed to the Government of Nicaragua.

72. NOVEMBER 1, 1984

The Government of Nicaragua protested to the Government of Costa Rica, for the events occurred on November 1, 1984, by attributing to a group of supposed mercenaries at the service of the Government of the United States, an alleged attack from the territory of Costa Rica, with fire of mortars, directed against the observation post in the frontier post of San Pancho, situated at 11 kilometers South East of San Carlos, nearby the Landmark number 12.

73. DECEMBER 3, 1984

The Government of Costa Rica protests to the Government of Nicaragua for the following events:

(a) On November 29, 1984, Push and Pull airplanes, belonging to the Air Force of Nicaragua, violated Costa Rican air space in the region of Agua Dulce, up to 3 Kilometers inside the national territory.

(b) Again, the next day, a Push and Pull type airplane of the Air Force of Nicaragua, violated the Costa Rican air space in the region of Agua Dulce, up to 3 Kilometers inside the national territory.

(c) The same day, three military boats armed with artillery, with signs belonging to the Army of Nicaragua, penetrated 6 Kilometers inside the Costa Rican territorial waters.

74. DECEMBER 24, 1984

Approximately at eleven o'clock at night, a Nicaraguan student, Jose Manuel Urbina Lara, to whom it was granted political assylum by the Costa Rican Embassy in Managua since August 20, 1984, was forced against his will to abandon the Costa Rican Mission building. Immediately he was arrested by the Sandinista Police.

75. DECEMBER 26, 1984

The Ministry of Foreign Affairs of Nicaragua communicated to the Costa Rican Embassy in Managua its version of the December 24 events.

76. DECEMBER 27, 1984

At 10 a.m. Costa Rican Ambassador in Nicaragua, Mr. Jesus Fernandez Morales went to the Military Hospital "Alejandro Davila Bolanos" of Managua with other Costa Rican diplomats and employees of the Government of Nicaragua, in order to have an interview with Jose Manuel Urbina Lara, to know his version about what had happened the 24th. In this meeting the refugee Urbina said that he was forced to get out when he opened the door of the Embassy and was pushed by a woman, while he was threatened with a gun by the Sandinista Policeman of the Embassy. When he got out, he was forced to get into a vehicle in the seat of the driver, and just after the vigilante gave him the keys of the car, Urbina started it and put it in movement immediately and drove it to the fence of the Embassy, knocking it down; but when he tried to jump over it, he was arrested and taken to a Lada vehicle. Since that moment, he said, he does not remember anything. He also told the Ambassador that in the Hospital he is registered under the name of Rosendo Munguia Zapata.

77. DECEMBER 27, 1984

The Costa Rican Minister of Foreign Affairs, Lic. Carlos Jose Gutierrez, sent a note to the Minister of Foreign Affairs of Nicaragua, Miguel D'Escoto, requesting the immediate delivery of Mr. Urbina Lara to the Costa Rican Embassy in order to "receive medical attention, under the protection of our Embassy, or authorization for him to leave Nicaragua, towards our country". Minister Gutiérrez also informed Nicaragua that the acceptance of the said request was the only way of observance of its obligations that the Government of Costa Rica can accept from the Nicaraguan Government.

78. JANUARY 2, 1984

The Nicaraguan Acting Foreign Minister, Nora Astorga, answered the note of the Costa Rican Foreign Minister, dated December 27, 1984, rejecting its terms, and at the same time stating that Mr. Urbina Lara, was not forced to get out of the Costa Rican Diplomatic headquarters. He did it by his own will, said Mrs. Astorga. In like manner. she states that Mr. Urbina is a "Deserter of the patriotic military service", and therefore, according to the Conventions of La Habana (1928) and Montevideo (1933), he has no right to obtain the diplomatic asylum.

79. JANUARY 4, 1985

The Costa Rican Minister of Foreign Affairs, Carlos Jose Gutierrez, in note sent to Mrs. Astorga, rejects her previous note of January 2, and urges Nicaragua to sign the Convention of Caracas about the Right of Diplomatic Asylum of 1954. In this note Minister Gutierrez reiterates that Jose Manuel Urbina Lara had been persecuted for political reasons, and so he obtained the Diplomatic Asylum.

Minister Gutierrez also reminds Mrs. Astorga that according to the Convention of Montevideo of 1933, it is a right of the Nation that grants the asylum "the qualification of the political delinquency." Finally he indicates to Mrs. Astorga, concerning some information about Urbina Lara's supposed renouncing of the asylum that Costa Rica will be satisfied if that supposed renunciation was ratified by Urbina Lara in a meeting with Ambassador Fernandez at the Costa Rican Mission or at the Apostolic Nunciature in Managua.

80. JANUARY 8, 1985

Mr. Fernando Zumbado, Ambassador of Costa Rica before the Organization of the American States, Permanent Council of the Organization, presented the situation of Mr. Urbina Lara, at the same time he requested the initiation of a Special Investigative Commission to verify the facts.

The Nicaraguan representative, Juan Gazol, rejected the possibility that OAS could hear this case, because it was an internal matter that was finished, he said.

81. JANUARY 9, 1985

The Foreign Ministry of Nicaragua informs to all the Diplomatic Missions accredited in Managua, that the Government of Nicaragua will not accept the granting of Diplomatic Asylum to Nicaraguan citizens under the "Patriotic Military Service".

82. JANUARY 11, 1985

Mr. Jose Luis Urbina Chaves, father of Jose Manuel Urbina Lara, declares before the Costa Rican Ambassador Fernandez Morales that he had visited his son at the Offices of the State Security. Jose Manuel told him that he was very sick and that he had not renounced the Asylum granted by Costa Rica. He also told his father that he wished to return to the Costa Rica Embassy.

83. JANUARY 14, 1985

The Ambassador Fernandez Morales, pertaining the circular note of the Nicaraguan Foreign Ministry, informed the Ministry that Costa Rica cannot accept the instructions that are contained in such note and that Costa Rica intended to continue to exercise its "inalienable right to grant diplomatic asylum at its Mission in Managua", in accordance with the Treaties and Conventions.

84. JANUARY 14, 1985

The Costa Rican Minister of Foreign Affairs, Carlos Jose Gutierrez, denounces and protests to the Government of Nicaragua, because on January 8, 1985, members of the Sandinista Popular Army landed in Costa Rican territory at the lagoon of Agua Dulce. The Nicaraguan soldiers were expelled by the Civil Guard of Costa Rica.

85. JANUARY 14, 1985

The Nicaraguan Foreign Minister, Miguel D'Escoto Brockman, in a note of the same day addressed to the Costa Rican Minister of Foreign Affairs Mr. Gutierrez, rejects the denunciation and argues that the intrusions to the Costa Rican territory were made by Antisandinista groups.

86. JANUARY 19, 1985

The Permanent Council of the OAS decides to urge the Governments of Costa Rica and Nicaragua to solve in a friendly and peaceful way the Urbina case and asked for the mediation of the Contadora Group.

87. JANUARY 19, 1985

The Minister of the Interior of Nicaragua, Tomas Borge, declares in Managua that the government of Costa Rica allows enemies of the Government of Nicaragua to concentrate in the Costa Rica region of Peñas Blancas in order to attack Nicaraguan posts.

88. JANUARY 22, 1985

The previous statement of the Minister Borge was rejected by the Costa Rican Minister of Foreign Affairs of Costa Rica, Carols Jose Gutiérrez, who declared it was false. Minister Gutierrez requested the Nicaraguan Government to explain if such declaration constituted an opinion of the Government of Nicaragua. The Costa Rican Minister also asked for a retraction from Mr. Borge.

89. FEBRUARY 3, 1985

The Nicaraguan Foreign Minister Miguel D'Escoto sent a note to the Costa Rican Minister of Foreign Affairs Mr. Gutiérrez, in which he protests a press conference that was held in the Ambassador Hotel in San Jose, in which participated the leading members of the "Alianza Revolucionaria Democrática—ARDE", Adolfo Chamorro, Carol Prado, Donal Castillo and Jose Davila, who spoke of the armed struggle that the opposite rebel groups maintain against the Government of Nicaragua.

90. FEBRUARY 5, 1985

The General Sub-Director of the Civil Guard of Costa Rica, in a note sent to the Costa Rican Minister of Foreign Affairs, explained to him the events which happened with three Nicaraguan kidnapped citizens and informed him that said Nicaraguan citizens were found tied to a tree near the "La Pimienta", hill by the Civil Guard. As they said, they were captured by the men of Eden Pastora and it is their wish to ask for Political Asylum in Costa Rica.

91. FEBRUARY 7, 1985

The Costa Rican Minister of Foreign Affairs, in a note sent to the Nicaraguan Foreign Minister with regard to the situation laid out in the Press Conference that was celebrated in San Jose on January 31, stated that the expressions that were said there violated in an absolute and unyielding manner the neutrality Costa Rica maintains and it also constituted a violation against the Right of Territorial Asylum.

92. FEBRUARY 9, 1985

The Nicaraguan Foreign Minister protested to the Costa Rican Minister of Foreign Affairs that on February 8, the leading man of ARDE, Jose Davila at a press conference held in San Jose, announced the felling in Nicaraguan territory of helicopter given to his Organization by the U.S. Government.

The Nicaraguan Foreign Minister used those facts to confirm the use of the Costa Rican territory by the insurgent military or-

ganization ARDE, in violation of Costa Rican neutrality.

93. FEBRUARY 18, 1985

The Government of Nicaragua protests, because this same day, counterrevolutionaries, supposedly from Costa Rican territory, attacked the Peñas Blancas border post. The Government of Costa Rica, the 20th of February of 1985, rejected the terms of the Nicaraguan protest because the facts denounced happened in Nicaragua and that the attackers came from their bases in Nicaraguan territory.

94. FEBRUARY 18, 1985

The Government of Nicaragua requested the aid of the Costa Rican Government for the return of Nicaraguan citizens supposedly kidnapped in Zelaya, Nicaragua, and transferred by the counterrevolutionary forces to Costa Rica. The Government of Costa Rica, on February 20, 1985, expressed to the Sandinista Government that the presumed kidnapped victims were not in Costa Rican territory, and urged him to exercise control over his territory and suggested to him to stop the presence of civilians in the war zones in Nicaraguan territory.

95. FEBRUARY 19, 1985

The Government of Nicaragua protested to the Costa Rican Government and assumed that a group of counterrevolutionaries, supposedly from Costa Rican territory, attacked the frontier post of El Naranjo, located 17 Kilometers South-East of Peñas Blancas.

The Government of Costa Rica, on February 20, 1985, rejected the Nicaraguan protest, because the fact happened in Nicaraguan soil and the attack did not come from Costa Rica, but from Nicaragua.

96. FEBRUARY 20, 1985

The Government of Costa Rica protested to the Nicaragua Government about the events which happened the 10th and 11th of February 1985, in which the Sandinista Popular Army attacked patrols of the Costa Rica Civil Guard, who were in a surveillance mission at "Los Jocotes" hill in Guanacaste.

The Government of Nicaragua, by note of February 25, 1985, rejected the denunciation.

97. MARCH 1, 1985

According to the Government of Nicaragua, this day at 7:45 a.m., a group of rebels, enemies of the Sandinista Government, supposedly attacked the Nicaraguan frontier post of Peñas Blancas, allegedly coming from Costa Rica.

The 27th of the same month, the Government of Costa Rica answered the Nicaraguan denunciation, stating that according to investigations made, the attack did not come from Costa Rican territory.

98. MARCH 1, 1985

The Government of Nicaragua protested because a group of the frontier post of San Juan del Norte had been attacked by an Antisandinista group, allegedly coming from Costa Rica.

The Government of Costa Rica, by note of March 27, 1985, rejected the charges made by the Sandinista Government, because the Nicaraguan Department of the River San Juan is under the control of the Antisandinista and the Nicaraguan Government does not exercise its sovereignty (as it should do) over that region.

99. APRIL 12, 1985

The Government of Costa Rica protested to the Nicaraguan Government that on April 3, 1985, soldiers of the Sandinista Popular Army attacked with artillery fire the Costa Rican zone of Las Tiricias, county of Los Chiles. It also warned Nicaragua that the Costa Rican Public Force will proceed to repel any attack against national territory.

100. APRIL 16, 1985

In another note of protest, the Government of Nicaragua denounced on April 14, 1985, that armed groups of rebels, supposedly proceeding from Costa Rica, attacked the Nicaraguan Frontier Post of La Esperanza, in the Department of River San Juan.

101. APRIL 12, 1985

The Government of Costa Rica protested to the Government of Nicaragua that the Sandinista Popular Army's attack on the sector of Las Tiricias, in Costa Rican territory was done, with heavy artillery. The Government of Nicaragua, by means of note DAJ No. 085, of April 20th, answered the Costa Rican protest, denying that the Sandinista Popular Army was the perpetrator of such acts, although they did not deny the attack.

102. APRIL 16, 1985

The Government of Nicaragua protested to the Government of Costa Rica that on April 14, 1985, a group of counterrevolutionaries harassed the Nicaraguan border post of La Esperanza, 7 km southeast from the city of San Carlos: apparently doing it from Costa Rican territory.

103. APRIL 30, 1985

The Government of Nicaragua protested to the Government of Costa Rica, that a group of mercenaries again harassed the border post of La Esperanza from Costa Rican territory, on April 27th.

104. MAY 31, 1985

The Government of Costa Rica protested to Nicaragua, that on May 26th, the Sandinista Popular Army bombed Costa Rican territory in the region of Las Tiricias, County of Los Chiles, endangering the life of Costa Rican Civilians.

105. JUNE 3, 1985

The Government of Costa Rica protested to the Government of Nicaragua for the criminal attack the Sandinista Popular Army perpetrated against Costa Rican territory in the region of Las Crucitas, causing the death of two Civil Guards and seriously wounding seven people.

106. JUNE 3, 1985

The Government of Nicaragua denied that the Sandinista Popular Army was responsible for the deplorable happenings of Las Crucitas, and charged the counter-revolutionary groups the responsibility for these events.

107. JUNE 19, 1985

The Government of Nicaragua protested to the Government of Costa Rica for the deportation of the ARDE leader Roberto "Tito Chamorro", arrested in Costa Rican territory.

108. JUNE 20, 1985

The Government of Costa Rica answered the protest presented by Nicaragua the day before, informing the Nicaraguan authorities that the deportion of Chamorro took place because he could stay in Costa Rica because of an Executive Mandate. This is the best example of the neutrality policy held by the Government of President Luis Alberto Monge.

109. JUNE 21, 1985

The Government of Nicaragua protested to the Government of Costa Rica that on June 20, 1985, a counter-revolutionary group attacked the sector of La Penca, apparently from Costa Rican territory.

110. JULY 1, 1985

The Government of Costa Rica addressed the Government of Nicaragua after having viewed the Report of the Investigative Commission of the Organization of American States, reiterating the request made on June, 3rd and also indemnization and reparations for Nicaragua's responsibility in the happenings of Las Crucitas.

111. JULY 2, 1985

The Government of Nicaragua protests to the Government of Costa Rica that counterrevolutionaries, apparently from Costa Rican territory attacked the Nicaraguan Border post of La Penca, causing two casualties to the Sandinista Popular Army.

112. JULY 3, 1985

The Government of Nicaragua protested to the Government of Costa Rica for the declarations of five foreigners that are kept under arrest in Costa Rican prisons, asserting that the Costa Rican authorities materially support the counter-revolutionary groups.

Costa Rica answered on July 9th, rejecting the Nicaraguan protest and adducing the arrested men only used the unrestricted freedom of expression they enjoy in Costa Rica and that the best proof of the deceit of their statements is that they were arrested and indicted by the Costa Rican Judicial Power.

113. JULY 4, 1985

The Government of Nicaragua extended the preceding protest, stating that the alleged attack to La Penca caused another casualty.

114, JULY 8, 1985

The Government of Costa Rica rejected the Nicaraguan protests of June 1st, pertaining to the attack against La Penca, as there were enough elements demonstrating that such action took place in Nicaraguan territory and never started from Costa Rica.

The Government of Costa Rica protested in the same note that on June 20th the Sandinista Popular Army bombed Costa Rican territory in the region of the San Carlos River.

115. JULY 16, 1985

The Government of Costa Rica protested to the Government of Nicaragua that men from the Sandinista Popular Army broke into Costa Rican territory and kidnapped a person, carrying him back to Nicaragua.

The Government of Costa Rica requested in said note the immediate return of the kidnapped man.

116. JULY 19, 1985

The Government of Costa Rica addressed a note to the Government of Nicaragua reporting that the very same day at five o'clock, a group of Nicaraguans broke into Costa Rican territory, in the region of Monte Plata, and killed a Nicaraguan of Costa Rica, and immediately returned to Nicaragua. The Government of Costa Rica requested the immediate arrest of those responsible.

117. JULY 22, 1985

The Government of Nicaragua protested to the Government of Costa Rica on July 17, a group of opposers of the Nicaraguan Government apparently attacked the post of the Nicaraguan Armed Forces at the zone of San Rafael, 20 km East from Boca San Carlos, from Costa Rican territory.

118. JULY 24, 1985

The Government of Nicaragua protested that on the same day a helicopter fell in Pital of San Carlos, Costa Rican territory, and denounced that Eden Pastora who traveled in the aircraft, was injured in the accident.

119. JULY 25, 1985

The Government of Nicaragua completed the protest of the day before and denounced that Mr. Pastora Gomez apparently received help and attention from Costa Rican Rural Guard members.

120. JULY 26, 1985

The Government of Nicaragua denounced that three airplanes apparently from Costa Rica entered Nicaraguan territory at the sector of La Penca that day.

121. AUGUST 2, 1985

The Government of Nicaragua protested that that day the Sandinista Popular Army had dismantled ARDE bases in the Nicaraguan sector of Sarapiqui, Department of San Juan River, the displaced men, according to the Nicaraguan version, passed to Costa Rican territory, where they kept attacking the Sandinista Army post.

122. AUGUST 13, 1985

The Government of Costa Rica answered the preceding protest rejecting the Nicaraguan versions. On the contrary, it denounced that on July 25, Sandinista airplanes broke into Costa Rican territory and bombed the civilian population of Barra del Colorado. It also denounced that on August 12, men from the Sandinista Popular Army attacked Costa Rican territory at the region of Guestomate, with mortar fire. The Government of Costa Rica protested and requested a constructive attitude from the Nicaraguan Government and that it meet its responsibility before the International Community.

123. AUGUST 16, 1985

The Government of Costa Rica made manifest to the Nicaraguan Government that it is open to dialogue to solve bilateral problems, but only if the Sandinista Government apologizes for the happenings at Las Crucitas on May 31, and at Boca de Tortuguero on July 25.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, I was on leave of absence, by unanimous consent, Thursday, September 26, 1985. Had I been present, I would have voted "aye" for roll No. 317 on the passage of the interstate compact bill Senate Joint Resolution 127, and "no" for the amendments to the 1985 farm bill, roll Nos. 318, 319, and 320.

MRS. AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, in addition to having Miss America as a constituent, I am also very fortunate to serve as Congressman for the 1985 Mrs. America. She is Donna Russell of Brandon, MS.

Two weekends ago, Donna went to Honolulu, HI, to compete in the Mrs. World 1986 contest. I am proud to say that she was chosen third alternate from a field of 31 women, representing five continents. Donna won the Mrs. Congeniality Award.

Donna is the first Mississippian to win the Mrs. America title. In fact, she is the first from our State to place in the top 10. Since winning the Mrs. America title this summer, Donna has been very busy with personal appearances and modeling assignments all over the United States.

She and her husband, Richard, are both graduates of the University of Mississippi. They have two children, Jason and Heather.

Mr. Speaker, the folks around Brandon are proud of Donna and her accomplishments. I wanted to share them with my colleagues.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SENSENBRENNER) to revise and extend their remarks and include extraneous material:)

Mr. CRAIG, for 60 minutes, on October 2.

Mr. CRAIG, for 60 minutes, on October 9.

Mr. CRAIG, for 60 minutes, on October 16.

Mr. CRAIG, for 60 minutes, on October 23.

Mr. CRAIG, for 60 minutes, on October 30.

Mr. CRAIG, for 60 minutes, on November 6.

(The following Members (at the request of Mr. ECKART of Ohio to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, on October 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SENSENBRENNER, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,476.25.

(The following Members (at the request of Mr. SENSENBRENNER) and to include extraneous matter:)

Mr. COURTER.

Mr. BEREUTER.

Mr. LAGOMARSINO.

Mr. MCEWEN.

Mr. LEACH of Iowa.

Mr. GILMAN.

Mr. CRAIG.

Mr. PORTER.

Mr. BROOMFIELD in three instances.

(The following Members (at the request of Mr. ECKART of Ohio) and to include extraneous matter:)

Mr. FROST in five instances.

Mr. FAZIO.

Mr. KASTENMEIER.

Mr. RICHARDSON.

Mrs. LLOYD.

Mr. LANTOS in two instances.

Mr. MARTINEZ.

Mr. FLORIO.

Mr. HALL of Ohio.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in 10 instances.

Mr. COELHO.

Mr. RAY.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H.R. 3414. An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill of the Senate of the following title:

S. 1671. An act to amend title 38, United States Code, to provide interim extension of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities; and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such act.

ADJOURNMENT

Mr. DE LA GARZA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 24 minutes p.m.) the House adjourned until tomorrow, Tuesday, October 1, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2056. A communication from the President of the United States, transmitting proposed amendments to the request for appropriations for fiscal year 1986, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-109); to the Committee on Appropriations and ordered to be printed.

2057. A letter from the General Counsel of the Treasury, transmitting a draft of proposed legislation to eliminate foreign predatory export credit practice, establish a tied aid credit facility, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

2058. A letter from the Auditor, District of Columbia, transmitting a letter report entitled, "Comparative Analyses of Reports by Coopers and Lybrand and the District of Columbia Auditor Regarding the UDC President's Representation Fund for Fiscal Year 1984," pursuant to Public Law, 93-198, section 455(d); to the Committee on the District of Columbia.

2059. A letter from the Secretary, Council of the District of Columbia, transmitting a copy of council resolution 6-284, entitled, "Transfer of Jurisdiction over Georgetown Waterfront Park for Public Park and Recreational Purposes, S.O. 84-230, Resolution of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2060. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a draft bill entitled, "The Central American Counterterrorism Act of 1985"; to the Committee on Foreign Affairs.

2061. A communication from the President of the United States, transmitting information with respect to his intention to authorize the sale of a limited quantity of defensive arms to Jordan. (H. Doc. No. 99-110); to the Committee on Foreign Affairs and ordered to be printed. September 30, 1985.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1963. A bill to increase the development ceiling at Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania, and for other purpose and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambria County Library Building, Pennsylvania; with amendments (Rept. 99-291). Referred to the Committee of the Whole House on the State of the Union.

Ms. OAKAR: Committee on Post Office and Civil Service. H.R. 3384. A bill to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the employees health benefits fund; to make miscellaneous amendments relating to the civil service retirement system and the Federal Employees Health Benefits Program: and for other purposes (Rept. 99-292). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1562. A bill to achieve the objectives of the Multi-Fiber Arrangement and to promote the economic recovery of the United States textile and apparel industry and its workers (Rept. 99-293). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself and Mr. DUNCAN):

H.R. 3451. A bill to extend for 45 days the application of tobacco and Superfund excise taxes, trade adjustment assistance, certain Medicare reimbursement provisions, and borrowing authority under the Railroad Unemployment Insurance Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 3452. A bill to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain Medicare reimbursement provisions, and borrowing authority under the Railroad Unemployment Insurance Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 3453. A bill to amend the Internal Revenue Code of 1954 to extend the Superfund taxes for 45 days; to the Committee on Ways and Means.

By Mr. DE LA GARZA.

H.R. 3454. A bill to extend temporarily certain provisions of law; to the Committee on Agriculture.

By Mr. KASTENMEIER:

H.R. 3455. A bill to amend title 18, United States Code, to prohibit certain forms of video surveillance, and to modify certain prohibitions with respect to other surveillance; to the Committee on the Judiciary.

By Mr. WAXMAN (for himself, Mr. SHELBY, Mr. WYDEN, Mr. LUKEN, and Mr. BROYHILL):

H.R. 3456. A bill to amend the Consumer Product Safety Act to extend it for 3 fiscal years, and for other purposes; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

254. By the SPEAKER: Memorial of the Legislature of the State of California, relative to substance abuse in professional sports; to the Committee on Energy and Commerce.

255. Also, memorial of the Legislature of the State of California, relative to the National Railroad Passenger Corporation; to the Committee on Energy and Commerce.

256. Also, memorial of the Legislature of the State of California, relative to daylight saving time; to the Committee on Energy and Commerce.

257. Also, memorial of the Legislature of the State of California, relative to methanol-powered vehicles; to the Committee on Energy and Commerce.

258. Also, memorial of the Legislature of the State of California, relative to Turkey; to the Committee on Foreign Affairs.

259. Also, memorial of the Legislature of the State of California, relative to Federal mineral leasing; to the Committee on Interior and Insular Affairs.

260. Also, memorial of the Legislature of the State of California, relative to persons of Japanese ancestry interned during World War II; to the Committee on the Judiciary.

261. Also, memorial of the Legislature of the State of California, relative to immigration quotas; to the Committee on the Judiciary.

262. Also, memorial of the Legislature of the State of California, relative to the Coast Guard vessel traffic service; to the Committee on Merchant Marine and Fisheries.

263. Also, memorial of the Legislature of the State of California, relative to fire emergencies; to the Committee on Public Works and Transportation.

264. Also, memorial of the Legislature of the State of California, relative to a new national veteran's cemetery; to the Committee on Veterans' Affairs.

265. Also, memorial of the Legislature of the State of California, relative to Federal income taxation; to the Committee on Ways and Means.

266. Also, memorial of the Legislature of the State of California, relative to national forest revenue sharing; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

267. Also, memorial of the Legislature of the State of California, relative to boxing; jointly, to the Committees on Energy and Commerce and Education and Labor.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 237: Mr. FRANKLIN and Mr. TRAFICANT.

H.R. 1145: Mr. WEAVER.

H.R. 1769: Mr. SNOWE.

H.R. 2578: Mr. FEIGHAN, Mr. MOAKLEY, Mr. NATCHER, Mr. PANETTA, Mr. REID, Mr. SMITH of Florida, Mr. TORRICELLI, and Mr. WEBER.

H.R. 2689: Mr. SKEEN.

H.R. 2866: Mr. HUGHES, Mr. ZSCHAU, and Mr. VISCLOSKY.

H.R. 3006: Mr. BLAZ and Mr. PRICE.

H.R. 3189: Mr. BATES.

H.J. Res. 122: Mr. MAZZOLI, Mr. WYDEN, Mr. NELSON of Florida, Mr. MOODY, and Mr. GRAY of Illinois.

H.J. Res. 313: Mr. YATRON, Mr. MCDADE, Mr. ORTIZ, Mr. JONES of Tennessee, Mr. LEATH of Texas, Mr. HENRY, Mr. GRAY of Illinois, Mr. LEWIS of Florida, Mr. ANNUNZIO, Mr. QUILLEN, Mr. GROTBERG, Mr. CHAPPIE, and Mr. HUBBARD.

H. Con. Res. 24: Mr. SOLARZ, Mr. BADHAM, Mr. COUGHLIN, and Mr. COURTER.

H. Con. Res. 169: Mr. WOLPE.

H. Con. Res. 196: Mr. HAWKINS, Mr. WAXMAN, Mr. LIVINGSTON, Mr. GUARINI, Mr. BRYANT, Mr. FUSTER, Mr. MITCHELL, Mr. BEDELL, Mr. MCCAIN, Mr. ANDREWS, Mr. FRANK, Mrs. BOXER, Mr. MRAZEK, Mr. MARTINEZ, Mr. RICHARDSON, Mr. MORRISON of Connecticut, Mr. ROE, and Mr. LELAND.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2451: Mr. SMITH of Florida.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. RES. 3

By Mrs. BYRON:

—Page 3, strike out line 3 and all that follows through line 3 on page 4 and insert in lieu thereof the following: "That it is the sense of the Congress that at the earliest appropriate date, following certification by the President that, in the context of the requirement to maintain a viable nuclear deterrent, of assuring Soviet compliance, and of achieving deep reductions in nuclear arms, substantial progress has been made on the verification of nuclear weapons testing, to include onsite monitoring, the President should propose to the Soviet Union the timely resumption of negotiations with the objective of concluding a verifiable comprehensive test ban treaty.".

—Amend the preamble to read as follows:

Whereas August 6, 1985, marked the 40th anniversary of the detonation of the nuclear bomb at Hiroshima;

Whereas the Soviet Union announced its intention to begin a five-month moratorium on nuclear testing on August 6, 1985;

Whereas a complete cessation of nuclear test explosions must be related to the ability of the United States to maintain credible deterrent forces;

Whereas any test ban agreement must be verifiable and must be made in the context of deep and verifiable arms reductions;

Whereas the United States has concluded, based upon a thorough evaluation of the evidence, that the Soviet Union has repeatedly violated the Limited Test Ban Treaty and likely violated the Threshold Test Ban Treaty; and

Whereas the President has now invited a Soviet team to observe and measure a nuclear test at the Nevada Test Site, without a requirement of reciprocity, or any other conditions: Now, therefore, be it

SENATE—*Monday, September 30, 1985*

The Senate met at 12 noon and was called to order by the Honorable SLADE GORTON, a Senator from the State of Washington.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Blessed be the name of God forever and ever; for wisdom and might are His; He changeth the times and the seasons; He removeth kings, and setteth up kings; He giveth wisdom to the wise; and knowledge to them that know understanding.—Daniel 2:20, 21.

Almighty God, worthy art Thou to receive our praise and honor and adoration. Thou art more willing to bless than we to be blessed—more willing to forgive, than we to be forgiven. Thou art more willing to guide, than we to be guided—to give wisdom and strength for the day, than we to receive. Help us Lord, not to deprive ourselves of Your infinite resources. Help us to realize that when we depend upon everything but God, we have nothing—and when we depend upon God and nothing else, we have everything. Help us to see that we are truly independent when we depend upon Thee—truly free when we submit to Thee. Be God in our lives, individually and collectively, to the glory of Thy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 30, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SLADE GORTON, a Senator from the State of Washington, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. GORTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each. I will ask that any time I have remaining be reserved. I believe the distinguished Senator from West Virginia will make the same request.

The two leaders are to be followed by a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

Following the execution of the special order, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 10 minutes each.

Following routine morning business, the Senate could turn to any of the following items:

S. 1961, dairy price supports extension, with the food stamp extension included. I will point out that that is very minor legislation, but it is important we pass it today. We hope we do not have a long discussion about it. We would like to get it over to the House if we can take action. Otherwise, it will start running up a bill of about $7 million a day in extra expenditures. So I hope we can act on that very quickly.

Then, we would like to at least bring up today any appropriations bills which have been cleared for action.

I know the distinguished Senator from Ohio stated we could probably take up the imputed interest conference report tomorrow. We would like to take care of it today, if possible. We would like to do the debate today, with maybe a rollcall vote later today or tomorrow.

The Compact of Free Association is something the administration would like to have considered. We have attempted to solve some of the problems. But, again, there is a textile amendment. There is some indication however that if we can reach a time agreement on the textile amendment, the compact would not be controversial.

I would indicate that if there are any rollcall votes today, they will not occur prior to the hour of 4 p.m.

Mr. President, for the remainder of the week, I have indicated that we may be required to have a Saturday session because of the debt limit. I understand that should pass this week if at all possible.

We do have a number of appropriations bills this week—Interior, Agriculture, D.C., and others that may be available for consideration. I understand the distinguished chairman of the Appropriations Committee, Senator HATFIELD, is meeting with the chairman of the Budget Committee, Senator DOMENICI, to see if they can work out any differences in those bills.

Mr. President, we do hope to take up the debt limit extension if not on Thursday, then on Friday of this week.

Of course, next week we hope to conclude business on Thursday and be out Friday, Saturday, Sunday, and Monday, with no votes on Tuesday. The purpose of that is to accommodate about a dozen Senators who will be on official business in San Francisco attending an important conference. So we really need to move a number of pieces of legislation this week and in the 4 days of next week, the most important, of course, being the debt ceiling extension.

ARMS SALES TO JORDAN

Mr. DOLE. Mr. President, through the notification just filed by the distinguished chairman of the Foreign Relations Committee, we set in train the process of considering the sale of sophisticated weapons to Jordan.

Jordan is central to the Middle East process. It plays the pivotal role in President Reagan's September 1982 proposal which envisaged self-government by the Palestinians of the West Bank and the Gaza in association with Jordan.

In recent months, Jordan, under the courageous leadership of King Hussein, has made some forward looking proposals toward the goal of settling historic differences between his country and Israel. The question remains, however, whether the sale of this sophisticated weaponry to Jordan at this time will promote peace in the region.

Jordan does have very legitimate military needs. Syria, which poses a potential threat to Jordan, has been well armed and massively supplied by the Soviets. King Hussein has assumed high risk by offering to deal with the Israelis.

King Hussein's commitment to enter in negotiations with Israel under certain conditions on questions such as the future of the Israeli-occupied West Bank is an encouraging step forward. But there are still major, unanswered questions whether meaningful peace talks can begin. One key issue is who will represent the Palestinians, and we and the Israelis have the right to examine that matter very carefully. Another hurdle is King Hussein's prescription for an international structure to the negotiations, which would

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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seem to include a role for the Soviets, something both we and the Israelis oppose.

The President is correct that, "we must be prepared to support those who take risks for peace." That is why the Congress has approved large sums of economic assistance for Jordan. And we hope that King Hussein's visit to Washington will provide some of the answers we seek on the status of the peace process.

But it remains unclear whether the actions taken so far by the King will bear tangible results. Until we have a clearer picture of the true prospects for direct Israeli-Jordanian negotiations, I would urge my colleagues—as the distinguished chairman of the Foreign Relations Committee did—to reserve judgment on this request.

A TRIBUTE TO GEN. JOHN W. VESSEY, JR., CHAIRMAN, JOINT CHIEFS OF STAFF

Mr. DOLE. Mr. President, today marks the end of a distinguished career of one of the noblest soldiers that has ever served his country. As my colleagues know, Gen. John W. Vessey, Jr., is retiring after serving 46 years in the U.S. Army.

I agree with President Reagan when he praised John Vessey as a "soldier's general." However, I must also add that John Vessey is a "general's general" as well. While he never forgot the GI, he was always respected by his many colleagues as a true professional.

Today's world has changed greatly since John Vessey enlisted in the Army 46 years ago—it is a more dangerous and complicated one. We will miss his wise counsel and will undoubtedly seek his views in the future on the many issues affecting national security. To his successor, Admiral Crowe, General Vessey leaves a military that has made significant progress in the last 4 years. He has helped guide a military where morale is high, where the soldier is held in high esteem by the American public, and by our friends and adversaries abroad.

With great conviction, General Vessey fought hard for the MX missile, the strategic defense initiative, and some of the many pressing national defense issues facing this country. For that we are all appreciative.

General Vessey, an infantryman who won a battlefield commission in 1944, has completed his last assignment as he has all his previous ones—with distinction, dedication, and professionalism.

General Vessey—thank you for your service. Job well done.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve my time until later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

THE TEST BAN—THE MOST FATEFUL ARGUMENT FACING MANKIND TODAY

Mr. PROXMIRE. Mr. President, in a recent open letter in the Chemical & Engineering News, Michael Heylin, the editor of that publication, states the case simply and briefly for and against the United States negotiating a comprehensive test ban treaty. In support of the treaty, Mr. Heylin quotes a recent statement by Glenn Seaborg who headed the Atomic Energy Commission from 1961 to 1971. That agency was responsible for developing and producing nuclear weapons in that period. Here is Seaborg writing in favor of the test ban:

> A comprehensive test ban would have great benefits to the U.S. in slowing and reversing the nuclear arms race, in strengthening international efforts to prevent further proliferation of nuclear weapons, and in providing new momentum in arms control negotiations.

Now, how about the Reagan administration? Where do they stand? Editor Heylin reports that the administration made it clear at the annual meeting of the American Association for the Advancement of Science in Los Angeles last spring that it does not want a test ban even if it could be negotiated with the Soviets and even if compliance could be assured.

Why does the administration oppose the test ban? George Miller of the Livermore Lab puts the case squarely:

> A test ban that hampers maintenance of the current nuclear weapons stockpile and development of new, improved warheads is undesirable. Such restraints would tend to undermine the credibility of the U.S. deterrent force and so be a threat to peace. Nuclear weapons are a calming and stabilizing influence on the world scene.

As Heylin rightly put it, this is the position that needs to be challenged openly and vigorously in our democratic society. If ever it could be said that the fate of mankind hinges on the right judgment, it is on this issue. Of course, the rebuttal to the administration is that 40 years of testing of new nuclear weapons have given each superpower a colossal arsenal of constantly more accurate, devastating, and lethal nuclear weapons, that has brought the world to the verge of annihilation.

But the case against the test ban treaty does not rest on the argument that such a treaty would enfeeble the credibility of the U.S. deterrent. The test ban treaty would not reach to new delivery systems that could greatly enhance the deadly efficiency of the nuclear stockpile. As we are increasingly aware, a new defensive system like SDI the so-called star wars, could also undermine the nuclear deterrent, especially if it were developed in concert with a ban on testing. How? Here is how: The ban on testing would prevent the development of new offensive missiles that could penetrate the defense. So the offensive deterrent would lose credibility.

Heylin dismisses the argument that the established nuclear arsenal—our prime deterrent—could not remain reliable without regular testing. He contends that we have certainly developed procedures—or swifty would do so—if we negotiated a test ban treaty to assure adequate reliability without testing.

Mr. President, this issue of the test ban treaty challenges each of the basic and conflicting philosophies. There are those like the administration who see the world's salvation and peace as depending on technology. Constant, unremitting weapons development, in this view, can steadily keep the United States far enough ahead of the Russians, and our deterrent so forbidding that they would not dare attack. On the other hand, the true believer in arms control will argue that technological development is precisely what has brought us to the present appalling dilemma, where the fate of the world can hang on a defective computer chip, a misunderstood communication, the accession of a megalomaniac to top power in a superpower state.

And there is a bigger threat from the unrestricted nuclear arms race. As we have learned to our sorrow, technology knows no boundaries. Not only do the Russians swiftly pick up our nuclear weapons breakthroughs that massively increase the destructive capability of our nuclear arsenals, other countries can, too, if they wish to do so. To date, our new nuclear weapons are too costly for the great majority of countries to consider, but that is changing, and changing rapidly. Some of our newest potential nuclear weapons require only modest economic capability. Nuclear developments in areas like antimatter bombs will bring new weapons of increasingly greater

power that are far cheaper because the delivery system costs so much less.

Editor Heylin calls this issue "the most fateful argument facing mankind today." Unfortunately there has been very little debate on the issue itself. The administration has succeeded brilliantly in confusing the situation. How? They have confused it by contending that there is no conflict between the arms race and arms control; we can have both. The administration claims that it favors arms control. And yet, more than any other administration, Democratic or Republican, since the dawn of the nuclear age, this administration has pushed the nuclear arms race feverishly. It shouts that the only reason we have made no progress with arms control is because the Russians will not negotiate reasonably.

How about it? The Soviet Union has made it absolutely clear that it wants to negotiate an end to nuclear weapons testing. The administration says no. The Soviet Union has declared that they will not agree to a significant reduction in their offensive nuclear arsenal as long as we persist in our plans to test, produce, and deploy an antiballistic missile system that, in all likelihood, can only succeed if the Soviets agree to reduce the numbers of their offensive missiles. What an irony, Mr. President, that this great democracy of ours, representing a people that yearns for peace, has elected a leadership that insists on continuing an arms race which can have no winners—only losers and may lead to the most terrible war in human history.

Mr. President, I ask unanimous consent that the editorial to which I have referred in the Chemical & Engineering News, entitled "The Philosophy of the Test Ban" be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PHILOSOPHY OF THE TEST BAN

The presidential plenary session slated for the fall ACS national meeting in Chicago on the pros and cons of a ban on all nuclear weapons test explosions might well have been previewed last month at a symposium on the same topic at the annual meeting of the American Association for the Advancement of Science in Los Angeles. Such a comprehensive ban would be an extension of a 1963 multilateral agreement that still permits testing underground.

ACS interest in this issue was triggered by a 1983 letter to C&EN from Glenn T. Seaborg, a former ACS president and the head from 1961 to 1971 of the Atomic Energy Commission, the agency then responsible for developing and producing nuclear weapons. According to Seaborg, "A CTB [comprehensive test ban] would have great benefits to the U.S. in slowing and reversing the nuclear arms race, in strengthening international efforts to prevent further proliferation of nuclear weapons, and in providing new momentum in arms control negotiations."

The message from Los Angeles was not very clear. The present Administration does not want a CTB treaty, even if it could be negotiated with the Soviets—which it possibly could—and even if compliance could be guaranteed—something that almost certainly could be done.

As explained in Los Angeles by George H. Miller of Lawrence Livermore National Laboratory, anything, such as a test ban, that hampers maintenance of the current nuclear weapons stockpile and development of new, improved warheads is undesirable. Such restraints would tend to undermine the credibility of the U.S. deterrent force and so be a threat to world peace. According to Miller, nuclear weapons are a calming and stabilizing influence on the world scene. He implies we must learn to love—or, as least, understand—them and continue to nurture them by the unfettered application of science and technology.

This is certainly a position that in a democratic society needs to be thoroughly examined and pitted openly against the counterargument that 40 years of unrestrained nuclear weapons development has triggered an unprecedented arms race, failed to bring real security, and brought the world to the brink of annihilation.

Those who do not look kindly on a CTB make some good points. For instance, what would be the long-term impact of a ban on warhead testing if other weapon developments were left unrestrained? Would continued development of new delivery and defensive systems become increasingly destabilizing?

But a deeply disturbing aspect of the Livermore position presented at the AAAS meeting was the use of misleading and pseudoscientific arguments in its support. One such argument was that a CTB would open up a weapons reliability gap that would be to the advantage of the Soviets who have built large, robust weapons that don't need much testing to assure their reliability. On the other hand the U.S. has built smaller, more sophisticated weapons that must be tested constantly. However, U.S. weapons makers have known for the past 30 years that there might eventually be a total test ban—in fact, they worked under such a ban between 1958 and 1961. Is it credible that they have produced a stockpile the reliability of which cannot be maintained under such a constraint? There is something terribly wrong if after 40 years of experience U.S. weapons makers have not developed procedures that assure adequate weapons reliability without testing.

Attitude toward a CTB is one of philosophy. To those who believe the only route to world peace is a technological one, it is anathema. To those who believe that unrestrained weapons development is the assured route to world destruction, such a ban would be a significant first step toward genuinely useful arms control. This difference reflects the most fateful political argument facing mankind today. Let it be discussed on its merits.

MICHAEL HEYLIN,
Editor.

TRIBE'S CHALLENGE TO THE SENATE ON JUDICIAL CONFIRMATION

Mr. PROXMIRE. Mr. President, one of the unique and profound responsibilities of the U.S. Senate is to advise and consent or deny the President's appointment of the top policymaking officers of our Government. The Senate has a specially heavy responsibility in its participation with the President in the appointment of the judiciary. Of course, the Senate has a right under the Constitution to affirm or deny the President's appointment of the chief movers and shakers in the executive branch. The Senate should not, as we too often have, neglect the responsibility to approve or reject executive branch appointees, but in the judicial branch, the President's power to secure the approval of his choices for appointment should be specially subject to senatorial participation. After all, the Constitution has deliberately and wisely separated the judicial power from the Executive power. That separation represents the very heart of the checks-and-balances concept which represents the soul of the Constitution. So what role should the Senate play in passing on Presidential nominations for the Supreme Court and other judicial appointments? How well has the Senate discharged this responsibility?

One of the Nation's most respected constitutional scholars has recently spoken out vigorously on this subject. He has found the Senate seriously delinquent in its willingness to challenge the President's court appointments. Who is the scholar? It is Lawrence Tribe. Mr. Tribe is professor of constitutional law at Harvard Law School. On Sunday, the New York Times carried an article by Professor Tribe, headlined "Amending the Constitution by Default."

Professor Tribe pleads for a U.S. Senate that would take a far more active role in determining the makeup of the Nation's judiciary. Tribe points out that President Reagan is quietly filling nearly half the Federal judgeships in the country. And the President may, within the next 3 years, appoint a majority of the Supreme Court, a majority that could shape the freedom within the law for Americans for decades to come.

What has Senate confirmation of judicial appointments to do with this? Tribe contends that "we may be on the threshold of amending our basic charter without rewriting a single word—and with barely a word of debate on the pros and cons of the changes that await us." In Tribe's view, the Senate should be debating, challenging and rejecting some of these Presidential judicial nominees. The Senate should play a far bigger part in these nominations.

Is such a Senate role constitutional? Professor Tribe offers quite a surprise for many Members of this body. Here is what this eminent constitutional scholar writes. I think this will be a surprise to many in this body:

The constitutional convention of 1787 initially adopted a draft that left the choice of Supreme Court Justices to the Senate alone. The current language was a compromise lodging the power to appoint jointly in the White House and the Senate Chamber: The President can nominate, but only the Senate can confirm. Those who wrote the constitution did not envision the Senate's power of advice and consent "as a rubber stamp."

Did the Founding Fathers in fact, when they served in the first session of the U.S. Senate, carry out such an interpretation? They did indeed. Professor Tribe writes:

Even the father of our country, George Washington, did not receive automatic confirmation. Washington's nomination of John Rutledge was rejected, not on the basis of the appointee's qualifications, but because his substantive views were not acceptable to the Senate.

Mr. President, in the 28 years this Senator has served in the Senate, I have always been puzzled by the Senate's bashful feebleness in challenging a President in this area where we not only have a constitutional right but a clear constitutional responsibility. Our first fundamental responsibility is making the laws of this country. Then what happens? The Supreme Court, appointed by the President, passes on that law. Most of us in the Congress welcome that function. The courts should indeed judge the constitutionality of the laws we pass. Their power provides a vital check on what otherwise could be serious interference with the constitutional liberty of the American citizens we serve. But that judicial power can also smother American liberties and frustrate the purposes intended by the law. As Professor Tribe points out, the Constitution wisely recognized this in giving the Senate the power to pass on the judgment and principles of the judicial nominees of the President as well as their technical qualifications. As every Senator in this body fully knows, we have not done that. In the Senate's long neglect of its power to challenge Presidential judicial nominees, especially Supreme Court nominees, we have failed in fulfilling our duty as U.S. Senators.

Mr. President, I earnestly hope that other Senators will read Professor Tribe's excellent article and recognize that with more than 3 years left in the Reagan administration, and with Ed Meese as Attorney General, this body can expect to face a series of challenges for high judicial office that will test the Senate. If we fail that test, the course of law and freedom in our country could be seriously changed for many years to come.

Mr. President, I ask unanimous consent that the article to which I have referred by Professor Tribe be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMENDING THE CONSTITUTION BY DEFAULT

(By Lawrence H. Tribe)

CAMBRIDGE, Mass.—Few things are taken more seriously in America than changing the Constitution. Witness the years of debate over the Equal Rights Amendment, a right to life amendment and a balanced budget amendment. Yet we may be on the threshold of amending our basic charter without rewriting a single word—and with barely a word of debate on the pros and cons of the changes that await us.

The Federal judiciary—whose members interpret and give life to the Constitution's deliberately ambiguous phrases—is being remade in a new image, as President Reagan quietly fills nearly half the Federal judgeships in the country. Those judges are bound by existing Supreme Court precedents. But that Court, with more than half of its nine Justices already over 76 years of age, is itself becoming riper every day for Presidential court-packing on a scale that the nation has rarely seen.

What is the Senate's role in approving or rejecting the President's judicial nominees? Even Senator Paul Simon, Democrat of Illinois, who recently voiced alarm at the marked "ideological tilt" already evident in those nominees, feels that the Senate isn't "in a position to block anyone on that basis." This common misperception of the Senate's responsibility for overseeing judicial—and especially Supreme Court—appointments is ominous. For the power of appointment can far surpass even the power of amendment in reversing the most basic legal precedents and transforming the way the Constitution shapes our lives.

The appointment of Supreme Court justices is not minor surgery but the selection of life-tenured surgeons licensed to operate on the entire body politic. Andrew Jackson put his Treasury Secretary, Roger Taney, on the Court in 1836 to destroy the Bank of the United States; 20 years later justice Taney was still around to write Dred Scott, declaring black people to be property and making the Civil War all but inevitable. There are single-issue amendments, but there can be no single-issue justices. Picking justices on the basis of how we guest they will vote on a specific case is in itself a grave error. But picking them without regard to how we think they will approach and resolve broad issues of legal philosophy may be constitutional suicide.

Ronald Reagan tests his judicial nominees for conformity to official dogma more thoroughly than any other President ever has. Among his most trusted advisers are some who favor judges wedded to the Constitution as it looked in 1787, judges who would treat the Bill of Rights as inapplicable to the states. People otherwise loyal to the Administration have been dropped from consideration even for lower court nominations for such heresies as supporting gun control or making contributions to Planned Parenthood.

Ronald Reagan is hardly the first President to discover that his greatest legacy may be the Supreme Court justices he appoints. George Washington appointed nationalists who guaranteed the survival of the fledgling Federal Government. Franklin D. Roosevelt nominated New Dealers who upheld his ambitious programs. Richard M. Nixon sought justices who would get tough on crime—and tough on crime his four appointees remain, a decade after he was driven from the White House.

Given the ages of the current Justices, there is almost sure to be a nearly complete transformation of the high Court before long. And little stands in the way so long as even opposition Senators assume that the President is entitled to confirmation of any nominees he selects if they have at least had distingished legal careers and have left no smoking guns lying about. That assumption is utterly perverse. Surely no one would dare suggest that the President should have the power single-handedly to amend the Constitution. Yet otherwise conscientious Senators seem ready to abdicate to the White House the less decisive power to alter the Constitution by appointment.

This concession to the President defies history as well as common sense. The Constitutional Convention of 1787 initially adopted a draft that left the choice of Supreme Court justices to the Senate alone. The current language was a compromise, lodging the power to appoint jointly in the White House and the Senate chamber: The President can nominate, but only the Senate can confirm. Those who wrote the Constitution did not envision the Senate's power of "advice and consent" as a rubber stamp.

Even the father of our country did not receive automatic confirmation of his nominees: Washington's nomination of John Rutledge was rejected not on the basis of the appointee's qualifications but because his substantive views were unacceptable to the Senate. In the two centuries since, fully one out of every five Supreme Court nominations has been derailed by the Senate.

The Senate's role as special guardian of the Supreme Court's balance and direction is even more crucial today than in 1787. As executive branch power has swelled, the need to check Presidential prerogatives has grown. Fortunately, the Senate's suitability for policing the appointment process has grown as well. Ever since the 17th Amendment provided for the Senate's popular election, it has been more diverse and accountable than the Presidency.

The Senate's 100 members represent both parties, many philosophies, many ancestries and both genders. And unlike the chief executive, whose "mandate" reflects a single snapshot of the electorate taken on one day every four years, the Senate, with its staggered terms and biennial elections, always combines three pictures of public sentiment, superimposed on one another to render a more accurate and continous image. Even a President elected by a landslide does not represent the views of the other 40 percent of the voters.

In recent months, the Senate has not hesitated, on overtly substantive grounds, to resist White House nominees for sensitive posts in the Justice Department. It is more fitting still for the Senate to guard access to the nine seats on the Supreme Court. The judges appointed by President Reagan, or by his successor, will be handing down decisions well into the 21st century. Even if the Senate elections were not a short year away, all of us would do well to remember how much the attitudes of Senators can shape the selection of the Court that interprets our Constitution.

THE SENATE RESOLUTION ON GENOCIDE IS NOT ENOUGH

Mr. PROXMIRE. Mr. President, once again I turn to the Phyllis Schlafly Report's January edition. On October 10, 1984, the Senate passed a resolution that expressed the Senate's

support for the principles embodied in the Genocide Convention. The Schlafly Report believes this resolution is sufficient. The report also calls the convention "blatant hypocrisy." Blatant hypocrisy? It must be joking! The blatant hypocrisy of the Genocide Convention is that we have failed to act formally on it. The United States played a major role in writing the convention and had it changed so its final version would meet with our approval. It has been supported by every President since 1949 except President Eisenhower.

The United States has accepted the idea of genocide as an international crime by adopting a law that added our name to the list of countries participating in an economic boycott of Uganda because of its genocidal actions. Our lack of support for the Genocide Convention creates embarrassing situations for our diplomats when trying to pressure other countries on their human rights violations. This is especially true when dealing with countries which are members to the convention.

Accepting a resolution of support for the principles of the Genocide Convention is not enough. We need a binding commitment to the principles of the convention—a commitment that is as binding as law. Expressing our resolve is far from enough since our resolve can change at any time. We need to show in a concrete way that our commitment to the Genocide Convention is real and sincere. We must show that commitment by giving our advice and consent to the Genocide Convention.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is one the Congressional Office of Technology Assessment has exposed.

OTA, in a very detailed and comprehensive report that was prepared by both star wars supporters and critics, concluded that star wars will not work unless the Soviets cooperate.

The myth, Mr. President, is one the White House believes—that the Soviets will cooperate.

Anyone who really thinks that . . . well, there's this Brooklyn Bridge in Moscow I would like to sell them.

The OTA report makes clear that we would face tremendous technological hurdles just getting a star wars system deployed. But even if we did get one deployed, it would not protect the United States unless the Soviet Union agreed to drastically reduce its offensive nuclear arsenal.

In other words, the only way Star Wars would work is if the Soviets agreed to junk a good portion of their missiles so the United States would have fewer targets to shoot at. The Soviets might be a lot of things, but they are not gullible fools.

If the administration needs any evidence that the Soviets will not simply roll over and cooperate, all they have to do is look at the Geneva arms talks. They have hit rock bottom and they will stay at rock bottom, because the Soviets are not about to reduce their nuclear force so we can get our star wars system to work.

Maybe the OTA study, which was done by some of the most respected scientists in this country, will dispel this myth that an astrodome defense against Soviet missiles is feasible.

The ACTING PRESIDENT pro tempore. Has the Senator completed his special order?

Mr. PROXMIRE. The Senator has finished, Mr. President.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statesment limited therein to 10 minutes each.

TRIBUTE TO J. WILLIS CANTEY OF COLUMBIA, S.C.

Mr. THURMOND. Mr. President, I would like to call to the attention of my colleagues an editorial honoring Mr. J. Willis Cantey of Columbia, SC, for receiving the Award for Distinguished Service from the Palmetto State Chapter of the Association of the U.S. Army.

Mr. Cantey has had a long and productive history of leadership and service to his fellowman.

At the age of 27, he became the youngest battalion commander in the U.S. Army. After an exceptional army career, in which he earned many honors, he went on to outstanding service in the private sector as well. He was president of Citizens and Southern National Bank and remains active in city and State affairs.

Mr. President, Mr. Cantey's dedication to the service of our country and his local community is an example for all Americans, and I ask unanimous consent that this editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From The State, Columbia, SC, Sept. 17, 1985]

"CANTEY EARNED IT"

The Palmetto State chapter of the Association of the U.S. Army could not have made a better choice for its first Award for Distinguished Service than J. Willis Cantey.

A standing-room audience of more than 350 packed into the fort's NCO club last week to honor him for his service to the community, state and nation in war and in peace.

Mr. Cantey enlisted in the S.C. National Guard in 1935 while at the University of South Carolina. He was graduated and commissioned as an infantry lieutenant in 1938. His unit was mobilized in 1940 as part of the 30th "Old Hickory" Division, which distinguished itself in Europe.

At age 27, he became the youngest battalion commander in the U.S. Army, and a year later was promoted to colonel. As an infantry troop leader in combat, Mr. Cantey was awarded three Silver Star medals for gallantry in action, four Bronze Stars for heroic achievement, the Legion of Merit for exceptional meritorious service, and was presented the French Croix de Guerre (War Cross) for bravery. He retired from service in 1955, and in 1981 was appointed Civilian Aide to the Secretary of the Army, and reappointed in 1983.

He has had an outstanding business career, retiring as president of Citizens and Southern National Bank and remains active in city and state affairs. He served on the State Ports Authority for 10 years, two as its chairman, and was chairman of the Capital City Development Foundation, which developed long-range planning for Columbia's central city. He was named the Columbia Chamber of Commerce's man of the year.

Mr. Cantey has served the University of South Carolina as chairman of the President's Council and in 1970 was awarded the Algernon Sydney Sullivan award for outstanding humanitarian service.

Mr. Cantey has proved himself as a man of courage in the service of his country, a wise and fair business and community leader, and a dedicated civic servant. No one is more deserving of an award for distinguished service than J. Willis Cantey, and, with his other friends, we applaud him.

RACE, HOME RULE, AND ABORTION DATA

Mr. MATTINGLY. Mr. President, I wish to call the attention of my colleagues to an article which appeared in the Washington Times last Friday. The piece, entitled "Race, Home Rule, and Abortion Data," was authorized by our colleague GORDON HUMPHREY. It is a concise, well-written, thoughtful, and though-provoking presentation of the issue of public funding for abortion in the District of Columbia.

We will soon be considering that issue here in this chamber. Before the debate begins, I hope that each of my colleagues will take the time to read Senator HUMPHREY'S remarks.

I ask unanimous consent that the article be reprinted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 27, 1985]

RACE, HOME RULE, AND ABORTION DATA

(By Gorton Humphrey)

It is a city of might and monuments. It is electric" with international business and politics. Progress of a material sort—physically measurable progress—is its rule of thumb. Its officialdom enjoys a glamor, an affluence, a style of life that are the envy of

most inhalitants of the continent on whose rim the metropolis is located.

A majority of its residents are black and their city is not always the same as the one I have just described. It is a city where abortions outnumber live births, in a nation where black children are almost three times as likely to be aborted as are white children. For some people of power and influence in that country see abortion as an easy way out of complicated racial problems.

The city is not Pretoria nor Cape Town. It is Washington, D.C., and it is a very dangerous place for unborn black babies. Their mortality rate in the District of Columbia is a horror that seems more appropriate to a Third, World nation in famine, as Ethiopia, or in holocaust, as during the Khmer Rouge nightmare in Cambodia. Worst of all, a large percentage of Washington's abortions are paid for by the taxpayers, courtesy of the U.S. Congress.

Year by year, some members of the House and Senate have attempted to restrict this funding, through amendments to the District's annual appropriations bill. Year by year, defenders of the status quo have split legal hairs with the deftness of an abortionist wielding a scalpel. The Congress, they contend, can put restrictions on the federal contribution to the District but has no business limiting abortion subsidies from the city's own accounts. This is not a question of life or death, they argue; it is a question of home rule.

Nice try, but it won't wash. The fact is that the District appropriations bill is replete with funding limitations that apply across the board to every penny touched by that legislation. The District's government may not use any money to publicize or lobby for any legislation before the Congress or a state legislature. No funds at all may be used to implement a personnel lottery for selection of police and firefighters. No money, federal or local, can be used to install meters in taxicabs. Any money borrowed by the District from any sources for capital outlay requires an annual plan. The only other ban imposed exclusively upon federal moneys is a prohibition against hiring personal cooks, chauffeurs, or personal servants for D.C. officials.

That puts the question starkly: is public funding for abortion no more important than the question of whether the mayor should have a chef? Or to put it another way, isn't abortion funding at least as significant to the Congress as the use of a hiring lottery?

In that light, it is hard to take seriously the contention that public abortion funding in the nation's capital is just a matter of home rule.

We need not look far for a parallel. There was a time, a few generations ago, when Congress's reluctance to impose its standard of decency upon the capital city permitted the slave trade to flourish within sight of the Capitol steps. Washington was a major departure point for surplus workers from the border states. Children, men, women in chains were herded down from Capitol Hill, to the river boats or toward the dirt roads heading South. The great historian, John McMaster, drew an indelible image for us: "When by one means and another a dealer had gathered 20 or more likely young Negro men and girls, he would bring them forth from their cells; would huddle the women and young children into a cart or wagon; would handcuff the men in pairs, the right hand of one to the left hand of another; make the handcuffs fast to a long chain which passed between each pair of slaves, and would start his procession southward."

Suicides were not rare, as when a grieving mother, about to be torn from her family, threw herself from a slave dealer's window on a Sunday morning and died on the Washington street below.

There were at the time men of respectability who insisted this was none of their business. They would not tolerate the slave trade in their own states; they professed to be outraged by it; but they would not use their congressional power to halt it in the city of Washington, just as some decades later, a fastidious regard for local option prevented some members of Congress from confronting the brutality of mob lynchings like one graphically described in Benjamin Brawley's classic *Social History of the American Negro.* For threatening to swear out warrants against the men who had killed her husband, Mary Turner of Valdosta, Ga., "was lynched, although she was in an advanced state of pregnancy. Her ankles were tied together and she was hung to a tree, head downward. Gasoline and oil from the automobiles near were thrown on her clothing and a match applied. While she was yet alive her abdomen was cut open with a large knife and her unborn babe fell to the ground. It gave two feeble cries and then its head was crushed by a member of the mob with his heel."

Let us not feel superior to the men who did that. We pay others to do much the same, with the consent of the mother, under the D.C. Appropriations bill. If certain other nations were aborting infants from one ethnic group out of all proportion to their numbers in the general populace, we would not be timid in charging genocide.

No, the United States is not like those other countries. That is why a bipartisan majority in the House of Representatives has deliberately applied the ban against public funding of abortion to all moneys in the District's appropriations bill. It is why some senators will soon propose to do likewise. And it is why we confront our colleagues with an eloquent passage from Lorraine Hansberry's *Raisin in the Sun:* "Your wife say she's going to destroy your child, and I'm waiting to hear you talk like [your father] and say we a people who give children life, not who destroy them—I'm waiting to see you stand up and look like your daddy and say we done give up one baby to poverty and that we ain't going to give up nary another one."

ASCS AND THE FARM BILL

Mr. PRYOR. Mr. President, today I want to call the attention of this body to a tactic being used by an arm of this administration which I believe directly violates the separation of the functions of the legislative and executive branches of Government. This is the direct use of Federal funding and personnel to lobby for the policies of the current administration.

I think we have all almost become immune to this practice in the Pentagon. Each time we have a defense appropriations or authorization bill before us, we have seen the Pentagon very capably mobilize our military-industrial complex to promote specific programs. Some visit our offices with lists of projects in our home districts which might be affected. Others work with defense contractors on specific weapons programs. Memos and detailed booklets go out to reserve units in our individual States strongly suggesting that their members write their Congressmen on certain issues.

However, as I say, we have all gotten used to that.

But, today, I want to share with the Senate another flagrant example of using Federal employees to tout the administration position on an issue—and allocating already scarce revenues to do so, and in doing so, subverting our historic political process.

Agriculture Secretary John Block—is now marshalling his troops to do battle against the farm bill that we have reported from the Senate Agriculture Committee. To do so, he has drafted an existing nationwide network of Federal employees who are already organized down to the State and county levels—the Agricultural Stabilization and Conservation Service.

Not only has he asked ASCS employees to "assist him in informing interested groups about the administration's position on farm bill issues," but he has eased current travel restrictions so that they may do so. The administration on the one hand is telling farmers to be frugal, but is taking away travel restrictions for Federal employees to sell the John Block farm policies.

Now, Mr. President, I am sure that Secretary Block and ASCS Administrator Everett Rank will say that they are merely trying to insure that ASCS carry out its function of educating farmers. However, after reading Mr. Rank's September memo, I do not think anyone can doubt that they have stepped way over the line of education and have jumped right into the lobbying field.

The most flagrant example of this entry into the legislative arena is the suggested press release for issuance by ASCS State committees which is an outright endorsement of the administration's farm bill goals and a condemnation of several major components of the farm bills reported out of the House and Senate Agriculture Committees.

What happens to the Federal employee who does not wish to promote the administration's Farm Program? I cannot say for sure, but would point out that Administrator Rank's memo asks that reports of news media coverage of the suggested news release and speaking engagements be forwarded to Area offices. There is little doubt in my mind that these press clippings will find their way into employee personnel folders.

If I were an ASCS employee looking at the recommended personnel and budget cuts in ASCS for 1986, I might become real inspired to go out and preach the administration farm policy

and make as many converts as possible.

Mr. President, the Agricultural Stabilization and Conservation Service has been one of the most outstanding and effective arms of the Department of Agriculture in the past. It has long served as a liaison between the farmer and USDA. It is appalling to me that 1 month USDA restricts travel funds appropriated and authorized by the Congress, thus hampering ASCS field personnel in serving the farmer, yet make it plain this month that money will be there when needed for travel—as long as you are out there preaching the gospel according to John Block.

Mr. President, at this point I would like to refer to a memorandum signed by Everett Rank, the Administrator of ASCS. The subject is: Secretary Block's teleconference call.

Here is the substance of the three-paragraph memorandum:

During his call to you on Thursday, Secretary Block is expected to ask you to assist him in informing interested groups about the Administration's position on Farm Bill issues. To assist you in this effort we are sending a news release for State Committee use following the Secretary's call. Also, we are sending several pages of talking points for your use in speaking to individuals and groups during the next few days and weeks. Position papers have been prepared on wheat, feed grains, cotton, rice, dairy, sugar, peanuts, wool and mohair and honey. If you need a copy of one or more of these, let your Area Office know and we will FAX them to the STO or send them to your home address, whichever you prefer.

Mr. President, I would like for all Members of this body to pay particular attention to this paragraph, not only in what it says but what it implies:

Current restrictions on State travel are temporarily eased, effective immediately, so that you can carry out the Secretary's wishes. Clearance with your Area Office is still required, but funds will be available for appropriate travel.

We are also interested in having a report on news media coverage of the news release and your speaking engagements, including news clippings These reports and clippings should be forwarded to your Area Office.

Mr. President, today farmers are going bankrupt. They are going out of business. They need service and assistance from the Department of Agriculture now more than ever.

I sincerely question the priorities of a Secretary of Agriculture who diverts the already limited manpower and financial resources of his Department from the American farmer's immediate needs to efforts to manipulate the farmer to support administration policies.

I would suggest that the American farmer more than anyone else—more than I, more than the members of the Agriculture Committee, more than the Secretary of Agriculture, or even the President—knows what kind of agricultural program he needs to survive. He does not need USDA to educate him on that point. He needs USDA to listen to him.

I have always maintained we need a Secretary for Agriculture. This action by Secretary Block—the conscripting of Federal employees to promote his own doctrines—seems to give even more evidence to the fact that the Department of Agriculture is now, more than ever, ignoring the needs of the very people it was created to serve.

Mr. President, I ask unanimous consent that the memorandum from the Administrator of ASCS be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

To: SED's and STC's (except Puerto Rico).
From: Administrator.
Subject: Secretary Block's Teleconference Call.

During his call to you on Thursday, Secretary Block is expected to ask you to assist him in informing interested groups about the Administration's position on Farm Bill issues. To assist you in this effort we are sending a news release for State Committee use following the Secretary's call. Also, we are sending several pages of talking points for your use in speaking to individuals and groups during the next few days and weeks. Position papers have been prepared on wheat, feed grains, cotton, rice, dairy, sugar, peanuts, wool and mohair and honey. If you need a copy of one or more of these, let your Area Office know and we will FAX them to the STO or send them to your home address, whichever you prefer.

Current restrictions on State travel are temporarily eased, effective immediately, so that you can carry out the Secretary's wishes. Clearance with your Area Office is still required, but funds will be available for appropriate travel.

We are also interested in having a report on news media coverage of the news release and your speaking engagements, including news clippings. These reports and clippings should be forwarded to your Area Office.

Mr. PRYOR. Mr. President, I also ask unanious consent that Suggested News Release or these individuals after they go out and speak to these various clubs, organizations, in groups be printed in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Suggested News Release]

STATE ASC COMMITTEE CITES NEED FOR SOUND 1985 FARM BILL

(City, State, Date).—"We need sound farm policy that helps (State) farmers, but also has fiscal restraint," according to (Name), Chairman of the State Agricultural Stabilization and Conservation Committee. —— reiterated the Reagan Administration's farm bill goals at the close of the committee meeting here today.

New legislation is needed to replace the four-year law which expires at the end of this month.

——'s comments on behalf of the State ASC Committee closely followed the resumption of the farm bill debate by the Congress in Washington this week, and the committee's 'conference' with Secretary of Agriculture John Block today. "We just 'met' with Secretary Block by telephone, and as his representatives on Federal farm policy here in the State the committee wanted to pass on some of what was discussed," —— said.

"Our major objectives are the same as when the legislative process began earlier this year," —— said. "Three objectives are central to the Administration philosophy."

"First, we must become more competitive in world markets. Reducing price and income support levels is essential, so that we send a clear signal to our competitors that we are serious about regaining lost export markets. We must no longer hold the price umbrella for the world," —— said.

"Second, we are committed to a policy of compassion for farmers. That means we want to spend enough money to carry our producers through a transition period as we work toward a reduction in farmer dependence on government.

"And, third, we recognize the need to reduce the Federal deficit. So, we believe the new farm bill should adhere to the Congress' spending limitation. That will mean less and less annual Federal outlays for farm programs."

He also itemized some things being proposed as part of the new farm bill that the State committee agreed were unacceptable.

"Mandatory controls are unacceptable. Most farmers want less government control, not more," —— said.

"Marketing loans with unlimited budget exposure are not acceptable. The cost could be tremendous with a program that would allow farmers to take out loans at one price and pay them off at the market price.

"We oppose freezing target prices. This would encourage more agricultural production than we need, because of the guaranteed price.

"We also oppose the proposed dairy diversion program. We've already tried that, and it doesn't work. The cost to government would be high. the cost to consumers would be high. And, it would get the government deeper into the dairy business with inequities in the dairy industry as a result.

"And, finally," —— said, "We oppose a simple extension of the present farm legislation. Why keep programs that price farmers out of world markets at a tremendous cost to taxpayers?

Mr. PRYOR. Also, Mr. President, as a final unanimous-consent request, I ask unanimous consent that Farm Program Talking Points be printed in the RECORD to demonstrate what the USDA and what the administration's positions actually are and which actually are to be espoused by these Federal employees who are living on taxpayers' money.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

FARM PROGRAM TALKING POINTS

We favor:

We favor helping farmers get a fair share of expanding export trade.

The U.S. domestic market is strong, but it is a mature market with limited growth potential. Our population is expanding slowly. Our citizens are generally well fed and a great many of them are more interested in dieting than in eating more. Growth in average incomes will not likely increase per

capita domestic food consumption levels dramatically.

The productivity of American agriculture continues to increase much faster than the U.S. population. Farmers are producing the food and fiber for the American domestic market—which has nearly a one-third larger population than 25 years ago—with fewer acres than were harvested for that purpose in 1960. By contrast, the number of U.S. crop acres devoted to producing for foreign markets has increased by three-fourths since 1960.

Foreign population is growing at an increasing rate, compared with the U.S. In the 3 decades—1950's, 1960's, and 1970's—U.S. population increased by 29, 24, and 23 million people. Elsewhere in the world, population increased by 477, 624, and 725 million people. Foreign population is now increasing at the rate of 80 million people a year, compared with 2 million a year in the U.S. Most of that expanding foreign population, young and old alike, are anxious to upgrade their diets to get more protein, more energy, and greater variety.

Commodity use and potential markets are increasing much faster overseas than here. Compared with 25 years ago, annual wheat use is now 15.3 million tons higher in the United States, but annual use in the rest of the world has increased 252 million tons (16½ times greater than our increase). U.S. feed grain use has increased 43½ million tons, compared with an increase of 302 million tons (7 times more) elsewhere. U.S. soybean use has increased 18 million metric tons since 1960, but 49 million tons elsewhere in the world. Our annual cotton use has decreased 3 million bales in the last 25 years while cotton use in the rest of the world has increased more than 26 million bales.

Still, our main commodities depend heavily on export outlets. We usually export about half or more of our wheat, cotton, and rice; more than one-third of our soybeans; and about one-fourth of our feed grains. With that volume of exports, the difference between profit and loss for farmers depends heavily on the flow of exports. When farm exports expand, farmers expand; when farm exports contract, farmers have trouble—so do those who do business with farmers. Each $1 billion in farm product exports creates an additional $1.4 billion of economic activity, for a total of $2.4 billion.

We have not received our fair share of export growth in world trade in the last few years. Since 1980 our annual wheat exports have declined 2 million metric tons while the rest of the world increased its annual exports by 20 million tons. U.S. share of world trade in wheat has dropped from 43 percent in 1980 to 34 percent. Since 1980 our feed grain exports have dropped 12 million tons while the rest of the world increased its exports 6 million tons. Our share of world trade in feed grains has dropped from 59 to 51 percent. Since 1980 our soybean exports are down by 3½ million metric tons while the rest of the world increased exports 2½ million tons. Our share of world soybean trade has dropped from 78 percent to 66 percent.

Our loss in export trade, down nearly 25% since 1981, is partly due to U.S. farm policies that make our commodities less competitive. We have repeated the experience of earlier years when Government farm programs cut acreage, stimulated excess production with artificial price guarantees, and then stored our surplus products off international markets.

U.S. farmers have many competitive advantages that, if unleased, will let us compete effectively for expanding foreign markets. U.S. farms, compared with other farms in the world, are well equipped, well managed, more efficient in size, better located on larger expanses of fertile soil with a dependable climate, and are run by profit-oriented farmers backed by extensive research and agribusiness services.

Our export markets grew rapidly in the 1970's, and they can grow steadily once again with the help of sound farm programs.

We favor market-oriented price support loan levels that will make our farm exports more competitive.

Crops sold on competitive world-wide markets require farm programs that help us compete. Our farm programs have helped our competitors by encouraging them to invest more heavily in agriculture and to export commodities just under the umbrella of U.S. fixed prices. We have done that with rigid four-year farm programs that have broadcast to the world that our price supports would be above market-clearing levels; that we would use U.S. Government acreage controls to try to reduce world production; and that we would store our U.S. Government-held surpluses off world markets.

While we have been trying to hold down output with Government farm programs, the rest of the world has increased its output. Compared with 1980, our wheat production in 1984/85 is up 6 million metric tons, but production in the rest of the world is up 65 million tons. Our feed grain production is up 39 million tons since 1980 (with one-third of it in carryover stocks); the rest of the world has increased its feed grain output 36 million metric tons (with carryover down 15 percent). Our soybean production is up about 2 million tons since 1980, but production in the rest of the world is up 8 million tons. Our cotton production is up 2 million bales, but cotton production in the rest of the world is up 19 million bales.

We have proved that the U.S. cannot unilaterally increase world commodity prices enough through expenditures from the U.S. Treasury to buy prosperity for American farmers. We have proved that farm programs based on policies of the past only compound U.S. farm problems by making us less competitive in today's export-oriented, highly competitive world markets.

U.S. farmers need price support loans that are tied to average market prices and gradually declining target prices. That will give farmers a safety net in abnormal years, but will allow market prices to clear above loan levels in all but unusual years. In that way, we will not prop up commodity prices for our competitors. Nor will we artificially encourage excess production here at home, that becomes a costly surplus to hang over the market and depress prices.

We favor a compassionate and gentle transition to market growth policies.

At the present time farmers are having a difficult time financially, but we should not prolong the same policies that helped make those difficulties. We realize that we can't turn the farm economy and our farm programs around overnight. However, we must move gently, but positively, in the right direction with farm programs that help farmers move toward greater market expansion, providing them some assistance along the way.

We favor programs that will target benefits to small to medium family farms as a way to help them adjust to new opportunities. We should not subsidize very large operators, nor should we try to freeze everyone in place with production controls. Neither should we force, nor entice, larger commercial farm operators into increasing production because of farm programs that cut acreage on smaller farms.

There is no future in Government farm acreage controls and dependence on Government. Markets, however, have real opportunity for growth. It is there that farmers as a group will find increased opportunities and higher profits; and it is there that individual farmers will find compensation for hard work and good management.

We have demonstrated at great cost that farmers are not going to find prosperity in Government payments. We have spent $80 billion on farm programs over the last 8 years. That has not boosted farm profits, and we have the same problems of excess production, heavy carryover, depressed prices, and insufficient exports still with us. The problem is that the money has been spent on programs that perpetuate farm problems. We need to spend money on programs that help farmers make a transition to market growth.

We favor a reduction in dairy price support levels, starting in 1986.

For too long dairy price supports have been held above market-clearing levels. That has encouraged dairy farmers to produce more milk than we can use. It has encouraged some farmers to get into dairying; it has kept some in who otherwise would leave; and it has caused others to produce more milk than they otherwise would. This has led to huge dairy surpluses that the Government has had to buy and store. This has resulted in annual dairy program costs of $2 billion or more for taxpayers in recent years.

The public is getting impatient. The public cannot understand why the Government stores huge amounts of dairy products in caves and warehouses while some needy people are having a hard time maintaining an adequate diet. Nor can the public understand why we spend so much money buying dairy products we can't use when we are running such large deficits in the Federal budget.

It is inevitable that we must get the dairy program on a sound footing, or the public will not continue to support it. It is imperative that we change the dairy support program for the good of dairy producers and the country by reducing our price support guarantees in 1986, and not defer that action any longer.

We favor living within reasonable budget restraints for agriculture.

All citizen groups have to make a meaningful contribution toward reasonable budget restraint. Agriculture must do its part in a way that is recognized by the public as being reasonable. In the last 4 years farm programs will have cost taxpayers $53 billion, and that has added substantially to Federal budget deficits. Agricultural expenditures have been the single fastest growing Government outlay since 1981.

We must make faster progress toward balancing the Federal budget. The alternative is to head the country toward inflation, runaway costs, spiraling interest rates, ballooning trade deficits, and recessions.

Inflation hurts farmers and imposes a cruel drain on their future well-being. The rapid inflation of 1979-80 hiked farm cost levels 28 percent in 2 years. The prices farmers receive leveled off in 1980, but farm costs kept zooming, up 12 percent. That

knocked 1980 farm net income down 34 percent, the fastest one-year drop since the great depression. Those inflated farm costs got built into the economic system and didn't come down. Although farm costs have been rising much more slowly since 1980, they are still going up. Consequently, in July 1985 the prices farmers received were 27 percent higher than in 1977, but the prices farmers paid were 64 percent higher than in 1977. That legacy of inflated costs from the late 1970's, more than anything eles, is responsible for today's farm financial crisis.

We would be really helping ourselves. The best "farm program" of all is to have a growing national economy based on sound fiscal and monetary policies, stable costs of production, reasonable interest rates and taxes, increased demand for farm products based on consumers' greater take-home pay, and a competitive national economy that can thrive in the competition of world trade.

We oppose:

We oppose a freeze on present target prices.

Freezing present target price levels would encourage more agricultural production. It is not only the level of above-market price supports that encourages excess production—it is the guarantee of that price or income. The certainty of a guaranteed price will always evoke greater farm commodity output than the same price level reached on a freely-moving commercial market. That is one of the keys to understanding the failure of past farm programs. Above-market support prices and the guarantees have prompted huge output and surpluses that have outrun domestic demand growth and efforts to control production through Government programs.

A target price freeze would prevent us from lowering loan rates to competitive levels. Lowering loan rates when target prices are frozen would widen the spread between loan rates and target levels, and that increases deficiency payments. That would increase the potential for large payments and huge budget costs. The budget exposure would be intolerable.

A target price freeze would force us into massive acreage reduction programs. Because of potentially large deficiency payments, the Government would be forced to institute very large acreage reduction programs in order to narrow the spread between market prices and target prices—again, to reduce the budget exposure to large deficiency payments.

These actions would further damage our ability to compete in export markets. The need to control budget outlays would leave us with production-stimulating loan rates above market-clearing levels. Government acreage reduction programs would provide further production incentives to our competitors.

We oppose the marketing loan concept.

Marketing loans would raise potential budget outlays. The marketing loan concept would allow farmers to take out price support loans at one level and pay off the loans at lower market prices. If loan rates were set at levels above market prices, production would increase and could result in significant Government expenses.

Marketing loans could funnel much of the crop through the CCC. Marketing loans would encourage extremely high farmer participation to reduce price risk. Much of the crop would be placed under loan. The CCC would become the "banker" issuing checks to farmers for the difference between average market prices and loan levels—and those payments would not come under the present $50,000 payment limitation. Budget control would be difficult, and the CCC probably would have to expand its already-large borrowing authority from the U.S. Treasury.

Marketing loans could force us into large Government acreage reduction programs. If marketing loan rates encouraged production and were set at levels that lagged behind lower market price trends, that could force the Government to institute large compulsory acreage reduction programs in order to reduce the potential drain on the Treasury.

We oppose the House Agriculture Committee Dairy Diversion Program

It would tax every dairy farmer with a compulsory assessment. Dairy producers would be required to pay a compulsory diversion assessment on all milk sold. Every dairy farmer would pay into the fund; a minority who would agree to cut production would collect.

The cost to dairy farmers would be excessive. Assessments would run $95 to $170 per cow per year for producers with a 12,500-lb. per-cow herd average. A large producer with 1,000 cows and an 18,000-lb. herd average would have to pay $135,000 to $243,000 a year. The program would cost dairy producers $1.0 to $1.8 billion per year.

It would encourage dairy surpluses. The dairy diversion plan would index support levels, which would rise to more than $13 per cwt. in 5 years. Price supports at the present $11.60 per cwt. have encouraged excess production. $13 supports would further encourage production.

The cost to Government would be high. It would require the Government to spend $1 billion a year to buy 5 billion pounds of dairy products from excess milk.

The cost to consumers would be high. It would raise consumer milk prices 18¢ per gallon; cheese, 36¢ per lb.; and butter, 31¢ per lb. within 5 years.

It would get the Government deeper into the dairy business. The diversion plan would mandate increases in price differentials in 35 of the 44 Federal Milk Market Order areas. That would encourage more production in some areas and disrupt relationships between regions. It would establish a precedent for Congress to become involved in setting Federal Milk Market Order prices. That would be a further step toward Government control.

We oppose price or income supports based on the cost of production.

Establishing the cost of production is too vague. Costs differ widely among farmers, among commodities, and among regions. Regardless of how a price support based on cost of production is fixed, it brings with it problems that are similar to the parity formula, which is also determined by costs of production. That has proved not to work in today's agriculture.

Supports tied to cost of production are too slow moving. Costs of production take into account too slowly the impact of structural developments such as increased size of farms and units of production per farm, as well as technological developments such as hybrids, narrow rows, irrigation, trace minerals, growth stimulants, resistant varieties, antibiotics, and biotechnology. Price supports must also be directly related to market developments.

Costs of production are a good guide for individual management decisions in an open market, but not for a Government-directed market. Costs of production in an open market permit each farmer to figure out for himself, based on his own cost of production, what commodities he can raise best, what fields will pay for cropping, and which cows or sows are paying for their keep and which ones aren't. But you can't get that kind of management and market guidance out of the Federal Government by determining the cost of production for everyone and translating that into a meaningful support price that will move products to market and guide the flow of resources into agricultural enterprises.

We oppose mandatory controls.

Mandatory controls are a "no growth" option. They would require the Government to determine how much farmers can produce and sell in exchange for high price supports. We would produce for our domestic American market at politically determined American prices. We would become passive, residual, non-competitive suppliers in export markets. We would arbitrarily close down a substantial portion of our U.S. farm production base, shrinking everybody's share of the total farm pie. That would also reduce volume for agribusiness suppliers, farm marketing and transportation firms, and rural businesses. It would also inhibit the community institutions that serve rural areas.

Mandatory controls tie farmers to their past and restrict their opportunity for growth. Controls that require a 25 percent cutback in farm production will apply to the farm with a 50-acre base as well as a farm with a 500-acre base. Measures to ease that by taking bigger cuts from those with larger than average acreage would discriminate against efficiency, strong management, hard work, and other such traits that allowed farms to grow in size. It would be a "leveling down" of farmers by legislative fiat. Mandatory controls also discriminate against new producers, lock inefficiencies in place, discourage innovators, and set regional dislocations in concrete.

Mandatory controls are made for a nontrading nation, not the No. 1 farm exporter in the world. Mandatory controls are based on the assumption that your market and your demand are isolated from the world; therefore, you can act unilaterally to change the market to benefit your own producers. However, markets for price supported crops are international markets—for products such as wheat, feed grains, soybeans, rice, cotton, tobacco, sugar, peanuts, and wool. And the U.S. is the world's largest farm product exporter and participant on that world market. What we do unilaterally also changes market conditions for the world, not just for our producers.

Mandatory controls to set prices would shrink our agriculture. When we cut production, our foreign competitors plant more acres and invest more capital in their agriculture. If we raise our prices through mandatory controls, our foreign buyers will diversify their suppliers by encouraging our competitors to increase production and will strike long-range purchasing agreements with our competitors. Further, potential buyers for our farm products will increase their own production and become more determined to remain self sufficient.

Mandatory controls would force us to subsidize exports or withdraw from export markets. The purpose of mandatory controls is to force prices above market levels. That requires the Government to take over excess commodities that won't bring the support price. The stored commodities can't be sold domestically, as that would depress prices.

The only other outlet for Government-held surpluses is through exports. When our prices are higher than world prices, we can move stored commodities into export in only two ways: We either become the residual supplier, selling only what other countries can't supply, or we must use subsidies to sell overseas. Export subsidies require our taxpayers to pick up the tab. Our taxpayers would pay our farmers to raise food for foreigners who would get the food for less money than our taxpayers would pay at home.

Export subsidies would raise tariff and non-tariff barriers against our exports. U.S. farmers have a competitive advantage in export markets. Long-standing U.S. trade policies have encouraged freer world trade so that U.S. farmers could use their comparative advantage to export. Mandatory controls which lead to U.S. export subsidies—and U.S. import controls—would cause some foreign countries to build tariff and non-tariff barriers against our farm products and would make a mockery of the United States rising in international forums to argue for fewer subsidies, lower trade barriers, and less protectionism.

Mandatory controls would lead to cheap U.S. food policies. Compulsory controls are based on the assumption that U.S. consumers can and should pay more for their foods; therefore, farmers will use the force of Government to compel them to pay more at the store as well as pay for the Government programs through higher taxes. Non-farm consumers, who make up 97 percent of the population, are also taxpayers and voters. Consumer taxpayers sooner or later will exercise their political right to set maximum farm prices. That leads to cheap food policies and a Government franchised agriculture where farmers are a 3 percent minority in deciding what the rules will be.

We oppose extending present farm legislation

Why keep something that will lose more export markets for farmers? Present farm programs prevent farmers from capitalizing on their competitive advantages in their best market opportunity for growth—export sales. Present farm programs are built on depression-era policies that do not fit today's market realities, nor today's kind of commercial agriculture, nor today's kind of family-sized commercial farmers.

Why keep farm programs that are basically wrong? Present farm programs provide tremendous stimulation for excessive production and surpluses that depress market prices, put commodities into storage, and force farmers deeper into the clutches of Government programs that hold no promise for raising farm incomes and broadening opportunities for the Nation's farmers.

Why wait longer to get a long-range farm program that will allow farmers to plan ahead and increase their profits? Present farm programs are too payment-oriented, and not enough profit-oriented. Today's farm programs concentrate too much on controls, and not enough on competitiveness. Today's farm programs focus too much on market intervention and not enough on market growth.

ARTHUR SCHLESINGER ON THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES

Mr. PELL. Mr. President, as the National Endowments for the Arts and Humanities celebrate their 20th anniversary this month, many events are being held all over the country in observance of this important milestone. Much is also being written about these agencies in the press. As I was the chief Senate sponsor of the endowments' enabling legislation in 1965, it especially rewarding to note how positive and praiseworthy these pieces have been.

On of the most thoughtful and insightful articles that I have read appeared last week in the Providence (RI) Sunday Journal. It was written by the distinguished writer and historian, Arthur Schlesinger, Jr., who currently is a professor of the humanities at the City University of New York. Dr. Schlesinger has been a keen observer of our national cultural scene for many years and here makes an eloquent argument for the continuation of public support for the arts. It is an important message and I would urge my colleagues to read his words.

I particularly like his thought that "If history tells us anything, it tells us that the United States, like all other nations, will be measured in the eyes of posterity less by the size of its gross national product and the menace of its military arsenal than by its character and achievement as a civilization."

I ask unanimous consent that Dr. Schlesinger's article be printed in the RECORD, as follows:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence (RI) Sunday Journal, Sept. 22, 1985]

ASSESSING A NATION BY ITS CONTRIBUTION TO ARTS AND HUMANITIES

(By Arthur Schlesinger)

NEW YORK.—This is a year curiously dotted by anniversaries; and one must hope that, as we salute the bitter memories of war, a less dramatic anniversary will not slip by unnoticed.

Twenty years ago this week, the Congress passed the National Foundation of the Arts and Humanities Act, whose preamble declared that support of the arts and humanities, "while primarily a matter for private and local initiative, is also an appropriate matter of concern to the federal government." In enacting the law, which led to the establishment of the National Endowments for the Arts and for the Humanities, Congress affirmed a conviction that the arts and humanities are vital to the health and glory of the Republic.

This was not a novel idea. In his first annual message, President George Washington told Congress he was "persuaded that you will agree with me in opinion that there is nothing which can better deserve your patronage than the promotion of science and literature."

A third of a century later, President John Quincy Adams called for laws promoting "the cultivation and encouragement of the mechanic and of the elegant arts, the advancement of literature, and the progress of the sciences."

In the third year of the Civil War, President Abraham Lincoln ordered that construction of the Capitol dome be completed. When critics objcted to the diversion of labor and money from the prosecution of the war, Lincoln said, "If people see the Capitol going on, it is a sign that we intend this Union shall go on."

President Franklin D. Roosevelt recalled this story in 1941 when, in a world ablaze with war, he dedicated the National Gallery of Art in Washington. President John F. Kennedy recalled both these stories when he urged public support for the arts in 1962. Lincoln and Roosevelt, Kennedy said, "understood that the life of the arts, far from being an interruption, a distraction, in the life of a nation, is very close to the center of a nation's purpose—and is a test of the quality of a nation's civilization."

The policy of federal support is an expression of the value the Republic places on the arts, a symbol of the role assigned to the arts in our national life. Congress today remains steadfast in its belief in the centrality of arts to a civilized society. It has shown no disposition to repeal the act of 1965 and has steadily resisted presidential attempts to cut National Endowments budgets.

Yet the idea of public support, and with it the idea that the state of the arts is a matter of national concern, are under increasing challenge—ironically not from Congress but from renegade parts of the intellectual community itself. We live in a decade that likes to disparage government and to exalt the market. We are told that, if a cultural institution cannot pay its way, it has no economic justification and, if no economic justification, no social justification. Art, we are given to understand, must stand or fall by the box-office test, and the devil take the hindmost.

To deny the arts a public role is a real treason of sorts. For painters, composers, writers, film-makers, sculptors, architects, orchestras, museums, libraries, concert halls, opera houses contribute indispensably to the pride and glory of the nation. They are crucial to the forming of national traditions and to the preservation of civil cohesion. George Washington wrote: "The arts and sciences essential to the prosperity of the state and to the ornament and happiness of human life have a primary claim to the encouragement of every lover of his country and mankind."

The arts and humanities serve us all. They are surely as worthy as banks, corporations and other agencies of private profit to be objects of Federal concern, subsidy and even bail-out.

If history tells us anything, it tells us that the United States, like all other nations, will be measured in the eyes of posterity less by the size of its gross national product and the menace of its military arsenal than by its character and achievement as a civilization. Government cannot create civilization. Its action can at best be marginal to the adventure and mystery of art. But public support reinvigorates the understanding of art as a common participation, a common possession and a common heritage.

WELCOME WORDS OF SUPPORT FOR THE COAST GUARD

Mr. PELL. Mr. President, I call to the attention of the Senate an excellent statement in support of the Coast Guard by the President of the Navy League of the United States, Bernard Bennett.

Urging his Navy colleagues to be more sensitive to the plight of their sister service, Mr. Bennett observes

that many of the friends and supporters of the Coast Guard fear it to be an endangered service.

Apprehensions on this point are well founded, unfortunately. At a time when the Coast Guard is being asked to take on increased responsibilities, particularly in law enforcement and drug interdiction, its funding is not only not being increased but is actually being reduced. The administration's request for fiscal year 1986 of $2.538 billion falls some $241 million short of actual appropriations for fiscal year 1984.

As Mr. Bennett points out, the Coast Guard was badly shortchanged in the defense buildup of the last 4 years, and now that the buildup has slowed down, the Coast Guard is being further penalized by having to accept cuts from a base that should have been larger.

As a result, the service is, in his words, "underfunded and over committed," carrying a "huge burden * * * with too few people, and all to often, with too little and too antiquated equipment."

As a retired captain in the Coast Guard Reserve, I share Mr. Bennett's concern. I have watched with apprehension as the Coast Guard's capabilities have been stretched to the limit in recent years with no comparable increase in funding. The Coast Guard now enforces some 21 different laws, with significant new responsibility for fishing enforcement out to 200 miles, pollution control, marine environment management and monitoring of new safety standards, in addition to drug interdiction, as I have already noted. It is high time that the needs of the service are properly recognized and funded accordingly, and I heartily welcome the support of the president of the Navy League in this endeavor.

Mr. President, I ask unanimous consent that the article entitled "A Valuable National Asset Is Endangered" from the August 1985 issue of Sea Power be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VALUABLE NATIONAL ASSET IS ENDANGERED

It may seem ironic that, as an introduction to some remarks on today's U.S. Coast Guard, I will quote a U.S. Marine; however, I'm going to do just that, and I believe my reason for doing so will become clear very quickly.

In the prologue to his recently published book, *The Easter Offensive—Vietnam, 1972,* Deputy Assistant Secretary of Defense for Guard-Reserve Readiness and Training G.H. Turley (a retired Marine colonel) makes this statement: "There is a saying about military men to the effect that, during a service career, 'One must prepare himself for a moment that may never come; prepare to thrust himself into the uncharted arena of battle should the need arise.' Most military men faithfully prepare for this eventuality. However, neither time nor circumstances may arise to create for them that special period of challenge, yet their careers are deemed successful because they were prepared for their potential challenge."

Seldom has the essence of military service been so succinctly stated. Turley's comments are applicable to all of the armed forces, of course, but his words are particularly fitting when applied to the U.S. Coast guard. Not just to the men of the Coast Guard, but to the men *and women* who fill its ranks and prepare for events which may never come; who by word and action fulfill the promise of their motto—*Semper Paratus*—Always Ready.

A situation unique to the men and women of the Coast Guard, though, is that they probably stand a far greater chance than most of their comrades-in-arms in the other services of having to someday face the challenges for which they prepare. The reason for that: Service in the Coast Guard is a personal commitment to sometimes extremely hazardous duty—participation in life-threatening situations—not only in wartime but during routine peacetime service as well.

Last year, members of the U.S. Coast Guard participated in 57,341 search and rescue missions involving 129,650 people. In the course of those missions they saved 5,645 lives and prevented loss or destruction of more than $2 billion in property. In enforcing U.S. "exclusive economic zone" laws and regulations within the nation's 200-mile limit they conducted 15,684 boardings, issued 1,483 warnings, determined 1,342 violations, and seized 76 foreign and four domestic vessels. And in another still relatively new area of responsibility the Coast Guard has sicne 1979 seized 18 million pounds of illegal drugs worth an estimated street value of more than $11 billion.

Considering that the Coast Guard's active-duty strength totals only some 38,000 people, those are unusually impressive statistics. Amazingly, though, those numbers barely scratch the surface of what this valuable national asset has accomplished in recent times—in peacetime missions—and do not reflect at all the Coast Guard's participation and achievements in almost all of the armed conflicts in which the United States has been involved over the past two centuries.

Why, then, does the Coast Guard seem to so many of its friends and supporters to be an endangered service? That's a tough and complicated question to answer.

Perhaps the answer is related to the Coast Guard's size; as a relatively small force it might seem an easy target for budget reductions and funding freezes. Or maybe it is simply that the Coast Guard's missions are so numerous and so complex, particularly for a service of its size, that it has become as much a victim of lack of support as it is a victim of attacks. Then, too, it may be that some otherwise good public servants are so concerned about budget deficits and the need to reduce federal spending that they unthinkingly mandate reductions in some agencies to the point that public needs suffer.

Whatever the reasons, the Coast Guard has been required to spend such an inordinate amount of time in the past few years simply trying to retain and sustain its already inadequate assets that it has been unable to make the much more positive case that it should be funded and manned to the extent needed to carry out the many jobs with which it is tasked.

Already badly shortchanged in the highly publicized, and somewhat exaggerated, "defense buildup" of the past few years, the Coast Guard is in the unfortunate position—now that defense has become somewhat of a pet target for Washington's growing brigade of "deficit busters"—of having to take an additional pounding in regards to funding and personnel. No matter that it was already underfunded and overcommitted. Because of political pressures it may have become easier for some members of the legislative and executive branches to do nothing at all and hope for the best, rather than taking a realistic look at Coast Guard needs and acting accordingly. Fortunately for all of us, that is just about 180 degrees removed from the Coast Guard's own way of doing things.

Talking about the grim situation the Coast Guard finds itself in, though, speculating on why things are the way they are, and vigorously asserting why things should be done differently, certainly will not solve the Coast Guard's problems completely, or permanently. Nevertheless, talking it up, asking why—or, in some cases, why not—and "telling it like it is" as far as what should be done to assure not just the Coast Guard's survival but the procurement of the assets it so badly needs certainly *can* help enlighten those who need such enlightenment—and who have a strong say in formulation and approval of the Coast Guard's budget. So we must continue to speak out on these matters—loudly and clearly.

I believe that we in the Navy League may ourselves have too often "talked up" the Navy/Marine Corps team when in many instances we perhaps should have been talking about the Navy/Marine Corps/Coast Guard team. Not all of us are guilty of this particular sin of omission, but you and I know that many are. The point I want to make here is that we should not just attempt to educate the other fellow, but should also make sure that *we* are receptive to learning a few lessons ourselves—lessons in this case about the multimission role of the Coast Guard and the huge burden it carries with too few people and, all too often, with too little or too antiquated equipment.

We also would do well to remember the challenges faced daily by so many of our Coast Guard personnel. The challenge might be that of boarding a vessel crewed by armed drug smugglers; or diving into shark-infested waters to save a downed pilot; or working outside in treacherous weather to remove tons of ice from an icebreaker in danger of capsizing; or taking a small boat through hurricane-whipped surf to rescue the crew of a fishing vessel; or entering a warehouse to clear poisonous fumes caused by a chemical spill or fire.

Our men and women in the Coast Guard realize that they are not just *preparing* for that challenge that *might* come; they know that they are, in most instances, preparing for something which *is* going to happen—on their watch.

Such people deserve this nation's support. Let's help see that they get it.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATFIELD). Without objection, it is so ordered.

DEPARTURE OF FDIC CHAIRMAN WILLIAM ISAAC

Mr. FORD. Mr. President, Kentucky has a wealth of capable young business men and women. President Reagan has been most fortunate to have the advice and counsel of one of them over the past several years. Mr. Bill Isaac left a vice presidency at First National Bank of Louisville in 1978 for a position at the helm of the Federal Deposit Insurance Corporation. He has served with distinction, but now plans to depart upon Senate confirmation of a successor.

This has been a troubled season for the FDIC. Radical shifts in the agriculture and energy sectors of our economy and regional blight in areas of manufacturing have led to record numbers of bank failures. Too many Americans have relived the hardships of the depression era; but few have suffered the loss of their life savings in public lending institutions. This is a testament to a Government system of protecting the customer, to the professional standards of the FDIC, and to its departing Chairman, William Saac.

I only regret that Mr. Isaac will no longer be at the FDIC at the time the full impact of the President's economic policies come to bear on the Nation's economy.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. HELMS. Mr. President, has the morning hour been concluded?

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

EXTENSION OF DAIRY PRICE SUPPORT PROGRAM

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 309, S. 1691, legislation to extend the dairy price support program.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1691) to extend the current dairy price support program and suspend the noncash benefit requirement for the Puerto Rico nutrition assistance program for 60 days.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO 715

(Purpose: To delay the announcement of the loan level and the national program acreage for extra long staple cotton)

Mr. HELMS. Mr. Presidnet, I sent an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 715.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 5, strike out "November 30" and insert in lieu thereof "November 15".

On page 2, line 2, strike out "30" an insert in lieu thereof "15".

On page 2, after line 4, add a new section as follows:

"SEC. 3. Section 103(h) of the Agricultural Act of 1949 (7 U.S.C. 1444(h)) is amended—

"(1) by inserting ', or within 10 days after the loan level for the related crop of upland cotton is announced, whichever is later,' after 'effective' in the last sentence of paragraph (2); and

"(2) in paragraph (4)—

"(A) by inserting 'and announce' after 'establish' in the first sentence; and

"(B) by striking out the second sentence.".

The PRESIDING OFFICER. Is there debate? If not, the question is on agreeing to the amendment.

The amendment (No. 715) was agreed to.

AMENDMENT NO. 716

(Purpose: To extend for 45 days the current authority for pilot projects under which food stamp allotments may be made in the form of cash to elderly households)

Mr. HELMS. Mr. President, I send another amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 716:

At the end of the bill, insert a new section as follows:

SEC. 4. The last sentence of section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended by striking out "until October 1, 1985" and inserting in lieu thereof "through November 15, 1985".

The PRESIDING OFFICER. Is there debate? If not, the question is on agreeing to the amendment.

The amendment (No. 716) was agreed to.

Mr. HELMS. Mr. President, let me say at the outset that this legislation is purely technical in nature. It simply proposes to extend the current Dairy Price Support Program and suspends the noncash benefit requirement for the Puerto Rico Nutrition Assistance Program for 45 days, until November 15.

Also, I have proposed an amendment adding a provision to delay the announcement of the loan level and national program acreage for extra long staple cotton until 10 days after the Secretary of Agriculture announces the loan level and the national program acreage for upland cotton.

These actions are necessary at this time because the provisions relating to the dairy price support and noncash benefit requirement expire on September 30. Both are extended in the farm bill approved by the Senate Committee on Agriculture and duly filed. But that legislation is not scheduled to be acted upon until the week of October 14, and then it is likely that a conference with the House will be held as early as the week of November 4, with final action and possible enactment of the farm bill just before November 14, or about 45 days from the time the authorities extended in this bill again would expire.

DAIRY PRICE SUPPORTS

Mr. President, let me say just a word or so, about the dairy price supports. S. 1691 would freeze the dairy price support at its current level of $11.60 per hundredweight for 45 days. Without this legislation, the dairy program would revert to permanent law on October 1, tomorrow, resulting in a price support level of approximately $16.22.

The Federal Dairy Price Support Program supports the national average price received by farmers for manufacturing milk. The Price Support Program is administered by the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, and is carried out under authority of the Agricultural Act of 1949.

In carrying out the program, the Commodity Credit Corporation [CCC] offers to buy butter, natural cheddar cheese, and nonfat dry milk at announced prices. The prices are designed to result in U.S. average prices to producers at least equal to the announced support price.

To accomplish this goal, the CCC removes milk from the market in the form of those dairy products which cannot be sold in commercial channels at prices corresponding to the support prices for manufacturing milk. These products are stored and sold commercially at a later date, donated to schools and other specified institutions, or donated overseas.

As part of the Dairy and Tobacco Adjustment Act of 1983, which is Public Law 98-180, the dairy price support level has been set at $11.60 since July 1, 1985. The provisions of this act, however, expire at the end of this fiscal year, which is tonight at midnight. At that time, the Dairy Price Support Program, without this legislation, will revert to permanent law, provided for in the Agricultural Act of 1949.

It needs to be mentioned that under permanent law, the price support level must be set at minimum of 75 percent of parity. Department of Agriculture estimates indicate that ths would translate to approximately $16.22 per hundredweight. Final determination of the exact support level is scheduled to be made by the Department on this day September 30.

If we fail to pass this legislation, and allow the price support level to increase, Government costs for the program would increase dramatically, and that is an understatement. Specifically, it has been estimated that it will cost taxpayers at least an additional $7 million for each day the Price Support Program is allowed to operate with a support level of $16.22. This translates into an annual cost of $2.5 billion above and beyond baseline costs for the Dairy Program.

Mr. President, I had imagined, perhaps foolishly, that this legislation is noncontroversial. It turns out that most legislation around this place this year in particular is controversial.

But in any case, this legislation is absolutely essential to minimize Government costs for the Dairy Program. It will provide us with 45 days to conclude consideration of new dairy legislation aimed at replacing the current expiring program, and that is why I am on this floor at this moment urging its approval.

PUERTO RICO BLOCK GRANT

Let me address, Mr. President, the provision relating to the Puerto Rico block grant which is the second provision of the bill. This provision would delay until November 15 the date by which Puerto Rico must convert to a noncash benefit program under its block grant for nutritional assistance. The Senate has on several occasions attempted to provide Puerto Rico with permanent ability to operate its program without this constraint. The date was delayed twice in 1983, as I recall, resulting in the present date of October 1, 1985.

Here is the point, Mr. President: There was unanimous-agreement within the Agriculture Committee that Puerto Rico should continue to have this flexibility permanently, and that change is reflected in the committee's farm bill, which has been filed in the Senate. A similar provision is in the House farm bill, which is H.R. 2100, so that we expect agreement on that point if on none other. Let me emphasize that the provision of this bill merely delays the date temporarily in order to provide time for the House and Senate to come to what we all hope will be a final resolution of the issue.

Since July 1982, the Commonwealth of Puerto Rico has operated a block grant in lieu of the Food Stamp Program. Under the block grant, Puerto Rico became responsible for the development and operation of the nutrition assistance block grant [NAP], with the Secretary of Agriculture maintaining oversight for the program's operation.

The Commonwealth made numerous changes in the administration of the program, many of them designed to improve the program's administration and make it less subject to waste, fraud, and abuse. Eligibility levels were reduced, verification of information was increased, and the Commonwealth changed the means of distributing food assistance.

Rather than provide food stamp coupons, the Commonwealth opted to send recipients a monthly check which they were to use for the purchase of food. The commonwealth calculated that savings would accrue from the elimination of substantial paperwork involved in the maintenance of paper coupons, reconciliation of such coupons from retail stores, theft, and other circumstances.

Concerns were raised in the House regarding the appropriateness of permitting cash in lieu of coupons. Legislation on the Omnibus Budget Reconciliation Act of 1982 (Public Law 97-253) required that Puerto Rico would have to develop a noncash system by October 1, 1983.

Subsequent legislation in 1984 postponed the date by which Puerto Rico would have to convert to a noncash system, first to January, 1, 1984 (Public Law 98-107) and subsequently to October 1, 1985 (Public Law. 98-204).

The Department of Agriculture has conducted two studies on the existing cash nutrition assistance program in Puerto Rico. The first, issued in early 1983, was based on the first few months of program operation and concluded that the cash system had not reduced the nutritional status of Puerto Rican recipients.

The second study, required by 1983 legislation was recently completed and submitted to Congress. See "Evaluation of the Nutrition Assistance Program in Puerto Rico", volumes I (March 1, 1985) and II (June 1, 1985).

The report again found that the new cash program "did not lead to major changes in household food expenditures or diet quality." the report said:

The effects of NAP's cash issuance provision were analyzed separately from the effects of NAP's restrictions on program eligibility and the level of benefits. The evaluation used two measures of household food expenditures—total food expenditure, which includes food used at home and away from home, and the money value of food used at home—and several measures of diet quality. The total food expenditure variable provides the most comprehensive measure of food expenditures, while the value of food used at home is more consistent with the nutrition measures, as they are based on food used at home. The analysis using these measures consistently shows that NAP, and particularly the cash issuance components of NAP, did not lead to major changes in household food expenditures or diet quality. In particular, while NAP led to small reduction in the total food expenditure of households, the change to cash issuance itself had no effect. Other measures of household food expenditure and nutrient availability showed small declines due to NAP and smaller still due to cash issuance. These changes are not different from zero in a statistical sense.

The report also concluded that administrative costs declined by $9.6 million, or 18 percent, primarily because of the cash issuance aspect of the program. These savings have allowed Puerto Rico to direct more funds to program beneficiaries. The program also eliminated the potential for food stamp trafficking which was reported as a common occurrence under the Food Stamp Program.

The committee's farm bill provision eliminating the noncash benefit requirement for Puerto Rico does not constitute an endorsement of cash assistance per se. Rather, the committee supports the principle of permitting the Commonwealth of Puerto Rico to choose the system of benefit delivery that is most appropriate to meet its particular needs. If the Commonwealth should choose to deliver benefits in noncash form, it would be free to do so, subject to the Secretary's approval of a revised program plan.

ELS COTTON

Mr. President, now we get to cotton. The third aspect of this effort to extend expiration dates is an amendment to the committee reported bill. The amendment makes two changes. First, it adds a provision stipulating that the announcement of the price support loan level and the national program acreage for extra long staple cotton would be extended from the statutory date of November 1, until 10 days after the Secretary of Agriculture makes similar program announcements for upland cotton.

The Extra Long Staple Cotton Act of 1983, which is Public Law 98-88, provides that the loan level for any crop of ELS cotton shall be determined by an announcement by the Secretary not later than November 1 of the calendar year preceeding the marketing year for which such loan is to be effective and such level shall not thereafter be changed.

The act continued the tie of the ELS loan rate to that for upland cotton, by

establishing it at least 50 percent in excess of the upland cotton loan rate, reducing the percentage from 75 percent previous to the 1983 act.

Because the Secretary will not be in a position to announce the upland cotton loan rate for the 1986 crop until the Congress passes and the President signs the 1985 farm bill, this amendment is necessary, so that the Secretary does not have to announce the extra long staple cotton loan rate until the new farm bill can become law, which will certainly be past November 1.

Second, the amendment changes the extension for the dairy price support and the Puerto Rico food assistance program from 60 days in the bill to 45 days. This is done on the basis that we are likely to move the farm bill through the legislative process more quickly than anticipated when the committee reported S. 1691.

SSI AND ELDERLY CASH OUT

Finally, Mr. President, the SSI and elderly cash out: The purpose of this amendment is to extend, until November 15, 1985, the pilot projects which permit certain supplemental security income [SSI] and elderly recipients to receive cash in lieu of food stamp benefits.

It is interesting that both the Senate and House farm bills provide a reauthorization of this authority. However, because action on those bills has not been concluded, and there again is an understatement, this temporary continuation is necessary to prevent both disruption of cash benefits to these households and significant administrative costs in converting them to the regular Food Stamp Program, using coupons.

While the Department may be able to continue the programs without this specific authority, Department officials would be pleased to have the explicit authority of this legislative change.

The following are areas with the SSI/elderly cashout pilot projects: The States of Vermont and Utah; Hennepin County, MN; Monroe County, NY; Cuyahoga County, OH; Clackamas, Columbia, Multnomah, and Washington Counties, OR; Darlington, Dillon, Florence, and Marion Counties, SC; and Arlington County, VA.

So, Mr. President, I do hope that the debate can somehow be limited so that we can pass these measures. Otherwise, the taxpayer is going to get it right up the nose and it will benefit nobody.

I would emphasize that if legislative action by the House and Senate is not concluded and if the legislation is not signed by the President by midnight September 30, which is today, tonight, then rather disastrous consequences will result.

There is going to be plenty of time, Mr. President, to discuss during the debate on the farm bill all of the aspects and I would hope that Senators would restrain themselves and let us go ahead and pass this temporary legislation and get out of this thicket so that when the farm bill comes up the middle of October we can engage in a debate and discussion free of any dislocation created by failure to have enacted into law the legislation I have just offered.

Mr. President, I yield the floor.

Mr. MELCHER. Mr. President, the events of these times require a change of course for the country. The U.S. economy is endangered by a combination of the continuous annual large Federal deficits and trade imbalances.

Without a change in the economic deterioration in basic American industries, the economic well-being of all of the people of the United States will decline sharply.

It is ironic that, as the summit meeting with the Soviet Union approaches, both the House and the Senate are intensely debating all methods of curbing agricultural production. The major strength of the United States is its efficient and continuous capability of producing agricultural products. It is an unmatched marvel and many abroad consider it a miracle that American agricultural productivity is both cost-effective and plentiful. To contrast that miracle with the agricultural capability of the Soviet Union puts Uncle Sam in the strong position of always being able to export its surplus food production in large quantities, not only as the dominant producer but as a dependable supplier.

Nevertheless, this great American agricultural ability is not used effectively in the Federal Government's development of U.S. policy. The trade imbalance is dragging down the U.S. economy, but export programs are blocked or diminished by the State Department, the Department of Agriculture, or the Office of Management and Budget, all of which are arbiters in the bungling of U.S. agricultural exports. There is no question that American consumers take for granted the abundant, low-cost U.S. food supplies. There is also no question but what the American public firmly believes that the abundant food surplus should be available to the hungry both in this country and abroad. There's not too much food in the world, but there is a breakdown in the sales or donations to the hungry.

There is not too much milk in the world, but there is a breakdown in methods of efficient and effective distribution of dairy supplies to those who are hungry. There is a surplus of fat in the Federal Government policy that turns down applications by foreign governments or private voluntary organizations and cooperatives working in foreign lands to utilize dairy and other American surplus commodities to feed the hungry and to help develop the economies of struggling countries which will develop permanent markets for the United States. And it's also a mistake to allow the continuation of bureaucratic bungling which makes it difficult for community and church food banks, Salvation Army, and community feeding programs for the poor and senior citizen centers to receive the surplus dairy and other food supplies.

Today during consideration of S. 1691, to extend the current Dairy Program for 45 or 60 days, we are opening the debate on the Dairy Program itself, which is a component of the farm bill to be considered by the Senate next month. While all American agricultural producers have found prices for major commodities lower than the cost of production, milk producers have fared better than grain, cotton, rice or soybean farmers. Milk producers have better prices for their production than cattle feeders or cattle ranchers, or hog farmers or chicken producers. But dairy farmers have to be on the job 7 days a week and twice a day, every day, all year, including Christmas and the Fourth of July. Who wants that?

I come from tough country. Montana is a beautiful big sky country—a glorious, big and open land—but tough, with drought sometimes in the summer, and usually very cold and with storms in winter. The toughest times for cattle ranchers are 20° to 30° below zero weather with snow on the ground and the cows still have to be fed. The biting, penetrating cold and the risk of frostbite to face or fingers have to take second place to feed hay to the cows and chop the ice in the creek or water tank so that the cows can survive. But that's just once a day. but the dairy farmer still has to be with the cows twice a day. Yeah, it's tough.

But the result is production of milk that is healthful and cheap. Currently, the dairy program assures these dairymen of getting something less than 40 cents a quart or about 75 cents per half gallon for the milk they sell. The milk is pasteurized and dated and consumers pay more, but it's still a good deal. We don't fear any longer that our children or any of us will be drinking milk that would cause typhoid, or pasteurellosis or tuberculosis. Nowhere else in the world is fresh, wholesome milk available in every store throughout the land at a cheaper price than it is in the United States.

That is no accident. It is the result of the Dairy Program established by Federal law a couple of generations ago. It has two purposes. First, to produce a clean and plentiful supply of milk for domestic use and an ade-

quate amount for export. Second, it is also to provide a decent price level for the dairy producers.

We are a country of people who firmly believe that milk is essential for good nutrition for the young, and we are learning that it is also essential in preventing osteoporosis in the not-so-young, and particularly the elderly.

The Dairy Program has worked because the two essential purposes have been met. It must be continued and improved. The current support-price level for class A fluid milk is $11.60 per hundred pounds. That figures out to slightly less than 75 cents per half gallon or slightly less than $1.45 per gallon. The Senate farm bill will seek to maintain that price level. The Senate farm bill will also seek to increase the amount of exports of surplus dairy commodities and to decrease the surplus already in Federal storage, which will cost about $200 million in Federal storage payments next year. There is need for greater distribution of the surplus in the domestic programs I previously have mentioned—the food banks, the charitable feeding programs, the schools and senior citizen centers. There are three ways to utilize it abroad—Food for Peace, section 416, and commercial sales, all of which should be increased.

There is a very practical reason for acting on S. 1691 to extend the Dairy Program for a few weeks. If this bill does not pass, the provisions in the 1949 Farm Act will come into effect as of October 1. In the 1949 act, fluid milk is to have a support price equivalent to 75 percent of parity, which is $16.20 per hundredweight, approximately 40 percent higher than what is the present required price support. The efficiency of American dairy producers has improved dramatically in the past 35 years. Dairy producers themselves are advocating the passage of this bill so that the higher support price will not be required. Dairy farmers believe that the $16.20 price is unrealistic.

Just as unrealistic is the oft-repeated suggestion of Secretary of Agriculture John Brock that, if he doesn't get his way to reduce the price support for dairy and other farm commodities, he will strongly advocate that the President veto the farm bill. Is he speaking for the President? If he is, one of the effects of a Presidential veto of the farm bill after October 1 would be to return again to the provisions required in the basic 1949 Farm Act. Fluid milk would be supported at $16.20 per hundred, wheat at close to $4 a bushel, and corn at $3 a bushel. And the Secretary of Agriculture would require that massive amounts of farmland would be taken out of grain and other production.

So why the threats of veto? Is it because the farm bill is $3 billion per year over budget, as estimated by the Congressional Budget Office? Is the threat of veto because John Block estimates the cost even greater, something like $7 billion per year over budget?

Is the threat of veto because the President and the administration have accepted the bungling of agriculture exports to be continued without improvements during the next 4 years?

Is the threat of veto because John Block's Department of Agriculture says that wheat has to go to a price of $2.46 or corn $1.72 per bushel before times can get better?

Is the threat of veto because the farm credit system and farm credit in commercial banks has to be stripped of solvency so more farmers will go broke?

Does the continuous prattle of Secretary John Block about too many agricultural producers and the sad situation of good, efficient farmers being liquidated have to go on unabated, without positive steps to prevent the deterioration of the entire U.S. agricultural sector and its scores of thousands of rural communities?

Must we continually endorse by our silence and inaction the nonchalant ineptitude of thick-headed policy of both the State and Agriculture Departments in blocking or cutting U.S. agricultural exports?

I believe not.

All farmers and ranchers throughout America say: Stop this nonsense and increase exports, whether Republican or Democrat, whether they voted for Ronald Reagan—most of them did—or for Walter Mondale, they are joined together in saying these policies are wrong. There is nothing partisan in the demand for the change in policies. They are not playing politics. They are only demanding that the country's most basic industry, agriculture, must survive. They are not satisfied that price supports determine their income. They want the market price to provide the income and the challenge and the opportunity for making a profit. They are being denied that opportunity because the Federal Government has devised farm programs that are not only costly but have failed miserably to utilize American food abundance as a cornerstone of American policy abroad. American agricultural producers are strong and they realize that America's basic strength lies with them.

I am aware and I am convinced that this agricultural strength is basic to the well-being of the entire U.S. economy. The ineptness of the Departments of Agriculture and State are beyond reality. We cannot afford to have them calling the shots that are perceived as American agricultural policy. A Presidential veto of the Senate farm bill would not only be tantamount to condemning the agricultural economy to a continuation of the present disaster but would also threaten the possibility of a continuation of economic recovery for the country itself.

(Mr. MATTINGLY assumed the chair.)

Mr. MELCHER. Mr. President, I certainly want this bill to pass, and to pass today. I am looking now at a bill—H.R. 3454—the House has passed today. I believe the bill is here at the desk. It contains all the provisions that the able chairman of the Agriculture Committee has described in both S. 1691, and the amendments that he has offered today.

I am glad that the chairman of the Senate Agriculture Committee is giving a good explanation of both what we seek to do in the bill. The bill provides for a continuation of the support price of milk for 45 days at the current level of $11.60 and addresses other matters concerning cotton and the Puerto Rican Food Stamp Program.

Last Thursday, we thought, after we got tobacco taken care of that we were going to discuss S. 1691. But that did not happen. It was either too late or the hurricane was too strong. In any case, S. 1691 was not called up.

The reasons I am in support of the bill is for the practical matters that have been ably described by the distinguished Senator from North Carolina, the chairman of the committee. I am for passage of the bill. This bill opens up the debate on the 1985 farm bill. There is no reason at all to pass the bill, or the one identical that the House has passed, except that, without passage of it, and without enactment of the new farm bill, provisions of the 1949 act will become operative.

As the chairman has described, if the 1949 act provisions govern the milk support price would increase from $11.60 per hundredweight, the price support for milk under the current dairy program, to over $16.20 per hundred weight. Some people have it even zeroed in on $16.22 per hundredweight. Whatever the exact figure the parity support would be nearly 40 percent more than the current price support for milk. That figure is based on 75 percent of parity; 75 percent of parity which was thought in 1949 to be fair and adequate for a dairy price support program.

In 35 years, the dairy farmers of this country have become so much more efficient that a support price of 75 percent of parity is not necessary to ensure adequate production. The necessary support price is much less than parity—$11.60 per hundredweight. The adequacy of the lower support price is quite an accomplishment in 35 years.

I want to make it clear that the dairy producers of the United States, dairy farmers and their cooperatives,

want this extension of the current price. They do not want to see the support price go to $16.20, 40 percent higher than it is right now. They do not want that.

Now, people sometimes are led to believe that dairy farmers are not only stripping teats to get the milk, they are led to believe dairy producers are stripping the taxpayers and the Treasury to get some money. I do not think that is the case at all. Dairy farmers and their cooperatives recommend that this bill be passed so that the price does not go to $16.20 per hundredweight.

You might say, "Well, what does that mean to me?" Let me tell you what it means to you. It means that those dairy farmers are out there milking those cows twice a day, every day of the year, including Christmas, the Fourth of July, and all other holidays. They are out there milking those cows and they are selling milk for about 75 cents a half-gallon. That is what the dairy farmer achieves for consumers. The dairy farmer receives less than 75 cents a half-gallon. That is what they sell it for. There are added costs as milk is moved from the dairy farmer to the dairy cooperative facilities and then to the stores.

We have made progress in the dairy program since 1949. As a result the dairy farmers are saying, "We would not want to go back to the 1949 act because $16.20 per hundredweight for fluid milk is impractical. It is too much." But they are also saying to us that they want it at $11.60, at least the current price. They do not want to see that support price reduced either.

If the chairman will yield to me, I wonder if he would answer this question. Why do we hear so much about a veto of the farm bill? Why do we hear Secretary Block saying, "Well, the farm bill as it stands now"—now, I assume that also means the Senate farm bill. Why does he say it ought to be vetoed and he recommends a veto? Can the chairman indulge me in answering that question?

Mr. HELMS. Well, of course. The distinguished Senator from Montana has the floor, and I cannot yield to him.

Mr. MELCHER. I yield to the distinguished chairman for that very purpose, to answer that question.

Mr. HELMS. Well, I cannot speak for the Secretary, nor can I speak for the President, but I can give you my impression that they feel that both farm bills are budget busters. But they will have to make their own arguments and, when the bill comes to the floor, I will make my own argument.

Mr. MELCHER. Could the chairman tell me the cost of the farm bill, if that is why Secretary Block is making those statements? Budget buster does not mean much. How much would the Senate farm bill cost?

Mr. HELMS. I cannot speak for the Secretary, nor can I attribute figures to him, I say to my friend.

Mr. MELCHER. Well, would the chairman indulge me further by telling me how much he thinks the cost of the farm bill might be and under whose count—whether it is CBO's or OBM's or Secretary Block's?

Mr. HELMS. Well, I will repeat what I said the other day to my friend from Montana. He is correct. As is always the case around this place, there is a difference between assessment of cost. CBO has set one set of figures, USDA has another. And if the Senator is going to ask me how I account for the difference, I cannot. The estimates that CBO has prepared on the 1985 farm bill—incidentally, as the Senator knows, we are obliged to use the CBO figures—their estimates indicate that this bill spends $41.6 billion for the commodity programs over the next 3 years. The committee bill—I am using CBO figures—is $8.4 billion over the budget resolution for the agriculture commodity and credit programs according to CBO.

The USDA says that the committee bill is closer to $20 billion over the budget. Maybe the Senator has been informed by Secretary Block that the President is going to veto the bill. I have not had any message from the Secretary. I have simply had indications that unless some resolution of the disparity in costs is achieved we can expect the President to look long and hard at the budget overrun for the farm bill as reported out by the Senate Agriculture Committee.

Mr. MELCHER. What would be the cost of farm programs if we revert to the 1949 act? Does not the basic law in the 1949 requirement require that we go back to a different set of figures on price supports for cotton, wheat, corn, and perhaps other commodities?

Mr. HELMS. I say to the Senator, that is correct. But I think the Senator will acknowledge it would be utter chaos to try to administer the 1949 bill. I do not think any Senator would be so irresponsible as to lead Congress into that position.

Mr. MELCHER. I agree with the chairman. I do not think that is responsible. But is it not also an indication of what could happen if the farm bill is vetoed, say, in November? Then we would be left with operating under provisions of the 1949 act because we might not pass another farm bill all that easily?

Mr. HELMS. Again, it depends on a Senator's view of the responsibility of first the Agriculture Committee and then the Senate. My view of it is that Senators both on and off the Senate Agriculture Committee are more responsible than that. I will point out to the Senator that there have been occasions, when the farm bill was passed in mid-December. But I will say to the Senator it is my intent as chairman of the Senate Agriculture Committee that there will be some sort of a farm bill. I do not want to cross bridges before we get to them. I think we ought to see what happens on the floor. There is variety of opinions about various aspects of the farm bill. I expect the Senator is going to agree with me—that there will be a lot of votes on a lot of questions when the farm bill reaches the floor of the Senate for consideration in the middle of October.

Mr. MELCHER. Might I further ask the able chairman if he will respond to this: Are we going to be using CBO figures? Am I correct on that? Will we be using CBO's set of figures on the debate on the farm bill?

Mr. HELMS. I expect the debate will be on everybody's figures, including some pulled out of thin air.

Mr. MELCHER. That leads me to a problem. If the distinguished chairman is going to use CBO figures that means we are not going to be trying to mix them in with John Block's figures, or OMB's figures. Does the distinguished chairman want to use CBO's figures? Is that what the chairman will recommend? Is that how this debate will unfold, using one set of figures?

Mr. HELMS. I am only one Senator. I happen to be the one Senator at this moment who is chairman of the Senate Agriculture Committee. But I think I am pretty much like the Senator from Montana whom I admire and respect—that we will try to be reasonable and sensible. But I will say again as best I can in responding to the Senator that we operate on CBO figures. But that does not exclude or foreclose the use of other figures in arguments. I cannot predict what the other Senators will use.

Mr. MELCHER. I am more interested in what Senate figures the distinguished chairman uses and what set of figures the distinguished majority leader uses. If they both use the same set of figures—compiled by CBO—I do not think there would be any argument anywhere in this Chamber about the figures we are operating with.

I think the distinguished chairman has responded. I interpret the response to mean he favors using CBO figures as the responsible figures. The budget resolution contemplates that the CBO estimates will be used. The distinguished chairman says the farm bill is $8 billion-plus over the budget, as the Senate projected the budget for the next 3 years. If the distingushed chairman will further indulge me, if the bill exceeds the budget by $2-something billion, up to $6 billion or $8 billion over 3 years, will the President, John Block, and the chairman want the bill enacted rather than vetoed? Is that what we are talking

about—$3-something billion over the budget for this farm bill? If outlays are reduced by some amount, then the President, John Block, and the distinguished chairman support the bill? Am I to believe that?

Mr. HELMS. That depends on how much you reduce it. Let me level with the Senator.

Mr. MELCHER. I am talking about reducing the cost of the bill by an amount by which it exceeds the budget.

Mr. HELMS. Here is the problem I will say to my friend from Montana: I have to level with the Senator. If you ask me which set of figures are closer to being accurate, CBO or USDA, I would be inclined to say to you, and I have to be honest with you, I think the USDA is closer to being accurate for the simple reason that the CBO estimates are calculated from the January baseline as the Senator knows, and those calculations include assumptions that are no longer valid. But were CBO to recalculate on the same basis at the same time or for the same time as USDA did, I expect the cost overrun of the committee bill would be much larger.

Mr. MELCHER. I know the distinguished chairman is being very honest with me. But the chairman was also very honest with me when he said that we had to use somebody's figures and we were directed to use CBO's. Assuredly the distinguished chairman cannot answer for anybody other than himself. But might I ask this: Does it simply mean that the veto threat that John Block enunciates would be removed, in the distinguished chairman's view, if the bill that left the Senate meets that test—a reduction of $6 billion or $8 billion for the life of the bill?

I believe the CBO is talking about a 3-year period. Will the distinguished chairman encourage in that case that the President sign the bill?

Mr. HELMS. I cannot answer the Senator's question because I am sure the CBO is going to be asked to update and be more definitive in its estimates. I have heard Senators around the Chamber who are not on the Agriculture Committee who are interested in one commodity or another saying they want more updated information than the January baseline that the CBO used.

We have a pretty good farm bill. As the Senator knows, there are 22 titles, as I recall, involving about 2,600 provisions in the farm bill. That is a pretty hefty piece of legislation. Most of the bill is sound. It does, of course, not go as far as some would like, or further than some would like. But the question is, Are we, at this point, when the farmers are in difficulty, going to embark on a sound policy or are we going to continue with the failed policies of the past?

I think for most of the 22 titles of the 1985 farm bill, as it was voted to be reported by the Senate Agriculture Committee, we have made progress.

I would not want the Senator to try to lock me in on anything I might do or say because I am going to operate as best I can to bring accurate information before the Senate. I know the Senator from Montana will do the same thing. I would not ask him to make a flat-out commitment on anything because he has a right to change his mind between now and the time the bill reaches the Senate floor, and so does every other Senator.

I respect the Senator, but I decline to be locked into any set of figures at this point.

Mr. MELCHER. Let us just clarify that. As I understand, the chairman has said that we will use CBO figures, their budget figures, to determine what commodities or if the entire package is over the budget.

Mr. HELMS. That is the procedure here, I will say to the Senator, but it does not exclude consideration of other responsible legitimate information.

Mr. MELCHER. It certainly would not exclude anything, but it will be less confusing to everybody if we can agree to use the same set of figures so that we are all talking about the assumptions that are the same. If we use another set of figures, obviously, they are based on some different assumptions. If we use CBO's, they are based on their assumptions.

Mr. HELMS. As of last January.

Mr. MELCHER. As the able Senator has said, as of last January. Too, the Department of Agriculture has had some changes in their assumptions. That could be reflected in CBO's figures sometime in the future. But I am talking about what CBO has now or what they might have estimated when the bill is on the floor.

Mr. HELMS. I understand.

Mr. MELCHER. As I interpret the chairman's comments, he said that we would use CBO's figures for the purpose of measuring what overage there might be or might not be in the various titles of the bill.

Mr. HELMS. Not discounting or excluding any other information that may be valid.

Mr. MELCHER. I understand what the chairman has said about the various titles of the bill and the conditions that might prevail if there is no bill finally passed or the bill is vetoed and the veto is not overridden. Then there would be no bill passed. The distinguished chairman described that, I think, in one word, as chaos.

Mr. HELMS. Let me be more optimistic. I am sure the Senate will work its will, I say to my friend from Montana. He and I will be on this floor to do the best we can.

Let me be as clear as I know how to be about the question of the Senator from Montana with regard to the CBO.

Sure, as the Senator knows and as the Senator has said more delicately than I might have said, every committee in the Senate has to jump through the CBO hoop. We have to make our judgment based on the CBO figures plus whatever else we can come up with. But the President is not bound by custom or tradition, and certainly by no law. The President does not have to use the CBO figures. He does not have to use the USDA figures. He will make his decision based on the latest and best information that he has when he receives the bill from Congress.

The President will use his own figures.

I will say to the Senator that in 1981 when this Congress had adjourned for the year and I had gone to Raleigh, I got a call from the President saying, "You better come back up here and justify this farm bill you sent down."

The next morning I flew to Washington. We sat down in the Cabinet Room and he said, "Tell me why I should sign the bill."

I said, "That is uniquely your decision to make, Mr. President. Personally, I think it is a pretty bad farm bill."

He said, "I have not made up my mind."

I said, "Mr. President, you have to assess the alternative to not signing it."

Others were sitting at the table and they give him the alternative. To make a long story short, he signed the bill.

I do not know what will happen this year, I say to my friend from Montana. I will be just as honest with the President as I am trying to be with the Senator from Montana. I do not know what will emerge from this floor after the mid-October debate, however long it takes. But I say again to my friend that the important thing, the most useful thing we can do, would be not to concentrate so much on how much money the Federal Government is going to shovel out, whether it be to agriculture, to business, or whatever. That is not the important thing.

The important thing is sound policy.

I think the fact is that there was a splendid contribution by the Senator from Montana, that we made progress in reassessing and reevaluating various functions under our purview so we have the makings of a good farm bill. But right now, it is the judgement of the Senator from North Carolina, and I may be proved wrong, the bill is off target in terms of the budget resolution and I could not vote for it.

Mr. MELCHER. I do not want to pin the distinguished chairman down but I would have to interpret his remarks to

be that he might believe that if the costs were reduced something like $2 billion or $3 billion a year, which is $8 billion or $10 billion for the life of the bill, he would be in support of the bill. I understand the distinguished chairman has also reviewed other sets of figures based on other assumptions, namely, the Department of Agriculture figures.

It is discouraging for the able chairman, I assume, to have to explain why those different assumptions adopted since the first of the year cause the actual cost of the bill to be higher than what it would be on the January 1 base line. Those assumptions include a decline in exports. That has been rather dramatic ever since January 1. The exports of agricultural commodities from this country have gone down precipitously, or at least they add several billion dollars in further costs.

Mr. HELMS. If the Senator will yield, one of the questions we had to confront in the committee is why has that been happening. I think we addressed it in our export title. The Senator made an enormous contribution to that matter.

Mr. MELCHER. Mr. President, I thank the distinguished chairman for that statement. The facts are that the January 1 baseline assumptions were based on forecasts by the Department of Agriculture at that particular time and have since then been revised. However, CBO cannot just automatically readjust an entire baseline for one Department without looking at the rest of the agencies of the Federal Government. Therefore, Congress can deal consistently with that January 1 baseline.

In the case of agriculture, the assumptions that had to be changed show lower exports and higher-than-anticipated participation in the Government programs; namely, the commodity price support programs.

And, of course, the third reason for higher costs is that the prices for farm commodities have declined during the year. The Treasury, in order to maintain that same level of support for commodity producers, the farmers, has had more outlay than was anticipated. It is not that the farmers have gotten any more money; it is simply that the exposure and the cost to the Treasury because of declining farm prices have been more than the Department of Agriculture anticipated.

I must say, Mr. President, that the Farm Program that we have is a blueprint for disaster. Part of the problem is the decline in agricultural exports from this country. There is no political argument here between Democrats and Republicans when you get out into the grassroots areas. It is not that the Democrats are telling me, pass some kind of bill that holds the line and expands exports. It is not that Republicans are telling me the same thing. The case is that all people are telling me, whether they are Democrats, Republicans, Independents or Libertarians—we have Libertarians, too, in Montana—they are all saying the same thing. If you are a Libertarian, you do not want the Government in meddling with your business. Do not think that farmers and ranchers, whether they are Republicans, Democrats, Independents, or Libertarians, want the Government in there with Government payments in their business as a sole source of livelihood or as the difference between staying in operation or going broke.

They do not like the current situation. They think this is a terrible present and a horrible future for them. If all that is going to sustain their businesses, their livelihoods, so they can own their farms and ranches and stay in business, is Federal payments, they think that is a terrible future. They do not like it. They do not advocate that as a farm program.

If we remove even the existing safety nets, including target prices and the price support programs, we are going to have an utter collapse of American agriculture.

Farmers and ranchers are not getting their preference. They are locked into a situation where the price is so drastically low that the only way to stay in business for many of them is to continue these programs while we improve the utilization of food both here and abroad.

This administration is flunking out, absolutely flunking out on the report cards of farmers and ranchers and it does not make any difference whether they are Democrats or Republicans: This administration and their policies are getting an "F" on their report cards. Whether farmers or ranchers or agribusiness, suppliers of services, the local high school superintendent or the barber or the minister, it does not make any difference. As far as they are concerned, the agricultural policy of this administration receives an "F."

This is the time to change policy. This is the time to change it, Mr. President. We cannot put up with a lot of blather from Secretary John Block or whoever in the administration has said, "Well, we are going to recommend that the President veto the farm bill." There will be a conscientious effort on the floor to reduce the cost as low as possible, but not at the expense of bankrupting these operators.

We do not have too much food produced in the United States. We do not have too much food in the world. We just do not have the right mechanisms for distributing it to those people who are hungry, both here and abroad. We have food kitchens, food donation programs—food banks, they are often called—we have Salvation Army kitchens supplying meals to the poor, we have senior citizen centers that help the nutrition levels of seniors. We have a lot of things right here in this country that have a hard time getting through the bureaucracy to get at the surpluses of commodities, dairy or flour or other commodities.

Certainly, we have had a concerted drive of bungling and fumbling by both the Department of State and the Department of Agriculture in utilizing our programs to export surplus commodities abroad to where hungry people are and to where developing markets should be expanding.

We need to pass a bill that does something to expand exports and that keeps a safety net in place in terms of price support mechanisms and target prices in the coming years. The bill would be for 4 years. We have to get over this pessimistic, dismal policy enunciated for the country by the Department of State and the Department of Agriculture on agricultural exports. The price improvement that farm and ranch operators must have in order to allow them a decent living has to come in the marketplaces.

Farmers cannot tolerate prices as low as John Block says they are going to go.

He says wheat prices will be down to $2.42 in the coming 24 months, corn prices will be down to $1.75, and all other commodities will be equally low. But we have to change that pessimistic, do-nothing policy within the State Department and Agriculture Department on exports, get them in the business of promoting these export programs rather than blocking them.

When we do that, we will get some fresh direction. When we do that, we will have different assumptions. When we do that, we will not have such big estimates of costs on these various commodity programs.

The Senate Committee on Agriculture did report out a bill that is workable, a bill that can certainly be improved upon, and a bill that the President would be well advised to sign when it reaches his desk. That is necessary to have these farms and ranches survive and have an agricultural economy that survives. Their economic survival is too important—not just to them, not just to rural America; it is also crucial to the entire U.S. economy.

If we want a full-fledged, go-for-broke type of depression that we had in the thirties, all President Reagan would need to do would be to veto a farm bill that we could agree to on the Senate floor. If so, watch the consequences. We would see a farm-led, farm-fed depression in that case. This economy is not really very strong now. It does not do us much good to have the Dow Jones average above 1,300 points and have everybody who produces commodities out of the Earth in

the United States going broke. Yet that is about what is happening. If the situation continues, it will mean a general recession for the whole country.

The time of decision in the Senate will be when we take up the farm bill. The majority leader said that will happen on October 15. We will make our decision then. I believe we are going to make the right decision. We may be slightly over the budget when this bill leaves the Senate, when it goes into conference, when it comes out of conference, and goes on the President's desk. If the President wants to mitigate the cost of farm programs the first thing he ought to do is look closely at the State Department's and Agriculture Department's bungling of agricultural exports.

I thank the distinguished chairman of the Senate Agriculture Committee, the Senator from North Carolina, for being present today and discussing in detail some of these matters. I also see the distinguished Senator from Mississippi [Mr. COCHRAN], one of the leaders in the Senate on agricultural matters. I hope he will add his comments to what we have been discussing.

Mr. HELMS. Mr. President, as we sink deeper into this discussion of target prices and loan rates and other Government jargon, it is important to take a step back and look at exactly what it is we are talking about.

We have heard that reducing the cost of the farm bill would wreak havoc on rural America. I want to make it clear that what we are really talking about in many instances is the size of the Government check that we will be sending to people who are, by most standards, wealthy.

Mr. President, recently I cited some figures that were called into question by another Member of this body. I asked the staff to check on those figures, and I want to repeat those again here today.

These are figures that have been compiled by J.B. Penn. Mr. Penn is a well-respected agricultural economist and formerly an official in the Carter administration. He compiled these figures using data from the Economic Research Service of the Department of Agriculture.

Now, what Mr. Penn did was to divide farms by sales class, and then compiled the assets, liabilities, and net worth of farms in each sales class.

The smallest sales class was a category of farmers whose gross sales are less than $5,000 annually. Bear in mind, 35 percent of all farms in the United States fall into this category. On the average, these farmers have assets of $123,337, liabilities of $13,743, for a resulting net worth of $109,594.

Well, one says, I don't have many of those kind of farmers in my State. OK, let's look at farmers whose gross sales are between $40,000 and $100,000. These comprise 16 percent of all U.S. farmers. These farmers have assets averaging $657,875 and liabilities of $125,976, so their equity, or average net worth, is $531,899.

Oh, no, one says, you're certainly not talking about the farmers in my State. I agree that not all farmers have this kind of equity. There are many farmers who are in dire financial straits. But on the average, most farmers are doing much better financially than the average American family. So what we are debating here is an income transfer—from American taxpayers whose median family income is $24,580 in 1983, to farmers whose net worth is over half a million dollars.

The worst of it is that many billions of the payments we are talking about will be going to those who need them least. Almost one-quarter of farm program payments go to farmers whose gross sales are between $100,000 and $200,000 annually—and whose farm equity is $877,309.

Mr. President, the issue is not the destruction of rural America, but the billions of dollars of taxpayer money going to people who are—on the average—not in financial distress and many of whom possess substantial wealth.

I do not particularly want to engage in debate on the farm bill at this time—but the Senator from Montana is certainly making some excellent arguments.

However, no one is talking about doing away with farm programs. The Senator's point on budget exposure is very true as regards the bill as filed by the Agriculture Committee. The bill contains sound policy as regards exports, conservation, and loan rates. However, the bill freezes target prices for 4 long years. This ensures that farmers will engage in continued surplus production and that the Secretary of Agriculture will be forced to require large acreage reductions in order to control costs to the Federal Government, and to keep commodity prices from excessive decline. In addition, the committee bill provides overly generous benefits to producers who do not need them. I offered a package of amendments in committee that would correct this policy imbalance—and would bring the bill into budget compliance.

Mr. President, I ask unanimous consent that this package be included in the RECORD at the conclusion of my remarks.

I hope that Senators will consider this package—and realize that we must adopt specific amendments to ensure that the 1985 farm bill makes sound farm policy—and achieves the budgetary goals that Congress has agreed upon.

I am convinced that we can do this—if we really want to. If we can rise above any partisanship that one side or the other may be eager to seize—we can have a farm bill that is fair to both the farmers and the taxpayers of this country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM BILL SAVINGS OPTIONS

[In billions of dollars]

	3-year savings	
	USDA	CBO
1. Freeze target prices in 1986 at 1985 levels (except $11.12 for rice), and allow a 5-percent reduction each year thereafter.	−2.3	−2.7
2. Reduce the portion of the farm acreage base on which deficiency payments would be made each year to eliminate payments on surplus production.	−6.0	−3.3
3. Base deficiency payments on the season average price for wheat, feedgrains, and rice; and pay 90 percent of the estimated deficiency payment at the normal time, after the first 5 months of the market year.	−1.0	−1.0
4. Reduce the dairy price support level by $0.50 on January 1, 1986.	−.6	−.7
5. Reduce the 10-million acres required for the conservation reserve in 1986 to 5 million acres, and add 10 million acres in both 1987 and 1988.	−.9	.....
6. Require 50 percent cost sharing on the establishment of a cover crop on conservation reserve land.	−.3	−.5
7. Reduce the Intermediate Export Credit Program from $1.0 billion to $500 million per year and use only credit guarantees instead of direct credit.	−2.4	−1.3
Subtotal of savings options	−13.5	−9.5
Less overlap when 1 and 2 are combined	−1.0	−.5
Total savings for items 1 through 7	−12.5	−9.0

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. HELMS. Mr. President, will the Senator allow me to put in a quorum call for just a second?

Mr. COCHRAN. Mr. President, I am happy to yield for that purpose.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I rise to commend the chairman of our Committee on Agriculture, Nutrition, and Forestry, the distinguished Senator from North Carolina [Mr. HELMS] for his leadership in our committee, and for bringing legislation to the floor that has to be passed to continue the operation of certain important programs of the Department of Agriculture which enormously benefit our agricultural sector.

Included among those items is an extension of the Extra Long Staple Cotton Act of 1983 which permits the orderly administration of that act in the absence of the enactment of the new farm bill. As the chairman so well described, it is important that this extension be approved by the Senate today because the 1981 farm bill,

which contains this and other programs, expires on September 30. Two years ago it was my pleasure to introduce legislation that when enacted became the Extra Long Staple Act of 1983. This was an effort at the time to make it possible to enjoy greater marketability of this important product of some of our U.S. cotton producers.

I do not know that this or any other provision of the bill before the Senate should be controversial. We are simply attempting to make it possible for the Secretary of Agriculture to have the authority to carry out the terms of these laws and these programs until we can get a new farm bill enacted and signed by the President to supersede the other programs described in this bill.

In connection with some of the statements, particularly those made by the distinguished Senator from Montana [Mr. MELCHER], who is certainly one of the most knowledgeable members of our committee and contributes greatly in our debates and in the formulation of legislation in the Agriculture Committee, with respect to farm problems right now and the downturn we have seen in the export of U.S.-grown agricultural commodities, this is an area that has been very frustrating to our Nation's farmers and for administration officials alike I think, and certainly those of us in Congress who are interested in making sure that our laws and our trade practices and our strategies are the best possible to help assure profitability on the farms of our Nation, frustrating because we have seen projected some of the smallest dollar volume sales of U.S. agriculture products abroad this year than at any time in the last 3 or 4 years. It is a time when we need to be as aggressive as the law allows to make sure that our exporters enjoy the best possible success in the international marketplace. But let me say that even though it is easy to point out failings and unfortunate results of worldwide economic conditions, I think we are now seeing some very encouraging signs in terms of administration officials being conscious of the fact that we are going to have to be innovative, we are going to have to be aggressive if we are going to help work our way out of this economic situation we are now in in agriculture.

I was particularly encouraged and gratified when I saw that, at our instance, the central bankers and chief financial officers of five nations, including the United States, met in New York recently to devise a new strategy to bring in better balance the values of the respective currencies of our countries in the international currency marketplace.

I know that Senators are aware that Great Britain, France, West Germany, Japan, and the United States joined in this meeting, in this discussion, to try to come up with a way to help assure a fairer, more realistic, more economically sound balance among the values of the major currencies.

As a result of having that meeting and announcing a policy of intervention where necessary to help lower the value of the dollar in relation to some of these other currencies, we saw the dollar seek a more favorable value for our exporters immediately, just on the announcement itself, on account of the announcement itself.

Since then, there have been some indications that we will be willing to back up that agreement with action, where necessary, to establish credibility of the agreement.

I think that what this does, maybe more than anything we could do here today on the floor of the Senate, in terms of legislative changes, is to make it possible for us to sell more of our U.S.-produced agricultural commodities overseas. The reason for that is simply that, because of the imbalance of the dollar, because of the strong dollar, which is good for some things but is bad for exporting, foreign purchasers have had to suffer a 30-percent to 40-percent penalty for buying U.S. products.

Described simply, one who chooses to purchase grain from the United States instead of Australia or Canada or the European Community or some other producer country, before actually consummating the transaction, converts his own currency to dollars and in doing so loses 30 percent to 40 percent of the buying power of that currency. People who talk about the value of the dollar being overvalued and the value of the dollar making it more difficult for us to compete in the international marketplace by exporting realize that is the reason why it is important for the agreement that was reached in New York to become effective and for it to work.

I commend Secretary Baker, the Secretary of the Treasury, for his leadership in this effort. I commend the President for the initiative his administration is taking in this effort, because it illustrates a degree of imagination that we really need to bring to bear on the problem of foreign trade, of trying to do a better job of marketing our commodities.

However, no matter how much imagination or how many new laws we pass—the trade bills that many have introduced to try to redress the problems in this area—we are not going to be successful unless those with whom we are doing business are able to make the purchases. We cannot accomplish that, we cannot bolster economically a prospective purchaser, by passing a bill on the floor of the Senate or by adopting a new regulation or policy. Much of what we can do in terms of improved sales abroad depends upon the financial well-being of those with whom we are doing business.

Many suggestions have been made about enlarging the scope, the dimensions, of our concessionary sales programs, of our donation programs, and urging that this is an important way to deal with the problem.

I agree that, with respect to those who are in such bad financial shape that purchasing U.S.-grown commodities is out of the question, we need to review carefully our policies and be sure that we do have a sensitive and workable policy for donation where that is needed, for concessionary sales where that is the more appropriate way for us to get rid of a surplus and to help a needy neighbor or friend. But we also should recognize that, as a country, we are the strongest commercial agricultural Nation in the world, and we are in the agricultural business to sell. We are in business as a nation economically to be sure that we get a fair return for the work and the investment and the struggles that are taking place out on the farms in America. So we need to have a policy that encourages sales as well. We do not want to undermine the commercial strength of our country by being too generous on the side of donations or concessionary sales.

It is obvious, Mr. President, that you can give away more of something than you can sell on credit and that we can sell at a discount, or on credit at a very attractive rate of interest, more than you can sell for the full cash price. That is just an economic fact of life.

So, in pursuing a policy that aids our export effort, I think we need to keep in mind that we should not adopt a policy that has the effect of undermining our efforts to sell and to make a profit and to help assure continued economic strength and economic opportunity in the agriculture sector.

I think we are going to find that as our trading partners around the world continue to improve their own economic situations, we will be able to sell more. We are going to see those numbers improve.

It has been depressing and frustrating to see the projections from the Department of Agriculture go from $38 billion in projected sales this year to $32 billion just over the past few months. Every time there was a report, an outlook, on exports released by the Department, it was lower than the projection of the month before or the reporting period that came just before. All year, we have seen that take place.

I, along, with Senator MELCHER and others who are very much involved in trying to help make sure that we make the right decisions in the farm bill and in other legislation, want to see these numbers turned around. We want to see the projections going up from now

on, rather than down. I think the administration wants to see them go up and not down.

Declining exports are not good politics. Declining exports are not good economics. No one wants to be a part of a policy that leads to more of the same. I think that is why we are seeing now a very imaginative and strong effort being brought to bear on this problem by the administration and by many in Congress who are developing ideas for legislation, for new ways of attacking this very troublesome problem.

I think we are going to solve it. But we are not going to solve it all by just passing a bill or changing a procedure. The change is going to have to come as a result of an improved worldwide economic condition and of fairer trade by those who are competing with us in the international marketplace. We have to do a more aggressive job, a better job of convincing our friends around the world that they cannot with impunity subsidize exports to the point where we are actually cut out of markets, pushed out of markets.

We have the strongest economy in the world. We should be able to use that strength and use our diplomatic skills to make sure that fair treatment is accorded U.S. exporters by our competitors. I think we can do that.

I am pleased that, in the farm bill that will be brought to the floor later next month, we will see some new initiatives written into that bill that should make it more likely that we will compete effectively with other producer nations in the future.

To conclude, Mr. President, let me say that this bill is necessary and important for us to enact today so that we can permit the Secretary of Agriculture to continue to administer certain programs in the absence of the passage and enactment of a new farm bill. Some of these issues that are being discussed are related indirectly to the provisions of this bill. They are important for us to focus on and to think about. But I think we will have probably a better opportunity when the farm bill gets to the floor to look at fully and in detail the provisions of the bill as they relate to export enhancement and support for our export effort.

I hope we can pass that bill and send it to the President. I hope he will sign it. I think we can work together to see that it is a document that reflects responsibility from a fiscal standpoint, that it does not just simply amount to an open-ended Federal support program, but that it represents a commitment by this Government to do what is possible to help farmers have a better chance of operating at a profit, not guaranteeing a profit for every farmer, but guaranteeing an opportunity for a profit which they had not had this year—let us be honest about it—not just because of the bill that is now on the books, but a wide range of circumstances and factors, many of which are beyond the control of this body. But I think in working together, we can make sure that there is a brighter day, a better day ahead for American agriculture, and I think there will be.

Mr. President, I yield the floor.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I think we are ready to go to third reading on S. 1691.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 3454, Dairy Price Support Program extension, passed by the House of Representatives today.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3454) to extend temporarily certain provisions of law.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that we indefinitely postpone Calendar No. 309, S. 1691.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescined.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF APPLICATION OF CERTAIN EXCISE TAXES

Mr. DOLE. Mr. President, I understand that the distinguished minority leader will now be in a position to take up H.R. 3452, the extension of certain excise taxes.

Mr. BYRD. Yes, Mr. President, we are.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 3452.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill.

The legislative clerk read as follows:

A bill (H.R. 3452) to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain Medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program.

Mr. DOLE. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second times and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 3452) was read the third time, and passed.

Mr. DOLE. I move to reconsider the vote by which the bill passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to pass any or all of the following items: Calendar No. 322, Senate Joint Resolution 201; Calendar No. 323, Senate Joint Resolution 189; Calendar No. 324, Senate Joint Resolution 158; and Calendar No. 325, Senate Joint Resolution 206.

Mr. BYRD. Mr. President, this side is ready to proceed.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

NATIONAL NEEDLEWORK WEEK

The joint resolution (S.J. Res. 201) to designate the week beginning September 22, 1985, as "National Needlework Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution with its preamble, is as follows:

S.J. RES. 201

Whereas needlework has been an important part of America's culture since the birth of our Nation;

Whereas needlework is not only an art form but also serves as a therapeutic outlet for and enriches the lives of many disabled and elderly Americans;

Whereas needlework, as an industry, has created new jobs, including manufacturing, specialty shops, teaching, and other productive activities.

Whereas many individuals and organizations are engaged in preserving the beautiful needlework created by our ancestors and in encouraging Americans to develop their talents in all phases of this age-old art form; and

Whereas needlework should be preserved and encouraged for its many benefits to the people of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 22, 1985, is designated as "National Needlework Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. DOLE. I move to reconsider the vote by which the joint resolution passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL FETAL ALCOHOL SYNDROME AWARENESS WEEK

The joint resolution (S.J. Res. 189) designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 189

Whereas fetal alcohol syndrome is one of the three major known causes of birth defects with accompanying mental retardation in the United States;

Whereas fetal alcohol syndrome can result in such serious health problems as: deficiencies in prenatal and postnatal growth that are associated with mental retardation; developmental disabilities that may cause an infant to experience delays in learning to walk and speak; and heart defects, including defects in the wall between the pumping chambers of the heart;

Whereas in cases in which fetal alcohol syndrome is avoided, infants may still experience alcohol-related birth effects, known as fetal alcohol effects, which are a series of health problems that include increased irritability during the newborn period and hyperactivity;

Whereas the discovery of fetal alcohol syndrome as a major health problem is a recent occurrence, and many questions regarding the illness remain unanswered;

Whereas there has never been an infant born with fetal alcohol syndrome whose mother did not consume alcohol during pregnancy;

Whereas fetal alcohol syndrome can be prevented if pregnant women and women considering pregnancy abstain from alcohol consumption; and

Whereas the Surgeon General of the Public Health Service has issued an advisory stating that pregnant women and women considering pregnancy should not consume alcohol: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning January 12, 1986, hereby is designated "National Fetal Alcohol Syndrome Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

Mr. DOLE. I move to reconsider the vote by which the joint resolution passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL COMMUNITY COLLEGE WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 158) designating October 1985 as "National Community College Month," which had been reported from the Committee on the Judiciary, with an amendment: On page 2, line 3, strike "October 1985" and insert "February 1986" so as to make the joint resolution read:

S.J. RES. 158

Whereas, in the fall of 1981, there were over one thousand two hundred and nineteen community, technical, and junior colleges in which 40 per centum of all undergraduate college students in the United States were enrolled;

Whereas such colleges prepare people for employment in over one thousand four hundred different occupations or for transfer to four-year colleges and universities;

Whereas such colleges are within reasonable commuting distance for more than 90 per centum of all Americans;

Whereas such colleges provide an opportunity to obtain a post-secondary education at low cost for many people who could not otherwise afford one; and

Whereas such colleges are community-based institutions which provide flexible and diverse programs and services tailored to fit the needs of their local populations and industries: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That [October 1985] *February 1986* is designated as "National Community College Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as amended.

The title was amended so as to read "Joint resolution designating February 1986 as "National Community College Month."

Mr. DOLE. I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MADE IN AMERICA MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 206) to authorize and request the President to designate the month of December 1985, as "Made in America Month."

MADE IN AMERICA MONTH

Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 206, which authorizes and requests the President to designate the month of December, 1985 as "Made in America Month."

The United States is the world's largest marketplace. As a free trading Nation, our market is open to many foreign goods, creating an extremely competitive environment. However, many foreign nations impede the flow of U.S. goods to their shores by erecting both tariff and nontariff barriers. This has caused a deficit in our trading account of more than $123 billion during 1984 and it is estimated that this deficit will grow to $150 billion by the end of this year.

The American people support free trade, but it must be fair trade. "Made in America Month" will make the public more fully aware of the trade imbalance and will encourage our citizens to purchase American-made products. I am confident that, if we all cooperate in this initiative, we will send a strong signal to our trading partners that they must start playing fair.

Mr. President, I urge my colleagues to act promptly on this resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 206

Whereas the trade deficit in our country in 1984 reached a record level of $123,000,000,000;

Whereas the 1985 trade deficit is predicted to increase to $150,000,000,000;

Whereas over one and one-half million jobs have been lost in the manufacturing sector since 1980 as a direct result of imports;

Whereas imports now account for more than 20 per centum of all manufactured products sold in the United States;

Whereas imports continue to grow at an increasing rate and constitute a larger and larger percentage of all manufactured goods sold in this Nation;

Whereas the manufacturing sector of the United States economy is shrinking dramatically as a result of imports;

Whereas a continuing flood of imports of manufactured goods could permanently reduce the manufacturing capacity of our Nation and, as a direct result, threaten our ability to respond to a National emergency and make the United States highly vulnerable to embargoes of a wide range of products necessary for the National defense and the smooth functioning of the national economy;

Whereas there is little awareness of the country of origin of most products sold in the United States;

Whereas United States consumers should be aware of the impact that their purchase decisions could have on their own jobs and the economy as a whole; and

Whereas traditionally the United States Government has not effectively linked the growth of imports to the growth of domestic consumption: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of December, 1985, as "Made in America Month" and to call upon Federal, State, and local government agencies, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

Mr. DOLE. I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS APPOINTMENTS

Mr. DOLE. Mr. President, I have discussed with the distinguished minority leader the real concern he has concerning recess appointments. It is my hope that we can meet sometime tomorrow or early this week with someone from the administration to allay some of the concerns the distinguished minority leader has. That might clear a number of nominations on the calendar. I would be very pleased to work with the minority leader in that effort.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. The concerns are not just those of the minority leader but also those of the Democratic conference, 47 Democrats, and I will be very happy to visit with the distinguished majority leader and anyone from the White House at some point. I thank him for his efforts.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

AUTHORIZATION TO FILE REPORT

Mr. DOLE. Mr. President, I have cleared this next item with the distinguished minority leader, Senator BYRD, and I now ask unanimous consent that the Agriculture Committee be authorized to have until 5 p.m. this evening to file a report to accompany S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERFORMING ARTS LABOR RELATIONS AMENDMENTS—S. 670

Mr. MATHIAS. Mr. President, I rise today to express my support for legislation introduced earlier this year by my distinguished colleague from Rhode Island, Senator PELL. The legislation, the Performing Arts Labor Relations Amendments (S. 670), would amend the Taft-Hartley Act so that basic labor protections can be extended to performing artists. I have added my name as a cosponsor of this bill in the hope that it may aid in the effort to get the Senate to consider this worthy legislation.

Supporters of S. 670 are not seeking a drastic revision of present law. Instead, they are seeking a change that will allow musicians and other performing artists to have a chosen representative bargain on their behalf. As it stands now, performing artists, because they are viewed as independent contractors, cannot bargain collectively for the terms and conditions of their employment. Therefore, these workers, especially musicians, are often at the mercy of agents, promoters and employers who do not always have their best interests at heart.

We have come a long way since the enactment of the Taft-Hartley Act in 1947, and we should be proud that American workers enjoy rights and protections that are envied throughout the world. It therefore seems anachronistic for one group of American workers—performing artists—to be denied certain rights guaranteed to most other American workers.

I have not seen a persuasive argument not to grant these rights to performing artists. But if there are problems that need to be worked out, then I would urge my colleagues to do so. I will do what I can to assist in this effort. To delay taking action to grant these protections is inexcusable, but to not act at all would be unforgiveable.

LEAVE OF ABSENCE

Mr. MATHIAS. Mr. President, pursuant to the rules of the Senate I ask consent of the Senate that I may be absent from and including October 8 through October 15 for the purpose of conducting hearings on behalf of the Committee on Foreign Relations in San Francisco and for the purpose of attending the North Atlantic Assembly in San Francisco.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR MATHIAS SHALL NOT SEEK REELECTION

Mr. MATHIAS. Mr. President, to be a Member of the U.S. Senate is an experience that is rare for an American, and without parallel anywhere else in the world. The Senate is a body with jurisdiction and responsibility without precedent and the privilege of serving there is very great. For a Maryland Senator, the powerful examples of our predecessors, beginning with Charles Carroll of Carrollton, enhance the sense of duty and the honor of being a Senator, and I have appreciated every day that I have served.

In the course of my service it has been enormously rewarding to have made the acquaintance of thousands of Marylanders and to have been of some personal assistance to them. Their friendship and support have been heartwarming.

In all of this I have been loyally helped by those closest to me. My wife, Ann, and our sons, Charlie and Rob, have given not only important days of their lives but also have adjusted their personal interests and concerns. Through the years my staff has been a source of pride, not only for its professional skill, but also for its commitment to the welfare of the people for whom we work.

When I was elected to the Congress in 1960 we were a nation divided by barriers of law, custom, and practice. Today, there is no legal barrier of any kind between Americans of differing race and creed. That is change in its most positive form. I am proud to have played a role in that peaceful revolution.

But I also have to reflect that by the time my term expires in 1987 I will have been a Member of the Congress for more than a quarter of a century—one-eighth of its history. I have served with seven Presidents of the United States in a turbulent but fascinating period.

During these years a new generation of Americans has grown to maturity, a generation whose quality I see when I look at our own sons. So I know that many able hands are ready to take up the work.

Because of the necessary restraints and traditional procedures that regulate life in the Senate, it has been impossible to accomplish all that I wish to do and need to do and still be a good Senator. The total demands on a Senator's attention have precluded

myriad things that Ann and I would have liked to do together and with our sons. So it seems to me that the season has arrived to shift to a new field of activity, while retaining many of the interests and concerns that have been the focus of my life.

I shall not, therefore, seek reelection in 1986.

The principal feeling that I shall take with me from the Senate is a sense of gratitude to the people of Maryland. No honor can exceed that which they have given me. They have elected me to the general assembly, to the House of Representatives, and to the U.S. Senate in eight general elections. I know that I speak for Ann and Charlie and Rob, as well as myself, when I say thank you for the extraordinary privilege that has been given us.

Mr. President, that is all the business I have to bring before the Senate today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATHIAS). Without objection, it is so ordered.

CIRCLE ENERGIES

Mr. EXON. Mr. President, I am very pleased to see my friend and colleague, the majority leader, on the floor. We are about to go out for the day, as I understand it, and before we did that I wish to pose a question or two for the record to the majority leader.

I would start out by thanking the majority leader for the fact that about 90 days ago this Senator came to the floor of the Senate, consulted with the majority leader, and brought to his attention the fact that we were about to have an expiration of a law that allowed the Department of Energy to make some gasohol loans under legislation that it had previously passed. This involved the State of Nebraska because Circle Energies had made an application for a substantial loan out of that fund that had to be approved by the Department. All of the paperwork had not been completed on that particular loan and there were other ethanol plant loans that were pending at that time that we thought would certainly be good and following the full intent of the original law if they could be approved by the Department.

The situation that existed at that time, Mr. President, was that Circle Energies and others had evidently not met all of the requirements as embodied in the law under the interpretation by the Department of Energy. So, basically, with the help and support of the majority leader we passed legislation that this Senator introduced at that time which was subsequently passed by the House of Representatives to give a 90-day extension for Circle Energies and others to come up with proper paperwork and loan guarantees that would be required for the approval of the Department of Energy for the loan.

I have been working for the last week with the Department of Energy on this to see if they had the necessary paperwork at hand so that they could approve at least the Circle Energies application. I did this without being contacted by Circle Energies or any of their employees and to my knowledge none of them talked to my staff. I did see a newspaper article that was in the Omaha World-Herald on Friday last, I believe it was, that indicated that there would be a bill introduced to give another extension on this so we could at least qualify possibly Circle Energies and others.

It seems that there has been an unseeming delay and I do not know whose fault it is but at least I appreciate the consideration of the majority leader.

It was my understanding that since this bill does expire at midnight tonight legislation would be introduced today and hopefully passed by the Senate and the House of Representatives before the deadline and, therefore, we could give a further extension of time to Circle Energies or others who have loans pending or have had loans pending before the Department to qualify.

I first wish to ask if the majority leader has any comments on this, have I properly stated for the RECORD the matter at hand, and for any enlightenment that he might be able to come forth with on the subject at this time?

Mr. DOLE. Mr. President, first I thank my distinguished colleague from Nebraska who has taken the lead in this effort. We have, as he has indicated, worked together to see if the Circle Energies Corp. properly qualified for the loan. We have already enacted a 90-day extension. It was action on a bill introduced by the Senator from Nebraska [Mr. EXON]. I was pleased to cosponsor that legislation.

I am now advised that if we cannot pass an extension today, even though today is the deadline, it can be made retroactive to today I would certainly want to work with both Senators from Nebraska because I am convinced, at least I think I am convinced, that this is going to be a good project. But there has to be some reason that every time we get up to a deadline it is never met.

I have visited with the Secretary of Energy about this project and told him of my interest and my staff has been working with the officials in the Energy Department. I am certain that the Senator from Nebraska has also done this. So I would certainly be willing to join other Senators to pass one further extension. This would also extend the deadline for the Maine and Minnesota projects. I assume there would be an interest by Senators from those States for an extension to see if their applications cannot qualify.

I had not indicated earlier any intention to do that, but I would say to the Senator now that I would be prepared to join him tomorrow, if we can, to draft legislation that would provide a reasonable extension. Then we can talk to the president of Circle Energies Corp., Mr. Schlesinger, to find out if there is any way they can qualify. If not, we should consider some other course of action.

Mr. EXON. I thank the majority leader very much.

Just for the record, the majority leader has not made a commitment as of now to introduce legislation, is that correct?

Mr. DOLE. That is correct. But I would be pleased to do that.

Mr. EXON. I will certainly work with him tomorrow. And since my staff has had considerable experience on this, and with all the other things the majority leader has to do, I imagine he might feel it would be proper for us to do this. After all, this is a Nebraska project.

Mr. DOLE. The Senator is correct. It is very important. It employs a couple of hundred people and if it is worthwhile we ought to go forward with it.

Mr. EXON. I certainly like the suggestion that the majority leader made with regard to the Senator from Kansas, who has been extremely helpful from the beginning on this, having a meeting with Senator ZORINSKY and myself.

Incidentally, I checked with Senator ZORINSKY today. He has not been contacted on this, either, I say to the leader. While I suspect it is something that we would be for, sometimes U.S. Senators feel that before it has become publicly indicated in the press that they have approved something, they would at least like to be contacted about it ahead of time.

So we could perhaps arrange a meeting with Senator ZORINSKY and myself, the Senator from Minnesota, and the Senator from Maine, in the company of the majority leader, to call in the principals of this matter into the majority leader's office to get a full explanation and understanding.

There has been some criticism of the Department of Energy on this. It might be it is totally unjustified. I believe we want to be fair to all parties concerned.

So I will stand ready to draft a bill that would extend this. It is too late now. The House, as I understand it, has gone out, so even if we passed legislation today, which we could do, I be-

lieve, by unanimous consent, it could not be passed and could not become law before midnight tonight, which may or may not be a critical time.

But we will work with the majority leader. I thank him for his usual consideration and understanding.

Mr. DOLE. Mr. President, I know my staff has been talking with the staff of other Members. Mr. Pettit, of my staff, indicated that this matter might be dealt with as an amendment to some other piece of legislation. I believe the best way to proceed is a separate piece of legislation, which we would try to get it out of here tomorrow, send it to the House, and see if they would accept it.

I thank my colleague.

Mr. EXON. I thank the majority leader.

ANNOUNCEMENT BY SENATOR MATHIAS BRINGS SADNESS AND REGRET

Mr. DOLE. Mr. President, I am pleased to note the Presiding Officer is the distinguished Senator from Maryland [Mr. MATHIAS]. I regret the announcement I heard last weekend. But, having discussed the Presiding Officer's future and having started in the Congress with him way back in 1961, I can certainly appreciate the difficult choice that he was required to make. And, while I regret it in one sense, I know that it was the right choice and the one that we all respect, even though, I believe, from both sides of the aisle it was met with sadness and regret.

I thank the Presiding Officer.

Mr. EXON. Mr. President, if the majority leader will yield for just a moment, I spoke briefly to the distinguished Senator from Maryland when he came into the Chamber a few moments ago. I told him that I appreciated very much his outstanding statement that he made indicating that he would not run for the U.S. Senate. I told him I was saddened by that because I believe he has been an outstanding Senator. I suspect somewhere down the line a little bit further we will have a chance to make more profound remarks and possibly more flowery.

But I just want to say to the Senator from Maryland that I believe you have been an outstanding Member of the U.S. Senate. We are disappointed with your decision and we will miss you very much.

The PRESIDING OFFICER. The Chair thanks the majority leader and the distinguished Senator from Nebraska.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on September 27, 1985, during the adjournment of the Senate, received a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on September 27, 1985 are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bill and joint resolutions:

On September 26, 1985:

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

S.J. Res. 141. Joint Resolution to designate the week beginning on May 18, 1986, as "National Tourism Week".

S.J. Res. 173. Joint Resolution to designate the month of September 1985 as "National Sewing Month".

On September 27, 1985:

S.J. Res. 186. Joint Resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week".

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:21 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker pro tempore [Mr. WRIGHT] has signed the following enrolled bills:

S. 1671. An act to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office on the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities; and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such Act; and

H.R. 3414. An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985.

The enrolled bills were subsequently signed by the Acting President pro tempore [Mr. GORTON].

At 1:58 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3452. An act to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program.

H.R. 3454. An act to extend temporarily certain provisions of law.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 192. Concurrent resolution expressing the support of the Congress for an early and peaceful return of democratic rule in Chile.

MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 192. Concurrent resolution expressing the support of the Congress for an early and peaceful return of democratic rule in Chile; to the Committee on Foreign Relations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 30, 1985, she had presented to the President of the United States the following enrolled bill:

S. 1671. An Act to amend title 38, United States Code, to provide interim extensions of the authority of the Veterans' Administration to operate a regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities; and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such Act.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 1714. An original bill to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abun-

dance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes (with additional views) (Rept. 99-145).

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. Res. 235. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1714; referred to the Committee on the Budget.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services: Robert K. Dawson, of Virginia, to be an Assistant Secretary of the Army.

(The above nomination was reported from the Committee on Armed Services with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly consituted committee of the Senate.)

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Elizabeth Flores Burkhart, of Texas, to be a member of the National Credit Union Administration Board for the term of six years expiring April 10, 1991.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. EXON:

S. 1713. A bill to amend the Wild and Scenic Rivers Act designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. HELMS:

S. 1714. An original bill to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes; from the Committee on Agriculture, Nutrition, and Forestry; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS:

S. Res. 235. An original resolution waving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1714; from the Committee on Agriculture, Nutrition, and Forestry; to the Committee on the Budget.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EXON:

S. 1713. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Niobrara River in Nebraska as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

NIOBRARA SCENIC RIVER DESIGNATION ACT

Mr. EXON. Mr. President, today I am introducing the Niobrara Scenic River Designation Act.

This legislation represents the collective effort of landowners along the Niobrara River in Nebraska—one of the most beautiful places in this great country of ours. It would designate a 76-mile stretch of this river as a national scenic river and preserve this area essentially as it is today for generations to come.

Five years ago, farm and ranch landowners along this stretch of river began to organize in order to formulate the proposal I am introducing today. In the spring of this year, a group of these landowners met with me in Lincoln, NB, and I agreed to sponsor their proposal. I am proud to be a part of such a worthwhile undertaking.

The purpose of scenic designation is to preserve the free-flowing condition of this portion of the Niobrara River and the beauty of the associated landscape for the benefit and enjoyment of future generations. Scenic rivers are free of impoundments, with shorelines and watersheds still mostly undeveloped, but still accessible by roads. Scenic designation is less restrictve than a wild river designation and would retain the character of the area in basically its present condition. The Interior Department would be allowed to purchase scenic easements from landowners along the shoreline to ensure that the beauty of this area is preserved.

At the same time, Mr. President, this legislation would ensure that an appropriate balance be maintained between the goals of preservation and development. For decades, Nebraska farmers and ranchers have helped to feed America and the world. Agriculture is our State's lifeblood and most important industry. Yet, American agriculture and the rural lifestyle is threatened today by circumstances familiar to us all.

This legislation accomplishes this needed balance by specifically providing that it will not hinder the innovative ground water recharge plan to provide irrigation water to those who need it in north-central Nebraska. Earlier this year, I introduced legislation here in the U.S. Senate authorizing this plan as a substitute for the Norden Dam which was voted down by the House of Representatives in 1982. While most of the components of this irrigation project would be downstream from and unaffected by this 76-mile portion of the Niobrara to be designated as scenic, the Springview component of the project falls within this area. Therefore, this bill provides specific authority for that portion of the project to be built within the scenic area.

Mr. President, there are many other provisions of this legislation where deviations from the basic Wild and Scenic Rivers Act of 1968 have been made. In fact, the Niobrara Scenic River Designation Act contains several significant features which are tailored specifically to the needs and desires of the landowners and others in the area. For example, the bill contains a Niobrara Scenic River Advisory Council composed of farm and ranch landowners, State, and local government representatives and others who will play an important role in developing and reviewing the Interior Department's management plan for the area. This will ensure local input and review of the management plan which will implement scenic river designation.

This bill specifically instructs the Secretary of the Interior that exising land use practices—including established agricultural and livestock operations, timber management practices, and private campgrounds—will be compatible with scenic designation. Additionally, provision is made for replacement and additional structures and the normal activities of existing irrigation projects will not be affected. The use and allocation of water rights by the State of Nebraska will also not be affected.

The Interior Department may also share in the expenses of conservation and streambank erosion control as well as local government functions such as litter control and law enforcement. It is the intention of the landowners along the Niobrara that this be a cooperative venture—with as little involvement as possible—with the Federal Government.

Mr. President, this legislation represents a tradeoff which those owning a large majority of the land on the Niobrara are willing to make. In effect, they are making a deal with the Federal Government. Landowners are willing to accept certain restrictions on development of their land in return for a longstanding commitment from the Government not to disturb the river valley's basic pastoral beauty and quality which they have preserved so well for so long.

While the bill provides for the purchase of scenic easements from landowners, private land would still remain

the property of landowners and on the tax rolls. These easements would be purchased on a "willing-seller" basis except for extreme circumstances where activities occur which pose a threat to the values for which the river was designated. Landowners will continue to control access to their land while hunting, fishing, and camping would continue to be at each landowner's perogative. Rather than Federal control, the idea behind this legislation is to create a very limited partnership with the Federal Government.

Mr. President, the Niobrara Scenic River Designation Act indeed represents a well-thought-out balance between preservation and development. Its cost is low; $3.5 million will be authorized for the purchase of scenic easements and $1 million authorized for development, principally at the public access sites at bridge crossings. This investment in our future is a bargain with enormous return.

This entire undertaking represents one of the most important and pleasurable duties of a U.S. Senator. It is truly democracy at work since it is a joining together of citizens with a common purpose who have petitioned their Government to enact their wishes into law. This bill is their bill. They wrote it and I am privileged to be their elected Representative who can help them achieve the goal for which they have worked so long and hard.

The Governor of Nebraska, Bob Kerrey, supports this legislation and I hope the rest of the Nebraska congressional delegation will join me in this endeavor once they have had the time to study it and talk to the landowners as I have been able to do.

Mr. President, the Niobrara River valley is one of the most beautiful areas in our great country. I wish I could take every Member of the Senate up there. It is rich in ecological diversity and supports an abundance of wildlife—from bald eagles to whitetailed deer to whooping cranes. Canoeing and fishing also abound. Farms and ranches along the valley are constant reminders of Nebraska's agricultural heritage and current role as one of America's principal food-supplying States.

As President John F. Kennedy said in 1961, "It is our task in our time and in our generation to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours." This is the spirit in which I introduce this legislation today and hope that this collective effort becomes law.

ADDITIONAL COSPONSORS

S. 262

At the request of Mr. BYRD, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 262, a bill to provide for the preservation of the ferroalloy industry in the United States.

S. 569

At the request of Mr. BENTSEN, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of S. 569, a bill to provide additional benefits under the Medicare part A program, and additional optional benefits under the Medicare part B program.

S. 723

At the request of Mr. MATSUNAGA, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 723, a bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the Medicare Program.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Louisiana [Mr. LONG], and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1093

At the request of Mr. MATHIAS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1093, a bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent.

S. 1107

At the request of Mr. NUNN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1107, a bill to authorize the Society of the Third Infantry Division to erect a memorial in the District of Columbia or its environs.

S. 1174

At the request of Mr. MCCONNELL, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1174, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 1432

At the request of Mr. KERRY, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 1432, a bill to prohibit discrimination on the basis of affectional or sexual orientation, and for other purposes.

S. 1440

At the request of Mr. MURKOWSKI, his name was withdrawn as a cosponsor of S. 1440, a bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 1446

At the request of Mr. ANDREWS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1446, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of wars.

S. 1449

At the request of Mr. BENTSEN, the names of the Senator from Louisiana [Mr. LONG], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 1449, a bill to restore balance in international trade, to improve the operation of the Trade Agreements Program, and for other purposes.

S. 1493

At the request of Mr. HEINZ, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1493, a bill to provide comprehensive reform of the trade laws, and for other purposes.

S. 1543

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 1543, a bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patented process.

S. 1570

At the request of Mr. NICKLES, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes.

S. 1654

At the request of Mr. STEVENS, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Ohio [Mr. GLENN], the Senator from Nebraska [Mr. EXON], the Senator from Oklahoma [Mr. BOREN], the Senator from Georgia [Mr. NUNN], and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1660

At the request of Mr. DENTON, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. DANFORTH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. BURDICK], the Senator from Missouri [Mr. EAGLETON], the Senator from Arizona [Mr. GOLDWATER], the Senator

from Kansas [Mrs. KASSEBAUM], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1660, a bill to grant a Federal charter to the Confederate Memorial Association.

S. 1679

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 1679, a bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security.

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 188

At the request of Mrs. KASSEBAUM, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Nevada [Mr. LAXALT], the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. THURMOND], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE JOINT RESOLUTION 197

At the request of Mr. HECHT, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 197, a joint resolution to designate the week of October 6, 1985, through October 13, 1985, as "National Housing Week."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Rememberance Month."

SENATE JOINT RESOLUTION 206

At the request of Mr. THURMOND, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Ohio [Mr. GLENN], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of Senate Joint Resolution 206, a joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month."

SENATE RESOLUTION 235—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 235

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1714, the Agriculture, Food, Trade, and Conservation Act of 1985, a bill to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes.

Mr. HELMS. Mr. President, the waiver of section 402(a) is necessary to permit consideration of statutory authority to extend the Dairy Indemnity Program; the Food for Peace Program; the Food Stamp Program; various research and extension programs; and other programs.

S. 1714 extends for 4 years the basic legislation for almost all of the Nation's major farm commodities, as well as extending the authorizations for appropriations for many of the programs specified above. The delay in reporting S. 1714 was occasioned by the complexities of developing legislation to meet the special needs of agricultural producers.

AMENDMENTS SUBMITTED

DAIRY PRICE SUPPORT EXTENSION

HELMS AMENDMENT NOS. 715 AND 716

Mr. HELMS proposed two amendments to the bill (S. 1691) to extend the current Dairy Price Support Program and suspend the noncash benefit requirement for the Puerto Rico Nutrition Assistance Program for 60 days; as follows:

AMENDMENT No. 715

On page 1, line 5, strike out "November 30" and isnert in lieu thereof "November 15".

On page 2, line 2, strike out "30" and isnert in lieu thereof "15".

On page 2, after line 4, add a new section as follows:

"SEC. 3. Section 103(h) of the Agricultural Act of 1949 (7 U.S.C. 1444(h)) is amended—

"(1) by inserting ', or within 10 days after the loan level for the related crop of upland cotton is announced, whichever is later,' after 'effective' in the last sentence of paragraph (2); and

"(2) in paragraph (4)—

"(A) by inserting 'and announce' after 'establish' in the first sentence; and

"(B) by striking out the second sentence.".

AMENDMENT No. 716

At the end of the bill, insert a new section as follows:

SEC. 4. The last sentence of section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended by striking out "until October 1, 1985" and inserting in lieu thereof "through November 15, 1985".

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATION ACT, 1986

GORE AMENDMENT NO. 717

(Ordered to lie on the table.)

Mr. GORE submitted an amendment intended to be proposed by him to the bill (H.R. 3037) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 57, line 22, insert before the period a colon and *"Provided,* That a portion of the funds appropriated under this heading shall be used to complete, by June 1, 1986, the safety evaluation of sulfiting agents".

QUAYLE AMENDMENT NO. 718

(Ordered to lie on the table.)

Mr. QUAYLE submitted an amendment intended to be proposed by him to the bill H.R. 3037, supra; as follows:

On page 55, line 13, strike out the period and isert in lieu thereof the following: ": *Provided further,* That funds appropriated by this paragraph may not be used to award any contract under title II of such Act at a price higher than the lowest landed cost (as provided in part 1496 of title 7 of the Code of Federal Regulations) in order to utilize United States vessels or other flag vessels.".

● Mr. QUAYLE. Mr. President, I intend to offer an amendment to the agriculture appropriations bill for fiscal year 1986, which would require that commodity purchases and procurement of transportation services under the Public Law 480, Title II Program be conducted on the "lowest landed cost" basis. This amendment is intended to bring about a substantial savings to USDA and to spread more evenly, the employment and economic benefits resulting from these shipments. This amendment is, let me emphasize at the outset, completely consistent with the traditional administration of our cargo preference laws.

In order to understand my amendment, it is necessary to give some background on how the Public Law 480, Title II Program is administered by the USDA and the Agency for International Development. USDA's Kansas City Commodity Office is responsible for evaluating bids by both commodity suppliers and shippers. The lowest combined total of these bids is known as the "lowest landed cost" and represents the most economical price USDA should pay to purchase and transport Public Law 480, title II commodities to recipient nations.

As applied to the Public Law 480 Program, cargo preference laws require that 50 percent of Government cargoes be shipped in American vessels, if such vessels are "available at fair and reasonable rates." Until 1984, title II shipments were assigned to available American vessels, if shippers could match the lowest landed cost bid. However in 1984, USDA began paying more than the lowest landed cost bid in order to meet the 50-percent participation of American-flag vessels in the Title II Program. According to USDA, these excess payments amounted to $20 million in 1984. By the end of this year, USDA projects spending $55 million on excess costs for U.S.-flag shipments. Such excess payments were not considered necessary in the past—and my amendment would prohibit them in the future.

The effect of these excess payments is to divert funding from the purchase of agricultural products for export and we are all concerned with the need for agricultural exports. These shipments are essential to our Nation's farmers and to our economic and trade interests. In my own State of Indiana, we have witnessed the decline of agricultural exports from $1.9 billion in 1981, to $1.5 billion in 1984—or roughly half a billion dollars in just 3 years.

Exports of food commodities under Government programs such as Public Law 480 have become a mainstay for farm income, economic development, employment and a wide range of other business interests in the Great Lakes region. The Public Law 480, Title II Program is unique among our export programs in that the U.S. Government pays both the cost of purchasing and transporting commodities to overseas destinations. In this time of budget austerity, it is essential that we spend these funds in a cost efficient manner, so that title II resources are utilized to the maximum extent for the purpose for which they are intended.

Public Law 480, title II is a food assistance program intended to benefit poor and famine stricken countries. We have witnessed this program at work with the shipments of tremendous amounts of cargoes destined for Africa. However, with payment of higher transportation costs associated with U.S.-flag vessels, USDA diminishes its funds earmarked for the purchase of agricultural goods.

I do not need to remind my colleagues of the worldwide attention which has been focused on the hunger crisis in Africa because of several years' drought. This summer, the Live Aid concerts in Britain and this country riveted our attention to the plight of starving people. Concert promoters claim an estimated $50 million was raised to purchase and transport food, yet USDA will pay this same amount this year from the purchase of agricultural commodities, just to make those excess payments for U.S.-flag ships.

The importance of agricultural exports is vividly demonstrated in the Great Lakes region. In Indiana last year, 76.3 percent of all man-hours worked at the Port of Burns International Harbor was associated with the Public Law 480, title II commodities. These cargoes are the magnet that attracts ships to the Great Lakes which then seek additional commerical cargo in the region. This illustration is repeated in other Great Lakes ports. In Milwaukee, 92.5 percent of all export activity and job hours is related to title II; in Duluth and Green Bay, this figure is approximately 90 percent. Other Great Lakes ports such as Cleveland and Superior, WI, have committed to port improvements and capital expenditures based on the availability and importance of this cargo.

As chairman of the Senate Subcommittee on Employment and Productivity, I believe it is important to note how these cargoes translate into jobs. Longshoremen, railroad workers, grain elevator and grain mill employees, and vessel maintenance personnel in the Great Lakes region are dependent on the Public Law 480, Title II Program. The International Longshoremen's Association estimates that each ton of Public Law 480 cargo generates 1½ man-hours of work.

With these facts in mind, we must correct a situation that has developed in the past several months. The Great Lakes ports have lost nearly 50,000 tons of Public Law 480, title II cargo and 75,000 man-hours of labor because of USDA's decision to make excess payments and divert this cargo to other coastal ranges in order to find scarce U.S.-flag vessels. As a result of these diversions, USDA will pay higher transportation and commodity costs from the Public Law 480, title II budget; money which otherwise could be used to purchase more commodities for needy people throughout the world.

My amendment is not in opposition to the concept of cargo preference; further it applies only to the commodity exports under title II of the Public Law 480 Program and not to other agricultural export programs. Compared to other agricultural export programs, title II tonnage is relatively low, yet the U.S. Government pays for the entire cost. We should ensure that the purchase of commodities and transportation services under that program be conducted on the competitive lowest landed cost basis, as was practiced by USDA until 1984. My amendment will preserve funds and extend benefits of the program to a wider range of beneficiaries, both abroad and here at home.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the Public Lands, Reserved Water and Resource Conservation Subcommittee of the Energy and Natural Resources Committee will conduct a hearing on Thursday, October 10, 1985, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC. The subcommittee will receive testimony on the following bills:

Senate Joint Resolution 187, designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a national memorial park to Patrick Henry.

S. 1596, to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia.

S. 1116, to amend the act of October 15, 1982, entitled "An Act to designate the Mary McLeod Bethune Council House in Washington, District of Columbia, as a national historic site, and for other purposes."

Those wishing to testify should contact the Subcommittee on Lands, Reserved Water and Resources Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 3 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing. For further information, please contact Patty Kennedy of the subcommittee staff at (202) 224-2878.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Monday, September 30, 1985, in order to receive testimony concerning S. 850, to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

JAPAN'S UNFAIR TRADE PRACTICES

● Mr. HEINZ. Mr. President, I would like to direct the attention of my colleagues to an insightful article that appeared in the September 12 Far Eastern Economic Review entitled "Japan to the Barricades" by Bruce Roscoe. The article analyzes Japan's efforts to restrict textile imports from developing nations while still enjoying a surplus in its overall trade position.

The article points out that, ironically, the measures proposed by Japan resemble the legislation that is pending before the Congress, S. 680, and like that, they would reduce the amount of textile imported from developing nations. While this bill attracted widespread and adverse publicity in the United States, Japan's proposals seem to have gone by unnoticed.

Examining this week's newspapers made this irony even more apparent to me. In the September 23 Washington Post, Evans and Novak wrote:

> It is recognized at the Treasury that the hand-on negotiating with Congress * * * if applied today to trade, would propel Reagan down the route that Herbert Hoover took 55 years ago to the Smoot-Hawley disaster.

Smoot-Hawley seems to be a favorite example of these free traders; never mind that the effects of it could not possibly have been felt before the fall of 1930 and by then the Depression was well underway, that it covered less than 1 percent of world trade, that in 1930-32 duty-free imports into the United States fell at almost the same percentage rate as dutiable imports. Even our President has climbed aboard the bandwagon; in his televised press conference of September 17 he said:

> A mindless stampede toward protectionism will be a one-way trip to economic disaster. Thats the lesson of the Smoot-Hawley tariff in 1930.

In the Wall Street Journal's editorial of September 23 the antiprotectionist publicity continued. I quote:

> The protectionists have about as much understanding of the problem and a solution as a bawling baby.

In the same day's edition of the Wall Street Journal Gary Hufbauer wrote:

> Most of the 300-odd bills in the Congress are nonstart nonsense, but some are dangerous protectionism.

Of course most of those famous 300 bills are duty suspensions on individual items, which, if they have any significance at all, are trade-promoting.

The New York Times' editorial of the same day wrote:

> Mr. Reagan valiantly resists this protectionism as damaging to trade and growth in the world over.

Newsweek of that day joins in this attack on protectionism:

Most of the measures proposed by Congress attempt to repeal the law of economics in an ill-fated effort to revise the terms of trade.

What about Japan, our biggest trading partner? Do we read about their new textile legislation? Well, that same article in Newsweek that refers to protectionists in the United States as repealing the laws of economics says of Japan:

> Japan where well-publicized obstacles to imports coupled with broad access to foreign imports, have helped Japanese industry to flourish at the expense of competition.

When America envisages protectionism we are on the road to world depression. Meanwhile Japan's import barriers help its industries flourish. The President says he will "strongly oppose and veto" protectionist legislation; yet he will not "stand by and watch American businesses fail because of unfair trading practices abroad." If he will not stand by and watch, what will his position be?

Mr. President, I ask that the article from the Far Eastern Economic Review be printed in the RECORD.

The article follows:

JAPAN TO THE BARRICADES

(By Bruce Roscoe in Tokyo)

Within two months of announcing its market-opening "action programme" aimed at easing US complaints against its import barriers, the Japanese Government is implementing a series of measures designed to restrict surging textiles imports from China, South Korea, Taiwan and Pakistan.

Japan has not decided at this stage to invoke formally provisions of the Multi-Fibre Arrangement (MFA), which under the General Agreement on Tariffs and Trade permits developed nations to limit growth in their imports of textiles from developing nations to 6% a year. Instead, the import restrictions will be in the form of "administrative guidance" given to textiles importers by the Ministry of International Trade and Industry (Miti). The ruling Liberal Democratic Party (LDP) also has put pressure on trading companies to cut textiles imports.

The measures, in effect, amount to Japan's version of the US' Jenkins Bill. (Drafted by Ed Jenkins, who chairs the US House of Representatives textiles committee, the Jenkins Bill is intended to reduce drastically US imports of textiles from developing nations.) But while the Jenkins Bill has attracted widespread publicity, Japan's measures, because of their lack of transparency, seem to have gone unnoticed.

In 1984, Japan's imports of cotton yarn and cotton fabrics from China, Pakistan and South Korea grew by about 50%, while imports of knitwear from China, South Korea and Taiwan rose by 60%. Pakistan, whose cotton-yarn exports to Japan jumped 69.4% in January-June this year, worries the Japan Cotton and Staple Fibre Weavers' Association most.

Led by the Japan Textile Federation, several industry associations have exerted pressure on the government to limit imports. Earlier this year, the textiles federation argued for invocation of the MFA. But Miti opposed this on the grounds that Japan could not be seen to be restricting imports when Prime Minister Nakasone had committed the nation to trade liberalisation. Some Miti officials also noted that a case for invoking the MFA would be weakened by the fact that many Japanese spinning companies recorded an increase in profits for the year ended 31 March. Japan has not applied the MFA before—the US, on the other hand, has applied the MFA against Japan on about 18 textiles items.

Nonetheless, the industry's lobby was strong enough to persuade Miti to exempt cotton yarn, cotton fabrics and knitwear from the July tariff reductions, which formed a part of Nakasone's import-action programme.

Undaunted by Miti's cool reception to the idea of using the MFA, the federation took its case to the LDP's special committee on textiles. At a meeting on 4 June the LDP committee sided with the Japanese industry, and produced a statement advising Miti that Japan was within its rights to invoke the MFA. This statement also advised the ministry to "make efforts" to protect the local textiles industry from imports.

On 29 August, the LDP committee met in Tokyo to finalise the protective measures. According to a participant of the meeting, committee members said that on 28 August they had approached several trading houses to request that textiles imports be conducted in an "orderly" manner—on Japanese, "orderly" or *chitsujo* is often used euphemistically to denote informally restricted marketing or importing.

The committee further decided to ask the Ministry of Finance to appropriate an emergency fund from this year's budget of Y 5 billion (US $21 million) which would be distributed as low interest loans to small and medium size textiles companies to enhance their competitiveness. The size of a single loan would be set at Y 30 million, and interest would be 5% a year. The loan programme was to be launched by 1 October at the earliest.

Yoshibumi Muto, who chaired the LDP meeting, later was reported as saying: "There is no difficulty in invoking the MFA within the current mood of promoting liberalisation of Japan's markets. If orderly importing does not produce results, we will invoke the MFA, and if imports of cotton yarn from Pakistan continue to increase at crazy levels, we will adopt tough measures."

The textiles federation, in papers presented to the LDP meeting on 29 August, pointed out that the state of Japan's textiles trade met all the criteria used by the Reagan administration to justify invoking the MFA. Under the Reagan guideline, recourse to the MFA can be made if total textiles imports rise by more than 30% over a one-year period, if total imports exceed 20% of domestic production, or if imports from a single country exceed 1% of domestic production.

Another point made by the federation was that Japan's textiles trade was in deficit last year. MoF figures for 1984 showed exports of US$6.7 billion against imports of US$7.6 billion. But, these figures ignore the fact that the trade actually produced a surplus for Japan of about US$4 billion, if the value of textiles imported only for processing into export items were to be deducted from total imports. If this deduction is made, figures show Japan has enjoyed a trade surplus in textiles since 1975.

Some industry officials would go further than the federation to block imports. The chairman of synthetic fiber producer Asahi Chemical Industry Co., Kagayaki Miyazaki, who also chairs the federation, has warned that if government measures to reduce im-

ports were to be ineffective, he would personally draw up an anti-dumping bill and lobby LDP members to railroad it through the Diet.

Japanese textiles importers, however, point out that local synthetic fibremakers are not threatened by imports of cotton yarn, cotton fabric or knitwear, and ask why they are complaining. The usual answer is that they are extremely concerned about the increased synthetic-fibre production capacity in Taiwan and South Korea. Taiwan, reportedly, already has greater capacity than Japan for the production of polyester long- and short-fibre textiles. Invocation of the MFA or other direct restrictions to curb the cotton and knitwear trade would set a precedent which the synthetic fibre-makers could later use, if necessary, against imports of synthetic fibres.

Importers also reason that the textiles industry is distorting trends in Japan's textiles trade by highlighting only the 1984 figures. While growth in imports was rapid last year, average yearly growth has not been alarming. For example, average growth in imports of textiles products from 1974-84 was 4.2%; for cotton yarn, 19.6%; cotton fabric, 9.9%; knitwear outer garments, 2.7%, and knitwear under garments, 4.1%.

Apart from asking trading companies to cut back on imports, Miti recently has sent officials to China and Pakistan to ask for export restraint. Miti officials say China has complied, but not Pakistan. The Japan Spinning Association, whose members produce cotton yarn from imported raw cotton, sent a delegation to Karachi in August in an attempt to persuade the All-Pakistan Textile Manufacturers Association to reduce exports of cotton yarn. The attempt failed, but the two sides have scheduled another conference to be held in Tokyo this month, and a further meeting in Hongkong in October.

"There is still a problem with Pakistan," says a Miti official. "We are not telling them they cannot sell more. We just want them to slow down the growth in their exports." He said Pakistan was rejecting the request on grounds that last year its total trade with Japan was in deficit by US$608.8 million, up from a deficit of US$497.5 million in 1983.

Taiwan and South Korea, too, have been asked to restrain exports of knitwear, and Miti appears to be happy with the results so far. Imports of sweaters, for instance, declined 12% in volume in the January-July period compared with the same period last year—in July alone, they fell by 15%.

While Miti has not said it will not seek to apply the MFA—some officials reportedly have referred to the MFA as Japan's "trump card" in the event administrative guidance fails—the ministry appears to recognize that invocation of the MFA would cast Japan in a dim international light. For one thing, Japan would be the only country to take such action while enjoying a surplus in its overall textiles trade.●

U.S. RELATIONSHIP WITH TAIWAN

● Mr. LUGAR. Mr. President, all Senators are aware of the history of the United States relationship with Taiwan. Under the language of the Taiwan Relations Act, Congress has a special role with regard to this relationship. Likewise, I believe that all Senators attach a special importance to the thought that Taiwan's future be a peaceful one. For this reason, I wish to insert into the RECORD an exchange of letters between Ambassador Han Xu of the People's Republic of China and myself concerning press reports of remarks by General Secretary Hu Yaobang. I believe that these letters offer useful clarification, and I ask that they be printed in full in the RECORD.

The letters follow:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, August 6, 1985.

His Excellency HAN XU,
Ambassador of the People's Republic of China.

DEAR MR. AMBASSADOR: I wish to express my appreciation for your letter of July 8, 1985 concerning reports of General Secretary Hu Yaobang's statements with regard to a peaceful settlement of the Taiwan question.

Your comments were helpful in making clear the position of the People's Republic of China on this extremely important issue. As you are well aware, the American people have strong ties to the people of Taiwan. The principles of the Taiwan Relations Act as well as the Shanghai Communique and other policy statements which form the basis of our understandings on the Taiwan issue are sustainable only as long as the American people are convinced of the peaceful intentions of the People's Republic of China.

Again, thank you very much for clarifying the press accounts of the General Secretary's remarks. I am glad to have a firm restatement of your government's position on the Taiwan issue.

I intend to enter your letter of July 8 and the present letter into the Congressional Record.

Sincerely,

RICHARD G. LUGAR,
Chairman.

THE EMBASSY OF THE
PEOPLE'S REPUBLIC OF CHINA,
Washington, DC, July 8, 1985.

Senator RICHARD G. LUGAR,
Chairman of Senate Foreign Relations Committee, Senate Hart Office Building, Washington, DC.

DEAR SENATOR LUGAR: I am writing to express my concern about Senator Pell's statement in the Congressional Record June 17 issue No. 80 and similar statements by Congressmen Whitehurst and Oxley in Congressional Record June 20 and 25 issues Nos. 83 and 86, regarding General Secretary Hu Yaobang's recent interview with correspondents on China's policy of reunification of our motherland. As indicated in the Record, all these statements are based on press reports. Here, I would like to point out that one should not rely on press reports for precise information and that the foreign press reports on Hu's interview with correspondents are inaccurate.

In his speech, Hu reaffirmed our principled stand on the Taiwan issue, stating that peaceful reunification of the motherland is China's set policy, because it is in conformity with the fundamental interest and common aspiration of the Chinese people on both sides of the Taiwan Strait. We sincerely hope to solve the Taiwan issue by peaceful means and we persevere in this course of action with patience. The solution of the Taiwan issue, however, does not depend entirely on us. We have never made any commitment not to resort to non-peaceful means. The reason is very simple. Once that commitment is made, peaceful reunification will be impossible.

I would greatly appreciate it if you could place the above-mentioned principled stand of the Chinese Government and our assessment of the aforesaid press reports in the Congressional Record.

I look forward to meeting you soon.

With warmest regards.

Sincerely yours,

HAN XU,
Ambassador.

WEEKLY BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for the week of September 23, 1985, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 30, 1985.

Hon. PETE V. DOMENICI, *Chairman,*
Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal years 1985 and 1986. The estimated total of budget authority, outlays, and revenues for each fiscal year are also compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through September 27, 1985. The report is submitted under Section 308(b) and in aid of Section 311(b) of the Congressional Budget Act.

Since my last report Congress has completed action on H.J. Res. 388, making continuing appropriations for 1986.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE—99TH CONGRESS, 1ST SESSION AS OF SEPTEMBER 27, 1985

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Fiscal year 1985:				
Current level [1]	1,062.2	946.4	736.5	1,823.8
Budget resolution, Senate Concurrent Resolution 32	1,062.1	946.3	736.5	[2] 1,847.8
Current level is:				
Over resolution by	.1	.1		
Under resolution by			(3)	24.0
Fiscal year 1986:				
Current level [1]	1,067.1	980.3	792.8	1,823.8
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		12.7		
Under resolution by	2.6		2.9	255.0

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has

enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects of all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in Senate Concurrent Resolution 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $1,823.8 billion.

[3] Less than $50 million.

FISCAL YEAR 1985: SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			736,650
Permanent appropriations and trust funds.	686,253	607,885	
Other appropriations	542,981	516,642	
Offsetting receipts	−182,025	−182,025	
Total enacted in previous sessions.	1,047,209	942,502	736,650
II. Enacted this session:			
Famine relief and recovery in Africa (Public Law 99–10).	784	289	
Appropriations for the MX missile (Public Law 99–18).		79	
Agriculture supplemental appropriation (Public Law 99–71).	1,000		
Federal supplemental compensation phaseout (Public Law 99–15).	160	160	
Statute of Liberty—Ellis Island Coin Act (Public Law 99–61).	18	16	
Contemporaneous recordkeeping repeal bill (Public Law 99–44).			150
United States-Israel Free Trade Act (Public Law 99–47).			(1)
State Department authorization (Public Law 99–93).			−1
Supplemental appropriations bill (Public Law 99–88).	(13,029)	(3,369)	
Offsetting receipts	(−48)	(−48)	
Bill total	12,981	3,321	
Total enacted this session.	14,943	3,865	151
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action.			
Total current level as of September 27, 1985.	1,062,152	946,368	736,499
1985 budget resolution (S. Con. Res. 32).	1,062,100	946,300	736,500
Current level is:			
Over budget resolution	52	68	
Under budget resolution			1

[1] Less than $500 thousand.

Note.—Numbers may not add due to rounding.

FISCAL YEAR 1986 SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			792,800
Permanent appropriations and trust funds.	717,652	631,009	
Other appropriations		185,348	
Offsetting receipts	−162,006	−162,006	
Total enacted in previous sessions.	555,645	654,351	792,800
II. Enacted this session:			
Appropriations for the MX missile (Public Law 99–18).		368	

FISCAL YEAR 1986 SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Famine relief and recovery in Africa (Public Law 99–10).		421	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61.	−15	31	
Contemporaneous recordkeeping repeal bill (Public Law 99–44).			13
United States-Israel Free Trade Act (Public Law 99–47).			−8
State Department authorization (Public Law 99–93).			2
Supplemental appropriations bill (Public Law 99–88.	36	3,138	
International Security and Development Cooperation Act (Public Law 99–83).	−25	−25	
Federal supplemental compensation phaseout (Public Law 99–15.			10
Total enacted this session.	−4	3,932	17
III. Continuing resolution authority:			
Continuing appropriations, 1986 (H.J. Res. 388).	535,987	347,011	
Offsetting receipts	−27,233	−27,233	
Total continuing resolution authority.	508,754	319,778	
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to the CIA retirement fund.	10	10	
Claims, defense	7	3	
Payment to the Foreign Service retirement trust fund [1].	(7)	(7)	
Range improvements	1		
BLM: Miscellaneous trust fund.	(2)		
Payment to air carriers, DOT.	18	17	
Retired pay—Coast Guard	21	19	
Maritime, operating-differential subsidies.		3	
BIA: Miscellaneous trust funds.	(2)	(2)	
Higher education facilities loans and insurance.	4		
Retirement pay for PHS officers.	12	6	
Medicaid	1,617	1,285	
Payment to health care trust funds [1].	(1,011)	(1,011)	
Child nutrition programs	254	234	
Advances to unemployment trust fund [1].	(516)	(516)	
Special benefits (general retirement and Federal employee retirement).	48	48	
Black lung disability trust fund.	85	85	
Assistance payments	573	573	
Veterans pensions	10		
Salaries of judges	3	1	
Payment to civil service retirement [1].	(214)	(214)	
National wildlife refuge fund.	(2)	(2)	
General revenue sharing [1]	(1,142)	(1,142)	
Total entitlements	2,663	2,284	
Total current level as of September 27, 1985.	1,067,059	980,345	792,817
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution		12,745	
Under budget resolution	2,641		2,883

[1] Interfund transactions do not add to budget totals.

[2] Less than $500 thousand.

Note.—Numbers may not add due to rounding.●

PATENT PROTECTION

● Mr. D'AMATO. Mr. President, I rise today to add my name as a cosponsor to S. 1543, a bill to protect patent owners from importation into the United States of products made overseas by use of a U.S. patent process.

My interest in patent protection was heightened at two recent Joint Economic Committee hearings that I chaired on international trade relations in my home State of New York. I was shocked as I heard testimony from officials of some of our leading companies—pioneers in their respective fields—describe the predatory practices that some foreign competitors are using. I learned that the patent systems of certain foreign nations discriminate against U.S. firms and even encourage illegal copying of valid U.S. patents.

The United States has always been a leader in research and development. We have always allowed our inventors to recoup R&D costs and a profit for a limited time. However, current U.S. law fails to protect fully one kind of patent—the process patent. The law fails to allow an inventor protection against the importation of a product made offshore using his or her patented process. This must end.

This bill, introduced by my distinguished colleague from Maryland, will provide for the necessary protection of U.S. ingenuity. In a competitive global marketplace, we can ill afford to allow foreign competitors the opportunity to steal our inventions.

Mr. President, I urge my colleagues to strongly support this legislation.●

CONWAY HIGH SCHOOL SELECTED FOR HONOR

● Mr. PRYOR. Mr. President, tomorrow, officials of Conway High School in Conway, AR, will be in Washington to receive an award from the President as one of the outstanding secondary schools in the country. The high school is one of 212 public secondary schools from across the country receiving the award.

I want to congratulate the students and faculty of Conway High School, and also, the citizens of the community for their fine work that brought this well-deserved recognition.

Mr. President, I ask that an article from the Log Cabin Democrat, the newspaper in Conway, be printed in the RECORD. I should like to point out one remark made in the article by James Clark, Conway High School principal, about an evaluation of the school. Mr. Clark noted that one item of great importance to the person evaluting the school was the community involvement. This is vital to the continued role of public schools and strong support from the community as a whole means strong public education.

The article follows:

CONWAY HIGH SCHOOL SELECTED FOR HONOR

Conway High School has been selected for recognition in the national 1984-85 Secondary School Recognition Program.

In a letter to principal James Clark, federal Education Secretary William J. Bennett said CHS is one of 212 public secondary schools in the United States that are being recognized for success "in providing high quality education to all their students."

Clark, who received the letter this morning, said the recognition "is something the whole community can be proud of. We truly have a community school." He added that one reason the school could win such an award was "that with a good community you have good parents, which have good students, which means good faculty."

The program, in its third year, recognizes secondary schools that will serve as models to other schools and districts. CHS is only the fourth Arkansas school to receive the recognition.

Clark said the process to receive the recognition begins when individual schools apply through the state Department of Education. A group of panelists then study the applicants and determine which applications to send to a group of panelists in Washington, D.C.

Applications from Arkansas High School, College Hill Junior High School and North Heights Junior High School, all at Texarkana, were sent with Conway's application to Washington to be evaluated among about 300 other schools from around the United States, Clark said. Schools were then chosen for site evaluations, he said, adding that Conway was the only Arkansas school to be selected for evaluation.

Conway's application was then verified by Florence Rivette, principal of Grace King High School in Metairie, La., in a visit to the school in April, Clark said.

Clark said one thing Ms. Rivette "really wrote up big" in her report was the community aspect of the school.

Another panel then interviewed Ms. Rivette and other officials who evaluated other schools to make the final decision on the award recipients.

Clark said the program was started by former Education Secretary Terrel Bell to "take a positive approach to public and private education." Clark added that the program shows that "in spite of mediocre educaton in America, we do have pockets of good eduation."

Although the confirmation letter did not reach Clark until today, Clark said he was contacted yesterday morning by a secretary in 2nd Dstrict Congressman Tommy Robinson's office to extend congratulations for the award. "I asked the secretary if she was sure (of the award)" because the school had not been notified yet, Clark said.

He said the selected schools were to be notified sometime between June 11 and 15 and that, when no notifiation came, "I had given up. I thought we didn't make it."

School representatives will attend a national recognition ceremony in Washington, where they will receive a plaque, an American flag and meet President Ronald Reagan, Clark said.

"Then we'll hang up our plaque and keep going," he added.●

TRIBUTE TO SINCLAIR LEWIS ON THE 100TH ANNIVERSARY OF HIS BIRTH

● Mr. DURENBERGER, Mr. President, there is no escaping the truth that, as a man, Sinclair Lewis was just as disconcerting, individualistic, abrasive, and poignant as the novels he wrote. However, opinions on his gifts as a novelist and on his relative importance in 20th century American literatrue diverge greatly. He himself felt equal ambivalence: He was the first American to decline the Pulitzer Prize and, 5 years later, in 1930, became the first American to win the Nobel Prize in Literature. His complex and divided self was expressed in his novels.

Lewis' five big novels, "Main Street," "Babbitt," "Arrowsmith," "Elmer Gantry," and "Dodsworth," all of which appeared between 1920 and 1929, demonstrate that he could write with stunning originality, superb craftmanship, and genuine passion. He also exposed to the light of day the underside of contemporary America's middle class, something that no American novelist had done before him. To middle Americans and their leading citizens, he presented a devastating image of themselves, one marked by suffocating respectability, foolish pretensions, profiteering, and spiritual bankruptcy. In the Middle West of Lewis' creation, places like Gopher Prairie and Zenith were populated by exponents of a vociferous boosterism; and beyond their creed of pep, punch, and progress there was nothing more, nothing on the inside.

How did Harry Sinclair Lewis, born February 7, 1885, in Sauk Centre, MN, become the bad boy of American letters? What motivated him to charge that America was a country where mediocrity reigned, supremely and unabashedly?

The advantage conveyed by his relatively privileged station as the son of one of the two physicians in that prairie village did not work in his favor, for he lacked most other assets that could contribute to success in life. As a boy, he was considered so unattractive and inadequate in the requisite manly skills that he was spurned. Yet it was the resulting isolation which made him turn inward and read extensively, forging his writer's capacity for observation and detached appraisal.

After high school, Lewis departed Sauk Centre for 6 months of college preparatory study at Oberlin Academy in Ohio. If he had hoped for readier acceptance as a member of the group, Lewis did not find it at Oberlin. It was not until arriving at Yale College in 1903 that he managed to rid himself of the aura of odd man out; for once, he was not disliked. More sophisticated easterners might have looked askance at Lewis, in all his naivete, but they tolerated him as an individualist.

The sense of liberation offered by his new environment encouraged Lewis to express himself. It was at Yale that he began his career as a writer. He was the first member of his class to publish in the Yale Literary magazine, of which he was eventually elected an editor, and wrote poetry of a very romantic, Tennysonian type.

Before graduation, he detoured briefly for a stint at Helicon Hall, Upton Sinclair's utopian experiment in communal living in Englewood, NJ. The experience was not to his liking, but that trip was symbolic: Besides being a demonstration of his idealism, a quality manifested clearly in his novels, the trip was to be part of a lifelong itinerancy, here as well as in Europe.

Various jobs in journalism over the next couple of years brought him to Iowa, New York, California, and Washington, following which he spent 5 years employed by New York publishers.

His so-called ascendant period as a novelist began with the appearance of "Our Mr. Wrenn," in 1914. This and four succeeding novels were thought to provide a bridge between Theodore Dreiser's naturalism and Booth Tarkington's sentimental gentility.

But serious literary critics, not to mention the American reading public, found room for more ardent controversy than an American novelist had ever evoked when "Main Street," Lewis' rendition of Middle West provincial life, burst on the scene in 1920. The likes of H.L. Mencken praised "Main Street" for its vivid representation of the speech and manners of a group of typical Americans. Its "new realism" was animated by an opulence of detail so authentically and tellingly American that readers pronounced the book everything from a social document of a high order to an unpatriotic aberration.

Having become one to watch on the literary horizon, Lewis now addressed an audience of unprecedented size, who engaged in vigorous, sometimes virulent, discussion of his new portrait of America.

With "Babbitt," some felt that Lewis had abandoned the essential optimism and sense of comedy he had previously shown, while others argued that it bested anything he had yet produced. Rebecca West said that unlike "Main Street"—competent and informative though it was—"Babbitt" achieved a level of true artistry. She felt that Lewis' satiric likeness of George Babbitt and his standardized life was distinguished by the author's unique personality. Moreover, it was "saturated with America's vitality."

Next came "Arrowsmith," an expose of a different kind, in which Lewis took an entirely different turn in fiction by searching the psychology of

the scientist. His new heroes, Martin Arrowsmith and Max Gottlieb, were drawn with tenderness and frank idealism. On less firm ground when writing about the research laboratory, Lewis still succeeded in penetrating pretensions in the medical profession. Malcolm Cowley credits "Arrowsmith" as the highest point in Lewis' growth as a novelist.

If "Main Street's" effect was shocking, Elmer Gantry's" was uproarious. Many readers reacted with nothing less than violent outrage to Lewis' latest countericon of American culture. Elmer Gantry, the treacherous opportunist, represented an indictment of the church which would enable the rise to power of such a pharisee. Regardless of the impact he might have wished for by writing "Elmer Gantry," Lewis could hardly have imagined the response it drew. While certain clergymen raged, municipal bans against the book indignantly erupted all around the country in 1927. And, as a fitting grace note, the graduating class of New York University that spring voted Sinclair Lewis its favorite author. Perhaps Lewis' admirers and detractors would have agreed equally with one assessment of "Elmer Gantry" as "a sort of cathedral in which every stone is a gargoyle."

"Dodsworth," which was published in 1929, was the last of his well-respected novels, although others were to follow. Some saw "Dodsworth" as a vindication of the American middle class, a more effective satire because the author had written with his heart and shown new kindliness toward his central figure. To Lewis Mumford, no one since Henry James had written so well about the quandaries of the untutored American in Europe.

The remainder of his life was spent in both literary and personal decline. Although he continued to write novels which examined social and moral problems in America, he wrote with less depth, originality, and success than before. None were easy novels, however, and the sheer effort was admirable.

Consistently, Lewis had been praised as a photographic realist whose unerring eye focused accurately, even unbearably, on the merest detail. Toward the end, that eye had become clouded. Even for one who possessed the detachment of the close observer, "Photography," E.M. Forster said, "is a pursuit for the young."

The other literary tool that Lewis had developed to an exceptional degree was that of mimicry. The typical speech and the typical gesture he could reproduce with astonishing plausibility, accentuated by touches of the burlesque. Possibly his crucial disadvantage as a novelist was his failure to exceed the limitations of mimicry as a literary device. All too often he captured the authentic without reaching for the transcendant. In the end, when he seemed to have lost touch with contemporary America, his characters' speech had lost its lustre and begun to sound painfully out of date.

To some, Sinclair Lewis was strictly out of an older American tradition, not truly an original voice but a representative fabulist. They saw in his novels the earmarks of American frontier, fabulists: prosaic material, a romantic mood, and a typically American exuberance and air of discovery. The novels were basically stories about stock characters: the small businessman, the truthseeker, the opportunists.

Some saw his characters, especially George Babbitt and Elmer Gantry, as parodies of human nature, overblown fragments pretending to be whole. It was Robert Frost, they said, who deserved the Nobel Prize for Literature in 1930.

To others, Lewis was to be valued as the reformer as much as the novelist. He jolted Americans out of unconsciousness by dramatizing social evils. And although he discomfited the middle class by persistently defining unlooked-for sins, he was not relentless. An essential compassion softened his message.

Sinclair Lewis' darker satires, particularly "Main Street," "Babbitt," and "Elmer Gantry," achieved something unequalled. They provide a social history of an America in which vulgarity held sway. And since it could have left no record of itself, no one other than Lewis could have recorded it with such precision.

He forced America to be truer to itself.●

THE HUMAN RIGHTS SITUATION IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, the human rights situation in Afghanistan today is deplorable, and shows no signs of improving. Violations of human rights have been widely documented by many visitors to that troubled nation. It is quite clear that the Soviets are engaged in a policy which is effectively decimating the population of Afghanistan. The report commissioned by the Economic and Social Council of the United Nations on Human Rights in Afghanistan concludes that "humanitarian norms have been flouted in the conflict taking place, and the resulting situation is fraught with danger for the population as a whole." Too many times in this century, massive violations of human rights have either gone unnoticed or were discovered too late.

In the case of Afghanistan, these violations have gone largely unnoticed due to deliberate efforts by the Soviet Union to shield the Afghan war from the rest of the world.

Mr. President, I commend National Review for recognizing this fact and for dedicating a substantial portion of their October edition to this tragedy. Two articles, one entitled "The Awful Logic of Genocide," written by Jean-Francois Revel, and another entitled "The New Holocaust" by Rosanne T. Klass, address the fact that a largely unnoticed policy of Soviet perpetrated genocide is exterminating the Afghan people. I ask that these articles be printed in the RECORD.

The articles follow:

THE AWFUL LOGIC OF GENOCIDE

(By Jean-Francois Revel)

The occupation of Afghanistan by the Red Army, which has been going on for almost six years now, continues to provoke in the Western democracies a reaction that Montaigne calls "voluntary ignorance." This deliberate neglect of the facts is a wonderful prophylactic against the temptation to act. In this sense, Afghanistan is a reflection of our cowardice. It offers an instructive look at the way the democracies justify, or conceal, their failures in the face of totalitarian expansionism.

Information on Afghanistan is scarce, to be sure, because of Soviet censorship. The Communist powers enjoy an unwritten but tacitly accepted privilege, a privilege practically legalized by international consent, to shape and to ration information that concerns them. By closing Afghan territory to TV teams and non-Communist reporters, by imprisoning journalists and even doctors who have entered the country clandestinely, the Soviets have kept the Afghan horror story from being told by the mass media. Thus they have prevented the vast wave of worldwide opprobrium that would engulf a democracy guilty of far lesser crimes but accessible to news coverage by nature of its politics and principles.

But the blindness of certain Western elites does not result in the main from the practical difficulties of finding out what is going on. The practical difficulties can keep the story from the television screens, but there are nevertheless enough stories in the Western press—if they were taken seriously. There is sufficient information available for anyone who wants to think seriously about the situation of the Afghan people. If the free world discards this information or relegates it to the margins of its awareness, that is because it fears it will have to start questioning certain soothing interpretations of Soviet behavior and be forced to face the gravity of the crimes committed against the Afghan people. We can thus, we Western democracies, by looking the other way, withdraw from our moral responsibility and close our bored minds to the continuation of the Soviets' foreign policy. We will spare ourselves from seeing it in order to excuse ourselves from having to oppose it.

The first reason for our resistance to listening to news about Afghanistan (the only form of resistance the West has shown as yet in the Afghan affair) has to do with our desire to interpret the invasion of Afghanistan as an *accident* of Soviet foreign policy. Reread what all our oracles have written about it in the last six years: It was a mistake . . . a marginal act . . . unrepresentative of the fundamental thinking of the Soviet leaders. The Soviets acted without premeditation; they were "caught up in a situation"; they fell "into a trap." The

Western powers should, consequently, help them to get out of it, "to save face." How? By not bullying them, by not reawakening their well-known "sense of insecurity."

This analysis, made by most of the statesmen in power in the West during the invasion of 1979, remains the attitude of a great number of commentators today. It entails certain practical prescriptions: We must abstain from arming the Afghan resistance, for fear of provoking the Soviets. Only the fear of foreign intervention, they tell us, will delay the spontaneous departure of the Red Army. In view of the insignificance of our military aid to the Afghan resistance, one wonders how much further this would have to be reduced to "reassure" the Soviets, and how long it will take for their supposed desire to evacuate the country to be demonstrated. And, once gone, will they permit the local Communist regime to be swept out of Kabul, as without doubt it would be after the withdrawal of the Soviet military presence?

Such resignation is both unlikely and illogical given that the 1979 invasion took place precisely because the pro-Soviet Communist regime in Afghanistan could not, given the hostility of the people, remain in power without Soviet help. To imagine that the Soviet army will evacuate Afghanistan without having first gained acceptance for Communism there is to believe that the USSR would withdraw its "advisors" from all countries where it believes the local Communist government lacks local support—a totally unsupported belief. Up until now, quite the opposite has been the rule: The USSR keeps larger troop contingents in place in countries where the pro-Soviet regime is most fragile, most menaced. Which is, to be sure, perfectly rational.

The explanation that the Soviet seizure of Afghanistan is a result of unhappy chance is rooted in a more general theory. According to many politicians and students of politics, the Soviet Union does not nourish long-term foreign-policy objectives, at least not aggressive objectives. Nothing more greatly rouses the fury of certain politicians and international experts, whether journalists or academicians, than references to a global design on the part of the USSR. They admit, to be sure, that the USSR has an overall vision, but they believe it to be strictly defensive. The notion that the Soviet Union has an expansionist design, an imperialistic outlook both ideological and strategic, a program patiently pursued, long planned, unfailingly prepared for setbacks, could only emanate—in their view—from an *idée fixe* dating from the cold war. Never mind the classic writings on the subject and the best-attested historical facts. The Soviet Union, they say, does not have, cannot have, a coherent imperialistic plan.

Unhappily, there are few cases where even a summary knowledge of history so completely pulverizes that theory as Afghanistan. From the start of the Revolution in 1917, the new Soviet power moved to eliminate British influence from Central Asia. A Soviet-Afghan treaty of friendship was signed on September 13, 1920, a prelude to a long series of treaties destined to tighten the Soviets' ties with Kabul. The Soviets took up again the geopolitical objective of czarist Russia; but—and this is a major innovation—they added to it their panoply of ideological weapons. In November 1918, in a proclamation entitled "Do Not Forget the Orient," Stalin spoke of the need to "inspire the workers and peasants of these countries with the liberating spirit of the revolution." In characteristic fashion, this liberation ideology was evidently not to be practiced within the USSR itself: The Bolsheviks, who had never stopped denouncing the annexation of Moslem territories by the Czar, refused, once in power, to give these same regions their independence, instead putting down by force the insurrections that followed.

After the Second World War, the Soviet Union capitalized on the void left by Britain's retreat from India, the end of British influence, and above all the new situation that resulted from the creation of Pakistan to tie Kabul's foreign policy to her own. Indeed, why not? There was nothing scandalous in what the USSR was doing. But the democracies should at least have understood what was going on. Alas, the United States understood nothing of what the Soviet Union was up to in Central Asia. In December 1954, John Foster Dulles refused military aid to Afghanistan and threw that country into Moscow's arms.

Sardar Mohammed Daud, prime minister from 1953 to 1963 and president from 1973 to 1978, permitted the Soviet Union to take over the task of equipping and training the Afghan army. In 1955, Khrushchev and Bulganin, despite their concerns in Europe and at home that year, made one of their first foreign trips to Kabul and accorded Afghanistan a grant of $100 million, the biggest grant given by Moscow to any country beyond the Iron Curtain. Such a démarche is incompatible with the thesis that Moscow never had any long-term plans for Afghanistan.[1]

After the coup of July 16, 1973, which brought Daud back to power, the internal Soviet conquest of Kabul was accelerated. While he himself was not a Communist, Daud thought himself strong and wily enough to risk putting Communists in key posts. He did not understand the weakness of his position, given an army in which thousands of officers and men had been trained by the Soviet Union for twenty years. When, on April 27, 1978, the army assassinated Daud and installed a Communist regime in his place, it was picking ripe fruit from a tree planted long before.

Here too the Western experts and commentators who date the Sovietization of Afghanistan from the invasion of December 27, 1979, prove, at best, that they are professionally incompetent. The protectorate had been in the works for decades. The satellization of Afghanistan, in the classical form of "a friendly government" installed in 1978, was the real turning point. Soviet garrisons took up their positions at various locations in Afghanistan starting early in 1979. Was this the result of "a chain of unfortunate accidents"? Was there no plan behind this?

In August 1979, the Afghan garrison in Kabul realized that the unpopularity of Communist President Nur Mohammed Taraki was starting to provoke rebellion in the country Taraki was starting to provoke rebellion in the country and that it would be prudent to replace him with someone less openly under the orders of Moscow. This garrison was then massacred by Soviet troops, including air units already stationed in the area. How could Western governments not have known about it? After having first killed Taraki, then his successor, Hafizullah Amin, and installed in their place a "faithful friend," Babrak Karmal, the Soviets knew that no Communist leader in Kabul could stay in power without strong Soviet support. The invasion and the occupation were anything but an "accident" since they constituted the natural consequences of a systematic course of action.

The second reason the West resists information about Afghanistan is the Soviet violations of human rights in that country. These violations are so widespread that our governments are scared even to raise the question, knowing very well that Moscow will, in its usual humiliating manner, refuse even to discuss it. That is why the press and other media greeted so tepidly the February 19, 1985, United Nations report on the condition of human rights in Afghanistan by Felix Ermacora, Special Rapporteur—a report whose very existence is practically miraculous and which deserves a salute on that ground alone, but which was quickly relegated to obscurity. What does it teach us?

The repression takes two forms: the torture and execution of opponents and resistance fighters, and the massacre and deportations of the civilian population. In "*Le Grand Jeu Afghan*" (*Politique Internationale*, Spring 1985) Michael Barry reports that between April 27, 1978 (the date of the pro-Soviet coup d'état), and January 1980, 27,000 people were executed in the Poli Charki concentration camp, situated six miles east of Kabul. "This is not an estimate," writes Barry. "This is the simple addition of the names of the victims posted by the regime in public places to discourage the families from crowding around the gates of the prisons with packages of clothing and food." A major portion of the educated elite, the author adds, perished in this carnage: diplomats, doctors, professors, engineers, non-Communist officials, spiritual leaders. While estimating the number of those shot at "only" 12,000, the UN report corroborates the basic story.

In this context, according to the information received, a number of political prisoners were also tortured. One of the complaints relates to Mr. Sayed Abdullah Kazim, a former dean of the Faculty of Economics, imprisoned at Poli Charki at the same times as Mr. Ludin. In this connection, Mr. Ludin, himself arrested in June 1978 and detained until 11 January 1980 in the Poli Charki prison, reveals that he himself was present during the torturing of Mr. Kazim, who had the fingers of both hands crushed under the legs of a chair on which two of his torturers sat. Having himself been tortured, the witness drew the attention of the Special Rapporteur particularly to events which had taken place on the nights of 31 May to 1 June 1979 in the Poli Charki prison. Shots fired in the prison courtyard had been heard by the witness, who was told by the prison guards that about 118 prisoners were being executed. The shooting was followed by the departure of buses carrying the bodies, some of them still showing signs of life. The testimony of a former female detainee of Poli Charki likewise revealed that during her detention between May and November 1978, she had several times heard shooting in the prison courtyard along with the departure of the corpses of prisoners in buses. The same witness spoke of the existence of a section of the prison reserved exclusively for women, and the Special Rapporteur had the occa-

[1] For the inadequacy of American diplomacy at that time, and its consequences in this part of the world, see "The Failure of American Diplomacy in Afghanistan," by Léon Poullada, *World Affairs*, 1982-83, Vol. 143, No. 3, *Special Issue on Afghanistan*.

sion to interview a woman who had been incarcerated in that prison."

However, one must add to the official figures the number of those shot unofficially. Amnesty International estimates that 4,854 prisoners have been liquidated more or less clandestinely. And the United Nations report says that approximately nine thousand individuals "disappeared" in Kabul before the coup of December 27, 1979, much has happened in Argentina during the military dictatorship, but without touching off the same indignation in the free world.

As to the massacres of the civilian population, I cite several examples, all drawn from the UN report.

"In addition, *numerous cases of assassination of women and children* were brought to the notice of the Special Rapporteur. They were described as having taken place frequently in villages, as reprisals following skirmishes between the troops and elements of the opposition movement.

"Eyewitnesses told the Special Rapporteur of alleged *massacres of civilians during the bombardment of villages.* According to these witnesses, such acts were part of a deliberate policy, especially over the last two years, *to force the people to take flight.* In this connection, one witness declared that the country's *economy had been completely destroyed by the systematic bombing of rural areas* housing about 85 percent of the population, and in fact occupied by the resistance and regarded as liberated zones.

"On 13 September 1982, approximately 105 persons were killed in the village of Padkhwab-e-Shana in the province of Logar, including 61 victims from the village itself. In the course of an infantry operation in the village, the population, consisting of children, old people, and a few combatants, took fright and hid in an underground channel used for irrigation (Karez). To dislodge them, troops poured a whitish liquid mixed with white powder into three outlets of the channels and set fire to it. Charred and decomposed bodies were brought out by the villagers. The corpses were said to include 12 children.

"On 12 October 1983, in the villages of Kulchabat, Bala Karz, and Mushkizi in the province of Kandahar, 360 persons were executed in the village square, including twenty girls and about twenty old people.

"In March 1984, several hundred civilian were massacred in the villages of Dash-e-Bolokhan and Dash-e-Asukhan in the Kohistan region.

"In November 1984, some forty civilians were massacred in the village of Zirvq situated in the Urgun region after two weeks of steady bombardment. According to the witnesses, several houses were destroyed and the cattle decimated."

Furthermore, the use of poison gas and booby-trapped toys has largely been proved, according to the report.

The devastation of the countryside and the villages, and the deportations of the people (in last 1980, the Soviets emptied Pamir of its entire population), have brought the expected and desired result; famine. This famine is a chronic fact of life for about half a million civilians (close in proportion to the Ethiopian famine). According to the group of doctors known as *Médecins sans frontières,* infant mortality caused by malnutrition reached a stupefying 85 per cent in the winter of 1984-85.

Another result was the exodus. More than four and a half million Afghans (a figure we're fairly certain about) have fled their country since 1978, mostly to Pakistan. Given that the official figure of displaced persons worldwide, according to the UN High Commissioner for Refugees, is approximately ten million, that means that *nearly one out of every two refugees on this planet today is an Afghan.* If you add to this figure the number of resistance fighters killed, of those executed, of civilians massacred or starved to death (a figure that can prudently be put at a million) this means that of the 13 to 14 million inhabitants of the country in 1978 there remain today on Afghan soil about eight million. Put otherwise, nearly 40 per cent of the population is either in exile, or dead.

If one notes that the repression started 18 months before the invasion of December 27, 1979, and was directed from the start by Soviet advisors already in place, one cannot escape the conclusion, once again, that the USSR was carrying out a well-thought-through program. It is not credible, as the commentators who wish at all costs to exculpate the Soviets claim, that they gave way to momentary panic. The great "liberal" Mikhail Gorbachev seems to have not the slightest intention of modifying the Soviet political plan for Afghanistan. One of his first declarations on the subject, in March 1985, was to threaten reprisals against Pakistan if that country continued to "meddle in the internal affairs" of its neighbor, which in Soviet language means if Pakistan continues to shelter Afghan refugees instead of repelling them across the border to be massacred on the other side.

Must one conclude that the Soviet Union is invulnerable and can—as South Africa, or Chile, cannot—violate human rights with impunity, shielded by the discreet complicity of an international opinion that knows it is powerless? Perhaps not. What the discreet people find a bit upsetting are the anti-Communist guerrillas: in Angola, in Nicaragua, and above all in Afghanistan. For the first time, the United States Congress, in July 1985, openly recognized the importance of this phenomenon and voted official aid—$15 million to the Afghan resistance.

THE NEW HOLOCAUST

(By Rosanne T. Klass)

Afghanistan is being turned into a charnel house.

It is not only that the Soviets and their puppets have executed or tortured to death thousands of political prisoners.

It is not only that they attack civilian targets—wedding parties, farmers in their fields, villagers in the bazaars—or that they single out medical facilities for destruction.

It is not only that they pursue, rocket, and strafe the slow, plodding caravans of refugees—women and children, mostly—fleeing to sanctuary in Pakistan and Iran.

It is not only that they burn crops, destroy granaries, and kill flocks and herds to induce famine, or that they smash the irrigation systems and spread poisons on the land to turn it into a permanent desert, in emulation of Genghis Khan.

No, I am referring now to the deliberate Soviet policy of sending Soviet ground forces into the villages of Afghanistan to rape, to loot, to burn, and to murder most horribly, leaving the mutilated dead as a warning and an omen to survivors. The message is clear: submit, get out, or die hideously.

These are not the sporadic actions of uncontrolled troops gone berserk. They are systematic campaigns of butchery, carried out by Soviet—not Afghan army—troops, some of them special units. The massacres occur in all parts of the country, as would be expected in a calculated policy of terrorization.

The policy is not new; it began with the invasion in 1979. Two years ago, in Oslo, an Afghan from the Panjsher Valley told a human-rights panel about returning to his village in 1980 and finding the village elders, including his own father and grandmother, decapitated by Soviet soldiers who had, with grisly cynicism, put the men's heads on the women's bodies, the women's on the men's.

The number, ferocity, and frequency of these atrocities are increasing as the Russians move methodically to crush and empty out the country. They are becoming commonplace. Yet one sees nothing about them in the press, hears nothing on the air. No American journalists bothered to cover the Oslo hearings, though they were invited and Europeans came. Survivors and eyewitnesses can be found in the Afghan refugee camps in Pakistan, but reporters do not seek them out. Indeed, when their stories are made public, they are usually not reported; and when, occasionally, they are reported, they usually don't get into print. A top editor at a major U.S. news organ told me three years ago: "Torture is not news."

The editors' explanations are always the same: With journalists barred from Afghanistan, the information cannot be verified.

What newspaper, one wonders, declined to publish the news of Lidice in 1942 because it couldn't get a reporter into Nazi-occupied Czechoslovakia? Or who, before reporting the massacre at Oradour-sur-Glane, insisted on smuggling a reporter into occupied France to make sure that the Résistance was not exaggerating? For that matter, what reporter has yet made an investigative tour of the Gulag camps to make sure they really exist? When did the press begin to assume that what they cannot see for themselves does not exist, no matter how extensive and detailed the eyewitness testimony?

In May, freelance journalist Rob Schultheis went to the Munda refugee camp in Pakistan and interviewed survivors of an atrocity campaign carried out by Russian troops in the Laghman Valley in eastern Afghanistan in late April. In a single district, nearly eight hundred people were slaughtered, from pregnant women and newborns to the aged—shot, burned alive, hanged, bayoneted, tortured to death, killed with grenades, decapitated, beaten to death, mutilated. Schultheis's taped interview was broadcast on National Public Radio in June. It went unnoticed by the press.

Dr. Juliette Fournot is director of the Afghanistan program of *Mèdecins sans Frontières* (Doctors without Boundaries), the French humanitarian organization that has been sending medical teams into Afghanistan clandestinely since 1980. A petite young woman who spent part of her childhood in Afghanistan and speaks the languages, Dr. Fournot has since 1980 logged thousands of miles inside Afghanistan on horseback and on foot, checking on the operation of the MSF program. In May of this year, just about the time Schultheis was interviewing the Laghman survivors, she was in the southern province of Paktia, interviewing survivors of another, similar atrocity committed six months earlier far to the north, beyond the high mountain ranges, in Baghlan Province. With the snows melted, the few survivors had abandoned their destroyed homes to seek safety in Pakistan's refugee camps.

Dr. Fournot took notes on the interviews with the cool precision of a doctor writing up a patient's medical history. Based on those interviews, this is her account of the massacre:

On 15 Kaous [December 7], a group of Soviet soldiers entered the village of Bilwom at Issa Khel and searched the houses looking for young men to impress into the Afghan army. During the search, several women were raped and a grenade thrown into their house as the soldiers left the village. The Mujahedin in the region, hearing of this, set up an ambush in the path of the returning Soviet troops and attacked the convoy at Chardara. The sixty men of the band were under the command of Sher Mohammed Khan. Seven tanks were destroyed by rocket fire and burned; one tank hit a mine and exploded. At the end of the hour-long battle Sher Mohammed had been wounded in the face, one Mujahed was dead, and six others had been wounded.

On December 12, five days later, at about 11 a.m., four hundred Soviet soldiers circled the villages of Rarao Keshlok Payan, Rarao Keshlok Bala, Tal Gouzar, and Sar-e-Washa, which were close to the site of the December 7 ambush. Tank reinforcements arrived about 2:30. The Soviet troops then systematically entered every house, killing all the occupants, including women and children, often by shooting them in the head. Three pregnant women were disemboweled. The houses were put to torch, and the fires burned for five days. The troops carried off the money and valuables that the villagers had brought them in the hope of saving their lives. Commandant Mohammed Wali (Mullah Raz Mohammed is his *nom de jihad* [the resistance in Afghanistan has been proclaimed a "jihad," a holy war]), alerted to the attack, arrived about 4 p.m. and attacked the Russians. During the fighting between the Russians and the "Muj" [short for Mujahedin] the survivors in the stricken villages fled.

The following morning, Mohammed Wali rounded up carts and filled each with the corpses of twenty or more women and children and sent them into the town of Kunduz, escorted by old people.

The people of Kunduz, horrified by the massacre, closed their shops and took to the streets in protest. The riots spread to all parts of the town. The Parchamis [Afghan Communist Party members] joined in as well. By the end of the day the Soviets had broken up the demonstrations. They threw the bodies of the victims (women and children) outside the town. The Mujahedin then carried them back to their native villages (Rarao, Tal Gouzar, Sar-e-Washa), and they were buried. After several days of digging through the ruins of the burned houses, a total of 630 people were buried.

Subsequent to her on-the-spot interview with Mohammed Wali, Dr. Fournot received a complete list of the names and ages of the dead, village by village, and has provided the author with a photocopy. It contains the names of 620 men, women, and children. One page is missing, which apparently contains another 11 names, bringing the total to 631—twice the number murdered at Lidice, where the Nazis killed only the men. Correspondents for Reuters and Agence France-Presse interviewed the atrocity survivors in Pakistan. But the story never appeared. AFP in Paris told an inquirer that no report had been received by the home bureau but that, in any case, AFP would not be interested in the story.

When the first reports of the Nazi slaughter of the Jews emerged from occupied Europe in 1942, they were dismissed as "unsubstantiated," their sources labeled as hysterical and unreliable. A decade ago, nobody was willing to belive what was happening in Cambodia until half the nation was dead. We hear constant regrets, not that nothing was known about these events until it was too late. We hear the slogan, "Never again."

But Afghanistan is "again" and it is happening now. Already an estimated one million Afghan civilians have been murdered and the killing continues every day.●

REAUTHORIZATION OF THE NATIONAL SCIENCE FOUNDATION AND THE EDUCATION FOR ECONOMIC SECURITY ACT—S. 801

● Mr. QUAYLE. Mr. President, I rise in support of the bill, S. 801, to reauthorize the National Science Foundation [NSF] and the Education for Economic Security Act, commonly known as the math and science bill. S. 801 was unanimously reported out of the Labor and Human Resources Committee and deserves the support of the full Senate.

S. 801 would extend for 1 year the programs administered by the National Science Foundation and make a number of small changes to its authorizing statute. S. 801 would also extend for 3 years, through fiscal year 1988, the programs that the Congress approved late last year to provide for the improvement of math and science education in our country. The math and science programs being administered by the Department of Education are only now just getting underway and this September 1985 will be the first school year these programs are in operation. The math/science programs administered by the NSF have not yet been implemented, so it is doubly important that these programs be reauthorized so implementation can be carried forth.

One important change S. 801 makes is the transfer of the Partnerships in Education Program from the National Science Foundation to the Department of Education. For many reasons, the Partnerships in Education Program will be better placed in the Department of Education, and the members of the Labor and Human Resources Committee anticipate that the Office of Education Research and Improvement will administer this program. I, for one, am anxious to see this program up and running, and know of a great deal of interest in the partnerships concept around the country.

For instance, in Indiana, a Partners in Education Program has been started in the Indianapolis, Elkhart, Muncie, and Hammond schools. The Governor of Indiana and the business community stand firmly behind the partnerships concept. Last year, when the program was announced, over 100 school districts indicated their interest in the partnership concept. The residents of Indiana realize that a strong economic development program must be matched with an equally strong educational system and see the partnerships program as a way to achieve that goal.

The teacher shortage in our schools has not abated in the 2 years that we first started talking about the math/science crisis. When we wrote the math/science bill in 1983, we were responding to an emergency in our schools. Mr. President, the emergency still exists, and we have done little to remedy the situation. S. 801 will provide needed assistance to our schools and colleges to retrain math, science, and engineering faculty and teachers, and the Partnerships in Education Program will encourage the private sector to assist in this effort. I urge my colleagues to support S. 801 to reauthorize the National Science Foundation and our very important math and science education programs at our Nation's schools and colleges.●

DEATH OF H.K. THATCHER

● Mr. PRYOR. Mr. President, Arkansas has lost one of its champions in the development and enhancement of our water resources with the death of H.K. Thatcher.

H.K. Thatcher was one of the great pioneers in river navigation, an Arkansan who has made a difference. H.K. Thatcher of Camden, AR, my home town, was for over 40 years the single most important factor in the development of the Ouachita River in Arkansas and Louisiana. As a young man growing up in Camden I came to know at an early age that this man, who had devoted his entire life to the economic development of the Ouachita River basin, was the most respected authority on river navigation in the area, and perhaps within the State of Arkansas. He was well known by the congressional committee chairmen before whom he testified for so many years. I should add, Mr. President, that Mr. Thatcher was a very effective spokesman for the interests that he represented, and the developments that we now see on the Ouachita River is proof of his influence in the Congress.

Mr. President, I would like to include some excerpts from H.K.'s personally prepared resume dating to 1980 which reveal the character of this giving man. The excerpts follow:

I have spanned a life from the horse and buggy days to the moon walkers. Scientific and economic advancements are spectacular but people are always the most interesting because it is their actions that implement progress.

It has been my priviledge to have known, even though briefly, many individuals of note. As a small boy I remember seeing Mark Twain with his bushy white hair. I have heard Teddy Roosevelt, William Howard Taft and William Jennings Bryan speak. I once saw Woodrow Wilson in his tall silk hat ride by in a carriage drawn by

two beautiful black horses. My favorite, of course, is Herbert Hoover.

During my Washington tour of duty I had the opportunity to visit Franklin D. Roosevelt at the White Office with several different groups who had urgent business with the President. Ten minutes was always the allotted time. FDR would talk for nine minutes and then ask, "What was it you wanted to see me about?"

Had several office visits with Harry Truman when he was only a "run of the mill" U.S. Senator from Missouri. Spent two minutes with President Eisenhower during a water conference trying to convince him of the need and value of government built water supply reservoirs. At Princeton University one day listened to the brilliant mathematican Albert Einstein talking on human relations. I am sure he knows much more about the movement of light and the stars than he did about habits and desires of the races.

I met Lyndon Johnson on several occasions while he was a U.S. Senator from Texas, but never suspected that he was presidential caliber. Of course, I have seen, heard and shaken hands with John F. Kennedy but then who hasn't. Met Bobby Kennedy on several occasions in Senator McClellan's office: thought he was overrated, later I knew this for a certainty. I don't ever remember seeing Warren Harding and up to now have never had a personal contact with Richard Nixon.

In my younger days there never was a generation gap that I was conscious of, perhaps the application of the parental strap and paddle took care of that. It seems a paradox that there can be a generation gap now. If there is such a gap it exists only because the idea is spurred on by certain hairy feeble thinking society misfits, many of whom may never live long enough for them to learn that the only generation gap is their youth being unable to flow smoothly into the type of life nature uses to enable man to dominate and rule the Earth.

Won't it be interesting to see this generation of hippy thinkers trying to persuade their sons and daughters that there really is no such thing as a generation gap but only the rough waters which must be sailed in trying to reach maturity.

So be it.●

NATIONAL SECURITY SAFEGUARDS

● Mr. D'AMATO. Mr. President, I rise today in support of S. 1679, a bill to strengthen the provisions of the law that provide safeguards when imports threaten to impair the national security. This important legislation has been introduced by my distinguished colleague from Iowa.

Mr. President, I was appalled by testimony of witnesses as they described to me the illegal and unfair practices of our trading partners at two recent Joint Economic Committee hearings I chaired in New York on international trade relations. These practices include foreign nations subsidizing targeted industries, dumping their products into the U.S. marketplace, and using fraudulent methods to circumvent U.S. customs laws. The use of these methods have a deleterious effect on our industrial base.

One company that testified was Houdaille Industries, Inc., a diversified manufacturer of industrial products including machine tools. They related the existence of a Japanese machine tool cartel, and the wide range of financial assistance made available to the cartel by the Government of Japan. It is Houdaille's belief that this government assistance has given the Japanese machine tool industry the ability to control more than 50 percent of the U.S. market.

Mr. President, unfair foreign competition is the reason that the domestic machine tool industry has requested temporary relief pursuant to section 232 of the trade laws. Section 232 requires that the Secretary of Commerce conduct immediately an investigation and report the findings of his investigation and his recommendations to the President within 1 year. However, the statute does not include a time limitation in which the President determines whether he agrees or disagrees with the Secretary's determination, a lag which causes further harm to the domestic industry and possibly could jeopardize our national security.

In the immediate case, the President has failed to act for 18 months, notwithstanding a reportedly favorable finding for the machine tool industry by the Secretary of Commerce. It is therefore necessary that section 232 be amended to include a 90-day deadline in which the President must make a decision to impose restrictions on imports for national security reasons.

Mr. President, I urge my colleagues to act on this legislation so that future delays will be prevented in reviewing import cases involving U.S. national security.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at the point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 25, 1985.

In reply refer to: I-12316/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-53 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to the Netherlands for defense articles and services estimated to cost $32 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

HENRY H. GAFFNEY,
Acting Director.

Transmittal No. 85-53

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: The Netherlands.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$30
Other	2
Total	32

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Seventy-eight SM-1 Standard missiles with containers, dorsal fin assemblies, telemetry exercise heads and standard missile spares.

(iv) Military department: Navy (AEM).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: September 25, 1985.

POLICY JUSTIFICATION

NETHERLANDS—STANDARD MISSILES

The Government of the Netherlands has requested the purchase of 78 SM-1 Standard missiles with containers, dorsal fin assemblies, telemetry exercise heads and Standard missile spares. The estimated cost is $32 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the Netherlands; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Standard missiles being provided will replace older Netherlands inventory and missiles expended in training. Netherlands will have no difficulty absorbing these missiles into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale will not require the assignment of any additional U.S.

Government personnel or contractor representatives to the Netherlands.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

Transmittal No. 85-53

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

CLASSIFIED ANNEX ITEM NO. VI

1. [Deleted]

2. (U) Release of this technology is within the classification guidelines for disclosure to the Netherlands as stipulated in National Disclosure Policy (NDP-1).●

ORDER OF BUSINESS

Mr. DOLE. Mr. President, let me indicate to my colleagues that there will be no rollcall votes today. We had hoped to have before the Senate one or two appropriation bills, but there are still discussions going on between the chairman of the Appropriations Committee and the chairman of the Budget Committee and others with reference to those bills, so we are not in a position to call up any of the appropriation bills today.

It is my hope that on tomorrow, we can dispose of the imputed interest conference report in rather quick order, move to some appropriation bills and perhaps the compact of free association measure. I think it is fair to say that there will be rollcall votes tomorrow. I alert my colleagues to that.

ORDERS FOR TUESDAY

RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 a.m. on Tuesday, October 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each—Senator GOLDWATER, Senator NUNN, Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond 12 noon, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12 NOON UNTIL 2 P.M.

Mr. DOLE. I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tomorrow for the weekly policy luncheons.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. As indicated, when we reconvene at 2 p.m., it will be the intention of the majority leader to turn to any of the following items—the imputed interest conference report, available appropriation bills, the compact of free association. I can not think of anything else that might be available at that time, but we could expect rollcall votes.

RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and, at 4:25 p.m., the Senate recessed until Tuesday, October 1, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate September 27, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Joseph Verner Reed, of Connecticut, to be the representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Fred L. Hartley, of California, for the rank of Ambassador during the tenure of his service as Commissioner General of the U.S. Exhibition for the International Exposition, Vancouver, British Columbia, Canada, 1986.

THE JUDICIARY

John S. Rhoades, Sr., of California, to be U.S. distict judge for the southern district of California vice Leland C. Nielsen, retired.

Lyle E. Strom, of Nebraska, to be U.S. district judge for the district of Nebraska vice Albert G. Schatz, deceased.

Jose Antonio Fuste, of Puerto Rico, to be U.S. district judge for the district of Puerto Rico vice Juan R. Torruella del Valle, elevated.

Richard H. Battey, of South Dakota, to be U.S. district judge for the district of South Dakota vice Andrew W. Bogue, retired.

DEPARTMENT OF THE INTERIOR

Ross O. Swimmer, of Oklahoma, to be an Assistant Secretary of the Interior, vice Kenneth L. Smith, resigned.

Executive nominations received by the Senate September 30, 1985:

DEPARTMENT OF STATE

Robert L. Barry, of New Hampshire, a career member of the Senior Foreign Service, class of Career Minister, for the rank of Ambassador during the tenure of his service as U.S. Representative to the Conference on Confidence and Security Building Measures and Disarmament in Europe.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Julius W. Becton, Jr., of Virginia, to be Director of the Federal Emergency Management Agency, vice Louis O. Giuffrida, resigned.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Francis S. M. Hodsoll, of Virginia, to be chairman of the National Endowment for the Arts for a term of 4 years, reappointment.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Lee Edwards, of Maryland, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1990, vice Paulette H. Holahan, term expired.

Frank Gannon, of New York, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1990, vice Charles William Benton, term expired.

EXTENSIONS OF REMARKS

THE SANDINISTAS: OLD FRIENDS OF MIDDLE EASTERN TERRORISTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. BROOMFIELD. Mr. Speaker, we often overlook the fact that the Sandinistas have old and well established ties with terrorists from the Middle East. These continuing links and the presence of known terrorists in Nicaragua today present a real threat to countries in this hemisphere.

Sandinista-PLO ties were cemented in the late 1960's when Comandante Tomas Borge and other Sandinistas were trained in PLO terrorist camps in Lebanon. Sandinista guerrillas participated in the attempted overthrow of King Hussein of Jordan and a Sandinista was killed while assisting in a PLO hijacking. These close ties continue today. The PLO has an embassy in downtown Managua, and the PLO provides arms and trainers to the Ortega regime.

Libya, another terrorist-supporting country, has close diplomatic and trade ties with Nicaragua. Libya has also given financial support and arms to that country.

Managua maintains close ties with Iran, another nation which uses terrorism as an instrument of its foreign policy. That country has provided arms to the Sandinistas and has signed a large trade agreement with the Comandantes.

The Sandinista government provides passports to undesirable radicals and other terrorists from the Middle East, Europe and Latin America. PLO operatives use Nicaragua as a base for their terror operations in Central America. Known terrorists from the Basque terrorist group, the ETA, the German Basdar-Meinhof and other murdering gangs make Nicaragua their home.

Comandante Ortega is exporting revolution and terrorism in this hemisphere. Terrorism is nothing new, however, to the Sandinistas.

I commend the following excerpts from a State Department publication on Nicaragua and terrorism to my colleagues in the Congress.

THE SANDINISTAS AND MIDDLE EASTERN RADICALS

(An unclassified report on Sandinista ties to Middle Eastern radicals, including Sandinista participation in Middle East aircraft hijacking and terrorism in 1970, and their continuing relations with these groups and states in the 1980s)

INTRODUCTION

Foreign policy analysts and the news media have noted Sandinista relations with the Cubans and Soviets and Sandinista dependence on Eastern-bloc aid, arms, and advisers. It is recognized that those relations are inimical to United States and hemispheric interests. This report notes a different yet related aspect of Sandinista policy: the relationship between the Sandinistas and radical Middle Eastern groups and states, including terrorist elements supported by those groups and states. Their ties with the Palestine Liberation Organization (PLO) reach back more than ten years before the revolution in Nicaragua. Libya has given the Sandinistas both pre- and post-revolution aid, at first in conjunction with or through the PLO, and eventually through its own agreements with the Sandinista government. More recently, the Sandinistas have developed closer ties with Iran.

Relations between the Sandinistas and Middle Eastern radicals result from years of carefully developed contacts between radical forces in Central America and the Middle East. This report describes how the relationships started, the mutual assistance that the PLO and the Sandinista National Liberation Front (FSLN) have given each other, and the Sandinistas' relationships with Libya and Iran.

THE FIRST CONTACTS: TRAINING AND ARMS

The PLO made its international debut in 1966 in Havana, Cuba, at the First Conference of the Organization of Solidarity of the Peoples of Asia, Africa, and Latin America (also known as the Tri-Continental Conference). At this conference, Fidel Castro brought together 500 delegates from radical leftist groups around the world to devise a strategy for what they called the global revolutionary movement.

Results of that conference soon became apparent. In the months following the conference, guerrilla training camps appeared in various countries, with major clusters in Cuba, the Soviet Union, Lebanon, and Libya. Members of the PLO were among the first to be trained in the Cuban and Soviet camps, thanks to the close ties developed at the Tri-Continental Conference.

Training courses at these camps generally lasted six months and included ideological indoctrination as well as practical training in the use of weapons and explosives. The indoctrination focused on the theories of Marx, Lenin, and Stalin. Lecture topics included: "Russian Ties to the Third World," "The Struggle Against Imperialism," "The Soviet Contribution to Palestinian Liberation," "Zonist Ties to Imperialsim," and "The Reactionary Nature of North Yemen and Saudi Arabia." Practical training in techniques of warfare included blowing up munitions dumps, bridges, and vehicles; planting personnel mines; the rudiments of biological and chemical warfare; marksmanship and camouflage; urban and field tactics; and the use and maintenance of Soviet equipment such as rockets and shoulder-borne missile launchers.

SANDINISTA PARTICIPATION IN MIDDLE EAST TERRORISM IN THE 1970'S

The investment in training Nicaraguans had some immediate dividends for the PLO. When the PLO and its radical component groups, including the Popular Front for the Liberation of Palestine (PFLP), attempted to overthrow the government of King Hussein of Jordan in 1970, PLO-trained Sandinistas participated.

One PLO-Sandinista operation was discussed in an interview by Sandinista spokesman Jorge Mandi with al-Watan, a Kuwaiti newspaper: "A number of Sandinistas took part in the operation to divert four aircraft which the PFLP seized and landed at a desert airfield in Jordan. One of our comrades was also wounded in another hijack operation in which Leila Khaled was involved. She was in command of the operation and our comrades helped her carry it out." He continued, "Many of the units belonging to the Sandinista movement were at Palestinian revolutionary bases in Jordan. . . . Nicaraguan and Palestinian blood was spilled together in Amman and other places during the 'Black September battles.'" Mandi's reference to a "hijack operation" concerned the hijacking of an El Al airliner en route from Tel Aviv to London, on September 6, 1970. Sandinista Patrick Arquello Ryan was killed in this hijacking attempt; he had been trained at one of the PLO camps. Arguello is now revered by the Sandinistas as a hero and a large dam under construction has been named in his honor.

THE SANDINISTA REVOLUTION AND PLO INVOLVEMENT IN THE LATE 1970'S

The Sandinistas who trained in PLO camps in the Middle East gained an asset almost as valuable to them as their guerrilla training: contacts with sources of aid and arms. Again, Tomas Borge was the major go-between in aid and arms negotiations. While acting in his dual capacity as the Sandinista's PLO liaison and as Castro's emissary, the wide range of contacts he amassed in the radical Middle East served him well as he prepared for the Sandinistas' own revolution.

Borge used PLO assistance to obtain arms from North Korea and Vietnam for the Sandinistas. Libyan money helped pay for some of these arms. Reportedly, other shipments of supplies and arms came from the PLO itself. In July 1979, one planeload was intercepted when it stopped in Tunis. This PLO-chartered aircraft, ostensibly carrying medical supplies from Beirut for Nicaraguan refugees, was found instead to hold 50 tons of arms, including an anti-aircraft gun. The Tunisian government did not allow the shipment to go through.

REVOLUTIONARY SOLIDARITY: MILITARY AND ECONOMIC TIES

Shortly after the Sandinistas seized power, they rewarded the PLO for its assistance in their revolution by granting it unprecedented "government to government" ties. In most countries the PLO was at best permitted to open an "office"; in Managua it was permitted to open an "embassy," with the ranking representative holding the title of "ambassador." The PLO ambassador and his staff were accorded full diplomatic privileges.

In July 1980, Yasser Arafat made a four-day "state visit" to Nicaragua to formalize full diplomatic ties between the Nicaraguan government and the PLO. On July 22 at a

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

reception in his honor Arafat praised "the strategic and military ties between the Sandinista and Palestinian revolutions." Interior Minister Borge responded, "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." Arafat replied: "The links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies." Arafat expanded on this theme in an interview with Radio Sandino the same day: "the Nicaragua people's victory is the victory of the Palestinians. . . . The freedom in Nicaragua is the same in Palestine. . . . The only way, then, is for increased struggle against imperialism, colonialism, and Zionism." He closed the broadcast by reiterating, "Together against imperialism, colonialism, and Zionism." In a speech at the Cesar Augusto Silva Convention Center (also on July 22), standing with Borge and several other of the nine comandantes, Arafat said, "Anyone who threatens Nicaragua will have to face Palestinian, combatants."

THE SANDINISTAS AND LIBYA

Although the PLO, serving as an intermediary, had helped to develop the early Sandinista ties with the Libyan government, by the time the Sandinistas came to power in 1979, they had developed close direct relationships with the Qadhafi regime. Tomas Borge and Construction Minister Moises Hassan were key figures in working with Libya. Both were instrumental in obtaining a $100 million loan in 1981.

As with the PLO, Libya's support for the Sandinistas has not been purely economic. The Libyans have sent arms shipments to the Sandinistas. One huge arms shipment was intercepted in Brazil during April 1983. Four Libyan planes had made a stop in Brazil for technical reasons. The crew claimed that the planes were carrying medical supplies to Colombia. The Brazilians became suspicious when the pilots could not produce cargo manifests. The planes were searched by skeptical Brazilian authorities, who found about 84 tons of arms, explosives, and other military equipment.

THE SANDINISTA-IRAN-LIBYA AXIS

Recently the Nicaraguan relationship with Libya has strengthened both in deed and word. For example, on September 1, 1984, Tomas Borge represented the Sandinista government at the fifteenth anniversary celebration of Qadhafi's overthrow of King Idris of Libya (an event ignored by prominent moderate Arab leaders). Qadhafi, acknowledging Borge's attendance, stated: "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us. They fight America on its own ground." Qadhafi's reference to "fighters" can be taken literally, as there have been reports of Libyans assisting the Sandinistas in the fight against the armed democratic resistance as well as serving as advisers and pilot trainers.

Economic ties between Libya and the Sandinista government continue. On January 16, 1985, the Sandinistas announced a trade agreement regarding Libyan oil. The amount of the agreement is $15 million.

On January 23, 1985, Prime Minister Mirhussein Musavi went to Nicaragua and met with Daniel Ortega (their third meeting), and other members of the Sandinista government. Reports varied on the content of the meeting between Ortega and Musavi; most observers agreed that shipment of small arms from Iran and an oil deal were discussed. An ABC news report stated that Prime Minister Musavi is believed to control Iran's terrorist operations.

The Sandinistas admit that an oil deal with Iran was discussed, but they deny that arms shipments were agreed upon. Nevertheless there were reports that on January 25, 1985, two shiploads of arms were under way from Iran, to be transferred to Nicaraguan ships at some point, and that there may be some Iranian funding for the international terrorist presence in Nicaragua.

A HAVEN FOR SUBVERSIVES

The FSLN government has issued Nicaraguan passports to radicals and terrorists of other nationalities, including radicals from the Middle East, Latin America, and Europe, thus enabling them to travel in Western countries without their true identities being known. PLO agents working in Central America and Panama use Nicaragua as their base of operations. The Sandinistas' willingness to provide new documentation and a base from which to travel is undoubtedly one reason why Nicaragua has become a haven for terrorists and radicals from Europe as well as Latin America. Groups with a known presence in Nicaragua include the Basque Homeland and Liberty organization, known as ETA, the German Baader-Meinhof Gang, and Italy's Red Brigades. As in the case of the PLO, some members of these groups use Nicaragua as a base for carrying out regional work of their organizations. Others are in Nicaragua for "revolutionary solidarity" and participate in the war against the armed groups of the democratic anti-Sandinista resistance. Still others, usually professionals and technicians who because of their fugitive status could not work in their homelands, went to Nicaragua to find jobs, replacing the technical and managerial class that is fleeing the imposition of a communist system in Nicaragua.

CONCLUSIONS

The Sandinista connection with the PLO and radical Middle Eastern states is more than a decade and a half old. Sandinistas received PLO training in Lebanon and Libya, and fought beside the PLO against King Hussein of Jordan well before the Sandinista revolution was under way. In building their own capacity for revolution, the Sandinistas relied on the PLO and Libya for arms, money for arms, and help in transporting of arms.

Once the Sandinistas were in power, these relationships continued. The PLO sent them loans and military trainers; the Libyans sent them millions of dollars in financial assistance, plus arms, pilots, and military advisers. The PLO was granted full diplomatic status and was allowed to participate in military and guerrilla training camps in Nicaragua. The political ties between the Sandinistas and the PLO, and the Sandinistas and Libya, are strong, and the political solidarity manifest in deeds and during visits and anniversaries underlines the strength of these ties.

Beyond Sandinista political, military, and economic cooperation with Middle East radical states and the PLO is Nicaragua's connection with international terrorism. The Sandinistas have not been able to conceal the fact that Nicaragua has become safe haven for international terrorist groups such as the German Baader-Meinhof Gang, the Italian Red Brigades, and the Basque Homeland and Liberty organization (ETA). The Middle Eastern entities Nicaragua has chosen to deal with—the PLO, Libya, and Iran—have had known involvement in terrorist activity, including the planning, training, financing, and implementation of terrorist acts. Sandinista ties with this network pose increasing danger of violence for the Western Hemisphere.

TRIBUTE TO REPRESENTATIVE WYCHE FOWLER

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. RAY. Mr. Speaker, recently, the Atlanta Constitution, one of the Nation's finest newspapers, did a profile on a member of the Georgia delegation and our colleague, Representative WYCHE FOWLER.

I am sure that Members will find this article to be of interest, and I commend it to their attention.

WYCHE FOWLER IS A MAN ON THE RUN

(By Keith Graham)

From the looks of his battered jogging shoes, Wyche Fowler is a man on the run.

Not that the Fifth District congressman, generally a pretty progressive fellow, is making much progress wending his way through the aisles of Atlanta-Fulton County Stadium just before a Braves game.

He has set out for a hot dog, preferably one slathered with mustard in a way that gives new meaning to the term, "yellow dog Democrat." But the 44-year-old Atlantan knows how to make the most of the home park advantage.

Everywhere he turns, there's a hand to shake or a familiar face to wave to. An 11-year-old boy wants Fowler's autograph on a ball. A constituent wants to discuss a burning political issue: the way the post office mistreats stamp collectors. Fowler, who wears faded jeans and a blue knit shirt, listens and promises to look into the matter. He shakes more hands.

Many of the people greeting William Wyche Fowler Jr. would be startled to know that he once wanted to be a preacher. But not one would be surprised to hear that he answered to another high calling: He became a politician.

"The state-of-the-art politician," says Temi Silver, and Atlanta political activist who met Fowler in the 1960s when he was a congressional aide. Ms. Silver campaigned for Fowler's opponent when Fowler won election to Congress in 1977, but she's now a staunch supporter.

A moderate centrist—by conviction and by voting record—Fowler has represented the State's most liberal congressional district for eight years, but he's thinking seriously of running for the Democratic nomination to challenge Republican U.S. Sen. Mack Mattingly next year.

If he enters the race, he'll be an underdog. But don't underestimate him, says Fulton County Commissioner Chuck Williams, who often holds joint October birthday parties with the congressman. To compare the political skills of Fowler and Mattingly, Williams says, is like comparing the baseball prowess of Hank Aaron and Brad Komminsk.

Even Fowler's foes agree that the congressman is a savvy—and even charming—politician.

Not infallible, though, as Fowler himself admits. For a fellow who's considering a

statewide race, he made a political mistake at a "very early" age: "I was born in Atlanta."

Fowler's family roots, however, run deep in the soil of middle Georgia. Wyche Fowler Sr. was born in Warrenton. Emelyn Fowler, the congressman's mother, hails from Albany and grew up in Washington, a Wilkes County community. Both worked as educators in several towns before the elder Fowler took on better-paying jobs, selling textbooks, then insurance, in Atlanta.

The Fowlers lived in Decatur when their son was born—at Emory University Hospital—in 1940, and for several years immediately after World War II they lived in Marietta. When Wyche Jr.—five years older than his only sibling, a sister—was in the fourth grade, the family moved to the northside Atlanta home where they've lived ever since.

From his father, a stern taskmaster, Fowler learned discipline and dedication. From his mother, whom many say he favors, he gained wit. "They taught me to do right, to try to do right, no matter what the consequences," the congressman says.

Religion—as practiced at the Second Ponce de Leon Baptist Church—was also a profound influence on Fowler's youth. "They couldn't have anything at the church that I wasn't there," he says. "I believed with all my heart that I was going to be a minister. I had this absolute determination that that's what the Lord wanted me to do."

As a member of the Northside High School class of 1958, Fowler helped start an interfaith fellowship group, and he often spoke at church meetings. Wyche Fowler Sr., now 75, recalls that his son, a great believer in tithing, even gave the church 10 percent of the money he made bagging groceries.

That's not to say the future politician wasn't an all-American boy. Without working too hard, he made decent grades, but he was capable of behaving like "a mischievous brat." As an 11th-grader, he even ran afoul of the law. Although juvenile authorities decided against booking them, Fowler and two friends were suspended from school briefly for unleasing live pigeons from the balcony of the Fox Theatre. The future congressman learned his lesson. "I do not take pigeons to movies any more," he says.

Like most teenagers, Fowler also loved music and sports. "Buddy Holly was my hero and Chuck Berry," he says.

He can still recall the lyrics of almost every song popular between 1952 and 1960. And, according to a longtime friend, Joseph Robinson, first-chair oboist for the New York Philharmonic, "He can sing from dusk to dawn and never miss a line or repeat himself."

While in high school, Fowler hung out at black clubs, the Royal Peacock and the Walahaje, where he heard the Drifters and Ray Charles. At the old Municipal Auditorium, he rocked to the sounds of Chubby Checker and Fats Domino.

Even earlier, as a child of 9 and 10, he had sung and played the guitar at friends' birthday parties. At 11, the budding troubadour went big-time. He sang "I'm Sending You a Big Bouquet of Roses" on Freddie Miller's "Stars of Tomorrow," a popular local TV show that resembled Ted Mack's "Amateur Hour." He won top prize—24 Brock candy bars—and was invited back later to perform a duet with another winner, a 7-year-old from Augusta named Brenda Lee. He sang high tenor and she sang bass on "The Old Rugged Cross."

"I went on to penury and politics," he says, "and she went to stardom."

Six-feet tall, Fowler started at guard on his high school basketball team and ran distance events for the track team. As a cross-country runner, he won all-state honors.

After flirting with the notion of attending either Mercer University or Wake Forest, Fowler settled on North Carolina's Davidson College, where he gave up varsity sports for his studies. An English major, minoring in Biblical studies, he joined Phi Delta Theta fraternity, served on the student council and found time to teach a Sunday School class, volunteer at an orphanage and coach a teenaged black basketball team on the side.

Davidson made him "really examine, my faith, make it stronger and be able to back it up," Fowler says. By the time he finished college in 1962, however, he was less certain about a career in the ministry and enlisted for a two-year hitch in the Army.

In 1963, while serving as a first lieutenant in Army Intelligence at the Pentagon, Fowler read a news story about Charles Longstreet Welter. A representative from Atlanta, Weltner—at the peak of the civil rights movement—condemned racist attacks on blacks and proclaimed, "We must not compromise with hate."

Fowler was so moved that he called the congressman, who invited him over. Now a state Supreme Court justice, Weltner recalls: "I thought he was extremely bright and attractive . . . . He's a very remarkable person. He was brought up with a sense that you ought to be here to help other people."

As a result of their meeting, Fowler started working after hours for Weltner, and, when his Army duty ended, stayed on as the representative's chief of staff.

After Weltner chose not to seek re-election in 1966, Fowler went to the London School of Economics, then returned to Atlanta where he enrolled at Emory Law School.

The first hint of his political ambition came in 1968 when he contacted Atlanta Mayor Iran Allen and suggested someone should hang around City Hall at night and on weekends to answer the phone. "That is a wonderful idea. What fool can we get to sit down there?" the mayor replied.

The "fool," of course, turned out to be Fowler himself, but there was nothing foolish about his approach to the post. Although he had originally told the mayor he'd be a "duty officer," Fowler—"with a twinkle"—soon suggested to an inquiring reporter that he was "sort of a night mayor."

The newspapers promptly picked up the title, and Fowler made the most of it in the next year's elections. Although he was still a few months away from graduation from law school, a sign proclaiming "The Night Mayor Is Running for Alderman" appeared on his 1963 Corvair and a political career was launched.

At 29, Fowler won a city-wide post and was promptly dubbed the "bright young man of Atlanta politics." In 1973, he was elected president of the Atlanta City Council, and in '77 when Andrew Young went to the United Nations, he won the Fifth District seat he's held ever since.

Though he never made it to seminary, the congressman says there's been a consistency in his life's ambition. "I'd like to think the essence of good politics is a moral basis," he says. "What is a budget but a reflection of a nation's moral priorities? What is an environmental policy but a policy of stewardship? In a nuclear age, the moral question of life and death and the policies that bring us away from the brink or closer to the brink are the questions that we have to decide."

Today, Fowler leads a "relatively modest" dual life, divided between Washington and Atlanta.

In Washington, he rises at 5 or 6 a.m., reads the newspapers, breakfast on coffee and fruit and then walks the five minutes from his Capitol Hill home to the Rayburn Office Building, usually to swim for a while before settling into work.

"I'm just like any other middleaged American," says Fowler. "I try to stay in shape and lose the battle."

Generally, he's returning phone calls by 7:30 a.m. and works straight through, with a break for a hot dog at lunch, until 9 or 10 p.m.

He enjoys "an occasional medicinal drink" of King George IV Scotch, and he tries to go to bed early. "I'm not interested in Georgetown cocktail parties," Fowler says. "I'm a bit of a loner."

On vacations, he enjoys the great outdoors. "I'm not political like some people who have to live it and breathe it," he says. "I like to get away from it. Fishing and hiking are my second loves to baseball. My hiking and fishing are not just sports but that is a way of stepping back." He has climbed Mount Fujiyama in Japan and Mount Kilimanjaro in Kenya. During the just completed congressional recess, he went trout fishing with several friends in the Grand Tetons.

In his spare time at home, Fowler reads and occasionally sees a movie. "I just have to have a mental wash of fiction. I have to have somebody telling me a story and get away from all the reams of facts." He likes potboilers by Robert Parker, the poetry of William Butler Yeats, the novels of his favorite author, Anthony Trollope.

Most weekends, the congressman flies—tourist class—to Atlanta and visits with friends, constituents and his parents, at whose home he stays, though he owns a house in Virginia-Highland.

In his travels around the Fifth District, he drives a 1970 Oldsmobile Cutlass, well broken in with 150,000 miles but a symbol of modernity compared to the '66 Buick Riviera he drives in Washington.

In addition to attending Braves games, he catches three or four Falcons football games a year and likes to stop by Manuel's Tavern or the White Dot. He's occasionally seen jogging around the park near Peachtree Battle and Northside Drive.

Sunday mornings, he goes to church; a few times a year to his own, Central Presbyterian, more often to the churches of his constituents.

Divorced 12 years, Fowler is the father of a 14-year-old daughter. Since she lives with her mother in Dallas, he doesn't see her as often as he'd like, he says.

He has never remarried. "That still sort of haunts me," he says. "I always thought that there'd be a calmer time when I could marry again." On the other hand, he says, his mother has suggested every politician should be a bachelor—and an orphan.

Fowler dates, of course, though that's an aspect of his life he prefers not to talk about. "I live in a fishbowl," he says, "but I do not like to involve any women by being named."

"He likes the ladies but he's not a flirter," says Temi Silver. "He can talk to 80-year-old ladies in the same way he talks to delicious 30-year-olds."

The Atlanta Braves are batting late in the game, but their owner, sitting next to Wyche Fowler in the stands, is making a pitch: a curveball.

Ted Turner winds up and fires. Wyche Fowler, he says is, "the only—make that one of the many—honest men in Congress."

Fowler chuckles. He frequently enjoys a sort of Braves Banter Night seated next to Turner. Fast friends, he and Turner were drawn together, in Fowler's view, by enjoyment of challenge, a willingness to get big goals and take risks.

Turner says baseball drew them together, though it's true that Fowler has influenced him in ways that have nothing to do with the game: "He's made me more of a moderate. I just like him a lot. He's very likable, honest, caring and, I think, intelligent. Capable, too."

Stylishly dressed from his green velvet jacket to his shiny black loafers, Turner points to the railing where both he and Fowler have propped their feet. "He has worse shoes than mine, too," the Braves' owner says. "That's another reason I like him."

MORAL AND PRACTICAL DILEMMAS OF HEALTH CARE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. BEREUTER. Mr. Speaker, the following excellent editorial essay from the September 23, 1985 issue of the Lincoln (NE) Star discusses the terrible conflicts generated by ballooning health care costs that have more than doubled as a percentage of the gross national product over the past 15 years.

All Americans should be concerned about the fact that excessive health costs have the effect of preventing the Nation's poor from securing adequate health care. The health care that the poor do not receive ranges from important, but elective surgeries, to routine preventive health care.

Furthermore, astronomical health care costs affect the middle-income segments of our society as well. The problems of health care, then, become problems that society as a whole must solve, for they are moral and practical both.

The editorial essay follows:

HEALTH CARE SYSTEM LOSING MORAL FOOTING

In a speech in Lincoln last week, a Creighton University philosophy professor warned that soaring medical costs exclude the poor from adequate health care. The professor's moral judgment is correct but his perspective is too limited.

Soaring medical costs exclude more than the poor from adequate medical care. When a brief encounter with the health care system can cost well into the three-digit range, you quickly become reluctant to use the system.

For most people, that system includes dental care, physician services and prescription drugs. At times, it will include hospital care, and that can greatly compound the problem.

Not all hospitals are the understanding institutions that they used to be. Today, some will dun you intensively for payment of your account. Little patience is shown before the threat of a collection agency is tossed in the consumer's lap, adding to whatever medical trauma is present.

Matters become compounded in the middle-income range as health care costs increase, health insurance premiums rise and benefits are curtailed. That double whammy makes you think a long time before you avail yourself of the system.

The economics of the system rule out preventive health care treatment for vast numbers of people. That, in turn, ultimately is an added burden on the system and a further stimulant to still higher costs.

In the past 15 years, health care costs have more than doubled as a percentage of the nation's gross national product.

The situation more severely affects the poor but is felt well into the middle-income range. The future shows on promise of relief.

The administration of President Ronald Reagan has changed some thinking on this subject. Where there were once many there are now few who believe that the country is heading toward socialized medicine.

We are headed in two directions. One movement is toward growing use of such collective operations as health maintenance organizations. The other movement directs us toward the denial, by economic necessity, of adequate health care to millions of people.

It is this limited access to the system that presents the moral imperative of which the Creighton professor speaks. The more the system becomes a luxury item the more of a moral problem it presents.

As a society, it is immoral for us to permit something as fundamental as decent health care to become more and more a service that is unavailable to those on the lower end of the economic scale.

REFERENDUM STRIKES A BAD NOTE

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. MARLENEE. Mr. Speaker, the idea of a farm producer referendum is a lot like get rich schemes that populate the back pages of comic books: it looks and sounds great but it isn't real and it certainly isn't helpful. Or worse, it builds up false hope to a problem that it worsens rather than corrects.

The Farm Policy Reform Act, or producer referendum, hits a sour note. The following article, published in the Washington Times and other newspapers throughout America, explains why the referendum is a concept that would doom American agriculture to an unmelodious, unprofitable future.

Perhaps a country-western singer should write a new hit: "Mama, Don't Let Your Babies Grow Up To Be Farmers Who Have To Vote on a Referendum."

Mr. Speaker, I encourage my colleagues to read the following article "The Harkin Plan: 'Fascist' Farm Policy?" and keep it in mind as we continue debate on the most important farm bill in history:

[From the Washington Times, Sept. 26, 1985]

THE HARKIN PLAN: "FASCIST" FARM POLICY?

Tom Harkin, the freshman U.S. senator from Iowa, makes little secret of his far-left ideology and associations.

As a congressman he regularly boosted the programs of, and was closely associated with, the Institute for Policy Studies—Washington's most radical-left think tank.

Last spring, Mr. Harkin volunteered to try to sell Washington the Sandinista's new "peace plan" in order to stop aid to the Nicaraguan "contras."

This fall, however, he has dropped his socialist foreign-policy hat in favor of a blatantly fascist approach to domestic agricultural policy. Mr. Harkin is on the verge of getting that approach adopted by Congress, using last Sunday's Farm-Aid Concert as a front to "sell" it to taxpayers.

If he succeeds, America's agricultural preeminence will be lost forever—and we soon could be importing most of our food.

Mr. Harkin's proposal, most of which was recently adopted by the House Agriculture Committee, involves arbitrarily reducing domestic production by up to 45 percent to support a 40 to 50 percent price increase for all major feed and food grains, shifting the cost of subsidizing farmers from taxpayers to consumers.

Farmers would be forced to participate in a national referendum on "an offer they couldn't refuse"—either vote for large, nationally imposed cutbacks in production in return for a 40 percent increase in the domestic loan (support) rate—or accept reductions in that loan rate of 5 percent a year for three years.

When they had approved this plan (as they would), the secretary of agriculture would set national production quotas on every crop, and issue marketing "certificates" to every farmer who accepts these mandatory crop-reduction quotas.

In return, participating farmers would be given an immediate increase in crop loan rates from $2.55 to $3.61 a bushel on corn, and from $3.30 to $5.01 a bushel on wheat. And they would not be allowed to sell their grains for less than the loan rates.

To protect the farmers from "unfair competition" either from lower-cost imports or from those producers who don't sign up, Mr. Harkin's plan would make it *illegal* for any U.S. food manufacturer to buy grain from anyone without a certificate.

Farmers who don't "participate" could only sell their products overseas and without subsidies—and, without certificates, they would be committing economic suicide.

To keep these mandated higher prices from killing U.S. exports, the Harkin-House plan would give "export bonus payments" to exporters who bought grain from certificated producers and sold it overseas at the lower world prices. This would establish a "two-tier" pricing system on completely fungible food commodities which, without massive policing, manufacturers could easily buy more cheaply from any other country.

The USDA estimates that these export "bonus payments" would cost $6 billion a year—$18 billion over three years—or slightly *more* than deficiency payments now cost on *all* crops.

Aside from the monstrously immoral idea of shutting down 30-40 percent of the world's most productive agricultural economy at a time of worldwide hunger and famine, the Harkin proposal would do

almost incalculable damage to the U.S. agricultural economy.

As a result, total four-year input expenditures (seed, energy, farm machinery, fertilizers, and pesticides) would fall by $12 billion, killing off 130,000 jobs. Net farm income would actually fall amother 10 percent, even as consumers would be hit by a $20 billion increase in food prices—whose impact would be 2½ times as great on low incomes as average households.

It would also surely invite exactly the kind of worldwide protectionist trader war that brought on the Great Depression.

Under the Harkin-House plan, by 1989, planted acreage would have been cut from 270 million to 205 million; 40 percent higher feed costs meat and poultry consumption by 7 would cut meat and poultry consumption by 7 percent; raise broiler and hog prices 15–30 percent; and cut the already marginal returns of beef operators by $75 a head, cutting the current record-low cattle herd from 110 million to 97 million.

Mr. Harkin's draconian proposal was successfully "fronted" in the House by his ideological Bobbsey Twin, Rep. Tom Daschle, D-S.D., who arranged for last May's maudin appearance of Jane Fonda, Sissy Spacek, and Jessica Lange before Congress, the same women who poured out their compassion for farmers last Sunday and publicly endorsed the Harkin plan.

Now, suddenly Rep. William (solo-junket-to-Brazil) Alexander, D-Ark., has jumped in to help Mr. Harkin get his entire "mandatory" approach adopted on the floor in today's scheduled debate. So as bad as the present House bill is, it could get much worse.

Thus, the Beverly Hills Bleeders have gone on record for cutting U.S. food-grain output 30–40 percent while Africa is starving—in a plan identical to one first used by Bismarck of Prussia.

If you were looking for a more devilish way to undermine the U.S. and world economy—you could find nothing to equal the Harkin-House approach which Congress is now racing to ratify.

TRIBUTE TO SHIRLEY SARGENT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. COELHO. Mr. Speaker, an excellent article appeared recently in the Los Angeles Times about the foremost historian of Yosemite National Park, and a good friend of mine for many years, Ms. Shirley Sargent.

Shirley has lived in Yosemite since her childhood, when she arrived there with her parents in 1936. Her father was an engineer who helped to build roads allowing greater access to the high country of the park. Shirley became so fascinated with Yosemite's unique natural magnificence and beauty that she could not leave it, and she has lived there ever since.

Shirley has dedicated her life to chronicling the park's colorful social history, writing books on such diverse topics as the life of John Muir, the contributions of women pioneers to the park, and the history of the Ahwahnee Hotel. Not content only to write, Shirley also co-owns her own publishing company, Flying Spur Press. Her special role in Yosemite has been recognized by the park's concessionaire, the Yosemite Park & Curry Co., which has made her its official archivist.

Shirley has worked hard to preserve the colorful and unique history of Yosemite for the enjoyment of park visitors for many generations to come, and for this I would like to thank her. Her excellent books make visits to the park even more enjoyable by explaining the stories behind all the attractions. The Los Angeles Times article that I mentioned earlier discusses Shirley's many contributions to Yosemite, and gives a glimpse of the positive spirit that she is so well known for. In recognition of all her accomplishments, I insert this article here in the RECORD:

[From the Los Angeles Times, Sept. 15, 1985]

TELLING TALES FROM THE SIERRA BY A BIOGRAPHER FOR YOSEMITE

(By Kay Mills)

FORESTA, CALIF.—Writer Shirley Sargent knows her place and lives it—Yosemite National Park.

For years she has been writing the histories that appear on bookshelves in park shops, books like "John Muir in Yosemite" and "Pioneers in Petticoats," as well as those on the landmark Ahwahnee and Wawona hotels. The connections between her work and being are fundamental.

Yosemite fascinates Sargent, and she wants to help others know its spell. "Solitude is one of the reasons this park is so loved. This park to me is a magnet. It's a lodestone. It's a home to me and I'm lucky. It's a place of singular beauty and multiple interests."

Knowing about the people who fought to preserve the park and its solitude and who made it their home should enrich any visitor, Sargent believes. "It will mean more to them if they're at Camp Curry and they know that the Currys started with seven tents and sleeping out in the rocks. Anytime you can make people real it helps," said the writer, who may have been a social historian long before it became academically acceptable.

"I don't like just plain history with a lot of facts. I want something that makes the people real to me. I want the death and the blood and the tears and the triumph, too.

"Say you're a tourist in the valley. You may look up and see a pillar of rock and say, 'Wow, look at that,' and then you remember from what you've read that a woman first climbed it in 1875. Wouldn't that make it more singular to you, more exciting?"

Sargent's books tell the Yosemite visitor what could have happened as well as what did. Not only was the Hetch Hetchy Valley dammed to provide water for San Francisco but there were plans years ago to dam the South Fork of the Merced River, which would have flooded the area around the present Wawona Hotel and golf course on the southern edge of the park. "There have been tons of threats against the park," said Sargent, citing a present-day attempt to dam the Merced at El Portal, just west of the park boundary. "It's all greed, greed, greed."

Sargent, 58, first came to Yosemite in 1936. She lived with her parents in Tuolumne Meadows, at 8,600 feet in the high country, while her engineer father helped build new park sections of the Big Oak Flat and Tioga roads. Several years passed before she came down from Tuolumne to see the valley because she remembers always being carsick on the winding roads. She had a nomadic experience as a child, living in national parks and attending two or three schools each year.

Today she lives off the Big Oak Flat Road a few turns and a few bumps beyond Big Meadow, just 200 feet outside the park's western boundary. Her home occupies a clearing where you can hear the wind in the pines and catch the arresting scent of "mountain misery," a pungent plant with medicinal aroma. The house stands on the foundations of a home once owned by Theodore Solomons, the man who mapped what became the John Muir Trail along the crest of the Sierra. The original stone fireplace from Solomons' house keeps her warm during the long winters of snow and solitary writing for her next book, a biography on, of course, Theodore Solomons.

Sargent insists on downplaying one aspect of her life, a rare disease that has confined her to a wheelchair since she was 14. After she graduated from Pasadena City College in 1947, she said she wanted to continue her education and applied to several universities, "but in those days it was pretty difficult for a handicapped person to get accepted." She was finally admitted by Whittier College, but by then she was already writing and decided "the best way to learn to be a writer is to sit down and work day after day."

She acknowledges few limits. "Tuolumne is sc level that there's a lot of places you can go in a wheelchair. You can also go by mule or horseback. Of course that's expensive. . . . You can't always do everything. Old people can't do everything either."

Nonetheless, she's glad the improved Tioga Road went through in 1961—although many conservationists opposed it—to ease the trip to Tuolumne Meadows, "because it means many people, the old and the infirm, can see parts of the park they would never see otherwise. Now a lot of people are just too lethargic to tackle anything more than just a stroll. I'm a firm believer in getting out of the car and seeing, reacting."

Sargent was a nosy kid who knew she wanted to write. "I had always been curious about the past. I'd wonder who lived in some old run down farm house. And I'd go ask." Granny Meyer, who lived in a ranch house in Big Meadow and who had first come to Yosemite in 1883, could answer. Sargent put her and the women Meyer knew about—writers, cooks, innkeepers and hell-raisers—in "Pioneers in Petticoats," published in 1966.

Elizabeth Meyer's life "had spanned a tremendous amount of development here," Sargent recalls. "She was witty and she made a good subject because I knew her. She turned me on to history. I was still writing fiction, teen-age novels. One of my teen-age novels was called 'Ranger in Skirts.' Guess where she was located? Yosemite."

Most kids want to be a nurse one day, a teacher the next, Sargent recalled. "I was always going to be a rich, famous writer. Here I am at the age of 110," she added with a laugh, "rich in environment, in family and friends. And a writer."

A writer whose books (most published by Flying Spur Press, which she co-owns) sell steadily. "John Muir in Yosemite," published in 1971, is the biggest seller, and she says her book on the Ahwahnee sells about 2,500 copies a year. Her newest is "Dear

Papa," letters between Muir and his two daughters.

Sargent is the archivist for Yosemite Park & Curry Co., now owned by MCA, the giant movie and entertainment company. She says her relationships with the Concessionaire are excellent. "They weren't always that way." When she was younger, she says, "I was a complete rebel. . . . I used to call it the Yosemite Park & Robbery Co."

Does MCA ownership make any difference?

"When MCA came in here in 1974, it came in like gangbusters and they renamed Degnan's (a landmark park restaurant) the Great Yosemite Food and Beverage Co. It was really tacky, one of those city-type names. There was talk of 10-story convention centers, which I knew would never happen because the National Park Service controls all that. But within a very short time they calmed way down."

With all she knows about park hotels, a visitor tells Sargent, she could have been the Authur Hailey of Yosemite, writing about sordid scenes in the back country. She had, after all, wanted to call "Pioneers in Petticoats" by a steamier title, "Sex in the Sierra."

Sargent now grins at the thought. "I have a friend who's bugging me to do a novel about Yosemite. There's a lot of drama. But I know too much about recent history. There are things of course I didn't put in 'Yosemite and Its Innkeepers' that might have made it a little spicier. But I didn't want it to be. They'd say, 'Oh, here she comes again, digging up all the dirt.' Sure there's dirt anywhere you go. There are power fights wherever you go. . . . It's not that I avoid controversy but I don't think I want to do the Great American Novel on Yosemite.

"You have to add so much sex, so much blood and gore to appeal to readers today. There's enough drama in the geological forces in Yosemite.

DANNY ORTEGA—AN IMPORTER ON THE SLY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. BROOMFIELD. Mr. Speaker, who can be both a revolutionary and a smooth businessman? The answer: Commandante Daniel Ortega of Nicaragua. Believe it or not, that outspoken Marxist-Leninist, who criticizes capitalists whenever he can, is in business and doing well for himself; he may already be a millionaire. What, however, has he done to improve the life of the average Nicaraguan? In fact, very little.

According to an article by Jack Anderson, the commandante and his brother, Humberto Ortega, have a large import business. The two companies, Alfa Commercial and H.M. Corp. handle all goods and materials imported into that country. These commandantes also reportedly own numerous houses in Managua along with beach houses. They frequent private restaurants that are closed to all but them and their guests.

In addition to betraying the original promises of the Nicaraguan revolution which would have created an open democratic state, these Sandinista leaders are fattening themselves and their families by taking advantage of their prominent positions in that long-suffering country. While they pretend to help the people, they are really only interested in their own welfare.

Once again, the well-being of the Nicaraguan masses is ignored by those at the top who think only of themselves and hard currency. Rather than trying to upgrade the living conditions of Nicaraguans, the Sandinistas have destroyed the economy of that country. They have essentially turned that poor land into a closed police state. The church has been attacked and the opposition has been intimidated. At great cost, they are exporting their failed revolution to neighboring states. Again, corruption is alive and well in downtown Managua.

With these concerns in mind, I commend the following Washington Post article to my colleagues in the Congress.

[From the Washington Post, Sept. 20, 1985]

SANDINISTA NOW SPELLS CORRUPTION

(By Jack Anderson and Dale Van Atta)

Are the revolutionary rulers of Nicaragua trying to surpass the late, corrupt Anastasio Somoza's record as the hemisphere's greediest dictatorship? The word we get from Managua is that the Marxist Sandinistas are making a good run for Somoza's title.

In fact, the Sandinista leaders and their cronies are so blatant about their pursuit of luxury and wealth that the long-suffering Nicaraguan people know all about it, and some of them cynically refer to the revolution as el engano, meaning the trick or hoax.

From U.S. intelligence and other sources, we've pieced together this story of a people's revolution betrayed by the Marxist millionaires who stole control:

The three commandantes who dominate the Sandinista junta, Daniel Ortega, Humberto Ortega and Tomas Borge, have divvied up the country's import market through two monopoly companies. What the Ortega brothers don't control, Borge does.

Daniel Ortega is the president of Nicaragua; Humberto is minister of defense and head of the army. Their key company is Alfa Comercial, which handles goods imported for the government. It is like the U.S. General Services Administration, except that the Ortegas are allowed to skim a percentage off the top of each transaction.

Rivaling their official pillage is the empire being built by Borge, the only surviving founder of the Sandinista movement. He is in charge of the police and internal security.

Borge walks with a pronounced limp, a souvenir of torture in the same Somoza prisons where his enemies are now mistreated. Borge was liberated in 1978 during the dramatic takeover of government buildings in Managua by Eden Pastora, now an embittered foe of his old Sandinista comrades.

Borge's import company, H M Corp., imports whatever goods the Ortegas don't.

Like the Ortegas, Borge has his own elegant private restaurants, off-limits to everyone but the Sandinista leaders and their guests. The government pays the tab. Borge also owns the Mau Mau, a discotheque in Managua that is the favorite of U.S. Embassy Marine guards.

Borge and the Ortegas flaunt their nouveau riches. Each owns more than half a dozen houses in the capital, according to competent sources. The Ortega family has nine beach houses in the San Juan del Sur resort.

Mansions that once were Somoza's also are available for the Sandinista leaders' use. They are known as "protocol houses" in a transparent attempt to make them look official.

This is the tragedy of the Nicaraguan revolution. A popular uprising after years of repression and exploitation has been totally corrupted. The people still live in poverty.

Footnote: A spokeswoman for the Nicaraguan Embassy denied "absolutely" that Borge and the Ortega brothers owned any houses other than the ones they live in. She also maintained that only one company imports goods used by the government and it is state-owned. All of the restaurants in question, she added, are owned by the state.

A LETTER TO THE PRESIDENT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. PORTER. Mr. Speaker, as the November summit between President Reagan and Secretary General Gorbachev approaches it is important that the issue of human rights in the Soviet Union is addressed as a high priority concern. We must remember the individuals and their families in the Soviet Union who are the victims of harassment and suffering. Therefore, I submit for the RECORD a letter that I will be sending to President Reagan on behalf of Zachar and Tatiana Zunshine, who are longing for the day they will be allowed to leave the Soviet Union.

SEPTEMBER 27, 1985.

Hon. RONALD W. REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: The American people have long cherished and represented the value of human liberty for all people. Therefore, as you prepare for your upcoming meeting with Secretary General Gorbachev I would like to express my concern that the issue of human rights remains high on the agenda and that the individuals in the Soviet Union who are victims of human rights abuses are addressed specifically.

I would like to bring your attention to the plight of Zachar and Tatiana Zunshine, a family that has become very important to my wife, Kathryn, and I. We have had the opportunity to directly correspond with Tatiana and learn from her firsthand of the suffering that she and her husband have endured. Zachar Zunshine has been imprisoned in the Soviet Union since March 6, 1984. His crime is that he desires to leave the Soviet Union and to live freely in Israel. The Zunshines first applied to emigrate in 1981, but were subsequently denied that right.

Since being imprisoned Zachar has been suffering poor health and has been receiving insufficient medical treatment. While her husband suffers in prison, Tatiana is living a nightmare and will continue to do so until Zachar is released. Recently, life has become especially difficult for Tatiana as she has been struggling with Soviet authorities in an attempt to visit her husband in prison. These Soviet authorities are not only overlooking the Zunshines rights as

guaranteed by international human rights doctrines, but they are also denying Tatiana her rights as a Soviet citizen.

Mr. President, I know that you share my concern for those whose fundamental freedoms are being overlooked. Your meeting with Mr. Gorbachev is crucial to the freedom of people who are being persecuted in the Soviet Union. It is important that Mr. Gorbachev recognizes that the United States government cares about people like Zachar and Tatiana Zunshine.

America has long symbolized the principle of freedom for the oppressed peoples of the East. The U.S. must reaffirm its commitment to act upon that principle at this critical juncture for U.S.-Soviet relations and for the Jews of the Soviet Union.

Sincerely,

JOHN E. PORTER,
Member of Congress.

ECONOMIC SUCCESS HASN'T TRICKLED DOWN EVERYWHERE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. FLORIO. Mr. Speaker, I would like to draw the attention of my colleagues to a thoughtful analysis of the southern New Jersey region. Mr. Joseph T. Tarquini, Jr. of the Tarquini Organization, Camden, NJ, has very adequately described the difficulties faced by our area in these times of supposed economic growth.

I suspect that the southern New Jersey area, which includes the First Congressional District which I have the privilege of representing, is not alone in today's economy. Mr. Tarquini's article may elicit comparisons with other districts with similar problems. I encourage my colleagues to read it.

The article appeared in the Philadelphia Business Journal of September 16–22. The article follows:

ZERO SUM GAME NOT FOR SOUTH JERSEY'S FUTURE

(By Joseph T. Tarquini, Jr.)

When the PATCO High Speed Line was being planned as the link between Philadelphia and the burgeoning South Jersey communities to the east, the City of Camden was expected to be a prime beneficiary.

Unfortunately, the rail link was no boon to Camden. Instead of making it possible for businesses to move in, it gave the professionals still in the city—medical people and attorneys, mainly—a ticket out of Camden. They could still work "downtown," but from offices in Haddonfield and other towns made conveniently accessible by the Speed Line. Growth, winner, loser, Zero-sum development.

Over the years, Atlantic City too had gone the way of Camden—orphaned by changing tastes and new demographic realities. As Camden was orphaned in the years after World War II by a newly-mobile population whose autos and superhighways allowed them to live far from where they worked, so Atlantic City fell prey to the changing tastes of tourists who were more affluent and, perhaps, less easily entertained than their parents.

Camden has been engaged in valiant efforts to turn itself around in recent years. A number of new governmental and institutional buildings and the commitment of Campbell Soup to build new headquarters on the riverfront are excellent signs of progress. However, these developments are not sufficient to recapture a viable tax base. Until there is a major commitment by a residential developer, which will in turn attract the movie theaters, restaurants and shops that make a city come alive, Camden's revitalization will be a slow march forward.

Atlantic City was supposed to have been turned around by the introduction of casino gambling. But the city made a fundamental planning error at the very beginning by placing all of its chips on one spot—the boardwalk. As a result, there was no hub provided by casino development around which other, smaller commercial development could take place.

Today, Atlantic City is isolated from itself. The city and the boardwalk are two different worlds. Growth, winner, loser, Zero-sum development.

Atlantic City also is isolated from the rest of South Jersey—in fact, from the entire Northeast Corridor, because the proposed rail link between the city and Philadelphia (the so-called "Gambler's Express") is tied up in special interest wrangling.

If that line were built, and included appropriate local service, all of South Jersey could benefit by being connected to the rail lines linking the East's major cities from Washington to Boston.

South Jersey is too often a collection of competing enclaves.

What South Jersey does not need is a state level planning body. On the other hand, the myriad planning bodies in South Jersey communities vary in their sophistication and, in almost all cases, are simply unaware of what neighboring communities are doing with development that may impact them.

South Jersey would benefit if county-level planning bodies were to establish an informal communications mechanism to coordinate planning efforts and, in turn, to pass needed information down to local planning bodies.

While no entity would be in a position to veto another's development plans, improved communications would allow communities to plan future growth with the knowledge of what was being done in neighboring areas, and how they can best adjust to or take advantage of it.

South Jersey in the next century will be a region shaped by decisions made today. It will either be strong and vital or weak and declining.

Unless we take steps to insure that local planning is done with a view to potential regional impacts, we may see another 20 years of zero-sum development. And that would mean more South Jersey communities becoming the orphaned cities of the next century.

Joseph T. Tarquini Jr. is president of The Tarquini Organization, the Camden-based professional association of architects, planners and interior designers.

PRESIDENTIAL VETOES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. COURTER. Mr. Speaker, I would like to make my colleagues aware of a recent column by Donald Lambro in the Washington Times, which makes the point that President Reagan can, and should, be more aggessive in his use of the Presidential veto power.

As long as the House and Senate ignore the growing public concern over Federal deficits, the President must use every weapon he has available to whip Congress into shape. I hope legislators on both sides of the aisle will read this column.

The article by Mr. Lambro follows:

From the Washington Times, Sept. 26, 1985]

BRUSHING UP ON VETOES

Memo to President Ronald Reagan: George Washington vetoed two bills during his presidency, neither of which was overridden by Congress.

President Abraham Lincoln vetoed seven bills, and none was overridden.

President Franklin D. Roosevelt vetoed 635 bills during his 12 years in office, and only nine, or 1.2 percent, were overridden.

The all-time veto champion was President Grover Cleveland, who averaged 73 vetoes each year he was in office, but was overridden only seven times, or on 1.2 percent of the 584 bills he rejected.

In the 196 years since George Washington was president, a total of 2,431 bills have been vetoed, and only 98 of them, or a scant 4 percent, have been overridden.

Just think if it, says freshman Rep. Fred Eckert of New York, "Throughout American history, presidents have been able to make their vetoes stick 96 percent of the time—96 percent of the time!"

During your August vacation and convalescence at your mountain ranch, Mr. Eckert sent you the complete veto messages of President Cleveland, hoping it would encourage you to emulate his penchant for vetoing bills, not to mention FDR's.

He, along with a number of your allies in Congress, wants you to begin wielding your veto pen as aggressively as past activist presidents have, in a major offensive to curb runaway spending.

Stephen Moore, policy analyst for the Heritage Foundation, says that in a veto fight you would hold all the trumps to make your vetoes stick.

A study of presidential vetoes by political scientists David Rohde and Dennis Simon found that two major factors have prevented Congress from overriding vetoes more frequently: the president's "public standing" and "control of Congress by the president's party."

Certainly your standing has never been higher, according to all the polls, and you enjoy Republican control in the Senate, something that President Dwight Eisenhower didn't have—though the vast majority of his vetoes were upheld.

According to the Heritage Foundation's analysis, if you "can keep Republican defections in the Senate below 30 percent on override attempts," you will be able to sustain all of your vetoes, even if you don't win a single Democratic vote.

There will be those who will advise you to compromise on the spending bills Congress will soon be sending down Pennsylvania Avenue for your signature. "Confrontation is not the way to run a government," according to the conventional wisdom in this town. And many of Washington's politicians and pundits have been urging you not to

take the veto approach to controlling federal spending.

The reason your adversaries are doing so is because they know it will work and that it will, to a large degree, strengthen your position in Congress and revalidate your 1984 mandate to get tougher on the deficit.

Pick your veto targets carefully, make known your determination early to veto specific bills that exceed your budget, then take your case to the people aggressively and ask for their support to uphold your veto.

It's a high-yield strategy tailored to turn your summer defense into a fall offense and regain the pre-1984 momentum of the Reagan Revolution.

MEXICO IN NEED

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. LAGOMARSINO. Mr. Speaker, the tragic earthquake in Mexico has dealt another severe blow to the battered economy of that nation. As a neighbor and ally, Mexico's importance to the United States cannot be overstated. Our concern and assistance in this time of adversity for Mexico is vital. Yet, as Jorge Castaneda writes in his commentary "Mexico in Need," that assistance must be made in a way that preserves the pride and self-respect of that nation.

I urge my colleagues to read Professor Castaneda's views contained in the following article:

[From the Washington Post, Sept. 22, 1985]

MEXICO IN NEED

(By Jorge G. Castaneda)

When things go badly, Mexicans commend themselves to the Virgin of Guadalupe, the country's patron saint, for help and deliverance. Slow and inefficient at best, she was particularly inefficient last week. Mexico was struck by the worst natural disaster in its recorded history and received the latest installment in a seemingly never-ending succession of economic bad news.

Saudi Arabia leaked to the press—and privately made it known to Mexico—that it was increasing its petroleum exports to around 4 million barrels per day, thereby ensuring a new drop of $2 or $3 per barrel in the price of oil. Every one-dollar reduction implies a $540 million drop in Mexico's yearly hard-currency earnings. After two price cuts during the past nine months, the country can ill afford another one. Most likely, such a move would make interest payments on its $96 billion foreign debt exceedingly difficult, if not impossible.

To complicate matters further, on Thursday—the day of the earthquake—the International Monetary Fund tactfully announced that it was revoking its loan agreement with Mexico, freezing the pending disbursement of $900 million in loans. More than the money itself, the IMF's decision will affect Mexico's already battered credit rating, making its attempt to obtain fresh funds on the world market practically hopeless.

Despite the ominous implications of these economic and financial calamities, they are clearly dwarfed by the destruction and misery wrought by last week's earthquake. The dead, the maimed and the injured are yet uncounted but will certainly run over 10,000. Property and economic damages are massive if incalculable. Worst of all, the harm done to the psyche of the capital's 17 million inhabitants may take years to mend. Mexico City ceased to be a pleasant, healthy or safe place to live years ago, but, because of the quake, all of its ills and drawbacks will multiply many times over for years to come. Moreover, since Mexico City is the economic, political and cultural heart of the country, the catastrophe's effects will reverberate throughout the nation.

This is the bad news. The good news is not yet in sight. It can, nonetheless, be hoped for and, though Mexico's wish list today is infinite, it does have priorities. Obviously first among them is humanitarian aid from abroad—and from the United States. It is needed, will be welcomed and accepted, but on Mexico's terms.

Requirements have not yet been ascertained, although some help has already begun to arrive. France and other European countries have sent planeloads of supplies and specialized rescue equipment. The government of the United States has offered assistance; it will undoubtedly be useful. The international community, and the United States in particular, should, however, work in close cooperation with Mexican authorities and institutions in choosing and channeling the aid to avoid overlaps, bruised feelings and conditionality of any sort.

Under present circumstances, Mexico's pride is one of its most precious assets. It should be handled with care and, above all, with tact. With phone lines down, friends and relatives out of touch and television screens filled as never before with scenes of Mexico and its people, Americans could perhaps reflect on how close and how relevant Mexico is. It is a cliché to say that only tragedy brings attention and interest, but it is also, in this case, a tragic irony. If Mexico City's earthquakes of Sept. 19 and 20 mark the beginning of a new American awareness of Mexico's problems, promise and reality, they will have generated something positive—however minimal.

Finally, the earthquake could offer the country's creditors—governments, banks and international agencies—an opportunity to ease up on Mexico. For some time it has been clear to many that Mexico would soon have to stop sacrificing its long-term economic development to meet interest payments on its foreign debt. If the earthquake makes this fact easier to realize, live with or justify, then once again the international financial community will have done the right thing for the wrong reasons. the economic costs of reconstruction will be enormous. But the political costs of not helping to rebuild the devastated areas of Mexico City could be far greater.

If there ever was a time when a country needed a break, the time is now, and the country is Mexico.

THE 50TH ANNIVERSARY OF THE UKRAINIAN GOLD CROSS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Ms. OAKAR. Mr. Speaker, on Saturday, October 5, 1985, the members of the Ukrainian Gold Cross will hold a banquet and commemorative meeting in Cleveland to observe the 50th anniversary of their organization. The Ukrainian Gold Cross, organized in Cleveland in 1935, has provided half a century of humanitarian service, assisting their fellow Americans, as well as Ukrainians who were victimized by war and political repression.

The Ukrainian Gold Cross was organized in response to the desperate need of Ukrainians who suffered from the horrors of Stalinist terror in the thirties. After World War II, the Gold Cross sponsored and assisted refugees and displaced persons who were forced to abandon their land of birth and emigrate to America. The refugees, who had been traumatized by the horrors of communism, fascism, and global war, found a safe haven in the United States and generous assistance from organizations like the Gold Cross. Members of the Gold Cross helped the new Americans to find housing, learn a new language, and become acquainted with new customs and a fresh way of life.

Today, the Ukrainian Gold Cross assists victims of hunger, disease, disaster, and hardship on a local, national, and international level. The organization conducts nursery schools and summer camp for adolescents and sponsors scholarships for underprivileged students who seek higher education. An important aspect of the Gold Cross efforts is the preservation of Ukrainian customs, arts, and crafts, and the perpetuation of ancient traditions. Through their efforts, the rich Ukrainian heritage lives in this country in the hearts of Ukrainian Americans. The Gold Cross also works to provide moral and material support for political prisoners in Ukraine and their families, who have been targeted for repression on the part of Soviet Secret police and judicial organizations.

Most recently, members of the Ukrainian Gold Cross participated as a nongovernmental organization in the U.N. International Women's Conference in Nairobi, Kenya, this past summer. The Ukrainian participants provided information on Ukrainian culture and solicited support for the efforts of Ukrainian women who are struggling for human rights and national self-determination.

I congratulate the Ukrainian Gold Cross on the occasion of its 50th jubilee and wish its members continuing success in their service to the American and Ukrainian communities.

BEWARE OF SPIES IN PINSTRIPES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. BROOMFIELD. Mr. Speaker, there are many Soviet agents masquerading as diplomats here in the United States. The large Soviet presence allows their intelligence services to vacuum up valuable intel-

ligence from this country. Our Government must continue to do everything possible to stop the outflow of sensitive intelligence information.

In spite of Mr. Gorbachev's recent comments that Soviet-American relations are at an all time low, the Soviets still maintain a huge presence in the United States. In their Embassy in Washington and in their Consulate in San Francisco, there are about 279 official Soviet diplomats and staff personnel. The United States presence in Moscow and Leningrad is smaller.

Given the Soviet tendency to ignore international agreements, I am amazed that their U.N. office is so large. Their mission in the United Nations has 147 diplomats. Their staff in the U.N.'s Secretariat totals 275. Fortunately, our Government recently imposed travel restrictions on the Soviet staff there.

About 50 percent of the Soviet Secretariat staff is employed by the Soviet intelligence services. About 35 percent of Soviet diplomats in this country are assumed to be intelligence officers. Using this formula, there are about 300 Soviet spies working in this country.

Soviet spies buy, steal, and ferret out sensitive diplomatic intelligence and military secrets, and they monitor our communications. The Walker case is probably one of many operations that the Soviets are conducting in our open society.

While we cannot stop Soviet espionage completely, upgrading our counterintelligence efforts is a step in the right direction. Fortunately, communications security is also being improved. I commend the administration for its deep concern about this critical issue.

CAMDEN COUNTY PARKS COMMISSION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an example of county government providing a valuable service to its constituents. Camden County, NJ, in my congressional district, has a long history of providing to its residents outstanding park facilities and events for recreational and entertainment purposes.

Regular services offered in Camden County parks include lunchtime concerts, children's theatre, and wide variety of leagues and recreational activities for residents to enjoy. Special attractions and events include the Edward Payton Weston Six-Day Race; the Commissioners' Invitational Mile; and the Taste of South Jersey Food Festival in Cooper River Park.

This year, it appears the Camden County Parks Commission, under the leadership of Freeholder John Radano and Commission President David Venella, has outdone itself. Along with the fine array of attractions and activities offered by the commission, a series of top-name entertainment has been assembled, featuring the finest big bands in the world. Among the top names which have performed are the Glenn Miller Orchestra, Guy Lombardo's Royal Canadians, and the Count Basie Orchestra.

On Sunday, October 6, the Camden County Parks Commission will feature the Maynard Ferguson Band in the final big band concert of this special season. Clearly, Camden County provides fine recreational facilities and services, but this concert series has presented residents with the finest musical entertainment anywhere for an incomparable admission price—free of charge.

Mr. Speaker, I am certain that my colleagues would join me in congratulating Freeholder John Radano and Commission President David Venella for making Camden County's parks among the finest in the State, and assembling such a fine array of talent. The residents of Camden County deserve no less.

INDUSTRY EXPLORES NEW WAYS TO BENEFIT FROM FEDERALLY SUPPORTED TECHNOLOGY DEVELOPMENT PROGRAMS

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mrs. LLOYD. Mr. Speaker, during the past year, Congress has expressed a strong interest in extending the ability of the private sector to obtain technology funded within the Federal research and development programs at our national laboratories. This interest stems from our concern that the United States must reap the maximum benefit from its investment of tax dollars in the development of new technologies. A recent hearing, which was held in Oak Ridge, TN, jointly by my Subcommittee on Energy Research and Production and the Subcommittee on Science, Research and Technology, chaired by Mr. WALGREN, suggested that there exists within the private sector great interest in obtaining rights to use in the commercial marketplace technology funded by the Federal Government and developed at our national laboratories.

A recent article, which I would like to include in the record from Nucleonics Week, August 22, 1985, describes how one company, Westinghouse, instituted a pilot program with an initial investment of $250,000 to explore the opportunities available for transferring technologies from our national laboratories to corporate interests related to their nuclear industry development programs. As a result of these investigations, Westinghouse was able to form four separate companies that service the nuclear industry in various capacities. These companies, which are subsidiaries of the parent Westinghouse Corp., were formed as a direct result of the transfer of technology from nuclear research and development programs at laboratories, such as the Oak Ridge National Laboratory.

Another corporation, Sundstrand, has also contracted with Argonne National Laboratory for the purpose of utilizing their expertise to solve specific technological problems associated with certain product interests of the Sundstrand Corp. Both Westinghouse and Sundstrand perceive these associations with the national laboratories as highly cost-effective. Rather than making extensive corporate investments in developing the internal R&D capabilities that already exist at the national laboratories, these innovative companies have found that they can best obtain solutions to their technological problems by utilizing the expertise of the national laboratories at substantially lower costs. Westinghouse, for example, notes that for a minimal investment of some $40,000 to $50,000 at a national laboratory, they can obtain the results of research programs that, if performed within the corporate structure, would cost on the order of $400,000. In addition to the costs, it would most probably take a much longer time to obtain results.

I applaud the innovative approach to technology transfer taken by these corporations. It is an example of how industry and the Government can work together in order to maximize the benefits of Federal investment in research and technology programs. Moreover, it is only through such cooperative efforts that the United States can hope to compete with foreign nations in which new technology developments are often subsidized by their national governments.

NATIONAL LAB TECHNOLOGY TRANSFER TO NUCLEAR INDUSTRY INCREASING

An increasing number of companies in the nuclear industry are tapping federally funded national laboratories for technology to better compete in U.S. and foreign markets while saving on in-house development expenditures, said Gene Stark, the chairman of the Federal Laboratory Consortium for Technology Transfer (FLC). As an example of this trend, Westinghouse helped start up four new nuclear-related businesses in the last year as an outgrowth of research projects at such laboratories. Mike Korenko, who spearheaded a Westinghouse program to investigate the potential for technology transfer, said. "It's better to put $50,000 into a national laboratory than to reinvent the wheel for $400,000 within the corporation."

One powerful catalyst in the now fluid laboratory-to-industry technology transfer process was a 1982 internal policy change at DOE that instituted a class waiver of DOE rights to patents in favor of the laboratory operators for much lab research, said Stark, who also serves as the industry initiative officer for Los Alamos National Laboratory. Lab operators then became much freer to issue licenses to industry and to help guarantee company investments in the labs. "In the past there were problems with patents, and companies stayed away from research labs like the plague. For a long time, there was only one case of a licensing agreement to industry every five years, but in the last year and a half, there have been at least ten. There has been quite an acceleration of inquiries from business in the past year," he said.

"Now a company can put research dollars into a lab and get exclusive U.S. and even foreign patent rights. In most cases the government will simply negotiate a reasonable royalty agreement," Stark said. Last fall legislation was passed which will have further positive impact on patent rights for lab operators, according to Alan Claflin, the director of the laboratory management division of DOE's energy research office. The Commerce Department is expected to issue regulations soon which will require government departments like DOE to grant patent rights to federally financed labs operated by small businesses and nonprofit organizations. DOE is also working on case-by-case waivers for labs operated by big business, as in the situation of Martin Marietta at Oak Ridge, Claflin said. "The net effect of the legislation and the waivers is that there will be a lot more industry activity at the labs in the next few years," he said.

Korenko summarized Westinghouse's interest in acquiring lab technology: "We found that foreign countries and companies and good customers, but that they are also strong competitors. So we decided to utilize the technology of the U.S. labs, which are supported by U.S. tax dollars. There are a number of foreign parties terribly interested in penetrating these labs, and indeed, there have already been penetrations. It's a bit of a commercial war."

To take advantage of federally financed technology, Westinghouse executives set up a one-year pilot program in late 1983 to establish a conduit for technology transfer from the labs to the company. Since the end of the pilot program last August, Westinghouse has fostered the startup and growth of four small entrepreneurial businesses. The four companies provide services to the nuclear industry or supply nuclear manufacturers. Korenko said, declining to identify the companies for proprietary reasons. "These are the first fruits of the seeds sown by the pilot program," he said.

Westinghouse is the only major nuclear vendor to institute a formal pilot project for technology transfer so far, Korenko believes. The company initially looked at technology available at Hanford Engineering Development Laboratory, Los Alamos National Laboratory, Oak Ridge National Laboratory, Sandia National Laboratories, Battelle-Northwest, Battelle-Columbus and several university laboratories. There are some 730 federally supported labs in the U.S. Korenko said. "The primary difficulty was not with the labs. Finding the technology was easy. The lab folks virtually laid the technology at our feet." he said.

"The obstacle to the technology transfer process generally occurs within the corporations. Companies have their own research projects, and it takes a certain effort to look beyond your in-house lab to see what's available. Typically, it takes six months just to work up to a good level of cross talk," Korenko said, describing the evolution of a transfer process. "Within 8 to 18 months, small contracts are in place to nurture and desired application. Then, within one to three years, a small business can emerge as a result of the research," he said.

"In a typical transfer process, the business wants the technology for free. Indeed, 50% to 80% of the information a business might want is available for free. But a small contract worth anywhere from $20,000 to $200,000 will plug a company into the flow of development. Most small contracts with the labs are probably only worth $40,000 t0 $50,000, which buys about a one-half man-year effort. This allows you to cherry pick the technology," he said.

One way businesses can make contact with researchers is through the FLC, Stark said. The FLC is an ad hoc organization which functions as an informal information exchange network, he said. FLC utilizes an electronic mail system to link some 300 federal labs, which receive about 85% of the federal government's investments in research and development. "Westinghouse's Advanced Power Systems came to us for help in locating a particular application, and we were able to quickly forward the request, notifying a great number of researchers at the laboratories around the country," he said.

Westinghouse has spent about $250,000 on technology transfer from the national labs since setting up the pilot program, Korenko estimated. Westinghouse has absorbed technology from the labs in areas of dosimetry and nuclear waste, including elements of packaging, handling, and transportation, Korenko said.

Other major vendors, like General Electric, as well as manufacturers and service companies, have also been active in the absorption of technology from the national labs, Korenko said. "We went to a number of other U.S. companies and explained what we had managed to do at the labs. It became something of a national effort in the foreign technology war," he said.

One national laboratory official responsible for technology transfer to private business was critical of DOE's speed in granting patent rights: "DOE has been the worst foot-dragger among the government departments and agencies when it comes to allowing patent rights. Two years ago, DOE came out with a big plan to promote the transfer of lab research to private industry, but it has not come off as smoothly as everyone hoped, mainly due to snags in patent legislation. Exclusive rights waivers are in many instances still very hard to get or very time consuming," he said.—*Charles Thurston, New York*

A TRIBUTE TO WAYNE A. CAWLEY, JR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. DYSON. Mr. Speaker, I rise today to pay tribute to Wayne A. Cawley, Jr., on his recent election to the presidency of the Southern Association of the State Departments of Agriculture.

Mr. Cawley, who has served the State of Maryland as Secretary of Agriculture for the past decade, is highly noted for his work with Federal officials in designing a national model project for Federal crop insurance in Caroline County, MD. In 1974, in recognition of his 25 years of dedicated and distinguished service to Caroline County's farm community, Wayne received the accolade, "Outstanding Farmer."

So for those of us in Maryland's First Congressional District who work hard to address the concerns of the American farmer, it comes as no surprise that Wayne now assumes the leadership of an organization that oversees agricultural developments in 17 States, plus Puerto Rico and the Virgin Islands.

It is with great pride, then, that I take this opportunity to salute Wayne for his untiring and unselfish commitment to his State, his country, and to all of us who rely on the labors of the American farmer for our daily sustenance.

THE RETIREMENT OF MR. PAUL D. LaVINE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. COELHO. Mr. Speaker, Mr. Paul D. LaVine will retire from his position as director of the Stanislaus County Cooperative Extension after more than 30 years of service to agriculture in the Modesto area.

Paul was born in Los Angeles. After graduating from high school, he served in the Navy for 4 years. He received his bachelor of science degree in horticulture in 1950 from New Mexico State University, and his master's degree in 1952 from Oklahoma State University. For the next 2 years, Paul worked as a horticulturist with New Mexico State University. In 1954, he became a farm adviser with the Stanislaus County Cooperative Extension, specializing in grapes, small fruits, and walnuts. In October 1981, he was appointed director of the extension.

During his career with the extension, Paul has worked hard to promote greater political participation by farmers and the use of advanced technology in agriculture. He was instrumental in organizing the Grape Improvement Association, which has become a significant factor in the area's agricultural politics. The fine work of the association in the area of weather forecasting has received national attention. The 11 computerized weather stations operated by the association provide area farmers with reliable weather forecasts. Paul has also testified twice before congressional committees in support of the National Weather Service.

Paul's efforts have been widely recognized by the agricultural community. He has been named honorary chapter farmer by the Future Farmers of America, received a certificate of appreciation from the Grape Growers of California, and was recognized by the Viticulture Department of California State University, Fresno, to name but a few.

Paul has also been very active in local community service organizations. He founded three Toastmasters Clubs in Stanislaus County, and is presently a member of the Free and Accepted Masons and the Rotary Club. In 1983, he was the recipient of the Good Egg Award, the most prestigious award for community service in Stanislaus County.

The agricultural industry will certainly miss Paul's leadership at the Cooperative Extension. He leaves behind him a legacy of service and innovation that will certain-

ly be hard to replace. I would like to commend Paul for all his help in making the Stanislaus County agricultural industry one of the most successful and productive in the Nation, and I wish him continued health and happiness in his retirement.

MINORITY ENTERPRISE DEVELOPMENT WEEK

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. FROST. Mr. Speaker, the first full week in October has been proclaimed Minority Enterprise Development Week in honor of our Nation's minority business men and women. I'm proud of the growing number of minority-owned businesses in Dallas and am pleased to have this opportunity to salute those successful entrepreneurs and to encourage others to join with them in developing new enterprises.

America has long been regarded as a land of opportunity—a place where any individual can find success through talent and hard work. For some, however, hard work and talent were not enough. The American dream was real, but not all of our people were invited to share in it. Those minority entrepreneurs who succeeded did so against tremendous odds. Fortunately, their successes inspired others, and their efforts helped to knock down barriers and open new opportunities to all Americans.

Today, minority enterprises are an important and rapidly growing part of our economy. That growth can and should be encouraged by Government policy. Our Nation's economic vitality in the future will largely depend upon creativity and diversity in our business community. To meet the challenges facing us, we'll need a large measure of cooperation between the Government and business community, and we must work to ensure that minority-owned businesses will play an active role in that partnership. Minority enterprises have made an invaluable contribution to the Dallas community and will, I'm confident, continue to do so.

Recently, 12 Dallas-Fort Worth area businesses were presented with "Quest for Success Awards." This award, presented by the Dallas Morning News, the Miller Brewing Co., and the Dallas Black Chamber of Commerce, recognizes outstanding achievement by minority business owners. Three of the businesses honored were located in my congressional district: Proline Corp., Dodd, Frazier & Associates, and Pettis Norman, Inc. I'm proud of these firms and congratulate them on this much-deserved award. I look forward to their continued success and to more outstanding contributions by minority enterprises.

A TRIBUTE TO MISS KRISTIE WOOD

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. SWINDALL. Mr. Speaker, I would like to take this opportunity to congratulate Miss Kristie Wood, the 17-year-old daughter of Mr. and Mrs. Don Wood, Jr., of Covington, GA, who was recently named Miss Georgia T.E.E.N.

Kristie's accomplishment is particularly impressive because she competed against girls from a State that is known for its bright and beautiful young ladies.

The State of Georgia can certainly expect great things from Kristie who is presently very involved in the Beta Club, Key Club, Y Club, and student council. She has also been president of the Newton General Hospital Candy Stripers and "Teens Against Drugs" and she is very active in the youth group at First Baptist Church. Kristie also plays the piano and flute and enjoys classical ballet and modern dance.

I hope my colleagues in the House of Representatives will join me in congratulating Kristie Wood for her outstanding achievement and we all look forward to great things from her.

TO COMMEMORATE THE PRESIDENCY OF MORLAND G. McMANIGAL OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. FAZIO. Mr. Speaker, I rise today in tribute to Mr. Morland G. McManigal, who has recently been elected to the presidency of the National Association of Life Underwriters [NALU].

Mac McManigal comes to this important and responsible position experienced in the insurance business and the workings of the National Association of Life Underwriters. He has experience and knowledge of local, State, and national issues and has an impressive record of civic and organizational involvement. Active in the insurance business for more than 30 years, Mac McManigal is now the agency manager for the State Farm Insurance Co. in Fairfield, CA, which is, I must note, State Farm's leading life agency in California and consistently ranked in the top 1 percent of the company's more than 1,000 agencies nationwide. Mac has also been active in insurance-related organizations, having served as president of the Solano-Napa Association of Life Underwriters, as well as in numerous leadership posts for the California association. At the national level, he has been a member of nine NALU national committees, an NALU trustee, secretary, president-elect, and now president.

In addition to his impressive business and professional achievements, Mr. McManigal is also active in his community in Solano County, CA. A past president of the Green Valley Country Club, YMCA and school board, he is also a director of the Suisun Valley Bank and is active with girls' softball, having taken several teams on international trips and served as host for many foreign teams.

I have every confidence that Mac McManigal will be a hard-working, enthusiastic, and strong president and will no doubt accomplish all of the goals that he has set for himself and for NALU. I ask therefore, that you please join me today in tribute to the new president of the National Association of Life Underwriters.

THE PROMISE OF BETTER RELATIONS WITH TURKEY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. GILMAN. Mr. Speaker, in a few days we shall be noting the 25th anniversary of the establishment of the Republic of Cyprus. In all probability, that anniversary will become an occasion for debate over the role now played by Turkey in the continued division of that island. It is not my purpose to engage in such a discussion at this time. The record of my views on the subject are clear. However, as we consider those issues, it is important not to lose sight of our Nation's relationship with Turkey.

In order to appreciate both the current benefits and the possibilities in our relationship, we must understand clearly the vital and constructive role that Turkey plays in the defense of the Western alliance and in contributing to peace in the Middle East. Turkey's present and potential role in these areas is frequently misunderstood. It is important that public debate in the United States proceed from a common, well-reasoned understanding of the true nature of the Turkish Republic's actual—and potential—contribution to international peace and stability.

In reviewing the importance of Turkey's role, we must not overlook our strong ties with the other NATO power in the Eastern Mediterranean, Greece. Because of its strategic location and longstanding ties with the Western alliance, Greece plays an important part in NATO's plans—a part we hope it will continue to play in the future. Our strong ties to both Greece and Turkey should help them bridge the gap existing between them. By fully appreciating the legitimate concerns of both of our allies, we will demonstrate that we deserve the trust that they place in our efforts in the region.

Turkey occupies a unique geographic and social position. It straddles Asia and Europe; it has an overwhelmingly Muslim population and at the same time a political orientation that is unmistakably Western. Strikingly, while it is one of only two Euro-

pean members of NATO bordering the Soviet Union, it also borders both parties to the Iran-Iraq war.

NATO has assigned Turkey an awesome responsibility—guarding NATO's southeastern flank from attack by the vast forces in the southwestern portion of the Soviet Union. Turkey must deter, and if necessary repel, any attack which might be launched in coordination with a Soviet thrust in the central theater of Europe. At the same time, Turkey must be able to act to bottle up the Soviet Black Sea fleet by closing the Dardanelles in the event that an attempt is made to use that fleet in opposition to NATO interests.

Turkish soldiers and sailors, while willing to exert every effort to carry out their duties, are hampered by obsolete equipment. Turkey and the United States have been engaged in a long-term effort to upgrade the armaments available to the Turkish Armed Forces. Although Turkey is the third largest recipient of American aid, it still has not achieved the needed modernization.

Turkey has provided the United States with access to many bases from which we gather vital intelligence on the Soviet Union. Continued access to that information is important to our ability to detect Soviet military action. Moreover, Turkey plays an important role in our ability to verify the strategic arms control agreements, on which our national security depends. With the loss of important intelligence collection centers in Iran following the fall of the Shah, its role has become even more important.

Turkey's role in the Middle East is of course of great importance. It has remained neutral in most regional issues but is respected by and has cordial ties with most countries in the area, including, for instance, both Iran and Iraq. Thus, while it is capable of exerting military force to maintain the regional stability it seeks, it has not aligned itself with any force outside the Middle East with respect to purely regional issues. Given its special position in the area, the United States would do well to pay attention to Turkey's views on regional issues.

The United States is grateful for Turkey's cooperation in another arena that in my view is vital to our national security—our war against drugs. In 1968, about 80 percent of the heroin coming into the United States originated in Turkey. Many Turkish farmers were economically dependent on opium cultivation. Yet the Turkish Government's courageous leadership, which has been sustained through all of their political changes, has gradually led to the elimination of illicit opium cultivation in Turkey. We have repeatedly pointed to the Turkish initiative as a model for other nations to follow.

No discussion of Turkey's potential contribution to the Western alliance would be complete without an examination on the progress made in the economic and political spheres in recent years. Turkey has made giant strides in controlling the economic stagnation and inflation—formerly 100 percent per year—that was ruining its economy in the later 1970's.

During the late 1970's Turkey was wracked with political instability, giving rise to virulent terrorism which threatened the very fabric of Turkish society. The armed forces intervened in a move which while evidently supported by a majority of Turks nevertheless resulted in a severe abridgement of personal and political liberties and in the inevitable excesses associated with any military regime. The imposition of military rule resulted in the political isolation of Turkey in the Western alliance and in a slowdown in the military modernization plans. For better or for worse, few NATO countries were willing to help modernize a military—whatever its role in the overall defense of the West—which was not subordinate to civilian control.

Turkey is on the road back to democracy. While its constitution provides that General Evren will continue as President until 1988, the military acquiesced in Prime Minister Ozal's assumption of power after the 1983 elections, even though it had backed an opposing candidate. In 1984, Prime Minister Ozal's party won a significant victory in local elections over all parties. Those elections were open to several political parties which has not been permitted to participate in 1983 elections, and whose absence had rendered the 1983 results suspect in some circles in Europe.

With the political legitimacy of the Turkish Government more widely recognized, Turkey will no doubt be able to find more willing partners in economic, military, and political endeavors—particularly in Europe—than had previously been the case. The United States should actively encourage such cooperation. Turkey's historically close links with the United States should also lead to much closer bilateral ties as the source of tension within the Turkish body political subside. The United States should also do its part. While never forgetting the close ties that bind us to Greece, and despite the irritation to our relations still caused by the Turkish presence on Cyprus, we must not ignore the importance of overall bilateral relationship. Such recognition on our part may result in allaying Turkish concerns about our reliability as a partner in the security and economic realms, and in increased Turkish flexibility in those areas which still remain problematic from our point of view, and which unnecessarily complicate the relationship with its other NATO partners.

A TRIBUTE TO BARBARA R. MORGAN

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. CRAIG. Mr. Speaker, about this time last year, President Reagan announced that he had directed the National Aeronautics and Space Administration to select a teacher as the first private citizen to be launched into space aboard the space shuttle. As a result of this decision, more than 10,000 teachers from every discipline in America's elementary and secondary schools competed for the honor of being designated as the first teacher in space. On the basis of criteria such as originality and creativity, dedication to the teaching profession, a high degree of community involvement, and ability to communicate the space flight experience, 10 finalists were ultimately selected. The finalists were further subjected to rigorous medical evaluations and space flight suitability testing at NASA's Johnson Space Center and other installations. At a formal ceremony at the While House recently, Vice President BUSH announced the winner as well as backup candidate, Barbara R. Morgan, a constituent of mine from McCall, ID, where she teaches second grade at McCall-Donnelly Elementary School.

Over the next several months, Barbara will receive approximately 120 hours of training in flight operations and mission procedures, identical to that experienced by the designated candidate and other mission specialists. In the event the designated candidate is unable to continue training or to fulfill the many requirements for space travel, Barbara will become the actual space flight participant on a mission scheduled for next January. In addition to her training, Barbara will assist NASA by sharing her experiences and perceptions with the educational community for the purpose of inspiring student interest in the space age and in the career opportunities it offers.

NASA also intends to make use of the special abilities of the other eight finalists, including those of David Marquart, a computer science teacher from Boise High School, by requesting their assistance in designing the lessons and actual demonstrations to be conducted aboard the flight next January. They will be broadcast live via satellite to thousands of classrooms throughout the Nation.

Besides its interest in generating enthusiasm for the space age and the wonders of its technology, NASA also hopes to help restore prestige to the noble profession of teaching, something which it has sadly lacked in recent years. Barbara Morgan has brought pride not only the students, teachers, and citizens of McCall, ID, but to the entire teaching profession. On behalf of my colleagues, the citizens of Idaho's First District, and the Nation, I extend warm congratulations and best wishes to her. We all look forward to receiving her thoughts and impressions of this unique and exciting educational opportunity from the space age.

CONSECRATION OF DAYTON'S GREEK ORTHODOX CHURCH

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. HALL of Ohio. Mr. Speaker, in the Greek Orthodox community, the consecration of a church is a very important moment. That is when the church is initiated into the service of God, and set apart for exclusive use as a house of worship.

It is a time of revitalization and renewal. A consecration takes place only once in the history of a church; 37 years ago, the Greek Orthodox community in Dayton constructed a church building. However, it has never been consecrated, and thus remains incomplete.

On Sunday, October 6, the church will be consecrated during a ceremony officiated by His Eminence Archbishop Iakovos, leader of 4 million Greek Orthodox Christians in North and South America, and recipient of our Nation's highest civilian award, the Medal of Honor.

Also participating will be His Excellency Bishop Timotheos of Detroit, leader of the diocese to which the Dayton church belongs, and Father Stratton Dorozenski, priest of the Dayton parish.

Other participants will be Fathers Jerry Tasikas, Philemon Payiatis, and George Hiotis, past priests of the community; and Fathers Nick Tsaknides and Dean Gigicos, priests who are from and were ordained in Dayton.

I join the 400 families who are members of the Greek Orthodox Church of Dayton, special guests, and the entire Dayton community in congratulations on this very special occasion.

I offer my deepest hope that the church building continue as a house of worship, fulfillment, and peace for many years to come.

SAINT MARY, REFUGE OF SINNERS CATHOLIC CHURCH'S 100TH ANNIVERSARY COMMEMORATION

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. DYSON. Mr. Speaker, I would like to bring to the attention of my colleagues the 100th anniversary celebration of Saint Mary, Refuge of Sinners Catholic Church in Cambridge, MD.

As we in Maryland commemorate Saint Mary, Refuge of Sinners Church's untiring and unwavering commitment to faith during the past century, I believe it is altogether fitting that we give thanks to the many church members who, over the generations, have brought comfort and light to the people of Cambridge. On momentous occasions such as this, we not only share remembrances of a rich and vibrant past, but we also prepare to perpetuate our ideals far into the future.

On October 27, Rev. James P. Eckrich and his parishioners will mark the centennial anniversary of the founding of Saint Mary, Refuge of Sinners Catholic Church with a Mass celebrated by Bishop Robert E. Mulvee, Diocese of Wilmington. As this special day approaches, I praise Saint Mary's for its spirit of community and compassion, and hope that this proud place of worship continues to grow and prosper in the years to come.

SUPERFUND—THE MOST IMPORTANT ENVIRONMENTAL ISSUE FACING THIS CONGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. LANTOS. Mr. Speaker, we in the Congress will soon be facing one of the most important decisions before us this session—the decision about the continuation of the Superfund Program. Toxic wastes spewn from our Nation's industries are being dumped haphazardly in dangerous sites all across our Nation. The crisis is growing daily.

My own congressional district is no exception. Recent revelations of hazardous waste sites on and around the San Francisco Peninsula have emphasized the universality of this problem. In a recent survey, which I conducted to assess the views of my constituents in the 11th Congressional District of California, 82 percent indicated that they favored an increase in Federal Government funding for programs to clean up hazardous toxic waste dumps. There is a strong concern and a desire for action to remedy this growing crisis.

Mr. Speaker, I would like to call to the attention of my colleagues in Congress a recent article by Douglas P. Wheeler, executive director of the Sierra Club, which appeared in Sierra, the national publication of the Sierra Club. This article is one of the best analyses of the current status of this issue.

The text of the article follows:

THE VOTE OF THE YEAR

(By Douglas P. Wheeler)

(The upcoming Superfund vote will be the most important pollution decision this Congress makes. Will the law serve polluters better than the public?)

The American people are deeply troubled by the dangers of toxic wastes. According to a recent poll, 93 percent of the population is seriously concerned. The highly hazardous effluvia of our nation's industries, dumped indiscriminately across landscapes urban, suburban, and rural, pose a deadly threat to individuals, and they know it.

But in the crowded chamber of the House Energy and Commerce Committee on June 20, there was no evidence of the widespread public demand to clean up toxic dumps. Instead it was business as all-too-usual, as the Subcommittee on Commerce, Transportation and Tourism voted on legislation to extend the five-year-old federal Superfund program. Encouraged by chemical and oil industry lobbyists, the subcommittee struck down a strong Superfund bill by a vote of 13 to 5. After repudiating its own chair's draft bill, the subcommittee substituted a diluted measure crafted by Reps. John Dingell (D-Mich.) and James Broyhill (R-N.C.), respectively the chair and ranking Republican on the Energy and Commerce Committee.

Environmentalists were appalled. The Dingell-Broyhill bill, said subcommittee chair James Florio (D-N.J.), would perpetuate the agonizingly slow pace of cleanup the nation has endured for the last five years. "Power politics, pure and simple," was Sierra Club lobbyist Blake Early's assessment. "Polluters couldn't have written a better bill for themselves."

In fact, the vote marked a stunning reversal. Just ten months earlier, in August of a presidential election year, the full House of Representatives had adopted a much stronger Superfund bill by a lopsided 323-to-33 margin. Now the subcommittee had rejected a bill modeled on that earlier version and substituted a much weaker bill in its place.

Members of the subcommittee who voted for the Dingell-Broyhill bill had various explanations and excuses for adopting a bill so compatible with the desires of the chemical industry. Several suggested they had voted for it because nothing stronger could possibly pass this timorous subcommittee—a prediction made certain by their defections. Several talked hopefully about strengthening the bill later, when the full committee took up the issue, a prospect Rep. Gerry Sikorski (D-Minn.) likened to "putting wings on a sow."

Through July the full Energy and Commerce Committee labored over the Dingell-Broyhill bill, but the results were consistently the same. Amendments to strengthen the bill were defeated day after day. Ultimately the committee approved the bill in about the same form they had received it—all sow and no wings. As a result, the entire House will be faced in September with the most important pollution and public health vote of the year: It will either ratify or reject the Dingell-Broyhill Superfund.

The nation's toxic waste cleanup program was in trouble even before this legislative setback. Created five years ago to finance emergency cleanup of abandoned hazardous waste dumps, the program has only begun to tackle the effort. Hundreds of sites identified by the Environmental Protection Agency have yet to be studied, let alone cleaned up. Hundreds more are being added to the backlog each year. There are now more sites classified as extremely dangerous than when the law was first enacted in September 1980.

Cleaning up toxic waste dumps is extremely difficult. Many of the sites contain dozens of chemically diverse, highly toxic substances in a morass of abandoned mine shafts, underground springs, or swamps. Cleanup is also expensive. But the EPA needs motivation and support as much as it needs money and know-how. The agency's current administrator, Lee Thomas, lacks the political base to serve as advocate for an effective program.

Congress has the opportunity to rectify these problems. It can mandate that the EPA proceed on an aggressive schedule to study the most dangerous sites and get them cleaned up promptly, and ensure enough funding to do so. It can empower citizens whose health is theatened by abandoned dumps to sue those responsible. It

can put the EPA on an enforceable schedule to move the cleanup along, and it can ensure that the agency gives preference to permanent, complete cleanup plans that involve a maximum use of waste destruction and treatment technologies such as incineration.

In each of these key respects, the Dingell-Broyhill bill sides with the polluters instead of the public. The Energy and Commerce Committee's decision to approve a bill significantly weaker than the one passed a year ago is not mysterious. It reflects two facts: First, the membership of the committee does not accurately reflect the environmental concerns of the House as a whole. (This is the same committee that has blocked congressional action on clear air and acid rain for more than four years.) Second, 1984 was an election year, 1985 is not. When they voted in August 1984, members of the House knew their votes would be fresh in the minds of constituents as they went to the polls in November. The 1985 votes on the Superfund will occur more than a year before the next election.

The Dingell-Broyhill bill is deceptive. For page after page it appears to be identical to the stronger bill supported by environmentalists. On the important subject of money, it would authorize $10 billion over five years, about the same level of funding environmentalists seek.

But will this money be spent effectively to get the most dangerous dumps cleaned up? This is where the Dingell-Broyhill bill fails—and why it is supported by the chemical and oil lobbyists. While the bill purports to spend $10 billion over the next five years to clean up toxic dumps, in reality it would allow the EPA to drag the program out. By failing to move quickly to complete the required pre-cleanup studies of each site, the EPA could readily escape the bill's cleanup schedule and move as slowly as it chooses. A Superfund for the public would require the EPA to meet a fixed schedule to initiate full-scale cleanup at a minimum number of dumps each year.

The Dingell-Broyhill bill allows the EPA to continue to do partial, short-term cleanups and then walk away announcing that the cleanup has been completed. Such cosmetic cleanups could even violate other environmental laws. A Superfund for the public would require permanent and complete cleanup of toxic dumps to bring them into compliance with the minimum standard of existing health, water quality, and waste disposal laws.

The Dingell-Broyhill bill would prevent a citizen endangered by an abandoned toxic waste dump from suing its owner to force cleanup. The law that governs operating toxic dumps allows such citizen suits, but Dingell-Broyhill would grant immunity to owners of abandoned or closed dumps. A Superfund for the public would permit citizen suits as the only way to force cleanup of dumps not included on the EPA's limited National Priority List.

Unfortunately, many in Congress and the media have lost sight of these fundamental flaws in the Dingell-Broyhill bill. They have accepted the argument that the EPA should be trusted with flexibility on such issues as schedules, cleanup standards, and citizen suits. They have failed to take into account the continuing and unremitting hostility toward toxic waste cleanup at higher levels of the Reagan administration and in the chemical industry. In calling for EPA flexibility and efficiency, these legislators and editorial writers are calling for five more years of the same kind of Superfund we have had for the past five years—a law lacking an aggressive schedule, hamstrung by hostility from the federal budget office, and bogged down in negotiations with stonewalling toxic waste dumpers.

These are the crucial issues. They have little to do with funding, but they are the very guts of the Superfund law. They decide whether the law works to protect the public—or the polluters.

THE SANDINISTAS AND MIDDLE EASTERN RADICALS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. McCOLLUM. Mr. Speaker, I wish to submit a copy of an August 1985 State Department report entitled, "The Sandinistas and Middle Eastern Radicals" for the purposes of having it printed in the CONGRESSIONAL RECORD.

This is an unclassified report on the Sandinista ties to Middle Eastern Radicals for nearly the past two decades. The report states that the current Nicaraguan Interior Minister, Thomas Borge, was one of the original trainees of a PLO training camp set up in 1969. Other members of the Nicaraguan Cabinet were in training in Libya during the same period. The Sandinistas participated in a rash of hijackings that started the "Black September" fighting in Jordan in 1970; and one, Patrick Arguello Ryan, was killed during an attempted hijacking on an El Al flight from Tel Aviv to London.

The report concludes what I have been saying all along. The Sandinistas are linked to the most heinous and well-organized terrorist groups in the world; the German Baader-Meinhof gang, the Italian Red Brigades, the Basque terrorists as well as Managua's relations with Libya and Iran. The recent facts brought to light by the defection of Alvaro Baldizon Aviles, of Nicaragua's Interior Ministry serve to confirm the true character of the Sandinistas as ruthless and devoid of any concern for human rights. There can be no doubt now of the incredible atrocities committed by the Sandinistas. In just one instance, they were responsible for the arrest and torture of 500 Miskito Indians, 150 of whom were later executed.

And what do the Soviets have to say about the State Department report? Not surprisingly, they called it, "libellous scribble" and "provocative falsehood." This just shows what side of the fence they're on.

I urge my colleagues to read this report to ascertain exactly what type of government is in power in Nicaragua today.

THE SANDINISTAS AND MIDDLE EASTERN RADICALS

An unclassified report on Sandinista ties to Middle Eastern radicals, including Sandinista participation in Middle East aircraft hijacking and terrorism in 1970, and their continuing relations with these groups and states in the 1980's.

THE FIRST CONTACTS: TRAINING AND ARMS

The PLO made its international debut in 1966 in Havana, Cuba, at the First Conference of the Organization of Solidarity of the Peoples of Asia, Africa, and Latin America (also known as the Tri-Continental Conference). At this conference, Fidel Castro brought together 500 delegates from radical leftist groups around the world to devise a strategy for what they called the global revolutionary movement.

Results of that conference soon became apparent. In the months following the conference, guerrilla training camps appeared in various countries, with major clusters in Cuba, the Soviet Union, Lebanon, and Libya. Members of the PLO were among the first to be trained in the Cuban and Soviet camps, thanks to the close ties developed at the Tri-Continental Conference.

Training courses at these camps generally lasted six months and included ideological indoctrination as well as practical training in the use of weapons and explosives. The indoctrination focused on the theories of Marx, Lenin, and Stalin. Lecture topics included: "Russian Ties to the Third World," "The Struggle Against Imperialism," "The Soviet Contribution to Palestinian Liberation," Zionist Ties to Imperialism," and "The Reactionary Nature of North Yemen and Saudi Arabia." Practical training in techniques of warfare included blowing up munitions dumps, bridges, and vehicles; planting personnel mines; the rudiments of biological and chemical warfare; marksmanship and camouflage; urban and field tactics; and the use of maintenance of Soviet equipment such as rockets and shoulder-borne missile launchers.

Upon graduation, PLO guerrillas set up camps of their own for training terrorists, at first in Lebanon and later in Libya. Reportedly among the Nicaraguans trained in the Lebanon camps in 1969 was Tomas Borge, Interior Minister and one of the nine commandantes on the FSLN National Directorate.

Sandinista representative Benito Escobar arranged with three PLO representatives in Mexico City, also in 1969, for joint PLO-Cuban training in Lebanon for a contingent of 50-70 Sandinistas. Subsequently, other contingents of Sandinistas were sent to PLO camps in Libya. Present Vice Minister of the Interior Rene Vivas, the late Telecommunications Minister Enrique Schmidt, and Henry Ruiz, Minister for External Cooperation, also were among those trained by the PLO during 1969-70.

SANDINISTA PARTICIPATION IN MIDDLE EAST TERRORISM IN THE 1970'S

The investment in training Nicaraguans had some immediate dividends for the PLO. When the PLO and its radical component groups, including the Popular Front for the Liberation of Palestine (PFLP), attempted to overthrow the government of King Hussein of Jordan in 1970, PLO-trained Sandinistas participated.

One PLO-Sandinista operation was discussed in an interview by Sandinista spokesman Jorge Mandi with al-Watan, a Kuwaiti newspaper: "A number of Sandinistas took part in the operation to divert four aircraft which the PFLP seized and landed at a desert airfield in Jordan. One of our comrades was also wounded in another hijack operation in which Leila Khaled was involved. She was in command of the operation and our comrades helped her carry it out." He continued, "Many of the units belonging to the Sandinista movement were at

Palestinian revolutionary bases in Jordon. . . . Nicaraguan and Palestinian blood was spilled together in Amman and other places during the 'Black September battles.'" Mandi's reference to a "hijack operation" concerned the hijacking of an El Al airliner en route from Tel Aviv to London, on September 6, 1970. Sandinista Patrick Arguello Ryan was killed in this hijacking attempt; he had been trained at one of the PLO camps. Arguello is now revered by the Sandinistas as a hero and a large dam under construction has been named in his honor.

During that same period, Tomas Borge, one of the founders of the FSLN, reportedly was the major contact between the Sandinistas and the PLO. Borge became a familiar figure in both Damascus and Beirut, not only because of his trips there on behalf of the Sandinistas, but also on behalf of Fidel Castro. Borge appeared to be functioning as Castro's envoy in the Middle East during the early 1970's because of his good relationship with the PLO and his earlier guerrilla training in the area.

Thus began the symbiotic relationship between the Sandinistas and the PLO. From the PLO, the Sandinistas got training in guerrilla warfare and an opportunity to practice their skills by aiding the PLO in terrorist acts such as airline hijackings and a campaign against King Hussein in Jordan. The PLO got help from the Sandinistas in operations that brought the PLO to world attention and served as an example for countless other terrorists.

THE SANDINISTA REVOLUTION AND PLO INVOLVEMENT IN THE LATE 1970'S

The Sandinistas who trained in PLO camps in the Middle East gained an asset almost as valuable to them as their guerrilla training: contacts with sources of aid and arms. Again, Tomas Borge was the major go-between in aid and arms negotiations. While acting in his dual capacity as the Sandinista's PLO liaison and as Castro's emissary, the wide range of contacts he amassed in the radical Middle East served him well as he prepared for the Sandinistas' own revolution.

Borge used PLO assistance to obtain arms from North Korea and Vietnam for the Sandinistas. Libyan money helped pay for some of these arms. Reportedly, other shipments of supplies and arms came from the PLO itself. In July 1979, one planeload was intercepted when it stopped in Tunis. This PLO-chartered aircraft, ostensibly carrying medical supplies from Beirut for Nicaraguan refugees, was found instead to hold 50 tons of arms, including an anti-aircraft gun. The Tunisian government did not allow the shipment to go through.

At the same time, the Sandinistas were formalizing their ties with the most radical PLO elements. Benito Escobar, who had earlier made arrangements with the PLO to train Sandinistas in PLO camps, met in Mexico City in February 1978 with Issam Ali, Latin American liaison of the PLO, and members of the Democratic Front for the Liberation of Palestine (DFLP). The PLO and the Sandinistas issued a joint communique on February 5, 1978, affirming "the bonds of solidarity which exist between the two revolutionary organizations." This communique was followed by a DFLP-FSLN joint declaration from Havana on March 6, 1978, which expressed a mutual declaration of war against "Yankee imperialism, the racist regime of Israel," and the Nicaraguan government.

PLO-Sandinista relations intensified in 1978 and the beginning of 1979, with a substantial assist from Libya. In 1979, Qadhafi invited the leaders of Central American guerrilla groups, including the Sandinistas, to a meeting in Benghazi during which he pledged financial and political support for their movement.

REVOLUTIONARY SOLIDARITY: MILITARY AND ECONOMIC TIES

Shortly after the Sandinistas seized power, they rewarded the PLO for its assistance in their revolution by granting it unprecedented "government to government" ties. In most countries the PLO was at best permitted to open an "office"; in Managua it was permitted to open an "embassy," with the ranking representative holding the title of "ambassador." The PLO ambassador and his staff were accorded full diplomatic privileges.

In July 1980, Yasser Arafat made a four-day "state visit" to Nicaragua to formalize full diplomatic ties between the Nicaraguan government and the PLO. On July 22 at a reception in his honor Arafat praised "the strategic and military ties between the Sandinista and Palestinian revolutions." Interior Minister Borge responded, "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." Arafat replied: "The links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies." Arafat expanded on this theme in an interview with Radio Sandino the same day: "the Nicaraguan people's victory is the victory of the Palestinians. . . . The freedom in Nicaragua is the same in Palestine. . . . The only way, then, is for increased struggle against imperialism, colonialism, and Zionism." He closed the broadcast by reiterating, "Together against imperialism, colonialism, and Zionism." In a speech at the Cesar Augusto Silva Convention Center (also on July 22), standing with Borge and several other of the nine comandantes, Arafat said, "Anyone who threatens Nicaragua will have to face Palestininan combatants."

Arafat's talk about "strategic and military ties" was not mere diplomatic pleasantry. Shortly after his Nicaraguan visit, he sent Colonel Mutlag Hamadan to the PLO, at the head of a contingent of 25 military technicians, to instruct the Sandinistas in the use of Eastern-bloc weapons. In November 1980, the PLO provided the Sandinistas with a $12 million loan. In January 1981, a group of PLO pilots were sent to Nicaragua to assist the Sandinistas in flying helicopters and transport aircraft. By May 1981, the PLO was deeply involved in military and guerrilla training activities in Nicaragua. Reports in mid-1982 indicated that PLO officers were involved in special guerrilla training in Nicaragua. Although the break-up of the PLO power base in Lebanon in 1982 reduced the PLO's ability to project itself aggressively and to finance radical regimes and movements around the world, the PLO presence, training, and other activities in Nicaragua have continued.

The Sandinistas' anti-Zionist rhetoric, close relations with radical Arab groups, and efforts to organize Nicaragua's society and economy according to Marxist-Leninist precepts all contributed to the departure from Nicaragua by 1981 of nearly all of Nicaragua's Jewish community.

SEAT BELTS IN ALHAMBRA SAVE LIVES

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. MARTINEZ. Mr. Speaker, I rise today to commend the Alhambra City Council for the adoption of a resolution declaring September 1985 as "Seat Belts Work Month" in Alhambra. Mayor Michael Blanco, along with city council members Mary Bunker, Talmage Burke, Michael Messina, and J. Parker Williams, should be recognized as leaders in promoting the benefits of seat belts as a means of improving public safety in our communities. In conjunction with this resolution, the Alhambra City Council, with the help of the Alhambra Chamber of Commerce, the Alhambra Police Department, and the Automobile Club of Southern California, are conducting a citywide campaign this month to both improve community awareness and increase the usage of seat belts in automobiles.

In my home State, California, 3,000 are killed and over 240,000 are injured as a result of automobile accidents. It is in our neighborhood streets where many of these accidents take place as result of everyday driving; 75 percent of these accidents occur within 25 miles of home, with more than 50 percent of all injury-producing accidents occurring at speeds lower than 40 mph; 20 percent of all serious injuries suffered in accidents result from nonbelted occupants being thrown into each other. The most frightening statistic is that traffic accidents are now the leading cause of death among people under the age of 45.

The benefits of seat belts are well documented. Seat belts worn properly cut fatalities by 45 percent and reduce the probability of suffering a moderate to serious injury by 50 percent. Seat belts also help drivers in emergency situations maintain vehicle control as well as avoid being thrown from their vehicles. Seat belts are now designed to allow riders to move freely in their cars, but are also designed to lock in place when cars come to a sudden halt. Most alarming is the fact that, though nearly all cars now have seat belts, less than 20 percent of all Americans buckle up when they operate their cars.

Mr. Speaker, actions such as these to encourage the use of seat belts should be commended. It is my hope that other local governments will follow Alhambra's lead, and remind their communities that seat belts work and save lives.

A TRIBUTE TO MISS HEATHER GUNN

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. SWINDALL. Mr. Speaker, I would like to invite my colleagues in the House to join with me in congratulating 17-year-old Miss Heather Gunn of Lakeside High School in De Kalb County, GA, for achieving a perfect score of 1600 on her scholastic aptitude test.

Last year, 1,556,341 students took the SAT's and only 7 equaled Heather's achievement. The awesome accomplishment of answering every question correctly seems fitting for a girl who has a perfect 4.0 record at Lakeside and is known for her outgoing, friendly, and dynamic personality.

While speaking to a large group of Fourth District residents, Heather gave her parents a great deal of credit because they read to her constantly as a child. I know my wife Kim and I will follow such an example with our 9-month-old baby, Kelley Alice.

I must admit how relieved I am that Heather has 9 years ahead of her before she can run for my seat, but I know that whatever she chooses to do, she will do it well.

VIDEO SURVEILLANCE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. KASTENMEIER. Mr. Speaker, today I am introducing a bill regulating the use of video surveillance in places where there is a reasonable expectation of privacy. This bill represents a modest step toward protecting the civil liberties of our citizens from unwarranted intrusions into their privacy.

When George Orwell wrote "1984" he described the use of a telescreen which permitted every sound to be overheard and every movement scrutinized. When that book was written, the specter of that type of surveillance was only a vague technological possibility. Today this type of surveillance is in use by at least a dozen Federal law enforcement agencies and by countless private individuals and organizations. More ominously, current Federal law does not adequately regulate the use of video surveillance. Only one Federal appellate court has addressed the troubling questions presented by video surveillance. While the court approved the use of video surveillance in limited circumstances.[1] it invited Congress' attention to statutory amendments. The urgent need for this inquiry is highlighted by Judge Posner in *United States* v. *Torres* (7th Cir., Dec. 19, 1984):

Electronic interception, being by nature a continuing rather than one-shot invasion, is even less discriminating than a physical search, because it picks up private conversations (most of which will usually have nothing to do with any illegal activity) over a long period of time . . . electronic interception is thought to pose a greater potential threat to personal privacy than physical searches . . . Television surveillance is identical *in its indiscriminate character* to wiretapping and bugging (emphasis in original).

As the recent, limited use of video surveillance by the Department of Justice has shown, the availability of such a technique can be a useful investigative tool when other means have proven unfeasible. Any use of such a technique, however, should be strictly controlled and limited to the most urgent circumstances. Therefore, the bill I am introducing today:

One, limits the use of video surveillance to the same narrow procedural requirements of the wiretapping law;

Two, requires that other less intrusive investigative techniques have either been tried and failed or be shown to be unfeasible;

Three, limits the length of any court order approving the use of video surveillance to 30 days; and

Four, limits the range of crimes which can be used as a predicate for the application for a court order to crimes punishable by more than 10 years in prison.

Video surveillance is defined in the bill to mean "the recording of visual images of individuals, without the consent of one of the individuals, by television, motion picture, video tape or other similar method, in a position not readily observable from a public location and under circumstances in which there is a reasonable expectation of privacy." Thus, the bill would regulate the placement of a video camera in the home without the consent of a party being recorded. The bill would not regulate the use of cameras in undercover operations, because under the current law it is clear that in such situations one party to the filmed transactions—the undercover agents—is deemed to have consented. The bill does not regulate the filming of employees in the workplace, unless there is a reasonable expectation of privacy. Finally, the bill does not bar the use of cameras in locations which are readily observable from a public location.

I should note that there may be some concern about this bill from the private sector. The bill is drafted so as to parallel the provisions of the current wiretap statute. In my view, it would be anomalous and illogical to prohibit the use of telephone taps and bugs while leaving unregulated the use of technologies with respect to video surveillance which are equally if not more intrusive and indiscriminate. I welcome receiving further information about the nature and extent of this type of surveillance in the private sector.

As my former colleague, Senator Tunney, pointed out 10 years ago:

Control over the technology of surveillance conveys effective control over our privacy, our freedom and our dignity—in short, control over the most meaningful aspects of our lives as free human beings.

It is my hope that my colleagues will turn their attention to this issue.[2] Interested parties with comments on the legislation should file their comments with the Subcommittee on Courts, Civil Liberties and the Administration of Justice, 2137B Rayburn House Office Building, Washington, DC 20515. Immediately following are two articles from the press which cogently address this issue.

THE NO MAN'S LAND OF HIGH TECH—NEW DEVICES AID POLICE BUT THREATEN THE RIGHT OF PRIVACY

On the morning of Nov. 2, 1983, Francis Lynch, then chief of detectives of the Woonsocket, R.I., police department, got a strange call. "You may think I'm crazy," said an excited young woman, "but there is some guy dealing drugs, and I can hear it on my radio." Lynch was skeptical, but he sent two detectives to the woman's house.

It turned out that the transmissions that the woman had heard on her AM radio were coming from a nearby home whose occupant, Leo DeLaurier, owned a cordless telephone. DeLaurier was apparently unaware that such devices are little more than short-range radio transmitters whose signals can sometimes be picked up by ordinary radio receivers. During the next month, the police say, they recorded more than 100 hours of incriminating conversations by DeLaurier about the sale of cocaine and marijuana. Then they arrested DeLaurier, his wife and 22 other people on drug charges. DeLaurier objected to the use of the tapes, and his trial has been postponed pending the outcome of an appeal to the Rhode Island Supreme Court. DeLaurier argues that the monitoring of his phone was an illegal invasion of his privacy since it was done by the policy without a warrant.

Legal experts point out that cordless phones are one of many new-age technological devices that fall into a legal no man's land, an ambiguous region inhabited by such consumer products as personal computers and the ubiquitous message beepers and by sophisticated policy equipment like mini-video cameras. The lack of clear legal rules for police use of the equipment promises to keep the courts busy. Just last month two federal courts clashed on the issue when the U.S. Court of Appeals for the Seventh Circuit in Chicago overruled a federal district court and found that video surveillance of four suspected members of the Puerto Rican terrorist group FALN did not violate the Fourth Amendment's guarantee against "unreasonable searches and seizures." Says University of Chicago Law Professor Geoffrey Stone: "Technology—bugs,

[1] The *Torres* court applies only part of the Federal wiretapping law to video surveillance through the application of the fourth amendment (that is, exhaustion of other investigative techniques; court order based on specific facts; 30-day limit; and minimization requirements). The court did not, however, apply any limit on the predicate crimes which can justify such surveillance, nor did the court include the statutory exclusionary rule. Most importantly, the court did not address the use of such surveillance by State and local officials or private persons.

[2] As commentator Gary Marx pointed out, we may be moving toward a society were the words of the song by the Police, "Every Breath You Take" (I'll be watching you) may be a reality. See Marx "I'll Be Watching You," winter 1985 Dissent 26.

beepers that police attach to cars, parabolic microphones—all of this enables the Government to invade privacy in ways far more extreme than one could possibly have imagined when the Fourth Amendment was written."

The Kansas Supreme Court was the first state high court to rule on the cordless-phone issue, holding last March that those who use such phones are broadcasting over the public air waves and have "no reasonable expectation of privacy," a finding that may surprise the 7 million or so owners of the popular instruments. But to rule otherwise, Rhode Island's attorneys argued before that state's supreme court, could mean that the woman who inadvertently overheard DeLaurier's conversation might be held criminally liable for violating the federal wiretapping law. DeLaurier's lawyer, however, asserted that this 1968 legislation, which forbids wiretapping without court authorization, does apply to cordless phones, since the statute defines a "wire communication" as any conversation this is carried "in whole or in part" by wire. Even cordless instruments must utilize regular phone lines at some point to transmit calls.

Video surveillance is as knotty an issue as the new telephones. Abscam, the De Lorean drug investigation and other well-publicized "sting" operations have made it seem that police have broad authority to videotape criminal activity. In fact, cameras have usually been employed to record only those meetings where an undercover agent or informer with prior knowledge of the filming is also in the room. This was not the situation in the Chicago FALN case, in which the FBI had authorization for both audio and video surveillance from a federal judge. The agency resorted to the video surveillance of two "safe house" apartments after two of the four suspects successfully thwarted wiretaps and bugs. Once the cameras had been installed, agents say, they observed some of the defendants constructing time bombs. The four were arrested in June 1983 on seditious-conspiracy and weapons charges when the FBI learned that they allegedly planned to mark the July 4 holiday by blowing up military installations.

U.S. District Judge George Leighton threw out the FBI's 130 hours of videotape evidence in 1984, saying that "no one, not even in the name of ferreting out crime, has the right to invade the privacy of a home" without proper legal authority. He ruled that the 1968 wiretap law provided no such authority because it says nothing about video surveillance. The Seventh Circuit panel, in an opinion written by Supreme Court Hopeful Richard Posner, held that the wiretap law did not apply but found that video surveillance is permitted under the Constitution without specific legislative approval. Paraphrasing a famous dissent by Justice Louis Brandeis, Posner wrote, "There is no right to be let alone while assembling bombs in safe houses." The accused FALN members plan to appeal the ruling to the U.S. Supreme Court.

Many legal observers are frightened by the prospect of widespread video surveillance. Raising the specter of Nineteen Eighty-Four and Big Brother, Herman Schwartz, a law professor at American University, denounces it as "very dangerous" to everyone's civil liberties. Harvard Law Professor Laurence Tribe cautions that technological innovations like video cameras may be rendering the traditional protections of the Fourth Amendment "irrelevant." Columbia University Law Professor Richard Uviller, a former prosecutor, says of the new high-tech snooping, "When there is no alternative, when the crime is terror, there is a strong law-enforcement need for this." But he adds that "its uses should be reserved for only the most serious circumstances: kidnapping, murder, espionage and terrorism."

To clarify the legal muddle, several federal statutes have been proposed, including one by Wisconsin Congressman Robert Kastenmeier that would force police to satisfy a series of strict requirements in order to get a warrant for video prying. Though the Kastenmeier bill died in the last Congress, it will be reintroduced in this session. Judges, legislators and civil libertarians agree that the privacy problems presented by technological changes make necessary a new assessment of existing statutes and court rules. Warns John Shattuck, a former American Civil Liberties Union officials: "In many ways, technology is now outstripping the law."

When Television Watches People

(By David Burnham)

WASHINGTON.—The unblinking eyes of the tiny television cameras peered into every room of the Chicago apartment used by the terrorists. The F.B.I. had secretly broken in and installed the hidden lenses because the agents believed the targets of their surveillance, wise to ways of hidden microphones, might try playing the radio loudly when they spoke or working in silence as they assembled their bombs.

The agents' strategy worked. Shortly after the cameras were installed two suspects, alleged members of a secret Puerto Rican terrorist organization, were televised as they built their bombs. The two, tailed as they left their informal bombs factory, led Federal agents to a second "safe house," where additional secret cameras, as well as microphones, were installed.

Five years ago, on the basis of this and other evidence, 10 members of the F.A.L.N., the Armed Forces of National Liberation, were arrested, and later convicted and sentenced to long terms in Federal prison on charges of bombing and conspiring to bomb 28 buildings in the Chicago area. Although the physical tremors from those explosions have subsided, the legal echoes from the television surveillance continue to reverberate through the courts and Congress, where a bill dealing with some of the more troublesome issues will be reintroduced shortly.

They were raised late last year in a Federal court considering an appeal from the Chicago convictions. Secret television surveillance, the United States Court of Appeals for the Seventh Circuit warned, was exceedingly intrusive and unless controlled could "eliminate privacy as understood in modern Western nations." The court coupled its warning with a recommendation that Congress pass legislation setting down specific criteria for police use of television surveillance.

Only recently have television cameras become sufficiently inexpensive, compact and light sensitive to permit surveillance in many different situations. As a result, their use in law enforcement has begun to increase. Six weeks ago, for example, the Justice Department reported that Federal agents installed secret television surveillance cameras in 16 cases last year. A spokesman for Manhattan District Attorney Robert M. Morgenthau said secret cameras were used six or seven times in 1984. Michael Bozza, assistant director of the New Jersey Division of Criminal Justice, estimated such equipment was used 6 to 10 times in the last few years.

All three reports emphasized, however, that the figures were only for instances in which hidden television cameras were installed in private homes or offices. They do not include the far more frequent occasions when law enforcement agencies install hidden cameras in public places. Nor do they include the kind of investigation, such as the Federal Bureau of Investigation's Abscam inquiry, in which undercover agents have agreed to the presence of the equipment and therefore no warrant is required.

The appeals court decision was written by Judge Richard A. Posner, frequently mentioned as a leading candidate to the Supreme Court because of his generally conservative and closely reasoned opinions. He upheld the legality of the F.B.I.'s warrants in the F.A.L.N. case. "We do not think the Fourth Amendment prevents the Government from coping with the menace of this organization by installing and operating secret television cameras in this organization's safe houses," he wrote. But, he added, "we think it also unarguable that television surveillance is exceedingly intrusive, especially in combination (as here) with audio surveillance, inherently indiscriminate, and that it could be grossly abused—to eliminate personal privacy as understood in modern Western nations."

Defense lawyers challenging the Government's action argued that the warrants had been granted even though the 1968 law governing electronic surveillance does not mention television.

The appeals court decision said: "We would think it a very good thing if Congress responded to the issues discussed in this opinion" by amending the 1968 law "to bring television surveillance within its scope." Legislation to achieve this goal was introduced in Congress last fall by Representative Robert W. Kastenmeier, chairman of the House Judiciary Subcommittee on Constitutional Rights, and was given qualified support by the Justice Department. But the Wisconsin Democrat, who plans to reintroduce the bill in the next few weeks, also hopes to close a far broader, loophole in the nation's surveillance law.

A big problem with the 1968 law, according to Mr. Kastenmeier and experts such as W. J. William Caming, former legal adviser to the American Telephone and Telegraph Company on privacy matters, is that it is so narrowly worded that it applies only to telephone wiretaps and electronic bugs that pick up conversations that, actually can be heard by the human ear.

One result is that the rapidly growing volume of information transmitted all over the United States in computerized or digital form is largely unprotected. Unethical corporations, organized crime, organizations, foreign espionage agents and state and local law enforcement agencies are violating no Federal law when they intercept and record computerized banking data, computerized stock transactions and electronic mail services offered by such companies as MCI.

The failure of the law to keep up with technology has caught bipartisan interest on Capitol Hill. It also has prompted the American Civil Liberties Union, in conjunction with the Public Interest Computer Association, to sponsor conferences designed to develop a consensus among business and civil liberties groups on possible legislative solutions. "Government-operated television cameras in the home raise the spectre of

George Orwell's telescreen," Representative Kastenmeier said. "Any use of such a method of surveillance should be strictly controlled and limited to the most urgent circumstance."

TRIBUTE TO LUCIE BRUNS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. MCEWEN. Mr. Speaker, I would like to take this opportunity to recognize the heroism of a constituent of mine, Miss Lucie Bruns.

During her summer off from Wilmington College, Miss Bruns was working as a lifeguard at the Cowan Lake State Park. On June 30, 1985, Lucie saved the life of a 2-year-old boy. Jonathan Kohorst was pulled from the water, where he was found unconscious with no apparent pulse or breathing. Miss Brun ran to the boy and immediately began to administer cardiopulmonary resuscitation to revive him.

After giving CPR for 3 minutes, Miss Bruns was successful in bringing Jonathan back to consciousness. The boy was kept in the hospital overnight for observation where he was released the next day in good health.

Again, I would like to commend to my colleagues Miss Bruns for her alertness and ability to stay under control in the face of a potential tragedy. It is always gratifying to be able to give praise to young people like Lucie Bruns.

AMERICAN EDITOR RELEASED

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1985

Mr. LEACH of Iowa. Mr. Speaker, last week I took to the floor to point out that now and then a small event occurs that underscores a profound problem for United States foreign policy, such as the recent arrest in Taiwan of Lee Ya-ping, an editor of a United States-based newspaper.

The Taiwan Government announced Thursday, September 26, 1985, that Ms. Lee has been released on bail and assigned to reformatory education.

Although the idea of reeducation is antithetical to the democratic principle of pluralism, conjuring up cultural revolution images, the release of Ms. Lee must be considered, from a congressional setting, a positive step which effectively negates the urgency of bringing to the floor a resolution of concern. On the other hand, concern remains that a chilling message has been sent to all Americans of Taiwanese descent that if they publicly criticize the Taiwan Government, they may be arrested upon returning to the island.

Therefore, as positive as the release of Ms. Lee is, the fact she was incarcerated in the first place underlines the concerns of Taiwan's democratic friends about the capricious nature of martial law. Thus, at the same time we in Congress take positive note of the release of Ms. Lee, the larger issue that led to her arrest remains as a sore point in United States-Taiwan relations.

It is my hope that the good judgment and reason which has prevailed in the release of Ms. Lee will likewise prevail in the eventual democratizing of political institutions on the island.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, October 1, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 2

9:30 a.m.

Armed Services
To hold hearings on nuclear winter and its implications.
SR-222

Banking, Housing, and Urban Affairs
To hold hearings on the nominations of Roger W. Jepsen, of Iowa, to be a Member of the National Credit Union Administration, Joseph A. Grundfest, of the District of Columbia, to be a Member of the Securities and Exchange Commission, and Paul Freedenberg, of Maryland, to be an Assistant Secretary of Commerce.
SD-538

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Judiciary
To hold hearings on the nominations of Michael K. Block, of Arizona, Ilene H. Nagel, of Indiana, and Paul H. Robinson, of New Jersey, each to be a member of the U.S. Sentencing Commission.
SR-301

Judiciary
Security and Terrorism Subcommittee
To hold hearings on mercenary counter-terrorism training camps.
SD-106

Select on Indian Affairs
To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.
SR-485

1:00 p.m.

Select on Indian Affairs
To continue hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian tribe of Nevada.
SR-428

1:30 p.m.

Governmental Affairs
Business meeting, to consider pending calendar business.
SD-342

2:00 p.m.

Judiciary
To hold hearings on pending nominations.
SD-226

Rules and Administration
Business meeting, to consider S. 581, S. 582, and S. 583, bills authorizing funds for activities of the Smithsonian Institution, proposed amendment to the mass mail regulations to provide for printing pictures of missing children on Senate mail, and other legislative and administrative business.
S-128, Capitol

3:00 p.m.

Judiciary
To hold hearings on S. 412, to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.
SD-226

OCTOBER 3

9:00 a.m.

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

9:45 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of William R. Graham, of California, to be Deputy Administrator of the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nominations of Mary L. Walker, of Maryland, to be Assistant Secretary of Energy (Environment, Safety and Health), Anthony G. Sousa, of Hawaii, to be a Member of the Federal Energy Regulatory Commission, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).
SD-366

Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Joint Economic
Agriculture and Transportation Subcommittee
To hold hearings on livestock and retail meat prices.
SD-342

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to evaluate the United States earthquake hazard reduction and preparedness program.
SR-253

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

3:00 p.m.
* Armed Services
To continue hearings on nuclear winter and its implications.
SD-562

4:00 p.m.
* Select on Intelligence
Closed briefing on chemical, biological and radiological terrorism.
SH-219

OCTOBER 4

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Joint Economic
To hold hearings on the employment-unemployment situation for September.
2359 Rayburn Building

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on certain land conveyance measures, including S. 304, S. 360, S. 446, S. 565, S. 567, S. 829, S. 1503, S. 1625, and S. 1690.
SD-366

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold oversight hearings on the implementation of the Randolph-Sheppard Act of 1936.
SD-342

OCTOBER 7

10:00 a.m.
Labor and Human Resources
To hold hearings on alternative programs for troubled youth.
SD-430

OCTOBER 8

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, the Clean Campaign Act.
SR-253

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold joint hearings with the Committee on Environment and Public Works' Subcommittee on Nuclear Regulation on S. 1517, to provide continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and S. 1578, to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Energy Research and Development on S. 1517, to provide continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and S. 1578, to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste.
SD-366

OCTOBER 9

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, or Washington, each to be a Member of the Marine Mammal Commission.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings in conjuction with the National Ocean Policy Study on Pelagic driftnets.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

OCTOBER 10

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S.J. Res. 187, to designate Patrick Henry's last home and burial place, in Virginia, as a National Memorial to Patrick Henry, S. 1596, to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia, and S. 1116, to authorize funds for financial assistance and grants to the Bethune Museum and Archives in the District of Columbia.
SD-366

* Finance
To continue hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Labor and Human Resources
To hold hearings on mandatory nutritional labeling.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

10:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on the Philippines.
SH-219

OCTOBER 16

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430
Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Select on Indian Affairs
To hold hearings on the nomination of Ross O. Swimmer, of Oklahoma, to be an Assistant Secretary of the Interior.
SR-325

OCTOBER 17

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on espionage activities in the United States.
SD-342

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings to examine measures to discourage students from dropping out of high school.
SD-430
Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SD-628

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 21

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the implementation of the Household Goods Transportation Act (P.L. 96-454), and the Bus Regulatory Reform Act (P.L. 97-261).
SR-253

OCTOBER 22

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on the impact of trade on employment and productivity.
SD-430

OCTOBER 23

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 24

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the role of the entertainment industry in deglamorizing drug use.
SD-342
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 28

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1551, to provide for administrative appeals and judicial review under Part B of Medicare, and to review the beneficiary and provider appeals provisions under Parts A and B of the Medicare program.
SD-215

OCTOBER 29

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).
SD-430

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the Federal enforcement of the Bank Secrecy Act (title 31 of the U.S. Code).
SD-342

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the effects of domestic violence.
SD-628

OCTOBER 31

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 1209, to establish the National Commission to Prevent Infant Mortality.
SD-342
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

NOVEMBER 6

9:30 a.m.
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430

NOVEMBER 7

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on insurance and space commercialization.
SR-253

NOVEMBER 12

9:30 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on the impact of trade on employment and productivity.
SD-430

10:00 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on regulatory activities of the Office of Management and Budget.
SD-342

CANCELLATIONS

OCTOBER 3

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.
Governmental Affairs
To hold hearings on the President's management initiatives and related measures.
SD-342

SENATE—*Tuesday, October 1, 1985*

(Legislative day of Monday, September 30, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

O Lord, thou hast searched me and know me. Thou knowest my downsitting and mine uprising; thou understandest my thought afar off. Thou compassest my path and my lying down, and art acquainted with all my ways.—Psalm 139:1-3.

Father in Heaven, in our large Senate family there are bound to be those who have personal or family needs which they are not always free to express. Our culture does not permit people of power to acknowledge vulnerability or weakness but we know that in their humanity they have needs. Thank Thee, Heavenly Father, for the confidence we have that Thou dost know each of us in the totality of his or her life, past, present, and future. We cannot hide from Thee. We cannot deceive Thee. We have no secrets from Thee. As Thou dost know us, gracious Father, meet every need represented in hearts and homes today. Whether estrangement between spouses, parents and children, illness of a loved one near or far, children or youth in trouble, financial difficulty, frustration or boredom at work, discouragement or despair, we ask Thy healing touch upon each situation. Grant our Father, that in our relationships with each other, we will respect, honor and love one another so that though unaware of others' burdens, we will be an instrument for caring and restoration. Dear God, may Your love cover every individual, every family, every circumstance represented by the Senators and all the supporting staffs. In the name of Him who is love incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. I ask unanimous consent to reserve the time of the distinguished minority leader.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent to vitiate the request for special orders by Senator GOLDWATER and Senator NUNN.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Then, Senator PROXMIRE has a special order for not to exceed 15 minutes.

There will be routine morning business not to extend beyond the hour of 12 noon with Senators permitted to speak for not more than 5 minutes each.

By unanimous consent, at 12 noon the Senate will stand in recess until the hour of 2 p.m. for the Republican and Democratic policy luncheons. When we reconvene at 2 p.m., it is my hope that we can turn to a number of items. But, first of all, I understand Senator GOLDWATER and Senator NUNN would like to speak at that time. Hopefully, it will not be too long. Then, hopefully, we can move on to the imputed interest conference report. After that we will have one or two appropriations bills that we hope to take care of by fairly early evening.

We are still not certain on the Saturday session. I hope to make an announcement on that, if not today, the first thing tomorrow morning so that Senators may make their plans. It all revolves around the extending of the debt ceiling. When that will be taken up or whether or not there will be an effort to keep it free of amendments—and I assume some amendments will be offered in any event. But that is a matter that was discussed with the President this morning at the White House. He indicated he would like a clean debt ceiling, though others have other views.

So it may be necessary at least on this side to have a caucus before we are able to determine that. We may be able to determine that in the next day or so.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. KASTEN). Under the previous order, the Democratic leader is recognized.

EXTENSION OF THE DEBT CEILING

Mr. BYRD. Mr. President, as I indicated yesterday in a conversation with the leader, it is my strong feeling that if we can possibly do it, we restrain ourselves on both sides from offering any amendments on the extension of the debt ceiling.

That might be a task that is hard for the majority leader and for me. At least I think I shall try it on this side, and for many reasons.

In any event, I will be talking to the majority leader later. It may not fly at all. It is a suggestion. But I strongly support it. I suppose one Senator may feel that he has to call up an amendment. Then another Senator will feel that he is under no obligation to restrain himself from bringing up an amendment. All we can do is try. I want the majority leader to know that I will be trying to do that.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

DESIGNER DOORMAT GETS OCTOBER'S GOLDEN FLEECE AWARD

Mr. PROXMIRE. Mr. President, my Golden Fleece of the Month Award for October goes to the Navy.

Now hold on to your galoshes on this one, Mr. President; the fleece goes to the Navy for buying a $792 designer doormat.

That is right—$792 for a custom-made doormat so Navy personnel can walk on nothing but the best; meanwhile, the poor taxpayer gets walked all over with this outrageous expense.

Move over, $7,000 coffee pots! Stand aside, $400 hammers! We now have the $792 doormat! It was installed this August at the Naval Medical Command Southeast Region in Jacksonville, FL.

The poor taxpayer may wipe his shoes on a $3 doormat when he goes home, but not the Navy. It is, damn the cost, full feet ahead on a doormat you would be ashamed to get muddy.

The Navy in this case got what it ordered. The 8-by-10-foot doormat it bought is a posh top-of-the-line beauty. What trips me up is why in

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the world the Navy paid for it in the first place?

Wipe your boots on any old doormat! Not the Navy. Since the taxpayer was footing this bill, it bought the Rolls Royce of doormats—a "luxo link custom" doormat with the Medical Command's logo woven into it in metallic blue, white, yellow, and turquoise.

I realize the Navy's job is to protect our seas so the enemy does not reach our doorstep. But a $792 doormat hardly qualifies as being vital to our national defense.

The problem is, the Medical Center's designer doormat seems to be just the tip of the mat pile. These fancy doormats seem to be lying around at military facilities everywhere. Imagine the envy of a visiting admiral bereft of a "luxo link custom" doormat. Will he just have to have one?

I asked the Navy to justify this outrageous expense. Its response: "This purchase fills a legitimate command requirement." I would like to see how legitimate they would think this purchase was if their commanders had to pay for it, instead of the poor taxpayer. What is more, the Navy said these designer doormats "are used by most major naval headquarters commands."

With the whopping budget deficit we are facing, all the cuts in spending we are having to make in vital programs, and the belt-tightening the military is now being asked to take, the Navy can hardly afford "luxo link custom" doormats. Caspar Weinberger ought to call a few admirals on the carpet—or better yet, the VIP doormat—and kill this type spending deader than a doormat.

THE SENATE WILL LOSE A REMARKABLE SENATOR IN MAC MATHIAS

Mr. PROXMIRE. Mr. President, the decision by Senator MAC MATHIAS to retire after this Congress is a sad blow for this body. MAC is precisely the kind of U.S. Senator this country needs. He has all the fundamental virtues. He is intelligent. He works hard. But he is much more. MAC MATHIAS really loves this place. You can tell by the way he speaks in this body. MAC enjoys giving a speech. He makes it fun and often funny. He does not follow any rigid ideological party line. He obviously does what he believes is in the public interest.

This body will miss one of its finest Senators in MAC MATHIAS. This Senator will especially miss him.

Mr. President, I ask unanimous consent that a sensitive and touching article on Senator MATHIAS by Meg Greenfield that appeared in both this week's Newsweek and this morning's Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 1, 1985]

A REPUBLICAN OUTSIDER

(By Meg Greenfield)

I don't want to write about Sen. Charles McC. (Mac) Mathias Jr. as if he had died. All the Republican from Maryland has done is to announce his decision to retire from the U.S. Senate next year, and, contrary to what is so generally assumed in this town, there is life after the U.S. Senate. There is even said to be life outside of Washington. But this, of course, is only hearsay. What interests me about the Mathias decision is neither of these vexed questions, nor even the who-struck-John political details of his recent relationship with his party, a subject that has engrossed many. What interests me is the question of why a man of Mac Mathias' particular enthusiasms should have been consigned so relentlessly over the years to the outskirts of his party.

No one in that party, I believe, will reply that this most affable and humorous of men had a personality problem, as some politically acceptable but personally unbearable figures in both parties do. Again, it is true that he was not shy about bucking party discipline from time to time and going his own way, but then neither have others at the opposite end of the Republican political spectrum been—far from it. For example, Mathias has opposed and even been crucial in blocking some Republican appointments, most notably that of William Bradford Reynolds to be associate attorney general, but Sen. Jesse Helms of North Carolina has waged campaigns against the confirmation of many Reagan nominees, and somehow he has never been made to seem nearly so much a pariah for his failure of allegiance as Mathias has for his.

So I don't think that the breaking of discipline explains it, and I don't think Mathias' relative liberalism is the answer either. His views and his votes on racial questions have not been all that different from those of a number of other Republicans; and it is worth recalling in this connection that a group including Majority Leader Bob Dole and other Republicans recently complained to the Supreme Court about the weakness of some Reagan administration civil-rights policies.

Of course Mathias is, in this and some other key respects, a liberal Republican. But to say this is, I think, to miss the core theme and motivation of the man. It is to conjure up a kind of modernist sensibility, whereas Mathias is, if anything, its antithesis. He is no cutitng-edge-of-institutional-change liberal, no social-science-minded, central-planning pol. On the contrary, the man is almost obsessive in his care for and attachment to tradition, specifically to American historical tradition.

I learned this on a truly freezing afternoon in December almost 15 years ago. I remember the temperature so well because I and a colleague spent several hours riding out to a Civil War battlefield with Mathias in the wreck of a car he drove, which had holes in the floorboards that had been kicked and butted through by the goats he ordinarily transported in it. (When you got in the car and before you ever saw the holes, you knew that goats—at least—had been its previous passengers.) We were there because we had been incautious enough to write an editorial in The Washington Post opposing a Mathias effort to double the size of the Antietam National Battlefield park, so that it would include such Civil War landmarks as the probable site of Clara Barton's field hospital.

Mathias insisted that we take this tour. It included, first, a Revolutionary-period farmhouse where we had a very late lunch and restored our failing vital signs with some red wine and at last—it was pitch-dark by then—a trek around the icy battlefield. What I remember best is the loving preoccupation of Mathias with every detail of the early-American farmhouse, its construction and furnishings, and his utter familiarity with an enthusiasm for the historic resonances of the countryside we traversed. I almost forgave him the certainty of pneumonia.

In the years since then, I have come to understand that this enthusiasm involves not only traditional Americana—artifacts and shrines—but also, and more essentially, traditional American values. It all seems to go together in his mind. Mathias, not to put too fine a point on it, is a Bill of Rights freak. He reads in and about the Constitution. He talks about the Founding Fathers as if he knew them, and in a way, I suppose, he does. Throughout the Watergate time and ever after, when an administration sought to overreach its authority, especially in marauding against an individual or in abusing its powers or encroaching on guaranteed rights, when it lied or snooped or denied due process, you could be sure you would hear from Mathias, that he would be on the phone and on the case. It is his passion. He will nag you to death on it.

Why this should be considered an affront to conservatism—as distinct from proceeding from a very conservative, traditionalist instinct, which it does—I will never know. And why it should be considered subversive of Republican policy to demonstrate so thoroughgoing a hostility to the self-aggrandizement of the state is equally hard to understand. The Senate at the moment is hardly controlled by people who are either unsympathetic to these values or hostile to Mathias. Mathias' fellow Senate Republicans—Dole, Alan Simpson, Richard Lugar, Nancy Kassebaum, Dave Durenberger, Pete Domenici, William Cohen, John Danforth, to name a few—represent one of the strongest and most respected governing groups the Capital has seen in ages.

You might also think that the more ideological, think-tank right, where so much of the political action and energy are in Washington these days, would have some folks within it who appreciated the antistatist quality of Mathias' passion for the U.S. Constitution. But the truth is that higher-ups in his party have spent a great deal of effort devising ways to keep Mathias from ascending to the chairmanship of the Senate Judiciary Committee, which his seniority brought him to the edge of and for which he had spent a political lifetime preparing. The Republicans, riding high in Washington, should ask themselves how it was that so many of them found this man's American political fundamentalism so frightening and what it says of them that they simply could not find a place for him in their counsels.

REDUCING NUCLEAR ARSENALS IS NOT NEARLY ENOUGH

Mr. PROXMIRE. Mr. President, I wish every American could read the excellent lead editorial in the New

York Times, Sunday. That editorial deals with the most important issue that faces mankind: How to prevent nuclear war. I wish the concluding paragraph could be written in letters of flame 1,000 miles high. Here it is:

The main message is that deterrence must not be allowed to fail, and long before any meaningful defense can be achieved, the arsenals held for retaliation need to be reduced to the smallest possible size. Forcing governments to look nuclear weapons in the face may be the best way to sicken their appetite for building even more.

As the New York Times argues, Government must, indeed, rethink nuclear war. With great respect for the New York Times, this Senator would argue that governments—especially the U.S. Government—should recognize that "reducing the nuclear arsenals to the smallest possible size" will not begin to solve the most crucial nuclear war problem. As that indefatigable champion of the Reagan nuclear arms policy, Richard Perle, never tires of telling us, the United States has, in fact, reduced its nuclear arsenal in both number of warheads and in megatonnage over the past 20 years. But we have spent hundreds of billions in that period to construct an ever more devastating nuclear arsenal. How can this be? How can the United States reduce its nuclear arsenal in size, but at the same time massively increase its devastating power? How has this apparent contradiction happened? It has happened because the reduction in the size of our nuclear arsenal has not in the slightest diminished our vigorous participation in the nuclear arms race. Through constant research and the testing that is essential to research, we have steadily perfected the deadly power of our far smaller arsenal so it is, indeed, smaller in number and megatonnage, but much more devastating than ever.

The danger of the next few years is that the process of creating the terribly destructive—though smaller and fewer—nuclear weapons is just beginning. When this country perfects the antimatter bomb, it will have an "improvement" on fusion and fission bombs in terms of explosive power by a factor of 100 or more. What does that mean? It means we can produce nulcear weapons that are both far smaller and far cheaper than the nuclear weapons we have now. And that means the world will be in far more serious danger than ever. What do much cheaper and lighter nuclear bombs mean? It means that literally scores of countries will be able to afford nuclear weapons. It also means that the overnight superpower status of these devastating new nuclear weapons will make them irresistible. Few if any countries will be able to resist it. Do you doubt that? Put yourself in the position of the top man in Cambodia, or South Korea or Taiwan or the Philippines, or Afghanistan, or Nicaragua or El Salvador let alone Libya or Syria. How could you resist a weapon that could not only put you right up there at the table with Reagan and Gorbachev, but could literally give you the capacity to eliminate totally any neighboring power or any revolutionary group that opposed you or the government that embodies the principles for which you are ready to fight and die? Come to think of it, the race for these weapons could be even more widespread. It would swiftly include revolutionary outsiders determined at any cost to overthrow incumbent regimes. Think what just a few antimatter bombs would do for the Contras in Nicaragua or the Irish Republican Army. Is all this just a foolish flight of fancy? It is a flight of fancy only if we stop the arms race now, and that means especially stopping the essential testing of nuclear arms now. If we do not, it is as certain as tomorrow's sunrise that the arms race will develop nuclear weapons of greater power than today's pulverizers, and far smaller and very much cheaper. Do you say, wait a minute, PROXMIRE. For 40 years the nuclear weapons genie has been out of the bottle. For all these 40 years, you proliferation bogeymen have been reciting the proliferation fairy tale.

But except for five major nations, there has been little or no proliferation. Why should the next 40 years be any different? The answer is in the simple arithmetic of economics. To date, a nuclear arsenal has not come cheaply. The cost has been in the billions. Only countries with major economies could afford such an arsenal. The new nuclear weapons coming on in the arms race are changing all that.

But, do you protest, cost is one thing, but availability is something else? Do you argue we would safeguard the secret of antimatter bombs and keep them to ourselves? Dream on. In the real world, military "secrets" have a lifetime of about 3 months. Once we make the breakthrough and prove it with tests, the race is on.

So, it is not enough—as the New York Times pleads—to reduce the size of superpower nuclear arsenals. That will mean little or nothing. It is far more important to negotiate a mutual, verifiable end to the nuclear arms race and the testing of nuclear weapons that lies at its core.

Mr. President, I ask unanimous consent that the New York Times editorial of Sunday to which I referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RETHINKING NUCLEAR WAR

Only 10 years ago, many scientists concluded that the planet could survive a major nuclear war, recovering within a decade. That judgment is now sharply questioned by new interest in the effects of nuclear explosions on the world's climate, cities and agriculture. The Reagan Administration contends that the debate is irrelevant to policy, which is based on the premise that nuclear weapons must never be used. Still, governments that threaten—and are threatened by—nuclear retaliation cannot be indifferent to knowledge of the consequences if deterrence fails.

Smoke, which was entirely neglected in earlier assessments, is the most prominent feature in the emerging portraits of nuclear war. That is because cities are laden with combustibles, like fuel, plastics and asphalt, that create a thick black smoke when burned. If enough smoke ever gets high enough to escape being washed down by rain, a black pall would spread out and enshroud much of the Northern Hemisphere.

Climatologists, employing computer models, are still only guessing what the smoke would do. The latest calculations, reported by a committee of the International Council of Scientific Unions, reiterate that the smoke from a major nuclear war could blot out nine-tenths of the sunlight. The clouds would immediately reduce land temperatures by some 30 degrees, and might linger for a year or so. The committee calculates that this would disrupt agriculture in the Northern Hemisphere and the monsoon season in Asia, causing widespread crop failure and famine.

These are not certain predictions, and the dust of this debate has not settled. But there seems at present a solid chance that a nuclear war, besides killing hundreds of millions immediately, could be followed by a nuclear winter that would kill hundreds of millions more.

Even without a nuclear winter, re-examination suggests that the direct consequences of nuclear war would be no less terrible. According to studies presented last week at the Institute of Medicine in Washington, both the radiation and fire from nuclear explosions have been underestimated. Reappraisal of the deaths in Hiroshima finds that fallout may be a greater danger than anyone knew; the lethal radiation level for humans seems to be much lower than had been thought.

Another recalculation concerns the effect on cities. Government estimates of the casualties from nuclear explosions over cities are apparently based on the blast effect, as calculated from deaths in Hiroshima. But the 1945 bomb was what would now be considered a mere tactical weapon. A modern warhead exploded over a city would probably ignite raging fires, driven by hurricane-force winds and sweeping far beyond the zone of lethal blast. These firestorms might claim four times as many lives as those taken by flash and blast.

These judgments of nuclear effects carry many possible implications for nuclear strategy. But the lesson will not have been learned if strategists merely reallocate their targets and change the design of warheads.

The main message is that deterrence must not be allowed to fail, and long before any meaningful defense can be achieved, the arsenals held for retaliation need to be reduced to the smallest possible size. Forcing governments to look nuclear weapons in the face may be the best way to sicken their appetite for building ever more.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that there is free trade among the nations of the world. This widely accepted myth recognizes that there are occasional free-trade lapses here and there. The myth also recognizes that there are a few countries that exclude the free admission and sale of products. But, according to the myth, if the United States wants to sell oranges or autos in Japan, all we have to do is ship them over, transfer them to dealers, and it's like selling Florida oranges or Detroit autos in Texas or New York or Wisconsin. That, Mr. President, is the free market of myth.

The real world is exactly, precisely the opposite. In the real world, there is only one major country in the world that has no quota on the import of Japanese autos. That country is the United States. Can the United States sell its farm products freely, without restraint, in France or Italy or Japan or Germany? Of course not. The United States can only sell in a tightly constrained, limited market.

Is there any semblance of free trade anywhere in the world? Yes; the biggest single-country market in the world is the United States. With a few exceptions, and they are relatively very few, the United States is a free-trade zone for the world.

It is true that the United States did negotiate a limit on the import of Japanese autos. That limit, incidentally, has now expired. The United States did limit the import of Japanese motorcycles. In a few other areas, we have, from time to time, temporarily limited access to our markets. But by and large, the United States is wide open for foreigners to export to this country their food, clothing, autos, steel, oil, ships. The list is endless. Now, is there any significant market in the world where the United States can freely export its product without restraint? If so, I challenge Senators to name it.

The free-market myth carries a corollary myth along with it. That is the myth that any restraint on imports to provide an opportunity for American workers to hold on to their jobs will automatically increase the price of goods or reduce the quality of goods for American consumers. There may be a kernel of truth in this myth if the limitation on foreign goods is carried to an extreme. It is true that foreign goods provide competition with American produced goods in both price an quality. That competition forces American producers to hold down the wages they pay American workers. It forces them to bargain aggressively for the lowest possible cost for the materials they buy. It presses them to use their ingenuity to increase the production they get for every hour of work they have to pay for.

Of course, in a country the size of the United States with our strong antitrust tradition, domestic, U.S.-based competition in most industries is already intense. Foreign competition can play a helpful part. But how much of the market is necessary for this competition to work? In autos, foreigners already have 20 to 30 percent of the market and their share is rapidly growing. Is not that 20 percent to 30 percent enough, in addition to the domestic competition, to hold down prices and require high qaulity?

In textiles, foreign imports absorb even more of the market. The foreign share varies from 40 percent to 60 percent. That should certainly be more—much more—than enough to provide the kind of equality and price competition to keep domestic producers on their toes. The textile industry, after all, is an extraordinarily competitive domestic business even if foreign imports were totally excluded, which no one advocates.

How about shoes? In that industry, foreigners this year will take literally three-fourths—Mr. President, 75 percent—of the entire market. Can anyone sensibly argue that this much of an invasion of the American market is necessary to hold down price and to provide quality? It is absurd.

Finally, the free-market myth carries along still another myth. It is the notion that if the United States moderately and selectively limits access to its markets by foreigners it will kick up a storm of retaliation against American goods that we sell overseas. This myth might have had some force 10 years ago. But today? Take Japan. Last year, this country exported $23.2 billion of goods to Japan. How much did we import to balance off that $23 billion of exports? We imported from Japan $60.4 billion.

Dwell on those figures for a minute. And let me translate it into jobs. Last year, we sent to Japan exports that required 575,000 jobs, at $40,000 per job. They sent back to us imports that required 1,500,000 jobs to produce. This trade, in effect, cost the United States a net of nearly a million jobs. If the United States cut this import volume from Japan in half and the Japanese reciprocated tit for tat, the United States would lose less than 200,000 jobs and gain 500,000 jobs. That means Japan would lose more than twice as many jobs as it gained.

This general bargaining relationship applies for whatever level of limitation on Japanese trade the United States wishes to apply. And the Japanese must know it. If they do not know it, they would quickly find out if the United States applies its limitation on Japanese imports. Consider the overwhelming bargaining strength of the United States. If the United States cuts 10 percent of the Japanese imports and the Japanese retaliate equally, the United States loses 57,500 jobs. It gains 150,000 jobs. If the United States cuts out Japanese imports entirely, the United States loses 575,000 jobs. It gains 1,500,000 jobs. What we gain the Japanese lose.

Will the Japanese retaliate under these circumstances? Of course they will not; they cannot. Obviously any retaliation will cost the Japanese a sure loss of jobs. It will hand America a sure and certain gain of jobs.

So, Mr. President, the myth of the day is that free trade is the general practice in the real world of international trade. It is not. The corollary myths are also a costly illusion.

One corollary myth is that virtually unlimited imports are necessary to reinforce feeble domestic competition in the U.S. economy that is also a widely held fallacy. We have vigorous competition in our economy.

Finally, the myth that a moderate and temporary restraint on imports will provoke a far more costly retaliation by our foreign trading partners that the United States can only lose has no merit whatsoever. Exactly the opposite is true. Retaliation against a country like the United States with its overwhelmingly adverse trade balance is virtually impossible.

MIGRATORY GENOCIDE

Mr. PROXMIRE. Mr. President, the Soviet occupation of Afghanistan poses a grave threat to the Afghan people and to the regional stability of southern Asia.

At present, the Soviet Union maintains an expeditionary force of more than 115,000 troops in Afghanistan. The troops control the cities, airbases, and other strategic points. This army has an array of lethal weapons ranging from helicopter gunships to highly maneuverable fighter-bombers.

The Soviets have adopted an unrestrained policy of "migratory genocide" in Afghanistan. They are attempting to kill or force into exile everyone they suspect of supporting the resistance fighters, known as the mujahideen.

By slaughtering innocent people, bombing farms, killing animals, and wrecking fragile irrigation systems, the U.S.S.R. is trying not only to force the local people into obedience, but also to destroy completely the economic and social structure of more than 80 percent of the country.

According to a member of the Swedish Committee for Afghanistan, headquartered in Pakistan, "The Russians are turning every region that does not bend to their will into a wasteland."

Unfortunately, Soviet tactics are succeeding. Between one-quarter and one-third of the prewar population of Afghanistan has fled the country. Countless other refugees have hidden

in the mountains. Although reliable statistics are virtually nonexistent, experts believe that hundreds of thousands of people have died as a direct result of the occupation.

American protests have accomplished nothing. The Soviet Union merely ignores or denies our allegations of genocide. The Kremlin throws our accusations back at us, saying that the United States is the country which favors genocide.

The Soviet attempts to shift the blame are successful, because other nations look at the record. They see that while the Soviet Union ratified the Genocide Convention over 30 years ago, we have yet to do so.

We must remove this propaganda weapon from the hands of the Soviets by ratifying the treaty, thereby focusing the world's attention on the atrocities occurring in Afghanistan. Then, and only then, will we legitimately be able to fault the Soviets for committing migratory genocide.

WISCONSIN AIR NATIONAL GUARD WINS AGAIN

Mr. PROXMIRE. Mr. President, I have just been notified that the 128th Tactical Fighter Wing of the Air National Guard, which is based in Madison, WI, has again won the A-10 weapons loading competition.

The Madison unit has been entered in the competition for the past 3 years since converting to the close air support A-10 aircraft and has now won the top award 2 years straight. No other Air National Guard unit has won more than once. The competition was tough, but our 128th beat out units from New York, Connecticut, Massachusetts, and Maryland.

The Wisconsin National Guard has a long and proud history and I am pleased that our Air Guard is still recognized as the best in the Nation.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

ACHIEVEMENTS OF BLACK MEMBERS OF THE ARMY AIR CORPS IN WORLD WAR II

Mr. THURMOND. Mr. President, it is a pleasure for me to pay tribute to the black airmen who heroically served our Nation in the European theater in World War II. For the benefit of my distinguished colleagues and our country, I would like to mention some of their achievements.

THE 99TH PURSUIT SQUADRON

Mr. President, records show that the pilots in the all-black 99th Pursuit Squadron proved themselves in a positive way in the European theater in World War II. These brave pilots of the 99th Squadron were trained at Tuskegee Institute in Alabama.

The first combat assignment of the 99th Squadron came on June 2, 1943. The operation called for the squadron to be wingmen on a strafing mission against the heavily fortified island of Pantelleria, near Italy. Following several days of strafing and bombing, the enemy forces of the island surrendered on June 11, 1943.

On July 2, 1943, six 99th Pursuit Squadron pilots were assigned the role of escorting 16 B-25 bombers, whose mission was to bomb the Castelvetrano Airfield on the island of Sicily. Just after the bombs were dropped, two enemy aircraft attempted to attack the bombers, but the 99th pilots intercepted them. One of the enemy aircraft was shot down, and the other turned and faded into the distance. Not a single bomber was lost on this mission.

Mr. President, until the end of the war in Europe in May 1945, the 99th Pursuit Squadron protected bombers on flights all over the Continent of Europe, specifically including the countries of Greece, Hungary, Romania, Austria, Poland, Italy, and Germany. Part of the Tuskegee airmen's pride was the fact that they did not lose any bombers on their escort flights.

For the record, Mr. President, I would like to list some of the sacrifices and heroic achievements in combat of black airmen in Europe in World War II:

COMBAT RECORD OF BLACK AIRMEN

ENEMY PROPERTY DESTROYED

111 aircraft (in the air), 150 aircraft (on the ground), 16 barges and boats, 58 box cars and other rolling stock, 57 locomotives, 1 radar installation, 2 oil and ammunition dumps.

ACTION IN FLIGHT

1,578 grand total of missions flown, 15,533 grand total of sorties flown, 992 pilots graduated at Tuskegee, 450 pilots sent overseas, 66 killed in action.

AWARDS

1 Legion of Merit (military award conferred by the President), 1 Silver Star (by the United States for gallantry in action), 2 soldier medals (by U.S.—decoration for bravery—risk of life), 8 Purple Hearts (by U.S.—wounded in action), 150 Distinguished Flying Crosses (by U.S. for heroism or exceptional service in aerial combat), 14 Bronze Stars (by U.S. for valor, decoration for courage), 740 air medals and clusters (by U.S. for meritorious achievement while flying).

A SOUTH CAROLINIAN IN BLACK HISTORY

South Carolina is proud that one of its natives taught and trained the pilots of the 99th Squadron at Tuskegee Institute. He is Mr. Ernest Henderson, Sr., a native of Laurens County, SC. At the age of 25, Mr. Henderson became a proficient civilian pilot and flight instructor in the Army Air Corps. He had the distinct privilege of being a flying mate of the late and famous Gen. Daniel "Chappie" James, Jr., at Tuskegee Institute, AL, in the 1940's. They flew the same airplanes from the same airport and had the same flight instructors during the early years of their careers in aviation.

Flight Instructors Henderson and James both completed the Civilian Pilot Training Program under Chief Charles A. Anderson at Tuskegee Institute, and both were employed as flight instructors in the Army Air Corps Aviation Cadet Program. In 1943, when Daniel "Chappie" James, Jr., entered the program as a cadet, Ernest Henderson was retained at the flying school at Tuskegee as a flight instructor, although he wanted to enter the Cadet Program. He soon attained the position of assistant squadron commander, a position in which he gave flight tests and flight examinations to cadets seeking graduation. Mr. Henderson trained on the average of 20 cadets a year who entered aerial combat in the aforementioned famous, all-black, 99th Pursuit Squadron which made history in the European theater in World War II.

Mr. Henderson was the first black man from the State of South Carolina to have a commercial pilot license and hold ground instructor, flight instructor, and instrument ratings. In the years following the war, Ernest Henderson became a great leader and educator in my State. South Carolinians are extremely proud of Ernest Henderson, who has been an active leader throughout his life in church, education, community, State, and national affairs, especially in national defense matters.

An article, by Sue Ellis in the State Newspaper in Columbia, SC, entitled, "From Plow to Plane—Retired Educator Broke Ground in Aviation," eloquently presents the life story of Ernest Henderson's climb from the bottom to the top of the ladder of success.

Mr. President, I ask unanimous consent that this fine newspaper article about Mr. Ernest Henderson be published in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"FROM PLOW TO PLANE," NEIGHBORS SECTION, THE STATE NEWSPAPER, COLUMBIA, SC

(By Sue Willis)

Ernest Henderson's childhood fascination with soaring in the skies not only unexpectedly materialized into a career, but also came to cast him in a vital role in breaking the codes of prejudice that gripped World War II America.

Henderson, now a retired educator living in College Place, was a top man in a World

War II experiment to prove what a black man could do in the cockpit. It was an experiment that came out with "flying colors," as he puts it. Henderson, in more than one way, soared to unexpected heights.

"When I was 15 years old, up in Laurens County, working on the farm, picking cotton, hoeing corn, working behind a plow, once a month I would see a little yellow plane fly overhead.

"I would say to the mule, 'whoa,' and he would stop, and I would watch the little plane until it faded off in the distance. At that time I didn't realize that 10 years later I would be an instructor in a similar plane, teaching others to fly who became a part of the 99th Pursuit Squadron at Tuskegee.

"I didn't dream at that particular time that I would ever become a pilot. If I had dreamed it, it would have been an impossible dream, I would say."

He grew up in a family of 10, had to sell produce from the farm to pay tuition to Bell Street High School in Clinton during the Depression. But he did it and graduated with highest honors.

In college, he worked hard to pay his way, selling vegetables, working in the school kitchen, picking up bottle refunds, his wife, Ophelia, said.

Henderson has great tales to tell, of course: how they found a plane could fly itself when a pilot accidentally left the throttle open when he started the plane and left it unattended; how a maneuver he taught on propeller planes outwitted the German jets.

But when he tells his aviation exploits to classrooms of youngsters he visits these days, he shows a drawing of the crude log cabin he grew up in and even cruder schoolhouse he was educated in. "I just mention this because I want to let the youth know today that if I could come up through this type of situation from a plow to a plane, they should be able to make much greater achievements."

But the deck stacked against Henderson wasn't just economics. Attitudes, even laws, of the country at the start of World War II doubted the ability of a black man to fly a plane. The armed forces refused to allow black men to receive pilot training. Segregation threatened to head off men like Henderson who had the desire to serve their country at the throttle of a plane.

At Hampton Institute in Virginia, Henderson was studying business administration when piloting fell to him as a career.

"While there, people began to look forward to an impending war. War was brewing in Europe, and many pilots began to be trained. Six black colleges began training civilian pilots," he said. Hampton was one of them, and Henderson took advantage.

The civilian training was an experiment in its first stages. It proved a man's ability to fly was independent of his race, but even then, when the defense department decided to set up the all-black 99th Pursuit Squadron at Tuskegee Institute in 1941, it was still dubbed an experimental project and did not erase separation.

Henderson quickly plays the problems down, though. "Of course we had to come up under some segregation rules back in those days, but we weren't too concerned about that because we were trying to prove one point—that we could fly . . . we wanted to be a part of the air forces to protect the country. We weren't going to let anything stop us—segregation, discrimination, anything. It wasn't going to hold us back. We just overlooked that type of thing just to get to serve the country."

At Alabama's Tuskegee Institute, he progressed in his training until he became a top flight instructor, chosen assistant squadron commander of the primary training segment of the program. He was one of a few men asked to stay behind to train pilots for the European war.

Henderson had a desire to fly in combat, but, he explained, "at Tuskegee they persuaded me to remain as a trainer." They convinced him that he could serve the country more by training a squadron of good pilots than by going out himself as an individual flyer.

"I think they wanted me there because I was more or less a conservative pilot. I did not drink alcoholic beverages so they nicknamed me Pepsi-Cola Henderson."

"Also, he was called Ernie, the Pride of the Primary," Mrs. Henderson bragged. "It was written all over his helmet."

More than his teetotaler habits, Tuskegee coveted his expertise which was reflected in the credentials he had accrued by that time. He was the first black man from South Carolina to have a commercial pilot's license and hold ground instructor, flight instructor and instrument ratings. Even when still in flight training himself, when a group of civic organizations visited Tuskegee field, Henderson alone was chosen on the spur of the moment to give the folks an air show.

Henderson described the maneuvers, acrobatic and combatative, that he taught, the extensive background in academics needed to fly, and the fact that he had to teach his 99th cadets to be not just good, but better.

"We had to be better than the white pilot," he said. The black pilot had to prove himself. Even overseas they were kept as a black unit, "but when they found they would protect those bombers better than some of the others, then they integrated. They were glad to see those black pilots out there," this ace-pilot explained.

Henderson trained cadets for the squadron up to the last day of the war. After that, the Tuskegee base was turned into a civilian flight training corporation, with Henderson as treasurer. His instructing continued there for four years, and when in 1949 he came to Columbia, he organized the Black Eagles and taught pilots here. Since then he has been a businessman and teacher, assistant principal, and counselor at W.G. Sanders, formerly Fairwold, and Crayton Middle Schools.

All his 68 years of hard work and varied experience have left few gray hairs. His physique is trim and his demeanor energetic. He is still able and eligible for his aviator's license.

In his talks to young people, Henderson's message comes through clearly—reach for the heights, ignoring setbacks.

Henderson's own children are fruits of his creed. One is an international opera singer, one a master teacher, another a lawyer.

From a plow to a plane, Henderson has seen the result of his labor and so has his country.

AMBASSADOR KIRKPATRICK ON "NICARAGUA'S U.S. LAWYERS"

Mr. DENTON. Mr. President, I call the attention of my colleagues to a column by Ambassador Jeane J. Kirkpatrick, which appeared in today's edition of the Washington Post. Ambassador Kirkpatrick addresses the interesting, and disturbing, situation created by the fact that United States lawyers and witnesses are presenting Nicaragua's case before the International Court of Justice, known as the World Court.

As Ambassador Kirkpatrick points out, the World Court is hardly an impartial judicial body, and it can hardly be expected to consider the issue objectively and fairly. Moreover, she points out that the Americans involved appear to be less interested in determining facts and providing justice than they are in influencing U.S. policy.

We should also note that at least one of the witnesses is a recent employee of the U.S. Government in a position in which he had access to very sensitive information. Another witness is, by his own admission, responding to what he describes as "a responsibility to make available relevant information in his possession," although the source and nature of that responsibility is not at all clear.

There appears to be nothing illegal about the activities in question. Nonetheless, there are serious questions of judgment involved. I have heard from several constituents who are offended by the spectacle of American citizens arguing against the United States before a tribunal with, at best, dubious authority to sit in judgment, and apparently doing so for pecuniary gain.

Ambassador Kirkpatrick's reasoned argument should give us food for serious thought. We need to consider whether the interests of our country and its people are truly served by a process by which, as she says, "more and more actual and potential adversaries are invited into our political process," without distinction and on the basis of a presumed moral equivalence.

Mr. President, I ask unanimous consent that the text of Ambassador Kirkpatrick's article, "Nicaragua's U.S. Lawyers," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NICARAGUA'S U.S. LAWYERS

At the Hague, Nicaragua's case against the United States' government continues to display some unusual characteristics.

It is the first time—old hands say—that lawyers and witnesses have opposed their own country in the World Court. The court, after all, deals with issues between governments, not persons. Heretofore, governments have relied on their own nationals to represent them and citizens have supported their governments. Now, Managua is accusing the United States of major violation of international law for organizing, funding and directing the anti-Sandinista forces (the contras), and for mining Nicaragua's ports.

To press its case against the United States government inside the International Court of Justice, the government of Nicaragua has retained an international team headed by Americans and has called American witnesses to support its case. This development is the more interesting because of the issues

involved and because one of the Americans representing Nicaragua is Abram Chayes, a Harvard law professor who served as top legal adviser to the State Department during the Kennedy administration, and one of the American witnesses, David MacMichael, held a top-secret clearance as a contract employee of the CIA as recently as 1983. The other American witness is Michael J. Glennon, a professor of law at the University of Cincinnati.

The United States is refusing to participate in the proceedings on grounds that the issue before the court is not a narrow or technical legal question but U.S. policy toward Central America and more specifically toward Nicaragua. Such political questions are not deemed justiciable by United States courts and have heretofore not been seen as falling within the jurisdiction of the World Court. The issue, U.S. attorneys insisted, "is an inherently political problem that is not appropriate for judicial resolution." This gives the unprecedented role of the American lawyers and witnesses on the Nicaraguan team an additional political dimension. What are they doing there?

Prof. Glennon claims that he is "acting in the highest tradition of the American people" and that he had "a responsibility to make available relevant information in his possession." However, he does not explain how he acquired the responsibility or to whom it is owed.

It is possible that the attorneys believe that representing Nicaragua before the World Court is no different from representing an accused criminal before an American court. But it seems unlikely given the broadly political character of the issues involved.

It is also possible that the American's involvement on Nicaragua's team is simply one more affirmation of the American faith that political problems between nations can be settled by supranational judicial means. However, this too is likely.

Real naivete is required to believe that the International Court is today a nonpolitical body. Its judges loosely "represent" the world's various political and regional groups. They are nominated by the U.N. Security Council and are elected by one of the world's most political bodies, the General Assembly of the United Nations. Fewer than one-third of the nations of the world accept the court's jurisdiction. Almost all of that one-third have filed reservations limiting jurisdiction. On nontechnical questions, the court's views broadly reflect the politics of the General Assembly.

But if Chayes and his colleagues do not believe that the World Court can be counted on to function nonpolitically, what then are they doing?

I believe that they along with the Nicaraguan government are seeking to change U.S. policy and that they regard their appearance before the court as a legitimate act to that end. Chayes said as much when he noted that U.S. policy toward the Sandinistas is "under continuous discussion" and that an "authoritative statement" by the court could affect the debate (The Washington Post, Sept. 8, 1985). What should the rest of us think of this form of political action?

We regard it as legitimate for Americans to represent a foreign government's interests in Washington, provided that they register as agents and otherwise obey our laws. But the Washington lobbyist for a foreign government seeks to influence American policy directly as it is being made, while counsel and witnesses for Nicaragua cooperate with a foreign government to undermine the legitimacy of existing U.S. government policies. They do this in the name of "higher" loyalties that presumably override a citizen's obligation to support decisions made through normal democratic processes. Glennon invokes these "higher" values when he claims to act in the "highest tradition of the American people."

Does such a tradition exist?

We may be in the process of forging one. Traditionally, citizens of a democracy have a right to participate in making policy and an obligation to accept the resulting decision. Acceptable political behavior in a democracy has not featured collaboration with foreign powers in the policy process. However, the boundaries of acceptable political action and of dissent were stretched during the Vietnam war by those who marched under the Viet Cong flag and worked on North Vietnam's behalf. Boundaries are being stretched again in the Hague. And elsewhere.

More and more actual and potential adversaries are invited into our political process—Hezbollah hijackers, Sandinista ministers, Soviet spokesmen, whomever. We have put our foot firmly down on a slippery slope where distinctions between one's country and its adversaries, citizen and alien, loyalty and disloyalty fade and disappear. And any side is made to seem roughly equivalent to any other. It is all relative.

Or is it?

In the effort now under way at the Hague, the government of Nicaragua seeks to deprive the United States of control over important aspects of its foreign policy. It is curious that such a course would appeal to Americans.

JODY BALDWIN

Mr. ARMSTRONG. Mr. President, more than a quarter century ago, a young lady by the name of Joan Baldwin came to work at the Senate of the United States. Under the auspices of Senator Styles Bridges of New Hampshire and Bourke Hickenlooper of Iowa, she learned the legislative ropes at the Republican Policy Committee before joining the staff of Senator Len Jordan of Idaho. That was the foundation for a remarkable career in the Congress, which continued, with digressions for family and other matters, until a few weeks ago.

It would not be accurate to say that Jody Baldwin has retired from the Senate; she is simply no longer on its payroll. As a consultant in private service, she remains with us as ever, meeting, educating, advising, and sometimes correcting in that special way of hers that sets a person straight by convincing them they were right all along. This, then, is not a farewell but an acknowledgment—to recognize a job well done.

And what a job it has been. Jody was here during the nadir of the Republican Party, when its members were few and its hopes seemed fewer. She was a member of that bold company of determined conservatives who tried, in the Presidential campaign of 1964, to turn their country away from a course it would later sorely regret, a course marked by tragedy abroad and fiscal and social chaos here at home. And if the outcome of that campaign was a serious disappointment to her, it must have made all the sweeter the vindication of its principles that came in President Reagan's landslides of 1980 and 1984. That was a long time to wait, but Jody has the sense of history of her Virginian ancestors. Twenty years is not too long an effort to set the Nation back on the right course.

As legislative director for Senator Jim Pearson of Kansas, as an official at the Department of Health, Education, and Welfare from 1971 to 1973, and finally as a member of the staff of the Senate Republican Policy Committee, Jody has been at the center of public policy. Scarcely an issue has escaped her analysis. But the work of which she has been most proud has been institutional, rather than political. She joined the policy committee, under Senator John Tower of Texas, to initiate its legislative notice, a meticulously impartial analysis and condensation of every bill and most amendments coming before the Senate. The notice quickly became an indispensable tool for Senate legislative assistants, who could rely upon its fairness and accuracy, and for Senators too, who could turn to Jody, seated in her customary chair at the side of the Senate floor, for an always reliable summary of the parliamentary situation and the legislative options at hand.

It was not surprising that the Senate's Democratic leadership soon followed Jody's example by beginning their own version of the legislative notice. And this most sincere form of flattery has strengthened the ability of the Senate to deal with the tremendously increased workload of recent years. That, of course, has been just one of many institutional changes Jody has witnessed in the course of her career here; and not all of them have been for the better. She was—and remains—a student of the Senate's rules, a parliamentary expert who knows that this deliberative assembly must live by scrupulous adherence to those rules, or else it will perish in the violation of them. No history book will ever note the many occasions when Jody was here on the floor, defending those rules against transgressions deliberate or accidental, explaining to Senators the significance of this faulty ruling or that noxious precedent. But let us set this accolade here in the record of the Senate: Because of a handful of men and women like Jody, faithful to this institution beyond ties of party or politics, minority rights are still protected in its rules, open debate is still assured to dissenters, and the procedures of democracy are still more important than the pressures of business.

I should mention that, in the course of her challenging career, Jody has also been Mrs. Donald Baldwin: wife, mother, homemaker, leader in church and community. Today, some would refer to that as "having it all." In her case, it is more like "giving it all," giving of her time and talent and never running out of either. Government today is invigorated by the presence of women as candidates, officials, and activities. Long before that became fashionable, Jody was showing that excellence and dedication can overcome all obstacles.

The last two Republican platforms bear her imprint, for she was part of the team that prepared the drafts. Indeed, in Dallas in 1984, she was a familiar presence during the televised proceedings of the GOP's Committee on Resolutions, the person to whom delegates came for advice and suggestions on everything from parliamentary procedure to the drafting of amendments. One might say it was a familiar job in a different setting.

Now, however, she will be doing a different job in a familiar setting; and it's good to know she will still be participating in our legislative process, albeit as a private party. As chairman of the Republican Policy Committee now, I hold a post that goes back to Senators Hickenlooper and Bridges and others before them. Jody Baldwin has been a remarkable thread of continuity, of tradition, of consistency through an era of dizzying change, when too much of the old was hastily abandoned and too much of the novel was recklessly adopted. In such times, those who can put things into broader context give us the solid foundation from which we can build a sounder future.

Her many friends and colleagues will honor her at a reception here in the Capitol—Senate side, of course—this week. But immediately thereafter, it will be back to business: the business of the Senate of the United States, to which Jody Baldwin has given so much and of which she remains a welcome part.

THE COLLECTIVE BARGAINING RIGHTS OF PROFESSIONAL MUSICIANS

Mr. MATSUNAGA. Mr. President, I rise to join the distinguished senior Senator from Rhode Island [Mr. PELL], in calling to the attention of the Senate the plight of professional musicians who have been denied their right to bargain collectively with their employers. Together, with 12 other Senators, I am a cosponsor of legislation introduced by the distinguished Senator to provide coverage for such musicians under the Taft-Hartley Act to restore to them rights which they had enjoyed for many years.

In my opinion, it is most appropriate to discuss this matter today during the observance of the 20th anniversary of the National Foundation on the Arts and Humanities Act, for musicians throughout the country strongly supported the enactment of the original legislation 20 years ago and have been instrumental in its success.

On the face of it, it would seem that the hotel, restaurant or nightclub which hires professional musicians to play for customers, and determines when the musicians will work, what selections they will play, what they will wear, and in some cases what they will do during their breaks would be considered the employer of the musicians.

In fact, the employer-employee relationship was well established, but musicians were not covered under the Taft-Hartley Act when it was originally enacted in 1947—although they probably could have been—and they were not included under the act's coverage when it was extensively amended in 1959. During the entire 12 years, no questions arose about who was actually the employer of the musicians.

The musicians' problems began years later and culminated in the 1970's in hundreds of unfair labor practice charges. As a result, the National Labor Relations Board determined that because of the "temporary and casual nature" of their employment, musicians were not entitled to bargain collectively with the management of the hotels, restaurants and nightclubs which employ them; and, in 1979, management, in the Commonwealth of Puerto Rico, simply refused to continue negotiating with the representative of the musicians, an affiliate of the American Federation of Musicians. This decision was upheld by the Second Circuit Court of Appeals and, since then, musicians in Puerto Rico have been unable to negotiate issues such as salary and working conditions with the hotels and casinos where they are employed.

A year ago, in September 1984, hearings were held on this matter by the Subcommittee on Labor of the Senate Labor and Human Resources Committee. Testifying in behalf of musicians, Victor W. Fuentealba, president of the American Federation of Musicians, observed that:

> Music is the universal language, and there is not a family today without at least one member who plays a musical instrument. The caliber of musicianship is improving day by day and more and more youngsters are looking forward to careers in music.
>
> Our ability to protect their interest, to (prevent) exploitation and to enable them to earn a decent livelihood is hampered by the current law. The relief we are seeking is not a major revision of the Taft-Hartley Act, but merely changes which will afford the professional musician the right to have a representative of his or her choosing to negotiate with those who wish to utilize their services.

Mr. President, I believe that the relief sought by the musicians is appropriate and would merely restore an employer-employee relationship which existed for many years. Legislation to provide such relief has been the subject of hearings and is once again awaiting consideration in the Labor Subcommittee. As a music lover myself, and as one who is very much concerned about the future of young musicians and other performing artists, being the father of two of them, I wish to add my voice to that of Senator PELL in calling for early action on S. 670.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. The quorum call is dispensed with.

Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, the Senate, at 12 noon, recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DENTON].

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, earlier in the day we set aside the special orders of Senators GOLDWATER and NUNN because they wanted to speak at 2 o'clock. I ask unanimous consent that they may each have not to exceed 15 minutes for any purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Following that it is my hope to move to the imputed interest conference report. I understand the distinguished Senator from Ohio will be willing to do that. He may have to absent himself for a Budget Committee meeting, but at least we will get the imputed interest conference report up at 2:30, and then some may want to talk about it. There is still hope we can have an appropriations bill this afternoon.

That is sort of the schedule for the balance of the day.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

CONGRESSIONAL OVERSIGHT OF NATIONAL DEFENSE

Mr. GOLDWATER. Mr. President, for more than 2 years, the Senate

Committee on Armed Services has been studying the organization and decisionmaking procedures of the Department of Defense and the Congress. This fully bipartisan effort was started by Senator John Tower and the late Senator Scoop Jackson while they were serving as the chairman and ranking minority member of the committee. They recognized that there were very serious problems in the organization of the Department of Defense and that something had to be done about it.

Senator NUNN and I share that belief and therefore at the beginning of 1985 redoubled the effort. In May, we formed a Task Force on Defense Organization. Reflecting the bipartisan spirit of this undertaking, Senator NUNN and I jointly chair this task force. We are joined on the task force by Senators COHEN, QUAYLE, WILSON, GRAMM, BINGAMAN, LEVIN, and KENNEDY.

The task force has underway a systematic review of these problems. We assigned certain staff to work full time on these issues and directed that they prepare a comprehensive study on the problems and to make recommendations on ways to solve them. That study will be released shortly. The findings and recommendations of the staff study have not been formally endorsed by the task force, but they will provide the foundation for our legislative proposals. I urge my colleagues in the Congress and all concerned Americans to read the study. You will be shocked at the serious deficiencies in the organization and procedures of the Department of Defense and the Congress. If we have to fight tomorrow, these problems will cause Americans to die unnecessarily. Even more, they may cause us to lose the fight.

Mr. President, there is insufficient public awareness of these problems, and therefore over the next few days, Senator NUNN and I will make a number of floor statements on the major deficiencies in the organization and decisionmaking procedures of the Department of Defense and in congressional review and oversight of the defense program. Hopefully, these statements will begin to inform people of the seriousness of these problems and of the need for a determined effort to find and implement effective solutions.

Mr. President, the inability to solve these problems is not due to a lack of attention or a failure to have the issues examined by the most experienced and learned experts. At regular intervals during the past 85 years, these issues have been vigorously addressed by highly capable and well-intentioned individuals, both from the public and private sectors as well as from civilian and military life. It is both the extreme complexity of the Department of Defense and its inherent organizational resistance to change, particularly in the military services, that has served to frustrate previous efforts.

In the upcoming speeches, both Senator NUNN and I will discuss various problems within America's military establishment. We will be blunt, critical and candid in describing the problems in the Defense Department. I would like to state clearly that the work of the Committee on Armed Services and the statements that Senator NUNN and I will make are not a direct criticism of the current administration or any previous administration. We also are not pointing the finger of blame on any current or past civilian or military official of the Department of Defense. The problems currently plaguing the U.S. military establishment have been evident for all of this century. Indeed, many of them first emerged during the Spanish-American War.

Before we criticize the Defense Department, I believe we have to be just as blunt and candid about the way the Congress deals with national defense issues. Congress is compounding the problems in the Department of Defense, and major changes in the way we conduct our business are long overdue.

Thus, this first presentation is on Congress and the way it provides guidance and oversight for national defense. I intend to discuss the changes that have occurred during the past 30 years in the Congress and the impact that these changes have had on congressional oversight of the Department of Defense. Senator NUNN will discuss some of the underlying problems that we will have to come to grips with if we are to implement any solutions.

DOMINANCE OF THE BUDGET PROCESS

Mr. President, I believe one of the most pressing problems we face today is the overwhelming nature of the annual budget process which includes the budget resolutions, the authorizing and appropriations legislation. The budget process dominates the agenda of the Congress and is seriously degrading the quality of congressional oversight of the Defense Department. I am the first to say that Congress needs an effective method for fiscal control. No one can deny that approving a Federal budget is an important obligation of the Congress. The 1974 Budget Act provided for the first time the ability to spotlight the Federal budget and to provide broad guidelines on spending priorities. Congress needs that capability and should shoulder that responsibility. But I do not believe the 1974 act requires the chaos we have today.

When it was adopted 10 years ago, the budget act was designed to provide that spotlight and control with a minimum disruption of the traditional congressional process. Instead, the budget resolution process has come to dominate the legislative agenda and crowd out substantive policy review. The budget process creates an especially difficult situation for the authorizing committees, including the Armed Services Committee. Determining budget priorities has become a major legislative struggle every spring. We rarely get a budget resolution until the first or second week of May. Therefore the Armed Services Committee must review the details of the annual budget submission without final guidelines on the level of spending the Congress is likely to permit. In each of the last 3 years, the Senate Armed Services Committee reported a defense authorization bill that proved higher than the Senate was prepared to support, requiring a complex and disruptive process of adjusting the bill.

BUDGET PROCESS PINCHES AUTHORIZATIONS

The budget process is pinching the authorization process in two ways. First, the budget process is the first of the three steps—budgeting, authorizing, and appropriating—taken annually by Congress on the budget. Because the budget cycle comes first in the sequence, Congress ends up debating the wrong issues on the wrong bill. Traditionally, authorizing committees, each with substantive expertise, have provided the policy review for the Congress. The budget process is supplanting that review and also forcing Congress to debate the wrong questions.

We now spend days debating how much real growth we will give DOD instead of what it takes to defend U.S. interests against threats to those interests. The level of spending is decided without going through a careful analysis of our defense objectives and defense requirements. The key national security issues are barely touched in a superficial discussion of defense spending. The budget process distorts the nature of congressional oversight by focusing primarily on the question of how much before we answer the key questions of what for, why, and how well.

The second problem caused by the dragging out of the budget process is that it drives us to use continuing resolutions. There is not sufficient time in a session any more to adopt a budget, approve the authorization, and enact an appropriations bill. Consequently, Congress increasingly must resort to continuing resolutions frequently just as the fiscal year is beginning.

Continuing resolutions disrupt stable long-term planning in DOD. They force the Department to begin each fiscal year without knowing the level of funds it has available or the limitations placed on those funds. For example, we just approved a continuing resolution to carry us 45 days into fiscal year 1986 because we have not

passed either an authorization or an appropriation bill. That continuing resolution limits spending to the levels of fiscal year 1985. This effectively means that there can be no increase in production rates on some weapon systems which would help lower unit costs. Presumably, when the appropriation is passed later this fall, DOD will be authorized to increase production rates, but it may be too late in the year to do so in a reasonable manner. In short, continuing resolutions are a poor way to run the Defense Department.

CONTINUING RESOLUTIONS ARE POOR PUBLIC POLICY

Also, dependence on continuing resolutions is poor public policy. Continuing resolutions short circuit the normal legislative process. They prevent Senators and Representatives from holding a careful and deliberate review of spending plans. Last year was the worst example of this abuse. The Senate spent 10 days debating the fiscal year 1985 authorization bill. Some 107 amendments were considered during the course of the debate. In the House, 6 days were consumed start by debate, during which some 52 amendments were considered. The actual legal spending authority for the Department of Defense, however, was contained in a continuing resolution that was never debated on the floor of either the House or the Senate and was buried in the middle of an omnibus continuing resolution. It was done at the last minute and no one had the opportunity to challenge the provisions in that bill on the floor. This may be the preference of a handful on the Appropriations Committee but, essentially, we were put in this bind because the budget resolution was not agreed upon until the waning weeks of the fiscal year.

In summary, the budget process is consuming much more than the first half of the legislative year and is the primary cause of continuing resolutions which short circuit the second half. There is no doubt that changes must be made in the congressional budget process.

DUPLICATIVE COMMITTEE REVIEWS

Compounding the yearlong review of the budget cycle is the increasing duplication of activity among committees. All three steps in the legislative cycle—budgeting, authorizing, and appropriating—are assigned to separate committees. The three functions are supposed to be complementary, but, in fact they are in large part redundant. The Constitution clearly intended that there be some duplication by creating two different chambers of Congress. But this duplication is out of control. In practical terms, Congress has to approve a defense budget three times each year and each time we make changes from the earlier direction.

For DOD, the situation has become a nightmare. DOD witnesses now have to testify as many as six different times before six different committees of primary jurisdiction. Six committee staffs are now writing questions for the record. More and more other committees and Members of Congress claim jurisdiction over DOD policy. More and more legislation affecting the Defense Department is reported from subcommittees with only the smallest interest in national security.

More important, committees develop their own unique priorities and approaches which frequently conflict with other committees' priorities and approaches. This creates an inconsistent and sometimes contradictory pattern of oversight. For example, last year the Senate Armed Services Committee gave a high priority to authorizing service requests for munitions and not cutting them in the face of budget pressures. By contrast, the House Armed Services Committee cut munitions levels. Ultimately, we worked things out in conference, but the compromises were not reached until late September, long after the services had to develop their budget submissions for the next fiscal year—1985. When they were working out their plans, half of Congress said buy more and half said buy less. What is DOD supposed to do in light of completely contradictory directions coming from the Congress?

These situations also offer opportunities for factions within the Defense Department to export their political battles to Capitol Hill. Last year, the Air Force and the Army decided to readjust certain missions. The Air Force decided to transfer seven helicopters used for special operations forces to the Army which operates over 10,000 helicopters. Certain offices in the Defense Department opposed to the transfer joined with the Congressman in whose district the seven helicopters were based to reverse the plan. Independent of the merits of the case, factions in DOD allied with a single committee in Congress to reverse a DOD position.

The three stages of the process, and the work of the three committees, is duplicative because of the blurring of jurisdictions among committees. In some instances, the jurisdictions between authorizing and appropriating committees has broken down entirely. Last year, substantial legislative provisions were incorporated in the appropriation bill. Nearly $3 billion was appropriated for which no authorization existed, violating the rules of both the House and the Senate. And there was no real opportunity to challenge these provisions on the floor since the committee-reported bills were incorporated into a last-minute continuing resolution.

Any change in congressional oversight has to include a realinement of jurisdictions and elimination of duplication so that the work of committees is indeed complementary.

CRITICAL TIME FOR CHANGE

We are at a critical time when change is absolutely essential. Congressional oversight of the Defense Department has degenerated into debate over the wrong issues and that irrelevant debate occurs more than once each year. Discipline in Congress has broken down. The discussion is becoming less substantive and balanced. As we direct that changes be introduced into DOD to improve overall national security, we must make change ourselves. I am casting the first stone and I am throwing it at our glass house here in the Congress.

I yield to my friend from Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

CONGRESSIONAL OVERSIGHT OF NATIONAL DEFENSE

Mr. NUNN. Mr. President, Chairman GOLDWATER has given an excellent overview of the broad problems in Congress which have come to affect the way we review Defense Department programs and plans. Chairman GOLDWATER brings the tremendous insight of 25 years of experience in the Senate where he has witnessed these fundamental changes, and, of course, he also has the great advantage of having served an outstanding tour in the Air Force and in the Air Force Reserve. I have spent only half as much time in the Senate as my distinguished chairman but I share his observations and concern. Chairman GOLDWATER has discussed how defense oversight in the Congress has deteriorated. These speeches today will be the first of a series of speeches by Senator GOLDWATER and myself on the whole Defense Department. Today we are going to talk primarily about the role of Congress, because I think this is certainly one of the most significant problems we face, how Congress itself handles the defense budget.

ANNUAL AUTHORIZATIONS

Before 1959, most activities of the Department of Defense were authorized permanently, with the Appropriations Committee determining the level of funding required for the coming year.

All that changed in 1959 when Congress directed that all spending for the procurement of aircraft, missile, and ships be authorized each year prior to consideration of any appropriation. This began a steady process that has resulted in subjecting virtually the entire DOD budget to annual authorizations as well as the annual appropriation. As the chairman pointed out, the budget process is now overlaid on top of both.

I think the process of annual authorizations was a good one, but it has now gone out of control. Annual authorizations provide a strong lever to influence defense policy and provide broad oversight. Unfortunately, we have come to abuse that lever; as the old saying goes: "We have found the enemy and it is us."

The burdens of the annual authorization and appropriation process has produced two specific problems. It has led to the trivialization of Congress' responsibilities for oversight and has led to excessive micromanagement.

NO LONGER THE NATION'S BOARD OF DIRECTORS

The Constitution envisioned that the Congress would act as the Nation's board of directors on public policy issues. Congress was supposed to determine policy goals and set directions. In the defense arena, Congress was to set priorities for programs, not to execute them. Congress' role as the board of directors is eroding; rather, Senators and Representatives and their staffs are acting more and more like national program managers.

Last year the Congress made adjustments to over 1,800 separate programs in the Defense Department. It required reports that were 400–500 pages long to explain why we did what we did. In effect, the Members of Congress and the staff are focusing on the grains of sand on the beach, while we should be looking over the broad ocean and beyond the horizon.

I have been a member of the Armed Services Committee for 13 years. With the exception of the NATO debate last year, I cannot remember when we have had a floor debate on our national military strategy and how well we are doing in carrying out that strategy. We have not had a serious debate about the important relationship between our national objectives, our military strategy, our capabilities, and the resources to support that strategy. We all know that there are serious gaps in these important links. Gen. David Jones, former Chairman of the Joint Chiefs, recently stated:

> The mismatch between strategy and the forces to carry it out . . . is greater now than it was before because we are trying to do everything.

But we have not looked at alternatives which may be more appropriate for the day and the circumstances and the threat we face.

These are precisely the questions that Congress is supposed to consider: Do we have a strategy that achieves our national goals and objectives? Do we have the resources to meet these commitments and support the strategy? What alternative approaches might we adopt for overcoming the strategy-forces mismatch? Those are the questions that Congress should focus on.

Instead, we are preoccupied with trivia. Last year, Congress changed the number of smoke grenade launchers and muzzle borsights the Army requested. We directed the Navy to pare back its request for parachute flares, practice bombs, and passenger vehicles. Congress specified that the Air Force should cut its request for garbage trucks, street cleaners, and scoop loaders. This is a bit ridiculous. The current congressional review of the defense program would make a fitting version of the popular game "Trivial Pursuit." More and more, that is what we are engaged in. Our preoccupation with trivia is preventing us from carrying out our basic responsibilities for broad oversight.

CONGRESSIONAL MICROMANAGEMENT

The second effect of annual authorizations and appropriations is to invite micromanagement. The scope of this problem is unbelievable. Mr. President, I ask unanimous consent to have printed into the RECORD at this point a table prepared by the Secretary of Defense showing the growth of micromanagement by Congress.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

KEY PROBLEM—MICROMANAGEMENT

	1970	1976	1982	1985	Percent increase 1970–85
Requested studies and reports	36	114	221	458	1,172
Other mandated actions for DOD	18	208	210	202	2,022
General provisions in law	64	96	158	213	233
Number of programs adjusted:					
In authorization	180	222	339	1,315	631
In appropriation	650	1,032	1,119	1,848	184

Mr. NUNN. In 1970, Congress directed the Defense Department to conduct 36 studies. Last year Congress mandated 458 studies and reports of DOD. This is nearly a twelvefold-increase in a period of 15 years. We are also increasingly cluttering up the law with general legislative provisions affecting DOD. Last year, we imposed 213, a 233-percent increase over the level 15 years ago. The micromanagement problem is getting worse at an alarming pace. These are just a few of the examples of provisions contained in this year's authorization bill, and there are many.

It is now the sense of the Congress that the musical units of the Armed Forces must use U.S. manufactured organs and pianos when they provide entertainment for patriotic events. Our staff has nicknamed this the "Wurlitzer amendment."

Congress directed the Secretary of Defense to study the feasibility of selling beef, pork, and lamb products in the United States in overseas commissaries. We didn't direct him to evaluate how well DOD could meet our overseas military commitments, however.

Congress directed studies or reports on retirement benefits for Philippine Scouts.

Mr. President, I could go on and on with these. Each of these studies could be justified on its own merits. But when you add up all of them and look at the total of what we are directing the Defense Department to do, the sum total is absolutely absurd. The micromanagement problem is out of control.

If we are going to demand reform in DOD, we are going to have to reform ourselves. Congress needs to exercise some self-restraint. We need to restore discipline to the legislative process.

These trends toward micromanagement have seriously distorted floor debate on defense bills. During the 5-year period from 1975 to 1980, the House and the Senate spent 3 days on the average on the annual defense authorization. The average number of amendments considered annually was approximately 15.

Compare this with the period from 1981 through 1985. During this second 5-year period, debate in both the House and Senate averaged approximately 9 days each year during which approximately 75 amendments were considered. This year alone there were over 100 floor amendments in both bodies. In just 5 years, the length of time devoted to floor debate has tripled and the number of amendments has increased by fivefold. I ask unanimous consent to have printed at this point in the RECORD a table summarizing the recent floor debate on annual authorizations.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF FLOOR DEBATE ON ANNUAL AUTHORIZATIONS

	House		Senate	
	Days of debate	Amendments	Days of debate	Amendments
Average 1975–80	3	13	3	16
Average 1981–85	9	77	8	73

Mr. NUNN. Many of these amendments are good, but many are of marginal and questionable value. There apparently is a tendency for every Member of Congress to want his own amendment, many of which are not even germane to the defense bill.

There is much greater public relations value in a floor amendment—irrespective of its value—than there is in proceeding with responsible suggestions through the committee process. In effect, we are seeing an erosion of the committee process. And both the House and Senate tend to accept floor amendments rather than take them on and defeat them.

If the leadership in both bodies would stand up to these amendments, we should be able to restore some ra-

tionality to the process. I am sure that Chairman GOLDWATER shares my hope that next year we can take on a number of these amendments and defeat them on the floor, rather than, accept amendments. Take them to conference, have the conference labor over them for a long time, and then reject them in conference. Senators propose these amendments in all sincerity, thinking the committee has accepted them. Later they learn that their amendment was rejected in conference, as it should have been rejected. These amendments should never have gone to conference, but should have been withdrawn on the floor after debate. I think there is an obligation on the part of our colleagues to withdraw these amendments. I think that is the reason we had so much frustration in the House this year. Some of the amendments were not well constructed. There were a number of amendments on procurement policy that were accepted, which contradicted other amendments also accepted on the floor. This raised the frustration level.

Public policy issues that require the attention of the entire Senate or House in floor debate should be major policy issues and matters of national priority. Instead we are increasingly dwelling on minor matters of narrow concern. We are neglecting our primary responsibilities and tying up the Congress—particularly committees—in irrelevant detail. We have got to change.

FOCUS ON INPUTS, NOT OUTPUTS

Fundamentally, Congress has become preoccupied with this trivia because of our shortsighted focus on inputs rather than on defense output. This problem is certainly not unique to Congress.

We are going to be talking a great deal as the week progresses about problems in the Department of Defense. The Defense Department focuses far too little on the output and far too much on the input. All I have seen in recent years is an unrelenting emphasis on inputs and this plays into the worse tendencies of Congress, and vice versa. We reinforce each others worst tendencies. Unfortunately, both DOD and the Congress are approaching the defense debate with an accountant's mentality. We both view the budget as thousands of individual debit and credit entries. We will have more to say on this subject in upcoming speeches.

Let me give you an example of the focus on inputs. In the late 1970's, the Carter administration announced the so-called Carter doctrine which stated that the United States would provide forces in the Persian Gulf in order to protect Western access to petroleum resources. This was—and I must say remains—a tall order because we had virtually no military capability in the area.

What was required to implement that policy articulated by the President and later reemphasized by President Reagan when he came into office? We had to build up the facilities at Diego Garcia where pre-positioning ships were to be located. We had to buy those ships to store combat equipment. We needed to lease ships for the combat equipment until the new pre-positioning ships were available. We needed to buy additional stocks of spare parts and munitions. Personnel authorizations were required for the headquarters for the unified command that was created to deal with contingencies in the Persian Gulf. Expanded purchases of new modern combat equipment was required. All these things were required in order to implement the policy directive to support the Carter doctrine.

The focus of that policy directive, however, was lost as we broke this policy down into separate budget inputs. Every subcommittee of the Armed Services Committee had responsibility for some piece of the budgetary pie. The Military Construction Subcommittee reviewed facility plans for Diego Garcia. The Seapower Subcommittee had responsibility for maritime pre-positioning ships. Personnel authorizations were scrutinized by the Manpower and Personnel Subcommittee. The Preparedness Subcommittee has jurisdiction over the operations and maintenance appropriation which funded the lease of the interim pre-positioning ship program. Spare parts and equipment procurement were reviewed by the Tactical Warfare Subcommittee. Purchase of fuel to be stored in the region was reviewed by the Preparedness Subcommittee.

Within our own committee we split the elements of the policy into so many different parts that it was very unlikely that many Senators ever had a concept of the program.

Every subcommittee had some responsibility for some aspect of this national policy commitment. Yet the individual subcommittees reviewed the programs required to support the policy side by side with all the other inputs that make up an annual budget request. New construction requirements in Diego Garcia would have to compete with runways in Arizona, barracks in Georgia, and training facilities in Korea for military construction funding. Maritime pre-positioning ships had to compete with submarines and cruisers for limited funds in the shipbuilding appropriation. Reductions would be made in spare parts with no knowledge of the impact they might have on our ability to support the commitment. In short, we in Congress—at least in our committee and I think this is also representative of the House—lost sight of the major policy goal—the output—because of our preoccupation with the massive number of inputs in different line items under different subcommittees required to implement the policy.

This is just an example of the broad systematic problem we face. We dwell on the inputs, and, as a result, we lose sight of the major questions of policy, strategy, and priorities.

I have mentioned a number of problems with the way Congress carries out its responsibilities. Mr. President, I ask unanimous consent that a list of 14 specific problem areas that I highlighted in testimony before the Quayle Committee on Committees be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OBSERVATIONS BY SENATOR NUNN IN TESTIMONY BEFORE SELECT COMMITTEE ON COMMITTEES

1. There is not enough time for the Congress to complete the budget, authorization, and appropriations process before the start of a new fiscal year.

2. Each part of the budget process—the Executive Branch, the budget, authorizing, and appropriations committees—use different account or functional listings, and, in addition, they each work from different baselines and economic assumptions, making a "crosswalk" among them extremely difficult.

3. There is insufficient time for oversight of programs and policies as the budget process has become more unwieldy.

4. More and more of the federal budget has to be authorized annually, causing an overload in the authorizing committees.

5. Missed deadlines anywhere in the budget process have a domino effect on the remainder of the budget process, e.g., if the authorizing committees miss their May 15 deadline, appropriations bills are then delayed.

6. Making the Second Concurrent Resolution binding, instead of the first, delays the budget process.

7. The committee system is being crowded out by the budget process, and the Senate is losing its role as "court of appeals."

8. Appropriations bills are becoming more contentious and, thereby, are harder and harder to pass.

9. There are too many legislative and nongermane proposals on appropriations bills.

10. Schedules are so hurried, it is difficult to focus on fundamental policy issues. (Example—restructuring Joint Chiefs—DOD)

11. There is too much duplicative and repetitive effort among the authorizing committees, the Appropriations Committees, and the Budget Committees.

12. There are too many committees and subcommittees in the Congress, and we are not enforcing the rule limiting the number of committees on which a Senator is permitted to serve.

13. There is no mechanism for a midcourse correction on entitlements, if the sum total of entitlements exceeds the expenditures estimated. This is beyond the scope of any committee restructuring.

14. Also beyond the scope of any committee restructuring is the simple fact that the Federal Government is responsible for virtually every facet of Amerian life. As long as

we continue to address the totality of governmental issues at the Federal level, no committee system will permit sufficient time to perform our duties with efficiency and effectiveness. The tragedy is that by trying to address all issues in Washington, we are doing a poorer job of handling those matters which only the Federal Government can handle. President Reagan addressed this issue his first year, but his efforts were perceived as being primarily a way to shift expenditures to other levels of government, rather than really shifting decision making.

Mr. NUNN. Shifting the focus of the Congress away from inputs toward outputs, from trivia to fundamentals, from micromanagement to oversight will require the active collaboration of Congress and DOD.

There is a saying that organizations do well those things that the boss checks. If we want DOD to focus their efforts on outputs instead of inputs, Congress must focus on outputs. If we want the military departments to improve mission coordination, Congress should focus hearings on joint activities of the services instead of having each service come up time after time after time in separate hearings. If we insist on joint testimony in hearings, they will begin to think in coordinated terms, and we will begin to think in terms of joint missions. If DOD has failed to develop a realistic military strategy, Congress should hold hearings on strategy and give it primary emphasis and oversight.

PROMISING FIRST STEPS

This is a substantial indictment of the congressional oversight process. We are not mincing words with our own problems, nor will we mince words when we get to the Department of Defense problems in the days to come.

I do not want to conclude without noting we have already initiated some promising first steps in correcting the problems we have noted. The conference report on fiscal year 1986 authorization bill contains the provision directing the President to submit a biennial budget for the Department of Defense in January 1987 for fiscal years 1988 and 1989.

I know the Senator from Kentucky has taken a lead in this overall area and has been pushing for biennial authorizations. We are proceeding with biennial budgeting for the Department of Defense, and I hope that other committees of Congress will follow our lead. I know the Senator from Kentucky is doing all he can in that regard.

The Secretary of Defense is required to report on any statutory or procedural changes or problems required to facilitate biennial budgeting by April 1, 1986.

Biennial budgeting is one of the most important changes we can make to improve congressional oversight of the Department of Defense. Let me say that biennial budgeting should occur for the entire Federal budget and I would support any effort to make it universal. I am one of the cosponsors of Senator FORD's bill. While the Armed Services Committee would prefer to have a general 2-year budget process for all Federal spending, the value of biennial budgeting for defense spending was so overwhelming that we decided to direct its implementation in the authorization bill that just passed the Senate in August.

Of course, it is going to be much more difficult to introduce 2-year budgets for only a portion of the budget rather than for the whole budget, but we do believe this first step should be taken.

IMPERATIVE FOR CHANGE

Mr. President, during the last 5 years, we have had a tremendous increase in spending on defense. Because of our huge budget deficits, it is likely that the budget will remain relatively static in the future. We cannot afford the inefficiencies and degradation in military capability that comes from faulty organization and wasted effort. Fundamental systemic reform is essential if we are to minimize these inefficiencies. This reform must include the Congress.

In coming days, we will discuss these problems. During coming months, we will study solutions to these problems. And I intend to join the chairman and other members of the task force in putting forth solutions in the form of legislation.

The staff study that we directed to be undertaken will be published as the chairman has mentioned. We plan to give all interested parties ample opportunity to be heard on that staff study. We plan to draft legislation based on the study and the criticisms and constructive suggestions of that study that we receive in the days and weeks ahead.

Mr. President, let me conclude by saying that this effort is totally bipartisan. The staff has been under the direction of majority staff member Jim Locher, who is on the floor. He and Rick Finn and Jeff Smith have done a superb job. The staff has worked as a nonpartisan team and not as Democrat and Republican members of staff. This team has spent literally thousands of hours over the last year looking into every aspect, not only of the way Congress does business but the way DOD does business.

We owe to the men and women who serve in the U.S. military forces our best efforts to see that they are organized in a way that can protect the national security of our country. An extraordinary number of individuals from the very lowest rank in the enlisted ranks to the very top, the members of the Joint Chiefs, are doing their very best as individuals to protect this country.

These individual efforts must be brought together in a sensible organization to produce the kind of results our Nation deserves.

It has been a great pleasure for me to be a part of this process along with Chairman GOLDWATER. He has furnished and will continue to furnish, I am confident, very fine leadership in this area.

So far as legislation is concerned, the process is just beginning. An enormous amount of work has been done, and I pledge to the chairman and the other members of the committee my total bipartisan support for this effort.

I want to underscore one very important thing he said. Our observations are going to be rather frank and candid; and they are going to be taken, I suppose, as frank and candid criticism.

I hope that all members of the Joint Chiefs, the Secretary of Defense, the President, and others would understand that our critiques of the Department of Defense organization are not criticisms of them personally or individually. We are talking about all administrations. We are talking about our collective failure to organize efficiently in the way we use resources and in the way we carry out our military strategy.

These problems are not unique to this administration. The problems exist now, but they have existed in the past, under Democratic and Republican administrations. Whether or not other people agree with our recommendations, I trust they will recognize the crucial need for organizational reform.

I thank the chairman for his leadership.

Mr. FORD. Mr. President, I appreciate the efforts of Senator GOLDWATER and Senator NUNN in the defense area with respect to the spending of funds.

I understand that if you stay around here long enough, you finally get something done. I hope that is not indicative. I hope this 2-year defense budget that the President is required to send to the Hill, is something that will catch on. Twenty-one States operate this way.

We do not have the time—things are becoming so complex, so divided—to do oversight. We are criticized every day for allowing something to happen. Our constituents read about that in the papers, and that seems to be the only thing they want to report on about you and me.

If, by some stretch of the imagination, some small miracle, we could place this Government under a 2-year budget cycle, it would provide us the opportunity as Members of the U.S. Senate, to perform the duty that our constituents sent us here to do—to try to budget in an effective and intelligent manner, and then to give some

oversight to those agencies we have funded.

We want to be sure that they are carrying out what they said they were going to do when they came up and recommended how much money we should provide their particular agency or area of the Federal Government. We would have an opportunity to call them in and see how they are doing, how they are spending the money, how their programs are working, whether they need more money, whether they need less money. We would understanding somewhat better, with a budget of 16 or 18 months, as we look at the agencies.

Another thing: Out there where we go every weekend—at least, I do; I have averaged 48 weekends a year in going home to my State—those communities want revenue sharing. This is the last year. Those communities want help as it relates to programs that would improve their health and welfare. We are cutting them back. A 2-year budget would tell those communities what they would have for the next 2 years. They would have an opportunity, then, to set out and to plan—not be rushed with a 15-day continuing resolution, a 30-day continuing resolution, a 45-day continuing resolution; and say, "Shucks, we'll just give the same for the rest of the year."

Communities are not in the stable position of knowing how much money will be coming in in certain areas. If they know that, they can make a judgment on how to build, to take wise bids, to do better planning, and to stretch the dollar and get more from it.

Mr. President, I hope that a 2-year budget will come into place. As we all know, today is the first day of the new fiscal year, so-called fiscal 1986.

When I introduced the first 2-year budget bill in the Senate, we were just approaching fiscal year 1982. We are still spinning our wheels in the same rut.

As it has every year since the Budget Act took effect, the Congress again has had to resort to a continuing resolution in order to avoid a partial or total shut down of the Federal Government.

It has now become obvious that we can no longer operate on an annual budget, authorization, and appropriation cycle. Long ago our Federal revenue and spending process became far too complex to be managed with annual budget and appropriation actions. Much of what is done in the yearly process is needlessly repetitive. Neither the executive branch nor Congress can do an effective and sensible job of budget planning, or of fiscal and spending decisionmaking on a yearly cycle. There simply is not enough time.

Moreover, there is no real need for annual budgeting, even if time permitted the job to be done efficiently and effectively each year. Substantial portions of the Federal budget can be fixed for 24 months just as reliably as for 12. Many items are permanently authorized and not susceptible to annual adjustment. Pentagon procurement appropriations probably can be better projected for 2-year periods.

Where we now almost never complete our budget process by the beginning of the fiscal year, a 2-year cycle would give us a realistic chance. As most of us know, continuing resolutions have become an unwelcome—but let us hope not permanent—fixture in the Federal budget process.

The fact is, not only are we failing to do a timely job, we are not doing a good, careful, dependable job of budgeting and appropriating; and a major reason for our failure is the critical shortage of time imposed upon us by the current budget process.

With due respect to the distinguished Senator from New Mexico and to the members of the Budget Committee, that committee's consistent failure to meet its deadlines often forces the Appropriations Committee to work in the dark. In the absence of firm budget ceilings set by a concurrent resolution, the Appropriations Committee must draft its bills according to Senate budget guidelines, only to face the same task again when the concurrent resolution is finally adopted. The latter action is often taken in such haste that adequate analysis of funding requirements are precluded.

Since September 1981, when it was my privilege to initiate and introduce the Senate's first 2-year budget and appropriation bill, I have, in each subsequent Congress, reintroduced a 2-year budget bill. I have happily, if not too patiently, watched support for such measure increase each year, in the Senate and elsewhere.

Just before we recessed this past August, I introduced S. 1556 for myself and Senators QUAYLE, PELL, NUNN, GARN, BUMPERS, COCHRAN, ZORINSKY, and GORE. The chairmen of the Senate Committees on the Budget and on Governmental Affairs have promised to schedule joint hearings this fall on budget improvement measures, and I look forward to an early opportunity to testify on S. 1556.

As I have said many times before, a 2-year budget and appropriation cycle will not solve all of our fiscal and spending problems, and we do not make unrealistic claims that it will. But such a change would at least give us additional time to complete the budget and appropriation process on a regular schedule, with more care and understanding, and would permit us to devote more time to oversight functions which are of critical importance to the authorization process.

Additional time would make for better budget planning; it would prevent, or at least reduce the frequency of, frantic, last-minute efforts to adopt continuing appropriation resolutions; it would enable the States to better plan and fund their operations; and, it would provide a stabilizing element in both the public and private economic sectors.

Mr. President, we need a 2-year budget cycle. I urge Chairmen DOMENICI and ROTH to schedule hearings at the earliest opportunity.

EXTENSION OF AUTHORITY—RECONCILIATION INSTRUCTIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the September 27, 1985, deadline for the submission of responses to reconciliation instructions, contained in the First Concurrent Resolution on the Budget for fiscal year 1986, be extended until today, October 1, 1985, inasmuch as it pertains to the response of the Senate Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF FOUR KENTUCKY SCHOOLS

Mr. FORD. Mr. President, education is a major issue in the Commonwealth of Kentucky today. Kentucky is often near the bottom of the list when the 50 States are ranked in education. There is a growing understanding that quality education is the key to building a foundation for economic prosperity. I believe that an education package recently ushered through the General Assembly by Gov. Martha Layne Collins will go a long way toward improving education in Kentucky.

Because of our historical lag in education, I was especially proud recently to learn that four Kentucky schools were among 212 cited recently by the Department of Education in its Secondary School Recognition Program. Furthermore, the Kentucky schools were among the top 108 in the rankings which were based on criteria judging both faculty and students.

The schools, which are being honored in a White House ceremony today, are Thomas Jefferson Middle School, Jefferson County; Oldham County Middle School; Holmes High School, Covington; and Highlands High School, Fort Thomas.

I want to take this opportunity to commend the students, parents, faculties, and staffs of these four schools for their individual efforts which led to this recognition. It is my hope that this commitment to learning and teaching will be an example to other schools in the State.

I join with the communities served by these schools, the Commonwealth of Kentucky, and the Nation in offering sincere appreciation for these outstanding achievements of educational excellence.

CONCLUSION OF MORNING BUSINESS

Mr. DOLE. Mr. President, has morning business been concluded?

The PRESIDING OFFICER. Is there further morning business? Morning business is closed.

SIMPLIFICATION OF IMPUTED INTEREST RULES—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on H.R. 2475 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. NICKLES). The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the inputed interest rules of sections 1274 and 483, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 1, 1985.)

Mr. PACKWOOD. Mr. President, this is the conference report on what is known as the imputed interest bill. Imputed interest is nothing more than a technical term meaning what the Treasury Department will say is what the actual rate of interest should have been in the sale of real estate if for some reason there is an artificially low rate.

Frankly, in the past, we have had a number of situations called to our attention where the interest rate negotiated between the buyer and the seller has been under question. What would happen is that a seller might artificially inflate the value of a piece of property and sell it at lower than a normal rate of interest. The total economic cost comes out the same, but in terms of determining the value of the property for tax purposes, the seller and the buyer get more favorable capital gains tax treatment and lower ordinary income inclusions. It is the Treasury that loses because both sides structure the deal to take advantage of the law to the detriment of all taxpayers in this country.

We therefore passed an imputed interest bill. The House did as well. We have gone to conference with the House. As in all conferences, we won some in the conference, we lost some. The Senator from Ohio [Mr. METZENBAUM] had two amendments. I thought, of the two of them, one was more abusive. I was glad we could hold on that. The other the House was insistent on dropping.

Passing this conference report is necessary so that those dealing in real estate transactions know what the law is. At the moment, they do not know. We are operating in a hiatus. We have had no imputed interest rule since last July and unless we pass something sooner or later, all advisers of those real estate transactions are simply not going to be able to tell what the law is at all. We have already had numerous questions from people about to enter real estate transactions.

I hope the Senate will be able to debate this at whatever length is necessary before we adopt this measure this afternoon so the law is, by and large, fixed and fair. I thank the Chair.

Mr. DOLE. Mr. President, the distinguished chairman of the Finance Committee [Mr. PACKWOOD] and the distinguished ranking member [Mr. LONG] should be commended for their successful efforts to bring before the Senate a revenue neutral solution to the imputed interest problem. This conference report, while it might not be a perfect solution, is a responsible solution. Unfortunately, although the conference was concluded 2 months ago, we have been unable to act on it until now. I hope the Senate will adopt this conference report without further delay.

In the Deficit Reduction Act of 1984, we attempted to close certain tax abuses which relied upon artificially low interest rates. By stating interest at rates significantly lower than could be obtained commercially, buyers of property could overstate the investment tax credit and cost recovery deductions by amounts far exceeding the true value of the property purchased. The goal was laudable; the loophole should have been closed. However, Congress probably made a more sweeping change than was necessary to curtail the major abuse potential.

The rules included in this conference report should go a long way to foreclose tax abuse without having any significant impact on sales of residences, farms, and the great majority of commercial real estate. Even sales of the largest commercial buildings will benefit from this conference report if seller financing is involved.

However, I think we can be confident that, even with these changes, we have made the possibility of major tax abuse much less likely.

I might also add for the benefit of those who have been concerned about when the legislation would be sent to the President that, if the Senate had its way, we would have resolved the imputed interest issue last fall. On the other hand, the additional time provided an opportunity to simplify the solution and should help the Internal Revenue Service to promulgate simpler and more understandable regulations. If, for no other reason, we should be pleased that the resolution of this issue took as long as it did.

Mr. DURENBERGER. Mr. President, I rise today to urge my colleagues to support the conference report on H.R. 2475, a bill to simplify and make permanent the imputed interest rules.

As we all know, the current stop-gap rules have expired. We need to pass this legislation and send it to the President. We owe the people who live under our tax laws some certainty. Right now transactions can't go forward because people don't know what interest rates to charge. We should not allow this state of affairs to continue for another month.

I have been involved in trying to correct the rather draconian provisions regulating imputed interest since they were enacted in the 1984 Deficit Reduction Act.

I take some small pride of authorship for the bill before us today. It looks a bit like my earlier legislation, and this year's version, S. 729.

The conference report represents over a year of work and in the main is a good compromise between all the parties involved:

When the amount of seller financing is less than $2.8 million, the imputed interest rate will not be greater than 9 percent;

When the amount of seller financing is greater than $2.8 million, the imputed interest rate is generally 100 percent of the AFR.

Loan assumptions are excluded and cash-cash accounting is allowed for transactions under $2 million.

This means that it is a simple system—something we are striving for in tax reform. People will be able to understand what interest rate must be carried without a battery of lawyers and accountants.

Yet the concerns about possible abuse and revenue loss to the Treasury are addressed. No longer will mismatch of income interest and the income deduction be allowed, and the potential for overstatement of basis is minimal.

Yet people needing seller financing can now conclude a sale without the IRS stepping in and recharacterizing the transaction.

I have worked on this issue for over a year. Tonight we have the opportu-

nity to enact a simple effective solution to the imputed interest problem.

We would not have this opportunity tonight without the statesmanship of Congressman BILL FRENZEL. My honored colleague from Minnesota has a long history of looking out for the welfare of the American taxpayer.

He had very serious concerns about the nongermane life care provisions of this legislation. Because of the pressing need to enact a solution to the imputed interest problem, due to the fact the stop-gap rule expired June 30, BILL graciously agreed not to object to the conference report and the life care provision.

I thank BILL for this magnanimous gesture, and I applaud his recognition of the importance of finally correcting the imputed interest provisions of the Deficit Reduction Act, so that certainty is established and people who need seller financing, the farmers, small businessmen and homeowners, can go forward with their transactions.

I urge my distinguished Senate colleagues to vote for this conference report. It would not be fair to the people who must live under our tax laws.

Mr. DOLE. Mr. President, it is our hope to dispose of the conference report this afternoon.

The distinguished Senator from Ohio [Mr. METZENBAUM] wishes to discuss the conference report before any disposition, and he is necessarily detailed at an Energy Committee meeting, to be followed by a Budget Committee meeting. So it may be at least 4 p.m. before he is able to return to the floor, maybe even later, but I hope we can dispose of the conference report. So far as I know, there are no other Senators who wish to speak.

Following the remarks of the Senator from Ohio, it is my understanding that he will want a rollcall vote, and we would like to have that vote today and dispose of this conference report.

In the interim, if we can take up other legislation, if anything has been cleared in the appropriations area, we can set aside the conference report, as I understand it. We have the clearance from the distinguished minority leader to do that. So we could take up an appropriations bill sometime this afternoon.

Mr. METZENBAUM. Mr. President, first, I express my appreciation to the chairman of the Finance Committee, the manager of the conference report, and the majority leader of the Senate [Mr. DOLE] for being cooperative and scheduling this debate and the vote in connection therewith at a time that was convenient to the Senator from Ohio and, obviously convenient to the Senator from Oregon as well.

I think the issue we have before us today is a very, very important one. It is not a new issue to the Senate. We are again addressing the issue of the imputed interest tax rules. I want to refresh my colleagues' recollection on this subject because we have been on this issue a number of times in the past.

Since June 27, 1984, when the new rules were adopted by Treasury, we have passed one amendment after another to roll back these changes. Treasury adopted the rules because there were those in the real estate industry and some of the financial world as well, the big syndicators, who were abusing the rules to the point of playing games. And the Senator from Oregon has stated that, as well, it had an impact on the tax consequences because, if you can change ordinary income into capital gains, if you can change interest into depreciation, there may be many things you can do and it may be adding more on the interest and less on the depreciation. There were various things the syndicators were able to do.

On June 27, 1984, the Congress acted, and on June 29, 2 days after the June 27 adoption of the rules that were adopted by Treasury, we passed the so-called enrolling error resolution. This resolution had nothing to do with errors. It came about because Congress wanted to repeal stricter rules on the first $250,000 of sales of principal residences and, on farm sales, up to $1 million.

But that was not enough for the real estate lobby. There was nothing in it for the real estate syndicators, the sellers of tax shelters, office buildings, and shopping centers. So in October 1984, 3 months later, at the behest of the real estate lobby, we moved again—the third time. This time, we temporarily suspended new rules for business transactions of up to $2 million.

How much did this cost the taxpayers of this country? Treasury lost and the syndicators gained $100 million. But as hungry is, as greedy is, as avarice is, they were not satisfied. So in June of this year, the Finance Committee, at their urging, sent a new bill to the floor.

This one eased the imputed interest rules for everyone. And although it stretched out the depreciation from 18 to 19 years in order to pay for the imputed interest rule changes, the measure would increase the deficit through 1988 by $111 million.

I should point out that the increase in the depreciation period is not as much as the President had in his own tax bill. It had gone far farther than that.

I did not object to taking care of the homeowners; I thought that was reasonable. I did not object to taking care of small business; I thought that was reasonable. And I did not think it was unreasonable to give relief to family farmers. But as I have stated repeatedly, there is no merit whatsoever in increasing the budget deficit by subsidizing the tax games played by the real estate syndicator.

An amendment I offered to the Senate version of the legislation before us today would have returned the tax rules we enacted in 1984 on sales in excess of $25 million and at so-called sale-leaseback transactions. That amendment was adopted. But the conferees, who, as far as I know, never, never, never conducted a meeting, struck the $25 million cap.

I must confess that I do not understand why it was dropped. On that point, I ask my colleague [Mr. PACKWOOD] if he would be kind enough to respond to a question. The question I have is, on June 26, when my amendment was adopted as a second-degree amendment to the Durenberger amendment, the following exchange took place.

Mr. METZENBAUM. I am pleased to learn from the chairman of the Finance Committee that he feels that the amendment I have offered is an acceptable one and I believe that he has indicated to me in earlier conversation that if it is acccepted, if it becomes a part of the bill, he will provide strong leadership and strong effort to keep it in the bill at the conference committee level.

The chairman of the Finance Committee, the manager of the bill, manager of the conference committee report, Mr. PACKWOOD, responded:

Mr. President, my good friend from Ohio is correct—I will do the best I can in conference to keep the provisions of this Durenberger-Metzenbaum amendment if it passes, and the Senator has my word on it.

So that nobody may have any mistake about it, I am not at all suggesting, implying or by innuendo indicating that the Senator from Oregon has not kept his word. That is not my point. But I would like to know if the Senator from Oregon could explain to the Senate why the language was dropped by the conference committee.

I am certain that the chairman is aware of Senate rule XXVIII, paragraph 6, that requires conferees to hold open meetings unless the managers of one House vote in open session to close them. So I would therefore ask the chairman of the committee if he would tell the Senate, did the conferees indeed hold an open meeting?

Mr. PACKWOOD. Mr. President, the conferees in the sense of everyone sitting down in one room at the same time did not hold a meeting, open or closed. What we had were negotiations between different members on the committee and different staffs. The House gave some, the Senate gave some, and we came up with this compromise.

Mr. METZENBAUM. Well, is it not a fact that no meeting was held, that these were discussions that took place between the conferees, that the conferees actually never met at all, and as

a consequence the rule requiring an open meeting was—if it was not violated, it came close to being violated? The question that I really have is, who made the decision to take care of the boys who make the deals over $25 million, who made the decision to drop the $25 million cap?

Mr. PACKWOOD. That was a provision the House insisted upon. I cannot tell the Senator who made the decision. If the Senator from Ohio asks if it was the chairman of the Ways and Means Committee or some other member of the Ways and Means Committee I cannot tell him. My good friend from Ohio is fully familiar with the fact—and I am sure has participated in the conferences in this body before—where conferees actually did not meet and probably signed conference reports where the conferees did not meet. It is not an unusual procedure. On a major bill of long magnitude, we usually have meetings, but it is not uncommon and certainly there was no secret as to what was going on at the time negotiations were conducted. But as to who in the House said they wanted "to save the big boys," I cannot pinpoint. All I know is that in my discussions with the chairman of the Ways and Means Committee, he said, "This is a provision that the House will insist upon."

Mr. METZENBAUM. I thank my colleague from Oregon. I want to say to my colleagues in the Senate it is wrong to provide a tax cut to the largest syndicators in this country. It is wrong to increase the Federal budget deficit over the next 3 years by $115.5 million but that is what this measure does. Now, think of it. This is the very first day of the new fiscal year. This is the day when the new budget reconciliation measure will become effective, when the budget reconciliation measure takes effect.

Mr. President, I ask unanimous consent at this point that the revenue estimates by the joint committee be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, September 9, 1985.

Hon. HOWARD M. METZENBAUM,
U.S. Senate,
Washington, DC.

DEAR SENATOR METZENBAUM: This is in response to your letter of August 14, 1985 requesting confirmation of the revenue estimate for the Conference Report on H.R. 2475, the imputed interest bill.

The estimates listed below are the current revenue projections.

[In millions of dollars]

Fiscal year:	
1985	(1)
1986	−31
1987	−68
1988	−16
1989	+35
1990	+89
Sum, 1985–90	+9

[1] Gain or loss of less than $500,000.

Sincerely,

DAVID H. BROCKWAY.

Mr. METZENBAUM. Mr. President, here is a situation where special tax treatment is being given to the wheelers and the dealers and the high rollers, to the Wall Street offices that have nothing to do with real estate except to put together syndicated deals, and the real estate lobby. The one change that is made without a public hearing is to eliminate that part of the conference report having to do with the deals over $25 million. These are the same real estate lobbyists whose members write to us week in and week out demanding spending cuts, demanding a line-item veto, demanding a constitutional amendment to balance the budget. Listen to what the National Association of Realtors has adopted as their official position on the deficit. They support a constitutional amendment to balance the budget, and they state:

> The National Association, believing it is mandatory that the administration and the Congress restrain the growth of Federal spending, therefore, supports a congressional initiative and the States' ratification of a constitutional amendment which will make Congress accountable for excessive spending and taxation.

They support giving the President line-item veto authority. Listen to what they say about that:

> The National Association of Realtors statement of policy supports the adoption of legislation giving line item veto authority to the President in order to reduce Federal spending while maintaining the authority of Congress to override the veto by a two-thirds vote.

Now, they have made some great statements about what Congress ought to do, what the President ought to do, but do the imputed interest provisions of the conference report that is now before the Senate help reduce the Federal budget deficit or do they help the greedy realtors? I will not even say they fought to take out the $25 million item. I am not even certain that that is the case, and I would guess it was not, but they stood by; they had the power to do something about it; they have the political moxie around here; they have such a big PAC fund that I read the other day where they are going to go into independent expenditures over and above the amount they spend with their PAC to defeat candidates. This is the group that is not satisfied by one bill, two bills, and enrolling committee technical errors at one point.

Mr. President, the real issue we have today has to do with whether the imputed interest provisions of the conference report that is now before the Senate helped reduce the Federal deficit; and the answer is, "Most certainly not."

The imputed interest provision will add $856 million in red ink to the deficit over the next 5 years. But that is not the only special interest giveaway that we find in this conference report. There is also something that the Senator from Rhode Island will address himself to, called the continuing care provision, and that should really be called the Marriott tax reform measure of 1985, because that is precisely what it is.

That provision permits the Marriott Corp., and other for-profit providers of continuing care facilities to walk away with $44 million in tax subsidies a year for the next 5 years. Whose $44 million? The rest of the taxpayers of this country, obviously.

Is that $44 million being spent wisely? Is it being spent for the benefit of the average senior citizen in this country? No way.

The private continuing-care facilities that will benefit from this provision charge entry fees of $90,000 or more and monthly fees that generally exceed $1,000 per month. These are not facilities designed to serve poor senior citizens who are living on Social Security and modest pensions.

Mr. President, I ask you to consider what we could do with this $44 million to help America's senior citizens. We could double the number of senior citizens receiving home-delivered meals. We could increase by one-third all the Federal research on Alzheimer's. We could assist 200,000 elderly Americans who will not be able to pay their winter heating bills and who face the possibility of having their utilities disconnected.

But the senior citizens, frankly speaking, do not have the lobbyists that Marriott does, so Marriott wins; and once again the taxpayers of this country are the losers.

Mr. President, I want to make it clear. I am not arguing about the basic provisions that others in this body have addressed themselves to having to do with imputed interest. I am talking about the egregious issues, and the one specifically egregious issue we are talking about is the fact there is a special change from that which the Senate passed for deals that are over $25 million.

Now it is true that the conference agreement attempts to cover the revenue loss from these provisions by lengthening the depreciation period on real estate from 18 to 19 years. But let us be frank. That is nothing more than smoke and mirrors, because we do not know what changes will be made when the so-called tax reform bill or the tax equity bill or some other Congress comes along next year or this year as the case may be.

In fact, there are few, if any, savings here because the President's tax reform proposal already calls for an extension of the depreciation period not to 19 years but to 28 years. And if that occurs, then the tax pickup that occurs by changing the depreciation period in this report from 18 to 19 years becomes de minimis and it becomes a nothing.

Even with the budget savings arising from the depreciation changes, the Joint Tax Committee estimates the provisions of the conference report will still cost the Federal Treasury $115 million over the next 3 years. My colleagues are going to have to address the issue: Why did they, on October 1, the first day of the fiscal year, come out here on the Senate floor and vote for a conference committee report that provides for $115 million less than that which the budget calls for? Why did they do it? So that the real estate syndicators can get this tax break? So the operators of the continuing care facilities can get their special tax provisions? I think we ought to congratulate them and their lobbyists for their success in gaining this unjustifiable tax break. They really have done a great job. They have used that which is considered a real concern having to do with farmers, family farm sales, having to do with home sales, having to do with small business deals, they have used that to climb in and take care of the big boys. And, yes, in this particular conference committee report, the one major change to which I address myself is the fact the provision in the Senate bill struck at those deals over $25 million. What we have here is they have eliminated that provision.

Let us ask who are the losers. We know who the gainers are. Instead of providing Federal education benefits to 500,000 handicapped children, we will give the $115 million to the real estate lobby and the syndicators. Instead of taking care of 25,000 homeless children who will go without foster care for a year, the real estate syndicators have gained their point and the Congress of the United States is taking care of them. Instead of taking care of 101,000 female-headed households who live below the poverty line, they will not be assisted. Why? Because the syndicators, it seems, are the "truly needy."

This $115 million could provide WIC benefits for a year to 290,000 pregnant mothers and infants. But they, too, are without a lobby.

Today, Mr. President, is fiscal new year's day and we have this budget busting measure before us on the very day, the very birthday of the fiscal new year.

All our promises to our constituents to work on a balanced budget are for naught because, when the chips are down, I am afraid that my colleagues will take care of the syndicators and take care of the real estate lobby.

The great irony, Mr. President, is that we are breaking our promises at the behest of an industry that preaches incessantly to Congress about the need to balance the budget. "Make Congress accountable," they say, "for excessive spending and taxation." Well, I think that Congress should be held accountable for excessive spending, excessive taxation, and for excessive giveaways to special interests like the real estate syndicators and continuing care industries.

Mr. President, the Budget Act does not contemplate any way to make up for the $115 million reduction in revenues caused by this measure over the fiscal 1986 to 1988 year period. Adopting this conference report will cause budget deficits over the next 3 years to grow by $115 million over and above the level contemplated by the budget resolution.

Mr. President, I am now about to make a parliamentary inquiry. My parliamentary inquiry is: Were the measure to come before the Senate after enactment of a reconciliation bill that does not change revenue, would it be subject to a point of order under the Budget Act?

The PRESIDING OFFICER. The Senator is correct, it would be subject to a point of order under the Budget Act because it would cause a loss of revenues.

Mr. METZENBAUM. I thank the Chair.

Mr. President, I believe that if we are going to give away $115 million over the next 3 years to these particular interests, we should find a way to replace the revenue. And I believe that there is no one more able to do that than the distinguished chairman of the Finance Committee, who is also the manager of the conference committee report. I believe that the Finance Committee should be instructed to report an amendment to the budget reconciliation measure to accomplish that objective.

I believe the fact that the reconciliation measure has not been put in place and passed is no reason why we should not act as if it were in place, because we know it is a delay that should not have occurred. But I am certain that within a week or 10 days, the budget reconciliation measure will be before this body.

Mr. President, I believe that we ought to consider this conference committee report, not on some day long distant in the future, but on some day immediately after the budget reconciliation measure has been adopted. I am in no position to predict with accuracy when that reconciliation measure will be before the Senate, but I am advised it should be here within the week. I will say to my colleague, the manager of the bill, that if it comes before that, the day after the reconciliation measure is disposed of is the time when I believe we ought to have an opportunity to act in connection with the conference report. I believe that is subject to a point of order at that point. I do not believe that the mere fact that we are able to bring it up at this point by agreement and cooperation of the parties is any reason why any one of us should not have an opportunity to raise the budget issue. We should not take advantage of the date.

Therefore, I am not moving to eliminate or to put aside the conference committee report, but rather, Mr. President, I move to postpone consideration of the conference report until October 10, 1985. This will give the Finance Committee time to report back an amendment to the reconciliation measure that raises at least $115 million over the next 3 years.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent just to yield to the majority leader for an announcement for a moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the distinguished chairman for yielding. I understand there will be a vote immediately.

We are honored today to have King Hussein from Jordan visiting us, and we will have a meeting with the King and Senators in room S-207. It is my hope that we can vote rather promptly. He is in my office and prepared to meet with all Senators. I hope my colleagues on both sides of the aisle will get this message through their office, and be in S-207 in about 2 minutes—ago.

Mr. METZENBAUM. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. METZENBAUM. As the majority leader well knows, I am not "delaying."

Mr. DOLE. I understand.

Mr. METZENBAUM. On the other hand, I think Members on the floor want to meet the King of Jordan. I wonder whether or not the majority leader would not see fit to bring the matter to a vote immediately after the meeting with the King of Jordan concludes.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. METZENBAUM. I am perfectly willing to do so.

Mr. PACKWOOD. Mr. President, if I may ask—and I am momentarily going to move to table the motion of the Senator—will my good friend be willing to have a final vote on the con-

ference vote right then, or do we need a final rollcall vote on the conference report?

Mr. METZENBAUM. If my motion does not pass—and I doubt that it will—and assuming that the distinguished manager does not make a tabling motion, then I would have no objection to passing the conference committee report without a rollcall vote.

Mr. DOLE. The only thing I was trying to serve was two ends—one is to get people over here so we can meet with the King; second, to pass the conference report because I know all Senators get involved in other matters. But we can do it either way.

Mr. PACKWOOD. Mr. President, I would accept that offer of an up and down vote on the motion to postpone with a gentleman's understanding that at least you and I will not ask for a rollcall vote on the final passage of the conference report. But to accommodate the majority leader, we can get the Senators over here, and let us vote now. They can come vote, and go meet the King.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

Mr. PACKWOOD. Mr. President, will the Senator withhold that for a moment?

I want to make not a factual correction—because my friend from Ohio has accurately reported the facts—but selectively. The Senator from Ohio is talking about a $115 million loss over 3 years in the bill. That is indeed true. The bill changes the law slightly so that there are some additional losses in the first 3 years. However, when you look at 5 years, the figures are as follows: In the first year, a loss of $31 million; $68 million in the second year; in the third year, a $16 million loss; the fourth year has a $35 million gain; the fifth year has a $89 million gain. So that over the 5 years there is a net pickup of $9 million.

So while the figures of my good friend from Ohio about the loss over 3 years are accurate, they do not portray the whole story, and no one should think that in voting for this bill they are voting for a revenue loss.

I would be prepared to vote now on the motion to postpone if the Senator from Ohio is ready.

Mr. METZENBAUM. I suggested to the majority leader, and I do not think he is in a disagreement. I am sorry he left the floor. I suggested that we vote immediately after the meeting with the King. I see he left the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The following proceedings occurred earlier:)

Mr. CHAFEE. I wonder if the Senator will yield for a comment. I do not want to break into his flow but I have some views on this measure myself.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I may yield at this point to the Senator from Rhode Island for his remarks with the understanding that in the CONGRESSIONAL RECORD his remarks will read immediately after my own.

Mr. CHAFEE. I do not want to interfere with the Senator.

Mr. METZENBAUM. I understand.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I commend the Senator from Ohio for his concerns over this measure. They are concerns that I feel as well, and I have explained these concerns to the chairman of the Finance Committee. I was a conferee on this matter and had deep concerns over it. Indeed, as the Senator from Ohio will remember, I presented an amendment on the floor dealing with the so-called life care provisions, and I felt very strong about that. As for the other provisions, namely, the imputed interest measures for seller financing which were reported out of the Senate Finance Committee, I did not oppose them. However I did have concerns over the life care provisions, which I tried to strike on the floor, and I wanted to raise those concerns at the conference. Well, as the Senator from Ohio and the distinguished chairman of the committee pointed out, we did not have a conference. There never was a conference, and that is why I refused to sign the conference report.

This may be a customary procedure around here, and I am not going to gainsay that. However, I have been here 10 years and have been named to many conferences. In my experience the conferees have actually met; or, if the conferees have not met, at least I have known that the parties were talking back and forth and something was going on. Unfortunately, that was not the case here. I was never alerted.

I presume the chairmen of the two committees were talking back and forth, and I regret deeply that I did not have a chance to explain my views to the House Members. My views may not have prevailed, but at least I would have received a great deal of satisfaction from addressing these matters, about which I felt deeply.

It is not just some whim. We have a letter here addressed to the leader of the Senate, Senator DOLE, by the Assistant Secretary of the Treasury for Tax Policy—namely, Mr. Ronald A. Pearlman—dated June 25, in which he discusses the matter of the so-called life care facilities.

I am not going to debate the whole matter here again. However, I find it inconsistent that when we are in the middle of tax reform that is meant to be reducing preferences, not giving somebody a break at the expense of others, we launch into a wholly new matter, a wholly new preference.

So, first, I should like to register my disappointment that the conference did not occur; that I, as one of the conferees, was not posted in any fashion by the staff as to what was taking place, as to what was being bartered back and forth, if you will, or as to what the hard line positions of the House were.

I am not familiar with where this $25 million limitation came from, but that is way beyond anything we considered in the Finance Committee.

As the life care matter: I just want to say once again to my colleagues that what we have done here, and what the conference has agreed to, is to give a very special privilege to those wealthy enough to have up to $90,000 to hand over to a life care facility—not a nursing home, because that does not qualify—that the Marriott Corp., will be setting up to take care of this special group. This special group will have, in effect, pretax income spent to care for them.

The concept here is that two parties, side by side, sell their homes, and they each end up with $90,000. One elderly lady puts it in the bank and goes to live with her daughter. The interest income on $90,000 in the bank will be taxed—no question about that—and the widow will live on the after-tax proceeds of that $90,000. Another elderly lady goes to one of these life care facilities and puts down $90,000. The interest on that money is not taxed. The interest which goes to pay for her care is tax-free. This person receives the care, paid for with the pretax proceeds of $90,000.

This is an extremely unfair provision which has just sailed through. I wonder whether the Members of the House really knew. I can only ask the chairman of the Finance Committee. Were there conversations back and forth, to which the rest of us were not privy? Maybe the other members of the conference committee were privy, but I certainly was not. I never knew a conference was going on. Whether the Members of the House knew what was taking place, I do not know.

That is my view of this conference report. I do not know whether the distinguished Senator from Ohio plans a rollcall vote or a voice vote on this conference report, but if it is a voice vote, I certainly want the Chair to register that I voted "no."

Mr. METZENBAUM. I say to my colleague that there will be a rollcall vote. I am not prepared to offer the motion at this moment, but I will

make a motion at an appropriate time in connection with the pending matter, and I hope that at that time he will see fit to support it.

Mr. President, I see the Senator from Montana on the floor. I ask unanimous consent that the Senator from Montana may be heard at this point, with the understanding that his remarks will follow the remarks of the Senator from Rhode Island in the RECORD and that the remarks of the Senator from Ohio will read as a continuous statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I thank the Senator from Ohio for his generosity in allowing me to make a very brief statement.

The Senator from Ohio has described how an amendment that was adopted by the Senate was dropped in conference. I want to add that an amendment I offered and that Senator DURENBERGER offered was also dropped in conference, and something else was rearranged by the conferees.

Nevertheless, I am glad that we are at last addressing corrections on imputed interest, because they have been a burr under the saddle of taxpayers who have been stuck by this gimmick, devised principally by the Treasury Department, with some cooperation, unfortunately, from Congress.

What we have done in the bill and still retained, despite some disagreements we might have with the conference report, is basically to rectify some very outrageous situations in which ordinary small businessmen, farmers, ranchers, or homeowners selling their property were told what the interest rates would have to be.

I would not quarrel with the argument that has been advanced by my friend from Ohio on what the joint committee speculates what the passage of this bill will cost the Treasury, because I know that is about what the joint committee people have come up with over the 4 years—$100 million, $25 million a year. But I must repeat that it is speculative.

What the joint committee uses is information they receive from the Treasury Department, which, if not tainted, is at least prejudiced. The Treasury Department and the IRS have consistently said, year in and year out for the past 7 or 8 years, that if you do not have imputed interest, somebody is going to get away with some dough on Uncle Sam with respect to income taxes. But the fact is that in many instances in which they sold property, citizens were denied the right of ordinary people selling that property to a willing buyer on the basis of an agreed interest rate, only to find that the IRS was telling them, "If you haven't charged this rate of interest, at such-and-such a level, we're going to impute it; and the income you get from it will be subject to taxation," which ended many legitimate transactions.

Congress at last has rectified this situation. While it is not perfect, it is about 10 yards ahead up in the air of what we had before, and 36 feet ascendency is not too bad around here, when we approve something in the public interest, and we have done that.

(Conclusion of earlier proceedings.)

ORDER FOR RECESS

Mr. DOLE. Mr. President, in order to accommodate Senators so they may be able to attend the meeting with King Hussein, I am going to move in a moment that we recess until 5 o'clock. That will give us time to conduct our meeting with King Hussein, and also then at 5 o'clock there would be a vote.

Mr. PACKWOOD. We will vote up-and-down on the motion of the Senator from Ohio to postpone.

Mr. DOLE. That is correct.

So I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 5 P.M.

Mr. DOLE. Let me urge before we recess that all Senators please come to S-207. Our meeting will start within 5 minutes.

Therefore, I move, in accordance with the order just entered, that the Senate stand in recess until 5 p.m.

Thereupon, at 4:06 p.m., the Senate recessed until 5:02 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MATTINGLY].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Georgia, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the motion of the Senator from Ohio to postpone consideration of the imputed interest conference report until October 10, 1985. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Utah [Mr. HATCH] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 7, nays 91, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—7

Chafee	Pell	Stennis
DeConcini	Proxmire	
Metzenbaum	Simon	

NAYS—91

Abdnor	Goldwater	McConnell
Andrews	Gore	Melcher
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatfield	Packwood
Boschwitz	Hawkins	Pressler
Bradley	Hecht	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chiles	Hollings	Roth
Cochran	Humphrey	Rudman
Cohen	Inouye	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kassebaum	Simpson
Danforth	Kasten	Specter
Denton	Kennedy	Stafford
Dixon	Kerry	Stevens
Dodd	Lautenberg	Symms
Dole	Laxalt	Thurmond
Domenici	Leahy	Trible
Durenberger	Levin	Wallop
Eagleton	Long	Warner
Evans	Lugar	Weicker
Exon	Mathias	Wilson
Ford	Matsunaga	Zorinsky
Garn	Mattingly	
Glenn	McClure	

NOT VOTING—2

East	Hatch

So the motion to postpone consideration of the imputed interest conference report until October 10, 1985, was rejected.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, I commend the distinguished majority leader for bringing the conference report on H.R. 2475 to the floor.

This legislation which clarifies the rules on imputed interest is desperately needed. I and a number of other Senators have been working for over a year now to find a simple, effective solution to the imputed interest problem.

The temporary relief measure that we enacted expired on July 1, 1985, resulting in uncertainty for the people who need seller-financing in order to sell their farms, homes, and small businesses.

Uncertainty as to the state of the law caused confusion and transactions were impeded or postponed because sellers and buyers did not want to go forward and risk running afoul of the law.

We need to pass this conference report today. My colleagues are all

very familiar with this issue. We have discussed it at length on the Senate floor several times over the course of the past year. The result of these efforts is a good report.

The conference report sets up a clear, simple effective test, so that people who need to use seller-financing can avoid the IRS interjecting itself and imputing interest to a transaction. Where the amount of seller-financing does not exceed $2,800,000, the imputed interest rate may not exceed 9 percent. Where the amount of seller-financing is greater than $2,800,000, the imputed interest rate is 100 percent of AFR. An imputed interest rate of 100 percent of the AFR, however, applies to sale-leaseback transactions.

This simple bright line test is a significant step forward from earlier proposals. It is the result of continued refinement of the concept I introduced last year in S. 3032 and this Congress as S. 251, and long hours by many who have been involved with this issue.

It is a good solution, because it is easy for those who need seller-financing to figure out what interest rate to use in their contracts, yet it prevents the serious abuses that the Treasury Department and others were concerned about

I want to thank the distinguished chairman of the Finance Committee, Senator PACKWOOD, for his efforts on this issue, and I commend Senator SYMMS, Senator MELCHER, and other distinguished colleagues who have taken a leadership role in helping correct this serious problem.

I have been actively involved in trying to achieve a solution during the year that Congress has been wrestling with the issue, and I must say I am happy that we can finally put this behind us by passing this permanent simplification of the imputed interest rules.

I urge my colleagues to support it.

Mr. PRYOR. Mr. President, today the Senate is finally correcting a mistake made in the Deficit Reduction Act of 1984 dealing with imputed interest. I'm pleased we're finally taking this step by adopting the conference report, and I hope we close this chapter of the book once and for all.

Very briefly, Mr. President, I would like to review the history of the provision we're now correcting.

The rules in the Tax Code dealing with imputed interest were put in the law in the late 1960's when it came to light that some tax shelters were being operated by taking advantage of an inflation of basis—resulting in larger depreciation deductions—to the buyer, and a conversion of ordinary income to capital gain for the seller, when an adequate rate of interest wasn't stated in the lending agreement. In order to deal with this, section 483 was put into the law, and under that section prior to last year's changes, if the debt instrument carried an interest rate of 9 percent simple interest, the higher imputed rate of 10 percent didn't apply. These were rules everybody could live with.

Last year, at the urging of the Treasury Department, changes were made in section 483—and also the so-called original issue discount rules—to increase the rate of interest, and for the first time, tie the rate to what was called the applicable Federal rate. The new rate was purported to represent market conditions.

The problem, Mr. President, was that the rates were set too high, and more importantly, there were not sufficient exemptions from the new rules so that virtually all lending transactions came within them, whether they were motivated by tax considerations or involved something like selling the family farm.

Very quickly we started the effort to modify these new rules, which were very harsh. I cosponsored a bill to repeal them entirely and go back to section 483 as it existed prior to last year's amendments. However, ultimately both the House and Senate passed bills allowing certain small transactions—generally involving seller financing below a certain level—to use the old rules. This occurred only after stopgap legislation, enacted late last year was extended through July 1, 1985.

Since July 1, Mr. President, no one has known what the rules are. The conference report was adopted by the House on August 1, 1985, and now, on October 1, 1985, we're considering the bill.

The conference report should be adopted. It provides for a safe harbor of $2.8 million in seller financing, so that if the level doesn't exceed that figure you can use the lower of 9 percent or 100 percent of the applicable Federal rate. Further, for transactions where this can't be used the conference report is an improvement in that there is no penalty rate. Finally, there is a provision that will index the $2.8 million threshold after 1989.

Mr. President, as I've stated before, the Congress should act to stop tax shelters and transactions that have no motivation other than tax benefits. But, when people are trying to buy and sell farms, commercial and residential buildings, and other properties, the interests of the Federal Treasury pales in comparison to the need of individuals and businesses to undertake legitimate, nontax motivated transactions, without having to jump a complex and unreasonable set of tax hurdles.

I urge the adoption of the conference report and I hope it can be signed into law very promptly.

Mr. HEINZ. Mr. President, The continuing care legislation requires that substantially all facilities which are used to provide services which are required to be provided under a continuing care contract must be owned or operated by the same sponsor. Currently there are facilities that provide the long-term care by contracting out the nursing home care to an unrelated nursing home. Suppose these facilities entered into a contract with unrelated nursing facilities under which the sponsor of the facility will, along with the owner or operator of the nursing facility, have as much substantial management control over the beds in the unrelated nursing facility as if the beds were owned by the continuing care facility. Would this meet the requirement of the owned and operated? Mr. Chairman, I understand that in your view such an arrangement would qualify under the statute.

Mr. PACKWOOD. That is correct. I assume that the sponsor of the continuing care facility would actually be making some of the day-to-day decisions regarding the operation of the nursing home; for example, those relating to the provision of meals, nursing care, and other services that relate to the care of the sponsor's patients.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 82

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on the

Budget, the Committee on Appropriations, the Committee on Foreign Relations, and the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two new deferrals of budget authority for 1985 totaling $10,438,657 and two revised deferrals now totaling $1,433,548,866. The deferrals affect accounts in Funds Appropriated to the President and the Departments of Health and Human Services and State.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *October 1, 1985.*

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 83

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, the Committee on the Judiciary, the Committee on Governmental Affairs, and the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 23 new deferrals of budget authority for 1986 totaling $1,628,765,311. The deferrals affect accounts in Funds Appropriated to the President, the Departments of Agriculture, Defense-Military, Defense-Civil, Energy, Health and Human Services, Justice, and State, the Pennsylvania Avenue Development Corporation, and the Railroad Retirement Board.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *October 1, 1985.*

EXECUTIVE ORDER PROHIBITING THE IMPORT OF SOUTH AFRICAN KRUGERRANDS—MESSAGE FROM THE PRESIDENT—PM 84

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying paper; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On September 9, 1985, I informed the Congress pursuant to Section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), that I had exercised my statutory authority to prohibit certain transactions involving South Africa (Executive Order No. 12532). I also informed the Congress that the Executive Order directed the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands.

In order to deal with the unusual and extraordinary threat to the foreign policy and economy of the United States referred to in Executive Order No. 12532, and in view of the continuing nature of that emergency, and in view of the successful completion of those consultations, I have issued an Executive order, a copy of which is attached, exercising my statutory authority to prohibit such imports effective October 11, 1985.

All of the measures I have adopted against South Africa are directed at apartheid and the South African Government, and not against the people of that country or its economy. The Krugerrand measure ordered was taken in recognition of the fact that Krugerrand is perceived in the Congress as an important symbol of apartheid. This view is widely shared by the U.S. public. I am directing this prohibition in recognition of these public and congressional sentiments.

RONALD REAGAN.

THE WHITE HOUSE, *October 1, 1985.*

EXTENSION OF GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE SOVIET UNION—MESSAGE FROM THE PRESIDENT—PM 85

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to PL 94-265 was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (the Act) (16 U.S.C. 1801 et seq.), I transmit herewith an exchange of Diplomatic Notes, together with the present agreement, extending the Governing International Fishery Agreement between the United States and the Union of Soviet Socialist Republics, signed at Washington on November 26, 1976, until December 31, 1986. The exchange of notes, together with the present agreement, constitutes a Governing International Fishery Agreement within the requirements of Section 201(c) of the Act.

In order to prevent the interruption of joint fishery arrangements between the United States and the Union of Soviet Socialist Republics when the current agreement expires on December 31, I urge that the Congress give favorable consideration to this extension at an early date.

RONALD REAGAN.

THE WHITE HOUSE, *October 1, 1985.*

MESSAGES FROM THE HOUSE RECEIVED DURING THE RECESS

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on September 30, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill:

H.R. 3452. An act to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program.

Under the authority of the order of the Senate of January 30, 1985, the enrolled bill was signed on September 30, 1985, during the recess of the Senate, by the President pro tempore [Mr. THURMOND].

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on October 1, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill:

H.R. 3454. An act to extend temporarily certain provisions of law.

Under the authority of the order of the Senate of January 3, 1985, the enrolled bill was signed on October 1, 1985, during the recess of the Senate by the President pro tempore [Mr. THURMOND].

MESSAGE FROM THE HOUSE

At 6:24 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 2959) making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. BEVILL, Mrs. BOGGS, Mr. CHAPPELL, Mr. FAZIO, Mr. WATKINS, Mr. BONER of Tennessee, Mr. WHITTEN, Mr. MYERS of Indiana, Mrs. SMITH of Nebraska,

Mr. RUDD, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate.

H.R. 1963. An act to increase the development ceiling at Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania, and for other purposes, and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambria County Library Building, PA; and

H.R. 3384. An act to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the Employees Health Benefits Fund; to make miscellaneous amendments relating to the Civil Service Retirement System and the Federal Employees Health Benefits Program, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated.

H.R. 1963. An act to increase the development ceiling at Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania, and for other purposes, and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambria County Library Building, PA; to the Committee on Energy and Natural Resources.

H.R. 3384. An act to amend title 5, United States Code, to expand the class of individuals eligible for refunds or other returns of contributions from contingency reserves in the Employees Health Benefits Fund; to make miscellaneous amendments relating to the Civil Service Retirement System and the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Governmental Affairs.

MEASURE PLACED ON THE CALENDAR

The Committee on the Foreign Relations was discharged from the further consideration of the following joint resolution; which was placed on the calendar:

S.J. Res. 179. Joint resolution requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1801. A communication from the Deputy Assistant Secretary of the Army (Programs and Commercial Activities), transmitting, pursuant to law, a report on the conversion of the Commissary shelf stocking function at Sierra Army Depot, CA, to performance by contractor; to the Committee on Armed Services.

EC-1802. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on the rescission of certain budget authority; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1803. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to grant subpoena authority to the Secretary of Commerce for administrative hearings conducted by the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1804. A communication from the Director of the National Science Foundation, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1805. A communication from the Secretary to the Council of the District of Columbia, transmitting, pursuant to law, a copy of Council Resolution 6-284 adopted on September 10, 1985; to the Committee on Governmental Affairs.

EC-1806. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Rescission of Report entitled 'Outstanding Liens Against Samuel C. Jackson Plaza Project Parcels' "; to the Committee on Governmental Affairs.

EC-1807. A communication from the Administrator of General Services, transmitting, pursuant to law, a report on the cost of travel and operating of privately owned vehicles to Government employees while engaged on official business; to the Committee on Governmental Affairs.

EC-1808. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title 5, United States Code, to change the position of the Director of the Census Bureau to Level IV from Level V in the Executive Schedule; to the Committee on Governmental Affairs.

EC-1809. A communication from the President of the National Safety Council, transmitting, pursuant to law, the audit report of the Council for the fiscal year ended June 30, 1985; to the Committee on the Judiciary.

EC-1810. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "1983 Payment-in-Kind Program Overview: Its Design, Impact, and Cost"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1811. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on a foreign military assistance sale to the Netherlands; to the Committee on Armed Services.

EC-1812. A communication from the Deputy Assistant Secretary of the Air Force, transmitting, pursuant to law, a report on the decision to convert the grounds maintenance function at Pease AFB, NH, to performance under contract; to the Committee on Armed Services.

EC-1813. A communication from the Deputy Assistant Secretary of the Air Force, transmitting, pursuant to law, a report on the decision to convert the protective coating function at Andrews AFB, MD, to performance under contract; to the Committee on Armed Services.

EC-1814. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on a foreign military assistance sale to the People's Republic of China; to the Committee on Armed Services.

EC-1815. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to repeal requirements that each member of the National Guard receive a physical exam when called into, and when mustered out of, Federal service; to the Committee on Armed Services.

EC-1816. A communication from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on bank transactions with Communist countries during July 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-1817. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on studies evaluating the Medicaid Home and Community-based Care Waiver Program; to the Committee on Finance.

EC-1818. A communication from the Under Secretary of State transmitting, pursuant to law, a confidential report on the plans for implementation of travel controls on certain United Nations Secretariat employees; to the Committee on Foreign Relations.

EC-1819. A communication from the Assistant Secretary of State transmitting a draft of proposed legislation entitled "The Central American Counterterrorism Act of 1985"; to the Committee on Foreign Relations.

EC-1820. A communication from the D.C. Auditor transmitting, pursuant to law, a report on the UDC President's Representation Fund for fiscal year 1984; to the Committee on Governmental Affairs.

EC-1821. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for miscellaneous amendments to the Rehabilitation Act of 1973, as amended; to the Committee on Labor and Human Resources.

EC-1822. A communication from the Vice Chairman of the National Council on Educational Research transmitting, pursuant to law, the eighth annual report of the Council for fiscal year 1983; to the Committee on Labor and Human Resources.

EC-1823. A communication from the Chief Immigration Judge, U.S. Department of Justice, transmitting, pursuant to law, a report on certain suspensions of deportation under sections 224(a) (1) and (2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-1824. A communication from the Governor of the Farm Credit Administration transmitting, pursuant to law, the annual report of the Administration for 1984; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1825. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on the decision to convert base operations functions at the Naval Air Station, Barbers Point, HI, to performance under contract; to the Committee on Armed Services.

EC-1826. A communication from the Secretary of the Housing and Urban Development transmitting, pursuant to law, the fiscal year 1985 report on the Rental Rehabilitation Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-1827. A communication from the General Counsel of the Department of Energy transmitting, pursuant to law, notice of a

meeting of the International Energy Program on October 9, 1985; to the Committee on Energy and Natural Resources.

EC-1828. A communication from the D.C. Auditor transmitting, pursuant to law, a report reviewing the Marshal Heights Street Improvement Program; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment, and amendments to the preamble:

S. Res. 68. A resolution congratulating the people of Cyprus on the twenty-fifth anniversary of their independence, and supporting the establishment of a Cyprus Cooperative Development Fund to foster improved intercommunal relations on Cyprus.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Patricia Mary Byrne, of Ohio, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Patricia M. Byrne.

Post: U.S. Mission to the United Nations.

Contributions, amount, date, and donee.

1. Self: None.

2. Spouse: Not applicable.

3. Children and spouses names: Not applicable.

4. Parents names: Edward F. Byrne (deceased); Mary K. Byrne (deceased).

5. Grandparents names: William P. Byrne (deceased); Elizabeth B. Byrne (deceased); Mr. and Mrs. (FNU) Kreutzer (deceased).

6. Brothers and spouses names: Not applicable.

7. Sisters and spouses names: Eileen Byrne Rubin, none; Dr. Mandel Rubin, none.

Winston Lord, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination. 1/1/81 to present.

Nominee: Winston Lord

Post U.S. Ambassador to People's Republic of China

Contributions, amount, date, and donee.

1. Self: $50, 9/84, 1984, Elliot Richardson. $50, 1984, Jay Rockefeller.

3. Children and spouses names: Elizabeth P., none; Winston B., none.

4. Parents names: Mr. O.B. Lord, $200, 1984, Victor Ashe. Mrs. C. Lord (step), $150, 1984, Victor Ashe (Sen, Tenn.).

5. Grandparents names: Deceased.

6. Brothers and spouses names: Mr. and Mrs. Charles P. Lord, $100, 1984, Cong. Thomas Evans (Del.).

7. Sisters and spouses names: None.

Hugh Montgomery, of Virginia, to be the Alternate Representative of the United States of America for Special Political Affairs in the Untied Nations, with the rank of Ambassador, to which position he was appointed during the last recess of the Senate.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Hugh Montgomery.

Post: United Nations.

Contributions, amount, date, and donee.

1. Self: $25.00, 1982, 1984, Cong. Frank Wolf.

2. Spouse: None.

3. Children and spouses names: Hugh Montgomery, Jr., Maria Pauline Montgomery, None.

4. Parents names: J.R. Montgomery, Pauline Parker Montgomery, deceased.

5. Grandparents names: George M. Montgomery, Jennie S. Montgomery, deceased.

6. Brothers and spouses names: J.R. Montgomery, none.

7. Sisters and spouses names: no sisters.

Herbert Stuart Okun, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, to which position he was appointed during the last recess of the Senate.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Herbert Stuart Okun.

Post: Deputy Representative of the United States to the United Nations; Ambassador E. and P.

Contributions, amount, date, and donee.

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Jennifer Okun (no spouse)—none; Elizabeth Okun (no spouse)—none; Alexandra Okun (no spouse)—none.

4. Parents names: Father: Irving J. Okun—died 1956; Mother: Ida Muriel Okun—died 1979.

5. Grandparents names: Harry Levine—died 1913 (ca.); Fanny Levine—died 1942; (FNU) Okun—died 1910 (ca.); Riva Okun—died 1940.

6. Brothers and spouses names: None.

7. Sisters and spouses names: Mrs. Gloria O. Freedgood—None; Mr. Warren M. Freedgood—None; Mrs. Selma O. Schefman—None; Mr. Raymond N. Schefman—None.

(The above nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 1715. A bill for the relief of the Precisa Calculating Machine Co., Inc.; to the Committee on the Judiciary.

By Mr. PELL (for himself and Mr. STAFFORD):

S. 1716. A bill to establish an Art Bank; to the Committee on Labor and Human Resources.

By Mr. PRYOR (for himself and Mr. BUMPERS):

S. 1717. A bill to require the Secretary of Defense and the Administrator of the General Services Administration to offer prior owners of real property on which deactivated Titan missile silos are located the right to purchase such property at fair market value; to the Committee on Armed Services.

By Mr. PACKWOOD:

S. 1718. A bill to establish rules for the deductability of business expenses of attending conventions in North America and certain Caribbean countries; to the Committee on Finance.

By Mr. CRANSTON:

S. 1719. A bill to amend the Fair Labor Standards Act of 1938 to permit a State or local government employee to take compensatory time off in lieu of compensation for overtime hours, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HEINZ:

S. 1720. A bill to insure the payment of 1986 of cost-of-living increases under the Social Security Act without regard to the 3 percent threshold requirement; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. CRANSTON):

S. 1721. A bill to amend the Social Security Act to provide for improved procedures with respect to disability determinations and continuing disability reviews and to modify the program for providing rehabilitation services to individuals determined under such act to be under a disability, and for other purposes; to the Committee on Finance.

By Mr. ARMSTRONG (for himself, Mr. BOREN, Mr. SYMMS and Mr. WARNER):

S. 1722. A bill to amend the Internal Revenue Code of 1954 to eliminate the separate mailing requirement for statements relating to interest, dividends, and patronage dividends, and for other purposes; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. CHILES, and Mr. MATHIAS):

S. 1723. A bill to establish pilot programs to develop methods for parents of children between the ages of two and eight, who may be emotionally at risk, to enroll in adult literacy programs in which they will acquire the skills necessary to prepare their children for school and enhance their children's educational achievement through home learning; to the Committee on Labor and Human Resources.

By Mr. BOREN (for himself, and Mr. NICKLES):

S. 1724. A bill to authorize the Cherokee Nation of Oklahoma to design and construct hydroelectric power facilities at W.D. Mayo Lock and Dam; to the Select Committee on Indian Affairs.

By Mr. LAXALT

S. 1725. A bill to authorize a railroad-highway crossing demonstration project in Elko, NV; to the Committee on Environment and Public Works.

By Mr. DOLE (for Mr. LUGAR):

S. 1726. A bill to repeal section 121(b) of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), relating to funding for the Special Defense Acquisition Fund; placed on the calendar.

By Mr. BENTSEN (for himself, Mr. JOHNSTON, Mr. INOUYE, Mr. BURDICK, Mr. NUNN, Mr. HOLLINGS, Mr. MATSUNAGA, Mr. BRADLEY, Mr. LAXALT, Mr. QUAYLE, Mr. MCCLURE, Mr. THURMOND, and Mr. COCHRAN):

S.J. Res. 210. Joint resolution designating the week beginning October 20, 1985 as "Benign Essential Blepharospasm Awareness Week"; to the Committee on the Judiciary.

By Mr. DURENBERGER:

S.J. Res. 211. Joint resolution to provide for the designation of the week of October 6, 1985, as "National Sudden Infant Death Syndrome Awareness Week"; to the Committee on the Judiciary.

By Mr. ARMSTRONG:

S.J. Res. 212. Joint resolution providing for the convening, whenever the legislatures of two additional States pass a resolution to hold such a convention, of a constitutional convention for the purpose of proposing an amendment relating to the balancing of the Federal budget; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 236. Resolution to authorize testimony of a Senate employee; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1715. A bill for the relief of the Precisa Calculating Machine Co., Inc.; to the Committee on the Judiciary.

RELIEF OF PRECISA CALCULATING MACHINE CO., INC.

Mr. HATCH. Mr. President, today I am introducing legislation for the relief of the Precisa Calculating Machine Co., Inc., on behalf of my constituent, Mr. Eugene Wagner. The legislation directs the Secretary of the Treasury to pay the sum of $802,796 in full satisfaction of its claims for the losses sustained, expenses incurred, and damages suffered as a result of the seizure of the property of the corporation by the Internal Revenue Service resulting in the ultimate destruction of the company's business.

Legislation at this time is the only way Mr. Wagner may expect to receive any compensation for the inappropriate actions of the IRS between the period of 1954 and 1960. The Internal Revenue Service entered the picture in the fall of 1957 and on their own initiative unilaterally and arbitrarily decided that, during the audit period of 1954 through 1956, they would divide the profitable portion of the company, namely the orthopedic segment which was profitable, from the office equipment segment which had substantial losses, thereby disallowing the offset of most of the business losses against the greatest portion of business income. The result, of course, was a substantial tax deficiency.

During the time Mr. Wagner was seeking administrative relief and was appealing the assessments of the IRS in the U.S. Tax Court for the tax period of 1954, 1955, and 1956, the IRS in January 1958 imposed jeopardy assessments against the corporation and its assets as well as against Mr. Wagner's personal assets. On June 10, 1959, the Service auctioned off some property being held on the premises of the corporation but not actually belonging to the corporation. In April 1960 the Service again held a public auction to sell assets of the corporation and again sold assets belonging to other parties as well as corporate assets. The case was still pending in the U.S. Tax Court when this latter auction took place. In May 1961, the U.S. Tax Court upheld the corportion's position and found no tax due. By that time, the IRS had effectively seized the assets of the Precisa Calculating Machine Co., and Mr. Wagner's personal assets causing complete destruction of the company.

The Senate Committee on the Judiciary has been requested to examine the merits of this legislative proposal as it pertains to the injustice done to this particular U.S. citizen taxpayer. The legislation is similar to the bill introduced by former Senator Wallace Bennett on June 6, 1974.

By Mr. PELL (for himself and Mr. STAFFORD):

S. 1716. A bill to establish an Art Bank; to the Committee on Labor and Human Resources.

NATIONAL ART BANK ACT

● Mr. PELL. Mr. President, today I am again submitting legislation to establish a National Art Bank.

The purpose of the Art Bank is twofold. First it will beautify public spaces by making works of art available for display and second, it will assist American artists through its ability to purchase their work.

I firmly believe that our Government's efforts to support the arts and our artists in particular could be complemented and strengthened through the creation and development of a National Art Bank.

The bill that I am reintroducing today would establish such an Art Bank within the National Endowment for the Arts. The Bank would be headed by a Director, who would be appointed by the Chairman of the Endowment and who would report directly to the Chairman with respect to the activities of the Art Bank.

The Director of the Art Bank would be responsible for appointing ad hoc juries of artists and recognized professionals who are respected in the artistic community to view and judge artwork submitted by artists and galleries. Visits to artists' studios and art galleries by the juries might also be necessary from time to time, but the judging and selection process would be carried out primarily in Washington. With the assistance and guidance of these juries, the Director would select works of art by American artists and purchase them at fair market value. The foremost criterion for selection of art would be the quality of the work.

The Director would also require those artists who receive visual artists fellowships from the National Endowment for the Arts to donate one of their own workers to the Art Bank. This work can be of the artists' own choosing.

These works together would constitute the Art Bank collection and would be made available to public and private facilities for display.

All Federal facilities could borrow works from the Art Bank. The General Services Administration would supervise loans to executive departments and agencies. The Architect of the Capitol would supervise loans to the Congress, and the Director of the Administrative Office of the U.S. Courts would supervise loans to Federal court buildings and facilities. Museums could also receive works on loan and free of charge from the Art Bank.

The Art Bank Director would be encouraged to sponsor exhibitions of Art Bank holdings, and to help State and local governments and nonprofit institutions set up their own art banks.

Public auctions could be held from time to time in order to reduce longstanding inventories and to allow regular renewal of the Art Bank collection. Through such sales, as well as rental fees, the Art Bank would be able to recover a substantial part of the Federal investment in it.

The bill provides for a 3-year authorization of $1.5 million in fiscal year 1987, $2 million in fiscal year 1988, and $3 million in fiscal year 1989. Not more than $200,000 each year could be used for the cost of administering the program.

Mr. President, I believe that the establishment of a National Art Bank within the National Endowment for the Arts would be a most effective way at modest cost to assist the artists in our country. Ours is a Nation with many fine professional artists who do not find adequate support or opportunities for exhibition before the public. Yet the work of these often overlooked Americans constitutes one of the most precious assets that we are able to pass from one generation to the next.

If the purpose of a government of the people, by the people, and for the people, is to foster the fullest realization of all the human qualities of its citizens, then that government must clearly nurture the arts. John Adams said:

> I must study politics and war, that my sons may have the liberty to study mathematics and philosophy . . . to give their children the right to study painting, poetry, and music.

During a recession period, artists are just as vulnerable to the economic downturn as are steel workers and autoworkers. Artists in fact were assisted during the 1930's by the Government's Works Projects Administration. They were sustained and nurtured and were able to keep right on working through the Depression. This momentum ultimately produced the uniquely American abstract expressionist style in the 1950's. Whatever the original goal may have been for the WPA, it turned out to have a very beneficial influence on the arts in this country.

The Art Bank would bring our artists today, not only the reward and recoginition they deserve, but also the means for exposure. Art is not art unless it is seen. The Art Bank will become the vehicle by which high quality art will be brought into the daily lives of large numbers of American citizens. It will serve as the intermediary, the agency to select the art and then to arrange its presentation to the public.

Even with the cost limitations set forth in my bill, it will be possible to inaugurate this special program by informing artists across the country about the Art Bank, by bringing their work before a large cross-section of the American public and by enhancing the everyday environment of millions of people. The public facilities within which the Art Bank collection can be displayed will become lively attractive places and our Federal Government will be providing crucial support for our working American artists.

I have received many constructive and positive comments on this proposal. I would hope that my colleagues and the administration as well as artists, art dealers, and the general public would continue this dialog in the hopes of developing a vital and useful National Art Bank.●

By Mr. PRYOR (for himself and Mr. BUMPERS):

S. 1717. A bill to require the Secretary of Defense and the Administrator of the General Services Administration to offer prior owners of real property on which deactivated Titan missile silos are located the right to purchase such property at fair market value; to the Committee on Armed Services.

OFFERING DEACTIVATED MISSILE SITES FOR PURCHASE BY PRIOR OWNERS

● Mr. PRYOR. Mr. President, today I'm introducing legislation that will authorize the Federal Government—through the Defense Department and the General Services Administration—to offer land that now contains Titan missiles to the previous owners at a fair market value. I'm pleased that my colleague from Arkansas, Mr. BUMPERS, is joining me in introducing this measure.

Mr. President, about 25 years ago the Federal Government, through its power of eminent domain, condemned certain lands in three States—Arkansas, Arizona, and Kansas—so that silos for Titan missiles could be built for our defense. In Arkansas, 18 such sites were selected in rural areas of our State. At the time they were taken by the Federal Government, most of these parcels were owned by small farmers for growing certain crops, or allowing beef and dairy cattle to graze. In most of those instances, the individuals who owned the land at the time it was taken have continued to farm the land.

Currently, Mr. President, the Titan missiles are being deactivated. The missiles in Arkansas are scheduled to be completely deactivated by 1987. A logical question is what will happen to this property once the deactivation process is completed? Under present law, the land would probably be declared "surplus" property and then offered to other agencies of the Federal Government, and then maybe the individual States involved. This seems wrong to me in this particular situation, Mr. President, since this land is no longer needed, it is located in mostly rural areas, and also, since the individuals who owned it some 25 years ago are still living close by and earning a living off the land. It seems only fair to give these original landowners—or their heirs or estates—the opportunity to buy this land back at the present fair market value.

Mr. President, the Federal Government will have no more use for the land. For this reason, there is no reason for the surplus property laws to apply. Further, since the bill we're introducing provides for the sale to be at the fair market price, it makes good sense for the Federal Government.

Mr. President, I hope the appropriate Senate committee will hold hearings on this measure, and I sincerely hope that we can promptly enact this measure. It is equitable, it makes good economic sense, and it will allow these men and women to use land that was formerly their property in their farming operations.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, as soon as practicable after the deactivation of any Titan missile silo, the Secretary of Defense and the Administrator of General Services shall offer to sell the real property, together with any improvements thereon, on which such silo is located to the person from whom the United States acquired such property or, in the event such person is not living at the time of the deactivation, to the heirs or estate of such person. The Secretary of Defense and the Administrator of General Services shall—

(1) make such offer to such person (or to the heirs or estate of such person) before—

(A) declaring such property to be excess property or surplus property under the Federal Property and Administrative Services Act of 1949; and

(B) offering such property for sale or lease, or disposing of such property in any other manner, to any person, organization, or entity other than the person from whom the United States acquired such property (or the heirs or estate of such person); and

(2) offer such property for sale to such person (or to the heirs or estate of such person) at a price equal to the fair market value of such property at the time the offer is made.

(b) If a person (or the heirs or estate of a person), accepts an offer made under subsection (a), the Secretary of Defense and the Administrator of General Services shall enter into a contract with such person (or with the heirs or estate of such person) for the sale of the real property. The contract shall provide for the sale of such property at the fair market value, as determined by the Administrator of General Services or, at the request of the purchaser, an independent appraiser designated by both the Administrator and the purchaser. The contract shall contain such other terms and conditions as may be mutually agreed to by the Secretary of Defense, the Administrator of General Services, and such person (or the heirs or estate of such person).●

By Mr. CRANSTON:

S. 1719. A bill to amend the Fair Labor Standards Act of 1938 to permit a State or local government employee to take compensatory time off in lieu of compensation for overtime hours, and for other purposes; to the Committee on Labor and Human Resources.

STATE OR LOCAL GOVERNMENT EMPLOYEE COMPENSATORY LEAVE

Mr. CRANSTON. Mr. President, today I am introducing legislation to make more flexible the means a State or local government can use to compensate its workers for working overtime under the Fair Labor Standards Act.

My bill would make it legally possible, when agreed upon in advance under a collective-bargaining agreement or individual employment contract, for a State or local government to pay its workers for overtime hours

worked either with overtime pay—as is now the exclusive option—or with compensatory time off.

On February 19, 1985 the U.S. Supreme Court reversed existing law in Garcia versus the San Antonio Metropolitan Transit Authority, deciding that State and local governments were not exempt from the Fair Labor Standards Act minimum wage and overtime pay requirements.

Before the Garcia decision, most State and local governments—especially those employing firefighters and police—compensated their workers who worked overtime by permitting them to take compensatory time off.

The sudden and unexpected application of the Garcia decision created two new problems.

First, because the FLSA currently specifies only overtime pay as compensation for overtime work, State and local governments face unanticipated fiscal demands on their budgets for overtime work.

Second, many public employees actually prefer compensatory time off to overtime pay.

Again, firefighters, police and their employers, because of the unique nature of the employment, are most directly affected. Police must work 43 hours in a single week, and firefighters 53 hours, rather than the standard 40, before overtime requirements apply under the FLSA. Given their unusual shifts, many of these workers have grown accustomed to and prefer compensatory time off. Most other State and local public employees seldom, if ever, are required to work overtime.

The Garcia decision produced a strong outcry from State and local public officials facing new, unanticipated budget costs, to which many in Congress have promptly responded, but in varying ways.

However, Mr. President, I believe some of the proposed responses are Draconian.

I, for one, believe that police officers, firefighters and others in public service should be compensated for their extra work, and that the public agencies that employ them should be required to meet at least minimal labor standards. Merely overturning the Garcia decision, to restore "voluntary" overtime pay, is, in my judgment an antiworker, extreme solution, that discriminates unfairly against public employees.

But Garcia did create an inflexible situation which we need to change.

The bill I am introducing today would alleviate that inflexibility by making clear that State and local governments can, under the Fair Labor Standards Act, offer compensatory time to their workers, in lieu of overtime pay, for overtime hours worked, if comp time has been provided for in the applicable collective bargaining agreements or individual employee contracts.

This would maintain the coverage of public employees under the FLSA, but apply it more flexibly.

It would particulary meet the needs of firefighters and police.

And, it would lessen the budgetary burden on State and local governments by restoring the situation which most of these governments expected to face prior to the Garcia decision, and permit these governments to provide to their workers a preferred option presently barred by the Court decision in Garcia.

This legislation would serve the interests of both employers and workers, as well as the public and taxpayers—by reducing the costs of government. I urge its early adoption.

I ask that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following new subsection:

"(o) No State or local government employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under subsection (a) if, pursuant to—

"(1) a contract made between the employer and the employee individually, or

"(2) an agreement made as a result of collective bargaining by representatives of such employees entered into prior to the performance of the work,

the employer at a written request of the employee grants the employee compensatory time off with pay in a subsequent workweek in lieu of payment of the number of hours worked in such current workweek in excess of the maximum workweek applicable to such employee under subsection (a). For purposes of determining the maximum workweek applicable to such employee under subsection (a), and the rate of pay due to the employee, compensatory time used by the employee shall be considered hours actually worked during the workweek in which used.".

By Mr. HEINZ:

S. 1720. A bill to insure the payment in 1986 of cost-of-living increases under the Social Security Act without regard to the 3-percent threshold requirement; to the Committee on Finance.

SOCIAL SECURITY ACT COLA THRESHOLDS

● Mr. HEINZ. Mr. President, I rise to call the attention of the Senate to the ironic prospect that, despite all of our efforts to the contrary, Social Security beneficiaries may receive no cost-of-living adjustment in 1986. This may surprise those who remember the debate earlier this year on the question of whether to pay the 1986 COLA and who recall that the Congress agreed Social Security beneficiaries should receive the full 1986 COLA. Now that all the furor and controversy has subsided, it appears that the actions of the Congress may be thwarted by a minor, outdated, technical provision in the law that postpones the payment of the COLA when inflation falls below 3 percent.

Mr. President, I am confident no Member of Congress intended that this should happen, and I am sure none of us would want it to happen. For this reason, I am introducing legislation today to eliminate permanently the 3-percent threshold for Social Security COLA's, and ensure that the 1986 Social Security COLA is paid, no matter how low inflation is this year. It is my intention to offer this legislation as an amendment to the deficit reduction bill or some other appropriate bill to ensure that it is enacted in time.

Some of my colleagues may recall that we faced a similar problem at the end of last year and that the Congress enacted legislation to correct it. This is true, but the correction we enacted was for 1 year only—we waived the 3-percent threshold to guarantee that the 1985 COLA would be paid. Now we face again the prospect that the increase in the Consumer Price Index may fall below 3 percent. As of July, the annual increase in the CPI was about 3.5 percent. The latest available data on the CPI suggests that the increase that will be used in determining the COLA will be lower. This week, the Bureau of Labor Statistics announced that the rate of increase in the CPI for the month of August was 0.2 percent—an annual rate of 2.5 percent. In addition, the Producer Price Index, which usually presages change in the CPI, fell by 0.3 percent in August. If the CPI were to decline in September by as little as 0.3 percent, the annual CPI used in determining the COLA would fall below 3 percent.

This administration's success in bringing inflation under control is a great achievement. For 3 years now, young and old alike have enjoyed inflation rates as low as any of us can remember. It is my firm hope that low inflation rates will continue for some time to come. I hope, at the same time however, that we are not going to make an annual event of this last minute scramble to ensure that Social Security COLA's get paid. For this reason, I urge my colleagues to join me in eliminating the 3-percent threshold in the Social Security COLA permanently.

Mr. President, the 3-percent threshold is truly an anachronism. In 1972, when the Congress enacted the automatic annual cost-of-living increase, the 3-percent COLA threshold was included so that the Social Security Administration would not have to go

through the then time consuming and costly business of computing and paying the annual COLA when the amount was small. In the interim, however, Social Security's computer capabilities have greatly improved, and the cost and hassle of posting the annual COLA are no longer what they were then.

In fact, it might surprise my colleagues to learn that eliminating the 3-percent threshold would actually save a little money. Although common-sense would suggest that not paying a COLA in any 1 year would result in savings, in fact the opposite is true. Anytime the COLA is not paid in 1 year, it is deferred and added to the increase for the next year, so that benefits actually catch up the second year. In addition, new retirees in the second year receive a windfall—they have their wage records increased for the first year's inflation, and their benefits increased for both years' inflation in the second year. Finally, the Social Security wage base and the earnings test, the premium paid by beneficiaries under Medicare part B, and SSI benefit levels are all tied to the COLA and are frozen when inflation is below 3 percent. The net effect of freezing benefits and taxes and the resulting windfalls is a small loss to the Social Security trust funds—one that could be avoided by eliminating the 3-percent threshold.

The Office of the Actuary of the Social Security Administration recently provided the chairman of the Finance Committee with a report on the long-term effects of eliminating the 3-percent threshold, as required by last year's legislation. Their conclusion was that the elimination of the threshold, effective December 1986, would save the old age, survivors, and disability insurance trust funds 0.02 percent of taxable payroll over the next 75 years. I ask unanimous consent that excerpts from their August 30 report be included in the RECORD following my statement. In addition, Robert Myers, who is the former Chief Actuary of the Social Security Administration and Executive Director of the National Commission on Social Security Reform and who is widely regarded as the leading expert on these matters, has testified in favor of eliminating the 3-percent threshold. I ask unanimous consent that his testimony last year to the House Ways and Means Committee be included in the RECORD. as well. Finally, I ask that the full text of the bill be printed in the RECORD.

I strongly urge my colleagues to join me in this important piece of legislation, Mr. President, and I encourage its swift consideration and adoption.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in determining whether the base quarter ending on September 30, 1985, is a cost-of-living computation quarter for the purpose of the cost-of-living increases under sections 215(i) and 1617 of the Social Security Act—

(1) the phrase "is 3 percent or more" appearing in section 215(i)(1)(B) of such Act shall be deemed to read "is greater than zero"; and

(2) the phrase "exceeds by not less than 3 per centum, such Index" appearing in section 215(i)(1)(B) of such Act as in effect in December 1978 shall be deemed to read "exceeds such Index".

(b) For purposes of section 215(i) of the Social Security Act, the provisions of subsection (a) shall not constitute a "general benefit increase".

DEPARTMENT OF HEALTH AND HUMAN SERVICES, SOCIAL SECURITY ADMINISTRATION,

August 30, 1985.

Hon. BOB PACKWOOD,
Chairman, Committee on Finance,
U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: Enclosed is a report required by Section 2 of Public Law 98-604. That law requires the Office of the Actuary, Social Security Administration, to "conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment [COLA] provisions in section 215(i) of the Social Security Act . . ." and to submit a full and complete report of the study to your Committee and to the Committee on Ways and Means of the House of Representatives, by September 1, 1985.

In accordance with Public Law 98-604, the study included the following specific areas: (1) the long-term effects of eliminating the "trigger" provision, which requires that the cost of living have increased by at least 3 percent before a COLA can occur, (2) the long-term effects of reducing the trigger percentage from 3 percent to 1 percent, (3) the assumed distribution of future annual changes in the Consumer Price Index (CPI), and (4) an analysis of the periods currently used to measure CPI and wage increases and the long-term effects of changing such periods so as to make the COLA noncumulative for persons who become eligible for benefits in the year following a foregone COLA, or to use different calendar quarters.

Sincerely,

HARRY C. BALLANTYNE,
Chief Actuary.

REPORT OF ACTUARY OFFICE: SOCIAL SECURITY ADMINISTRATION

INTRODUCTION

This report has been prepared as required by section 2 of Public Law 98-604, enacted into law on October 30, 1984. That law requires the Office of the Actuary, Social Security Administration, to "conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment [COLA] provisions in section 215(i) of the Social Security Act . . ." and to submit a full and complete report of the study to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate, by September 1, 1985. In accordance with Public Law 98-604, the study included the following specific areas: (1) the long-term effects of eliminating the "trigger" provision, which requires that the cost of living have increased by at least 3 percent before a COLA can occur, (2) the long-term effects of reducing the trigger percentage from 3 percent to 1 percent, (3) the assumed distribution of future annual changes in the Consumer Price Index (CPI), and (4) an analysis of the periods currently used to measure CPI and wage increases and the long-term effects of changing such periods so as to make the COLA noncumulative for persons who become eligible for benefits in the year following a forgone COLA, or to use different calendar quarters.

Section I of this study includes a description of the current COLA provisions. Sections II and III include analyses of possible changes in the COLA trigger and the measurement of the increase percentage for the COLA, respectively. Appendix B describes in detail the method used for protecting the distribution of future annual increases in the CPI. Appendix C describes in detail the relative merits of various average-wage indices in the context of the COLA "stabilizer" provision.

I. COLA'S AND RELATED PROVISIONS UNDER PRESENT LAW . . .

B. COLA trigger

The requirement that the cost-of-living increase be at least 3 percent before a COLA can be provided is generally known as the COLA trigger. A trigger was included in the law not only to restrain costs, but also to avoid the administrative complexities associated with processing benefit increases of small magnitude. When the original COLA provisions were enacted into law in 1972, the Office of the Actuary was assuming that future inflation would average 2.75 percent annually. The 3-percent trigger level was selected so that automatic COLAs would be provided only if inflation exceeded that average rate. In the mid-1970s, however, the rate of inflation began to rise rapidly, and CPI increases have exceeded the 3-percent trigger in every year since the COLA provisions became effective, in 1975.

In 1984, however, the CPI rose quite slowly, and concern was raised that the 3-percent trigger would not be met.[1] Also, as discussed later, current economic assumptions imply that CPI increases will not exceed the trigger about one-third of the time. The effects of not reaching the trigger on OASDI benefit amounts and program financing are of considerable interest.

Whenever any future increase in the CPI is less than 3.0 percent, there will be several effects, under present law, which can be classified as follows: (1) the direct effects on benefit levels of beneficiaries who (a) are eligible to receive benefits for the December for which no COLA is provided, or (b) become eligible in the following calendar year; (2) the effect on the earnings base; and (3) the effect on the retirement earnings test exempt amounts. These three effects are discussed below.

1. Direct effect on benefit levels

The first and most obvious effect of not having an automatic COLA triggered in a given year is that benefits payable for the 12-month period beginning with December of that year will not be updated to reflect

[1] In fact, the CPI increase did exceed the trigger percentage; the COLA effective for December 1984 was 3.5 percent. This and the 3.5-percent COLA for December 1983 have been the smallest automatic COLAs.

the change in the cost of living for persons who are then eligible for benefits. This lack of updating is temporary, however; the automatic COLA for the following December will use the same prior quarter as a base, thus accumulating the change in the CPI which was temporarily forgone due to the trigger provision. This 2-year CPI increase would generally be sufficient to trigger a COLA for the following year.

The fact that the first automatic COLA after one or more prior COLAs have been forgone is based on the accumulated change in the CPI over more than a 1-year period, however, creates a distortion for persons who first become eligible in the year that the "accumulated" COLA becomes effective. These beneficiaries receive, in their first COLA, an adjustment for changes in the cost of living that occurred not only for the time after initial eligibility, but also for one or more years prior to initial eligibility. The accumulated adjustment for the year(s) prior to initial eligibility is most likely to be positive—up to 2.9 percent—resulting in a larger increase in the benefit level than would be needed to maintain purchasing power. The accumulated adjustment for year(s) prior to initial eligibility could be negative (though rarely), resulting in a smaller increase than would be needed to maintain purchasing power. In both cases, the effect seems to be inconsistent with the purpose of the COLA provisions. This matter is discussed further in subsection II.D.

The financial consequences for the OASDI program of the direct benefit effects described above—forgoing the COLA in the first year and paying inappropriate COLAs to newly eligible beneficiaries in the subsequent year—are in opposite directions and, in the long run, very nearly offset each other. The lower benefit level—than that which would occur in the absence of the trigger provision—for the 12-month period beginning with December for all persons then eligible, results in an immediate, substantial savings to the OASDI program, almost all of which occurs in the first calendar year. The generally higher benefit level for all future months, beginning with the following December for those who become newly eligible during the year following the forgone COLA, results in small annual cost increases which continue for many years into the future. Expressed as percentages of taxable payroll, the 1-year savings and the many years of small additional cost eventually roughly offset each other. Because long-range actuarial estimates are limited to a 75-year valuation period, some of the years with small additional cost resulting from forgone COLAs between 2030 and 2059 will not be included in current long-range estimates. Thus, the long-range estimate does not fully reflect the cost.

2. Effect on earnings base

Section 230(a) of Social Security Act requires that the contribution and benefit base (generally referred to as the earnings base) be increased (based on the change in the average wage) effective with the year following a year in which an automatic COLA becomes effective. (The earnings base cannot be reduced, under present law.) If no automatic COLA becomes effective for December of a year, the law does not provide for any increase in the base for the following year. The next increase in the earnings base will, however, reflect the accumulated increase in the average wage.

The financial impact of delaying the increase in the earnings base for a given year is a significant reduction in the taxable payroll for that year. This is generally only a 1-year effect, however, because the increase in the earnings base for the following year reflects the accumulated change in average wages. The reduction in taxable payroll, and thus, in income to the OASDI program for a year in which the base is not increased, would eventually be partially offset by lower benefit levels for workers who had earnings above the base in that year. These earnings would have been at least partially covered and credited for benefit-computation purposes if the base had been increased. This partial offset would be insignificant for several years because it would not be realized until the affected workers become eligible for benefits. Much of this partial offset would occur after the end of the 75-year long-range period, for years after 2000 in which the base would not be increased. Even if the valuation period were not limited, however, the offset would be only partial because the workers who would be affected—those with high earnings—generally have high benefit levels, with a marginal PIA-formula factor of 15 percent. Thus, relatively little reduction in benefit levels would result from not increasing the base.

3. Effect on retirement earnings test exempt amounts

Section 203(f)(8)(A) of the Social Security Act requires that the exempt amounts for the retirement earnings test be increased (based on the change in the average wage), effective with the year following a year in which an automatic COLA becomes effective. (The exempt amounts cannot be reduced, under present law.) When no automatic COLA becomes effective, the law does not provide for such increase, although as with the earnings base, the next increase in the exempt amounts is cumulative.

The long-range effective on the OASDI program of delaying the increase of the exempt amounts when no COLA is triggered is negligible, for two reasons. First, the number of persons who would receive lower benefits for the year in which the exempt amounts are not increased is relatively small. Second, the reduction in benefit payments for that year would be partially or completely offset by higher benefit payments in later years. These higher benefit payments would be caused by adjustments of actuarial reduction factors and the additional delayed retirement credits that would result from the withholding of more benefits for the year in which the exempt amounts were not increased.

4. Net effect on the OASDI Program

The combined effect of all of the aforementioned implications of the current COLA trigger is a small long-term cost. This is due to the unintended increase in purchasing power that would apply to the benefits for persons who become eligible in the year after a COLA is forgone. As noted above, the cost of those increases roughly offset the savings that occur in the year immediately following the forgone COLA. If this problem were corrected, the trigger provision would result in a small long-term savings.

II. POSSIBLE CHANGES TO THE TRIGGER PROVISION

This section analyzes the possible changes to the trigger provision specifically mentioned in P.L. 98-604.

B. Effect of eliminating the trigger

The present COLA provisions allow for only increases in benefits. If the CPI actually declined for a measuring period, this would not affect benefits immediately, but would reduce the subsequent COLA, as described previously. For the purpose of analyzing elimination of the trigger, the procedure for reflecting decreases in the CPI is assumed to remain unchanged, but increases as small as 0.1 percent (after rounding to the nearest one-tenth of 1 percent) would result in a COLA being paid.

Permanent elimination of the trigger, as described above, effective for the December 1986 COLA, would result in a net long-range savings to the OASDI program of 0.02 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. The estimated net savings consist of (1) a savings of 0.02 percent of payroll from the effect on the earnings base, (2) a cost of 0.08 percent of payroll from higher benefits during the 12 months after each COLA of 0.1 to 2.9 percent, inclusive, and (3) a savings of 0.07 percent of payroll from the elimination of unintended accumulations of CPI increases for beneficiaries who become eligible in the year following such a COLA. (The net effect differs from the sum of the components because of rounding.) If the unintended accumulations of newly eligible beneficiaries were eliminated separately (see subsection D), then subsequent elimination of the trigger would have an incremental net cost of 0.06 percent of payroll.

If the trigger were eliminated, the probability of not having a COLA in any given year would be greatly reduced. Years without COLAs would still occur, however, during infrequent periods of deflation or no increase in the CPI, which are expected to occur about 3 percent of the time, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report.

C. Effect of changing the trigger percentage to 1.0 percent

Under a proposal to reduce the COLA trigger percentage from 3.0 percent to 1.0 percent, no COLA would occur—i.e., the CPI increase would be less than 1.0 percent—about 7 percent of the time. This would result in a net long-range savings to the OASDI program of 0.01 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. The estimated net savings consist of the same three elements described above for the proposal to eliminate the trigger; the separate effect of each element is slightly smaller in magnitude than the value shown for the previous proposal. Reduction of the trigger percentage to 1.0 percent after separate elimination of the unintended accumulations for newly eligible beneficiaries (see below) would have an incremental net cost of 0.06 percent of payroll.

D. Effect of eliminating accumulation of CPI increases for newly eligible beneficiaries

For a beneficiary becoming newly eligible during a year, the benefit level is computed using the PIA formula updated for January of that year. The resulting benefit level is generally increased by automatic COLAs each December, starting with the year of eligibility. If the trigger provision results in no COLA being effective for the December prior to the year of eligibility, however, then the change in CPI is accumulated, and the COLA for the year of eligibility is based on a 2-year increase in the CPI. This generally would result in an unintended permanent increase in the purchasing power of the benefit to a level higher than that of

the initial benefit.[2] Elimination of this unintended increase, while retaining the present 3.0-percent trigger level, would result in a long-range savings to the OASDI program of 0.07 percent of taxable payroll, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report.

Eliminating the unintended accumulation of CPI increases for newly eligible persons would require separate COLAs to be applied for December of the year following a forgone COLA. The COLA based on the accumulated CPI increase would apply to those beneficiaries who were eligible when the COLA was forgone, and a separate COLA without the accumulation would apply to those beneficiaries who became eligible after the COLA was forgone.

If the COLA trigger percentage were not changed from the present level of 3.0 percent, COLAs would be forgone and the resulting unintended increases in the purchasing power of benefits for subsequently eligible beneficiaries would occur about one-third of the time, based on the intermediate (alternative II-B) assumptions of the 1985 Trustees Report. These unintended accumulations of CPI changes would occur less frequently if the trigger percentage were reduced to 1.0 percent or eliminated. Elimination of the unintended accumulations after reduction to 1.0 percent or elimination of the trigger would have a negligible long-range effect.

STATEMENT BY ROBERT J. MYERS PRESENTED TO THE COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, SEPTEMBER 11, 1984, WITH REGARD TO THE SOCIAL SECURITY COST-OF-LIVING INCREASE

Mr. Chairman and Members of the Committee: My name is Robert J. Myers. I served in various actuarial capacities with the Social Security Administration and its predecessor agencies from 1934 to 1970, being Chief Actuary the last 23 years. In 1981-82, I was Deputy Commissioner of Social Security. Then in 1982-83, I was Executive Director of the National Commission on Social Security Reform. In 1979-81, I was a member of the National Commission on Social Security, having been appointed by the House of Representatives.

I shall first give my views as to the elimination of the 3% trigger requirement for cost-of-living (COLA) increases for Social Security benefits. Then for the record, I will describe how this COLA procedure operates under present law for 1983 and after. Finally, I will discuss the cost aspects of the proposal to eliminate the trigger for the December 1984 COLA—and also as to permanent elimination.

The latest available data on the CPI (through July) indicate the very strong likelihood that the increase from the third quarter of 1983 to the third quarter of 1984 will be about 2.8% or 2.9%. The possibility exists, considering the volatility of the CPI, that the rise could be 3.0% (or even somewhat more), in which event the immediate problem with which we are now concerned will have vanished. Nonetheless, I believe that action should be taken on the basis that the 3% trigger point will not be reached.

[2] The accumulation of CPI changes would result in a decrease in the purchasing power of the benefit if a decrease in the CPI were to occur. This is assumed to occur about 3 percent of the time.

MY VIEWS ON PROPOSAL TO ELIMINATE THE 3% TRIGGER

From a policy and program-design standpoint, the elimination of the 3% trigger requirement is very desirable. Such requirement was initially provided in legislation in 1972 solely for administrative reasons (because of the difficulty then of making the increase applicable to so many millions of checks). Now, as a result of improved operating efficiency, such reason is no longer pertinent.

Another reason for eliminating the trigger requirement as now in the law is that it over-benefits some beneficiaries—namely, those who first become eligible in the year after that in which the trigger requirement is not met. Specifically, under present law, let us assume that the CPI increase is 2.9% for the December 1984 COLA, and that arbitrarily the CPI increase from the third quarter of 1984 to the third quarter of 1985 is 5.0%.

Then, persons who were eligible for benefits in 1984 or before would receive no COLA until December 1985, when it would be 8.0% (1.029x1.050−1=.080). The beneficiaries who first become eligible in 1985 will, of course, receive no COLA until December 1985, but then, under present law, a COLA also amounting to 8.0% will be payable to them—although logically, they should receive only 5.0% (the reason that the overly large COLA is provided by the legislation for the last cohort of eligibles than the earlier eligibles is the administrative simplicity involved).

The result of the overly large COLA in December 1985 for the 1985 eligibles is to produce another "notch" problem—as between the 1985 and 1986 eligibles. And I would think that the Congress would wish to have no further "notch" situations such as occurred in the 1977 Act as between those who attained age 62 after 1978 as against those who did so in 1978 (i.e., those born in 1917 and later, versus those born in 1916 and earlier).

The extent of the "notch" that will arise unless the 3% trigger requirement is removed may be shown for two persons with maximum covered earnings in all years since 1951. The only difference between the two individuals is that one attained age 62 at the end of 1985, and the other did so a few days later, in early 1986. Let us assume the trend for the CPI is that as used previously and that the increase in the nationwide average wage (as used in the wage indexing series for the computation of the Primary Insurance Amount) is 5.0% from 1982 to 1983 (which is quite probable) and 4.0% from 1983 to 1984 (which is reasonable, based on current data).

The resulting Primary Insurance Amounts for these two individuals are as follows:

Individual who attains age 62 in—	If law is not changed	If 3 percent trigger is waived
1985	$809.10	$787.50
1986	775.00	[1] 775.70
Excess for 1985 case	34.10	11.80

[1] The PIA is increased slightly because of the higher earnings base in 1985 under these assumptions ($39,600). Similar slight effect occurs for the 1985 case.

Thus, it can be seen that a significant "notch" will occur if the 3% trigger requirement is not waived for the December 1984 COLA. (The small difference remaining after such action is taken is something that tends to occur in all years under the otherwise necessary and reasonable decoupling procedure adopted in the 1977 Act. The difference, which arises from the effect of varying lags between wage and price trends, will always be relatively small and can move in either direction in comparing one year's case with the next year's one.)

In summary, I strongly recommend that the 3% trigger requirement be eliminated permanently, and not solely for the December 1984 COLA. The result will be much more equitable and consistent treatment of beneficiaries. Furthermore, the long-range cost of the OASDI program will not be affected adversely, but rather will have a very small decrease, and the additional first-year cost can readily be borne, as a result of the very favorable experience to date as compared with the estimates made when the legislation was enacted—as will be discussed in detail hereafter.

DESCRIPTION OF COLA PROCEDURE FOR 1983 AND AFTER

Not considering the possibility of ad hoc benefit increases or the possibility of basing the COLAs on wage increases rather than CPI increases, the COLA procedure for 1983 and after is as follows:

For the December 1983 COLA, the percentage amount was based on the increase in the CPI from the last previous COLA computation quarter (1st quarter of 1982) to the current COLA computation quarter (1st quarter of 1983, as it is prescribed by Section 111(d) of the 1983 act, which applied for the 1983 COLA to the law as it related to COLAs before 1984, regardless of whether the CPI increase percentage was at least 3.0 percent). Thus, the 1st quarter of 1983 was a COLA-computation quarter.

For the December 1984 COLA, the CPI increase percentage is measured from the most recent COLA computation quarter in 1983 to the base quarter in 1984 (the 3rd quarter). As it so happens, there are two COLA computation quarters in 1983—the 1st quarter (as derived in the previous paragraph) and the 3rd quarter (based on Section 111(d) of the 1983 Act, which thus serves a dual purpose, one for the 1983 COLA and the other for the 1984 COLA, because such Section 111(d) has no effective date and thus applies to Section 215(i)(1) of the Social Security Act *both* as it was before being amended by Section 111(b) of the 1983 Act and afterward). The COLA computation quarter in 1983 to be used for the December 1984 COLA is thus the 3rd quarter of 1983, which is the "most recent" one (as prescribed in Section 215(i)(1)(D) of the Social Security Act). These procedures are accurately described in detail in the Conference Committee Report on the 1983 Act (House Report No. 98-47, page 121).

COST ASPECTS OF WAIVER OF 3% TRIGGER REQUIREMENT FOR DECEMBER 1984 COLA

The waiver of the 3% trigger requirement for the December 1984 COLA has several diverse cost effects, as follows (based on the memorandum of July 27 from Harry C. Ballantyne, Chief Actuary, SSA, entitled "Estimated Effects of Proposal Affecting the December 1984 Benefit Increase", and other material from the Office of the Actuary, SSA, except as otherwise stated), as compared with present law in each case:

(1) Benefit outgo in 1985 would be *increased* by $4.8 billion (but would be $3.4 billion *less* than according to the intermediate (Alternative II-B) estimate in the 1984 OASDI Trustees Report—my estimate—so that, even after the waiver of the 3% trigger, everything else being equal, the OASDI

Trust Funds would be in stronger condition than had been estimated last April.

(2) Benefit outgo in 1985 would be increased very slightly as a result of the increase in the exempt amounts under the retirement earnings test (increased cost included in item (1)).

(3) Benefit outgo in 1986, and for many years after, would be *reduced* as a result of preventing the windfalls otherwise payable to 1985 eligibles (all persons attaining age 62 in 1985, or dying or beoming disabled before age 62 in 1985, increasing rapidly to somewhat over $300 million in 1993 (and increasing slowly each year thereafter, until reaching a peak in a few years and then slowly declining, until being negligible in about 2025 and after—my estimate).

(4) OASDI tax income for 1985 would be increased by about $1.4 billion, as a result of the higher maximum taxable earnings base.

(5) HI tax income for 1985 would similarly be increased by about $350 million.

(6) There would also be other benefit cost effects. The additional benefits payable for 1985 would produce more income taxes that would revert to the OASDI Trust Funds (and a reverse effect would occur for the reduced benefits payable in future years resulting as described in item (3)). The increase in the earnings base (resulting as described in item (4)) would eventually result in slightly higher net benefit outgo, when such credited earnings enter into the benefit computations for the persons affected.

From a cash-flow standpoint, the proposed change would result in an excess of income over outgo for the OASDI Trust Funds of about $3.4 billion for 1985 as compared with present law. Nonetheless, the fund balance at the end of the year increase by a substantial amount, $11.2 billion. This should be compared with an estimated $9.1 billion in the intermediate estimate of the 1984 Trustees Report and, even more importantly, as against an estimated $4.9 billion in the intermediate-cost estimate of the 1983 Trustees Report and only $2.3 billion in the pessimistic-cost (Alternative III) estimate, which was, in essence, the estimate on which the financing of the 1983 Act was based).

From a long-range standpoint, we must first note that the balance of the OASDI Trust Funds will be lower, under the current estimates for a number of years if the proposal is adopted than under existing law. This will occur because of the high interest rates currently available to the trust funds, which produce income that largely offsets, for some years, the savings due to eliminating the windfall benefits for the 1985 eligibles. (If interest rates are not as high as assumed in 1985 and after, the situation would be quite different.)

In 1993, the fund balance at the end of the year is estimated at $447.2 billion under the proposal, as against $452.8 billion under existing law, or $5.6 billion less. This does not mean that the proposal has a cost of $5.6 billion as of 1984; the 1993 figure must be discounted at interest to 1985 and is then $3.3 billion (my computation).

More importantly, the estimated balance of the OASDI Trust Funds at the end of 1993 under the proposal ($447.2 billion) is far above the intermediate estimate in the 1984 Trustees Report of $389.1 billion, and even further above the intermediate estimate in the 1983 Trustees Report (i.e., that made just after the enactment of the 1983 Act) of $300.1 billion. The small estimated decrease in the fund balance at the end of 1993 of $5.6 billion as a result of the proposal (which would be much smaller if interest rates are lower than estimated) is a relative decrease of only 1.2%, whereas the fund balance unde the proposal is 49% higher than had been estimated for the intermediate-cost estimate for that date when the 1983 Act was enacted.

Finally, I have projected beyond 1993 the savings from eliminating the windfall benefits for the 1985 eligibles that waiver of the 3% trigger for the December 1984 COLA would produce. Then, in order to make the additional costs and the additional revenues and savings be comparable, I have obtained the present value in 1985 of the windfall-benefits savings, using the interest rates in the Alternative II-B estimate of the 1983 Trustees Report. The net result is that the cost in 1985 for paying the COLA by waiver of the 3% trigger is almost exactly balanced by the additional income from the OASDI taxes and the present value of the eliminated windfall benefits for the 1985 eligibles (the additional income from the HI taxes is not considered).

In summary then, regardless of the merits of the proposal (of which I believe that there are overwhelming ones), the net additional cost over the long run after considering all factors is, at most, very small (less than $100 million), and possibly even negative (i.e., a savings). The financial status of the OASDI Trust Funds in the short run, even though very slightly worse than under present law, is far better under the proposal than was anticipated under existing law in the 1984 Trustees Report, and even more so than was estimated when the 1983 Act was enacted. Also, the financial status of the HI Trust Fund, which is none too good over the long run, would be somewhat improved by the proposal.

COST ASPECTS OF PERMANENT ELIMINATION OF 3% TRIGGER REQUIREMENT FOR COLAS

In my opinion, the permanent elimination of the 3% trigger requirement for COLAs would, if anything, result in a very small decrease in the overall long-range cost of the OASDI program. The effect of increasing the maximum taxable earnings base for the next year and of eliminating, for all future years, the windfall for new eligibles of such year (and thus avoiding a notch situation relative to new eligibles of the following year) would more than offset the granting of the COLA for previous years' eligibles for the one-year period involved. This is so if the normal relationship between interest rates and CPI increases prevails (i.e., the former being about 2% more than the latter).

By Mr. RIEGLE (for himself and Mr. CRANSTON):

S. 1721. A bill to amend the Social Security Act to provide for improved procedures with respect to disability determinations and continuing disability reviews and to modify the program for providing rehabilitation services to individuals determined under such act to be under a disability, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY DISABILITY BENEFICIARY REHABILITATION ACT OF 1985

● Mr. RIEGLE. Mr. President, today I am reintroducing legislation to reform the Social Security Disability Insurance [SSDI] Program. This legislation is an improved version of S. 2369, which I introduced on February 29, 1984, during the 98th Congress. This year, I am pleased to have the senior Senator from California [Mr. CRANSTON] joining with me in introducing this legislation.

During the past 1½ years, I have been working with representatives from a coalition of national organizations representing disabled persons in an effort to improve the first version of this legislation. Working closely with members of my staff, and after months of meetings and review, this coalition has played a vital part in helping to design significant and needed improvement in the SSDI Program.

Mr. President, I ask unanimous consent that a letter from this coalition of national organization be reprinted immediately following my remarks.

The legislation we are introducing today is designed to improve the Social Security disability insurance determination process in a way that better meets the needs of disabled persons while saving Federal dollars. Rarely do we have the opportunity to improve the working of a Federal program, better meet the needs of its beneficiaries, and save Federal funds. I believe the legislation we are introducing today accomplishes all of those objectives.

RETIREMENT VERSUS DISABILITY

The origins of the Social Security Disability Program demonstrate that the program was not designed to meet the unique needs of disabled persons. The legislative history shows that the first benefits for disabled persons—enacted in 1954 in Public Law 761, 83d Congress—were not disability benefits. Rather, provisions were enacted to protect retirement benefits for "totally disabled" persons who were forced to leave the work force prematurely. This was the so-called disability freeze provision.

To overcome the opposition to creating a new program specifically for disabled persons, the proponents of disability insurance initially presented their proposal as a modification of the retirement program in the form of a reduction in the retirement age of disabled persons. In fact, the first cash benefits for disabled persons—enacted in 1955 in Public Law 880, 84th Congress—was part of a package to reduce the age that individuals become eligible for retirement benefits; disabled persons at age 50 and women at age 62.

In 1960—enacted as Public Law 88-778—the age limitation for cash disability benefits was eliminated. Nevertheless, the underlying basis of the program, that is, a cash benefit program providing for the early retirement of disabled persons, have never been modified. Although over the years amendments were added to the Social Security Act attempting to re-

orient the early retirement basis of the SSDI Program, the underlying philosphical basis remains unchanged.

CURRENT SITUATION

Mr. President, it is unfortunate that the SSDI Program is seen by many as an early retirement program for people too disabled to continue working. In June of 1980, Congress enacted Public Law 96-265 which included a provision—section 221(i)—requiring the ongoing review of disability beneficiaries, the CDI's. In part, many of the difficulties that resulted from the CDI's stem from the incompatibility of an ongoing review and the underlying early retirement orientation of the SSDI Program.

Mr. President, because the modern SSDI Program has evolved from an early retirement program for disabled workers, the concept and application of the CDI's is incompatible with the underlying originating principles of the program. Most individuals perceive retirement as a permanent condition not subject to external review. Before the statutory enactment of the CDI's, Social Security reviewed only those disabled beneficiaries to whom they told upon initial allowance that a reexamination would be scheduled. Those were mostly individuals who had conditions that were likely to improve. For the vast majority of beneficiaries, a review of their disability status was not envisioned. Before enactment of the CDI provisions, beneficiaries not scheduled or diaried for review were treated in the same manner as retired beneficiaries. The only procedural check utilized to determine the continued eligibility for benefits was the voluntary self-reporting on the part of the beneficiaries. Again, for the nondiaried SSDI beneficiaries, both within the mind of the beneficiary and within the minds of the administrators of the program, entitlement was seen as lasting until death or until the beneficiary voluntarily reported a change in his or her condition, such as returning to work.

Mr. President, the political pressures that necessitated the early retirement orientation of the SSDI Program have passed, and I believe it is time to reshape the program to provide benefits for disabled persons, as opposed to early retirees. This objective can be most easily accomplished by modifying the underlying orientation away from early retirement toward benefits and services for disabled persons. This can be done largely by modifying the determination process and without expanding the universe of individuals eligible for cash benefits. In addition, a program truly geared to the needs of disabled persons, providing them with rehabilitation services—in addition to cash benefits—will result in many disabled beneficiaries leaving the disability rolls. The result should be the savings of significant funds while directly meeting the needs of disabled persons.

A reoriented program should be designed along similar lines for disabled recipients of SSI benefits, and the bill I am introducing today accomplishes both of these objectives.

THE PROVISIONS OF S. 1721

Mr. President, as I have mentioned, the objective of this legislation is to redirect the SSDI Program away from the retirement model and toward a program specifically designed to meet the needs of disabled workers. In doing this, we will more adequately address the needs of newly disabled Americans and reduce cash outlays, thereby helping to secure the financial integrity of the disability insurance trust fund.

The bill I am proposing does not entail a radical reworking of the existing program because Congress has in fact been moving in this direction through piecemeal reforms over the last three decades. I am simply proposing to integrate many of the previous reforms—which were just tacked to existing procedures—into a unified system by alerting the methods used for evaluating eligibility for benefits.

Under the current system, an individual applying for disability benefits is only evaluated from the narrow perspective of establishing the existence of a medical disability. An applicant has an incentive to heighten the severity of the disabling conditions while the administrators have an incentive to minimize existing maladies. Under current practice, a very complex determination is made with regard to the severity and duration of the disabling condition, and then a decision is made regarding whether a benefit is either awarded or denied. At no point in the porcess is the Social Security Administration providing—nor is it expected to provide—assistance to these disability applicants beyond, of course, the cash benefit for those who are eligible.

Mr. President, the provisions of S. 1721 would alter the incentives contained in the current program by integrating a vocational rehabilitation evaluation into the initial and ongoing determination process. Even though such a determination is currently required under section 222 of the Social Security Act, it is ignored in practice. Since the Beneficiary Rehabilitation Program [BRP] was essentially repealed in 1981, the State disability examiners have no incentives for evaluating the rehabilitation potential of SSDI applicants. Hence, all of the cost savings which the Social Security Administration has determined result from beneficiary rehabilitation are lost under the present evaluation procedures. It was in 1981, that the Social Security Administration found that savings to the disability insurance trust fund ranged between $1.39 to $2.72 for every $1 spent on vocational services for DI beneficiaries. (Social Security Bulletin, February, 1981/vol. 44, No. 2, pp. 1-8).

The legislation I am proposing today does not resurrect the Beneficiary Rehabilitation Program, which was cost effective in spite of the lack of precision the program had in providing rehabilitation funds for beneficiaries most likely to benefit from such services. What I'm proposing in this legislation is to require an initial evaluation of rehabilitation potential along with the medical determination of a disability.

Prospective beneficiaries would be divided into the following groups based upon the extent and duration of their disabling condition:

First, those with long term or permanent disabilities—that is, those not subject to the mandatory CDI review under 221(i); or

Second, those with disabilities that are anticipated to last more than 12 months but where it is reasonable to anticipate improvement or change in the disabling condition at some point after the 12-month period—that is, those subject to the mandatory CDI review under 221(i); or

Third, those individuals under a disability albeit not sufficiently severe nor anticipated to last more than 12 months—that is, those individuals who would be denied cash benefits under the law.

This is similar to the procedure used under current law and is basically the method used for determining for cash benefits. However, during the same period of evaluation for cash benefits, the prospective beneficiary would be assessed for rehabilitation potential, and one of the three following determinations would be made:

First, the prospective beneficiary cannot benefit from rehabilitation services; or

Second, rehabilitation services would be of benefit to the prospective beneficiary, albeit it is extremely unlikely to result in an effort to return to work and eventually in the cessation of cash disability benefits; or

Third, there is the possibility that rehabilitation services will result in an effort to return to work and thereby in the eventual cessation of cash benefits.

Mr. President, under S. 1721 all individuals would be required to go through both the disability determination and rehabilitation evaluation before they would be notified of the results of either exam. The universe of individuals who would be eligible for cash benefits would include only those individuals who would be eligible under current law. The major difference with the current program is that for the first time there would be a workable requirement that applicants be evaluated for rehabilitation poten-

tial and where appropriate, referred to rehabilitation providers. Those for whom it was determined that rehabilitation would provide some benefit but not lead to an attempt to return to work would be directed to the State agency on rehabilitation services. For those individuals the State would provide—as required under current law—services with funds available through the State Grant Program—the section 101 program of the Rehabilitation Act. For those individuals where there is a possibility that rehabilitation services will result in a successful return to work effort and, therefore, in the eventual cessation of benefits, Social Security will refer that individual to a rehabilitation provider, whether public or private, who can best meet the rehabilitation needs of the SSDI beneficiary. Because a judgment has been made that these individuals have the best chance of returning to work and dropping off of the disability rolls, the cost of rehabilitating these individuals would be financed out of the Social Security disability trust fund. Under this program and with the careful selection of rehabilitation candidates—as previous experience has demonstrated—the trust funds should experience a net surplus of dollars.

Mr. President, it is important to note that the scope of rehabilitation services envisioned under this legislation follows section 103, of the Rehabilitation Act, and is extremely broad. Therefore, this legislation envisions Social Security providing a wide range of rehabilitation services for individuals where the possibility of a return to work effort exists. For example, section 103(a)(4) of the Rehabilitation Act, includes within the scope of rehabilitation services, among other items,

Physical and mental restorative services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment. . . .

Therefore, it would be possible, under this bill, for the Social Security Administration to provide certain health services not ordinarily provided for under the Medicare or Medicaid programs, assuming that such services would result in the removal of barriers to employment.

All of the cash beneficiaries in receipt of rehabilitation benefits would be exempt from the current CDI reviews and would be monitored by SSA through rehabilitation reports that all providers of rehabilitation services would be required by statute to provide. These reports would be required at a minimum of once every 3 years for all beneficiaries who were not permanently disabled. The rehabilitation report would include an assessment of the beneficiaries' progress in the rehabilitation program including any improvement that might affect the disability status of the beneficiary, including, but not limited to a return to work effort. The Social Security Administration would evaluate the rehabilitation report to determine whether a review of the disability status of the beneficiary would be appropriate. All of the beneficiaries not in a rehabilitation program are reviewed within the same intervals as under current law and regulations.

In an effort to remain consistent with the SSI Program, and since similar principles apply to SSI disabled recipients, who in many cases are also in need of rehabilitation services, the bill we are introducing today also extends the modifications in the eligibility determination process to the SSI Program.

Mr. President, what I am proposing today represents a significant improvement in the Social Security Disability Program with only relatively minor modifications in the current program.

S. 1721 takes the final step in completing a series of reforms which Congress initiated soon after the enactment of the original program. With the modifications I am proposing today, we can, for the first time, say we have a national disability program that is designed to address the unique needs of disabled Americans.

Mr. President, I ask unanimous consent that the full text of S. 1721 be printed in the RECORD at this point.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1721

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Social Security Disability Beneficiary Rehabilitation Act of 1985".

SEC. 2. (a)(1) Section 221(a)(1) of the Social Security Act is amended—

(A) by striking out "and of" and inserting in lieu thereof ", the disability category that best describes the condition of such individual, and";

(B) by striking out "(A) " each place it appears and inserting in lieu thereof "(i)";

(C) by striking out "(B) " each place it appears and inserting in lieu thereof "(ii)";

(D) by inserting "(A)" after the paragraph designation; and

(E) by adding at the end thereof the following new subparagraphs:

"(B) In making a determination with respect to whether an individual is under a disability (as defined in section 223(d)), the State agency making such determination or the Secretary, as the case may be, shall at the same time determine which of the following disability categories best describes the condition of such individual at the time such determination is made:

"(i) The individual is under a disability (as defined in section 223(d)) that is permanent and can not benefit from vocational rehabilitation services (as described in section 103 of the Rehibilitation Act of 1973 (29 U.S.C. 723)) or from comprehensive services for independent living (as described in title VII of such Act (29 U.S.C. 796 et seq.)).

"(ii) The individual is under a disability that is permanent, is unlikely to engage in substantial gainful activity (in the case of an individual making application for benefits under section 202(d) or 223) or any gainful activity (in the case of an individual making application for benefits under subsection (e) or (f) of section 202) in the future, but can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(iii) The individual is under a disability that is permanent, can benefit from vocational rehabilitation services, and, if provided with such services, would possibly engage in substantial gainful activity or any gainful activity, as the case may be, as the result of having been provided with such services.

"(iv) The individual is under a disability that is not permanent and cannot benefit from vocational rehabilitation services.

"(v) the individual is under a disability that is not permanent, is unlikely to engage in substantial gainful activity or any gainful activity, as the case may be, in the future, but can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(vi) The individual is under a disability that is not permanent, can benefit from vocational rehabilitation services, and, if provided with such services, would possibly engage in substantial gainful activity or any gainful activity, as the case may be, as the result of having been provided with such services.

"(vii) The individual is under a medically determinable physical or mental impairment that is not a disability (as defined in section 223(d)), and could possibly benefit from vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(viii) The individual is under a medically determinable physical or mental impairment that is not a disability, and could not benefit from vocational rehabilitation services.

"(ix) The individual is not under a disability or any other medically determinable physical or mental impairment.

Determinations under this subparagraph shall be made in accordance with standards promulgated by the Secretary in consultation with the Commissioner of the Rehabilitation Services Administration of the Department of Education.

"(C) Notice to an individual of a decision by the Secretary with respect to whether an individual is under a disability (as defined in section 223(d)) shall include, in addition to the matters required to be included in the notice of such decision under section 205(b)(1)—

"(i) an explanation, in understandable language, of

the reasons why the State agency or the Secretary, as the case may be, has determined that a particular disability category set forth in subparagraph (B) best describes the condition of such individual; and

"(ii) in the case of an individual with respect to whom it is determined that vocational rehabilitation services or comprehensive services for independent living would be beneficial—

"(I) a statement that such individual is eligible for such services;

"(II) a brief explanation of the disability review provisions of subsection (i) and the application of such provisions to such individual; and

"(III) information with respect to how to apply for such services.

"(D) The Secretary shall take such steps as may be necessary to ensure that—

"(i) all determinations required by this paragraph are made in a timely manner, and

"(ii) the payment of benefits to disabled individuals under this title is not delayed by reason of such determinations.".

(2) Section 221(c)(1) of such Act is amended by inserting ", that a different disability category set forth in subsection (a)(1)(B) best describes the condition of such individual," after "(as so defined)".

(3) Section 221(d) of such Act is amended by striking out "subsection (a)," and inserting in lieu thereof "subsection (a) (including a determination of the disability category set forth in subsection (a)(1)(B) that best describes the condition of an individual), or under subsection".

(4) Section 221(g) of such Act is amended by striking out "(a) shall" and inserting in lieu thereof "(a) (including determinations with respect to which of the disability categories set forth in paragraph (1)(B) of such subsection best describes the condition of an individual) shall".

(b) Section 221(i) of such Act is amended—

(1) in paragraph (1)—

(A) by inserting "and such individual is not eligible for or is not (for any reason) receiving vocational rehabilitation services or comprehensive services for independent living provided in accordance with section 222," after "disability,"; and

(B) by striking out all beginning with "years" through "administration of this title." and inserting in lieu thereof "years in the case of an individual determined under subsection (a)(1)(B) to be under a disability that is not permanent, and at least once every 7 years in the case of an individual determined under such subsection to be under a disability that is permanent."; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following new paragraphs:

"(2) In any case in which an individual is or has been determined to be under a disability and such individual is receiving vocational rehabilitation services or comprehensive services for independent living provided in accordance with section 222, the case shall be reviewed by the applicable State agency or the Secretary (as may be appropriate), for purposes of continuing eligibility, whenever such agency or the Secretary concludes, on the basis of a report made in accordance with section 222(b)(2) that such a review is warranted.

"(3) Reviews of cases under paragraphs (1) and (2) shall be in addition to, and shall not be considered as a substitute for, any other reviews that are required or provided for under or in the administration of this title.".

(C)(1) Subsections (a) and (b) of section 222(a) of such Act are amended to read as follows:

"REFERRAL FOR SERVICES

"(a)(1) Except in the case of an individual referred to a facility pursuant to paragraph (2), the State agency making determinations of whether an individual is under a disability (as defined in section 223(d)) or the Secretary, as the case may be, shall promptly refer any individual determined to fall within a disability category set forth in clause (ii), (iii), (v), (vi), or (vii) of section 221(a)(1)(B), to (A) the State agency or agencies administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) for necessary vocational rehabilitation services, or (B) the State unit (if any) designated under section 705 of such Act (29 U.S.C. 796d) to administer a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.) for such services, as may be appropriate.

"(2)(A) If an individual is determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within a disability category set forth in clause (iii) or (vi) of subparagraph (B) of such paragraph, the State agency or the Secretary, as the case may be, may refer such individual directly to a facility that has been certified by the Secretary as qualified to be a provider of vocational rehabilitation services and shall make payments directly to such facility for vocational rehabilitation services furnished to such individual.".

"(B) (i) Any individual who—

"(I) is referred under this paragraph to a provider of vocational rehabilitation services, and

"(II) is dissatisfied for any reason with the services of the provider,

may request that the State agency or the Secretary, as the case may be, refer him or her to another provider of such services.

"(ii) The State agency or the Secretary, as the case may be, shall promptly make a determination with respect to such request and notify the individual of the determination. If the request is denied, the notice required by this clause shall contain a statement, in understandable language, of the reason or reasons for the denial of the request.

"(iii) Any individual making a request under this subparagraph shall be entitled to a hearing on the determination made under clause (ii) with respect to the request to the same extent as provided in section 205(b) for decisions of the Secretary, and to judicial review of the final decision made after the hearing, as is provided in section 205(g).

"ELIGIBILITY FOR SERVICES; REPORTING BY REHABILITATION FACILITIES, INDEPENDENT LIVING FACILITIES, AND CERTIFIED PROVIDERS

"(b)(1) An individual determined in accordance with paragraph (1) of section 221(a) to be under a disability or other medically determinable physical or mental impairment and to fall within a disability category set forth in clause (iii), (vi), or (vii) of subparagraph (B) of such paragraph (other than an individual referred to (and receiving vocational rehabilitation services from) a provider in accordance with the provisions of paragraph (2) of subsection (a) of this section) shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(2) An individual determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within a disability category described in clause (ii) or (v) of subparagraph (B) of such paragraph shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) or comprehensive services for independent living provided under title VII of such Act (29 U.S.C. 796 et seq.).

"(3)(A) A facility that—

"(i) is a rehabilitation facility and provides vocational rehabilitation services to an individual described in paragraph (1) or (2) of this subsection (other than an individual determined in accordance with paragraph (1) of section 221(a) to fall within the disability category set forth in subparagraph (B)(vii) of such paragraph) under a State plan approved under title I of the Rehabilitation Act of 1973, or

"(ii) provides comprehensive services for independent living to an individual described in paragraph (2) of this subsection under a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.),

shall report promptly to the agency of such State that determines whether an individual is under disability (as defined in section 223(d)) or the Secretary, as the case may be—

"(I) the termination of the provision of such services to such individual (and the reason or reasons for such termination); and

"(II) any significant change in the impairment of such individual and any change in the employment status of such individual that might warrant a review with respect to the disability of such individual in accordance with section 221(i).

"(B) A rehabilitation facility that provides vocational rehabilitation services under a plan approved under title I of the Rehabilitation Act of 1973 to an individual determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within the disability category set forth in clause (v) or (vi) of subparagraph (B) of such paragraph shall, in addition to submitting any reports required under subparagraph (A) with respect to such individual, submit a report once every 3 years that evaluates—

"(i) the progress of such individual toward the achievement of the goals established with respect to such individual and included in the individualized written plan of vocational rehabilitation developed for such individual pursuant to paragraph (1) of subsection (e);

"(ii) the likelihood that such individual will engage in substantial gainful activity or any gainful activity, as the case may be, in the future as the result of such services; and

"(iii) any other matters that are relevant to determination or redetermination of the disability status of such individual.

"(C) Failure by a facility described in subparagraph (A) (i) or (ii) to report a change in the condition of an individual described in paragraph (1) or (2) (other than an individual determined to fall within the disability category set forth in clause (vii) of section 221(a)(1)(B)), that such facility knows or has reason to know would result in a determination that such individual is no longer under a disability, shall be a misdemeanor and, upon conviction thereof, shall be punishable by a fine of up to $10,000.

"(D) Any provision of this paragraph that is applicable to a rehabilitation facility shall also apply to a provider of vocational rehabilitation services to which individuals are referred in accordance with paragraph (2) of subsection (a).".

(2) Section 222 of such Act is further amended by striking out subsection (d) and inserting in lieu thereof the following new subsections:

"COSTS OF SERVICES FROM TRUST FUNDS

"(d)(1) For purposes of making vocational rehabilitation services and comprehensive services for independent living more readily available to disabled individuals who are—

"(A) entitled to disability insurance benefits under section 223,

"(B) entitled to child's insurance benefits under section 202(d) after having attained age 18 (and are under a disability),

"(C) entitled to widow's insurance benefits under section 202(e) prior to attaining age 60, or

"(D) entitled to widower's insurance benefits under section 202(f) prior to attaining age 60,

to the end that savings will accrue to the Trust Funds as a result of rehabilitating such individuals, the Managing Trustee shall transfer funds from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund in the manner prescribed in paragraphs (2) and (3).

"(2) The Managing Trustee shall, from time to time during each fiscal year, transfer from the Trust Funds such sums as may be necessary to enable the Secretary to make payments to State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) and to facilities certified under subsection (a)(2) as providers of vocational rehabilitation services for the reasonable and necessary costs of furnishing vocational rehabilitation services to individuals determined to be under a disability in accordance with paragraph (1) of section 221(a) and to fall within a disability category set forth clause (iii) or (iv) of subparagraph (B) of such paragraph (including services during the waiting periods of such individuals). Payments made under this paragraph shall be made in advance and shall be subject to adjustment on account of underpayments and overpayments.

"(3) The Managing Trustee shall transfer from such Trust Funds each fiscal year such sums as may be necessary to enable the Secretary to reimburse State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 and State units designated under section 705 of such Act (29 U.S.C. 796d) to administer plans approved under title VII of such Act for the reasonable and necessary costs of furnishing vocational rehabilitation services or comprehensive services for independent living (including services furnished during waiting periods) under such a plan to individuals determined to be under a disability in accordance with paragraph (1) of section 221(a) of this Act, to fall within a disability category described in clause (ii) or (v) of subparagraph (B) of such paragraph, and to have engaged in substantial gainful activity or any gainful activity, as the case may be, for a continuous period of nine months as a result of such services. The determination that such services contributed to the return of an individual to substantial gainful activity, or any gainful activity, as the case may be, and the determination of the costs to be reimbursed under this paragraph, shall be made by the Commissioner of Social Security in accordance with criteria formulated by the Commissioner. Payments made under this paragraph shall be subject to adjustment on account of underpayments and overpayments.

"(4) Money paid from the Trust Funds under this subsection for the reimbursement of the costs of providing services to individuals who are entitled to benefits under section 223 (including services during the waiting periods of such individuals), or who are entitled to benefits under section 202(d) on the basis of the wages and self-employment income of such individuals, shall be charged to the Federal Disability Insurance Trust Fund, and all other money paid from the Trust Funds under this subsection shall be charged to the Federal Old-Age and Survivors Insurance Trust Fund. The Secretary shall determine according to such methods and procedures as the Secretary may deem appropriate—

"(A) the total amount to be transferred for the cost of services under this subsection, and

"(B) subject to the provisions of the preceding sentence, the amount that should be charged to each of the Trust Funds.

"INDIVIDUALIZED WRITTEN PLANS OF VOCATIONAL REHABILITATION; STANDARDS FOR PROVIDERS

"(e)(1)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall do so in accordance with an individualized written plan of vocational rehabilitation for such individual.

"(B) Notwithstanding section 102 of the Rehabilitation Act of 1973 (29 U.S.C. 722), the individualized written plan of vocational rehabilitation required by subparagraph (A) shall be developed, implemented, and reviewed in a manner that is, to the greatest extent practicable and consistent with the provisions of this title, the same as the manner in which plans required by section 1507 of title 38, United States Code, are developed, implemented, and reviewed.

"(2)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall meet such standards as the Secretary may by regulation prescribe.

"(B) In promulgating regulations under subparagraph (A), the Secretary shall consult with the Commissioner of the Rehabilitation Services Administration of the Department of Education and, to the greatest extent practicable and consistent with the purposes of this section, shall incorporate the standards applicable to facilities and providers of such services under titles I and VII of the Rehabilitation Act of 1973 on the day before the date of the enactment of this subsection.

"DEFINITIONS

"(f)(1) For purposes of this section—

"(A) except as provided in paragraph (2), the term 'rehabilitation facility' shall have the meaning given to such term in section 7 (11) of the Rehabilitation Act of 1973 (29 U.S.C. 706(11));

"(B) the term 'vocational rehabilitation services' shall have the meaning given to such term in section 103 of such Act (29 U.S.C. 723); and

"(C) the term 'comprehensive services for independent living' shall have the meaning given to such term in title VII of such Act (29 U.S.C. 796 et seq.).

"(2) Vocational rehabilitation services and comprehensive services for independent living provided pursuant to this section may be limited in type, scope, or amount in accordance with regulations promulgated by the Secretary in order to ensure that such services are consistent with the purposes of subsection (d).".

"(d)(1) Section 222(c)(4)(A) of such Act is amended to read as follows:

"(A) the ninth month in which the individual renders services (whether or not such nine months are consecutive) of any fifteen-month period beginning on or after the first day of such period of trial work; or".

(2) Section 222(c) of such Act is amended—

(A) by striking out "(3) and (4)" in paragraph (1) and inserting in lieu thereof "(3), (4), and (6)"; and

(B) by adding at the end thereof the following new paragraph:

"(6) In the case of an individual determined in accordance with paragraph (1) of section 221(a) to be under a disability (as defined in section 223(d)) and to fall within a disability category set forth in clause (iii) or (vi) of subparagraph (B) of such paragraph, subparagraph (A) of paragraph (4) of this subsection shall be applied—

"(A) by substituting 'twelfth' for 'ninth'; and

"(B) by substituting 'twelve' for 'nine'.".

(e) Section 223(d)(4) of such Act is amended by adding at the end thereof the following new sentence: "In determining whether earnings derived from services performed by an individual demonstrate the individual's ability to engage in substantial gainful activity, earnings derived from transitional work, supported work, and services performed in a sheltered workshop shall not be taken into account unless such earnings equal or exceed an amount equal to twice the amount of earnings that (but for this sentence) would result in a determination that such individual is able to engage in substantial gainful activity.".

(f)(1) This section and the amendments made by this section shall become effective on the day that is 180 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (a) of this section shall apply to any determination made under subsection (a), (b), or (g) of section 221 of the Social Security Act (including a determination made for purposes of a continuing eligibility review required by subsection (i) of such section) on or after the date on which such amendments become effective.

(B) The amendments made by subsections (b), (c), and (d) of this section shall apply to any individual with respect to whom a determination is made under subsection (a), (c), or (g) of section 221 of the Social Security Act on or after the date on which such amendments become effective.

(3)(A) Subsections (c) and (d) of section 222 of the Social Security Act, as in effect on the day before the date on which the amendments made by this section become effective, shall continue to apply to any individual—

(i) who on such day is entitled to benefits under subsection (d), (e), or (f) of section 202 of such Act by reason of disability or to disability insurance benefits under section 223 of such Act, and

(ii) with respect to whom a determination has not been made under subsection (a), (c), or (g) of section 221 of such Act (as amended by subsection (a) of this section) after such day.

(B)(i) Any individual described in subparagraph (A) who desires to have his or her case reviewed in accordance with the procedures established by the amendments made by subsection (a) of this section may request that a determination be made under the applicable subsection of section 221 of the Social Security Act (as so amended).

(ii) The Secretary of Health and Human Services shall take such steps as may be necessary to ensure that (I) any individual described in subparagraph (A) is informed of the right of such individual to request a review under clause (i) and (II) a prompt determination is made with respect to any individual requesting such a review.

(4) The amendments made by subsection (e) shall apply with respect to months beginning on or after the date on which this section becomes effective.

SEC. 3. (a)(1) Section 1614 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In making a determination under paragraph (2) or (3) of subsection (a) with respect to whether an individual is a blind or disabled individual, the State agency making such determination or the Secretary, as the case may be, shall at the same time determine which of the following disability categories best describes the condition of such individual at the time such determination is made:

"(A) The individual is a blind or disabled individual whose impairment is permanent and who can not benefit from vocational rehabilitation services (as described in section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723)) or from comprehensive services for independent living (as described in title VII of such Act (29 U.S.C. 796 et seq.)).

"(B) The individual is a blind or disabled individual whose impairment is permanent, who is unlikely to engage in substantial gainful activity in the future, but who can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(C) The individual is a blind or disabled individual whose impairment is permanent, who can benefit from vocational rehabilitation services, and who, if provided with such services, would possibly engage in substantial gainful activity as the result of having been provided with such services.

"(D) The individual is a blind or disabled individual whose impairment is not permanent and who can not benefit from vocational rehabilitation services.

"(E) The individual is a blind or disabled individual whose impairment is not permanent, who is unlikely to engage in substantial gainful activity in the future as the result of such services, but who can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(F) The individual is a blind or disabled individual whose impairment is not permanent, who can benefit from vocational rehabilitation services, and who, if provided with such services, would possibly engage in substantial gainful activity as the result of having been provided with such services.

"(G) The individual is not a blind or disabled individual but is under a medically determinable physical or mental impairment, and could possibly benefit from vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(H) The individual is under a medically determinable physical or mental impairment, but is not a blind or disabled individual and could not benefit from vocational rehabilitation services.

"(I) The individual is not a blind or disabled individual and is not under any other medically determinable physical or mental impairment.

Determinations under this paragraph shall be made in accordance with standards promulgated by the Secretary in consultation with the Commissioner of the Rehabilitation Services Administration of the Department of Education.

"(2) Notice to an individual of a decision under paragraph (2) or (3) of subsection (a) with respect to whether such individual is a blind or disabled individual shall include, in addition to the matters required to be included in the notice of such decision under section 1631(c)(1)—

"(A) an explanation, in understandable language, of the reasons why the State agency or the Secretary, as the case may be, has determined that a particular disability category set forth in paragraph (1) best describes the condition of such individual; and

"(B) in the case of an individual with respect to whom it is determined that vocational rehabilitation services or comprehensive services for independent living would be beneficial—

"(i) a statement that such individual is eligible for such services; and

"(ii) information with respect to how to apply for such services.

"(3) The Secretary shall take such steps as may be necessary to ensure that—

"(A) all determinations under this subsection and paragraphs (2) and (3) of subsection (a) are made in a timely manner, and

"(B) the payment of benefits to blind and disabled individuals under this title is not delayed by reason of such determinations.".

(2) Section 1631(c)(1) of such Act is amended—

(A) by inserting after the second sentence the following: "Each decision by the Secretary with respect to whether an individual is disabled for purposes of receiving benefits under this title shall also contain a statement, in understandable language, or the reasons the individual has been determined to fall within a particular disability category set forth in section 1614(g)(1).."; and

(B) by striking out "or the amount of such individual's benefits" and inserting in lieu thereof "the amount of such individual's benefits, or the disability category set forth in section 1614(g)(1) that best describes the condition of such individual".

(b) Section 1615 of such Act is amended to read as follows:

"SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"SEC. 1615. (a)(1) Except in the case of an individual referred to a facility pursuant to paragraph (2), the State agency making determinations under paragraphs (2) and (3) of section 1614(a) with respect to whether an individual is a blind or disabled individual or the Secretary, as the case may be, shall promptly refer any individual determined to fall within a disability category set forth in subparagraph (B), (C), (E), (F), or (G) of section 1614(g)(1) to (A) the State agency or agencies administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) for necessary vocational rehabilitation services, or (B) the State unit (if any) designated under section 705 of such Act (29 U.S.C. 796d) to administer a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.) for such services, as may be appropriate.

"(2)(A) If an individual is determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual and to fall within a disability category described in subparagraph (C) or (F) of subsection (g)(1) of such section, the State agency or the Secretary, as the case may be, may refer such individual directly to a facility that has been certified by the Secretary as qualified to be a provider of vocational rehabilitation services and shall make payments directly to such facility for vocational rehabilitation services furnished to such individual.

"(B)(i) Any individual who—

"(I) is referred under this paragraph to a provider of vocational rehabilitation services, and

"(II) is dissatisfied for any reason with the services of the provider.

may request that the State agency or the Secretary, as the case may be, refer him or her to another provider of such services.

"(ii) The State agency or the Secretary, as the case may be, shall promptly make a determination with respect to such request and notify the individual of the determination. If the request is denied, the notice required by this clause shall contain a statement, in understandable language, of the reason or reasons for the denial of the request.

"(iii) Any individual making a request under this subparagraph shall be entitled to a hearing on the determination made under clause (ii) with respect to the request to the same extent as provided in section 205(b) for decisions of the Secretary, and to judicial review of the final decision made after the hearing, as is provided in section 205(g).

"(b)(1) An individual determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual or to have some other medically determinable physical or mental impairment, and to fall within a disability category described in subparagraph (C), (F), or (H) of subsection (g)(1) of such section (other than an individual receiving vocational rehabilitation services in accordance with the provisions of paragraph (2) of subsection (a) of this section) shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(2) An individual determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual and to fall within a disability category set forth in subparagraph (B) or (E) of subsection (g)(1) of such section shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) or comprehensive services for independent living provided under title VII of such Act (29 U.S.C. 796 et seq.).

"(3)(A) A facility that—

"(i) is a rehabilitation facility and provides vocational rehabilitation services to an individual described in paragraph (1) or (2) of this subsection (other than an individual determined to fall within the disability category described in section 1614(g)(1)(G)), under a State plan approved under title I of the Rehabilitation Act of 1973, or

"(ii) provides comprehensive services for independent living to an individual described in paragraph (2) of this subsection under a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.),

shall report promptly to the agency of such State that determines whether an individual is a blind or disabled individual or to the Secretary, as the case may be—

"(I) the termination of the provision of such services to such individual (and the reason or reasons for such termination); and

"(II) the return to work of such individual.

"(B) Any provision of this paragraph that is applicable to a rehabilitation facility shall also apply to a provider of vocational rehabilitation services to which individuals are referred in accordance with paragraph (2) of subsection (a).

"(c)(1) The Secretary is authorized to make payments to State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et

seq.) and to facilities certified under subsection (a)(2) as providers of vocational rehabilitation services for the reasonable and necessary costs of furnishing vocational rehabilitation services to individuals determined to be blind or disabled individuals under paragraph (2) or (3) of subsection (a) of section 1614 and to fall within a disability category set forth in subparagraph (C) or (F) of subsection (g)(1) of such section (including services during the waiting periods of such individuals). Payments made under this paragraph shall be made in advance and shall be subject to adjustment on account of underpayments and overpayments.

"(2) The Secretary is authorized to reimburse State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 and State units designated under section 705 of such Act (29 U.S.C. 796d) to administer plans approved under title VII of such Act for the reasonable and necessary costs of furnishing vocational rehabilitation services or comprehensive services for independent living (including services furnished during waiting periods) under such a plan to individuals determined to be blind or disabled individuals under paragraph (2) or (3) of subsection (a) of section 1614, to fall within a disability category described in subparagraph (B) or (E) of subsection (g)(1) of such section, and to have engaged in substantial gainful activity for a continuous period of nine months as a result of such services. The determination that such services contributed to the return of an individual to substantial gainful activity, and the determination of the costs to be reimbursed under this paragraph shall be made by the Commissioner of Social Security in accordance with criteria determined by the Commissioner in the same manner as under section 222(d)(3). Payments made under this section shall be subject to adjustment on account of underpayments and overpayments.

"(d)(1)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall do so in accordance with an individualized written plan of vocational rehabilitation for such individual.

"(B) Notwithstanding section 102 of the Rehabilitation Act of 1973 (29 U.S.C. 722), the individualized written plan of vocational rehabilitation required by subparagraph (A) shall be developed, implemented, and reviewed in a manner that is, to the greatest extent practicable and consistent with the provisions of this title, the same as the manner in which plans required by section 1507 of title 38, United States Code, are developed, implemented, and reviewed.

"(2)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall meet such standards as the Secretary may by regulation prescribe.

"(B) In promulgating regulations under subparagraph (A), the Secretary shall consult with the Commissioner of the Rehabilitation Services Administration of the Department of Education and, to the greatest extent practicable and consistent with the purposes of this section, shall incorporate the standards applicable to facilities and providers of such services under titles I and VII of the Rehabilitation Act of 1973 on the day before the date of the enactment of this subsection.

"(e)(1) For purposes of this section—

"(A) except as provided in paragraph (2), the term 'rehabilitation facility' shall have the meaning given to such term in section 7 (11) of the Rehabilitation Act of 1973 (29 U.S.C. 706(11));

"(B) the term 'vocational rehabilitation services' shall have the meaning given to such term in section 103 of such Act (29 U.S.C. 723); and

"(C) the term 'comprehensive services for independent living' shall have the meaning given to such term in title VII of such Act (29 U.S.C. 796 et seq.).

"(2) Vocational rehabilitation services and comprehensive services for independent living provided pursuant to this section may be limited by the Secretary to the same extent as services of such type are limited under section 222(f)(2).".

(c)(1) Section 1614(a)(4)(D)(i) of such Act is amended to read as follows:

"(i) the ninth month in which the individual renders services (whether or not such nine months are consecutive) of any fifteen-month period beginning on or after the first day of such period of trial work; or".

(2) Section 1614(a)(4) of such Act is amended—

(A) by striking out "(C) and (D)" in subparagraph (B) and inserting in lieu thereof "(C), (D), and (E)";

(B) by adding at the end thereof the following new subparagraph:

"(E) In the case of an individual determined in accordance with paragraph (2) or (3) to be a blind or disabled individual and to fall within a disability category described in subparagraph (C) or (F) of subsection (g)(1),

subparagraph (D)(i) of this paragraph shall be applied—

"(i) by substituting 'twelfth' for 'ninth'; and

"(ii) by substituting 'twelve' for 'nine'.".

(d) Section 1614(a)(3)(D) of such Act is amended by adding at the end thereof the following new sentence: "In determining whether earnings derived from services performed by an individual demonstrate the individual's ability to engage in substantial gainful activity, earnings derived from transitional work, supported work, and services performed in a sheltered workshop shall not be taken into account unless such earnings equal or exceed an amount equal to twice the amount of earnings that (but for this sentence) would result in a determination that such individual is able to engage in substantial gainful activity.".

(e)(1) This section and the amendments made by this section shall become effective on the day that is 180 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (a) of this section shall apply to any determination made under paragraph (2) or (3) of subsection (a) of section 1614 of the Social Security Act and any determination made for purposes of a continuing eligibility review required by section 416.989 of title 20, Code of Federal Regulations) on or after the date on which such amendments become effective.

(B) The amendments made by subsections (b) and (c) of this section shall apply to any individual with respect to whom a determination is made under paragraph (2) or (3) of subsection (a) of section 1614 of the Social Security Act or pursuant to section 416.989 of title 20, Code of Federal Regulations, on or after the date on which such amendments become effective.

(3)(A) Sections 1614(a)(4) and 1615 of the Social Security Act, as in effect on the day before the date on which the amendments made by this section become effective, shall continue to apply to any individual—

(i) who on such day is entitled to benefits under section 1611(a) of such Act by reason of blindness or disability, and

(ii) with respect to whom a determination has not yet been made pursuant to section 416.989 of title 20, Code of Federal Regulations, after such day.

(B)(i) Any individual described in subparagraph (A) who desires to have his or her case reviewed in accordance with the procedures established by the amendments made by subsection (a) of this section may request that a determination be made pursuant to section 416.989 of title 20, Code of Federal Regulations.

(ii) The Secretary of Health and Human Services shall take such steps as may be necessary to ensure that (I) any individual described in subparagraph (A) is informed of the right of such individual to request a review under clause (i) and (II) a prompt determination is made with respect to any individual requesting such a review.

(4) The amendments made by subsection (d) shall apply with respect to months beginning on or after the date on which this section becomes effective.

NATIONAL MENTAL
HEALTH ASSOCIATION,
Alexandria, VA, July 29, 1985.

Hon. DONALD W. RIEGLE, Jr.,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR RIEGLE: The coalition of national organizations listed below, concerned about the rights of people with physical and mental disabilities, strongly supports your efforts to improve rehabilitation services available to individuals on Social Security Disability Insurance and Supplemental Security Income. We support your introduction of legislation to establish a system whereby a disabled individual's rehabilitation potential will be assessed and an expanded range of rehabilitation service made available.

There is a critical need to improve the availability of appropriate rehabilitation services for individuals with disabilities who receive benefits from federal disability programs. The current system, which finances rehabilitation services after they have been provided and only for persons who engage in nine months of substantial gainful employment, is extremely limited and is a disincentive to rehabilitation efforts. We believe that if a greater range of rehabilitation services were available and funded, many other individuals on the rolls could be rehabilitated so they could return to competitive work. There are also many individuals on the rolls who could benefit enormously from rehabilitation services designed to improve their ability to function more independently. Under your bill, such persons would be identified and referred to the existing state rehabilitation system. Thus, your bill's provisions for expanding the eligibility of service providers to the private sector and for providing financing for individuals who may return to competitive employment could not only be of significant benefit to persons with disabilities, but should also reduce Trust Fund outlays for benefits.

Representatives from our organizations have been working with your staff on the details of this bill, and we are looking forward to continuing to do so as the bill is refined and moves through the legislative process. The introduction of this legislation

should begin a serious Congressional review of the need for improved rehabilitation services for persons receiving federal disability benefits. It is our hope that hearings on your bill can be arranged at an early date so that action can be taken during this Congress.

Sincerely,

CHRIS KOYANAGI.

On behalf of: American Psychological Association; American Rehabilitation Counselling Association; American Association for Counselling and Development; American Mental Health Counsellors Association; Association for Retarded Citizens—U.S.; Epilepsy Foundation of America; International Association of Psychosocial Rehabilitation Services; National Alliance for the Mentality Ill; National Association of Private Residential Facilities for the Mentally Retarded; National Association of Social Workers; National Association of State Mental Retardation Program Directors; National Association of Rehabilitation Facilities; National Council of Community Mental Health Centers; National Easter Seal Society; National Mental Health Association; National Rehabilitation Counselling Association; and United Cerebral Palsy Associations, Inc.●

By Mr. ARMSTRONG (for himself, Mr. BOREN, Mr. SYMMS, and Mr. WARNER):

S. 1722. A bill to amend the Internal Revenue Code of 1954 to eliminate the separate mailing requirement for statements relating to interest, dividends, and patronage dividends, and for other purposes; to the Committee on Finance.

ELIMINATING SEPARATE MAILINGS OF 1099 FORMS

● Mr. ARMSTRONG. Mr. President, today Senator BOREN and I join with our colleagues Senator SYMMS and Senator WARNER, in introducing this legislation to eliminate the cause of some unnecessary costs associated with the distribution of IRS Form 1099. Specifically, this legislation would remove a statutory requirement that 1099 forms be sent to recipients of dividend and interest income by a separate first class mailing.

IRS Form 1099 is used to provide taxpayers with required annual tax information regarding taxable distributions of corporate dividends, patronage dividends, original issue discounts and interest payments. However, it has come to our attention that considerable sums of money are needlessly expended to comply with the law without the prospect of improving compliance. The law states that corporations, agricultural cooperatives and the financial services industry provide their shareholders or customers with 1099 forms by a method that involves millions of 22 cent separate mailings if these organizations cannot provide them in person.

The reason for the separate mailing requirement is to impress upon the taxpayer the importance of the information included. I believe that there are alternatives available that will be as successful in getting the taxpayers attention so the law ought to provide more flexibility to determine what those effective alternatives should be.

In 1982 the Congress determined, and rightly so, that more must be done to facilitate and improve voluntary tax compliance. In this regard measures were taken to secure the taxpayer identification numbers on all existing and new stockholder accounts and for all existing and new accounts in financial institutions or organizations like stock brokerage firms that distribute income. In combination with these improvements the IRS has been improving its matching capability to identify interest and dividends paid with interest and dividends claimed on tax returns. Furthermore back-up withholding procedures have been established applicable to taxpayers not willing to comply with these minimal requirements. These compliance techniques continue unaltered under this bill.

What this bill does is provide a measure of good sense in this area by reducing an unnecessary compliance cost applied to the private sector and replacing it with an opportunity to design more cost effective procedures. One such alternative is set out in the bill and that is to permit 1099 forms sent to corporate shareholders to accompany corporate dividend checks. Such a alternative provides a cost saving opportunity and, properly marked, the important tax information will not escape the attention of the taxpayer. One caveat exists here and that is the 1099 must still meet the deadline of January 31st of the year following the calendar year for which the 1099 applies.

The experience of one national brokerage firm underscores the need for this new legislation. Last year their expenses for postage alone amounted to $980,000 for three separate mailings-one for customers with dividend income, one for customers with interest income and one for customers with gross receipts. For those customers with more than one type of income one mailing would have accomplished the same goal. Thus another benefit of this legislation would be that these instances such information could be combined and then sent to taxpayers.

Many of the affected institutions provide monthly statements that now include more current year-to-date tax information than is required by law. This practice will do more to keep taxpayers informed of their responsibilities under the law than one separate mailing in my opinion. It should be clear that what requirements are in the law regarding the distribution of 1099's ought to be considered as minimum requirements, not the only permissible procedure. Authority is therefore provided to the Secretary of Treasury to determine What constitutes other acceptable procedures for advising taxpayers of their year-end taxable income, short of a mandatory separate mailing. This will establish a more flexible and efficient system of 1099 dissemination that will compliment, not frustrate, effective tax compliance techniques.

Mr. President, we have a responsibility to minimize the demands of government on taxpayers while maintaining a high standard of tax compliance. This bill will move us in that direction.●

● Mr. BOREN. Mr. President, the legislation that I am co-authoring with the Senator from Colorado and the Senator from Idaho is a commonsense approach toward ending an unfair bureaucratic burden. Current law requires that the 1099 forms which are required by the IRS to report corporate dividends, interest, original issue discounts, and patronage dividends paid to taxpayers must be provided annually either in person or sent individually in separate first-class mailings. This requirement was supposedly designed to make sure that taxpayers who were sent these forms along with other items in one envelope would not just toss the whole package away as if it were junk mail. The way this law was designed, however, imposes a tremendous postage and handling expense to those who are trying to comply with it. In short, this law has been an onerous burden to American businesses and cooperatives and has yielded nothing which would justify its continuation.

Our bill would answer the compliance needs of the IRS and would do just as much to protect against the taxpayer overlooking the 1099 form as does the current law, but it would signficiantly ease the administrative burden on American businesses. Under this legislation, companies and Co-ops would be allowed to send out their 1099's along with dividend checks. The Secretary of the Treasury would also be permitted to determine additional suitable means of distributing the forms. This will allow businesses to better use their internal cash for more productive measures. If we are to remain competitive in the world economy we are going to have to find ways to ease unnecessary governmental burdens like this. I urge my colleagues to join in support of this legislation.●

By Mr. CHAFEE (for himself, Mr. CHILES, and Mr. MATHIAS):

S. 1723. A bill to establish pilot programs to develop methods for parents of children between the ages of 2 and 8, who may be educationally at risk, to enroll in adult literacy programs in which they will acquire the skills necessary to prepare their children for school and enhance their children's

educational achievement through home learning; to the Committee on Labor and Human Resources.

EVEN START ACT

Mr. CHAFEE. Mr. President, I am today introducing the Even Start Act, a measure that addresses one of the most serious and threatening problems facing the United States: adult illiteracy.

I am pleased that my distinguished colleagues Senators CHILES and MATHIAS have joined me in cosponsoring this legislation, which aims to solve the problem of illiteracy in a multigenerational way. It will involve parents and children together in low-cost programs teaching home-based literacy techniques. A similar version of this bill has been introduced in the House by Representative GOODLING.

Illiteracy is a great barrier for anyone attempting to break out of the cycle of poverty. Seventy-five percent of unemployed Americans lack the basic skills to be trained effectively for a job. Disproportionate numbers of functional illiterates are on the public assistance rolls. It is estimated that $6 billion are spent every year on child welfare costs and unemployment compensation for illiterate adults unqualified for work. Further, there is a direct correlation between illiteracy and crime, with 50 percent of our prison population functionally illiterate and maintained at a cost of another $6 billion per year.

These statistics are distrurbing to anyone concerned about the future health of our economy or the high costs of unemployment and the social welfare system. But what lies behind the numbers and the economic issues of illiteracy is a tragedy of immense proportions. Imagine the millions of illiterate adults who walk by the newsstand every day, incapable of comprehending the headlines of national and world news. Imagine the parents who cannot share a book of nursery rhymes of bedtime stories with their children because the lines of print are meaningless to them. Imagine the humiliation of not understanding the questions on a job application and trying to hide your inability to read from a prospective employer. If you can imagine these things, which is difficult for most readers to do, then you can begin to imagine the hardship endured by the millions of Americans who do not know how to read.

Adult illiteracy is not a new problem. The educational community has long been aware of it and, together with the Federal Government, has developed some programs to combat it. Chief among Federal initiatives to fight illiteracy is the Adult Education Act, first passed by Congress in 1966. Under this act, Adult Basic Education [ABE] Programs were begun all over the country to help those with substandard skills, particularly in literacy, improve their ability to contribute to the community. The existence of this Federal program, alongside numerous private-sector, volunteer-based literacy programs, might seem to indicate that we have the problem in hand and need only continue in our present efforts.

Unfortunately, the programs established to date have proven insufficient. There is general agreement among educators, sociologists, and Federal experts that at least 23 million adult Americans are functional illiterates. Comprising about one-fifth of our adult population, this group lacks the basic communications skills necessary to function effectively at everyday tasks. They cannot read the warning label on a bottle of medicine, a help wanted advertisement, or the operating instructions for a piece of machinery.

By conservative estimates, another 35 million adults possess these skills but are unable to use them with proficiency. This larger group of "marginal illiterates" cannot read a newspaper, a job application or voting materials with anything but the most rudimentary comprehension. Their decisionmaking as employees, citizens, and parents is seriously impaired by their inability to make sense out of the words and sentences the literate understand with ease.

The education programs currently in place are not reaching the vast majority of this illiterate population, which is growing by more than two million adults per year. Among the 158 member nations of the United Nations, our country ranks 49th in literacy levels. When one considers our extensive public education system, these figures seem unbelievable, but they only hint at the illiteracy problem facing the United States 10 or 20 years down the road.

Most disturbing is that the statistics will continue to grow worse unless we address the problem where it usually begins: in the home. Illiterate parents are far more likely to raise illiterate children than are parents who can read. Jonathan Kozol, whose recent book, "Illiterate America," has drawn attention to this urgent problem, calls the children of nonreaders a "pedagogic time bomb." Unexposed at home to reading habits of any kind, and lacking the preschool parental guidance that helps children from reading families develop basic skills, these children enter school at a significant disadvantage and are most often those who fall behind their classmates. If this happens, they cannot draw upon reinforcement at home, and their nonreading parents are incapable of evaluating their curriculum and working with teachers to help their children catch up. When the children of illiterates fail to acquire reading and writing skills themselves, they enter what is becoming in this country a cycle of illiteracy.

Our education system is not yet equipped to break this tragic cycle. The need for new ideas and programs is clear, but unfortunately we cannot, in these times of fiscal restraint, initiate a costly national literacy program. The legislation I am introducing today offers a new, low-cost approach to the problem. It builds upon outreach and service programs already in place to attack literacy as a problem that is often passed on from one generation to the next.

Working through existing adult basic education centers, the Even Start Act provides funds for the development of model programs to teach illiterate parents not just to read, but to be more effective in teaching their children to succeed in school. It will bring parents and children together to develop techniques of home-based, cooperative reading, building the intergenerational links that are missing in nonreading families. In short, it will teach parents to read along with their children.

This measure awards funding, on a competitive/grant basis, to agencies operating ABE programs in areas where illiteracy rates are highest. In order to qualify, the agency must design a literacy project to enroll the parents of economically disadvantaged children between the ages of 2 and 7. In addition, the agency must serve areas where unemployment rates are high. These are the areas where the cycle of illiteracy is rampant, and where millions of children of nonreading parents are threatened with becoming a new generation of illiterate adults. Finally, any agency selected to conduct an Even Start Project must coordinate its program with other related social service programs, such as Head Start.

Demonstration projects funded under this act will combat illiteracy where it begins and benefit not only adult illiterates but their children who are just beginning school. According to professionals in the field, there is a dire need for programs taking this intergenerational approach. Even Start Programs will contain a natural motivation for parents who not only want to read better, but who—even more strongly—do not want their children to become illiterate adults. Parents who read poorly or not at all will, I am confident, work hard to ensure that their children do not suffer the pain and frustration of illiteracy.

Mr. President, the Even Start Act addresses the grave problem of adult illiteracy without spending billions of dollars the Federal Government cannot afford. It links State, local, and Federal social services with literacy education to develop model programs coordinating adult and elementary

school education. And it is targeted at the most needy and historically underserved Americans.

Programs funded under this legislation will develop methods for solving the problem of illiteracy by teaching families to read and learn together. By providing children from illiterate families with an even start, these programs will begin to break the cycle of illiteracy. I urge my colleagues to support this innovative attempt to help those who live in "illiterate America" become reading, contributing citizens.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1723

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Even Start Act".

FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) successful education depends on the learning skills that are developed at home in the childhood years;

(2) many children from disadvantaged backgrounds begin school with less developed learning skills than their peers and fail to make up that difference over their school career;

(3) at least 23,000,000 adults, many of them parents, lack basic literacy skills;

(4) many parents who lack basic skills are not full partners in the education of their own children;

(5) the participation of such parents in the education of their children can be increased by helping the parents acquire specific skills and strategies needed to work with their children; and

(6) disadvantaged children can begin their education with an even start when their parents are assisted in identifying and meeting their educational and developmental needs.

(b) PURPOSE.—It is therefore the purpose of this Act to combine successfully adult basic education for parents and school readiness training for children into an effective educational program by—

(1) developing model adult basic education literacy programs having a component designed to assist parents to be more effective in preparing their children for entrance into school;

(2) helping parents learn techniques and skills that can be used to assist in their children's education; and

(3) providing parents with supervised opportunities to practice the techniques at the learning center and in the family's home.

USE OF FUNDS

SEC. 3. (a) COMBINED PARENT AND CHILD EDUCATION SERVICES.—Funds made available to a grant recipient under this Act shall be used to provide a program of adult literacy training which includes as a major component the involvement of parents and children together in an effort to enhance the likelihood of educational achievement.

(b) PROGRAM ELEMENTS.—Each program provided by a grant recipient under this Act shall include—

(1) identifying and recruiting eligible participants;

(2) screening and preparation of parents and children for participation, including testing, referral to necessary counseling, and related services;

(3) carrying out programs and furnishing support services to suit the participants' work and other responsibilities, including—

(A) scheduling and locating services to allow joint participation by parents and children;

(B) child care; and

(C) transportation;

(4) establishing instructional programs that promote adult literacy, equip parents to support the education and growth of their children, and prepare children for success in regular school programs;

(5) providing and monitoring integrated instructional services to participants through home-based activities, including direct limited access cable television and other media, where applicable; and

(6) coordinating programs assisted under this Act with programs assisted under chapter 1 of the Education Consolidation and Improvement Act of 1981 in the area.

(c) ELIGIBLE PARTICIPANTS.—Eligible participants in programs provided by a grant recipient under this Act are families that—

(1) include a parent who is eligible for participation in an adult basic education program under the Adult Education Act; and

(2) reside—

(A) in a school attendance area designated for receipt of funds under chapter 1 of the Education Consolidation and Improvement Act of 1981; and

(B) with a child—

(i) who has attained 2 years of age but not 8 years of age, and

(ii) who is enrolled in or will, upon reaching school age, enroll in a school in which 20 percent of the students are eligible to participate in programs assisted by chapter 1 of the Education Consolidation and Improvement Act of 1981.

SELECTION OF GRANT RECIPIENTS

SEC. 4. (a) ELIGIBLE APPLICANTS.—Any agency, organization, or institution which operates an adult basic education program under the Adult Education Act.

(b) GRANT APPLICATION.—(1) To be selected as grant recipient, an eligible applicant shall submit an application that meets the requirements of section 3(b), in such form and containing or accompanied by such information as the Secretary may require.

(2) Such application shall include a demonstration by the applicant that—

(A) the applicant has the qualified personnel required (i) to develop, administer, and implement the program required by this Act, and (ii) to provide special training necessary to prepare staff for the program;

(B) the applicant can coordinate programs under the Adult Education Act with programs under chapter 1 of the Education Consolidation and Improvement Act of 1981, and with related health, nutrition, and social service programs such as Head Start, child abuse treatment and prevention programs, and substance abuse control programs; and

(C) in the case of an applicant that is not a local educational agency, the applicant plans and operates such programs in coordination with the applicable State and local educational agency.

(3) In addition, such application shall include a plan of operation for the program which includes—

(A) a description of the program goals;

(B) a description of the activities and services which will be provided by the program (including training and preparation of staff); and

(C) a statement of the methods which will be used (i) to ensure that the program will serve the eligible participants most in need of the activities and services provided by this Act, and (ii) to provide services under this Act to special populations, such as individuals with limited English proficiency and handicapped individuals.

(c) SELECTION OF GRANT RECIPIENTS.—(1) From the applications submitted in accordance with subsection (b), the Secretary shall select not less than 15 nor more than 20 for final review. In selecting applications under this subsection, the Secretary shall assure that selected applicants—

(A) serve areas in which unemployment rates are higher and the need for the programs for which assistance is sought is greatest; and

(B) serve urban areas in two-thirds of the applications selected and rural areas in one-third of the applications selected.

(2) Such final review shall be conducted by a review panel composed of the Secretary and the following individuals appointed by the Secretary:

(A) a State director of programs under chapter 1 of the Education Consolidation and Improvement Act of 1981;

(B) a director of a local program under such chapter;

(C) a State director of programs under the Adult Education Act;

(D) a director of a local program under such Act;

(E) one chief State school officers;

(F) a representative from a local Parent-Teacher Association;

(G) a professional with training in early childhood education; and

(H) a professional with training in adult literacy training.

(3) The review panel shall select applications for the receipt of funds under this Act.

PROGRAM AGREEMENTS

SEC. 5. (a) PROGRAM AGREEMENT REQUIRED.—An eligible applicant whose application has been selected for funding under section 4(c) shall enter into a program agreement with the Secretary in accordance with this section.

(b) CONTENTS OF PROGRAM AGREEMENT.—Each program agreement under this section shall—

(1) contain such information and assurances as the Secretary may require to ensure compliance with the requirements of this Act;

(2) specify that participants in the program under this Act will be enrolled for a period of not less than 12 months, beginning at any time during or after the beginning of the school year;

(3) assure that the grant recipient will comply with evaluation and dissemination requirements prescribed under section 6; and

(4) contain assurances that the grant recipient will—

(A) provide not less than 25 percent of the cost of the program for the third year of operation;

(B) provide not less than 50 percent of the cost of the program for the fourth year of operation; and

(C) continue to operate the program after the expiration of assistance under this Act, if the program has been demonstrated to be effective.

EVALUATION AND DISSEMINATION OF RESULTS OF PILOT PROJECTS

SEC. 6. (a) EVALUATION REQUIREMENT.—The Secretary shall provide for the evaluation of programs under this Act in order to determine their effectiveness in providing—

(1) adult education services;

(2) for the training of parents to work with their children;

(3) home based programs involving parents and child;

(4) for the participation of special populations;

(5) coordination with related service programs; and

(6) for the training of personnel in the appropriate skill areas.

(b) CONDUCT OF EVALUATIONS.—The evaluation shall be conducted by individuals not directly involved in the administration of the program or project operation under this Act. The outside evaluators and the program administrators shall jointly develop a set of evaluation criteria which provide for appropriate analysis of the factors located in subsection (a). When possible, the evaluations shall include comparisons with appropriate control groups.

(c) OBJECTIVE MEASURES.—In order to determine the effectiveness of a program assisted under this Act in achieving its stated goals, the evaluation shall contain objective measures of such goals and, whenever feasible, will obtain the specific views of program participants about such programs.

(d) DISSEMINATION.—The results of the evaluation conducted under this section shall, not later than the end of fiscal year 1992, be submitted to the national diffusion network and professional journals.

(e) LIMITATION.—Not more than $100,000 of the amount available to carry out the provisions of this Act in each fiscal year may be available to carry out the provisions of this section.

AVAILABILITY OF FUNDS FOR EVEN START PROGRAM

SEC. 7. In order to carry out the provisions of this Act, the Secretary shall, prior to carrying out the provision of the last sentence of section 563(a) of the Education Consolidation and Improvement Act of 1981, reserve $5,000,000 from the amount appropriated for fiscal year 1987 and for each succeeding fiscal year ending prior to October 1, 1991, to carry out chapter 2 of the Education Consolidation and Improvement Act of 1981.

DEFINITIONS

SEC. 8. As used in this Act, the term—

(1) "parent" has the same meaning given that term by section 595(a)(5) of the Education Consolidation and Improvement Act of 1981;

(2) "institution of higher education" has the same meaning given such term by section 481(a)(1) of the Higher Education Act of 1965;

(3) "local educational agency" has the same meaning given that term by section 595(a)(4) of such Act; and

(4) "State educational agency" has the same meaning given that term by section 595(a)(3) of such Act.

Mr. CHILES. Mr. President, I am most pleased to join my distinguished colleague from Rhode Island, Mr. CHAFEE, as an original sponsor of the Even Start Act. It has been a pleasure working with him on this legislation, which I think takes a well-targeted shot at a dual problem in this country—adult illiteracy and educational disadvantage of young children.

I am excited about this bill because it is one piece of a comprehensive approach we need to take to lowering the dismal illiteracy rate in America. To do that, we have got to focus on adult basic education and the range of education and job training options that must be open to functionally illiterate adults. We have got to catch those people who have fallen through the cracks in learning to read and to function in our complex technological world.

But we have got to focus on the children as well, before they fall through the cracks. I heard recently that 18 percent of preschool children in this Nation live in poverty. That means living with unemployed and underemployed parents. That means living in and out of the welfare system. And that very often means living in a home where the parents and the adults lack the skills to prepare children for school, much less be active partners in their schooling and learning through the years.

Without intervention, in this case early intervention and prevention, the cycle goes on. The result is the drop out, another generation of poverty, illiteracy, unemployment, and welfare dependence. And another lost resource for this country.

The Even Start Act would demonstrate innovative and effective ways to draw adults with the greatest educational needs into adult basic education through a range of services to enable them to enhance their young children's readiness and achievement in school. At the same time, the 2- to 7-year-old children whose parents participate gain from what their parents learn.

We worked to make this legislation a strong counterpart to what Head Start does to involve parents of children in that program in their child's education and to encourage the parents to further their own schooling. We have the documented results of Head Start's success in parental involvement, and ultimately the child's gains in school, staying in school, staying out of drugs and out of trouble, and avoiding teen pregnancy. What a bonus it would be if we could demonstrate, in the Adult Basic Education Program, a complementary effort to reach parents through their interest in their children and to teach children through what their parents learn in adult education.

The provisions of this legislation tightly focus on the parents of children in the critical preschool and primary grade years. The demonstrations will be conducted in the areas of highest poverty and Chapter I eligibles. The applicants must show that they can provide the outreach, linkage with relevant programs like Head Start and Chapter I, and comprehensive network of services, including transportation and day care, that will enable the participating adults and their children to benefit. Most importantly, these demonstrations will include activities in the home to promote the skills the parents need to assist in their children's readiness and learning, as well as their own.

As I said, an even start is just one piece of a network of actions we need to take to tackle adult illiteracy. Recently, Senator SPECTER and a number of others from both sides of the aisle introduced legislation aimed at another aspect of the same problem—the dropout Prevention and Reentry Act of 1985. Although I did not join in sponsoring this particular measure, I fully support its intent and thrust, and would like to work with the sponsors of the bill toward an effective study and demonstration of dropout prevention strategies.

I would also like to mention that legislation I joined Senator LEVIN in sponsoring—the Intergenerational Education Volunteer Network Act of 1985, S. 1022—forms another part of the network of programs we need to get children off to a sound start in school and prevent their dropping out or leaving school illiterate. This bill would authorize demonstrations of model programs involving older Americans as one-on-one tutors of children participating in Chapter I to increase their competency in the basic skills. Foster Grandparents have been a great bonus and resource in our schools. To offer our most needy and high risk children this opportunity for individualized help in school, as well as closer relationships and better understanding of the elderly, is again, a double bonus.

As we build our network of illiteracy and dropout prevention programs, we cannot forget that continuing support of the programs that are in place and working—Head Start, Chapter I, vocational and adult education, migrant education—is the key. These programs form the solid foundation for our effort.

Again, I would like to thank Senator CHAFEE for allowing me to work with him on this bill, and I look forward to continuing this work with him, and my other distinguished colleagues, who are all seeking effective answers to these urgent problems facing us.

By Mr. BOREN (for himself and Mr. NICKLES):

S. 1724. A bill to authorize the Cherokee Nation of Oklahoma to design and construct hydroelectric power facilities at W.D. Mayo lock and dam; to the Select Committee on Indian Affairs.

HYDROELECTRIC POWERPLANT CONSTRUCTION BY THE CHEROKEE NATION OF OKLAHOMA

Mr. BOREN. Mr. President, I rise today to introduce legislation that will authorize the Cherokee Nation to design and construct the addition of hydroelectric generating facilities to the W.D. Mayo lock and dam near Sallisaw, OK. The financing, engineering design, and actual construction of the addition will be accomplished by the Cherokee Nation of Oklahoma. The design and construction will be approved and inspected by the U.S. Army Corps of Engineers. At the completion of construction, the Corps of Engineers will own, operate, and maintain the facilities.

Under this legislation, the Southwestern Power Administration will market the power produced at the facilities in accordance with section 5 of the 1944 Flood Control Act. The Southwestern Power Administration will be authorized to repay the Cherokee Nation the costs incurred for design and construction only after completion of the facilities and revenues can be realized from the sale of power.

The Cherokee Nation is striving to broaden their business base in a depressed geographical area and in what can only be described as a depressed regional economy. For these reasons the development of hydroelectric power on the Arkansas River makes sense as a tribal development.

The nation is prepared to bring 100 percent of the financing to the table to facilitate developing these facilities at the Mayo lock and dam. It is their intent to keep within the administration's water project financing and cost-sharing policies.

Given the existing situation on the Arkansas River, with the corps' ownership and operation of all the locks, dams, and hydroelectric generation facilities within a reasonable distance up and down the river from W.D. Mayo, it appears that the public interest would best be served by the corps' operation of the hydroelectric facility at the Mayo site. This would result in the most efficient management and operation of this water resource, as well as maximum compatibility with the existing system. Also, utilizing the existing infrastructure would negate the need to hire and train additional personnel, or construct new power lines.

As has been stated, it is the Cherokee Nation's intent to provide the financing and development of the project in return for a reasonable royalty. This project will provide, in the near term, much needed jobs in northeastern Oklahoma. Most importantly though, the income stream from this project will enhance the possibility of tribal independence from Federal subsidy programs. I applaud the efforts of the Cherokee Nation to expand their capabilities and I ask my colleagues to join with me in support of their efforts.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Notwithstanding any other provision of law, the Cherokee Nation of Oklahoma is hereby authorized to design and construct the addition of hydroelectric generating facilities to the W.D. Mayo Lock and Dam on the Arkansas River in Oklahoma that is described in the report of the Chief of Engineers dated December 23, 1981, if the agreement described in subsection (b) is executed by all parties described in subsection (b).

The Secretary of the Army, acting through the Army Corps of Engineers, and the Secretary of Energy, acting through the Southwestern Power Administration shall enter into a binding agreement with the Cherokee Nation of Oklahoma under which—

(1) the Cherokee Nation of Oklahoma agrees—

(A) to design and initiate construction of the generating facilities referred to in subsection (a) within 3 years after the date of such agreement,

(B) to reimburse the Secretary of the Army for the costs incurred by the Army Corps of Engineers in—

(i) approving such design and inpecting such construction, and

(ii) providing any assistance authorized under subsection (c)(2),

(C) to release and indemnify the Federal Government from any claims, causes of action, or liability which may arise from such design or construction, and

(2) the procedures and requirements for approval and acceptance of such design and construction are set forth,

(3) the rights, responsibilities, and liabilities of each party to the agreement are set forth, and

(4) the amount of the payments under section 2(b), and the procedures under which such payments are to be made, are set forth.

(c)(1) No Federal funds may be expended for the design or construction of the generating facilities referred to in subsection (a) prior to the date on which such facilities are accepted by the Secretary of the Army under subsection (d).

(2) Notwithstanding any other provision of law, the Secretary of the Army, through the Army Corps of Engineers is authorized to provide, on a reimbursable basis, any assistance requested by the Cherokee Nation of Oklahoma in connection with the design or construction of the generating facilities referred to in subsection (a).

(d) Notwithstanding any other provision of law, upon completion of the construction of the generating facilities referred to in subsection (a) and final approval of such facilities by the Secretary of the Army—

(1) the Cherokee Nation of Oklahoma shall transfer title to such facilities to the United States, and

(2) the Secretary of the Army shall—

(A) accept the transfer of title to such generating facilities on behalf of the United States, and

(B) operate and maintain such facilities through the Army Corps of Engineers.

SEC. 2. (a) The Southwestern Power Administration shall market the excess power produced by the generating facilities referred to in section 1(a) in accordance with section 5 of the Act of December 22, 1944 (58 Stat. 890; 16 U.S.C. 825s).

(b) Notwithstanding any other provision of law, the Secretary of Energy, through the Southwestern Power Administration, is authorized to pay to the Cherokee Nation of Oklahoma, in accordance with the terms of the agreement entered into under section 1(b), out of the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the United States Army Corps of Engineers and marketed by the Southwestern Power Administration—

(1) all of the costs incurred by the Cherokee Nation of Oklahoma in the design and construction of the generating facilities referred to in section 1(a), including the capital investment in such facilities and interest on such capital investment, and

(2) for a period not to exceed 50 years, a reasonable annual royalty for the design and construction of the generating facilities referred to in section 1(a).

(c) Notwithstanding any other provision of law, the Secretary of Energy, through the Southwestern Power Administration, is authorized—

(1) to construct such transmission facilities as necessary to market the power produced at the generating facilities referred to in section 1(a) with funds contributed by non-Federal sources, and

(2) to repay those funds, including interest and any administrative expenses, directly from the revenues from the sale of power produced by the generating facilities of the interconnected systems of reservoirs operated by the United States Army Corps of Engineers and marketed by the Southwestern Power Administration.

SEC. 3. There are authorized to be appropriated for the fiscal year in which title to the generating facilities is transferred and accepted under section 1(d), and for each succeeding fiscal year, such sums as may be necessary to operate and maintain such facilities and to market the power from such facilities.

SEC. 4. (a) Notwithstanding section 7871, section 103(m), and any other provision of section 103 of the Internal Revenue Code of 1954 (except subsections (c) and (j) of section 103 of such code), any obligation issued by the Cherokee Nation of Oklahoma, substantially all the proceeds of which are used to design or construct the generating facilities referred to in section 1(a), shall be treated as an obligation described in section 103(a)(1) of such Code for all purposes of such Code.

(b) No provision of law shall affect the applicability of subsection (a) unless such other law specifically cites subsection (a).

Mr. NICKLES. Mr. President, I am pleased to join with Senator BOREN in introducing legislation which would authorize the Cherokee Nation to finance, design, and construct hydroelectric generating facilities at W.D. Mayo Lock and Dam No. 14 near Sallisaw, OK. This plant will add needed low-cost power to the Southwest Federal Power System in the shortest possible timeframe and will benefit the Cherokee Nation by providing re-

sources for employment, better educational opportunities, and other facilities for the economic advancement of tribal members.

This system would be constructed through financing provided by the Cherokee Nation in cooperation with the U.S. Army Corps of Engineers, who would own, operate, and maintain the facility. I want to stress that no Government funds would be used for initial construction of the project.

The marketing of the power would be performed by the Southwest Power Administration, in accordance with section 5 of the 1944 Flood Control Act. The SWPA would reimburse the Cherokee Nation for all project costs along with a reasonable annual royalty for the design and construction of the system. Annual operating, maintenance, replacement, and marketing expenses incurred after facilities are operational would be funded through congressional appropriations and would be repaid by the SWPA with revenues resulting from the sale of power.

This approach to the operational and marketing aspects of the project in cooperation with the existing Federal infrastructure, without the expense of having to add extra personnel or facilities, is in the highest interests of the administration's Federal/non-Federal cost-sharing goals. Moreover, in the near term, the project will provide much needed jobs in northeastern Oklahoma as well as schools and other activities and facilities that will improve the overall tribal condition. Above all, it will greatly further the possibility of tribal independence from Federal subsidy programs.

This project is an excellent example of initiative to attain self-sufficiency on the part of the Cherokee Nation. I urge my colleagues to join me in supporting this highly worthy effort to utilize our Nation's resources while improving the economic standing of Oklahomans in a traditionally depressed geographical area.

By Mr. BENTSEN (for himself, Mr. JOHNSTON, Mr. INOUYE, Mr. BURDICK, Mr. NUNN, Mr. HOLLINGS, Mr. MATSUNAGA, Mr. BRADLEY, Mr. LAXALT, Mr. QUAYLE, Mr. MCCLURE, Mr. THURMOND, and Mr. COCHRAN):

S.J. Res. 210. Joint resolution designating the week beginning on October 20, 1985, as "Benign Essential Blepharospasm Awareness Week"; to the Committee on the Judiciary.

BENIGN ESSENTIAL BLEPHAROSPASM AWARENESS WEEK

● Mr. BENTSEN. Mr. President, I am pleased to introduce today, along with 12 of my colleagues, a joint resolution designating the week beginning October 20, 1985 as "Benign Essential Blepharospasm Week."

Benign essential blepharospasm is a little understood, eye-related disease which causes uncontrollable spastic contractions of the muscles around the eye. While the disease is not fatal, it is progressive and can lead to functional blindness. As many as 500,000 Americans suffer from this debilitating disorder, yet neither the medical community nor the general public know very much about the illness. As a result, victims are often misdiagnosed or told that the problem is psychosomatic.

The Benign Essential Blepharospasm Foundation was formed in an attempt to heighten public awareness of blepharospasm, and is dedicated to discovering the cause and a cure for the disease. Part of its attention has been directed at generating a more widespread understanding of blepharospasm in the medical community. The Foundation recently helped arrange a conference at the National Institutes of Health to discuss the direction for future research on the disease. Scientists in attendance from around the country have begun submitting grant applications so that the search for the cause and a cure can begin in earnest.

In addition to sponsoring such activities, the Foundation has established support groups in every State in the Nation to encourage communication among persons afflicted with the disorder, and runs the only clearinghouse in the world for dissemination of information on blepharospasm. The Foundation has also been active in raising money from public and private sources to help support continued research.

I share with the Foundation and sufferers of blepharospasm the concern that we commit the resources necessary to conquer this disease. Designating a week to promote awareness of benign essential blepharospasm will lead to greater knowledge and understanding of the disease and hopefully an increase in medical research, with the result being on improvement in the ability of physicians to treat victims of blepharospasm.

Mr. President, I urge my colleagues to join us in support of this joint resolution.●

By Mr. DURENBERGER:

S.J. Res. 211. Joint resolution to provide for the designation of the week beginning October 6, 1985, as "National Sudden Infant Death Syndrome Awareness Week"; to the Committee on the Judiciary.

NATIONAL SUDDEN INFANT DEATH SYNDROME AWARENESS WEEK

● Mr. DURENBERGER. Mr. President, each day some 20 infants in the United States succumb while asleep to the sudden infant death syndrome, which is commonly called SIDS. Before it was called SIDS it was known to many as crib death. There is no warning and no reason to expect that any particular baby will die. But 7,000 of them do die each year in this country—7,000 apparently normal and healthy infants between the ages of 1 week and 1 year.

Little is known about this mysterious syndrome. It appears to be as old as recorded history, and it strikes every ethnic group, every social class, every economic stratum, every region of the world.

The death of any child is a senseless tragedy which can totally disrupt the lives of parents and siblings. But a SIDS death or crib death often results in unique and particularly traumatic problems for the families of victims. Because SIDS is not well understood and because it is not well known among the public, the families of SIDS victims can often find themselves suspected of child abuse or child neglect. Even when an autopsy results in a formal finding of SIDS as the cause of death, friends, neighbors, and relatives often remain confused and parents often suffer from feelings of guilt. This added anguish can be helped with counseling where needed, but it can be avoided if more people are aware of SIDS in the first place. It was this reason that Congress passed legislation in 1974 to provide for counseling projects and medical protocol in SIDS cases.

But SIDS cuts a wider swath. Because it is not well understood, it can cause panic among parents of any young children. A few years ago, for example, a brief news item concerning a possible link between SIDS and certain innoculations—a link which was disproved—caused many parents to insist that their children not be innoculated. More horrifying, a number of unscrupulous people have been know to capitalize on the ignorance about SIDS to peddle quackery.

Substantial progress has been made in the investigation of SIDS in the past few years. It is possible that we may soon be able to identify infants who appear particularly susceptible to this pernicious killer. Once identified, they can be closely monitored so that resuscitation is undertaken as soon as needed. But diagnosis and prevention remain only distant goals, and research must be supported with contributions.

In other words, there is a clear need for more awareness of the sudden infant death syndrome. Greater knowledge by the public can help the parents of victims to avoid added anguish. Just as important, it can prevent panic among other parents. Finally, it can stimulate the contributions needed for further research.

Mr. President, for the last 13 years I have known Dr. Ralph Franciosi, a young pathologist in Minneapolis. He

has dedicated his life at the Children's Health Center in Minneapolis to the study of SIDS, and to trying to spread knowledge, information, and a greater awareness among the public. But it was not until I received a phone call about 5 o'clock in the morning from one of my legislative assistants who said only, "Something terrible has happened. Our baby is dead," that I felt as a U.S. Senator that I had to take it upon myself to inform my colleagues about their obligations to spread the word and increase the awareness of sudden infant death syndrome.

This joint resolution is only part of that process. What we and others do with this resolution from here on out is what will help other parents to avoid the problems experienced every year by 7,000 parents in this country.

That is why I have introduced this joint resolution designating the first week of October as "National Sudden Infant Death Syndrome Awareness Week."

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 211

Whereas Sudden Infant Death Syndrome is a recognized disease entity which kills thousands of infants each year in the United States;

Whereas Sudden Infant Death Syndrome is the leading killer of infants between the age of one week and one year;

Whereas Sudden Infant Death Syndrome knows no boundaries of race, ethnic group, region, class, or country;

Whereas the victims of Sudden Infant Death Syndrome are babies who appear healthy but who nonetheless die without warning during sleep and nap time;

Whereas the parents and siblings of Sudden Infant Death Syndrome often suffer anguish because many people are unaware of the existence of the pernicious killer;

Whereas research is underway throughout the world to identify the causes and process of the syndrome and to treat infants who can be identified as potential victims; and

Whereas as increase in national awareness of the problem of Sudden Infant Death Syndrome may ease the burden of the families of victims and may stimulate interest in increased research into the causes and the cure of Sudden Infant Death Syndrome: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning October 6, 1985, is designated as "National Sudden Infant Death Syndrome Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate activities.●

By Mr. ARMSTRONG:

S.J. Res. 212. Joint resolution providing for the convening, whenever the legislatures of two additional States pass a resolution to hold such a convention of a constitutional convention for the purposes of proposing an amendment relating to the balancing of the Federal budget; to the Committee on the Judiciary.

BALANCED BUDGET CONSTITUTIONAL CONVENTION CONVENING RESOLUTION

● Mr. ARMSTRONG. Mr. President, for many years the people have recognized that a menace has been growing in Washington, DC, that threatens the fiscal stability of the Government and the economic well-being of every family in the Nation. The danger arises from massive spending programs that Congress has built into our State and Federal systems over the past 50 years which are now increasing at a faster rate than our economic growth and outpacing the people's ability to pay for them.

Despite the imminent danger of huge and mounting deficits, it is not the Congress that is leading the fight to reform the profligate spending programs that are now embedded in the fabric of American law, it is the people themselves! Just last year while we in the Congress fiddled and once again failed to control runaway Federal spending, Missouri became the 32d State to petition Congress to either initiate a Federal balanced budget amendment or to call a constitutional convention for that purpose.

This grassroots effort is mounting because of the economic instability we have experienced over the last decade and a growing conviction that many of our economic ills stem from skyrocketing Federal deficits. Certainly we have made progress in the last 3 years in important areas—inflation is down, unemployment is down, interest rates are down. However, ever-growing Federal deficits threatened to undermine our recovery, sapping the new vitality that we have worked so hard to attain.

While Congress has been vacillating, citizens across the country have been organizing a drive to call a constitutional convention to develop and pass a balanced budget amendment. In the last 9 years, 32 States have passed petitions calling for a convention and 11 States have passed them twice. It is becoming a reasonable expectation that the State legislatures will be forced, by the failures of Congress, to call for a constitutional convention to consider a balanced budget amendment and thereby project the United States into an unprecedented situation.

To put this into perspective, article V of the Constitution sets forth two methods of proposing amendments. One method allows two-thirds of both Houses of Congress to propose a constitutional amendment. Our Founding Fathers provided another means that could be used in the event that Congress fails to respond to serious national problems. The Constitution allows two-thirds of the State legislatures to petition for the calling of a constitutional convention. Historically, Congress has taken the lead in proposing amendments to the Constitution to be later ratified by State legislatures or by a State convention called for that purpose. However, for the first time since the adoption of our Constitution in 1778, it appears that a constitutional convention will be called before Congress passes an amendment to the Constitution.

Because Congress has an overriding obligation to preserve the integrity of the Constitution, it has now become imperative that Congress map out a procedure with necessary safeguards to guarantee that the Constitution is not weakened or destabilized by a constitutional convention. There has been considerable concern and debate about the likelihood of limiting the debate to a single purpose. However, there is a reasonable basis for believing that a constitutional convention can be limited to the consideration of the balanced budget amendment and that reasonable procedures can be established for calling the convention, selecting delegates, and setting up guidelines that can remove much of the doubt and uncertainty that surrounds the calling of such a convention.

A 1973 American Bar Association study of the convention method of amending the constitution concluded:

> Congress has the power to establish procedures limiting a convention to the subject matter which is stated in the applications received from the State legislatures.

Former Senator Sam Ervin, a well-respected advocate of a balanced budget once stated:

> Fear of a runaway convention is just a nonexistent constitutional ghost conjured up by people who are opposed to balancing the budget, because they want to be able to promise special groups something for nothing out of an empty pocketbook.

In addition, there are a number of safeguards in place to prevent a constitutional crisis from developing. For example; (1) Congress can advance its own amendment making the calling of a convention unnecessary—even though to date it has not done so; (2) it can refuse to submit nonconforming amendments to the States for ratification; (3) since the results of the convention must be ratified by three-fourths of the States, only 13 States can block the action of the convention; (4) and finally, Congress can set up the procedures on how the convention conducts itself.

I would prefer to see Congress pass a balanced budget amendment before the final two States pass petitions. However, the immediacy of the situation requires that Congress address the legitimate concerns of how a constitutional convention should be orga-

nized and conducted in an orderly manner. Our $200 billion deficit has placed the fiscal stability of the U.S. Government in sufficient immediate jeopardy that we now do not have the luxury of time for drawn-out court proceedings on questions such as the validity of the petitions received and limiting the convention's activity to a single issue.

Today, I am introducing a balanced budget constitutional convention convening resolution to set forth the procedures of such a convention. An identical measure is being introduced in the House by Congressman KEN KRAMER, who has done the primary work on this proposal and deserves great credit for pulling it together. This measure is an historic first from this standpoint. This is the first time legislation had been introduced to carry out a single-purpose convention. It is also the first bill to specifically establish a timetable for the call of a convention.

This legislation would:

Declare the 32 State petitions already received to be valid and contemporaneous under the terms established in article V of the Constitution.

Establish an automatic mechanism for determining the validity of any new petitions.

Clearly limit the scope of the convention so it could only deal with the subject of drafting a balanced budget amendment.

Call for the balanced budget convention to be convened in Philadelphia within 180 days after the 34th application is determined valid.

Provide for selection and compensation of convention delegates, and describe their duties.

Limit the duration of the convention to 120 days.

Provide for ratification by State legislatures.

I do not personally favor a constitutional convention. But Congress cannot continue to neglect the concerns of the American people over the growing deficit and the future of our economy. This measure is designed to force Congress to approve a balanced budget amendment by in effect giving Congress an ultimatum—either act now or have a constitutional convention automatically convened if two more State petitions are received for a constitutional convention.

This is a time for the same quality of leadership and vision that was displayed by our Founding Fathers when they drafted the Constitution itself. There are uncertainties now, but nothing compared to the atmosphere in which those early visionaries completed their historic achievement. Now it is our turn to measure up to the demands of history.●

ADDITIONAL COSPONSORS

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 554

At the request of Mr. ROTH, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 1209

At the request of Mr. CHILES, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1250

At the request of Mr. HEINZ, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1259

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1325

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1325, a bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid Programs.

S. 1414

At the request of Mr. BENTSEN, the name of the Senator from Colorado [Mr. HART] was added as a cosponsor of S. 1414, a bill to provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counterterrorist capabilities of the Bureau.

S. 1427

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 1427, a bill to prohibit the suspension of an employee's benefit accrued under a retirement plan solely because of age before accruing the maximum normal retirement benefit.

S. 1450

At the request of Mr. HEINZ, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1450, a bill to prohibit the Secretary of Health and Human Services from changing reimbursement levels or methodologies for home health services under the Medicare Program prior to October 1, 1986, or during a freeze period.

S. 1542

At the request of Mr. MCCLURE, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1542, a bill to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.

S. 1652

At the request of Mr. HEINZ, the names of the Senator from Michigan [Mr. LEVIN] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 1652, a bill to amend the Internal Revenue Code of 1954 to make permanent the exclusion for amounts received under qualified group legal services plans.

S. 1679

At the request of Mr. GRASSLEY, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 1679, a bill to strengthen provisions of the law that provide safeguards when imports threaten to impair the national security.

S. 1692

At the request of Mr. STEVENS, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1692, a bill to amend title 39, United States Code, to postpone the scheduled increase in postage rates for nonprofit and certain other mailers until January 1, 1986 and for other purposes.

SENATE JOINT RESOLUTION 34

At the request of Mr. QUAYLE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Joint Resolution 34, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week."

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February,

1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 102

At the request of Mr. ZORINSKY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Joint Resolution 102, a joint resolution to establish a National Commission on Illiteracy.

SENATE JOINT RESOLUTION 190

At the request of Mr. ROTH, the names of the Senator from Kansas [Mr. DOLE], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New York [Mr. MOYNIHAN], and the Senator from New Hampshire [Mr. HUMPHREY] were added as a cosponsors of Senate Joint Resolution 190, a joint resolution to establish greater productivity in Federal Government operations as a national goal of the United States.

SENATE JOINT RESOLUTION 195

At the request of Mr. KASTEN, the names of the Senator from Illinois [Mr. SIMON], the Senator from North Carolina [Mr. EAST], the Senator from Massachusetts [Mr. KERRY], the Senator from Idaho [Mr. MCCLURE], the Senator from Georgia [Mr. NUNN], and the Senator from Indiana [Mr. QUAYLE] were added as a cosponsors of Senate Joint Resolution 195, a joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week."

SENATE JOINT RESOLUTION 208

At the request of Mr. COCHRAN, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Joint Resolution 208, a joint resolution to designate the week of October 27, 1985 through November 2, 1985, as "National Alopecia Awareness Week."

SENATE CONCURRENT RESOLUTION 39

At the request of Mr. DODD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Concurrent Resolution 39, a concurrent resolution expressing the support of the Congress for Costa Rica's neutrality and urging the President to support such neutrality.

SENATE CONCURRENT RESOLUTION 68

At the request of Mr. DURENBERGER, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Pennsylvania [Mr. HEINZ], the Senator from California [Mr. WILSON], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as a cosponsors of Senate Concurrent Resolution 68, a concurrent resolution expressing support for Chile's National Accord for the Transition to Full Democracy.

SENATE CONCURRENT RESOLUTION 71

At the request of Mr. WEICKER, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Texas [Mr. BENTSEN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Florida [Mr. CHILES], the Senator from Mississippi [Mr. COCHRAN], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Missouri [Mr. EAGLETON], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from California [Mr. WILSON], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Hawaii [Mr. INOUYE], the Senator from Michigan [Mr. LEVIN], the Senator from Maryland [Mr. MATHIAS], the Senator from Montana [Mr. MELCHER], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maine [Mr. MITCHELL], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], the Senator from Indiana [Mr. QUAYLE], the Senator from Michigan [Mr. RIEGLE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], the Senator from Mississippi [Mr. STENNIS], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Concurrent Resolution 71, a concurrent resolution to commemorate the accomplishments of Public Law 94-142 The Education for All Handicapped Children Act on the 10th anniversary of its enactment.

SENATE RESOLUTION 96

At the request of Mr. GOLDWATER, the names of the Senator from Colorado [Mr. ARMSTRONG], the Senator from Montana [Mr. BAUCUS], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Alabama [Mr. DENTON], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nebraska [Mr. EXON], the Senator from Texas [Mr. GRAMM], the Senator from Colorado [Mr. HART], the Senator from Utah [Mr. HATCH], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Hawaii [Mr. INOUYE], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KERRY], the Senator from Nevada [Mr. LAXALT], the Senator from Michigan [Mr. LEVIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Georgia [Mr. MATTINGLY], the Senator from Georgia [Mr. NUNN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Mississippi [Mr. STENNIS], the Senator from Alaska [Mr. STEVENS], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Resolution 96, a resolution relating to the centennial observance of the University of Arizona.

SENATE RESOLUTION 222

At the request of Mr. DODD, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Resolution 222, a resolution expressing the support of the Senate for the agreement by opposition political parties in Chile calling for a transition to full democracy in that country, and for other purposes.

SENATE RESOLUTION 236—AUTHORIZING TESTIMONY OF A SENATE EMPLOYEE

Mr. DOLE (for Mr. KASTEN) submitted the following resolution; which was considered and agreed to:

S. RES. 236

Whereas, in the case of *United States* v. *Amy Walls, et al.*, Petty Offense Violation No. J0027221/WE40, pending in the United States District Court for the Eastern District of Wisconsin, the defendants have obtained a subpoena for the appearance of David Krahn, Senator Bob Kasten's State Director;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate. Now, therefore be it

Resolved, That David Krahn is authorized to appear and testify in the case of *United States* v. *Amy Walls, et al.*, except concerning matters which may be privileged.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has rescheduled the oversight hearing it previously had scheduled for September 24, 1985. The hearing now will be held on Friday, October 18, 1985, at 9 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

Testimony will be received on innovative approaches in industrial energy efficiency. Those wishing to testify or submit a written statement for the hearing record should write to the Subcommittee on Energy Regulation

and Conservation, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510.

For further information regarding this hearing, please contact Mr. Al Stayman, 202-224-2366.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a business meeting on Wednesday, October 2 at 1:30 p.m., in room SD-342. Under consideration will be civil service pension reform legislation, presidential libraries legislation and the nomination of Bill Colvin for inspector general at the National Aeronautics and Space Administration and Barbara Mahone for Chairman of the Special Panel on Appeals. For further information, please contact the committee office at 224-4751.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON AVIATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Aviation of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, October 1, to conduct a meeting on aviation safety.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ORANGE COUNTY AFRICAN RELIEF FUND

● Mr. KENNEDY. Mr. President, over the past year, as we all know, there has been an extraordinary outpouring of support from the American people in behalf of the famine relief efforts in Africa. Thanks to the contributions of millions of Americans across our country, we have been the leader in offering a helping hand to Africa.

There have been countless individual efforts, large and small, to raise funds for the relief programs of the voluntary and church agencies working in the field. They prove, once again, that an individual can make a difference.

An example of this was the action last year by two students at the University of California at Irvine to organize a fast to raise funds for Oxfam/America's relief program in Ethiopia, Sudan, and other areas of Africa.

Reading about the efforts of these students inspired David Stein and Barry Brief, partners in an Orange County land development company, to ask their friends and business associates to contribute as well. The fund jumped from $3,000 to $30,000 in only a few days. What began as a 1-day fast had blossomed into a countywide fundraising effort referred to as the Orange County African Relief Fund.

Contributions from hundreds of individuals and businesses pushed the amount of the fund over the $100,000 mark by the end of January 1985. A $100,000 donation made jointly by the Ahmanson Foundation and Fieldstead & Co., in June 1985 increased the total amount raised for the fund to over $200,000.

They have now announced that the Orange County African Relief Fund will sponsor an annual fundraising event in conjunction with the "Fast for a World Harvest" program conducted by Oxfam America during the week prior to Thanksgiving. The fund has been endorsed by the Orange County Board of Supervisors, the Orange County Chapter of the National Conference of Christians and Jews, and several Orange County municipalities.

Mr. President, I want to commend them for their outstanding efforts and to share with my colleagues some articles describing their work in behalf of African famine relief over this past year. I ask that they be printed in the RECORD.

The articles follow:

[From the Los Angeles Times, Nov. 23, 1984]

FASTERS FEAST ON FULFILLMENT

UCI STUDENTS RAISE $32,138 TO HELP FEED THE WORLD'S HUNGRY

(By Susan McCallum)

When Johannes Von Vugt told people he wanted to raise $10,000 to help feed the world's starving people, they told him he was being unrealistic and would be lucky to raise $200.

But he and five friends, all fellow students at UC Irvine, refused to eat until they got what they wanted.

Wednesday, when Von Vugt collected the 32,138th dollar since the fast began last Thursday, he hugged the other fasters and congratulated them on reaching their goal in time for Thanksgiving.

"Once they knew we meant business, the people who said we could only make $200 made us a sign to show how much we accumulate," Von Vugt, a 30-year-old graduate student, said between bites of his first meal in a week. "They realized we had conviction and would go through with it to the end."

Several corporations had promised the fasters that once private donations reached $10,000, the companies would add to—and in one case match—the total.

Von Vugt and Allen Affeldt, 24, camped in the school quad as they fasted to draw attention to their fund-raiser, which benefited Oxfam America, a nonprofit international relief agency.

"The first two days were the worst. We had headaches and felt really weak," Affeldt said. "But after that, your metabolism shifts and you don't feel the food loss so strongly." After the first two days, he said, "you're always cold, even during the day. We'd have jackets and three layers of clothes on and we'd still be shivering. But friends could come by and hug us and tell us how good we were doing, and that made us feel better."

The fasters, who included students Jon Hanson, Genny Grisham, Brian Moffat and Dorit Ilani, reached their goal Wednesday afternoon, when Huntington Beach High School students pitched in $700 they raised from classmates.

Anne Reinhart, leader of the club that conducted the high school fund drive, said the group, Doors to New Generations, is "trying to bring back the human interest of the '60s, when people really cared about each other, instead of the economic world of the '80s, when people only worry about how much money they make."

The fasters, who were advised by a doctor to drink apple juice and nutritional drinks after the fifth day of the fast, ate chicken broth with rice Wednesday and said they would increase their food intake that night and today, culminating in Thanksgiving dinner.

After the goal was reached, David Stein, president of Stein-Brief Group, a Laguna Niguel construction and development firm, presented $10,000 from his company and several checks from other Orange County corporations.

"We were concerned about the plight of the Africans, but we didn't know what we could do about it," Stein said. "By supporting these people, we could double the importance of what we did, and it made us feel twice as good."

Other Orange County corporations that contributed are the R.E. Needham and Associates real estate firm ($4,500), Arthur Young accounting firm ($1,000), Bobbie Gee corporate image consultants ($500), Henry Segerstrom of Segerstrom and Sons ($500), and Kerr and Associates public relations and advertising firm ($250).

[From the Daily Pilot, Nov. 23, 1984]

UCI PAIR REMIND US WE OWE DEBT TO LESS FORTUNATE

When you counted your blessings yesterday, perhaps you remembered Allan Affeldt and Johannes Van Vugt. These two have done as much for the spirit of Thanksgiving as the Pilgrims.

Affeldt and Van Vugt, graduate students at UC Irvine, began a fast last week to call attention to the fact that people around the world are starving to death. They asked for monetary donations to be channeled through a relief organization to feed the hungry and vowed not to eat until they had raised $10,000.

The response was heartwarming. As word spread, contributions grew. At least on paper, the goal was reached early this week when the the Stein-Brief Group—a Laguna business—pledged to match whatever amount of money Affeldt and Van Vugt raise. The total when the fast ended Wednesday was more than $30,000.

It is hard to realize, as we eat our fill of turkey and stuffing and pumpkin pie, that thousands of humans are dying of starvation daily in Ethiopia. It is difficult to imagine those people as our brothers and sisters, as our neighbors, as members of the same global community we inhabit.

But committed people like Affeldt and Van Vugt remind us that we are not helpless and we need not be careless. We can do something significant for people who desperately need relief from the ravages of drought or overpopulation or barren soil. We can, simply by donating some money, make a difference. We can, simply by caring about other people, make the world a better place in which to live.

It's easy to forget our ties to the less privileged. It's good to be reminded that we can do something important.

Affeldt and Van Vugt deserve our thanks for reminding us.

[From the Irvine World News, Jan. 31, 1985]

OC RELIEF FUND RAISES $100,000 FOR ETHIOPIA

The Orange County African Relief Fund has surpassed its goal to raise $100,000 for the starving people of Ethiopia, it was announced by Chris Townsend, spokesman for the relief fund.

"We have topped our goal, but we're not going to let the momentum slow down," said Townsend. "We plan to issue a challenge to the neighboring counties of Los Angeles, Riverside and San Diego to match the total raised by Orange County."

The fundraising campaign culminated in a black-tie dinner at the Hotel Meridien Newport Beach on Jan. 23. Guests attending the dinner donated $2,500 per couple to the relief fund, bringing the current total to $102,807.

State Senator John Garamendi, who recently returned from a tour of Ethiopia, was guest speaker at the dinner. Garamendi discussed how the funds are being put to use, and the impact they have had on the famine-stricken nation.

The dinner was hosted by David Stein, president of the Stein-Brief Group, and his partner Barry Brief.●

THE WORKMEN'S CIRCLE

● Mr. MOYNIHAN. Mr. President, the Workmen's Circle is an important advocate of Jewish rights and the civil rights of all peoples. Headquartered in New York, this organization celebrates its 85th anniversary this year. Since its inception, the Workmen's Circle has worked to encourage democratic goals and increase public awareness for issues of human freedom.

Among the many well-wishers joining in the Workmen's Circle's 85th anniversary celebration, Gov. Mario M. Cuomo of New York sent a particularly inspiring message, and I ask that the text of Governor Cuomo's letter be printed in the RECORD following my remarks.

STATE OF NEW YORK,
Albany, July 31, 1985.

Dr. BARNETT ZUMOFF,
President, the Workmen's Circle,
New York, N.Y.

DEAR DR. ZUMOFF: It gives me great pleasure to extend greetings to all gathered to celebrate the 85th anniversary of the Workmen's Circle.

The Workmen's Circle has played and continues to play a very prominent role in the American Jewish community. Since its founding in 1900 as a self-help organization, the Circle has been a champion of strengthening democratic institutions and programs seeking to establish an atmosphere of true freedom based on human dignity.

Congratulations on this auspicious occasion, and may you have continued success in all your endeavors.

Sincerely,

MARIO M. CUOMO.●

THE GATT DISPUTE SETTLEMENT PROCESS

● Mr. WILSON. Mr. President, I wish to have the text of my letter to Kenneth R. Mason, Secretary of the International Trade Commission, printed at an appropriate place in the RECORD.

The information contained within the letter may be useful to my colleagues involved with international trade issues. In addition, my comments are relevant to the "Fair Access to Foreign Markets Act," S. 1370, which I introduced in the Senate on June 27, 1985.

The letter follows:

U.S. SENATE,
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, September 26, 1985.

Hon. KENNETH R. MASON,
Secretary, International Trade Commission,
Washington, DC.

DEAR SECRETARY MASON: I am writing to you regarding the Section 332 study requested by the Committee on Finance of the U.S. Senate to review the effectiveness of trade dispute settlement under the GATT and Tokyo Round agreements.

I commend the Senate Finance Committee for requesting this important and timely study. As a member of the Senate Committee on Agriculture, Nutrition, and Forestry, I am fully aware of the difficulties involved in dispute settlement procedures under the GATT—in particular our inability to resolve several long-standing Section 301 unfair trade cases.

Throughout the past decade, the European Economic Community has repeatedly rebuffed extensive U.S. efforts to resolve these matters through bilateral consultations and multilateral negotiations, as well as through consultation under the provisions of the GATT.

California's agricultural industry, including producers of canned fruit, raisins and citrus, has long endured financial hardship because of the EEC's unfair trade and subsidy practices and its disregard for the GATT dispute settlement process. Fair restitution under the dispute settlement process of the GATT has also been denied to producers of wheat flour, pasta and poultry.

Investigatory panels, established by the GATT to review separately each of the United States complaints, concluded that EEC subsidies and discriminatory tariffs had nullified and impaired rights of U.S. exporters and were in violation of the GATT. The panels recommended that the EEC take steps necessary to rectify these situations. The EEC has effectively and repeatedly prevented adoption by the GATT of each of these reports, most recently the favorable report involving the fifteen-year old citrus complaint.

The citrus 301 case best illustrates the futility of the GATT dispute settlement process. The GATT investigatory panel took extra care to make pragmatic recommendations to resolve the dispute. In December 1984, the GATT panel found that EEC tariff preferences on fresh oranges and lemons from the Mediterranean region nullify or impair previous U.S. tariff concessions, denying U.S. citrus growers access to a $50 million market and causing adverse trade effects for the U.S. The panel did not, however, find the EEC's preferential arrangements to be a violation of the GATT. To remedy the situation, the panel recommended that the EEC simply reduce the Most-Favored-Nation (MFN) duty it assesses. Nevertheless, the European Community will not accept the citrus panel's findings because if fears that these findings will set a dangerous precedent for continued operation of its preferential tariff system with the Mediterranean countries.

The citrus case remains unresolved. Although a truce has been arranged in the "pasta war" that was precipitated by the EEC's intransigence and retaliatory actions, it still is not clear whether the EEC will come to the negotiating table at the end of October, which is the agreed upon deadline for resolution of the dispute, with an acceptable settlement for American citrus producers.

Another deadline of December 1, which was established by President Reagan in a recent speech, is quickly approaching for resolution of the canned fruit subsidies 301 case. The choice of the canned fruit subsidies case is meant to warn the EEC that the United States will not tolerate further delays in GATT dispute settlements. While this is a commendable stance, it is long overdue. In June of this year, I introduced the "Fair Access to Foreign Markets Act" which would require the President to take all appropriate and feasible action to ensure prompt and satisfactory resolution of all Section 301 complaints currently pending before the GATT. In addition, the bill provides that the U.S. will withdraw additional concessions to counter any EEC retaliatory action and rebalance the level of concessions in U.S.-EEC trade.

If international dispute settlement procedures actually produced solutions, this type of legislation would not be necessary. Until the effectiveness of the dispute settlement process is improved, then, in my opinion, such legislation is essential.

Multilateral cooperation in solving unfair international trade disputes should still be our long-term goal. As a result, the ITC in its study to determine the effectiveness of trade dispute settlement has a timely and realistic opportunity to make recommendations to change and improve the system.

In my opinion, there are two major areas of weakness in the dispute settlement process: the amorphous standards of international trade currently in place and the lack of clarity in the powers and responsibilities of GATT panels.

The first problem is in the Subsidies Code produced in the Tokyo Round of multilateral negotiations. A major problem with the Code is the unclear standards it sets for allowed use of subsidies, particularly for agricultural export subsidies. For agricultural products, the Subsidies code reaffirms provisions of the GATT by saying export subsidies are permitted, but may not be used to gain more than an equitable share of the world export trade or to undercut world prices.

It is the term "equitable share of the world market" that creates problems. Many GATT members—and foremost among them our European competitors—do not agree on what constitutes an equitable share of the market or whether any market share gained through subsidies is necessarily inequitable. When standards are as loosely defined as for agricultural export subsidies in the Code, it becomes unrealistic to expect an offending party to accept dispute settlement findings based on such subjective definitions.

I understand that the GATT Committee on Trade in Agriculture (CTA) is attempt-

ing, rather unsuccessfully, to strengthen and improve GATT agricultural rules as a basis for future efforts to secure trade liberalization. The U.S. proposal for a general prohibition on the use of subsidies—subject to clearly defined and limited exceptions, along with improvements in existing rules—is a commendable, although perhaps unrealistic, position. However, the EEC's desire only to "clarify" existing rules on export subsidies, rather than to rewrite them, does not offer much hope for consensus. Moreover, the EEC has indicated that it is not prepared to give up its rights to subsidize agricultural exports as long as these subsidies do not lead to more than an equitable share of the market for the exporter.

The Subsidies Code could be a useful tool in the dispute settlement process, or in limiting future unfair trade practices, if the problems created by agricultural export subsidies could be overcome. Strengthening the Subsidies Code for agriculture should be a priority in the ITCs's recommendations.

The second major area of weakness in the GATT dispute settlement process involves the purpose of GATT panels, themselves. This fundamental philosophical question underlies any future changes in the GATT dispute settlement process: Is it to be a consultative, conciliatory process or will the Contracting Parties agree to abide by decisions made through arbitration and sanction powers granted to the GATT?

GATT panel procedures are often perceived as ineffective because panelists regard their role more as conciliation than arbitration. A more clearly defined arbitration role, with commensurate powers to impose GATT-sanctioned retaliation or compensation, would begin to make the dispute settlement process more effective. Under the present system, GATT-sanctioned economic pressures are rarely brought to bear in an unfair trade case because the GATT investigatory panel reports setting forth recommended sanctions can be vetoed by any one member of the GATT, including the violating country.

One practical change the ITC could explore involves the procedure by which GATT panel reports are adopted. Rather than strict consensus, perhaps consensus minus the vote of the disputants is a viable option. While the non-voting countries could still attempts to persuade their allies to block adoption of a report, the habitual blocking of panel reports, to which we have become accustomed, would be made more difficult. A voting procedure requiring something less than unanimity should also be explored. I would recommend that the ITC's study and recommendations focus upon and attempt to resolve this problematic area.

I fully realize that a move towards a more definitive role for GATT panels is not universally shared. For example, the EC often contends that the GATT cannot be compared to a court. They argue that it is a contract between ninety separate countries which still retain their national sovereignty. The EC feels GATT panel reports should be taken as a basis for consultation and further negotiaton—"not as decrees from some imaginary world court." Technically, this may not be an incorrect interpretation; however, until participants agree on the purpose and powers of the GATT process, we cannot expect dispute settlement to work.

In addition to these two areas, I would hope that the ITC in making its recommendations will also consider the monetary effects that years of subsidized competition and GATT dispute settlement failures have had on U.S. producers and exporters: citrus producers have lost an estimated $48 million per year due to the EEC's preferential tariffs; canned peach exporters have seen their exports to the EEC dwindle from $6 million in 1981 to $126,000 in 1984; and poultry exports to the Middle East valued at $47 million in 1980 plummeted to less than $340,000 by the end of last year.

The time has come for substantive changes in the international dispute settlement process, not only to make it work for the victims of unfair trade practices, but to give the multilateral approach to resolving differences one more chance before individual nations are left no choice but to deal with unfair trade through unilateral or retaliatory actions.

Sincerely,

PETE WILSON.●

SUPERFUND IMPROVEMENT ACT OF 1985—S. 51

● Mr. DODD. Mr. President, I rise in strong support of the Superfund Improvement Act of 1985. This legislation, S. 51, embodies the Federal Government's continuing commitment to protect the health of our citizens and the quality of our environment from the dangers posed by thousands of abandoned toxic waste sites throughout the Nation.

In 1980, Congress first enacted the Comprehensive Environmental Response, Compensation, and Liability Act, which later became known as Superfund. This legislation was the product of a long and deliberative process, during which Congress and the Nation as a whole became painfully aware of the great threat which abandoned hazardous waste sites posed to human health and safety. The legacies of Love Canal and Times Beach made us realize that our quality of life could instantly be destroyed by chemical hazards beyond our control.

The 1980 Superfund law authorized a 5-year, $1.6 billion program to clean up releases of hazardous substances, pollutants, and contaminants. The principles of that law were simple and straightforward and from the foundation for the reauthorizing legislation: When those who create waste sites can be found, the Superfund law requires that they pay cleanup costs and accept liability for any environmental damage or human injury caused by the toxic substances. If the responsible party cannot be found or cannot afford to pay, the Superfund itself is used to finance a direct cleanup action by the Environmental Protection Agency [EPA], or by the State in which the site is located.

S. 51 would authorize $7.5 billion for Superfund activities over the next 5 years. This multifold increase in funding is clearly warranted given the extraordinary demands that will be placed on the program in the coming years. EPA's national priority list, which includes only the very worst sites in the Nation, currently exceeds 800 sites and is growing rapidly. According to an EPA study released last December, the NPL will eventually contain between 1,500 and 2,500 sites. This estimate does not include the 20,000 or more sites which pose a less immediate threat to the environment and public health. Of course, the longer those sites go unattended, the more likely they are to be listed on the NPL in the future.

Just as disturbing as the potential number of priority sites is EPA's estimate of the cost of cleaning these sites up. EPA concluded in its recent study that Superfund's future funding needs could range from $7.6 billion to $22.7 billion in fiscal year 1983 dollars. Specifically, EPA estimated that $11.7 billion would be needed to address the 1,800 sites that the Agency anticipates will eventually comprise the NPL. Clearly, this is a far cry from the $1.6 billion which we authorized in 1980.

I am deeply concerned about the six current NPL sites which are located in my home State of Connecticut. While cleanup activities have not been completed at any of these locations, EPA has obligated over $3.3 million for remedial actions in our State thus far. I will continue to closely monitor EPA and State activities at these sites and will do everything in my power to see that cleanup actions move forward as soon as possible. The Connecticut sites include:

Name	Location	NPL ranking
Laurel Park	Naugatuck	80
Old Southington Landfill	Southington	113
Beacon Heights Landfill	Beacon Falls	203
Solvents Recovery Service	Southington	228
Kellogg-Deering Well	Norwalk	316
Yaworski Waste Lagoon	Canterbury	374

Mr. President, in addition to providing for a fivefold increase in the size of Superfund, S. 51 would establish strict cleanup standards to be applied at all Superfund sites. I was most pleased to see a ground water protection provision included in the bill, which would require EPA to clean up contaminated aquifers and surface water as part of its remedial action at Superfund sites. EPA would also be required to provide household replacement water, as well as drinking water, when contaminated water supplies or water supply systems are replaced by the Agency. This provision is especially important to the State of Connecticut, which has been especially hard hit by ground water contamination problems.

S. 51 also includes new health provisions that would direct and authorize funds for the testing of toxic chemicals most commonly found at Superfund sites. The bill would require that health assessments be done at every site listed on the NPL, and that a more effective program be established for providing information to citizens

about the health ramifications of exposure to nearby Superfund sites.

S. 51 also incorporates a citizen suit provision which would provide citizens with the right to sue in Federal court to enforce Superfund standards and regulations. The bill also strengthens the existing standard of strict, joint, and several liability for those who engage in activities which result in the illegal release of hazardous substances.

With respect to State participation in the Superfund Program, S. 51 would allow a State to spend its own money to conduct early cleanup at a Superfund site, with the assurance that it will be reimbursed by the fund for authorized expenditures. The bill also includes improved notification standards which would require immediate notification of State and local officials in the event of a release of a "reportable quantity" of a hazardous substance. Finally, S. 51 would exempt State and local governments from liability under Superfund in cases where title or control of a site has shifted to them by virtue of abandonment, bankruptcy, tax delinquency, or foreclosure.

One provision which I was disappointed not to see included in S. 51 relates to the problem of leaking underground storage tanks. In Connecticut, leaking underground gasoline tanks are among the primary causes of ground water and soil contamination by toxic substances. Yet, because petroleum products are not classified as hazardous substances under Superfund law, the program cannot be used for remedial actions or to hold responsible parties liable for such leaks. The House Energy and Commerce Committee has addressed this problem in its version of the Superfund bill, and I hope the Senate sponsors of S. 51 will seriously consider the House proposal during the upcoming House-Senate conference on the Superfund reauthorization.

Mr. President, the $7.5 billion authorized in S. 51 would be raised through a unique combination of two taxing mechanisms. A total of $1.5 billion would be raised through an extension of the current feedstock tax on 42 designated petrochemical products. The remaining $6 billion would be raised through a broad-based excise tax on all manufacturers with sales receipts of more than $5 million per year. There would be no excise tax on exported products and manufacturers would be allowed to take a tax credit for the amount by which the excise tax increased the costs of their wholesale purchases.

While, I applaud the members of the Senate Finance Committee for their valiant effort to devise a fair means of raising Superfund revenue, I feel compelled to express my opposition to the very concept of a broad-based excise tax. I believe that the excise tax is regressive by its very nature and would more than likely be passed along to consumers in the form of higher prices for manufactured goods. For this reason, when S. 51 is considered in the House-Senate conference, I hope the Senate sponsors of the excise tax will take a long, hard look at alternative financing mechanisms.

Mr. President, I urge my colleagues to lend their full support to the Superfund Improvement Act of 1985. It is time to move faster, to rid our environment of the wastes that are poisoning our land and water, and threatening our citizens. Passage of S. 51 would be one of the most effective steps we could take to protect ourselves, our environment, and future generations from the specter of toxic contamination.

Former U.N. Secretary-General Kurt Waldheim once wrote:

> Many civilizations in history have collapsed at the very height of their achievement because they were unable to analyze their basic problems, to change direction, and to adjust to the new situations which faced them.

We in Congress have analyzed the basic problem, and now we have a chance to change direction. I hope we will not allow this opportunity to pass us by.●

THE RETIREMENT OF GENERAL VESSEY FROM THE JOINT CHIEFS OF STAFF

● Mr. BOSCHWITZ. Mr. President, I stand before you today to honor a man who has served our country for the past 46 years. Gen. John W. Vessey, Jr., retires today as Chairman of the Joint Chiefs of Staff with a distinguished record of service to the U.S. Armed Services.

General Vessey joined the Minnesota National Guard in 1939 at the age of 16. He was called to active duty 2 years later and was a member of one of the first Infantry Divisions to go overseas. Vessey fought through the entire length of the campaign and it was there that he began to establish not only his military courage, but also his leadership. He went from enlisted man and GI to officer and gentleman in World War II and was commissioned on the Anzio beachhead in Italy on May 6, 1944.

Vessey also distinguished himself in Vietnam with his efforts at the Battle of Suoi Tre in 1967, where his battalion was attacked by five North Vietnamese battalions. Vessey won the Distinguished Service Cross, the highest award for battlefield valor behind the Congressional Medal of Honor. Vessey also won the Distinguished Service Medal while on assignment in Southeast Asia directing anti-Communist tribes in Laos.

After valiant service on the battlefield, Vessey continued his noteworthy career in the military. As a brigadier general, he assumed top staff positions in Washington and the United Nations, as well as commanding a division in Colorado and all forces in South Korea.

Vessey exemplified outstanding service not only in his rise to Chairman, but also in his method of achieving that goal. He has more field experience than all of the nine previous Chairmen combined and is the only Chairman to have won a battlefield commission. He was not a career officer, nor was he a graduate of West Point. In essence, Vessey rose from the lower ranks to that of Chairman of the Joint Chiefs of Staff using the finest of military qualities.

General Vessey is also perhaps the most important military figure in his home State of Minnesota. Since his start in the Minnesota National Guard, Vessey has exemplified to all Americans the strong, trustworthy and kind people of the Midwest, and continues to do so through his close ties with the National Guard in Minnesota.

Just as General Vessey's time on the battlefield has been outstanding, so, too, has his work as Chairman of the Joint Chiefs of Staff. Vessey has reportedly worked more closely with the President than in administrations past and has undertaken the task of making the chairmanship a more powerful position.

Vessey, for all his accomplishments, has generally remained out of the public eye and away from notoriety, and such an occurrence is by choice rather than circumstance. His legacy has been one of silent, powerful leadership, and its effectiveness can be judged by the regard in which he is held by his colleagues. His retirement is the commencement not only of an outstanding military career, but also of a leadership force on the Joint Chiefs of Staff. General Vessey has served in the Armed Forces with pride and dignity, and has also commanded the 2.1 million men and women in the armed services with the same exemplary form. His retirement today is the culmination of a superb career, the effect of which cannot and should not soon be forgotten.

I would also like to insert in the RECORD the following article, "Vessey topping off long climb," written by Dane Smith, a reporter with the St. Paul Pioneer Press/Dispatch.

The article follows:

VESSEY TOPPING OFF LONG CLIMB

(By Dane Smith)

WASHINGTON.—When 16-year-old Jack Vessey fudged on his age and signed up with the Minnesota National Guard in 1939, he was thinking of little more than high leather boots, motorcycles and the camaraderie of weekend warring close to home.

"It wasn't any great idealistic thing," he told the New York Times last year.

He could not have dreamed of being mustered out 48 years later as the highest-ranked officer in the United States' armed forces, a four-star general in command of more than 2.1 million men and women in uniform.

John W. Vessey Jr. will end his term as chairman of the Joint Chiefs of Staff on Sept. 30 and retire to his lake home near Brainerd. He probably is the most significant military figure in Minnesota history, a state better known for producing politicians and hockey players.

Combat heroism in two wars is the lesser part of Vessey's legacy. He won a battlefield commission at Anzio in World War II and at the age of 45 earned the nation's second-highest award for valor after a blazing firefight in Vietnam.

More important, Vessey has been one of President Reagan's closest advisers during what generally is considered the largest peacetime military buildup in U.S. history.

Presidents traditionally take military advice from a half-dozen sources, and the service chiefs' influence doesn't always rate high. In Vessey's first year, the chiefs reportedly met with the president more times than in the three previous administrations.

Moreover, Vessey has taken the first steps toward reshaping the chairmanship into a more powerful position. Pentagon planners and some congressional leaders for years have suggested transforming the chairmanship from a present role as a spokesman for an advisory committee into a full-time field marshal. That would relieve the Secretary of Defense from day-to-day command, allowing him to address growing problems with cost overruns and other problems with the business end of the military-industrial complex.

Despite Vessey's clout, he has managed to avoid the public eye like few other chairmen since the joint-chief system was established after World War II. He has not granted media interviews in the last few months, and his staff declined repeated requests for sessions with the Pioneer Press and Dispatch.

HE'S MINNESOTA GOTHIC

Vessey is the antithesis of the colorful and vainglorious American warrior as typified by such legendary figures as Gens. George Armstrong Custer, Douglas MacArthur and George S. Patton.

Those who know Vessey paint him in Minnesota Gothic driven by the work ethic and strong on integrity and piety. Although he has a sense of humor, he is said to possess the stereotypical Minnesotan's reluctance to get worked up over anything or draw attention to himself.

"I have risen to a rank that is far higher than any I ever expected or hoped to achieve," Vessey said at his Senate confirmation hearing in 1982 giving credit to "some of the best people in the world working for me."

He's from that good Midwestern stock of trustworthy, all-there people, said Kermit Johnson, a friend and former chief of Army chaplains Johnson offered the following string of adjectives about his friend. "Low-key, unflappable, sane, solid, plain-speaking, no-nonsense, good-spirited, and kind, but not in a flabby way."

Since Johnson left the Army, he has joined the anti-nuclear weapons cause, putting him at odds with Vessey and the Pentagon's traditional demand for new and more powerful nuclear armaments.

"But if I was asked whose finger I wanted on the buttom." Johnson added, it would be his. He is a hard-liner but in a sensible sort of way. . . . He gives me much more confidence than any of the political appointees in this administration."

RESTRAINT VOICED

Notwithstanding the invasion of Grenada and the increased presence of U.S. forces in Central America, the joint chiefs under Vessey often have been a voice for restraint.

They argued against deployment of Marines in Lebanon, it is said. The five chiefs (Army, Navy, Air Force, Marines and the chairman) in a split decision recommended against deployment of the "densepack" MX missile system. Some conservatives even have complained that Vessey doesn't stump hard enough for Reagan's defense agenda.

All that aside, this chairman is hardly a dove. Vessey looks at the Russian bear from Reagan's angle.

"We talk about the U.S. Army building up to 28 divisions," Vessey said two months ago at a Military Appreciation Day ceremony in Fairbanks, Alaska. "The Soviets have close to 200 divisions (2½ times as many regulars and 10 times the reserves). They're armed to the teeth . . .

"We don't want a nuclear war; we don't want a conventional war. But we also don't want to be paralyzed by the fear of war as we go about our business in this world of nation-states . . .

"We have a strategy that's called deterrence. That's a fancy Washington word that means, 'If you pick a fight with us, we're going to clean your clock.' "

Vessey's compatibility with Reagan is to be expected. Both come from small-town, Anglo-Irish, lower middle-class, Midwestern stock. Their world view is not terribly complicated and their style of leadership also is similar. Vessey is known for wearing a fraction of the medals he has won and taking public transportation instead of the block-long limousine to which he is entitled.

NO STUFFED SHIRT

"He's the kind of soldier that troops look up to, not a stuffed shirt," said Maj. Gen. James G. Sieben, Minnesota's adjutant general and head of the state National Guard. (Vessey keeps in close touch with the state guard and he "sells Minnesota everyday," Sieben said. Vessey recently brought two Israeli generals to his place for a fishing trip.)

"He's not a formal type. He knows when to be personal and when to be all business. Some people can get that across without lording it over or reminding you of their authority. He was born that way."

Vessey's parents lived in Lakeville when he was born in a Minneapolis hospital on June 29, 1922. He was the oldest of seven children; one sister still lives in Minneapolis. His father, a World War I veteran who died when Jack Jr. was 19, was an agent for the old Minneapolis, Northfield and Southern Railway, popularly known as the Dan Patch short line.

The Vesseys, of Scotch and English descent, were among the original settlers in Bloomington. They homesteaded near the present Minnesota Masonic Home on Normandale Boulevard, according to his mother, the former Katherine Roche, who now lives in the Walker Methodist Residence in Minneapolis. The Roches were among the first Irish immigrants to St. Paul in the mid-1800s, and her father was the postmaster in Lakeville.

Asked if anything foreshadowed Jack Jr.'s career, the elder Mrs. Vessey said, "I'm afraid not . . . He was very active in Boy Scouts, he liked to play ball, belonged to church, he was very active in church and still is."

She said she used to threaten to use a pitchfork "to get him started" He began to show signs of leadership in high school, and was elected president of the student council and was captain of his swim team. Even now, at 63, Vessey, trim and about 5-foot-10, is considered a topnotch handball player.

The Vessey family moved to Minneapolis when Jack was in his early teens, and he met his future wife, Avis Funk, when they were juniors at Roosevelt High School.

Avis Vessey, who never lost her affection for Minnesota and who has been more or less waiting by the lake through much of the chairmanship, said she is "absolutely amazed" at the rank her husband reached.

"We certainly didn't set out to do it, but the challenges kept coming and there he is," she said, "Still I'm no prouder of him now than I was the day I met him."

Partly to earn money during the Depression and partly inspired by friends who had fought against the fascist government in the Spanish Civil War, he has said in previous interviews, Jack Jr. joined the National Guard just before his 17th birthday. Almost two years later with Pearl Harbor still 10 months away, Vassey was called to active duty.

His 34th Infantry Division was the first to go overseas. Vessey fought through the length of the campaign, as the Allies pushed German and Italian troops out of North Africa, across the Mediterranean, up the Italian boot and all the way to the Swiss Alps. He didn't come home until the war in Europe ended.

BATTLEFIELD COMMISSION

At a momentous point in the campaign, Vassey jumped from enlisted man and G.I. to officer and gentleman, a class normally divided by college education. When bodies began to pile up, however, the line often was crossed by savvy young enlisted men.

Until Vessey, all other Army chairmen were not only career officers, they all had graduated from West Point. Vessey was the first to have won a battlefield commission. None of the other nine chairman have had more field experience, according to the Armed Forces Journal.

At Vessey's confirmation hearing, Sen. Barry Goldwater, R-Ariz., said, "I don't think I have ever know a four-star officer who came up from the bottom . . . The man has to be the best to achieve that."

Vessey and two other enlisted men were commissioned on the infamously bloody Anzio beachhead in Italy on May 6, 1944. But the price of the new status was front-line exposure as a forward observer for the infantry, instead of the relative safety of his former artillery unit toward the rear. A few days after the commissioning, one of the newly promoted men was dead and the other was seriously wounded.

Jack and Avis, who corresponded regularly during the war, were married shortly after his return, 40 years ago this month. They have three children: John III, 36, a foreign service officer and father of their two grandchildren; Sarah, 31, who lives in Albuquerque and will marry in August; and David, 28, an Army warrant officer.

DEVOUT LUTHERAN

After the war, Vessey nearly left the service to become a minister. He is a devout Lutheran who two years ago impressed a Washington prayer-breakfast crowd with an evangelistic appeal to "Be all that you can

be—in God's Army. Enlist or re-enlist today."

Reconciling Christianity and his job in an interview with the Armed Forces Journal in 1983, Vessey said: "I believe it is immoral not to try to get sensible defenses for the nation. . . . The first part of (the military objective) is to be so self-evidently so good that this country won't have to fight."

At age 41, Vessey's career began to take off. He earned a bachelors' degree from the University of Maryland in 1963, and a master's degree from George Washington University two years later.

SERVICE IN VIETNAM

Then came Vietnam, a decade of failure and frustration for the American military. Vessey distinguished himself, however, with a desperate effort at the Battle of Suoi Tre in 1967, where the battalion under his command was attacked by five battalions of North Vietnamese regulars. At one desperate juncture, Vessey and a sergeant major were forced to use a long-range artillery piece at point-blank range, firing into onrushing attackers.

Vessey was wounded, not seriously, and won the Distinguished Service Cross, which ranks only behind the Congressional Medal of Honor as a measure of battlefield valor.

On another assignment in southeast Asia, directing anti-Communist tribes in Laos, Vessey won the highest non-combat award, the Distinguished Service Medal. In between, approaching the age of 50, he learned to fly helicopters.

Vessey is "shy, almost to the point of being apologetic," about his combat record, according to his press spokesman, Lt. Col. H.E. Robertson. The office does not keep detailed information on any of his exploits.

Vessey rose rapidly after reaching brigadier (one-star) general, assuming top staff positions in Washington and in the United Nations organization, commanding a division in Colorado and becoming commander of all forces in South Korea.

NO YES-MAN

Although Vessey has a reputation as a team player, insiders say his record during those years proves he was not a "yes-man." One former colleague, who asked for anonymity, said Vessey was passed over for consistently complaining that not enough attention was being paid to long-range planning.

And in Korea, Vessey quietly but effectively resisted President Jimmy Carter's efforts to remove American forces in 1978. Another general under Vessey, John K. Singlaub, was fired for openly criticizing that plan.

Vessey may have paid for that opposition when Carter picked one of his young assistants, Maj. Gen. Edward C. Meyer, to be Army Chief of Staff. No matter. Meyer was so loyal to Vessey that he brought his former boss with him as a top assistant. Meyer's influence is said to have been crucial when Reagan was interviewing candidates for chairman in 1982.

Although widely respected as a person, Vessey as chairman does not receive unqualified praise.

Retired Adm. Eugene Carroll, said he fears Vessey, who knows the face of war first-hand, may be the last of his kind.

The armed forces are becoming "less and less a warrior-led establishment," said Carroll, now deputy director of the Center for Defense Information. "They're looking for managerial skills, an ability to produce winners in the budget process . . . masters of the Washington scene." (The man picked to replace Vessey, Adm. William Crowe Jr., is an erudite Annapolis graduate who also holds degrees from Stanford and Princeton.)

To address problems like those, Congress may be closer than ever before to reorganizing the joint chiefs.

In a recent House Armed Forces Investigations Subcommittee hearing, Rep. Ike Skelton, D-Mo., faulted the system of joint chiefs over the years for "watered-down, common-denominator advice," hesitation to "step on each others' toes" and outright waste. House Armed Forces Committee Chairman Les Aspin, D-Wis., has called the chairman "a eunuch."

STRONGER CHAIRMAN

Others fear a loss of civilian control under a "German-style, Prussian command," even though it has been adopted by many of the largest western democracies. Skeptics also point out that one rationale offered for such a system is it would work better in war, leading one to wonder what's around the corner. Thomas D. Bell Jr., president of the Hudson Institute, wrote recently that increased clout for the chairman would reduce alternatives for strategies and weapons systems.

Vessey is known to lean toward a stronger chairman, yet ironically, his performance may have worked against change.

Officials these days are "prone to brag" that the joint chiefs are functioning better than ever, said Theodore Crackel, author of a defense assessment contained in a Heritage Foundation study.

But "those same officials admit the chemistry is largely a function of the personality of the current chairman, General John W. Vessey Jr." Crackel said that chemistry "was created by chance rather than design and has occurred only once in the nearly 40-year history of the JCS."

INVOCATION TO THE ANNUAL CONFERENCE OF THE NATIONAL ASSOCIATION OF TOWNS AND TOWNSHIPS

● Mr. DODD. Mr. President, on Wednesday, September 4, the National Association of Towns and Townships held its annual conference here in Washington. The NATAT is a nonprofit organization which offers technical assistance, educational services, and public policy support to local government officials. The conference consisted of a series of meetings and workshops on such issues as hazardous waste disposal, revenue sharing and community development, and ground water contamination.

I am proud to bring to the attention of my colleagues the invocation to the conference, delivered by Dave Russell, first selectman of the town of Granby, CT. The sincerity and conviction of this speech serves as a vivid illustration of the hard work and deep commitment of American's local leaders. It is my sincere wish that we, as national leaders, may reflect upon these words as we strive to do that which is just and good for America. I ask that this invocation be entered into the RECORD:

The invocation follows:

Holy Father, we thank you for our creation, preservation and all the blessings of this life, and for our safe arrival at this conference.

Guide us with thy spirit in these next few days to learn and to expand our horizons in our chosen field: Public service. Let us return home and use our God-given gifts of: Intelligence—to make right decisions; wisdom—to make just decisions; and compassion—to make loving decisions. Lead us to continue to treat people as we would have ourselves treated.

In thy name we pray. Amen.●

ADVANCE NOTIFICATION OF PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications have been received.

Interested Senators may inquire as to the details of these advance notifications at the office of the Committee on Foreign Relations, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 27, 1985.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Director.

POLICY JUSTIFICATION

[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]

The prime contractors are: F-20 aircraft—Northrop Corporation of Hawthorne, Cali-

fornia; F-16 aircraft—General Dynamics Corporation of Fort Worth, Texas; and AIM-9P4 missile—Ford Aerospace and Communications Corporation of Newport Beach, California.

[Deleted.]

There will be no adverse impact on U.S. defense readiness as a result of this sale.

POLICY JUSTIFICATION

[Deleted.]

[Deleted.]

[Deleted.]

The prime contractor for the I-HAWK systems will be the Raytheon Company of West Andover, Massachusetts. The prime contractor for the STINGER missile systems will be the General Dynamics Corporation of Pomona, California.

[Deleted.]

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 27, 1985.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification related to air defense, which will be forwarded under a single transmittal.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 85-CQ]

ADVANCE NOTIFICATION OF POSSIBLE SECTION 36(b) STATEMENTS—FOREIGN MILITARY SALES

a. Prospective Purchaser: [Deleted.]

b. Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: [Deleted.]

c. Estimated Value(s) of this Case: [Deleted.]

d. Description of Total Program of which this Case is a Part: [Deleted.]

e. Estimated Value of Total Program of which this Case is a Part: [Deleted.]

f. Prior Related Cases, if any: None.

g. Military Department: [Deleted.]

h. Estimated Date Letter of Offer/Acceptance [LOA] Ready for Formal Notification to Congress: [Deleted.]

i. Date Advance Notification Delivered to Congress: [Deleted.]

POLICY JUSTIFICATION

[Deleted.]

[Deleted.]

[Deleted.]

[Deleted.]

The prime contractor will be the FMC Corporation of San Jose, California.

[Deleted.]

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE ANSWER PEOPLE OF CAPITOL HILL

● Mr. MOYNIHAN. Mr. President, every Member of the Senate benefits from the great resources of the Library of Congress and from the speedy and able assistance given us daily by the Congressional Research Service. I was particularly pleased to read in this morning's New York Times an article about Lynne Kennedy, a native New Yorker and a librarian at CRS who has helped me and my staff on countless occasions. Ms. Kennedy is a master of the library's resources, and she commands considerable and impressive knowledge of many disparate subjects in her own right. If Ms. Kennedy does not know the answer to one's query, she knows where to find it, and fast.

Mr. President, I commend Lynne Kennedy for her great ability and true professionalism, and I ask that today's article, "The Answer People of Capitol Hill" from the New York Times be printed in the RECORD.

The article follows:

[From the New York Times, Oct. 1, 1985]

THE ANSWER PEOPLE OF CAPITOL HILL

(By Francis X. Clines)

WASHINGTON, Sept. 30.—In memoriam for Harvey Baugh, there are a few weeping filbert trees growing outside the Library of Congress, plaintive and firm-rooted as the curiosity of the lamented reference librarian who long served the capital's most demanding readership, its lawmakers.

Colleagues say Mr. Baugh was the sort of dedicated ferret who could track a quotation in the battle-speed time demanded by a politician caught in mid-debate on the floor, finding just where in "Apology" Socrates wrote: "I was really too honest a man to be a politician and live."

That fact and all such things verified and savored he left to the legion of librarians who survive him in the toil of one of the most searching and painstaking institutions, the reference division in the library's Congessional Research Service. This is a vintner-like operation that produces private-stock information, a resource closed to the public and dedicated to satisfying the more instant curiosities of Congress.

These librarians, backed up by the Research Service's cadre of expert analyst teams, deal with more than a quarter million requests a year various submitted in person and by computer hookups extending to the lawmakers' offices back home. They must be quick in searching our basic information by the scrap and by the tome and in nosing out ephemera, too.

"A senator is going to the opera and suddenly wants to know the story line of the opera before he goes," said Lynne Kennedy, the reference librarian stationed in a four-room office across from the airline ticket store in the busy pedestrian catacombs under the Senate office buildings. "I get it for him. Or he's going to have some people over for dinner and quietly needs to know who they are. We can get quick bio's ready."

Or, for that matter, a lawmaker wonders how many sorts of special medical care might be provided to the elderly, a short enough question that took three analysts six months for proper research before the answer was ready. That was handled not by Miss Kennedy, whose reference office is closer to the Senatorial trenches, but by one of the specialist teams back in the library's Research Service offices, where most of the service's 858 workers and $39 million in annual budget are applied in a busy admixture of scholarship and journalism.

Miss Kennedy's place is just off the subterranean main street of services where Capitol staff workers go to eat, shop, talk and wander for relief from the routine of paperwork and pleading constituents. Her place is quiet the way public libraries used to be. Senatorial workers stop in or phone with requests at the rate of 200 a day, and a few use the back room for sanctuary.

Some read newspapers or dip into the small shelves of fiction and travel books she keeps as a civilizing touch beyond the yards and yards of reference books that allow rapid access to the stuff of Government and politics: Lobbyist lists by the gaggle, judicial landmarks and glossaries by the wallful, and all sorts of shrewdly designed eddies of information, in computer glyphs and paper print, tagged with such quick-fetch labels as "hot" ideas and "bucket" categories.

It is no accident, this terminology of short-order cookery at Miss Kennedy's place. Just inside the doorway, there are crowded racks of thick "Info Packet" answers to the 100 or so most current questions, all packaged and ready like fast-food produce in yellow and blue folders. Yellow folders, the more prevalent, cover pure issues. The blue-overed packets are more related to the career curiosities of the Senate's ambitious staff workers: how to write résumés and look for grants and new Federal jobs, for example.

These racks can shift suddenly, with the expert researchers backstage set to a two-hour recomposition deadline by an assassination, or to an overnight update in response to the latest panic about AIDS.

Clear-eyed and careful, Miss Kennedy's summary sounds impossible: "We have to know something about anything that might come up." And preferably know it yesterday, not later today. "A senator's staffers are always in a crisis situation," she said with empathy.

For all the relentless curiosity, one restriction at Miss Kennedy's place is that the biographical material or voting record of one member of Congress cannot be looked into by another.

Only direct advance approval or death makes this information accessible. This bars inside campaign research on how to turn an In into an Out, and Miss Kennedy and the other librarians keep these files under watch to preserve the Research Service's nonpartisanship.

Freeloaders from outside organizations also have to be discouraged. Beyond their shelves and computer terminals, the librarians have such an array of quick expertise at hand—four short-order research "teams" already up to speed on more than 220 current topics—that they are like leading commodity brokers in a town whose main business is information. Thus the public can only get access by persuading a lawmaker to submit a query, and most lawmakers seem to realize it would be self-defeating to flood their private information line with constituents pleading for Johnny's term paper.

In various ways, through Congressional reports and occasional catalogues, for example, the Research Service does take care to see that sooner or later much of its seven decades of gleanings are available to the public.

Thus the special gift of the late Harvey Baugh in tracking quotations will be further memorialized next year when the Library of Congress plans to publish in book form his years of collected quotations. They presently fill two file drawers in a back room at Miss Kennedy's place.●

UNITED STATES-SOVIET RELATIONS

● Mr. SIMON. Mr. President, in the September 9 issue of Time magazine, Mikhail Gorbachev gave an important and fascinating interview on the subject of United States-Soviet relations and the upcoming summit. In this interview, the new Soviet leader discusses SDI, war and peace, the Soviet economy, technology transfer, and relations between the party and the people.

In the past few days, Secretary Shultz and Foreign Minister Shevarnadze addressed the U.N. General Assembly. They each laid out their views on United States-Soviet relations, and they each focused on the role of SDI as a pivotal element in future United States-Soviet relations. In their own way, each was laying the groundwork for the November Reagan-Gorbachev summit. Mr. Gorbachev's interview also sought to influence the outcome of the summit, and as such deserves a careful reading on the part of Congress and the administration.

When I read the interview, it was clear to me that major differences will remain between our two countries. It was also clear that a number of Mr. Gorbachev's statements have to be taken with a grain of salt, and there were some that I found difficult to credit at all. Nonetheless, there is also no doubt that most of the General Secretary's statements reflect genuine Soviet attitudes, and that many of these attitudes are deeply held across a wide spectrum of Soviet opinion.

As such, the interview must be studied and debated by American policymakers. Interviews of this sort, at the very top of the Soviet system, do not come along every day. We will all have a clearer idea of Mr. Gorbachev's thinking—or, equally important, what Mr. Gorbachev wants the American people to read about him and his views—and we will all be better off for having digested his ideas and opinions.

Mr. President, I ask Mr. Gorbachev's Time magazine interview be printed in the RECORD.

The material follows:

[From Time, Sept. 9, 1985]

INTERVIEW

Q. How would you characterize U.S.-Soviet relations at this juncture, and what are the primary events that are defining that relationship?

A. Had you asked me this question some two months ago, I would have said that the situation in our relations was becoming somewhat better and that some hopes of positive shifts were appearing. To my deep regret, I could not say that today.

The truth should be faced squarely. Despite the negotiations that have begun in Geneva and the agreement to hold a summit meeting, relations between our two countries are continuing to deteriorate, the arms race is intensifying, and the war threat is not subsiding. What is the matter? Why is all this happening? My colleagues and I are quite exacting and self-critical when it comes to our own activities not only in this country but also outside of it, and we are asking ourselves again and again if [the decline in relations] is somehow connected with our actions. But what is there that we can reproach ourselves with in this context? In this critical situation Moscow is trying to practice restraint in its pronouncements about the U.S.; it is not resorting to anti-American campaigns, nor is it fomenting hatred for your country. We believe it very important that even in times of political aggravation the feeling of traditional respect harbored by the Soviet people for the American people should not be injured, and as far as I can judge, that feeling is largely a mutual one.

And is it bad that when the disarmament negotiations have resumed and preparations are under way for a first summit meeting in six years, we are persistently seeking ways to break the vicious circle and bring the process of arms limitation out of the dead end? That is precisely the objective of our moratorium on nuclear explosions and of our proposal to the U.S. to join it and to resume the negotiations on a complete ban on nuclear tests as well as of the proposals regarding peaceful cooperation and the prevention of an arms race in space. We are convinced that we should look for a way out of the current difficult situation together.

It is hard therefore to understand why our proposals have provoked such outspoken displeasure on the part of responsible U.S. statesmen. Attempts have been made to portray them as nothing but pure propaganda. Anyone even slightly familiar with the matter would easily see that behind our proposals there are most serious intentions and not just an attempt to influence public opinion. All real efforts to limit nuclear weapons began with a ban on tests—just recall the 1963 treaty that was a first major step in that direction. A complete end to nuclear tests would halt the nuclear arms race in the most dangerous area, that of qualitative improvement, and it would also seriously contribute to maintaining and strengthening the nonproliferation of nuclear weapons.

If all that we are doing is indeed viewed as mere propaganda, why not respond to it according to the principle of "an eye for an eye, and a tooth for a tooth"? We have stopped nuclear explosions. Then you Americans could take revenge by doing likewise. You could deal us yet another propaganda blow, say, by suspending the development of one of your new strategic missiles. And we would respond with the same kind of "propaganda." And so on and so forth. Would anyone be harmed by competion in such "propaganda"? Of course, it could not be a substitute for a comprehensive arms-limitation agreement, but it would be a significant step leading to such an agreement.

The U.S. Administration has regrettably taken a different road. In response to our moratorium, it defiantly hastened to set off yet another nuclear explosion, as if to spite everyone. And to our proposals concerning a peaceful space, it responded with a decision to conduct a first operational test of an anti-satellite weapon. As if that were not enough, it has also launched another "campaign of hatred" against the U.S.S.R.

What kind of impression does all this make? On the one hand, that of some kind of confusion and uncertainty in Washington. The only way I can explain this is anxiety lest our initiatives should wreck the version of the Soviet Union being the "focus of evil" and the source of universal danger, which in fact underlies the entire arms race policy. On the other hand, there is an impression of a shortage of responsibility for the destinies of the world. And this, frankly speaking, gives rise again and again to the question whether it is at all possible in such an atmosphere to conduct business in a normal way and to build rational relations between countries.

You asked me what is the primary thing that defines Soviet-American relations. I think it is the immutable fact that whether we like one another or not, we can either survive or perish only together. The principal question that we must answer is whether we are at last ready to recognize that there is no other way to live at peace with each other and whether we are prepared to switch our mentality and our mode of acting from a warlike to a peaceful track. As you say, live and let live. We call it peaceful coexistence. As for the Soviet Union, we answer that question in the affirmative.

Q. What do you think will be the results of your Geneva meeting with President Reagan in November? What specific actions should the U.S. and the Soviet Union take to improve relations?

A. Its outcome, after all, will depend to a great extent upon what is taking place now. Everyone would probably agree that the political atmosphere for talks takes shape well in advance. Neither the President nor I will be able to ignore the mood in our respective countries or that of our allies. In other words, actions today largely determine the "scenario" for our November discussions.

I will not hide from you my disappointment and concern about what is happening now. We cannot but be troubled by the approach that, as I see it, has begun to emerge in Washington. That is a scenario of pressure, of attempts to drive us into a corner, to ascribe to us, as so many times in the past, every mortal sin—from unleashing an arms race to "aggression" in the Middle East, from violations of human rights to some scheming or other even in South Africa. This is not a state policy, it is a feverish search for "forces of evil."

We are prepared to have a meaningful and businesslike talk. We can also present claims: we have something to say about the U.S. being responsible for the nuclear arms race, and about its conduct in various regions of the world, and support to those who in effect engage in terrorism, and about violations of human rights in America itself, as well as in many countries close to it. But here is what I am thinking about: Is it worthwhile for the sake of that to set up a summit meeting? Abusive words are no help in a good cause.

But there is every indication that the other side is now preparing for something quite different. It looks as if the stage is being set for a bout between some kind of political "supergladiators" with the only thought in mind being how best to deal a deft blow at the opponent and score an extra point in this "bout." What is striking about this is both the form and the content of some statements. The recent "lecture" of

Mr. [Robert] McFarlane [the President's National Security Adviser] is a case in point. It contains not only the full "set of accusations" we are going to be charged with in Geneva but also what I would call a very specific interpretation of the upcoming negotiations. It appears that even the slightest headway depends exclusively upon concessions by the Soviet Union, concessions on all questions—on armaments, on regional problems and even on our own domestic affairs.

If all this is meant seriously, then manifestly Washington is preparing not for the event we have agreed upon. The summit meeting is designed for negotiations, for negotiations on the basis of equality and not for signing an act of someone's capitulation. This is all the more true since we have not lost a war to the U.S., or even a battle, and we owe it absolutely nothing. Nor for that matter, does the U.S. owe us.

But if the bellicose outcries are not meant seriously, then they are all the more inappropriate. Why flex muscles needlessly? Why stage noisy shows and transfer the methods of domestic political struggles to the relations between two nuclear powers? In them the language of strength is useless and dangerous. There is still time before the summit meeting, and quite a lot can be done for it to be constructive and useful. But this, as you will understand, depends on both sides.

Q. What is your view of the Strategic Defense Initiative [Star Wars] research program in the context of U.S.-Soviet relations?

A. We cannot take in earnest the assertions that the SDI would guarantee invulnerability from nuclear weapons, thus leading to the elimination of nuclear weapons. In the opinion of our experts (and, to my knowledge, of many of yours), this is sheer fantasy. However, even on a much more modest scale, in which the Strategic Defense Initiative can be implemented as an antimissile defense system of limited capabilities, the SDI is very dangerous. This project will, no doubt, whip up the arms race in all areas, which means that the threat of war will increase. That is why this project is bad for us and for you and for everybody in general.

From the same point of view we approach what is called the SDI research program. First of all, we do not consider it to be a research program. In our view, it is the first stage of the project to develop a new ABM system prohibited under the treaty of 1972. Just think of the scale of it alone—$70 billion to be earmarked for the next few years. That is an incredible amount for pure research, as emphasized even by U.S. scientists as well. The point is that in today's prices those appropriations are more than four times the cost of the Manhattan Project [the program for development of the atom bomb] and more than double the cost of the Apollo program that provided for the development of space research for a whole decade—up to the landing of man on the moon. That this is far from being a pure research program is also confirmed by other facts, including tests scheduled for space strike weapons systems.

That is why the entire SDI program and its so-called research component are a new and even more dangerous round of the arms race. It is necessary to prevent an arms race in space. We are confident that such an agreement is possible and verifiable. (I have to point out that we trust the Americans no more than they trust us, and that is why we are interested in reliable verification of any agreement as much as they are.)

Without such an agreement it will not be possible to reach an agreement on the limitation and reduction of nuclear weapons either. The interrelationship between defensive and offensive arms is so obvious as to require no proof. Thus, if the present U.S. position on space weapons is its last word, the Geneva negotiations will lose all sense.

Q. You have taken several steps to improve the Soviet economy. What further steps do you propose to take? What are the main problems of the Soviet economy?

A. It is often asserted in the West that it would take the U.S.S.R. 50 to 100 years to restore all that had been destroyed as a result of the fascist invasion. Having restored their national economy in the shortest possible time, the Soviet people did what would have seemed the impossible. But the fact remains that after the Revolution we were forced to spend almost two decades, if not more, on wars and reconstruction. Under those arduous conditions, using our system's potential, we have succeeded in making the Soviet Union a major world power. This has attested to the strength and the immense capabilities of socialism.

There are also difficulties of a different nature due to our own shortcomings and deficiencies. We make no secret of this. Sometimes we do not work well enough. We have not yet learned proper managerial skills as is required by a modern economy. The imperativeness of our time is to decisively improve the state of things. Hence the concept of accelerated social and economic development. Today it is our most important, toppriority task. We are planning to make better use of capital investments, to give priority to the development of such major industries as engineering, electrical engineering and electronics, energy production, transport and others. Attention remains focused also on the agri-industrial complex, especially as regards processing and storage of agricultural produce. We will do all that is necessary to better meet demand in high-quality food products.

To improve the functioning of the national economy it will be necessary to further strengthen centralization in strategic areas of the economy through making individual branches, regions and elements of the economy more responsive to the needs of economic development. But at the same time we are seeking to strengthen democratic principles in management, to broaden the autonomy of production associations, enterprises, collective and state farms, to develop local economic self-management and to encourage initiative and a spirit of enterprise.

In short, we seek the most rational method of managing the economy. Large-scale economic experiments are under way that are aimed essentially at developing a more efficient mechanism of management that would dramatically accelerate the rate of scientific and technological progress and make better use of all resources. Our objective is that in solving this task, all levels of material and moral incentives and such tools as profit, pricing, credit and self-sufficiency of enterprises should be put to work. That is the thrust of our work for radical improvement in the entire system of management and planning.

In addition, we are bringing into play other potentials for speeding up economic development. I mean greater discipline and order, demanding more from everyone, from worker to minister, a drive against irresponsibility and red tape, instilling labor ethics, ensuring greater social justice throughout the whole of society.

So we have enough economic problems and things to attend to, and indeed what country doesn't? We are aware of our problem, and we are confident of the capabilities inherent in our social system and our country. I have recently visited various regions, had meetings with many people—workers and farmers, engineers and scientists. And what was common to all those meetings? Need for a drastic change and the necessity to radically improve performance are not only supported by the people but becoming their demands, the real imperative of our time.

I want to emphasize this: the attention we have recently devoted to the economy is due not to an intention to set new records in producing metals, oil, cement, machine tools or other products. The main thing is to make life better for people. There is no goal more important to us. This year alone the decision was made to raise the salaries of several categories of engineers and technicians, to improve the material status of a considerable number of retired people, to allocate annually, free of charge, about 1 million plots of land for planting orchards, for people to have what you call a "second home." We are planning many other steps as well. Their scope will naturally depend on progress in the economy. Of late, positive changes have become evident: the rates of industrial production and labor productivity have increased.

You ask what changes in the world economy could be of benefit to the Soviet Union. First of all, although this belongs more to politics than economics, an end to the arms race. We would prefer to use every ruble that today goes for defense to meet civilian, peaceful needs. As I understand, you in the U.S. could also make better use of the money consumed nowadays by arms production. While insisting on cessation of the arms race, we also believe it immoral to waste hundreds of billions on developing means of annihilation, while hundreds of millions of people go hungry and are deprived of the elementary essentials. We, all of us, just have no right to ignore the situation.

Q. The Soviet Union is anxious to gain better access to advanced technology developed in the U.S. How badly is this needed in the Soviet Union, and primarily for what purpose? If the U.S. does not provide greater access, where do you intend to turn to obtain this technology?

A. The very way you are framing the question gives food for thought. Is there anyone who is not anxious nowadays to gain access to advanced technology? Everyone is, including the U.S.—even primarily the U.S. I mean not only the legal purchase of licenses and science-intensive goods or illegal industrial espionage. The U.S. practices its own specific methods as well. The brain drain, for example, and not only from Western Europe but from the developing countries as well. Or take the activities of transnational corporations, which through their subsidiaries are laying their hands on scientific and technological achievements of other countries.

As for the Soviet Union, it uses the achievements of foreign science and technology in a much more modest way. Those selling the idea of the U.S.S.R. allegedly being consumed with thirst for U.S. technology forget who they are dealing with and what the Soviet Union is today. Having won technological independence after the Revolution, it has long been enjoying the status of a great scientific and technological

power. This enabled us to blaze the trail in space and to undertake space research on a large scale, to acquire a reliable defense potential and to successfully develop the country's productive forces. Incidentally, how are we to understand the following inconsistency in the U.S. reasoning? To substantiate increased military spending, all they do in the U.S. is talk about the fantastic achievements of the U.S.S.R. in the field of technology. When, on the other hand, they need an excuse for prohibitive measures, they portray us as a backward country of yokels, with which to trade and to cooperate would mean undermining one's own "national security." So where is the truth? What is one to believe?

We speak openly about our dissatisfaction with the scientific and technological level of this or that type of product. Yet we are counting on accelerating scientific and technological progress not through "a transfer of technology" from the U.S. to the U.S.S.R., but through "transfusions" of the most advanced ideas, discoveries and innovations from Soviet science to Soviet industry and agriculture, through more effective use of our own scientific and technological potential. That is the thrust of our plans and programs. At the same time, we would naturally not like to forgo those additional advantages that are provided by reciprocal scientific and technological cooperation with other countries, including the U.S.

The '70s have seen fairly broad development of such cooperation in the energy field, including nuclear power, in chemistry, space research, cardiology and other fields. The benefit was mutual, and U.S. scientists are well aware of it. This cooperation has by now come to naught. We regret it, but let me assure you that we will survive because we have first-class science of our own and because the U.S. is far from having a monopoly on scientific and technological achievements.

By the way, the U.S., being aware of this, is trying to apply growing pressure on its allies so that they too should not trade with us in science-intensive products. What is more, the U.S., under the very same "national security" pretext, places a ban on deliveries of some types of such products to Western Europe and ever more frequently denies access to U.S. laboratories and scientific symposiums to representatives of Western Europe.

Yet I would not wish to end [these written answers] on a negative note. I should like to convey to the readers of your magazine wishes of good endeavor, happiness and a peaceful future. On behalf of the Soviet leadership and the Soviet people, I would like once again to tell all Americans the most important thing they should know: war will not come from the Soviet Union. We will never start war.

(The General Secretary formally passed his answers to Time's written questions, signed by him, across the table. "I'm giving this to you in a green folder," said Gorbachev. "Not even a hint of the export of revolution." He then began the spoken interview with an opening statement.)

I have a great many requests for various speeches, statements and interviews, but let me just say why—and I took counsel with my colleagues in the Soviet leadership on this—we decided to respond to the request put in by Time.

First of all, when I first saw the way your questions were formulated, I felt—maybe I'm mistaken, and if I am, correct me—that the questions themselves reflected concern about the state of Soviet-American relations. Unfortunately, that is something that we don't hear all that often in our contact and conversations with representatives of U.S. political or other circles. I felt that that in itself was very important if the questions themselves reflected concern. There is another reason of no less importance. And that is connected with our assessment of the situation in the world. That situation today is highly complex, very tense. I would even go so far as to say it is explosive. And as we see it, the situation in the world has a tendency toward deterioration. I do not want to set out our views as to the source of this present situation. I believe that you yourselves understand, and you are familiar with the situation as it stands today. So therefore I believe that it would be best of all to try and give a response to the question of where we stand, in what kind of a world we're living, at what stage we are in world development.

I would not like to overdramatize the situation in my response to this major question on which a great deal depends. So I believe that if we were to touch upon the question of the leaders of two such great nations as the U.S. and the Soviet Union, then surely in all of their way of thinking, in their analyses, in the practical conclusions that they draw therefrom, their starting point should be an awareness of the tremendous responsibility that rests upon them as leaders of two such nations.

It is in that spirit that I would like to try to answer the question that I myself formulated just a short while ago. Today it is a reality that the development of science and technology has reached a level where the broad-scale introduction of new achievements, particularly in the military field, can lead to an entirely new situation and an entirely new phase in the arms race [Star Wars].

I endeavored in my replies to your [written] questions to be very sincere and very frank in the hope that this will not be treated as "one more propaganda exercise by Moscow." I endeavored to say that at present, even today, it is very hard indeed to reach accord, to come to terms. There are so many accretions, so many exacerbations, such a lack of confidence, that it is even hard to begin moving toward each other. But if we were to come in the future to this new phase, and to open up a new stage in the military sphere, then surely the question is: Could we really deal with these matters? Would not there be a temptation on one or the other side to believe, "At last we have overtaken our partner. Is it not time then to seek to achieve superiority and to untie our hands in the field of foreign policy?"

Given the present exacerbated state of relations between our two countries and the present aggravations in the world at large, we must admit that today, thus far, there do exist certain restraints on the actions of either side. There is strategic parity. That is, after all, the foundation of equal security. There are also still in effect such treaties as the ABM treaty, the SALT II provisions, the nonproliferation treaty, the banning of nuclear weapons tests in three environments. To this day, so far, they are in operation. But even today, attempts are being made to remove these restraints or at least to raise the question of overturning the treaties, of abrogating them.

So when opportunities appear to take the path of creating and developing absolutely new types of arms, well then, of course, a new era will come about. We must give thought to this. So if the situation were to arise, if somebody were to give in to these illusions—and they can be nothing but illusions, because history shows that if one side has plans, the other side has counterplans; if one side wants to take some measures, the other side takes countermeasures; if there is a poison, there is an antidote—that is the lesson of history. So the question is: Where do we go from here?

And this brings me to the second point, my second reason why I decided to give this interview. That reason is that time is passing, and it might be too late. The train might have already left the station. If we are realists—and we hope we all are, we all want to live, none of us wants to be destroyed—then we must muster the political will and the wisdom and stop this process, and begin the process of eliminating weaponry, and the process of improving, invigorating relations between the Soviet Union and the U.S.

Perhaps we have too high an opinion of ourselves, but we feel that we are realists, both in terms of our policies and in terms of our practical actions. We believe that we do not simply limit ourselves to appeals, mere appeals for disarmament and improvement in relations. We act likewise.

We want to show our intentions and we also want to show by our actions what steps we are counting on the American side to take. Yet all our attempts to somehow escape this present bad situation in Soviet-American relations, attempts to somehow lead matters toward ending the arms race, toward relaxing tensions, toward disarmament—all these attempts come up against a negative position of the U.S. Administration. We keep hearing one and the same answer: "No, no, no. It's propaganda, propaganda, propaganda." Surely the most responsible people in the land cannot, should not, conduct themselves in that way in respect to their opposite numbers.

This reminds me—maybe it's a little out of place, but it reminds me of a story, a true story. For quite a few years there was one Minister of Finance in the Russian Federation government. His name was Ivan Ivanovich. He was rather old and would doze off at the meetings of the Council of Ministers. Whenever you would wake him up, no matter what you asked him about, he would always say, "No money, there's no money." We would hope that the American Administration has not given us its final word.

We hope that our understanding of these matters and of the direction in which we want things to move will, through your magazine, be brought to the attention of the U.S. public. This is the view of the Soviet leadership, so when I say these things it is a responsible statement.

We must not allow things to go so far as confrontation between our two countries. This is a reflection of the interests of our two peoples and of the politicians who represent them. It is after all the people of the two countries who put the politicians into the positions they hold today. So it is in our interests to express those wishes in practical ways. We must seek ways to put an end to the arms race, to seek disarmament, to switch Soviet-American relations onto a normal track. Surely, God on high has not refused to give us enough wisdom to find ways to bring us an improvement in our relations, an improvement in relations between the two great nations on earth, nations on whom depends the very destiny of

civilization. We for our part are ready to take that role.

What I said is particularly acute and topical because we get information about the political atmosphere in Washington, and that information disconcerts and disappoints us. [Reading from papers in front of him.] Here are some of the reports we've heard emanating from Washington just this last week. In one report the White House intimates that there can be no agreements with the Soviet Union on limitation of U.S. strategic programs, and the most that can be expected is agreement on a kind of agenda for the future. That agenda is to be considered over a period of many years, if not decades. Meanwhile and parallel with such a discussion, new types of arms would be developed, including space systems.

Now that is not some kind of information cooked up by any Soviet correspondent in Washington. That information is based on what is written by the American media. Or here is a report about some statements made by [U.S. Under Secretary for Political Affairs Michael] Armacost and [U.S. Strategic Weapons Negotiator John] Tower in interviews. Some other statements. We can discern that some of these statements are actually designed to make the product look better, or designed to hide the actual true meaning behind the words. But the main thrust of what they want to say is that it is essential to do everything possible to ward off, even to prevent, the slightest opportunity of reaching any accord with the Soviets on space-weapons bans or on the ban on nuclear testing. Now from these pronouncements made by Tower it appears that nothing depends on whatever the Soviet Union does at the talks in Geneva or in the military field. The U.S. will still go on developing antisatellite systems. It will go on developing space weapons systems. So here you see how certain people in the U.S. are driving nails into this structure of our relationship, then cutting off the heads. So the Soviets must use their teeth to pull them out.

So how are we to react to this kind of thing? We must all of us do all we can to end this present negative process in our bilateral relations, and proceed toward ending the arms race, and proceed seriously toward disarmament. I do believe it is in the best interests of the Soviet Union and the U.S. After all, there have been countless attempts in the past to bring us to our knees, to bring us to the point of utter exhaustion. But all such attempts have been in the past, and will be in the future, doomed to utter failure. We have never accused the U.S. of being an "evil empire." We understand what the U.S. is, what the American people are, and the role they are playing and will play in the world. We are certainly in favor of beginning a new phase in Soviet-American relations. But let me repeat that perhaps if a new phase appears, a phase still worse than the present one, this goal will be all the harder to achieve, if it is possible at all. Then a process might be launched that would be simply impossible even to conceive of today. That is why we are calling upon the U.S. to reach an accord with us on the basis of equal security, to reach an accord first and foremost on all three components, the most dangerous strategic offensive arms, medium-range arms and space weapons.

Q. You have spoken just now about "certain people" in Washington who seem to you to be trying to undermine the progress of U.S.-Soviet relations, but President Reagan himself has said on a number of occasions that there is no hostility toward the Soviet Union, that he is not seeking unilateral advantage or superiority over the Soviet Union. How do you take these assurances from the President? Do you accept them? More broadly, what are your impressions so far of President Reagan?

A. Let me just say at least that our attention certainly was drawn to certain positive elements contained in some of the President's remarks. We note some of his public statements in 1983 and 1984—I recall one speech I think was made at the United Nations—so we do duly respond to those positive elements when we see them. One of those statements was that war was inadmissible, that nuclear war was not winnable, and of course we gave our attention to the statement. Then we also paid due attention to his statement that the U.S. was not seeking superiority over the Soviet Union. These are very positive elements, and we believe that we could and should find positive elements in other spheres as well. They could all give us opportunities to cast a responsible glance at the state of our relations and especially toward the future and to find a basis to overcome the present negative phase in the state of relations between the Soviet Union and the U.S.

That is indeed why we agreed to hold the forthcoming summit meeting in the first place. We did so because we felt that we could do a lot by trying to meet each other halfway. That, again, is why we have reacted so sharply to some of the statements being made these days in connection with the summit. So we see that there are some who want to generate a situation to persuade the U.S. and the American public that, as [Columnist] Mary McGrory put it, even if the only thing to come out of the summit was an agreement to exchange ballet troupes then even so people would be gleeful and happy.

We for our part have very serious intentions in respect to the summit. We are making very serious preparations for that meeting, and we shall be prepared to submit some very serious proposals, regardless of what some of Reagan's advisers to the right or to the left—if I am correct he does not have any advisers on the left—regardless of what any of his advisers try to sell to him. If we did not believe in the possibility of bringing about an improvement in our relations, we never would have agreed to have the Geneva summit in the first place. That is our considered position.

About my impression of President Reagan, I have not had a chance to meet him or talk to him or see him in person, so it is hard for me to give you any human impressions, but politically of course I can say what my impression is. I regard him as President of the U.S. a man elected to his high office by the American people, and therefore our attitude toward President Reagan is prompted by our feeling of respect for the people of the U.S. We are therefore prepared to do business with him and to treat him with the respect that is befitting him.

Q. You said that you wished to reach accords in three areas, including space weapons. Yet from much of the commentary that one reads coming from the Soviet Union, there seems to be really no room for any agreements on space weapons because the only thing you want with regard to them is to stop them, to stop all research even in the narrowest and almost academic sense.

A. If there is no ban on the militarization of space, if an arms race in space is not prevented, nothing else will work. That is our firm position and it is based on our assessment, an assessment that we regard as being highly responsible, an assessment that takes into account not only our own interests but the interests of the U.S. as well. We are prepared to negotiate, but not about space weapons or about what specific types of space weapons could be deployed into space. We are prepared to negotiate on preventing an arms race in space.

In Geneva the Soviet Union proposed a ban on the development, including research, testing and deployment, of space strike weapons. Therefore, as we see, our proposed ban would embrace all stages in the birth of this new kind of arms.

Research is something we regard as part of the overall program for the development of space weapons. When, therefore, we see tens of billions of dollars being earmarked for such research, it is clear to us what the design is of the authors of such research and what is behind the specific policy pursued with regard to outer space.

Now, when the question comes up about research, and the question of banning research, what we have in mind is not research in fundamental science. Such research concerning space is going on and it will continue. What we mean is the designing stage, when certain orders are given, contracts are signed, for specific elements of the systems. And when they start building models or mockups or test samples, when they hold field tests, now that is something—when it goes over to the designing stage—that is something that can be verified. So we believe this process is verifiable. So if money is appropriated for such research, then that research has to culminate in the designing of mockups, models that are elements of the system, and that can be verified through national technical means of verification. There will have to be field tests of various components. After all, if we can now, from our artificial earth satellites, read the numbers on automobiles down on earth, surely we can recognize these things when they come to that stage. So therefore we can say flatly that verification is proper.

But the main thing is that if all this work on space weaponry were to stop at this stage, then no one would have any more interest in going over to the next stage in the process of designing and developing, because nobody would think of appropriating any more money for these purposes if it were known that money could not subsequently be used. But on the other hand, if billions and billions of dollars had already been spent on research, then nobody is going to stop because all that money had been invested in SDI. And so then, once space weapons are deployed, once they are in space, then nobody could control that process. And that is what I mean when I say that we would come to an unpredictable phase in relations. And of course you have to bear in mind that the other side is not going to be dozing all this time. That is something you may be very sure of.

When they talk about the purely scientific research nature of the SDI at this stage, they do so to somehow conceal that what is under way today is the whole process of developing space-weapons systems. The very fact that the U.S. is now planning to test a second-generation anti-satellite system is fraught with the most serious consequences. We will surely react. This test, in effect a test of a second-generation ASAT system, means in fact testing an element of a space-based ABM.

This we are witnessing against the background of a negative response to our proposal for the U.S. to join the moratorium on nuclear explosions. The U.S. does not want to join that moratorium for one simple reason, among others: the U.S. needs nuclear testing to provide the nuclear element for space lasers. It has to be used to produce an X-ray laser effect. All these are elements in the space-based antiballistic missile defense. Think then what would happen if the whole thing goes full steam ahead. We believe America should give honest thought to these matters before proceeding further.

I guess that somebody in the U.S. must have thought they would be able to forge ahead of the Soviet Union, to bring pressure to bear on the Soviet Union through these programs. That is something that would never succeed: come what may, we will find an accurate response to any challenge. But if that transpires, it will mean the burial of all negotiations, and when we might return to the negotiating table, nobody can say.

All this may of course suit the U.S military-industrial complex, but we, on our part, have no intention of working for the U.S. military-industrial complex. Our proposals, we firmly believe, are in the best interests not only of the Soviet Union and the Soviet people, but equally in the best interests of the American people and the U.S.

That is why our proposals cause the most irritation on the part of the military-industrial complex in the U.S. We notice that by the behavior of some in the U.S. Administration. There are some there that can certainly be regarded as representatives of the U.S. military-industrial complex. We can feel their presence.

But we do have a large reserve of constructive ideas, and will continue to invite the U.S. Administration to take a different approach. If a different approach is taken by the U.S. Administration, that will open up tremendous possibilities in the field of strategic arms, medium-range arms, in the entire area of armaments. It will open wide an avenue for a broad-based process for improving relations between our two countries.

I was recently in the town of Dnepropetrovsk, and in the street there a worker asked me, "Now what is all this Star Wars that people are talking about, this new idea that Reagan is proposing, Star Wars? Aren't you afraid the U.S. might trick us in the talks?" And I said, "No, have no fear. We will not allow that to happen. We will not allow ourselves to be tricked."

But if the other side displays readiness to seek solutions to these problems, we will be equally prepared, come what may, to leave no stone unturned to seek accommodation. I firmly believe our position is humane. It is not selfish, it meets the interests of the U.S. as it does the interests of the Soviet Union and indeed all nations. Surely the U.S. has areas where it can invest money. We know that you have your own problems; perhaps we are less familiar with your problems than we are with ours, but we certainly do know that you have some problems. And we know that you have an area where you can invest money.

Q. The events of recent weeks, such as the U.S. announcement of the ASAT test and the spy dust charges, could hardly have been helpful in terms of preparations for the summit meeting. Is this type of thing seriously damaging?

A. As far as preparations for the upcoming meeting, let me assure you that we certainly attach tremendous importance to it. We have high hopes and serious hopes about the outcome, even though we do hear from the other side that they are taking a much more modest view of the meeting. They are not giving it that much significance, and we hear words to the effect that it is going to be an introductory meeting, only an agenda for the future, things to that effect. Well, we believe that to travel all the way to Geneva just to get acquainted, just to look at the beauties of Lake Geneva, the beauty of Swiss mountains, that is not adequate to the leaders of two such great nations. It is an expensive luxury. We will do all in our power to make the summit meeting instrumental in improving relations between the Soviet Union and the U.S.

Q. In an article to be released this weekend in *Foreign Affairs* magazine, former President Nixon says that an agreement reducing arms, but not linked to restraints on political conduct, would not contribute to peace. In effect he is saying that the first priority of a summit should not be arms control, but potential flash points and pressure points between the U.S. and the Soviet Union. Do you share that view?

A. It is interesting for me to hear what President Nixon is doing these days. As for the topics that we are going to take up in our discussions with President Reagan, we are working on that right now. We are in contact with the State Department, the White House, and this is an ongoing process. I would not like at this point to go into any of the details of this preparatory work.

Your mentioning Nixon certainly gives me some associations and some memories of a different kind. After all, it was in a very difficult period of our relationship that we managed to find, with Nixon when he was President, the solutions to some very important issues. I recall still further back in 1961 the meeting between Khrushchev and President Kennedy in Vienna. That was a very difficult time as well. There was the Caribbean crisis, yet in 1963 we saw the partial test-ban treaty. Even though that was again a time of crisis, the two sides and their leaders had enough wisdom and the boldness to take some very important decisions. History is very interesting in that way, when you attempt to draw lessons from it.

Q. You have, at least in the view of the world press, started a quite new style of politics in the U.S.S.R. You have gone out and met many people, mingled with workers, and been very visible. Do you enjoy this kind of activity? What benefits do you see deriving from it?

A. Well, first of all, it is not just my own personal style. This is something that we all learned from Lenin. It goes back to Lenin. He said on quite a few occasions that to know life you must live as the masses do, live among the masses, learn from the masses, feel their pulses at work and reflect their thinking, their mood in your policies. I would give priority in that to Lenin. It is not my invention.

Second, it is nothing new in my practice. I used that style all along. I did that kind of thing in Stavropol. I did it here when I was transferred here before I became General Secretary. It is my usual work style. Maybe on occasion, when I have been traveling in the country, the press has given it more prominence and played it up a lot more. The press can do anything. But also I should say there was a need to go out and meet people more.

We are now in a new phase in our economic development, qualitatively in a new phase, new plans, new problems. We do have problems, some serious big problems to resolve. We have for the past several years been making a thoroughgoing analysis of our development of all the problems at hand, and we feel that there is a need to familiarize the working people generally with the conclusions that we are arriving at, to test those conclusions and the people's reactions so that when those analyses have been tried and tested we can come out with them at the forthcoming Party Congress early next year. I would say that it is not a question of whether I enjoy that style or not. You cannot work otherwise. It is the only way you should and can work, provided you want to achieve results.

Q. You have proposed some very deep changes in Soviet society and have already replaced quite a number of officials. One assumes you will replace quite a number more. Are people afraid of you?

A. [Laughter from Gorbachev.] Well, what we have been doing and intend to go on doing is not a reflection of just my point of view. It is the common view of our leadership. We are convinced that we are doing the right thing. These questions are ripe for a solution and they clamor for a solution. They need to be resolved. That is the most important conclusion that I have drawn from my many meetings with people in all walks of life: workers, engineers, scientists, intellectuals, everybody. I see exceedingly warm support for what we are proposing for the line we are taking. What's more, I see that many, both within the party and among the population at large, are impatient for more than we are doing.

But while we try to be bold and determined, we also try to be circumspect in what we are doing. We will continue to act in a spirit of great responsibility to the people. But the people are really clamoring for firmness in our policies. There should be no difference between words and deeds. The deeds should match words. You know we are under very strict control in this country as to what we do and what we have been doing, that is, greater publicity for major decisions and other measures have led to a sense of greater opening and flowering of our democracy. I think that people are not only not afraid of me but welcome the approach we are taking.

I trust that you will not think that I am inclined to look at all of this with rose-colored glasses. This is a very profound process, and it is one that is concerned with the very deep restructuring. It is a very important thing in this country. It affects people, it affects personnel, it affects the very methods of management. The fact that we have been replacing some people is nothing of an extraordinary nature. This is a process that has been going on since perhaps a couple of years ago, it is an ongoing process, it is a natural process of replacement. It will be a bad situation when the process stops. It is not that these various decisions on personnel problems reflect some kind of political struggle around the problems that we are endeavoring to resolve nowadays.

We feel that everyone everywhere in the Soviet Union must change all of their work styles; that goes for all of us here and down at the regional levels and down at the worker-collective level. Everyone has got to restructure things, restyle his whole way of working and thinking. This will still require a great deal of work within the party and within the entire population. This policy has enjoyed some very great support among the people, and that shows that we have taken the correct line. Now if only we can

fulfill our plan as well as we have done during this interview.

I think that there was some prior arrangement that we would spend about one hour together. It has now been two hours. If we could overfulfill our production plans like that it would be great.

I would like to end by just saying a few words that are important in understanding what we have been talking about all along. I don't remember who, but somebody said that foreign policy is a continuation of domestic policy. If that is so, then I ask you to ponder one thing: If we in the Soviet Union are setting ourselves such truly grandiose plans in the domestic sphere, then what are the external conditions that we need to be able to fulfill those domestic plans? I leave the answer to that question with you.●

REPORT ON OVERSIGHT OF THE JOB TRAINING PARTNERSHIP ACT IN INDIANA

● Mr. QUAYLE. Mr. President, today I am reporting on the findings from oversight of the Job Training Partnership Act (JTPA) in Indiana.

July 1, 1985, marked the first anniversary of JTPA. As chairman of the Senate Labor and Human Resources Subcommittee on Employment and Productivity and an author of JTPA, I directed the subcommittee to conduct oversight activities to determine whether JTPA is meeting Indiana's substantial training and retraining needs. In recognition of the start of the second full year of program operations, the purpose of this oversight was to examine the implementation of JTPA and to determine whether amendments to the new statute are needed. I want to draw the attention of my colleagues to a report I am issuing that summarizes the findings from that case study of JTPA operations in Indiana.

Before I discuss our findings, I would like to provide some background on the oversight activities of the subcommittee.

OTHER SUBCOMMITTEES OVERSIGHT OF JTPA

Earlier oversight of JTPA was conducted by the subcommittee in the fall of 1984. Congressional staff held discussion forums and made site visits throughout the country to assess the implementation of the new training program. The individuals consulted represented a broad range of perspectives.

At that time, the subcommittee found that there was strong support for JTPA. The implementation phase was still progressing as States and service delivery areas were learning about program operations and their new roles and responsibilities under JTPA. A summary of the findings from regional oversight activities in Maine, Mississippi, Ohio, Tennessee, and Washington is contained in the committee print entitled, "Preliminary Oversight on the Job Training Partnership Act," Senate print 98-264.

INDIANA'S TRAINING NEEDS

Naturally, as a representative of Indiana, a State with substantial training needs, I am eager to know whether its needs are being met by legislation that I was instrumental in designing.

The tremendous need for JTPA in Indiana is documented by unemployment statistics. Monthly unemployment rates in Indiana have exceeded national unemployment rates regularly since 1979. For 1984, the annual average unemployment rate for Indiana was 8.6 percent, while the national average was about 7.5 percent. The most recent monthly data available, for August 1985, show a significant improvement in Indiana's unemployment rate as it dipped and came close to meeting the national figure: Indiana's unemployment rate was 7.4 percent and the national unemployment rate was 7 percent.

Indiana's retraining needs are exacerbated by the fact that it has been one of the States hit hardest by the recent structural changes in the economy, particularly in the auto and steel industries, which form the backbone of Indiana's manufacturing sector. Plant closings and permanent layoffs continue to result in large numbers of experienced workers suffering long bouts of unemployment.

BACKGROUND TO JTPA

JTPA was signed into law on October 13, 1982, and the new nationwide job training program became effective on October 1, 1983. Following a 9-month transition period to the new program year, JTPA began its first full year of program operations on July 1, 1984.

JTPA authorizes a Federal job training program that replaced the Comprehensive Employment and Training Act (CETA). Building on the knowledge acquired through CETA and its predecessors, including the Manpower Development and Training Act, JTPA incorporates past experience with an innovative service delivery system to tackle the problems of chronic unemployment and poverty. The salient feature of this innovative approach is the substantial role given to the private sector in the design and administration of job training programs.

The philosophy underlying this approach is that the private sector knows best the skills and attitudes employees should possess for successful employment. Private sector involvement is a critical link between the training provided and the jobs that are available. As a result of this linkage, training is tied to economic development. Since decisions regarding the design and operation of training programs are most appropriately made at the local level, JTPA employs a decentralized service delivery system. For more information on program requirements, the appendix to the report contains a primer on JTPA.

OVERSIGHT OF JTPA IN INDIANA

As part of the Indiana case study, I conducted six oversight hearings. These hearings were held in Indianapolis and Evansville on July 1; in South Bend and Gary on July 2; and in Lafayette and Fort Wayne on August 7.

In addition to these six formal oversight hearings I chaired, staff held five discussion forums in conjunction with onsite visits in other parts of Indiana. Staff forums and site visits took place in Kokomo on April 2; in Columbus on June 5; in Salem on August 21; in Marion on August 22; and in Muncie on August 26.

The individuals who took part in these oversight sessions represent the broad range of perspectives involved in setting JTPA policy and in program operations at the Federal, State, and local levels. Many of the participants are members of private industry councils. A list of all the individuals who testified is contained in the appendix. All of Indiana's 17 service delivery areas were represented.

Participants included the Secretary of Labor, William E. Brock III; Indiana Gov. Robert D. Orr and Lt. Gov. John Mutz. Other witnesses included 19 chairs and former chairs of private industry councils; 21 local elected officials; 11 business representatives of private industry councils and dislocated worker programs; 10 representatives of chambers of commerce and economic development; 10 representatives of labor; 14 representatives of education; 10 representatives of the handicapped and vocational rehabilitation; 12 representatives of minorities; 17 representatives of youth, women, senior citizens, and veterans; 15 representatives of employment security and the bureau of apprenticeship and training; 29 employers of trainees; 22 trainees; and 29 program operators, training providers and community-based organizations.

I would like to extend my appreciation and gratitude to all those who assisted in the case study of JTPA in Indiana. Thanks are due to everyone who expressed their views orally and through written testimony. The subcommittee would particularly like to thank the members of private industry councils, who are volunteers, for their time. From all the comments that were made, it is evident that communities are accepting their responsibilities under JTPA in a thoughtful and serious manner.

We also extend our appreciation to the businesses and companies that permitted their employees and JTPA trainees to meet with staff. Finally, the subcommittee would like to thank JTPA administrators and their staffs for all the assistance they provided in organizing and conducting these oversight activities.

FUTURE OVERSIGHT

Findings from the preliminary oversight activities in 1984 and the 1985 case study of Indiana will help shape the issues the subcommittee examines during oversight hearings planned at the national level, in the spring of 1986. These Washington, DC, oversight hearings will take place near the conclusion of the first 2-year planning period.

SUMMARY OF MAJOR FINDINGS

Now I would like to turn to the findings of the six oversight hearings I chaired and the five staff forums and site visits undertaken by staff this spring and summer. The subcommittee's major finding is that JTPA has been effective in assisting Indiana's unemployed find jobs in the private sector. The new service delivery system is firmly established and well positioned to address the training needs of the structurally unemployed.

Performance standards for Indiana indicate that, for the first three quarters of program year 1984—July 1984 to March 1985—80 percent of adults and 70 percent of youth who completed JTPA found jobs. Comparable national figures show that 70 percent of adults and 62 percent of youth who terminated from the program were placed in jobs. This compares favorably with CETA which, nationally, had a placement rate of 39 percent in the basic program—title II-B—and 35 percent overall.

Foreign trade and structural changes in the auto and steel industries have changed the industrial base of many Indiana communities. JTPA, through the local public-private partnership and the private industry council with its business majority and communitywide participation, is serving as a forum for the development of local solutions to eliminate unemployment in conjunction with economic development.

The comments of many witnesses were echoed by one chief local elected official:

I think it [JTPA] gives an opportunity for both sides to develop strategies [to accomplish the goals of the Act], but also to perhaps get a little more creative and . . . develop our own economic development strategies at the local level.

Witnesses credited the local partnership between business and elected officials for the successes that have been achieved by the service delivery areas (SDAs) in meeting and surpassing performance standards. See the appendix for program data, statewide and by SDA.

The role of the private sector was generally acknowledged as the key to the SDAs' success in placing the unemployed in jobs. Consequently, private sector involvement has been enthusiastically received and welcomed throughout Indiana.

There is also strong support for the decentralized decisionmaking process. SDA representatives said that, under local control of the program, they enjoy a new sense of ownership and satisfaction.

Testimony indicated that the increased autonomy and flexibility accompanying JTPA's decentralized approach is essential to the continued involvement of the private sector. As a result, concerns raised about the program tended to focus on how to further enhance the autonomy and flexibility of the SDAs and the private industry councils (PICs).

To briefly summarize, testimony received by the subcommittee in Indiana indicated strong support for JTPA. In particular, there is a great deal of enthusiasm for business involvement through the local public-private partnership. There is a very strong consensus that, with the possible exception of a few minor changes to achieve some technical fine tuning to enhance the flexibility of SDAs in meeting the goals of the act, amendments to JTPA are not necessary and should be avoided. Witnesses indicated that, with more leadership from the U.S. Department of Labor, many of the concerns that were raised could be resolved administratively, at the State and local levels.

At the conclusion of my remarks, I ask to have the detailed discussion of findings and its appendix inserted in the RECORD.

The material follows:

DETAILED FINDINGS

Following is a detailed discussion of findings from the oversight sessions on the Job Training Partnership Act (JTPA) conducted in Indiana by the Subcommittee on Employment and Productivity between April and August 1985.

It should be noted that this section examines concerns or issues that were frequently raised by representatives of many different perspectives: private industry council (PIC) chairs and other PIC members, elected officials, program administrators, representatives of related programs and advocates of the client populations. The purpose of this detailed discussion is to present the findings of the Subcommittee without commenting on the merits of the concerns that were raised or recommendations to address them.

It is important to stress that there was a consensus among the Indiana witnesses that JTPA should not be amended at this time. Although suggestions were made for possible minor improvements to the Act, witnesses generally maintained that Congress should be cautious in making any changes other than minor adjustments to enhance local flexibility in meeting the goals of JTPA. Instead, witnesses indicated that, with more leadership from the U.S. Department of Labor, many of the concerns that were raised could be resolved administratively, at the State and local levels.

PERFORMANCE STANDARDS

All of Indiana's service delivery areas (SDAs) are meeting or exceeding their performance standards, which are welcomed as a means of evaluating program results. However, despite this acceptance and support, performance standards have become the focus of controversy in that they may encourage program operators to cater their services to some categories of individuals among the eligible population but not others. Many witnesses are concerned that the performance standards restrict the ability of SDAs to serve a portion of the economically disadvantaged that requires a longer period of training and a greater investment of JTPA resources. This is commonly referred to as "creaming".

Witnesses explained that the performance standards currently being implemented by the U.S. Department of Labor heavily emphasize the achievements of immediate job placement, at a low program cost, starting at a salary above the legal hourly minimum wage of $3.35. Consequently, some witnesses said they are discouraged from serving individuals for whom a successful outcome may be achievement of basic skill competencies rather than immediate employment and for whom more extensive and, consequently, more expensive classroom training is required.

Given the limited funds available for JTPA in proportion to the size of the eligible population, SDAs must set priorities and make decisions regarding the most effective use of the training dollar. The emphasis placed on job placement combined with the increased participation of the private sector, has caused an unprecedented use of on-the-job training (OJT). OJT often leads to permanent employment, and subsidized wages paid to OJT participants provide them with an income during the in-training period. OJT is an effective and efficient training approach. That SDAs are able to meet the performance standards, with high placement rates at low cost, largely through the increased use of OJT is an indication that JTPA's design is a success.

However, witnesses requested that the performance standards be revised in order to encourage SDAs to provide more longer-term and competency-based training for both youth and adults who need more basic skill development to become employable. This would enhance the flexibility of the SDAs to serve a broader range of the eligible population. Such performance standards would also allow more exploration and development of training programs that prepare individuals for a future of employment in different jobs rather than simply training for a specific job.

Witnesses within SDAs had divergent views on whether or not the performance standards caused JTPA to cream—or selectively enroll those who stand to benefit most from short-term training.

One witness, a program director who was also involved with CETA, summarized the thoughts of many: "The establishment of performance standards helped to stress the need for high performance in the system. It told us . . . that Congress is serious about placing people in jobs. I think that, overall, the system has responded admirably. JTPA has gained credibility in a short time period. It has proven that when employers are involved in a meaningful way, effective progams are the result." This same witness went on to add that, ". . . we need to examine the 'T' in JTPA. We need to be more creative in our use of longer-term technical training combined with OJT if we are going to have trainees making quantum leaps in skill and wage levels."

Several witnesses pointed out that performance standards do not measure the

sorts of outcomes that are specified in the Act, such as reductions in welfare earnings, increases in earnings over a period of time after terminating from JTPA, or decreases in unemployment. In addition, SDAs indicated that they are discouraged from purchasing the supportive services necessary to enable some individuals to participate because SDAs will be penalized by the performance standards for doing so. (See the discussion under the subheading Supportive Services.)

Witnesses who did not think creaming was a problem pointed out that SDAs can and must make sound business decisions, within the constraints of the program but with the benefit of input from private sector PIC Members. Witnesses stressed that training is an investment and communities want a significant return on their tax dollar. Not all the disadvantaged can benefit equally from training, and many have problems for which training is not the solution. One witness commented that the performance standards have ". . . given the program direction and contributed to more positive results. Although these standards may force some agencies to cream, the tangible results are important enough to merit consideration."

Most witnesses welcomed the fact that participants in JTPA are more committed and highly motivated to gain training for its own sake. It was generally agreed that this has resulted in a higher percentage of participants completing their training. Minority representatives suggested that increasing participation of some segments of the eligible population required a sensitivity to cultural differences and to attitudes about past Federal programs that "set up a continuing perception that interferes with operations of JTPA," as one witness put it.

There is uncertainty over the extent of the State's authority and responsibility for adjusting performance standards for the SDAs. SDAs expressed confusion regarding the regression model developed by the U.S. Department of Labor for adjusting the performance standards for local economic conditions and characteristics of populations served.

Several SDAs expressed concern with the methods of calculating the average wage at placement standard. This seemed to be especially a problem for SDAs in which several rural counties are joined with a single, heavily industrial county. In calculating the average wage for such an area, a few large companies with high starting salaries are included, driving up the average for the entire area. It is then difficult, throughout the other counties, for trainees to be placed in jobs that have starting salaries within the correct wage range. A further complication in such an area is that its large companies are often in industries which are currently in the process of laying off and reducing their labor forces. With many former employees awaiting recall, it is extremely difficult to place trainees in these higher paying companies.

SUPPORTIVE SERVICES

Some SDA representatives maintained that more JTPA funds are needed for supportive services, such as child care, transportation and counseling. When questioned, these witnesses stated such services are not available through other sources. Those who expressed concern about supportive services under JTPA said that this reinforced the tendency of the performance standards to focus JTPA on serving the portion of the eligible population that benefits most from short term training.

When questioned about such concerns, SDAs often said they had not requested the waiver on supportive services authorized by Section 108(c) and did not favor doing so. This waiver, which the PIC must request from the Governor, permits SDAs to use some training funds for supportive services in limited circumstances. Witnesses generally responded that, since too few funds were available for training, they did not want to sacrifice training funds to underwrite supportive services costs.

A further disincentive to seeking a waiver is that purchasing additional supportive services would hinder SDAs from meeting the performance standards by increasing the cost per trainee. Witnesses recommended that the performance standards be adjusted to take these costs into account.

Witnesses who do not share this concern believe the need for supportive services for trainees is being met through improved coordination with related programs such as Title XX—Social Services, Aid to Families with Dependent Children (AFDC), the Employment Service and Vocational Rehabilitation.

STIPENDS

Witnesses indicated support for the elimination of stipends, except in some limited cases with youth. Some SDA representatives said that, without the stipends, JTPA offers little enticement to participation for the most extremely disadvantaged, minority, inner-city youth. A stipend would provide the incentive necessary to attract these youth into the program.

Although the Act permits "needs based payments necessary in order to permit an individual to participate" (Sec. 204(27)), some witnesses would prefer a more explicitly authorized use of stipends, in limited circumstances, for youth.

One witness, who supported the move to eliminate stipends in order to encourage self-motivation, suggested that a stipend be offered in the form of a reward to recognize training achievements. This would promote self-motivation among youth participants and help cover minimum training expenses.

SERVICES FOR YOUTH

Many Indiana SDAs share a common concern over the level and quality of services for youth between the ages of 16 and 21. The Act requires that 40 percent of each SDA's allocation must be spent on youth. A State's Governor may adjust this percentage for an SDA so that it more closely reflects the proportion of youth in the SDA's eligible population. In some instances, SDAs are experiencing difficulty meeting this requirement because of conflicting or restrictive program requirements, and in other instances the level of expenditures required to be spent for youth is believed to be too high. Often SDAs ascribed their difficulties in meeting the 40 percent requirement to a combination of these factors.

Several witnesses stated that the 40 percent requirement is too high because services for youth are not as expensive as services for adults. Witnesses who thought that 40 percent was too high a level said the requirement forces them either to purchase more expensive services for youth rather than be cost effective, or to serve a disproportionate number of youth, over 50 percent in some cases. Representatives from SDAs with this problem, usually rural areas, sometimes said they had difficulty finding enough eligible youth who wanted to be in the program.

Witnesses indicated that the objectives set out in the performance standards seem to be inconsistent with the Act's emphasis on serving youth. The performance standards, with their emphasis on job placement upon termination from the program and on high average wages at placement, discourages SDAs from serving youth whose needs and goals do not coincide with these objectives. Youths between the ages of 16 and 21 more often seek help in completing high school, pursuing continuing education, or achieving remedial education and learning employability competencies. The length of time, costs, and outcomes of these activities hinder SDAs from meeting the performance standards.

To correct this, a common recommendation was that, instead of requiring each SDA to devote 40 percent of its funds to youth programs, SDAs should be required to ensure that 40 percent of their JTPA program participants are youth. It was pointed out that this would also help ease the administrative burden on SDAs, which must track dollars earmarked for youth under the present requirement.

Others recommended that the method used to calculate the portion of funds to be spent on youth should be changed. Rather than arbitrarily set 40 percent as the goal, the Act should set out broad guidelines and each SDA would establish a percentage based on the relative proportion of youth in the eligible population.

It was also suggested that SDAs could be enabled to meet the 40 percent requirement by raising the age limit to 25. High school dropouts and disadvantaged youth between the ages of 21 and 25 who are unemployed and lack basic skills are one of the most at-risk segments of the unemployed population. Their needs coincide with the objectives set out in the performance standards.

One witness described the problem with the youth program requirement in his SDA. For youth up to the age of 18, the objective is to encourage them to stay in school, which is relatively inexpensive. The result is that most of the funds under the 40 percent requirement are targeted at 18 to 21 year-olds, who make up less than 10 percent of the population. The SDA represented by this witness is a mix of rural and industrial areas.

In support of the suggestion that the age limit should be raised to 25, witnesses pointed out that in Indiana the situation facing these youth has been exacerbated as the manufacturing sector reduces the relative size of its labor force and the number of well-paying, unskilled jobs decreases. If unskilled youth between the age of 21 and 25 are currently employed in an industry that is laying off workers, they are liable to be the first to be laid off—and they are the last to be called back, due to their lack of seniority. Unskilled and disadvantaged youth in this age bracket need preparation both for entering the labor market and for adjusting to structural changes in the economy.

Another proposal to deal with the difficulties experienced under the 40 percent requirement was to extend eligibility to include youth who, due to financial difficulties, such as unemployment, have been forced to return home to live with their parents or family. In calculating eligibility, these individuals should be treated as a "family of one," which the Governor is permitted to do for handicapped adults.

A number of witnesses said that if restrictions on work experience for out-of-school youth were lifted, they would be able to

meet the 40 percent requirement. Several witnesses recommended that Section 205 relating to try-out employment for in-school youth be extended to include out-of-school youth.

A few SDAs were particularly concerned about the method currently used to adjust the 40 percent requirement, which takes into account youth attending post-secondary institutions. Consequently, for SDAs in which there are large post-secondary institutions, the 40 percent requirement is increased to 45 percent or more. This problem is particularly evident in the Tecumseh SDA which includes Purdue University; the South Central SDA with Indiana University; and the East Central SDA, where Ball State University is located.

DISLOCATED WORKERS

Both management and labor strongly support the dislocated worker program established by JTPA's Title III. What concerns were expressed by management, labor and program participants in describing their experiences generally reflect the experimental nature of this new program. Witnesses expressed dissatisfaction with Title III's administrative requirements, which entail excessive paperwork and result in slow start-up time that hinders effective implementation of programs. In particular, the grant approval process should be expedited because early intervention is vital. A secondary concern is that there has been a proliferation of administrative entities at the local level which may require better coordination and perhaps even consolidation.

PROGRAM FUNDING

One of JTPA's major goals is to provide program stability through forward funding, by establishing a program year that begins after Congress' appropriation cycle ends. The purpose of this is to encourage advance planning by giving the SDAs 18 months notice of funds to be available to them. However, some SDAs are finding it difficult to do advance planning.

The goal of program stability has been at least partially thwarted by three factors: First, the substate distribution formula permits severe fluctuations in allocations; second, programs have different methods of allocating funds and consequently different operating schedules; and third, funds already appropriated may be withheld pending action at the Federal level.

First, in some SDAs, changes in unemployment levels have caused severe reductions in allocations. Two-thirds of the substate distribution formula for Title II-A is based on factors relating to levels of unemployment. Consequently, as unemployment rises or falls from one year to the next, SDAs will find their allocations changing accordingly. When this causes severe fluctuations in funding, program stability is threatened. The auto and steel industries, which dominate Indiana's manufacturing sector, are particularly susceptible to fluctuations in unemployment. Two of Indiana's SDAs will experience severe reductions in funds from Program Year (PY) 1984 to PY 85. The Northern Indiana Job Alliance will have a 28 percent reduction and the North Central Indiana SDA will have a 25 percent reduction.

Witnesses advocated holding SDAs harmless from such fluctuations under the substate distribution formula, as is already done in the distribution formula to the States. While the distribution formula to the SDAs is the same as that used for the States, there is a 90 percent hold-harmless clause for the States that phases in fluctuations in the distribution formula caused by decreases or increases in unemployment.

Secondly, although the dislocated worker program under Title III is forward funded, it is up to the Governor to decide whether these funds will be automatically passed through to the SDAs. In Indiana, SDAs must go through a grant approval process with the State and, in some instances, with the Secretary of Labor. Furthermore, under the grant approval process, starting and ending dates for these programs vary widely and are uncertain until a grant is finally approved. Consequently, it is difficult to do advance planning. (It should be noted that, starting in PY85, Governor Orr has directed that a portion of the State's grant for the dislocated worker program will be automatically distributed according to a formula among the SDAs.)

Finally, in early 1985, in an effort to reduce Federal expenditures, the Administration requested a rescission of funds Congress had already appropriated for PY86. This request affected a wide array of Federal programs. Although Congress did not approve the request, the Administration did not release the funds proposed for rescission until several months later, when the legally required time for Congress to act on the rescission request had expired. Consequently, $100 million for the 1985 summer youth program (Title II-B) was not released until the summer program was already in operation. Many Indiana SDAs had neither expected to receive nor planned for this money, and some of them were unable to use all of it on such short notice.

ADMINISTRATIVE REQUIREMENTS

In all SDAs, primarily among PIC members and program administrators, there is concern that the increased amount of paperwork required under JTPA threatens the continued involvement of the private sector. PIC members, and especially PIC chairs, are being overwhelmed by the onerous burden of administrative requirements that occupies too much of their time and interferes with their ability to focus on the quality of the training that is being provided in their SDAs.

These concerns were well expressed by one PIC chair:

Those who crafted the JTPA legislation and the Department of Labor are to be congratulated for not burdening the system with the myriad regulations and restrictions that crippled CETA. It is the local flexibility and discretion of JTPA that is responsible for the private and public sector support it has received . . . . Continuing support by the private sector . . . will be largely dependent on the extent to which local flexibility and discretion can be maintained and expanded—and the degree to which the State will continue to support local initiatives and flexibility, and the support the SDAs can expect from the Department of Labor when designing and implementing innovative programs to serve their areas. A preoccupation with audit and liability issues can have a chilling effect on creativity and production if allowed to subtly rewrite the intent of JTPA legislation.

The increase in paperwork was attributed to several factors, including maintaining records for three or four separate programs on the following items: performance standards for youth and adults; limitations on expenditures for administration, training, and supportive services; service levels for target populations; and some unique requirements for each program. Finally, the development of annual and biennial SDA program plans becomes burdensome when changing State requirements make revisions necessary.

To reduce administrative entanglements, SDAs called for clarification of the roles and responsibilities of the different levels of government. Witnesses indicated that Federal guidelines are often open to a number of different interpretations. In conjunction with this, there is concern that SDAs have often been required to alter plans because of changing State requirements and policies. SDA representatives commented on the need for the State to be more accountable to localities for decisions that affect SDAs. This could be accomplished by giving SDAs a more active role in the development of policies.

Other suggestions for reducing burdensome paperwork requirements focused on striking a better balance among the program requirements, either by eliminating some of them or by changing the method of implementation, thereby achieving some streamlining.

Representatives from several PICs suggested that Congress should set broad guidelines for minimum services to target populations and then allow each SDA to identify the target populations in its area and set goals for services to those groups. This would eliminate a common complaint that SDAs are required to serve target groups that they do not have in their area, or that SDAs are encouraged to follow practices that are obviously contrary to the goals of the Act.

For example, a PIC chair for a very large rural SDA said that it is difficult to meet the requirement to serve participants in the Work Incentive (WIN) program because eight of the SDA's eleven counties no longer participate in the WIN program. Representatives of another, largely rural SDA are perplexed because the percentage of high school dropouts they are required to serve is so high that, in order to serve that level of dropouts, they would have to refrain from encouraging youth to stay in school.

Another PIC member wondered why it is necessary to track the cost limitations on training, administration and supportive services, so long as an SDA meets its performance standards and its goals for the target populations. He expressed confidence that private sector involvement will keep administrative costs down.

Finally, several witnesses called for the development of incentives to encourage and reward private sector participation on the PICs. Suggestions ranged from providing a tax incentive to establishing a Congressional or Presidential award to recognize exceptional community service on the part of a business representative, employer or company.

STATE JTPA PROGRAMS AND RELATED FEDERAL PROGRAMS

Generally, SDA representatives said that JTPA improves the opportunity for coordination with related programs through area-wide agreements and cross-referral of clients and applications. Some SDAs have established joint offices or cooperative agreements with related programs.

However, SDA representatives are concerned about the proliferation of State and local administrative entities under JTPA. They also spoke of the need for better coordination between JTPA and related Federal programs, such as Aid to Families with Dependent Children (AFDC), Food Stamps,

the Employment Service, housing and economic development programs.

Some PIC chairs felt that the State operated JTPA programs could be more efficiently administered and coordinated with other programs if the funds were automatically passed through to the SDAs.

To improve coordination of JTPA with the education system, SDA representatives discussed the need to tailor classroom training to meet the needs of employers and trainees. As one witness said, "The mission of the vocational education system should be to teach the job skills that employers will need in the near future. . . . JTPA entities need to be more creative in helping employers package vocational training with OJT. The vocational education system needs to be more aggressive in identifying new skill needs in delivering the training."

According to a PIC chair:

When given a choice between a paycheck and deferring against one while in school, not too surprisingly most eligible participants will opt for the paycheck . . . . As schools . . . redesign technical training to better meet employer requirements, . . . extend the training hours available per week and eliminate . . . the preoccupation with degrees, . . . classroom training will become more attractive. . . . Under JTPA, classroom training can take place hand-in-hand with on-the-job training. As classroom training becomes more relevant—and efficient—to the employer's needs, and as more employers become aware of the opportunity, this training option will be better used. . . . "Classroom" training will be much more appealing to the JTPA participant if there can be a realistic expectation of appropriate employment at completion. With some support from the States for the schools and input from the business community, we believe this issue will, for the most part, correct itself."

In another area, Lieutenant Governor John Mutz addressed the concerns of many witnesses when he suggested that better coordination could be achieved if Congress would decentralize the Employment Service by turning over control of its administration and funding mechanism to the States. ES and JTPA have similar goals, and decentralizing ES would make its delivery system more compatible with JTPA's and bring the administration of ES closer in relation to the problems it is addressing. Consequently, significant efficiencies would be achieved in program operations.

In this regard, the Indiana Employment Security Division is currently implementing a proposal to improve local coordination between ES and JTPA, in consultation with SDAs. The Indiana Employment Security Division is also in the final stages of implementing a State-wide computerized job matching system which will be available for use by JTPA staff.

Several representatives for the elderly called for improving coordination between the State 3 percent set-aside for senior citizens and the community services employment program, Title V of the Older Americans Act. These witnesses stated that coordination is currently hampered by the different eligibility requirements currently contained in the two Acts. JTPA requires a lower income for eligibility.

To improve coordination and better meet the needs of the elderly, many witnesses advocated applying Section 203(a)(2) to the 3 percent set-aside for seniors. Section 203(a)(2) permits up to 10 percent of Title II-A funds to be used for individuals who do not meet the income eligibility requirements but who have other barriers to employment. In addition, it was recommended that Social Security benefits not be included in calculating income for determining eligibility for the 3 percent set-aside program.

Pointing to JTPA's emphasis on serving welfare recipients, several witnesses expressed the view that the goals of both the Act and the AFDC program could more easily be met by changing certain AFDC program requirements that discourage participation by AFDC recipients. Many SDA representatives noted that AFDC recipients need to continue being eligible for other Federal programs, such as Medicaid and housing programs, for a short period of time as they make the transition to full employment.

Currently, AFDC benefits are terminated once the recipient is employed, but witnesses supported gradually phasing out AFDC benefits during the initial period of employment in order to improve the likelihood that the recipient will successfully (re)enter the job market. Witnesses said a phase-out of food stamps, health care and housing for beneficiaries who have gained employment is particularly important, and they noted that such a phase-out reduces the risks involved for AFDC recipients who enter into training, making it a more attractive option.

A PIC chair for a rural SDA recommended eliminating Section 142(b), which requires that allowances, earnings and payments be counted as income for programs under the Social Security Act, because it provides a disincentive to participation in JTPA programs for AFDC recipients. As a result of this provision, some counties in his SDA reduce AFDC benefits when recipients receive needs-based payments to cover training costs, such as books, tuition and travel.

EMPLOYERS, TRAINEES, AND SITE VISITS

During their Indiana site visits, Senator Quayle's staff met with program operators, trainees and employers of trainees. Employers and trainees also provided testimony at the Subcommittee hearings chaired by Senator Dan Quayle, and they attended the staff discussion forums to talk about their experiences.

Employers and trainees were understandably enthusiastic about their successes. Employers generally expressed surprise and pleasure at the lack of paperwork or other bureaucratic requirements, often acknowledging that they had been suspicious about JTPA at first but discovered that their fears about working with a Federal program were not warranted. Employers said they would continue to be involved with JTPA as the need arose. Employers who had been involved with both the CETA and JTPA programs generally expressed greater satisfaction with JTPA.

But some witnesses cautioned that JTPA should not become a 'welfare program for employers.' One witness addressed this point in his testimony:

The main thing that we are looking for is a fair business transaction. We don't give money to employers arbitrarily. We provide incentives for an employer to hire someone who he/she would not otherwise hire without the incentive. If no financial incentive is needed, we simply screen and refer our eligible individuals . . . We need to be careful in our use of financial incentives. We should not be buying a job that was available at no cost.

The Subcommittee staff saw many outstanding examples of successes during site visits. Some of these model programs are receiving national and statewide recognition:

Partners 2000 Summer Youth Program (Indianapolis Alliance for Jobs, Inc.)

Indiana Northeast Development (Northeast Indiana Private Industry Council, Inc.)

Carpenters Local 458 and the Town of English Summer Youth Program (Hoosier Falls Private Industry Council, Inc.)

Ball State University Summer Program for Handicapped Youth (East Central Indiana Private Industry Council, Inc.)

A PRIMER ON THE JOB TRAINING PARTNERSHIP ACT

JTPA'S LEGISLATIVE HISTORY

On February 2, 1982, U.S. Senator Dan Quayle (R-IN), chairman of the Senate Labor and Human Resources Subcommittee on Employment and Productivity, introduced S. 2036, the Training for Jobs Act.

Originally cosponsored by U.S. Senators Orrin Hatch (R-UT), Paula Hawkins (R-FL), Edward M. Kennedy (D-MA) and Claiborne Pell (D-RI), Quayle's initiative proposed to repeal the Comprehensive Employment and Training Act (CETA), enacted in 1973, and replace it with a new nationwide job training program designed to help bring unemployed, economically disadvantaged and dislocated workers back into the job market by teaming up government, business and industry to provide the jobless with the training and retraining they need to land permanent and meaningful employment.

Quayle's bill was the result of a series of hearings he held on job training issues during 1981. That June, he chaired four Employment and Productivity Subcommittee sessions in Washington, D.C., and on August 25 and 26, he conducted field hearings in Indianapolis.

On March 15-18, 1982, Quayle's Employment and Productivity Subcommittee held joint hearings on S. 2036 with the House Education and Labor Employment Opportunities Subcommittee. On April 22, Quayle's panel approved the measure for consideration by the full Senate Labor and Human Resources Committee, which reported Quayle's bill on May 28. The U.S. Senate debated Quayle's Training for Jobs Act and passed it unanimously, 95-0, on July 1, 1982.

In the House of Representatives, Congressmen Augustus F. Hawkins (D-CA), then chairman of the Employment Opportunities Subcommittee, and James M. Jeffords (R-VT), then the panel's ranking Republican, led the effort to develop a new job training program. The House passed its version, H.R. 5320, on August 4 by 356-52.

Quayle served on the Senate-House conference committee that was assigned the task of resolving the differences between the two bills. The final compromise measure, S. 2036, the Job Training Partnership Act, was approved by the Senate on September 30 by 95-0, and the House adopted the conference report on October 1, 339-12.

President Reagan signed the Job Training Partnership Act into law (Public Law 97-300) on October 13, 1982.

JTPA became effective nationwide on October 1, 1983, when President Reagan hailed it as an "historic and bold program."

THE PHILOSOPHICAL FOUNDATIONS OF JTPA

The Job Training Partnership Act differs from CETA, the program it replaced, in several fundamental ways:

Under JTPA, the role of private-sector employers in the planning and operation of job training programs is greatly expanded.

JTPA is built upon a government-industry partnership, rather than controlled by government alone.

At the same time, the federal role is reduced from what it was under CETA. More discretion in program operations is provided at the State and local levels, while Governors are given authority over the administration of JTPA in their States.

JTPA provides training, not make-work employment, for those it serves; the measure specifically prohibits public service jobs.

Only a limited percentage of JTPA funds may be used for training allowances, support services and administrative costs. Fully 70 percent of program funds must be spent directly on training.

All JTPA job training programs must measure up to carefully prescribed performance standards. The standards are tied to JTPA's goal, that of providing the jobless with the skills and assistance they need to move off welfare and into unsubsidized private-sector jobs.

JTPA includes the first program specifically designed to meet the needs of dislocated workers ever enacted by Congress.

THE ADMINISTRATION OF JTPA

JTPA requires each State to coordinate local job training and education programs and to collect information on labor markets. In Indiana, JTPA is being administered for Governor Robert D. Orr by the Indiana Office of Occupational Development (IOOD), under the direction of Lieutenant Governor John Mutz.

Under JTPA, each State is required to establish a job training coordinating council, which is responsible for providing guidance to the Governor on State administration and coordination of job training and related programs. The council also recommends how to divide the entire State into service delivery areas (SDAs), or the units of government within which JTPA job training programs will operate. Each State Governor is responsible for final designation of SDAs.

During 1983, the Indiana Job Training Coordinating Council (IJTCC) proposed and Governor Orr approved the creation of 17 SDAs in the State.

Each SDA must have a Private Industry Council (PIC), which is responsible for setting policy and overseeing training programs for the local SDA, for establishing procedures for developing a job training plan and for selecting a grant recipient and administrative entity to operate the SDA's program, in partnership with local elected officials.

A majority of each PIC's members—and its chairman—must be from the private sector. Private-sector PIC members must reasonably represent the industry and demographic make-up of the local business community; representatives of small business and minority enterprises should be included. Because they know best the skills required for jobs available now and those expected in the future, these private-sector PIC members provide vital input on the kind of training JTPA participants should receive. Likewise, PIC members from educational institutions, organized labor, rehabilitation agencies and economic development organizations serve to ensure that other community needs are addressed by local training programs. The Governor must certify that the membership of each PIC meets all the composition requirements specified in JTPA.

The PIC and chief elected officials in each SDA are responsible for developing the local job training plan, which must be approved by the Governor. Each SDA plan covers two program years, describes the job training services to be provided, identifies the participants to be served, sets performance standards, shows how the local plan will comply with the Governor's statewide coordination plan, specifies fiscal control procedures and requires the submission of an annual report to the Governor.

JTPA'S PERFORMANCE STANDARDS

Job training programs funded under JTPA must meet performance standards set forth by the U.S. Secretary of Labor. JTPA stipulates that the major goals of its programs should be to place participants in unsubsidized private-sector jobs, increase their earnings and reduce their dependency on public assistance. JTPA also provides that, in setting national performance standards, the Labor Secretary should prescribe variations in performance standards for training programs serving special population groups, and Governors are given the authority to vary the performance standards set by the Secretary within established limits so that they take into account the local economic conditions and the characteristics of program participants within an SDA.

The performance standards now in effect nationwide for programs serving adults require that 55 percent of the participants in a JTPA program should be placed in private-sector jobs after training; that the per person cost of training and placing participants in jobs should not exceed $5,704; that the average wage of program participants should be $4.91 when they are placed in jobs; and that 39 percent of program participants on welfare should be placed in jobs after training.

The nationwide performance standards for programs serving youth require that 41 percent of JTPA participants should be placed in jobs after training; that 82 percent of youth participants should acquire the basic skills necessary for employment or achieve such other successful outcomes as returning to school, entering the military or an apprenticeship; and that the per person cost of a positive outcome should not exceed $4,900.

When an SDA fails to meet performance standards, the Governor must provide it with technical assistance. A Governor is required to impose a reorganization plan for any SDA that fails to meet performance standards two years in a row.

THOSE SERVED BY JTPA

Under Title II-A of JTPA, funds are authorized for training disadvantaged adults and youth.

Title II-A funds are distributed to the Governor of each State according to a formula which gives equal weight to three factors: a State's share of the total low-income population; its share of the total number of unemployed persons living in areas with unemployment rates of at least 6.5 percent for the previous 12 months; and the relative number of unemployed persons in excess of 4.5 percent of the State's civilian labor force.

Eligibility for services provided under Title II-A is limited to the economically disadvantaged, defined as welfare and food stamp recipients, foster children, certain handicapped individuals and persons with incomes below either the Office of Management and Budget (OMB) poverty line or 70 percent of the Bureau of Labor Statistics (BLS) lower living standard income level. Up to 10 percent of those participating in Title II-A programs may be individuals who, while not economically disadvantaged, have encountered barriers to employment, such as those with limited English-speaking ability, displaced homemakers, school dropouts, teenage parents, the handicapped, older workers, veterans, criminal offenders, alcoholics or drug addicts.

Each SDA must use at least 40 percent of its Title II-A funds to train disadvantaged youth between the ages of 16 and 21.

Under JTPA, each State is required to set aside a portion of its Title II-A funds to run training programs for economically disadvantaged workers who are 55 years of age or older. These programs are to be developed in conjunction with SDAs around each State and should be designed to open private-sector employment opportunities to older workers.

Under Title II-B of JTPA, funds are authorized for a separate summer youth employment and training program, which provides on-the-job training, work experience and support services for economically disadvantaged youth during the summer months. An SDA may opt to make 14- and 15-year-olds eligible for II-B training programs.

Under Title III of JTPA, funds are provided for training the structurally unemployed—those displaced as industrial production levels and techniques change who will not return to their former jobs or occupations. Seventy-five percent of Title III funds are distributed each year to the States according to a formula that takes into account the number of unemployed persons and the length of time they have been jobless. The remaining 25 percent of Title III funds are awarded each year at the discretion of the U.S. Secretary of Labor to underwrite specific retraining programs that may be proposed by states.

States are required to match equally their allotment of federal Title III funds, which may be used to underwrite such activities as job search assistance, training for new jobs, support services and relocation assistance. States with high unemployment have a reduced matching requirement.

Title IV of JTPA authorizes funds for a number of programs administered at the national level by the Secretary of Labor. Specific amounts are set aside for assistance to Native Americans and migrant and seasonal farmworkers under Title IV-A. Under Title IV-B, funds are authorized for the Job Corps, the national program of residential and non-residential centers for the training and education of disadvantaged young people. Title IV-C of JTPA provides a set-aside of funds for an employment and training program for Vietnam-era and recently separated veterans and for veterans with service-related disabilities. Under Title IV-D, the Secretary is authorized to conduct multi-state programs, pilot projects, evaluation and research and to provide training and technical assistance. Title IV-E authorizes a federal labor market information system, including a job bank program, and reauthorizes the National Commission for Employment Policy, which is charged with reviewing and evaluating national employment and training policy.

JTPA also revised the Employment Service, which is principally funded by the federal unemployment tax. JTPA provides a new formula for the allocation of Employment Service funds, which States use for job search, placement and recruitment services for job-seekers and employers and for such other activities as program evaluation, labor market and informational systems and services for dislocated workers. Under JTPA,

two-thirds of each State's Employment Service allotment is based on the relative number of persons in the civilian labor force, and one-third is based on the relative number of unemployed individuals.

INDIANA'S SHARE OF JTPA FUNDS

JTPA required its job training programs to operate on a program year basis, from July 1 to June 30, rather than concurrently with the federal fiscal year, which runs from October 1 to September 30. The program-year system was designed to give job training program planners additional time between the setting of JTPA funding levels by Congress (usually just before the start of a new fiscal year) and the beginning of program operations. The JTPA program year system serves to provide program stability that was lacking under CETA.

During the initial nine-month transition to the full program year (from October 1, 1983, through June 1984), Indiana received $76 million in federal JTPA funding. This total included $38.4 million for training the economically disadvantaged, $22.4 million for summer youth programs, $3.4 million for retraining programs for dislocated workers (or $2.2 million in formula-allocated Title III funds and $1.2 million in discretionary funds awarded by the Labor Secretary), $801,000 for the JTPA migrant worker program and $10.9 million, for employment services. During the transition period, Indiana's matching contribution for dislocated worker programs was $1.3 million.

More than 39,000 people participated in JTPA during the first nine months of the program in Indiana. In that period, over 18,000 Hoosiers received classroom training, another 6,000 were given on-the-job training and fully 9,000 workers around the State successfully completed training and were placed in jobs.

For the 1984 JTPA program year that ran from July 1984 through June 1985, Indiana received $94.3 million in federal JTPA funds, including $46.8 million for training of the economically disadvantaged, $8.6 million for retraining of dislocated workers (or $4.8 million in Title III formula funds and $3.8 million in discretionary awards from the Labor Secretary), $1 million for seasonal farmworkers, $22.4 million for summer youth job programs and $15.4 million for employment services. Indiana contributed $2.5 million for displaced worker programs during the 1984 program year.

During the 1985 JTPA program year, which begins July 1 and ends next June 30, Indiana is scheduled to receive over $89 million in federal JTPA funds. This total includes $46 million for Title II-A training programs for the economically disadvantaged, $21.7 million for Title II-B summer youth programs, $4.7 million as the State's share of formula-allocated Title III funds for dislocated worker programs, $1 million for the migrant farmworker program and $15.5 million for employment services. The State's matching contribution for the formula-allocated Title III funds will be $2.8 million. In addition, Indiana's share of federal JTPA funds for dislocated worker programs may be supplemented by discretionary awards to be made by the Secretary of Labor during the 1985 program year.

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SUMMARY OF INDIANA JTPA FUNDING

[Dollars in millions]

	Fiscal year 1983 [1]	Transition period	Program year 1984	Program year 1985 [2]
Economically disadvantaged		38.398	46.838	46.030
Summer youth		22.451	22.404	[2] 21.774
(Supplemental)		(5.000)	(4.953)	[2] (4.683)
Dislocated worker:				
Formula	[3] 2.632	[3] 2.200	[3] 4.811	[3] 4.772
Discretion	2.000	1.216	[4] 3.806	1.200
	4.632	3.416	8.617	5.972
Migrant and seasonal farmworker		.801	1.075	1.075
Total training	4.632	65.066	78.934	74.851
Employment Security		10.933	15.360	15.580
Total JTPA	4.632	75.999	94.294	[2] 90.431

[1] Only title III, Dislocated Worker Program, was funded in fiscal year 1983.
[2] Estimate.
[3] Indiana's required match for title III, formula funds: Fiscal year 1983 $.259, transition period $1.320, prior year 1984 $2.500, prior year 1985 $2.863.
[4] DOL established a two-for-one match requirement on $700,000 discretionary grant to serve dislocated steel workers. Match is $350,000.

JOB TRAINING PARTNERSHIP ACT ALLOCATIONS FOR PROGRAM YEAR 1985, INDIANA JTPA SERVICE DELIVERY AREAS COMPARISON WITH PROGRAM YEAR 1984

Service Delivery Area (SDA)	Program year 1984 II–A total	Program year 1985 II–A total	Program year 1985 as percent of Program year 1984	Program year 1985 II–A youth	Program year 1985 II–A adult	Program year 1985 older workers
Lake County job training	4,855,727	4,966,036	102.27	2,085,681	2,764,739	115,616
Kankakee Valley Job Training	2,094,999	2,266,711	108.20	862,268	1,348,675	55,768
St. Joseph County Job Training	1,411,463	1,362,972	96.56	458,950	852,335	51,687
Northern Indiana Job Alliance	1,443,474	893,946	61.93	309,623	527,195	57,128
Northeast Indiana	3,377,439	3,088,749	91.45	1,197,958	1,796,938	93,853
Tecumseh Area Partnership	1,632,857	1,506,489	92.26	654,048	799,393	53,048
North Central Indiana	1,823,461	1,365,532	74.89	472,494	839,990	53,048
Madison-Grant	1,557,161	1,387,583	89.11	548,833	789,783	48,967
East Central Indiana	1,975,148	1,836,273	92.97	795,718	972,545	68,010
Western Indiana	1,386,536	1,510,170	108.92	518,688	922,112	69,370
Circle Seven	1,589,339	1,599,733	100.65	533,247	990,315	76,171
Marion County	5,254,359	5,548,371	105.61	2,302,006	3,051,497	195,868
Southeastern Indiana	2,213,521	2,334,835	105.48	718,420	1,526,642	89,773
Shawnee Trace	1,822,175	1,920,874	105.42	545,250	1,272,249	103,375
South Central Indiana	1,729,360	1,682,607	97.30	730,241	892,517	59,849

JOB TRAINING PARTNERSHIP ACT ALLOCATIONS FOR PROGRAM YEAR 1985, INDIANA JTPA SERVICE DELIVERY AREAS COMPARISON WITH PROGRAM YEAR 1984—Continued

Service Delivery Area (SDA)	Program year 1984 II–A total	Program year 1985 II–A total	Program year 1985 as percent of Program year 1984	Program year 1985 II–A youth	Program year 1985 II–A adult	Program year 1985 older workers
Southwest Indiana	1,777,633	1,982,796	111.54	663,510	1,232,234	87,052
Hoosier Falls	1,967,030	2,009,134	102.14	655,357	1,272,165	81,612

TITLE II–A (78%—THIRD QUARTER, PROGRAM YEAR 1984 (JULY 1, 1984 to MARCH 31, 1985) TABLE I—ADULT PERFORMANCE STANDARDS

	Adult performance standards							
	Entered employment rate (percent)		Welfare entered employment rate (percent)		Cost per entered employment		Average wage at placement	
	Actual	Predicted range	Actual	Predicted range	Actual	Predicted range	Actual	Predicted range
Lake	62	44–51	45	30–35	12,014	8,861–11,463	6.04	4.82–5.16
Kankakee	70	53–62	58	36–42	3,649	5,651–7,310	5.13	4.63–4.97
Michiana	75	57–67	63	36–42	2,529	4,093–5,294	5.56	4.56–4.90
Northern Ind.	85	55–65	79	38–44	2,709	3,728–4,823	5.15	4.49–4.81
Northeast	88	55–65	74	38–44	2,356	5,243–6,782	4.80	4.50–4.82
Tecumseh	93	60–70	92	41–48	2,071	2,758–3,568	4.71	4.51–4.83
North Central	92	51–60	90	35–41	2,275	5,341–6,909	4.73	4.77–5.11
Madison/Grant	66	51–59	34	34–40	3,409	6,970–9,016	4.72	4.92–5.28
East Central	84	55–64	76	37–43	2,478	6,559–8,485	4.91	4.59–4.93
Western	73	56–66	69	38–45	2,676	4,556–5,894	5.41	4.58–4.92
Circle Seven	91	58–68	89	39–46	1,625	4,416–5,712	5.01	4.27–4.59
Marion County	68	53–62	60	43–51	3,762	4,424–5,723	4.47	4.73–5.07
Southeastern	98	53–62	94	36–42	1,186	4,622–5,978	4.81	4.57–4.91
Shawnee	83	54–64	77	37–43	1,768	4,277–5,532	4.65	4.52–4.84
South Central	87	55–64	74	37–43	2,022	5,484–7,093	4.90	4.62–4.96
Southwest	88	55–64	80	37–43	2,965	4,530–5,860	4.62	4.70–5.04
Hoosier Falls	73	47–55	58	32–37	2,432	8,511–11,010	4.38	4.19–4.49
Statewide totals	81	53–62	70	41–48	2,691	6,101–7,892	4.74	4.52–4.84

Note.—Actual performance for an SDA may be compared to the predicted range for that SDA but comparisons between SDA's are not valid.
Source: IOOD's Automated Management Information System.

TITLE II–A (78%)—THIRD QUARTER, PROGRAM YEAR 1984 (JULY 1, 1984 to MARCH 31, 1985) TABLE II—YOUTH PERFORMANCE STANDARDS

	Youth performance standards					
	Entered employment rate (percent)		Positive Termination rate (percent)		Cost per positive termination	
	Actual	Predicted range	Actual	Predicted range	Actual	Predicted range
Lake	49	28–41	75	68–74	11,245	3,624–5,236
Kankakee	54	37–54	64	65–71	4,672	3,935–5,686
Michiana	68	32–47	84	65–71	2,860	3,690–5,333
Northern Ind.	79	38–56	81	72–78	4,114	3,208–4,635
Northeast	76	39–57	85	68–74	2,474	3,914–5,655
Tecumseh	81	38–55	90	71–77	3,883	3,065–4,429
North Central	73	34–51	81	67–73	2,780	3,524–5,092
Madison/Grant	63	39–57	76	66–72	5,841	4,218–6,094
East Central	62	30–44	87	73–79	3,099	2,765–3,995
Western	69	37–54	76	69–75	4,680	3,697–5,343
Circle Seven	92	40–58	94	74–79	1,673	3,102–4,483
Marion County	64	33–48	65	64–70	3,302	3,615–5,223
Southeastern	84	32–48	86	70–76	2,856	3,427–4,952
Shawnee	79	38–56	83	68–73	1,840	3,749–5,418
South Central	65	29–42	79	72–78	2,708	2,973–4,296
Southwest	74	36–53	93	70–76	3,577	3,331–4,813
Hoosier Falls	33	22–32	52	77–84	4,673	3,176–4,589
Statewide totals	69	33–49	77	74–81	3,454	3,465–5,007

Note.—Actual performance for an SDA may be compared to the predicted range for that SDA but comparisons between SDA's are not valid.
Source: IOOD's Automated Management Information System.

ENGLISH AS THE OFFICIAL LANGUAGE

● Mr. SIMON. Mr. President, the other evening when we were getting close to the evening adjournment and we had already been working late, my respected friend, Senator JAMES MCCLURE from Idaho, introduced an amendment declaring English the official language of the United States.

Senator PETE DOMENICI of New Mexico and I both indicated that we were not going to ask for a rollcall but wanted to indicate that we were opposed to it. The resolution carried by voice vote.

It is one of those little things that senselessly and needlessly irritates different sections of the United States.

The reality is that to get by in our country, you have to be able to speak English, and we ought to be doing everything we can to encourage people who do not speak English to speak it.

But we do that not by passing resolutions like this, but by having adult education programs that help to teach people English. I do not refer to Senator MCCLURE when I say that some of those who make eloquent speeches about the importance of English being the official language are the same people who refuse to vote funds to teach people the English language.

And the reality is that in Puerto Rico, our fellow American citizens, the official language is Spanish.

In New Mexico, both English and Spanish are official languages.

We solve the problems of division on the basis of language by having constructive programs that move on the problem, not by adopting meaningless resolutions by which we pretend that we're really doing something.●

CONGRATULATING THE PEOPLE OF CYPRUS ON THE 25TH ANNIVERSARY OF THEIR INDEPENDENCE AND ESTABLISHING A CYPRUS COOPERATIVE DEVELOPMENT FUND

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to Senate Resolution 68, congratulating Cyprus on its 25th anniversary of independence, reported out of the Foreign Relations Committee today.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 68) congratulating the people of Cyprus on the 25th anniversary of their independence, and supporting the establishment of a Cyprus Cooperative Development Fund to foster improved intercommunal relations on Cyprus.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations, with an amendment: On page 2, strike line 4 through and including line 8 on page 3, and insert:

(b) It is the sense of the Senate that the United States reaffirms its continuing commitment to a just resolution of the Cyprus dispute, and its support for the efforts of the Secretary-General to bring peace to that troubled nation.

Mr. LUGAR. Mr. President, I offer my congratulations to the people of the Republic of Cyprus who are celebrating the 25th anniversary of their country's independence. In its short history, the Republic of Cyprus has clearly demonstrated that it is a good friend of the United States. Its humanitarian assistance during the recent TWA hostage crisis as well as during the evacuation of U.S. marines wounded in the Beruit terrorist attack are only the most recent examples of this friendship.

As we all know, the short history of the Republic of Cyprus has been marred by conflict. While Cyprus today remains divided, both the Greek Cypriots and the Turkish Cypriots look with hope on the positive developments that have occurred in the intercommunal talks in 1985 as a sign that they may have true reason for celebration in the near future.

In January 1985, leaders of the Greek Cypriot and Turkish Cypriot communities met for their first face-to-face discussions in 6 years, U.N. Secretary General Perez de Cuellar was successful in arranging such "proximity talks" and the subsequent summit as part of the U.N. initiative on the Cyprus dispute. While the January summit ended inconclusively, the mere convocation of such a summit in New York was a significant step forward in the effort to reach a peaceful and lasting resolution of the conflict. More importantly, the talks established the principles that will be included in any peace document between the two sides.

Since the January summit, the Secretary General has made great efforts to consolidate the principles discussed during those meetings into a document for peace. President Reagan has voiced U.S. support for the efforts of the Secretary General and our conviction that this consolidated document offers the best opportunity for a lasting peace on Cyprus. On September 20, 1985, the U.N. Security Council heard an oral report from the Secretary General. He told the Council that his initiative had brought the positions of the two sides closer than ever before; and he expressed his conviction that what had been achieved thus far should lead to an early agreement on a framework for a just and lasting settlement of the Cyprus question.

The Secretary General's Cyprus initiative is at a delicate stage; but a framework agreement acceptable to both sides is clearly within reach. I believe we have never been closer to reaching a solution on Cyprus, and I commend the Secretary General's efforts to bring us this far toward that goal. Goodfaith efforts on the part of the Greek Cypriots and Turkish Cypriots can and will overcome any remaining obstacles to peace.

On this, the 25th anniversary of the independence of the Republic of Cyprus, I look with hope to the future and believe firmly that all the people of Cyprus will soon be able to enjoy the fruits of a truly independent nation.

Mr. SIMON. Mr. President, today marks the 25th anniversary of the establishment of the Republic of Cyprus. It is a day that we must acknowledge but cannot fully celebrate since we have not yet achieved a peaceful and just settlement in that land.

Cyprus history has been troubled, particularly since the expansion of Turkish occupation in 1974 and the subsequent undesirable political developments in the north. It is discouraging that the Turks have recently taken a series of measures including transforming Parliament to a constituent assembly, drafting a new constitution, and exchanging Ambassadors with Turkey, that seem aimed at consolidating their separateness instead of moving toward a solution along the lines outlined by the Secretary General of the United Nations. In contrast the consolidated documents have been accepted by the Republic of Cyprus's as a basis for negotiations.

Yet, though the momentum of the United Nations process has been temporarily slowed, that process is still underway and there is reason for hope. The people of Cyprus are industrious, intelligent, and remarkable. Though there is political tension, they have shown their willingness to eschew violence and work doggedly for peaceful change. They should be commended for their efforts.

Cyprus has also been a good friend to the United States. Recently it provided critical logistical support for the American peacekeeping forces in Lebanon and it aided the United States in the evacuation of the U.S. forces after the Beirut bombing.

It is time for the United States to reciprocate that friendship and play a more active role in helping to push for a solution in Cyprus. It is not enough to merely issue statements of support. It should be our policy to push for a settlement in Cyprus that provides for majority rule with full minority rights. The United States has not placed sufficient leverage on the Turks to come to an accommodation and make concessions. Certainly one of the best ways to bring peace and stability to the eastern Mediterranean is to get the Turkish troops off Cyprus. We should use our influence and our aid to see that those troops are removed. Then there will truly be cause for celebration.

Mr. PELL. Mr. President, 25 years ago today—on October 1, 1960—the beautiful island of Cyprus in the eastern Mediterranean gained independence from British colonial rule and entered the family of nations as a republic. The early years of Cypriot nationhood, marked by steady tension and occasional violence between the island's Greek and Turkish Cypriot communities, tested the young republic's viability. But for nearly 14 years—until August of 1974—the center held.

To all Cypriots, the events of that tragic summer some 11 years ago remain a vivid memory. A misbegotten coup fomented by the Greek junta in Athens brought an invasion of Turkish forces to avert the plotters' aim, which was enosis—union—between Cyprus and Greece. The immediate result was the restoration of democracy in Athens and of President Makarios in Nicosia. But having played a role which history might have forgiven, Turkish forces quickly shifted to a role that history will severely condemn: The occupation and consolidation of control over a full 40 percent of the Cypriot nation. As this violation of Cypriot sovereignty moved into full gear, tens of thousands of Cypriots became refugees in their own land.

During the 11 ensuing years of occupation and division of their homeland, the citizens of Cyprus have focused their hopes of redress on the United States, Turkey's principal source of military and economic aid, and on the United Nations, which has sought to play a constructive mediating role be-

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tween the two Cypriot communities. Although these hopes have thus far gone unfulfilled, events earlier this year gave promise of progress when U.N. Secretary General Perez de Cuellar brought the leaders of the two Cypriot communities together for a summit. Unfortunately, the Turkish Cypriot leader, Mr. Denktash, quickly dashed any expectation of immediate progress by rejecting the draft settlement agreement which had been crafted by the Secretary General on the basis of previous negotiations.

Although the January summit ended inconclusively, the talks did establish principles that would be included in any future peace agreement. Moreover, the Greek Cypriot leader, President Kyprianou, continued to play an integral and constructive role in Mr. Perez de Cuellar's effort to draft a revised version of the documentation which formed the basis for the January talks. In the process, President Kyprianou made a number of further concessions in hope of eliciting a positive response from Mr. Denktash. As a consequence, the Secretary General succeeded in devising a new draft agreement aimed at bringing greater clarity to points on which Mr. Denktash had balked. In June, Mr. Perez de Cuellar reported to the Security Council that the Greek Cypriot side had replied affirmatively to his revised documentation and that he was awaiting the Turkish Cypriot response to his efforts. Using the language of diplomacy, while pointing implicitly to the Turkish Cypriots, the Secretary General added that:

> Provided both sides manifest the necessary goodwill and cooperation, and agreement can be reached without further delay.

Unfortunately, in August Mr. Denktash rejected the Secretary General's document, indicating that he would not accept the withdrawal of more than 30,000 Turkish troops from Cyrus, although such withdrawal is clearly a threshold requirement for any Cyprus settlement. Mr. Denktash also declared that the results of a May referendum and a June election in his Turkish Cypriot "state" now precluded his acceptance of the principle of a federal Cypriot state. Simultaneously, Mr. Denktash proceeded to implement a new policy of distributing to Turkish Cypriots thousands of acres of land by Greek Cypriots.

Mr. President, these statements and actions leave little doubt of Mr. Denktash's current agenda. By defending the continued presence of Turkish forces, by redistributing Greek Cypriot land in the Turkish-occupied sector, and by refusing to accept the very principle of a federated Cypriot state, the Turkish Cypriot leader is manifesting a plain intention to perpetuate indiefinitely the partition of Cyprus. To this, our response must be equally clear: That such intransigence will not be tolerated.

With the obvious exception of Turkey, all nations of the world refuse to recognize the legitimacy of the Turkish Cypriot "state," which exists only with the support of Turkish troops. It is thus upon both Mr. Denktash and his mentors in Ankara that pressure must now be brought for a reversal of the Turkish position. At this crucial juncture and on this solemn anniversary, let us reaffirm that no effort will be spared—and no opportunity lost—to achieve a restoration of Cypriot unity, a restoration of Cypriot independence, and a restoration of justice to the Cypriot republic.

Mr. TRIBLE. Mr. President, I am pleased that the Senate has turned to consideration of Senate Resolution 68, a resolution of mine marking an anniversary that is a source of both celebration and concern.

Twenty-five years ago today, the Republic of Cyprus won its independence. After a long and arduous process, the Cypriot people won the right of self-determination.

That alone makes today an important occasion. The victory of freedom is a source of celebration for all democratic nations. My resolution recognizes this fact, and congratulates the people of Cyprus on the 25th anniversary of their independence.

For the people of Cyprus, however, the determination to build a nation has been severely tested. The Cypriots have been beset by violence. Their land has been divided. In fact, the Turkish Cypriots have attempted to declare one-half of the island a separate nation. This is unacceptable, and for that reason, Senate Resolution 68 reaffirms America's commitment to bring peace to Cyprus.

Earlier this year, it appeared the prospects for peace seemed brighter. Under the auspices of the United Nations Secretary General, talks were held between Greek-Cypriot and Turkish-Cypriot leaders aimed at establishing a framework for further negotiations toward a peaceful settlement of the Cyprus dispute.

The President of Cyprus has accepted the revised draft agreement which outlines the framework for further talks. The Turkish Cypriots have not. Indeed, they have postponed responding to that draft agreement while proceeding with presidential and parliamentary elections.

This, too, is unacceptable.

These steps on the part of the Turkish Cypriots move us further from a settlement of the Cuprus dispute. They cannot help but make the efforts of the U.N. Secretary General more difficult.

The United States has supported those efforts. I believe we must continue to support them, and Senate Resolution 68 reaffirms our commitment to doing so. I urge its adoption by the Senate.

Mr. HEINZ. Mr. President, today marks the 25th anniversary of the independence of Cyprus. I would like to take this opportunity to congratulate the people of Cyprus on this momentous occassion and reaffirm America's commitment to helping rebuild a free and unified Cyprus.

Clearly, these first 25 years have not been easy ones for the people of Cyprus. In addition to the long and arduous process which led to their independence, the Cypriots have faced continuous strife and hardship throughout these last 25 years.

As Americans, we admire those who perservere in the face of such challenges. We respect those who remain steadfast in their commitment to democracy and freedom. Throughout their first quarter-century of independence, the people of Cyprus have displayed these qualities in abundance. They have not wavered in their search for freedom, and I believe the United States should commend their courage and heroism.

In addition, we must continue to press forward in helping the two communities on Cyprus bring about a just and lasting peace to that troubled island. I congratulate the people of Cyprus on the 25th anniversary of their independence and pray for many future years of peace and prosperity.

Mr. BIDEN. Mr. President, 25 years ago today, after many years of struggling for their independence, the Cypriot people succeeded in establishing the free and independent Republic of Cyprus.

Generations of struggle had left many important issues still unresolved among the Greek and Turkish Cypriots who share the heritage of that beautiful Mediterranean island, but the new nation nevertheless set forth to establish a homeland that would accommodate the interests of all of its inhabitants.

Unfortunately, the Cypriots were not to be left free to devise their own accommodations, on two occasions Turkey threatened to intervene in the affairs of the Republic of Cyprus, and in 1974 finally carried out that threat with a massive military invasion of 40,000 Turkish troops, some 10,000 Cypriots, both Greek and Turkish, died in that invasion, 2,000 Greek Cypriots disappeared but are believed to be still alive today, and the fledgling nation was divided, with 40 percent of the land remaining in the hands of the 20,000 Turkish troops who are still on the island today, 11 long years after that brutally enforced partition. The Turkish invaders have imposed 50,000 settlers from the Turkish mainland upon the lands of 200,000 Greek Cypriots, although more than 80 percent

of the island's people are of Greek ancestry.

So, Mr. President, the Republic of Cyprus remains independent after 25 years among the family of nations, but it can hardly be said to have remained entirely free. A foreign army of occupation still holds nearly half its land behind a wall of bayonets, and a great many of its people remain dispossessed of their ancestral homes. For the great majority of Cypriots, today will be, at best, a melancholy celebration.

Yet we in the United States can still convey our sincere congratulations and our best wishes for 25 years of Cypriot independence, in admiring recognition of the success of the Republic of Cyprus in maintaining its independence under the most difficult imaginable circumstances. It is an achievement that speaks tellingly of the spirit and the endurance of the Cypriot people, and one that still holds the promise for a successful and equitable resolution. That they have clung so tenaciously to their freedom while experiencing such repression for almost half their history as an independent nation strongly suggests, I believe, that in the end they will prevail and regain the total independence that is their undoubted right.

But, Mr. President, it is important, not only for the people of Cyprus themselves but for the United States of America and for the NATO alliance, that the Cypriots be reminded and reassured that they do not stand alone. A free Cypriot democracy deserves the generous support of every free nation, just as an imperious and arrogant Turkey should be reminded at every turn that the removal of the Turkish army of occupation and the restoration of complete Cypriot independence is the necessary price of full Turkish acceptance among the nations of the free world. Along with other Members of the U.S. Senate, that has been my object for the past 11 years, and it should remain the object of this Senate and of the United States until the last Turkish soldier has left the island and the Republic of Cyprus at peace. The moral interests of freedom and democracy, the national interests of the United States and the mutual interests of the NATO nations and inextricably tied to the interests of a free Cypriot people and a fully independent Cyprus.

It is with that message, Mr. President, that we can best celebrate the 25th anniversary of the Republic of Cyprus and send our heartfelt greetings to its much-beleagured but still freedom-loving people.

Mr. GLENN. Mr. President, I rise today to join my colleagues in commemorating the 25th anniversary of the establishment of the Republic of Cyprus. We are all well aware that these 25 years have not been easy ones for the people of Cyprus. I remain extremely concerned by the continued occupation of 40 percent of Cyprus by Turkish troops and by the efforts of the Turkish sector to disassociate itself from the Republic. Of course this action has not been recognized as legitimate by any of the world's nations, except Turkey.

Recently I joined with several of my colleagues in writing to Secretary of State Shultz to reaffirm our support for existing U.N. resolutions upholding the territorial integrity of the Republic of Cyprus and calling for the withdrawal of foreign troops. The letter further urged the administration to redouble U.S. efforts to achieve a peaceful and just resolution of the problems of Cyprus.

I strongly support the efforts of the U.N. Secretary General to bring about a resolution of the Cyprus dispute and trust that the U.S. Government will do everything we can to be cooperative in this regard. Let us hope that the next anniversary observation will be an occasion for a celebration of peace and unity by the Cypriot people.

Mr. ZORINSKY. Mr. President, today I want to draw the attention of my colleagues to the 25th anniversary of the founding of the independent Republic of Cyprus. October 1 marks the Cypriot Independence Day, and I offer this statement in honor of this significant date in Cypriot history, and with sincere hope that the continued efforts of Greek and Turkish Cypriot leaders in negotiating a reunification of Cyprus will be successful.

Twenty-five years ago, Cyprus gained its independence after a long anticolonial struggle. The people of Cyprus established their own state, their own independent republic in which all Cypriots both of Greek and Turkish descent would be free and secure in their homeland. Greek and Turkish Cypriots have always maintained primarily separate cultures and communities, but in 1974, the cultural differences became geographical ones as well when the island-nation was divided along communal lines.

Efforts have been made since the founding of the Republic of Cyprus to develop long-term institutional arrangements that would be accepted by both the Turkish and Greek communities in Cyprus. Little progress occurred before 1974, and following the separation, there has been even less. Possibilities for a reconciliation between Greek and Turkish Cypriots have seemed even more remote since 1983, when the Turkish Cypriot community declared itself the independent "Turkish Republic of Northern Cyprus," a move which the United States has wisely refused to recognize. And repeated efforts under the sponsorship of the United Nations to bring about peace have not met, thus far, with success.

Mr. President, I would like to take this opportunity on the anniversary of the founding of a unified, independent Cyprus to congratulate all Cypriots of both Turkish and Greek origin on an important date in their history, and to urge them on this occasion to focus their efforts on reconciliation and reunification. I also urge the administration to take steps to support the U.N. Secretary-General in his efforts to bring peace to the troubled nation of Cyprus. May all those of good will, everywhere, join today in commemorating the independence of Cyprus and in expressing hope for its unity and prosperity.

Mr. D'AMATO. Mr. President, on October 1, 1960, the island of Cyprus, formerly part of the British Empire, was declared a sovereign independent nation. Today, the people of Cyprus are celebrating the 25th anniversary of that independence. While this should be a joyous occasion, it serves as a painful reminder to both the Greek Cypriots and the Turkish Cypriots that the continued occupation and division of Cyprus precludes the country from enjoying the fruits of this independence. Unfortunately, without a resolution of this ongoing crisis, the people of Cyprus have little independence to celebrate.

During our consideration of this year's foreign assistance bill, we noted Turkey's special responsibility to encourage the peaceful resolution of this conflict. Turkey responded in good faith to our strong message of last year and persuaded Mr. Denktash to meet in summit talks with President Kyprianou for the first time in 6 years. While those talks ended inconclusively, they created a foundation for any peaceful resolution of this conflict. We were all hopeful that this summit process would resume without delay and peace would finally come to this troubled nation.

Unfortunately, this has not occurred. Instead of returning to the summit process, Mr. Denktash has held Presidential and parliamentary elections, as well as a constitutional referendum and has continued to turn over Greek Cypriot-owned land to Turkish Cypriots. We in Congress have expressed our conviction that these actions are counterproductive and prevent the positive summit developments from reaching fruition. However, it is not clear whether this message has been clearly heard by Ankara.

In March 1985, President Kyprianou accepted the draft consolidated agreement for peace that was drafted by U.N. Secretary General Javier Perez de Cuellar from the principles agreed to during the January summit. This consolidated document offers the first real hope for peace on Cyprus and the Secretary General's efforts should be

strongly endorsed by the United States. History demonstrates that, without our encouragement, we will not receive a positive response from Mr. Denktash on this peace vehicle. On this the 25th anniversary of the independence of Cyprus, I urge a reaffirmation of United States support for the Secretary General's efforts and for the current draft of the consolidated document.

Thank you, Mr. President.

Mr. PRESSLER. Mr. President, I am proud to congratulate the citizens of Cyprus, and all those of Cypriot ancestry, on the 25th anniversary of their independence. However, the occasion is also a bittersweet one, because for 11 years Cyprus has been a forcibly divided nation. Families have been divided, Government services have been divided, and the very fabric of Cypriot life has been divided.

That is why it is crucial to remember on this 25th anniversary of the independence of Cyprus that Cyprus' very independence is at stake yet again. The division of Cyprus not only pits as enemies two regional neighbors, but has harmed its citizens, undermined the southern flank of NATO, and led to unnecessary animosities as far afield as the American Congress during debates on military aid ratios for Greece and Turkey.

The resolution before us today is an important benchmark in the continuing struggle to reunite Cyprus. It reaffirms the necessity for direct talks between the Greek-Cypriot and Turkish-Cypriot leaders to establish the groundwork for the eventual reunification of Cyprus. It calls upon the United States to reinforce the efforts of the U.N. Secretary General in these important negotiations, and it sets up a specific strategy for improving relations between these divided people.

In a nation where nearly half the population is under the age of 20, 11 years of fear, warfare, and division is more than half a lifetime to remember. If Cyprus is to be peacefully reunited, both its children and its adults must know their neighbors in friendship and cooperation. A Cooperative Development Fund for Cyprus can help to establish just that sort of mutual and peaceful heritage.

Mr. DODD. Mr. President, I would like to join with my colleagues in congratulating the people of Cyprus on the 25th anniversary of their independence. I join with them in reasserting our strong support for the Republic of Cyprus, and for the efforts of the United Nations Secretary General to bring about a resolution of the Cyprus dispute in accordance with existing U.N. resolutions.

Far too often the Cyprus conflict is dismissed even by well-meaning people as the deep-rooted products of an age-old conflict. But in fact the most pressing problem in Cyprus is not some ancient, irreconcilable dispute, the Turkish occupation of 40 percent of Cyprus is 11 years old. That is the first problem on the Cypriot table. The territorial integrity of Cyprus must be resorted in order for the political community of all Cypriots to be built. And time is short.

Turkey has begun to systematically incorporate occupied Cyprus into Turkey itself. Not only were the Greek Cypriots in this part of the island physically expelled from their homes, but every cultural, social, and religious trace of their history is slowly being eradicated.

In November 1983, a unilateral declaration was made proclaiming the Turkish-occupied area an independent state. Congress immediately went on record opposing this attempt to institutionalize the partition and occupation of Cyprus. But that effort by the Turkish Cypriots, with at least the tacit support of the Turkish Government, was a logical response to a decade of the West's complacency about the Turkish invasion, occupation and partition of Cyprus. That silence and its consequences set a dangerous precedent for American policy.

So as we celebrate today the 25th anniversary of Cypriot independence, let us rededicate ourselves to helping restore the integrity of Cyprus. Let us congratulate the people of Cyprus for their achievements over the past quarter century, and let us encourage all sides toward another achievement: The peaceful and successful resolution of this intolerable partition of a beautiful island.

Mr. ROTH. Mr. President, I would like to take this opportunity to draw to the attention of my colleagues the fact that today marks the 25th national day of the Republic of Cyprus.

Such occasions usually call for celebrations, both official and unofficial. However, there will be few toasts drunk in Cyprus tonight, since 40 percent of that republic's territory remains occupied, as it has been for almost 11 years, by a foreign presence.

For as long as that foreign presence has been on Cypriot territory, this body has striven to reestablish the integrity of the Republic of Cyprus. Our task has been rendered doubly difficult by the fact that, in so doing, we are obliged to deal with two members of the North Atlantic Treaty Organization, one of those two members, Turkey, being the foreign power which still encroaches on Cypriot territory.

This situation is doubly ironic, given the fact that this Nation continues to provide a generous program of military assistance to the Republic of Cyprus. In effect, this means that we subsidize the Republic of Turkey in its continued efforts to undermine our policy on Cyprus.

In the past, I have not hesitated to advocate the withholding of such assistance from Turkey pending Turkish cooperation in the reestablishment of the integrity of the Republic of Cyprus free from foreign intervention.

The task which faces us on Cyprus today remains as formidable as ever it was, but I remain convinced that, if we make a conscious decision to throw our diplomatic efforts into the task, we can yet achieve our often-stated goal, namely, the reestablishment of a Republic of Cyprus. We cannot allow ourselves to be held back by supposed complicating factors. Our commitment to the withdrawal of Turkish forces from Cyprus has been stated openly and frequently. It is only fitting that we mark this 25th national day of the Republic of Cyprus with a renewed commitment to translate our words into actions.

Mr. SARBANES. Mr. President, today marks the 25th anniversary of the establishment of the Republic of Cyprus. Buffeted for centuries by the crosscurrents of great power rivalries, Cyprus achieved international recognition of her national integrity in 1960, becoming a full-fledged member of the community of nations.

The early years in the history of a new republic are inevitably years of trial and challenge; Cyprus has had its own reversals, and in particular was dealt a terrible blow in 1974 when, after just 14 years of independence, the Turkish invasion left hundreds dead and missing and hundreds of thousands displaced, homeless in their own land. The Turkish occupation continues today. For nearly half of its 25 years Cyprus has been a nation divided by military force, the energy and genius of its people diverted from building a just and secure and prosperous nation to repairing the grievous damage which the tragic invasion of 1974 left in its wake.

The situation on Cyprus has been further complicated by Turkish Cypriots' actions, beginning with the unilateral declaration of independence [UDI] in November 1983 to create a separate Turkish Cypriot self-governing entity. No state but Turkey has granted recognition to that "entity"; the United States immediately and vigorously condemned the Turkish-Cypriot action, and has consistently pursued the policy of nonrecognition.

Clearly and regrettably the unilateral Turkish-Cypriot action of 1983 has significantly complicated the already difficult task of restoring the integrity of the Republic of Cyprus on a just, peaceful, and enduring basis. That task has been undertaken by United Nations Secretary General Perez de Cuellar, and it is the policy of our Government to support the Secretary General's efforts. Just 4 weeks ago, in his bimonthly report on progress

toward a negotiated settlement on Cyprus, President Reagan forwarded to the Congress the Secretary General's June report to the Security Council. The President's report of September 3, 1985, reads in part:

Since my previous report, United Nations Secretary General Perez de Cuellar has continued his efforts, begun last fall, to obtain the two Cypriot communities' acceptance of an agreement containing the elements of a comprehensive Cyprus settlement. He endeavored to overcome the difficulties that had arisen during the January 1985 summit meeting by incorporating components of the documentation into a consolidated draft agreement. His expressed intention was to bring greater clarity to its various elements and to devise procedural arrangements for followup action, while preserving the substance of the documentation. The Secretary General reported to the Security Council in June, a copy of which is attached, that the Greek Cypriot side had replied affirmatively to his revised documentation and that he was awaiting the Turkish Cypriot response to his efforts. The Secretary General added that, "provided both sides manifest the necessary goodwill and cooperation, an agreement can be reached without further delay."

The Turkish Cypriots postponed replying to the Secretary General while they proceeded with a constitutional referendum on May 5, a presidential election on June 9, and parliamentary elections on June 23. The Turkish Cypriots stated that the referendum and the elections would not preclude their participation in a federal cypriot state. We have repeatedly registered with both communities our conviction that actions which might impede the Secretary General's efforts to negotiate an agreement should be avoided and have reiterated our policy of not recognizing a separate Turkish Cypriot "state."

Mr. President, on the 25th anniversary of the establishment of the independent Republic of Cyprus, the courageous and industrious people of Cyprus deserve our congratulations and respect. But they deserve more—a chance to live peaceful and prosperous lives, to raise their children and care for their families in a just and stable society. These objectives are not beyond reach. The Secretary-General's plan awaits a positive response from the Turkish Cypriot community. Let us hope that this initiative will bring to an end 11 long years of turmoil and permit all Cypriots once again to live together in peace.

Mr. KENNEDY. Mr. President, today I join Greek-Americans and the citizens of Cyprus in celebrating the 25th anniversary of the independence of the Republic of Cyprus. On this occasion, we are reminded of the deep and abiding commitment of the Cypriot nation to freedom, to justice, and to democracy. We are reminded of the strong and continuing ties between Cyprus and the United States, and of the major contribution those of Hellenic heritage have made to America through their great civilization and political and economic traditions.

But we are also reminded of the continuing tragedy in Cyprus and of the need for a lasting political settlement based on the legitimate rights of both the Greek majority and the Turkish minority. For the last 11 years, the Greek Cypriot population has endured a cruel and repressive occupation by Turkish troops. On this auspicious occasion, the United States must reaffirm its support of the United Nations Secretary General's efforts to resolve by peaceful means the crisis in Cyprus. At this critical time, the United States Government must give the tragic situation in Cyprus a higher priority in our Nation's foreign policy. We must ensure that the illegal occupation by Turkish troops in Cyprus be brought to a prompt and peaceful end.

After years of suffering at the hands of foreign oppressors, the people of Cyprus and the fundamental standards of justice demand no less.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 68), as amended, was agreed to.

The amendments to the preamble were agreed to.

The preamble, as amended, was agreed to.

The resolution (S. Res. 680), as amended, and the preamble, as amended, are as follows:

S. RES. 68

Whereas on October 1, 1985, the Republic of Cyprus will mark the twenty-fifth anniversary of its independence;

Whereas despite the hardship of twenty-five years of strife, the people of Cyprus have remained steadfast in their commitment to a free nation;

Whereas the United States supports the efforts of the United Nations to help reach a framework for bringing a just and lasting peace to that nation;

Whereas the Secretary-General's current initiative on Cyprus has reached a critical stage, as reflected by President Reagan's report to Congress on September 3, 1985: Now, therefore, be it

Resolved, That (a) the Senate hereby congratulates the people of Cyprus on the twenty-fifth anniversary of their independence.

(b) It is the sense of the Senate that the United States reaffirms its continuing commitment to a just resolution of the Cyprus dispute, and its support for the efforts of the Secretary-General to bring peace to that troubled nation.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of State.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL PLACED ON CALENDAR—S. 1726

Mr. DOLE. Mr. President, I send a bill to the desk on behalf of Senator LUGAR and ask unanimous consent that it be placed on the calendar.

● Mr. LUGAR. Mr. President, I am introducing a bill to remedy a problem that resulted from the drafting of Public Law 99-83, the International Security Cooperation and Development Act, that was passed by the Congress in late July and signed by the President on August 8 of this year. This bill pertains to section 121(b), the special defense acquisition fund, and specifically refers to the sources of capitalizing this fund.

Mr. President, this bill would repeal the language in section 121(b) of the International Security Cooperation and Development Act which took effect on October 1, 1985. In doing so, the former language of 51(b) of the Arms Export Control Act would be retained in that section and would therefore allow for capitalization of the special defense acquisition fund from the same Department of Defense sources as was formerly authorized.

Both the majority and the minority sponsors of Public Law 99-83 here in the Senate have agreed to the need for this change. Their counterparts over in the House have also agreed to the necessity of this change. It is my understanding that the House will take up this measure as soon as the Senate approves it.●

The PRESIDING OFFICER. Without objection, the bill will be placed on the calendar.

AUTHORIZATION OF TESTIMONY OF SENATE EMPLOYEE

Mr. DOLE. Mr. President, I send a resolution to the desk on behalf of myself and the distinguished Senator from West Virginia [Mr. BYRD] and ask for its immediate consideration. it authorizes the testimony of a Senate employee.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 236) to authorize the testimony of a Senate employee.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 236) was agreed to.

The preamble was agreed to.

The resolution with its preamble, reads as follows:

S. RES. 236

Whereas, in the case of *United States* v. *Amy Walls, et al.*, Petty Offense Violation No. J0027221/WE40, pending in the United States District Court for the Eastern District of Wisconsin, the defendants have obtained a subpoena for the appearance of David Krahn, Senator Bob Kasten's State director;

Whereas, by the privileges of the Senate of the United States and rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that the testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistent with the privileges and rights of the Senate: Now, therefore be it

Resolved, That David Krahn is authorized to appear and testify in the case of *United States* v. *Amy Walls, et al.*, except concerning matters which may be privileged.

Mr. DOLE. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRESIDENT BANS KRUGERRAND IMPORT

Mr. DOLE. Mr. President, I inform the Senate that the President today announced the ban on the import of Krugerrands envisioned in his earlier Executive order on South Africa.

It is my hope that all of those who have been attacking the President on this issue and indicating that he was not acting in good faith or was trying to stall will take special note of this Presidential action. It is probably too much to hope that they will acknowledge their error and apologize to the President.

In any case, this Presidential action effectively closes the circle. The President has now put into effect all of the immediate sanctions envisioned in the legislation which was pending before us. By fully joining the Congress on this issue, the President has made it clear to the South African authorities that all Americans speak with one voice aganst apartheid. It should also be increasingly clear that we took the right action in the Senate in deferring further action on S. 995/H.R. 1460.

Mr. President, I point out to my colleagues that this is another indication that when the President made his decision on South Africa, he meant it, and that he has kept his word, as I think everyone knew he would. I indicate to my colleagues on both sides of this very sensitive issue that this is another indication that the President is speaking for the country, for the U.S. Senate, for all of us, and that we applaud his action.

SENATE AGENDA

Mr. DOLE. Mr. President, I would like to give my colleagues some idea of what may happen for the remainder of the week. I have gone over some of the possibilities. I will point out that we are getting down to the wire on the debt ceiling. We are still hopeful that tomorrow we can get into some appropriations bills, but that has not been determined.

We cannot do reconciliation prior to Thursday.

We have some Executive Calendar nominations, but we need to meet on those.

The Compact of Free Association could be a prospect for tomorrow if we can work out something on that.

Mr. President, I think the urgent business, I am advised by the Treasury Secretary and others in the administration, is the debt limit extension. I doubt that we can move to that tomorrow. We may start on that on Thursday, but, again, on Thursday we have a problem because midafternoon on Thursday about 18 of our colleagues have commitments outside the city. I would guess we could perhaps start on Thursday and complete action on Friday and not have a Saturday session.

Again I would urge my colleagues, those who have indicated to me they would like to adjourn at a reasonable time this year, we are not making much progress. We did not do much last week and we have not done much this week. The prospects for doing a lot this week are not particularly bright.

I know there are problems with the appropriations bills. I hope we can resolve most of those. I hope something can be done quickly.

I am not in a position to indicate precisely what will happen, but I would guess we might find ourselves with the debt limit extension on Thursday and Friday of this week. Hopefully, we can move to appropriations bills, or perhaps the Compact of Free Association.

ORDERS FOR WEDNESDAY, OCTOBER 2, 1985

ORDER FOR RECESS UNTIL TOMORROW AT 11 A.M.

Mr. DOLE. Mr President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Wednesday, October 2, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator GOLDWATER, Senator NUNN, Senator BINGAMAN, and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Following that, Mr. President, as I have indicated, we will turn to any legislative or executive matter which has been cleared for action. I would guess that if we get into the appropriations bills or the Compact of Free Association tomorrow, we can expect rollcall votes.

Mr. BYRD. Mr. President, I was not in the Chamber when the distinguished majority leader began his discussion of the program, but I heard him say something about Saturday.

Mr. DOLE. There will be no Saturday session.

Mr. BYRD. There will be no Saturday session. I thank the distinguished majority leader.

Mr. DOLE. But very likely a Friday session. I have been advised by Treasury that we are running into problems on the debt limit. I know that there will probably be amendments. There will be a Friday session.

Mr. BYRD. I thank the distinguished majority leader.

RECESS UNTIL 11 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and, at 6:31 p.m., the Senate recessed until tomorrow, Wednesday, October 2, 1985, at 11 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, October 1, 1985*

The House met at 12 o'clock noon.

The Reverend Russell F. Blowers, senior pastor, East 91st Street Christian Church, Indianapolis, IN, offered the following prayer:

"God, You are our refuge and strength, a very present help in trouble. Therefore we will not fear, though the Earth give way and the mountains fall into the heart of the sea, though its waters roar and foam and the mountains quake.

"Nations are in uproar, kingdoms fall; You lift Your voice and the Earth melts. The Lord Almighty is with us; the God of Jacob is our fortress.

"He makes wars cease to the ends of the Earth; He breaks the bow and shatters the spear and burns the chariots with fire. Be still and know that I am God; I will be exalted among the nations, I will be exalted in the Earth."

Father God, You are the audience to what is said and done in open and in secret by the Members of this House.

At the beginning of this new day and month we will be still, and know that You are the Sovereign God in whom we live and move and have our being and our hope and our confidence.

We praise You together in the name of Jesus, Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LEWIS of Florida. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LEWIS of Florida. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce there will be no 1 minutes at this time today with the exception of the one by the gentleman from Indiana [Mr. BURTON]. The 1 minutes will take place later in the day.

We will go immediately to consideration of the farm bill after this vote.

The vote was taken by electronic device, and there were—yeas 279, nays 126, answered "present" 2, not voting 27, as follows:

[Roll No. 321]

YEAS—279

Ackerman	Edwards (CA)	Lipinski
Akaka	English	Long
Alexander	Erdreich	Lowery (CA)
Anderson	Evans (IL)	Lowry (WA)
Andrews	Fascell	Lujan
Annunzio	Fawell	Luken
Anthony	Fazio	Lundine
Applegate	Feighan	MacKay
Archer	Fish	Manton
Aspin	Flippo	Markey
Atkins	Florio	Marlenee
AuCoin	Foglietta	Martinez
Barnard	Foley	Matsui
Barnes	Ford (TN)	Mavroules
Bateman	Fowler	Mazzoli
Bates	Frank	McCloskey
Bedell	Frenzel	McCurdy
Beilenson	Frost	McDade
Bennett	Fuqua	McHugh
Berman	Gaydos	McKinney
Bevill	Gejdenson	Mica
Biaggi	Gephardt	Mikulski
Boggs	Gibbons	Miller (WA)
Boland	Gilman	Mineta
Boner (TN)	Glickman	Moakley
Bonior (MI)	Gonzalez	Molinari
Bonker	Gordon	Mollohan
Borski	Gradison	Montgomery
Bosco	Gray (IL)	Moody
Boucher	Gray (PA)	Moore
Boulter	Green	Morrison (CT)
Boxer	Guarini	Mrazek
Breaux	Hall (OH)	Murphy
Broomfield	Hall, Ralph	Murtha
Brown (CA)	Hamilton	Myers
Broyhill	Hammerschmidt	Natcher
Bruce	Hansen	Neal
Bryant	Hatcher	Nelson
Burton (CA)	Hawkins	Nichols
Bustamante	Hayes	Nowak
Byron	Heftel	O'Brien
Carper	Henry	Oakar
Carr	Hertel	Oberstar
Chapman	Hillis	Obey
Chappell	Hopkins	Olin
Clinger	Horton	Ortiz
Coats	Howard	Owens
Coleman (TX)	Hoyer	Panetta
Collins	Hubbard	Pashayan
Conyers	Huckaby	Pease
Cooper	Hughes	Pepper
Coyne	Hutto	Perkins
Crockett	Hyde	Petri
Daniel	Jeffords	Pickle
Darden	Jenkins	Porter
Daschle	Johnson	Price
Davis	Jones (OK)	Pursell
de la Garza	Jones (TN)	Quillen
DeLay	Kanjorski	Rahall
Dellums	Kaptur	Rangel
Derrick	Kastenmeier	Ray
Dicks	Kemp	Regula
DioGuardi	Kennelly	Reid
Dixon	Kildee	Richardson
Donnelly	Kleczka	Rinaldo
Dorgan (ND)	Kolter	Ritter
Dornan (CA)	Kostmayer	Robinson
Downey	LaFalce	Rodino
Duncan	Lantos	Roe
Dwyer	Leath (TX)	Rose
Dyson	Lehman (CA)	Rostenkowski
Eckart (OH)	Lehman (FL)	Rowland (GA)
Eckert (NY)	Levin (MI)	Roybal
Edgar	Levine (CA)	Rudd
Russo	Stark	Walgren
Sabo	Stenholm	Watkins
Savage	Stokes	Waxman
Scheuer	Stratton	Weaver
Schneider	Studds	Weiss
Schumer	Swift	Wheat
Sharp	Synar	Whitehurst
Shelby	Tauzin	Whitley
Sisisky	Thomas (GA)	Whitten
Slattery	Torres	Wilson
Smith (FL)	Torricelli	Wirth
Smith (IA)	Traficant	Wise
Smith (NE)	Traxler	Wolpe
Smith (NJ)	Udall	Wright
Snyder	Valentine	Wyden
Solarz	Vander Jagt	Wylie
Spratt	Vento	Yates
Staggers	Visclosky	Yatron
Stallings	Volkmer	Young (MO)

NAYS—126

Armey	Hendon	Roberts
Badham	Hiler	Roemer
Bartlett	Holt	Rogers
Barton	Hunter	Roth
Bentley	Ireland	Roukema
Bereuter	Jacobs	Rowland (CT)
Bilirakis	Kasich	Saxton
Bliley	Kindness	Schaefer
Boehlert	Kolbe	Schroeder
Brown (CO)	Kramer	Schuette
Burton (IN)	Lagomarsino	Sensenbrenner
Callahan	Latta	Shaw
Campbell	Leach (IA)	Shumway
Chandler	Lent	Shuster
Chappie	Lewis (CA)	Sikorski
Cheney	Lewis (FL)	Siljander
Clay	Lightfoot	Skeen
Cobey	Livingston	Slaughter
Coble	Lloyd	Smith, Denny (OR)
Coleman (MO)	Lott	Smith, Robert (NH)
Combest	Lungren	Smith, Robert (OR)
Conte	Mack	Snowe
Coughlin	Madigan	Solomon
Courter	Martin (IL)	Spence
Craig	McCain	Stangeland
Crane	McCollum	Strang
Dannemeyer	McEwen	Stump
Daub	McGrath	Sundquist
DeWine	McKernan	Swindall
Dickinson	McMillan	Tauke
Dreier	Meyers	Taylor
Durbin	Michel	Thomas (CA)
Emerson	Miller (OH)	Vucanovich
Evans (IA)	Mitchell	Walker
Fiedler	Monson	Weber
Fields	Moorhead	Wolf
Gallo	Morrison (WA)	Wortley
Gekas	Nielson	Young (AK)
Goodling	Oxley	Young (FL)
Gregg	Packard	Zschau
Grotberg	Parris	
Gunderson	Penny	
Hartnett	Ridge	

ANSWERED "PRESENT"—2

Dymally McCandless

NOT VOTING—27

Addabbo	Franklin	Schulze
Brooks	Garcia	Seiberling
Carney	Gingrich	Skelton
Coelho	Hefner	St Germain
Dingell	Jones (NC)	Sweeney
Dowdy	Leland	Tallon
Early	Loeffler	Towns
Edwards (OK)	Martin (NY)	Whittaker
Ford (MI)	Miller (CA)	Williams

□ 1225

So the Journal was approved.

The result of the vote was announced as above recorded.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1210. An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes;

H.R. 2419. An act to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes.

H.R. 3036. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3036) "An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ABDNOR, Mr. LAXALT, Mr. MATTINGLY, Mr. HATFIELD, Mr. DECONCINI, and Mr. STENNIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2419) "An act to authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DURENBERGER, Mr. COHEN, Mr. HATCH, Mr. MURKOWSKI, Mr. HECHT, Mr. MCCONNELL, Mr. LEAHY, Mr. BENTSEN, Mr. NUNN, Mr. BOREN, and Mr. BRADLEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1701. An act to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire;

S.J. Res. 189. Joint resolution designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week";

S.J. Res. 201. Joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week"; and

S.J. Res. 206. Joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month."

REV. RUSSELL BLOWERS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, soon after I entered politics I met Dr. Russ Blowers—pastor of the East 91st Street Christian Church in Indianapolis. Russ is one of the outstanding men in Indiana, and in my view America as well.

He received his education at Ohio University and Christian Theological Seminary. Milligan College subsequently awarded him an honorary doctor of divinity degree in 1974.

He's been president of the 1975 North American Christian Convention, and serves on the board of directors of the British American Fellowship Committee. In 1980 he was chairman of the Central Indiana Billy Graham Crusade. He's also authored two fine books.

He's married to a wonderful lady, Marian, and they have two fine sons, Philip and Paul.

His accomplishments and contributions are to numerous to mention—so I'll end by simply saying he's a true man of God, and I consider it an honor to call him my friend.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

O. EDMUND CLUBB

The Clerk called the bill (H.R. 1863) for the relief of O. Edmund Clubb.

There being no objection, the Clerk read the bill, as follows:

H.R. 1863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that—

(1) O. Edmund Clubb served from 1928 until his retirement in 1952 as a United States Foreign Service Officer, with eighteen years of service in China, including assignment from 1947 to 1950 as United States Counsel General in Peiping (Peking), China;

(2) certain personal possessions belonging to Mr. Clubb, consisting generally of his personal collection of valuable objects of d'art and rare manuscripts, were removed and detained by local Chinese authorities from a shipment of his personal effects following his departure from China in 1950, or otherwise became unaccounted for in the course of such departure;

(3) in the expectation that these possessions could be regained through diplomatic representations by the British and United States Governments to the Government of the People's Republic of China, Mr. Clubb refrained from pursuing claims for compensation against the Chinese or United States Government;

(4) all diplomatic efforts to locate and regain these possessions have been exhausted without result, leaving no recourse but to consider them as an uncompensated loss, having occurred during the service of Mr. Clubb as a civilian employee of the United States Government; and

(5) there remains no other remedy for this loss than to obtain compensatory payment from the United States Government, of which Mr. Clubb was an employee at the time of the loss, and in the service of which the loss occurred.

SEC. 2(a) The Secretary of State shall settle and pay, in accordance with section 3 of the Military Personnel and Civilian Employees Claims Act of 1964 (31 U.S.C. 241), the amount of claims by O. Edmund Clubb, of Palenville, New York, against the United States—

(1) For the loss of his personal property which occurred as a result of or incident of his service in the Foreign Service of the United States in Peiping (Peking), China from 1947 to 1950, plus interest at a rate of 6 per centum from the date of the loss, and

(2) for those costs of shipping his personal effects from China, following that period of service, which were authorized by the Federal Government but for which Mr. Clubb was not reimbursed, plus interest at a rate of 6 per centum per annum from the date of the shipment or shipments involved.

Such claims shall be determined notwithstanding those provisions of subsection (b)(1) of section 3 of the Military Personnel and Civilian Employees Claims Act of 1964, relating to the time at which claims arose and limiting the amount of a claim, and notwithstanding subsection (c)(1) of that section.

(b) In determining the amount of claims described in subsection (a) of this section, the Secretary of State shall deduct any amounts which O. Edmund Clubb has received from any source on account of the same claims.

(c) The payment of any claims described in subsection (a) of this section shall be made from funds made available to carry out section 3 or section 9 of the Military Personnel and Civilian Employee Claims Act of 1964 (31 U.S.C. 241 or 243a).

(d) The account in the Treasury from which payments are made pursuant to subsection (c) of this section shall be reimbursed, to the extent of those payments, from any sums described in subsection (f)(1) of section 8 of the International Claims Settlement Act of 1949 (22 U.S.C. 1627(f)(1)) that remain after all payments are made pursuant to subsection (f) of such section 8.

SEC. 3. Any amounts paid to O. Edmund Clubb under this Act shall be in full settlement of any claim he has against the United States or the Government of the People's Republic of China arising from the loss of property or the shipping costs described in section 2(a) of this Act.

SEC. 4. No amount in excess of 10 per centum of the amount paid pursuant to section 2 of this Act shall be paid to or received by any agent or attorney in connection with

the claims described in section 2(a) of this Act. Any person violating this section shall be guilty of a misdemeanor and upon conviction shall be fined not more than $1,000.

With the following committee amendment:

Strike all after the enacting clause and insert:

That the Secretary of the Treasury shall pay, out of any funds in the Treasury not otherwise appropriated, $15,086.70, plus interest in the amount of 6 per centum from July 31, 1970, to Mr. O. Edmund Clubb of Palenville, New York, in full settlement of all his claims against the United States for the loss of personal property incident to his service as Counsel General in Peking, China, in 1950.

SEC. 2. It shall be unlawful for any amount in excess of 10 per centum of the payment referred to in the first section of this Act to be paid to, delivered to, or received by any agency or attorney in consideration for services rendered in connection with such payment. Any person who violates this section shall, upon conviction, be fined not more than $1,000.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the bill and the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD W. IRELAND

The Clerk called the bill (H.R. 1261) for the relief of Richard W. Ireland.

There being no objection, the Clerk read the bill, as follows:

H.R. 1261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture shall pay, out of any appropriations or other funds available to the Secretary for the reimbursement of relocation expenses under section 5724a of title 5, United States Code, to Richard W. Ireland, $5,102.08. Such sum shall be in full satisfaction of any claim by Richard W. Ireland, and employee of the Farmers Home Administration, for expenses—

(1) which were incurred in connection with the sale of his residence and transportation of his household goods when he was transferred from Auburn, Maine, to Presque Isle, Maine; and

(2) for which he could have been reimbursed under section 5724a had he been able to complete the sale within the two year time limit prescribed in paragraph 2-6.1e of the Federal Travel Regulations (FPMR 101-7, May 1973) instead of the three year time period erroneously approved by the State Director of the Farmers Home Administration.

SEC. 2. No part of the amount provided for in the first section of this Act in excess of 10 per centum thereof shall be paid to or received by an agent or attorney on account of services rendered in connection with the claim described in the first section, and the payment or receipt in excess of 10 per centum of the amount provided for in the first section shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the bill be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

BETSY L. RANDALL

The Clerk called the bill (H.R. 2991) for the relief of Betsy L. Randall.

There being no objection, the Clerk read the bill, as follows:

H.R. 2991

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Betsy L. Randall is relieved of all liability to repay the United States $523.82. Such amount represents money advanced for relocation travel in anticipation of employment with the Forest Service, Department of Agriculture in 1982, and was advanced pursuant to a properly executed Travel Authorization. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this Act.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the bill be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAULETTE MENDES-SILVA

The Clerk called the bill (H.R. 2316) for the relief of Paulette Mendes-Silva.

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

ELECTION AS MEMBER OF COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. MICHEL. Mr. Speaker, by direction of the Republican conference, I offer a privileged resolution (H. Res. 280) electing Representative COMBEST of Texas to the Committee on the District of Columbia, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 280

Resolved, That Representative Larry Combest of Texas be and is hereby elected to the Committee on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *September 30, 1985.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Represetatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 4:10 p.m. on Monday, September 30, 1985, the following messages from the Secretary of the Senate:

(1) That the Senate passed H.R. 3452; and

(2) That the Senate passed H.R. 3454.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, The Speaker pro tempore signed the following enrolled bill on Monday, September 30, 1985:

H.R. 3452. An act to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain Medicare reimbursement provisions, and borrowing authority under the Rail-Road Unemployment Insurance Program.

And the following enrolled bill earlier today:

H.R. 3454. An act to extend temporarily certain provisions of law.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOURNAL RESOLUTION 3, TO PREVENT NUCLEAR EXPLOSIVE TESTING

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. 99-294) on the resolution (H. Res. 281) providing for the consideration of the joint resolution (H.J. Res. 3) to prevent nuclear explosive testing, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3327, MILITARY CONSTRUCTION APPROPRIATIONS, FISCAL YEAR 1986

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 99-295) on the resolution (H. Res. 282) waiving certain points of order against consideration of the bill (H.R. 3327) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON H.R. 2959, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1986

Mr. BEVILL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2959) making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Mr. BEVILL, Mrs. BOGGS, Messrs. CHAPPELL, FAZIO, WATKINS, BONER of Tennessee, WHITTEN, and MYERS of Indiana, Mrs. SMITH of Nebraska, Mr. RUDD, and Mr. CONTE.

PERMISSION TO HAVE UNTIL MIDNIGHT, OCTOBER 9, 1985, TO FILE CONFERENCE REPORT ON H.R. 2959, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1986

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, Wednesday, October 9, 1985, to file a conference report on the bill (H.R. 2959) making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PRIVILEGES OF THE HOUSE—RETURNING TO SENATE S. 1712, EXTENDING CERTAIN EXCISE TAX RATES

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to a question of the privileges of the House. I send to the desk a privileged resolution (H. Res. 283) and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 283

Resolved, That the bill of the Senate (S. 1712) to provide an extension of certain excise tax rates, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution is simple and straightforward. On September 26, 1985, the Senate passed S. 1712, legislation which would extend the 16-cents-per-pack cigarette excise tax rate for 45 days, through November 14, 1985. As passed by the Senate, the bill clearly is a revenue measure. As such, the bill on its face violates the prerogatives of the House of Representatives under the Constitution to originate revenue bills.

Mr. Speaker, in this instance, the Senate has taken it upon itself to directly originate an entire revenue bill. There can be no clearer case where the prerogatives of the House of Representatives have been disregarded by the other body.

Yesterday, the House passed H.R. 3452, the Emergency Extension Act of 1985. That legislation, which included a 45-day extension of the existing cigarette excise tax rates, also passed the Senate and was signed into law by the President.

Mr. Speaker, S. 1712 should be returned to the Senate.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEFERRALS OF BUDGET AUTHORITY FOR 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-111)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Tuesday, October 1, 1985.)

DEFERRALS OF BUDGET AUTHORITY FOR 1985—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-112)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Tuesday, October 1, 1985.)

□ 1235

FOOD SECURITY ACT OF 1985

The SPEAKER. Pursuant to House Resolution 267 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 2100.

□ 1236

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, with Mr. BONIOR of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, September 26, title IV was open to amendment at any point to amendments printed in the CONGRESSIONAL RECORD before September 24, 1985.

Are there amendments to title IV?

AMENDMENT OFFERED BY MR. GLICKMAN

Mr. GLICKMAN. Mr. Chairman, I offer an amendment.

Mr. MADIGAN. Mr. Chairman, I reserve a point of order on the amendment.

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN: Title IV of H.R. 2100 is amended by—

On page 65, after line 8, striking all through "shall" on line 11 and inserting in lieu thereof the following:

"(2) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

On page 67, after line 5, striking "The Secretary may" and inserting in lieu thereof the following:

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of wheat, the Secretary shall";

On page 68, line 23 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 15 acres for the crop.";

On page 70, after line 11, striking all through line 12, page 71 and inserting in lieu thereof the following:

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that exceeds fifteen thousand bushels.";

On page 86, line 15 stricking "may not" and inserting in lieu thereof the following: "shall";

On page 86, line 18 striking "may" and inserting in lieu thereof the following: "shall"; and

Title V of H.R. 2100 is amended by—

On page 87, after line 15, striking all through "shall" on line 18 and inserting in lieu thereof the following—

"(2)(A) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

On page 89, after line 11, striking all through "shall" on line 15 and inserting in lieu thereof the following—

"(B) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

On page 89, line 5, striking "The Secretary may" and inserting in lieu thereof the following:

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of corn the Secretary shall";

On page 90, line 21, striking "The Secretary may" and inserting in lieu thereof the following:

"(B) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of feed grains the Secretary shall";

On page 92, line 4, before the "." insert the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a feed grains acreage base of less than 15 acres for the crop.";

On page 93, after line 19 striking all through line 20, page 94 and inserting in lieu thereof the following:

"(C) For each crop of corn, the established price shall not be less than the following levels for each farm:

"(i) $3.10 per bushel for any portion of the crop produced on each farm that does not exceed thirty thousand bushels and

"(ii) $2.75 per bushel for any portion of the crop produced on each farm that exceeds thirty thousand bushels.";

On page 109, line 12 stirking "may not" and inserting in lieu thereof the following: "shall"; and

On page 109, line 15 striking "may" and inserting in lieu thereof the following: "shall"."

Mr. GLICKMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GLICKMAN. Mr. Chairman, rather than taking the time of the full House, rather than talking about the substance of the amendment, in order to expedite the process, I wonder if we might deal with the point of order right now, and if the Chair rules that it is out of order, there is no reason why I have to spend 5 or 10 minutes explaining the amendment.

POINTS OF ORDER

The CHAIRMAN. Does the gentleman from Illinois insist on his point of order?

Mr. MADIGAN. Mr. Chairman, under my reservation, I yield to the gentleman from Oregon [Mr. ROBERT F. SMITH].

The CHAIRMAN. The gentleman will suspend. Under a reservation of a point of order, the gentleman cannot yield time. If other Members have points of order, they can make them and they will be so recognized.

Mr. MADIGAN. Mr. Chairman, I believe a point of order would lie against the amendment offered by the gentleman from Kansas [Mr. GLICKMAN] because the amendment, if I understand the amendment that is being offered, goes to more than one title of the bill, and I think that because it goes to more than one title of the bill, it would not be in order at this point.

Mr. GLICKMAN. Mr. Chairman, may I speak to the point of order?

The CHAIRMAN. The gentleman from Kansas [Mr. GLICKMAN] is recognized.

Mr. GLICKMAN. Mr. Chairman, the amendment amends two titles of the bill. To be frank with the Chair, it was submitted as one amendment, but the intention of the author of this amendment as well as the other authors was to deal with the issues as they affected title IV and then title V. I put it in one title of the bill, but, to be honest with the Chair, the issues are divisible, they are separate. I could have amended it and put it in two separate amendments. I did not because that is not the way the issue came up in the Committee on Agriculture.

The issues relating to the issue of targeting deficiency payments to small- and medium-sized farmers and utilizing a device called the marketing loan as a way to deal with our exports; they are in the wheat section, title IV, and there is a separate matter, deals with it separately in the feed grains section, title V.

The amendments are divisible. The language is divisible, and I would hope that the Chair would understand that it was the intent of the author of the amendment to really consider these two as two separate concepts, but I put them together for the ease of putting them in one amendment, since feed grains in the committee were dealt with as one basic issue.

Mr. ROBERT F. SMITH. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ROBERT F. SMITH. I thank the Chair.

Mr. Chairman, rule III of the rules provides that considerations can only be by title, not by section. I think the point remains that there is no question that this amendment does affect two titles. There are several other amendments, Mr. Chairman, that I will rise on this same issue affecting both sides of the aisle. I think to keep this whole discussion clean, we should follow the rule. The rule clearly states that you cannot amend two titles in one amendment.

The CHAIRMAN. Are there others who wish to be heard?

Does the gentleman from Minnesota [Mr. STANGELAND] make a point of order on this?

Mr. STANGELAND. Mr. Chairman, I reserve the right to make a point of order. I reserve the point of order.

The CHAIRMAN. Is the gentleman making a point of order on this amendment?

Mr. STANGELAND. Mr. Chairman, I am arguing against the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

The gentleman from Minnesota is recognized.

Mr. STANGELAND. I thank the Chair. I just want to make the point that the amendment was printed in two distinctly separate sections. One portion of the amendment dealt with wheat and target prices and marketing loans. The second section of the amendment deals with title V, the feed grain section. Two distinctly different amendments but introduced in the RECORD as, unfortunately, one amendment. But they deal with the two sec-

tions separately. I would just appeal to the Chair that the intent of the authors was that because they were handled en bloc in committee, we would run that way, but they are divisible, they can be addressed to title IV and title V very distinctly in the amendment.

I thank the Chair.

The CHAIRMAN (Mr BONIOR of Michigan). The Chair is prepared to rule.

The Chair would state that the Chair can only look at the form in which the amendment has been submitted for printing in the RECORD. According to the rule, the substitute shall be considered for amendment by title instead of by sections, and only amendments to the bill which have been printed in the RECORD by September 24 may be offered.

Therefore, the only way in which the amendment that the gentleman from Kansas [Mr. GLICKMAN] wishes to offer could be considered is by unanimous consent.

The Chair sustains the point of order.

Mr. GLICKMAN. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman is recognized.

There was no objection.

Mr. GLICKMAN. Mr. Chairman, I say to my colleague, the gentleman from Oregon——

Mr. ROBERT F. SMITH. Mr. Chairman, a point of order.

Mr. GLICKMAN. I have the time, 5 minutes. The Chairman has given me 5 minutes.

Mr. ROBERT F. SMITH. Mr. Chairman, may I ask under what order the gentleman is speaking?

Mr. GLICKMAN. I moved to strike the last word.

The CHAIRMAN. The gentleman from Kansas moved to strike the last word. The Chair asked if there was objection. Hearing none, the gentleman was recognized for 5 minutes.

Mr. GLICKMAN. I would just say to my colleague from Oregon that I am going to get these amendments offered in one way or the other. If they are not offered in this way, it is my understanding the gentleman from North Dakota is going to offer amendments on the wheat section and on the feed grains section separately, and I am going to move to amend those sections of the bill to include this language.

Now, given that that is the case, I wonder if the gentleman would object if I would divide the amendment I just offered and agree if I offer the wheat section only, because if the gentleman does not, I am going to come right back and amend his section. Why waste the committee's time?

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. I thank the gentleman for yielding.

Mr. Chairman, I can only suggest that the gentleman should do what he can do within the rules. I am merely pointing out that technically it has been sustained by the Chair that the amendment in its form is not properly before the House.

Now, whatever avenues the gentleman might like to pursue he must take. I am going to continue to object to the kind of amendment that is here and will object to the division because the gentleman has another alternative.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I will be glad to yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I would say to the gentleman there probably might be more willingness to ignore the rules if we were not mixing various elements of various proposals here. Targeting is one think; market loan is something else. To try to consider those jointly is perhaps objectionable to some people who might not consider one or the other objectionable, and that might be something the gentleman would want to think about.

I certainly do not want to frustrate the will of the House or the opportunity of any Member to present things to the House for them to work their will. But to tie on the targeting to the marketing loan concept is sort of to blackmail certain people who might be for the marketing loan and would have to accept the targeting because they wanted to vote for the marketing loan. I think the gentleman understands that.

Mr. GLICKMAN. I do understand it. I would object to the characterization of "blackmail." This is the way it was offered in the full Committee on Agriculture and almost prevailed by a margin of 22 to 20. But I am not going to take the time of the House. I am going to try to work the legislative will of this body as the amending process continues.

AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORGAN of North Dakota: Page 70, strike out line 19 and all that follows thereafter through page 71, line 19, and insert in lieu thereof the following:

"(C) The established price for the 1986 through 1990 crops of wheat shall be $5.25 per bushel for any portion of the crop produced on each farm that does not exceed twelve thousand bushels.

Mr. ROBERT F. SMITH. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman reserves a point of order.

The gentleman from North Dakota [Mr. DORGAN] is recognized for 5 minutes in support of his amendment.

Mr. DORGAN of North Dakota. Mr. Chairman, as the gentleman from Kansas indicated, a number of us have been working in different ways to try and provide some targeting to price supports in the bill reported out by the Committee on Agriculture.

Let me explain briefly what my amendment does and then indicate that I expect my amendment will be either amended or substituted for by the gentleman from Kansas [Mr. GLICKMAN].

My intent has been to see if we can turn the corner here on farm policy and use our money as effectively as we can to provide the strongest support price possible for the family farm. We have limited resources in this country to devote to agriculture. Yet, with limited resources we tend to use those resources in a manner that, in my judgement, is not in the best interests of agriculture.

Our dollars tend to follow production, those who produce the most get the most; those who produce the most and get the most need it the least. Therefore, using the same amount of money or less, why do we not consider providing a stronger target price for the first increment of production?

In the amendment that I have introduced, it would provide for a $5.25 target price for the first 12,000 bushels of wheat production.

The gentleman from Kansas [Mr. GLICKMAN], when he offers his amendment, will provide for a $4.50 target price for wheat for the first 15,000 bushels and $4 target price over that.

Now the approach here is to simply say this: We have to decide in this country whether our public policy is designed to promote a network of family farms. If it is not, then let us continue doing what we have been doing and we will see record farm failures, we will use a lot of money, and it will all follow production. Those who produce the most will get the most, and they need it the least.

But if we want to change all that, let us use our resources in a way that provides a much stronger support price for the first increment of production.

It is not an approach that says, "Big is bad," or, "Small is beautiful;" it simply says as a matter of public policy we think it is in this country's interests we think it is in this country's security interest to maintain a network of family farms.

How best do you do that? You use whatever resources you have available to you to layer in with the best support price possible for that increment of production that you can cover with your resources, believing then that you have told family farmers that if they work hard and if they pay atten-

tion to management, they can make a living out there on the farm.

□ 1250

They have done this in Japan; they have done it in Western Europe. A number of countries have made that policy decision that, yes, we want, as a matter of public policy, to do what is necessary to maintain a network of family farms. We have not done that in this country. The manner in which we spend our money for support prices for agriculture determines whether we have a public policy that says we want a network of family farms in America's future. That is the reason I have introduced this amendment. Since I drafted this amendment earlier this year in a bill and then noticed it to the House as an amendment, I worked with the gentleman from Kansas, the gentleman from Minnesota, the gentleman from South Dakota and others, to see if we could not agree to an approach that targets farm price supports in a responsible way.

I intend to support the gentleman from Kansas in his effort as a substitute to this to try to provide some targeting because that will be the first step in turning the corner to use our public dollars to promote the existence in the long term in America of a network of family farms.

I would be happy to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, first of all, I want to thank the gentleman from North Dakota for presenting this issue to the floor.

The gentleman from Minnesota will be offering a substitute to the gentleman's amendment. That substitute will modify the numbers on the targeting and add the marketing loan language. But I want to say to my colleagues that the issue here is a very important issue. The issue is: Do we think that the farm program benefits are to be targeted to small- and medium-size farmers who, for the most part, need that help more than do farmers in the largest 5 percent? And the second part of the substitute will be based on the marketing loan concept. But the Members should understand that this is an important issue in this bill. It has not gotten quite the play that the referendum language has. But the issue is: Should we target farm programs?

And I might say to my colleagues that the other body in their bill so far have in fact done this. They have targeted farm programs, essentially based on size, and I think as a matter of policy we ought to be doing that.

Mr. DORGAN of North Dakota. Reclaiming my time, let me say in conclusion that if you are a farmer in Western Europe, in France, in Germany, in Italy, and you raise wheat, you are provided a much higher support price than you are provided for raising wheat here in America. If you are a farmer in Japan, it is even higher than the support price you get in Western Europe.

Now, it is not because we are not spending the money. Lord knows, we spend lots of money on agriculture. It is because the money is moving in the wrong direction. We are, with a loan rate, undergirding every single bushel produced by those who produce the largest crops in America.

The CHAIRMAN. The time of the gentleman from North Dakota [Mr. DORGAN] has expired.

(By unanimous consent, Mr. DORGAN of North Dakota was allowed to proceed for 30 additional seconds.)

Mr. DORGAN of North Dakota. Mr. Chairman, we are spending plenty of money. Let us spend it the right way.

I neglected, when I began, to say that I have worked with the gentleman from Minnesota [Mr. STANGELAND]. Part of this is also the marketing loan, which I think is a good idea, that Congressman STANGELAND has worked on, but, to me, targeting is what is essential in this amendment, and I hope the Members of the House of Representatives will see this as a new approach, a new way to use public dollars more effectively to save the family farm in America.

The CHAIRMAN. A point of order was reserved by the gentleman from Oregon [Mr. ROBERT F. SMITH]. Does the gentleman wish to pursue his point of order?

Mr. ROBERT F. SMITH. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

AMENDMENT OFFERED BY MR. STANGELAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. STANGELAND. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. STANGELAND as a substitute for the amendment offered by Mr. DORGAN of North Dakota:

Strike the amendment to page 70 in the Glickman (Dorgan as printed in the RECORD) amendment and insert in lieu thereof the following:

"(a) on page 68, line 23 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 15 acres for the crop.";

"(b) on page 70, after line 11 striking all through page 71, line 12 and inserting in lieu thereof the following—

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that exceeds fifteen thousand bushels."; and

(1) Title IV of H.R. 2100 is amended by—

"(a) on page 65, after line 8, striking all through "shall" on line 11 and inserting in lieu thereof the following—

"(2) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

(b) on page 67, line 5 striking "The Secretary may" and inserting in lieu thereof the following—

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of wheat, the Secretary shall";

"(c) on page 68, after line 25, inserting the following new paragraph—

"(4)(A) The Secretary may, for each of the 1986 through 1989 crops of wheat, make payments available to producers who, although eligible to obtain a loan or purchase agreement under paragraph (3), agree to forgo obtaining such loan or agreement in return for such payments.

"(B)(i) A payment under this paragraph shall be computed by multiplying—

"(I) the loan payment rate; by

"(II) the quantity of wheat the producer is eligible to place under loan.

"(ii) For purposes of the paragraph, the quantity of wheat eligible to be placed under loan may not exceed the produce obtained by multiplying—

"(I) the individual farm program acreage for the crop; by

"(II) the farm program payment yield established for the farm.

"(C) For purposes of this paragraph, the loan payment rate shall be the amount by which—

"(i) the loan level determined for such crop under paragraph (3); exceeds

"(ii) the level at which a loan may be repaid under paragraph (3)(B).

"(D) Any payments under this paragraph shall not be included in the payments subject to limitations under the provisions of section 1011 of the Food Security Act of 1985."

"(d) on page 68, line 23 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 15 acres for the crop.";

"(e) on page 70, after line 11 striking all through line 12, page 71 and inserting in lieu thereof the following—

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels.";

"(f) on page 86, line 15 striking "may not" and inserting in lieu thereof the following: "shall";

"(g) on page 86, line 18 striking "may" and inserting in lieu thereof the following: "shall"; and

Mr. STANGELAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. STANGELAND. Mr. Chairman, first of all, let me say that the substitute amendment now before us is the original Glickman-Stangeland-Roberts-Daschle amendment with a minor technical change to assure that it costs no more than the present committee bill.

I think that's an important point to make. Our amendment does not spend more money than the committee bill, it merely allocates the limited Federal dollars available in a more efficient and cost-effective manner to assist family-sized farmers.

In a nutshell, our amendment directs maximum farm program benefits to the middle 85-90 percent of all U.S. grain farmers having wheat bases from 15-535 acres and corn bases from 15-340 acres. It accomplishes this goal in two ways: First, by implementing a two-tiered target price which permits a higher level of support than the committee bill, but only up to a certain volume of production; and secondly, through the implementation of a recourse marketing loan.

I personally believe that the targeting of direct farm program payments—which we are doing through our two-tiered target price proposal—is a concept whose time has come. Ever since the enactment of the 1981 farm bill, numerous studies have shown that it is not the extremely small hobby farmers primarily dependent upon income earned off the farm, nor is it the large-scale superfarms, which are most in need of farm program benefits.

But the problem with current farm programs is that no such distinction is made. That is a major reason why farm program costs have exploded in recent years, while an ever-growing number of medium-sized family farmers continue to be driven from their land.

For example, in 1984, just 1 percent of the largest wheat farms in the United States received 14 percent of the total direct Government payments. Likewise, 2 percent of the corn producers received 16 percent of the payments.

The committee bill would merely extend this disparity for another 5 years. This amendment offers us the chance, during a time of limited budgetary resources, to direct scarce Federal dollars to commercial-sized family farmers who are most dependent upon income supports.

In addition, the recourse marketing loan feature in this amendment is a way to further insure that our farm programs benefit family-sized farmers.

I'm going to let the members of the House in on a dirty little secret. Our present farm programs indirectly subsidize those producers who are the very cause of our present surplus problems—that is, the nonparticipants who plant fencerow-to-fencerow.

Any farmer will tell you that, historically, it is those farmers who have not participated in farm programs that have benefited the most. By planting every acre and indirectly benefiting from the market price floor—in effect, an artificial subsidy—that is created under the present nonrecourse farm law, there actually exists a perverse incentive for farmers to avoid supply management efforts.

Under the recourse marketing loan in this amendment, farmers who participate in the farm program will receive the same income protection as they receive under the present nonrecourse farm law. However, farmers who choose not to reduce their production and instead further exacerbate our severe oversupply situation will no longer be protected as they are under current law and the committee bill.

No longer can we afford to artificially prop up the returns received by farmers unwilling to contribute their fair share to resolving today's enormous supply and demand imbalance.

In addition, by permitting producers to repay their loans at the State average price when they redeem, the Government avoids the accumulation of costly and price-depressing surplus stocks while immediately improving farmers' export opportunities.

The essence of this amendment is that, by targeting deficiency payments and implementing a recourse marketing loan, we believe it is possible to more efficiently direct farm program benefits to the commercial-sized family farmer. The overriding question now before this body is: Will we in the Congress show the political will to reform Depression-era farm programs so that they might better meet the needs of American agriculture in the 1980's?

If we choose to continue with the same failed programs that have exacerbated the present crisis in agriculture, it will prove that we are so wedded to the familiarity of the past, that we are unwilling to risk any chances of success in the future.

In conclusion, this amendment is supported by the National Corn Growers Association, the National Grange, Interfaith Action for Economic Justice, and others.

Let's offer farmers a program that can work and offer hope. I urge my colleagues to support this amendment.

Mr. Chairman, I am sure as the debate continues on, on this concept, that we are going to hear in this House that the marketing loan will so reduce prices in the world market that we are going to cause severe impact and pain on Brazil, Argentina, on Mexico, on other countries, much as we heard arguments during the sugar program as to what that program would do to Central American economies.

Let me say that every farmer and every person in this country wants our friends from Argentina, Brazil, Mexico, and from the lesser developed countries to prosper and grow. But I do not think it that the farmers of this country have the responsibility to bear the burden of those economies on their backs as well as the burdens of our economy. Our farmers' backs are bent under the burdens they are carrying in this economy today.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. STANGELAND] has expired.

(By unanimous consent, Mr. STANGELAND was allowed to proceed for 1 additional minute.)

Mr. STANGELAND. To add to the burden they are carrying on this economy in this country the economies of those other countries who are having to earn money and earn cash to pay back to international bankers would be to break their backs, and I think we can ill afford that. I think it is time we stood up for American agriculture, that we pass a bill that not only preserves agriculture for today but gives opportunity for tomorrow.

Mr. GLICKMAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this is a complicated issue; and, to our colleagues who have not followed the intricacies of the commodity programs, I am going to try to, basically, tell you what the difference is between this bill and the base bill that we have got and these amendments, and I think these are important amendments. I want to compliment my colleague from Minnesota, my colleague from Kansas [Mr. ROBERTS], the gentleman from South Dakota [Mr. DASCHLE], the gentleman from Kansas [Mr. SLATTERY], the gentleman from Minnesota [Mr. PENNY], and a whole assortment of other people have indicated their interest in this concept.

Right now in the bill you get the same target price, or deficiency payment or subsidy payment, whatever you want to call it, up to $50,000, no matter how many bushels you produce. So if you produce 100,000 bushels of wheat, you will get the target price payment per bushel up to the $50,000 payment limitation and, as you go down from there, you will get the maximum allowable up to the $50,000 payment limitation. That is all you can get under the target price program. And then if you are a smaller farmer, of course, you get the same dollar, or so, per bushel, and so you will be under that payment limitation. That is, current law does not differentiate between big and small farmers at all. The only thing that keeps this a so-to-speak means-tested program is that there is a $50,000 cap that nobody

can get any more in target price payments for. We support that. I think that cap is fair and reasonable, and I think it ought to be left at those levels.

Now, what we are trying to do here is to say that we think that since this is basically a deficiency payment, a subsidy payment, that more of it ought to be more targeted to those farmers who are in trouble, small- and medium-size farmers, based upon this particular proposal, that is, targeting at a higher level for the first 15,000 bushels of wheat $4.50 a bushel and a lower level, anything afterward, $4 a bushel, we are able to get more target price money to smaller and medium size farmers. And, actually, 97.5 percent of the farms in this country do better or as good or better under this proposal than they do under the committee bill because most farmers would still be eligible for up to the maximum, $50,000. It is only the very large farms that will not get as much money under this proposal as they would under the committee bill.

So if you are interested in trying to target the effort to those farmers who really need help in this period of farm crisis, this amendment is more suited to that. It is not a radical effort. What we do in this bill is we pay $4.50 on the first 15,000 bushels, $4 on the next 15,000 bushels. That is not a lot different than the current bill of $4.38 on everything, but what it does is, it gets a higher target price to those smaller and medium-size farmers who are probably among the ones who are hurting more than it does the larger farmers.

Now, the next thing it does is, it creates a marketing loan, a recourse marketing loan. And, basically, what we are saying there, it is not too different from what the committee bill is, but only in this sense: The committee bill provides two options to get grain competitively priced. The one option, which is the Findley or Foley option is one that gives the Secretary the authority to lower the loan rate up to 20 percent if he wants to do that. The other option is a marketing loan. The marketing loan, basically, says that the farmer must repay that loan but he will repay it at the world price, which means, honestly, that the price will probably go to world levels immediately. But the farmer is protected in the interim, because the farmer gets his loan at whatever the level is, $3.14, and he repays it the world price, which might be $2.50. So the farmer does not lose any money in the process.

Now, some people will argue: Is this not a boon to large farmers? Some people will argue that this is going to get the price down too fast. The fact of the matter is, this is probably the only way we are going to get competitive in the world markets immediately. The committee bill will not do this. The committee bill will continue keeping our loan levels to the point where the Government will end up owning lots of grain. This amendment provides that the Government will not end up owning lots of grain.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 2 additional minutes.)

Mr. GLICKMAN. Nothing we do here on the floor is going to produce miracles for our farmers. Nothing we do is going to save some folks who are in such bad trouble they cannot be salvaged. But this amendment does do a couple of things as a matter of policy. It targets aid to those who really need it, it targets it to small and midsized producers. That not only is popular, particularly in urban constituencies in this country, but it is right.

It also ensures that most farmers, well over 95 percent, are not prejudiced by this targeting. Only the very largest farmers may get a little bit less than they do right now, and not that much less.

□ 1305

Finally, what it would do is to provide a situation where we can get the farmer competitive in the world markets and doing so in a way that shields him, that shields him for a lower market price.

So I would urge the Members to support this amendment knowing that it does represent a deviation from current farm policy. I am going to support this farm bill even if this amendment does not pass, but I want to tell the Members something: The current farm bill is really nothing more than an extension of current programs. This is the way it is written now with the exception of the Bedell amendment. This amendment makes some changes in the way we have done business, and a lot of people are scared of that because it reflects a difference in the way we provide for farm programs. I still happen to believe that it reflects a creative attempt to get dollars to those farmers who need it and to get us competitive in the world markets.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Chairman, I think one of the important points that needs to be made is that in most areas of the country, most of the farmers' production will be covered under this kind of a support price. Now, some people say well, is this not discriminating against the big versus the small and so on. The answer to that is "No." What we are saying is that there is only a certain amount of money. We are going to use it for a stronger support price, and when we run out of money, we have run out of money. That is kind of the approach we are trying to take initially with the targeting amendment.

I think the gentleman's amendment, although it does not go as far as the amendment I had, is a good start in targeting farm program benefits. I would certainly commend the gentleman for his amendment.

Mr. GLICKMAN. I thank the gentleman.

Mr. MARLENEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let us look at the bottom line of these targeting amendments that are being offered. I rise in opposition to this concept as being alien to our concept of supporting the hands-on family farmer.

Rather than promoting the family farmer, it seems to me that by this kind of legislation we are promoting the absentee landlords around this country. We are promoting the doctor, who owns 100 acres of land or a half-section of land. We are promoting the attorney who owns a half-section or a section of land. This is the most prevalent group that received less than 15,000 bushels as a crop share. We are saying, "Let us use our resources and give them more money than we are giving to the hands-on producers of this country, the people that need the help."

Of the 2.2 million farmers surveyed in the 1982 Census, 1 million of these people did not even consider themselves producers. When asked flat out: "Are you an agricultural producer?" They were carried on the Census forms as producers, but they said, "Hey, we are not farmers" when they were asked flat out. Now through this amendment we are targeting our precious resources, that should be going to the family farmer, that should be going to the hands-on producers, we are instead targeting it to some of these 1 million producers who said "Hey we are not farmers."

Also in that 1982 Census survey, farmers who had 100 acres or less were categorized 65 percent absentee landlords, and you want to target our resources to those people? To the doctors, the lawyers, the retired farmers who do not need the assistance? I think we are going about this all in the wrong way.

You know, the national wheat growers, the Montana wheat growers, any wheat-growing organization does not support this concept. They support the kind of commonsense legislation that was put together by TOM FOLEY and myself which attempts to help the hands-on producers. But instead, we have those here who are interested, interested once again, in seeing that we take it from those who have and give

it to those who have not. They are trying to set up class differentials in all segments, not only in social programs that we have, but let us set up differentials in agriculture so that the bigger farmers and the commercial farmers are discriminated against. I say that we have got to reject this targeting concept; that we have got to get back to farm programs that help the hands-on producers and help establish a price for those people so they can stay in business.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Chairman all I wanted to say is that all of us are concerned about a doctor or a lawyer that owns farm land and would collect price supports, but I think the gentleman uses an exception to try and demonstrate a rule.

The rule is out there that if you are in the Farm Program under these provisions you would, A, have to set aside 30 percent, you would have to idle 30 percent. Then you would, under these provisions, have a $4.50 target price for certain income or production. The rule is that would apply to most of the working farmers in my district, in yours, and in other districts around the country. The question is simply how do we want to spend our money? Do you want to spread it around so that everybody gets an inadequate price support or do you want to target it so that we provide a stronger price support and when we run out of money we say, sorry, but we are out of money, we want to spend it the best way we can to help the most family farmers in America.

Mr. MARLENEE. The given fact is that most producers, most hands-on producers rent agricultural land. They usually rent not one, but two, and three, and four. Four different parcels of land. They do it on a crop share. Most of those people, those four or five landlords get a crop share and they are the ones that get these targeted dollars. If you give these landlords a higher target price than you give the actual producer, it is terrible discrimination. The four or five landlords each get a higher target price yet the poor hands-on producer that farms the five tracts does not get a higher target on each of the five tracts but on only one 15,000-bushel increment. Looks like to me landlords could get a higher target on up to 75,000 bushels and never even visit the farm. The action in adopting this concept shows it 75,000 to 15,000 against the farmer.

AMENDMENT OFFERED BY MR. VOLKMER TO THE AMENDMENT OFFERED BY MR. STANGELAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. VOLKMER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER to the amendment offered by Mr. STANGELAND as a substitute for the amendment offered by Mr. DORGAN of North Dakota: Wherever it appears in the amendment, strike "15 acres" and insert in lieu thereof "10 acres".

Mr. Chairman, I would like first to inform the gentleman from Montana who previously spoke in the well that there are many hands-on farmers throughout this country and especially in Missouri and northern Missouri that the amendment of the gentleman from Minnesota would do a great deal of benefit for. These are farmers that are very diversified and they have 600-, 700-acre farms, some 800-acre farms, 400-acre farms, but they also produce soybeans, milo, corn, and wheat on all those farms. They sometimes even have cattle and pork production also. So it is very diversified. They are hands-on, family farmers. Under the Stangeland amendment they would be greatly benefited.

The amendment I am offering is for some of those farmers who have small wheat bases while they may have 200 acres of beans or 200 acres of corn in addition to that, have a small wheat base, and on the other hand, they may have a larger base of wheat, some of them, but have a smaller corn. I will offer the same amendment when we get to corn.

This amendment is not to just take care of hobby farmers but full-time, family farmers who have small bases. I have many of them in my district, and this is just to try to recognize the fact that these are not all hobby farmers. I will admit that many of them are. This amendment is to make sure that they, too, come within the purview of the Stangeland amendment which I strongly support.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. STANGELAND. I thank the gentleman.

Mr. Chairman, first of all, I think the gentleman's concern is adequately addressed in the Stenholm bases and yield provision of the bill. However, we have no objection to the amendment. I have no objection to the amendment.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. Chairman, there is another aspect to this proposal that I think is being more or less covered up by emphasizing targeting. That the amendment uses a statewide average price to determine the price at which the producer may buy back his commodity. In Missouri, the difference between the price of corn or wheat in northwest Missouri compared to the bootheel is 20 to 25 cents a bushel. It is a bad provision in this bill; using statewide averages. Some people—down in the bootheel, for example—could secure a loan under the program, get their loan money, and the next day sell it on the market for a quarter more in their area because the statewide average price is lower than the normal price in their area.

□ 1315

You cannot make a program work even as described that uses statewide averages. If we have such a program, it should use the backed-off price like ASCS uses for loan rates. It is not workable the way it is written.

Mr. VOLKMER. Mr. Chairman, if the gentleman will allow me to proceed, that has to be addressed in another part of the bill.

Mr. SMITH of Iowa. No, it is in this part of the bill. Your amendment is to the part of the bill that includes statewide averages.

Mr. VOLKMER. Yes, but not in this amendment. What we are trying to address is the targeting concept for targeting prices.

Mr. SMITH of Iowa. It also includes the marketing loans.

Mr. VOLKMER. Yes.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER] to the amendment offered by the gentleman from Minnesota [Mr. STANGELAND] as a substitute for the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The amendment to the amendment offered as a substitute for the amendment was agreed to.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words, and rise in opposition to the substitute offered by the gentleman from Minnesota [Mr. STANGELAND].

Mr. Chairman, I hope that the House will exercise the same good judgment it did last week by supporting the committee bill instead of attempting to rewrite on this floor what is an extremely complicated and difficult piece of legislation.

The particular substitute offered by the gentleman from Minnesota [Mr. STANGELAND], I believe, would have been subject to a point of order as to the germaneness of the section on the marketing loan, had anyone chosen to raise that objection. Additionally, it brings together two very disparate

ideas. The first of these is the so-called targeting concept, which is highly different from the original amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The problem with targeting is that it will not help only small farmers, or the family farmer. What constitutes a family farm depends very much on where in the country you are located. In that regard, the original Dorgan amendment would limit the entire support of the Government's farm deficiency payments to 12,000 bushels of wheat. In some areas that is not a family farm economic unit at all; it is below it.

Further, there is nothing in either the Dorgan amendment or the substitute to prevent large farmers, very large farmers, from taking advantage of the higher prices for the first 12,000 or 15,000 bushels of wheat by planting it instead of some other commodity which they now plant in large amounts. There is not a single feature of this so-called targeting amendment that limits its application to small- or medium-sized farmers. A very large corn, cotton, or soybean farmer could decide to plant wheat in order to get the benefit of this higher level of targeting. Indeed we may see some rather uneconomic, though perhaps personally advantageous, decisions made by some farmers' to change their farming patterns in order to benefit from this payment rate.

Second, the marketing loan is a concept that I think was explored in great detail in the Agriculture Committee and was rejected. Simply stated, the marketing loan, says that you can take out a production loan from the Government for x amount of money and then repay significantly less than the amount borrowed. Obviously that is a concept that has a great deal of appeal. I have no doubt we would all like to have similar opportunities in home mortgages and other loans to pass back to the Govenment whatever smaller share of the return of principle and interest the current price structure permits. I cannot quarrel with the motion that this is an innovative approach.

But let me say to those, like the gentleman from North Dakota and the gentleman from Kansas, who worry about these resources going to big producers that there is nothing in the marketing loan concept that prevents it from being taken advantage of by the larger producers in the country. Indeed it is exempt from the $50,000 payment limitation which exists in all other programs. As a consequence it is an extraordinary opportunity for the largest farmers to take part in a program where they take out loans, and then, if the price conditions justify it, they pay back something less.

Again the amendment moves entirely in a different direction than the gentleman in the well suggests. Practically speaking, it will, if anything, be a boon to larger producers.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I thank the gentleman for yielding.

I have two things. No. 1, I want to say that the targeting in the substitute is not as draconian as the targeting in the Dorgan amendment.

Mr. FOLEY. I think I have made that clear.

Mr. GLICKMAN. It is $4.50 for the 15,000 bushels and $4 for anything thereafter. I seriously doubt whether people would make those kinds of judgments on what the gentleman is talking about, considering that the current target price is $4.38 a bushel right now. So we are just talking about a maximum targeting price that is 12 cents a bushel more.

Mr. FOLEY. Mr. Chairman, if the gentleman will just allow me to respond to that, it must be either one thing or the other. It either provides a big boon to the first 15,000 bushels of production or it does not. If it does not provide that much difference, then the gentleman's argument as to why it is necessary to help family farmers tends to weaken. If on the other hand, it does provide that big a difference, it will encourage production.

Mr. GLICKMAN. The gentleman is trying to create a greater distinction than I think is actually in the amendment. It is trying to provide some additional incentive for the first bushels of production, but it is not a gigantic additional incentive that would cause a person to change dramatically his farm operation.

Second of all, I would point out that later on in the bill, where we for the first time have a $250,000 limitation on nonrecourse loans, I intend to offer, if this amendment passes, that same kind of limitation on these loans. So the gentleman's argument about the giant farmer being eligible for these kinds of loans would not be accurate.

The CHAIRMAN. The time of the gentleman from Washington [Mr. FOLEY] has expired.

(By unanimous consent, Mr. FOLEY was allowed to proceed for 2 additional minutes.)

Mr. FOLEY. Mr. Chairman, I will say to the gentleman that it certainly is accurate as regards this substitute. However, whether it is advisable to try and limit production cooperation to farms other than large farms or not is a philosophical issue.

One of the problems we have had in our agricultural programs is that to some extent they have excluded some of the larger producers from having an incentive to participate and thus help control production. In any case, as offered now, there is no easy way to estimate the budget cost of a marketing loan because its only limit is the price at which the loan has to be repaid. Depending on where the prices go, it could involve a very large obligation of the Government just as it could involve a very large benefit to producers, regardless of size, in not having to pay back the full amount of their loans.

Also, I think the precedent that loans, as such, are not necessarily repaid to the Govenment, that there is a built-in forgiveness feature in the loan, is an awkward one to set.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, I would ask my chairman of the Subcommittee on Wheat, Soybeans, and Feed Grains, is it not true that in many of the agricultural areas where we have commercial producers, because of the cost, because of the low prices that they have been receiving, and because of efficiency, farmers have banded together in small companies, and would this not destroy that banding together of maybe three or four families who are trying to continue to farm? Would this not destroy that effort?

Mr. FOLEY. Mr. Chairman, if the gentleman will allow me to reclaim my time, I appreciate the gentleman's concept.

May I just make an additional comment before my time has expired? I have not been as severe about the effect of this amendment as I should be. I suggested that its only requirement was that 70 percent of the loan has to be repaid. I spoke in error, however. That is a provision in the other body. There is no restriction on these loans we are discussing. Wherever the price goes, that is the only obligation that the farmer has, and possibly the entire loan, technically 50 percent of it, or more, is subject to being forgiven. So I think the House had better consider how far it wants to go with this concept.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield further?

Mr. FOLEY. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, in analyzing the bill in subcommittee and again in full committee, on this concept that was offered as an amendment, was there not some concern about allowing this marketing loan concept, as you have so amply pointed out?

The CHAIRMAN. The time of the gentleman from Washington [Mr. FOLEY] has again expired.

(On request of Mr. MARLENEE, and by unanimous consent, Mr. FOLEY was al-

lowed to proceed for 2 additional minutes.)

Mr. MARLENEE. Mr. Chairman, will the gentleman yield further?

Mr. FOLEY. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, was there no concern that when you allow absolutely no bottom, allow the price to go down and you pay back the loan at bottom, no matter where it goes down to, no matter what the market is, that means a great deal more budget exposure? Was there not a great deal of concern about that?

Mr. FOLEY. Yes, I think there is concern about the budget exposure. Second, it sends, I think, the wrong signal to farmers—that it removes them almost totally from any responsibility for production levels in the country because someone, theoretically, will protect them regardless of where the price goes.

Third, farmers would not have to worry that much collectively about getting the best price in the marketplace because theoretically the Government again becomes the guarantor through forgiveness of the loan.

Mr. MARLENEE. Mr. Chairman, the subcommittee chairman is exactly correct.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I want to ask the gentleman if this is so: One of the things we have loan programs for is to help spread the marketing out during the marketing year.

Mr. FOLEY. Yes.

Mr. SMITH of Iowa. Now, under this concept, the person who markets his grain right at harvest time, for example, gets the maximum amount of money that he is going to get from the Government, and he is penalized really for holding the grain another 6 months. He loses the storage, he ends up getting less or paying back more, because the statewide average price is going to be higher 6 months later into the marketing year.

Mr. GLICKMAN. Mr. Chairman, will the gentleman just yield on that point about the statewide average price? He has mentioned it twice. Will the gentleman yield for just one second to me?

Mr. FOLEY. I yield to the gentleman from Kansas.

Mr. GLICKMAN. It is the statewide average price as adjusted for each county in the State. That is in the bill. It is not in the amendment. That is in the bill, and I think that ought to be reflected in order to correct the record.

Mr. FOLEY. Mr. Chairman, on the gentleman's present point, I think he is right, that there is a tendency in this amendment to remove the normal judgments that farmers would have to make about appropriate orderly marketing of the crops because again the loan itself is repaid only at current prices.

Mr. SMITH of Iowa. So it really almost forces them, if they are not going to hold it until the end of the marketing season anyway and deliver it in lieu of the loan, it forces them to dump it right at harvest time.

Mr. FOLEY. Mr. Chairman, one of the things I want to say to the gentleman is that I do not know how farmers are going to react to this. It is a totally new concept.

Mr. ROBERTS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to my friend and colleague, the coauthor of the amendment, the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Chairman, I thank the gentleman for yielding.

I would just like to make a couple of points. First, the gentleman from Iowa expressed concern about the statewide price. This is found on page 68 under subsection (b) where that State price is adjusted to the county price. It is exactly the same as the way current loan levels are done.

Second, as far as evening out the marketing year, as far as the comments of the gentleman from Montana about the great costs are concerned, let me tell the Members that the price of wheat today is below the loan. Are the farmers marketing that wheat? Not if they can help it. They are holding it.

What are they doing with that wheat? They are forfeiting it to the Government, and there is cost of forfeiting that wheat to the Government. There is cost to the Government. We are paying the cost up front, putting that grain on the market and not putting it in Government storage.

We have had acreage reduction and other reduction programs for 3 of the last 5 years, and we have continually built up surpluses under the current program, and we will continue to build up surpluses unless we change the program. That is the key to this amendment. If we want to continue to build up surpluses, that is fine.

We talk about who this helps and who it supports. Let me tell the Members who it supports—87 percent of the wheat farmers in this country, better than 87 percent. And it does not support the higher 14 or 15 percent. But who has been adding to those surpluses? It is those large wheat farmers who have been protected at the $3.30 loan level while the market is about $3, and because they can cash-flow that $3 wheat, they plant fencerow to fencerow and they continue to build up those surpluses. That is the problem we have.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. Mr. Chairman, I have the time, and I will reclaim my time. I would like to make my general statement in behalf of the marketing loan, and then I would be happy to yield to my chairman if I get additional time for any point that he might like to make.

Mr. Chairman, I rise in support of this amendment. We have been discussing this farm program policy for better than 9 months now in the Committee on Agriculture, and we have been faced by a paradox of enormous irony—how to become market-competitive without marching an entire generation of farmers into bankruptcy.

This, I would inform my colleagues, is meant to be a little background as to how we got to the marketing loan. So how indeed do we accomplish that chore? Well, the Reagan administration, in its quest for a responsible farm policy, quotes almost daily from the free-market bible. In order to be able to compete, we must try to regain our place as a viable exporter of agricultural commodities. So when one loses one's comparative advantage due to embargoes, high deficits, the value of the dollar, unfair trading practices by our competition, foreign subsidies, and even worldwide weather patterns, we cannot be in the business of raising our support prices and compounding the felony. That is how the argument goes, and that is right as far as it goes, except for the fact that Uncle Sam has repeatedly sent the farmer out to do battle with one hand tied behind him.

We embargoed his product under the banner of foreign policy. We put him at the bottom of the high-deficit, strong-dollar export barrel. We gave his competitors foreign assistance. We passed a budget that increases defense spending and Social Security and all the rest of our entitlement programs, but the farmer has to take less than last year.

□ 1330

Now what about the other alternatives that we are hearing on the floor? Why not put all of our eggs in a basket called mandatory supply management? Under these programs we have several mandatory horses that are coming out of the chute, one even called voluntary-mandatory. We do not send the farmer into the free market boxing ring. We declare the free market null and void. We more or less let him choose whether or not to farm under Government determined price, a marketing quota and also a set-aside.

So what is the alternative? If it is not mandatory supply management, if it is not the free market, what is the alternative? I submit to you it is something called a marketing loan.

So to the administration I say there is no free market and your policy recommendations mean more of the same, misery and adversity in farm country.

To my colleagues who honestly believe they can shut down one-half of American agriculture at the expense of the other half and mandate a price to boot, well I respect your intentions, but there is one other commodity involved and that is called individual freedom, not to mention a host of long-term management and policy problems.

So what is the marketing loan? I would tell my colleagues there is a chart that I used in my 58—county tour when I traveled the big First District back in August. That is the district, by the way, that produces more wheat than any State in this Union. If you follow that chart where we get supposedly market competitive under the committee bill that has been explained so eloquently by my chairman, you rachet down those loan rates, and sooner or later, by 1990, you become market competitive with, say, Argentina. And if you look at the price at the county elevator, that price would go to about $2.10. At the gulf, it would be about $2.60. We will be competitive all right. There will not be anybody out there to compete. That is nothing but slow death, or what I call Death Valley Days.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. ROBERTS] has expired.

(By unanimous consent, Mr. ROBERTS was allowed to proceed for 2 additional minutes.)

Mr. ROBERTS. So how do we compete? How do we become market competitive and still save that generation of farmers, not march them off of a cliff?

Well, the marketing loan is the best answer. With the marketing loan the price goes to the world level and you compete, you move the grain in that commercial pipeline. You do not store it. You do not pay that USDA estimated $1.6 billion that taxpayers are going to have to pay. The farmer has to pay back that market price and then he is covered from that amount on up to the loan, and then he gets his target price deficiency payment as well.

The primary value of the marketing loan is that it does not ask the farmer to bear the full burden of becoming market competitive, especially when he has had no control over the forces that have led to the price and cash flow and credit prices we are experiencing.

It is budget conscious. It does fit under budget according to CBO, if you still believe CBO in this budget. And a special word for all my colleagues who want Uncle Sam to get tough on trade.

Do you want a level playing field for American farmers? Does the slogan "Buy American or Bye, Bye" appear in each and every paragraph of your speeches back home? This is your program. Under the marketing loan we will match our competitors dollar for dollar in terms of support for our farmers to win back export market shares. No more of this business of our competitors trying to produce more than we ask our farmers to set aside.

I would say to my chairman, the honorable gentleman from Washington [Mr. FOLEY], yes, this is an odd couple. We are mixing some targeting and we are mixing the marketing loan, but it is a marriage of convenience because we come under budget. And I share your concern about targeting. I have big farmers just as well. But let me point out that under current law, the wheat base, when you hit the $50,000 payment limitation is 1,440 acres. Under the committee bill, it increases to 1,650 acres, and under the Strangeland and Roberts and Glickman and Daschle and Dorgan plan, it is 1,765 acres. It is a wash. Targeting is a means to get the marketing loan under budget, and the marketing loan, as far as I am concerned, is the only way that we will get there from here.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. ROBERTS] has again expired.

(At the request of Mr. COLEMAN of Missouri, and by unanimous consent, Mr. ROBERTS, was allowed to proceed for 2 additional minutes.)

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. First of all, let me say that I support the gentleman's proposal. The gentleman from Minnesota and the gentleman from Kansas have been the leaders in this effort.

There was some discussion about the fact that this was voted down in the committee. Let the record show that it was by the narrowest of margins that this amendment failed—I think it was one or two votes—in the full committee, and that it was agreed to as a discretionary item in the regular commodities section. So I do not think this thing has already been decided. It is going to be decided right here on the floor. It was a very close vote and it ought to be reexamined.

I think one of the good features about the proposal is that it is something different from the present program. And let us not forget that that is really what we are talking about. We are not really talking about this being a substitute for the gentleman from North Dakota's amendment, but to the commodities section which is simply an extension of the present program that nobody likes. That is the real question. When we vote on this amendment, we are voting to change the present system. This is the only new initiative that we have in the commodities section. It is one that ought to be tried. The feature of targeting I think strengthens it, because it is those farms between $40,000 and $240,000 in total annual sales that are the ones under the most severe stress, not the big producers that somebody has been worried about here on the floor somehow taking advantage of this system. Less than 3 percent of them are under financial stress. But well over half of the smaller producers and mid-size farmers, people who look to their farm as their income source and not off farm income, those are the people this marketing loan concept will help.

So I support the concept. It is a new initiative. It is different from the present program that everybody admits ought to be changed. That is what we ought to be talking about, is this one versus the one that is in the bill now.

I appreciate the gentleman yielding.

Mr. ROBERTS. I thank my colleague for his contribution.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. ROBERTS] has again expired.

(At the request of Mr. DASCHLE, and by unanimous consent, Mr. ROBERTS was allowed to proceed for 3 additional minutes.)

Mr. ROBERTS. I thank my friend and colleague.

I want to make just a couple of very quick points. The gentleman from Washington indicates that we are going to have a lot of people moving out of one crop into another if this amendment passes. In the bases and yields section of the bill that was introduced by Mr. STENHOLM and myself, you can only do that to the extent of 20 percent. So there is a limit in that regard.

Now, what is not being said in this whole argument is what we do in the committee bill. Everybody knows that we have to lower that loan rate to become "market competitive." How do you do it? In the committee bill we give that discretion to the Secretary. You know the TV ad, "Let Mikey eat it. He will eat anything." Let the Secretary do it. We hand that job to the Secretary. Now if he does lower the loan rate, we can blame him for it if you are disposed in that way. If he does not, obviously we do not become market competitive. But if he does lower that loan rate, it goes from approximately $3.30 down to $2.47, the same kind of exposure with the marketing loan, only we don't say it, we do

it. We come up front. This is a come-clean effort. If in fact we are going to get market competitive, let us do it, let us get there from here. Let us do not go through that valley of death for 5 more years with the kind of adversity that we are facing in farm country.

I appreciate the gentleman seeking more time on behalf of this amendment.

Mr. ENGLISH. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I think there are a couple of points that we all ought to take a hard look at. The one thing that I have heard from my farmers, and quite frankly I have heard from virtually every member of the House Agriculture Committee, is that the wheat and feed grains section of the farm bill just has not been working. The point that my farmers have made time and time again over the past year is that we need a change, we need something different, we want to take a different approach. What we have been doing has not been working.

Well, I have to say that this particular section of the bill is pretty much the same old approach. There is some difference, but it is not something that I think my farmers are going to be very enthusiastic about, because it simply rachets down the price year after year if the Secretary feels that is necessary in order to be competitive in the world market. In effect what that does is that the U.S. Government is calling the farmers, "We want to use your bank account. We want to use your wallet. We want to make certain that prices go down."

I think that what we have to recognize is that there are two ways of becoming competitive. It is a question of whether we are going to set a new lower price for the rest of the world to undercut, and that is what other countries have been doing. Other farmers, for instance the French farmers, are subsidized so that their wheat prices are much higher than here in America. I have heard reports that those wheat prices are over $5 a bushel. My wheat farmers in Oklahoma are paid less than $2.75. But that French wheat is getting sold because the French Government has made the commitment that they will make up the difference. They are in fact making certain that those French wheat prices are below whatever the United States farmer is selling his wheat for.

Many of us have had people from other governments who have come to us and told us that, "They really do not care what level we are selling our commodities, our wheat, they are going to undercut us a nickel. It comes out of their government's treasury. They feel that it is important that they keep their farmers on the farm."

I do not think that we should give those nations comfort. I do not think that we should tell them in advance what the U.S. minimum price is going to be, what the new floor is as far as the U.S. markets. Let them guess.

I think the only way that we can do that is to establish a method similar to the marketing loan so that the determination of what the world price will be is determined by the market. It is not going to be determined by the U.S. Government. And we are also assured that the American family farmer will not be bearing the entire burden.

So regardless of how you want to become competitive in the world market, I think we have to recognize that it is the U.S. Government that must step forward and stand shoulder to shoulder with the American farmer. Without question, the American farmer each time he steps beyond the boundaries of our shores has been getting mugged. After all, the American family farmer is the only farmer of a major exporting country in this world that goes out and has to compete in the world market, to compete against foreign governments.

So I would suggest to you that if you want to do something different, if you want a change, if you want to make certain that our competitors have guess for themselves what the new market price is going to be, then this approach is the way to go. It certainly is going to give the farmers an opportunity to vote either for this proposal or the Bedell proposal, a definite change in American agriculture.

I would also say that it is going to give us a chance to be competitive in the world market. It is going to give us a chance to provide some optimism for the American farmer—some light at the end of the tunnel.

Mr. MADIGAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, if we could consider the marketing loan concept by itself, there might be a different sentiment reflected on the part of some Members of the House of Representatives. But because we are obliged to consider marketing loan and targeting together, some of us who might be sympathetic to at least giving the marketing loan concept some opportunity to be tried have to be against it.

In my case, there is a very simple reason why I have to be against it. The average corn farmer in Illinois under what is being proposed here would lose $3,300 a year in cash. A farmer with a 500-acre corn base would lose $3,300 a year in cash. He is going to lose money. That is not a big farm; that is an average farm in Illinois today. This is going to cause him to lose money. He has to make up that money somehow. They do not grow wheat now. But you have a provision in what we are looking at now, and the corn thing is to follow what we are looking at now, you have a provision that says on the initial production of wheat, he is going to get a lot of money, and a provision in the bill that says he can switch 20 percent of his base to wheat. So to make up that $3,300 that he would lose under your next proposal, the next one to be offered on corn that will be the same as this one on wheat, to make up what he would lose on corn he is going to switch 100 acres into wheat and get in on this very rich program that you have for the initial targeting on wheat.

Now you have never seen wheat until you have seen the amount of wheat that can be produced on some of that very fertile corn land in the Midwest where they do not grow wheat now. If you think you have a surplus problem, you have not got any surplus problem at all compared to what we will have when everybody with 500 acres of corn concerned with losing $3,300 in cash decides to put 100 acres into wheat to get in on this thing you are advocating here. That is possible.

It is the next amendment. I am explaining to you why I am against the next amendment that would do to corn what this amendment does to wheat, and I am explaining to you the impact that that would have on the total production of wheat in this country, which serves only to make the whole problem, the whole surplus problem, much worse that it is right now, and clearly should illustrate to everybody why this was rejected in the committee and why the gentleman from Washington [Mr. FOLEY], the chairman of the subcommittee, and the gentleman from Montana [Mr. MARLENEE], the ranking member of the subcommittee, who represent wheat growers almost exclusively I believe, are against this proposition.

□ 1345

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I would yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Chairman, in addition, I would ask the ranking member of the full committee if the Farm Bureau supports this proposition?

Mr. MADIGAN. My understanding is that the American Farm Bureau does not support this idea.

Mr. MARLENEE. The wheat growers?

Mr. MADIGAN. The wheat growers do not support this idea. I am at a loss to say, other than perhaps the American agriculture movement, at a loss to name any organization that does support it.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield further?

Mr. MADIGAN. I would be happy to yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding further.

Does the present committee bill protect farm income throughout the life of the bill?

Mr. MADIGAN. It maintains target prices at their current level throughout the life of the bill, and in addition to that, establishes the conservation reserve program of 25 million acres, which would take out of production, totally out of production, for a 10-year period of time 25 million acres presently in production.

Mr. MARLENEE. Mr. Chairman, would the gentleman yield for one more question?

Mr. MADIGAN. I would be happy to yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Chairman, much has been made, I would say to the ranking member, of the fact that we need to take a new direction; that this farm bill that we have crafted carefully in committee does not take a new direction.

Does not the present committee bill protect farm income and yet allow the grain—and this is the big point—allow the grain price to fluctuate downward to loan price so that it becomes market clearing and competitive on the world market, and is that not a new direction in farm policy?

Mr. MADIGAN. My understanding is that under the Foley-Marlenee provision agreed to by the full Committee on Agriculture, the loan rate would be allowed to go down 5 percent a year, with a snapback provision, and further would be allowed to go down, at the Secretary's discretion, on the order of what we call the old Finley amendment.

The CHAIRMAN pro tempore (Mr. BOLAND). The time of the gentleman from Illinois [Mr. MADIGAN] has expired.

(By unanimous consent, Mr. MADIGAN was allowed to proceed for 3 additional minutes.)

Mr. MARLENEE. Mr. Chairman, will the gentleman yield further?

Mr. MADIGAN. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Yes, it is true that the chairman of the Wheat Subcommittee, the ranking member of the Wheat Subcommittee, and the ranking member of the committee absolutely are opposed to the amendments that are being offered at this time and support the Foley-Marlenee provision.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. I thank the gentleman for yielding.

Mr. Chairman, I just want to emphasize the point that is being made here. If you believe that a target price of $4.38 during the last 4 years of the previous farm bill has not accumulated surpluses, then how can you say that a higher target price will not accumulate more surpluses?

The point being made here, I think, is that if we are looking at the total farm picture here in this country, we recognize that Government programs have dictated surpluses which have not only injured the taxpayer, but have injured the farmer throughout the existence of the farm bill. The committee structure recognized that, and it does something about it, and also brings us competitive in world prices.

The other point, I want to emphasize is simply that even though there is cross-compliance, if you have targeted wheat prices at this level, everybody in America will grow 15,000 acres of wheat, everybody. There are parts of this country where we can grow nothing but wheat; we have no alternatives. We have none. We cannot grow corn. We cannot grow soybeans. We cannot grow rice and cotton. We have one crop only. That is wheat.

What has been done in the past 4 years, the wheat production in this country has shifted. We are going to shift it again, this time to everybody with 15,000 acres, and I suggest that is social meddling. I suggest, again, the Government is trying to dictate how large farms ought to be, whether or not they ought to be family farms or something else, and I suggest this divides the country. This amendment divides the country into sections, and I think the committee bill does not do that. It recognizes that there are various parts of this country with needs and, therefore, I oppose the Glickman amendment to the Dorgan amendment.

Mr. DASCHLE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, several things have been said in the last 5 minutes that need rebuttal.

The gentleman from Illinois made mention of the fact that the majority of Illinois corn farmers would be adversely affected. According to the statistics of the Department of Agriculture, 98 percent of all farmers in Illinois who grow corn would be favorably affected by this amendment. Those are not my figures. Those are Department of Agriculture statistics.

We are only dealing with wheat here, I might add, but nonetheless, I think it is extremely important that everyone realizes that when we are talking about benefiting the vast number of farmers today, this amendment would do so in ways that no other version of the bill can provide. In fact, according to the Department of Agriculture 97.5 percent of wheat farmers and 98.1 percent of corn farmers would actually do better under this amendment than they would under the committee print. That point needs to be made first and foremost.

Second, it has been argued that this is a new concept. When it relates to agriculture, obviously this is a new proposal. But it is a proposal that is no different than progressive income tax or means tests which have been part of law for years. In addition, it attempts to change what we have had in policy over the last 20 years. Something that cannot be denied. The big have clearly gotten bigger at the cost of Government.

The last bushel of wheat produced by each farmer is not as important as the first bushel of wheat when it comes to the Government. Clearly it is in the Government's interest to put some emphasis on a certain amount of production by farmers, by producers, and to discourage additional production in the bill itself.

That is what we are trying to do here. To say that there is a law of diminishing returns, and at long last it is time that farm policy recognize that fact. We cannot, at the expense of Government, help the big get bigger.

There is one other point that I think must be made. Our producers in agriculture benefit from the direct subsidy. But there is a subsidy that we have not talked about on the floor at this point yet which I think is extremely important. That subsidy is found in the tax law.

Under tax law, the bigger you are, the more you benefit from the direct tax expenditures that are provided to large producers. As we try to phase out part of their direct subsidy, they will continue to have that additional amount of subsidization that comes from the tax law.

The last thing that I think is extremely important to reemphasize is the point mentioned by the gentleman from Oregon regarding the cross-compliance. The bill has a loophole that I think is extremely detrimental. As we try to put some tight constraints on supply control, there is nothing in the bill today that prevents a farmer from planting wheat where he once planted corn, and for planting corn where he once planted wheat. There is no provision on cross-compliance in the bill.

It is extremely important that if we are serious about bringing down the supply of both corn and wheat that we implement a cross-compliance feature, and this is the only amendment that addresses that effectively.

So for those reasons, progressivity, cross-compliance, the need to insure that we do not put the same value on a final product of wheat that we do on the first bushel of wheat, and the as-

surance that we all have that, according to the statistics of the Department of Agriculture itself, 98 percent of the farmers do better, I do not see that we can do any better than to pass this amendment on the floor this afternoon.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Chairman, I just want to clarify a couple of misconceptions that I think are misconceptions as well.

First of all, it has been said that there is going to be a tremendous shift in production of wheat on corn land. We are offering 12 cents a bushel more on 15,000 bushels of wheat than the committee print does, and I cannot believe that there is going to be a vast exodus of corn acres to wheat acres for that 12 cents a bushel for those 15,000 acres. That is No. 1.

No. 2: It was alleged by the gentleman from Montana [Mr. MARLENEE] that we were lowering the price support level over the life of this bill. Yes, we are, but so does the committee print. We lower our price support identical to what Foley-Marlenee does, and the committee.

So do not be misled that we are going to reduce the price more than the committee print does on that price support level.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. DASCHLE] has expired.

(On request of Mr. ENGLISH and by unanimous consent, Mr. DASCHLE was allowed to proceed for 2 additional minutes.)

Mr. STANGELAND. If the gentleman will yield further, we are asking our farmers to be price competitive, and our farmers are in an economic situation not of their making.

First of all, they did not ask for the embargo of 1980. They did not ask for the high inflation rates of the late 1970's and early 1980's. They did not ask for the high interest rates. They did not ask for the strong dollar.

□ 1355

They are victims of an economy over which they have no control. And if they expect to be market competitive in the world market, and we expect our farmers to take that hit, we are going to see wholesale bankruptcies in agriculture.

So the market loan lets the Government take the hit, allows the Government to stand behind our farmers like foreign governments stand behind their farmers.

I thank the gentleman for yielding.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

I wanted to point out that this is not a hastily drawn proposal. As people will note, there are Members on both sides of the political aisle who have stood up and said we would like to do something a little different. The point is that there are some who say let us keep doing what we are doing.

Does anybody here think that what we are doing is working? It is not. Prices are going down. Farmers are going broke. The cost of the programs are going up.

So people on this floor are saying, from both sides of the political aisle, let us try something different. Let us try a marketing loan concept. Let us try targeting. Let us see if we can turn this thing around.

That is what this debate is about. Some people would say, well, if we cannot provide the higher support price for the 2 or 3 percent of the producers in the country, most of whom are the largest corporate agrifactories in the country, then we do not want to try this new approach.

We cannot always do everything for everybody. We do not have the money. But we can do the right thing for the right people, and it seems to me as a matter of public policy that the right approach is to try and preserve the network of family farms in America. That is all we are trying to do.

To do that, we cannot continue doing what we have been doing because it has not been working. We have to try something different. That is what Republicans and Democrats who support this approach on the floor today are saying. Let us try something different because maybe there is a chance that it will work. Maybe there will be a brighter day for family farmers if we do it.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. DASCHLE] has again expired.

(On request of Mr. ENGLISH, and by unanimous consent, Mr. DASCHLE was allowed to proceed for 2 additional minutes.)

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I would like to follow up I believe on the statement that was made that somehow this bill was going to provide, or this amendment is going to provide additional incentives for people to go out and expand their production, and expand generally speaking.

I simply do not understand how in the world there is any logic in that particular kind of argument. What we are talking about here is providing an incentive for people to reduce their production, not increase their production, but to reduce it. The question is how many people are going to participate in this program.

I think this measure offers an opportunity to increase the number of farmers who will actually participate in reducing their production and, therefore, bringing supply and demand into balance and, therefore, reducing the overall cost and offering farmers some hope that we are going to see better prices in the future. That is a very important point.

Second, with regard to those who say we are simply going to have a lot of other commodities that are going to switch over and start growing wheat or something else, the Stenholm provision of the farm bill would still remain in effect. Anybody that goes out and switches their crop, then only 20 percent of that, for instance, if it were wheat, would be eligible for the program, only 20 percent if they are going to be able to participate. That means 80 percent would not be covered by the program. I do not know of anyone who is willing to take that kind of risk. It would be a very great risk indeed.

Third, I think again there is a very bottom-line important issue to consider. Do we really want to adopt a policy of going out and driving down market prices in agriculture at this time? That is the real issue. Do we want to drive down market prices? That is what the bill provides for. It allows the Secretary of Agriculture to drive down by reducing the loan rate and saying here is where the U.S. price was at X. Now we are going to reduce it down here X minus 30 or whatever the number might happen to be.

That means they are going to have lower prices. I thank the gentleman for yielding.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I ask unanimous consent to have technical changes made in the Stangeland-Glickman substitute to correct improper page and line references and delete lines that were inadvertently repeated. I send to the desk a copy of the amendment with the changes marked in ink.

The CHAIRMAN. The Clerk will report the modifications.

The Clerk read as follows:

Mr. STANGELAND asked unanimous consent to have technical changes made in the Glickman-Stangeland substitute to correct improper page and line references and delete lines that inadvertently were repeated, as follows:

Mr. STANGELAND [during the reading]. Mr. Chairman, I ask unanimous consent that the technical changes be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. HUCKABY. Mr. Chairman, reserving the right to object, could the gentleman tell us what section of the bill this refers to?

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, this only has to do with this amendment, I respond to my good friend. It is just this amendment.

Mr. HUCKABY. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The text of the amendment, as modified and as amended, is as follows:

Amendment, as modified and as amended, offered by Mr. STANGELAND as a substitute for the amendment offered by Mr. DORGAN of North Dakota: Strike the amendment to page 70 in the Glickman (Dorgan as printed in the RECORD) amendment and insert in lieu thereof the following:

(a) On page 69, line 5 before the "." inserting the following: ", except that the Secretary shall not make available payments under this paragraph to any producer with a wheat acreage base of less than 10 acres for the crop.";

"(b) On page 70, after line 18 striking all through page 71, line 18 and inserting in lieu thereof the following:

"(C) For each crop of wheat, the established price shall not be less than the following levels for each farm:

"(i) $4.50 per bushel for any portion of the crop produced on each farm that does not exceed fifteen thousand bushels, and

"(ii) $4.00 per bushel for any portion of the crop produced on each farm that exceeds fifteen thousand bushels."; and

Title IV of H.R. 2100 is amended by—

(a) on page 65, after line 15, striking all through "shall" on line 18 and inserting in lieu thereof the following—

"(2) If the Secretary determines that the availability of nonrecourse loans and purchases will not have an adverse effect on the program provided for in paragraph (3), the Secretary may";

(b) on page 67, line 12, striking "The Secretary may" and inserting in lieu thereof the following—

"(3)(A) Unless the Secretary, at the Secretary's discretion, makes available nonrecourse loans and purchases to producers under paragraph (2) for a crop of wheat, the Secretary shall";

(c) on page 68, after line 25, inserting the following new paragraph—

"(4)(A) The Secretary may, for each of the 1986 through 1989 crops of wheat, make payments available to producers who, although eligible to obtain a loan or purchase agreement under paragraph (3), agree to forgo obtaining such loan or agreement in return for such payments.

"(B)(i) A payment under this paragraph shall be computed by multiplying—

"(I) the loan payment rate; by

"(II) the quantity of wheat the producer is eligible to place under loan.

"(ii) For purposes of this paragraph, the quantity of wheat eligible to be placed under loan may not exceed the produce obtained by multiplying—

"(I) the individual farm program acreage for the crop; by

"(II) the farm program payment yield established for the farm.

"(C) For purposes of this paragraph, the loan payment rate shall be the amount by which—

"(i) the loan level determined for such crop under paragraph (3); exceeds

"(ii) the level at which a loan may be repaid under paragraph (3)(B).

"(D) Any payments under this paragraph shall not be included in the payments subject to limitations under the provisions of section 1011 of the Food Security Act of 1985."

(d) on page 86, line 19, striking "may not" and inserting in lieu thereof "shall";

(e) on page 86, line 22, striking "may" and inserting in lieu thereof "shall".

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. DASCHLE] has again expired.

(By unanimous consent, Mr. DASCHLE was allowed to proceed for 2 additional minutes.)

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, there seems to be some inconsistency, and I would like to ask the gentleman about this. The gentleman from Oklahoma [Mr. ENGLISH] said he thinks the policy is wrong that we take down the price, the market price of grain, and yet we heard the gentleman from Minnesota [Mr. STANGELAND], one of the authors of the legislation, say that it does exactly as the committee print does. I would like to have that corrected for the record, if you would.

Does not this amendment take the price down also as the gentleman from Minnesota [Mr. STANGELAND] said?

Mr. DASCHLE. Mr. Chairman, I reclaim my time, and since the gentleman from Oklahoma [Mr. ENGLISH] made that statement, I will allow him to rebut that if he would be brief.

Mr. ENGLISH. I would be delighted to.

I think the point is the question of whether we are going to set a new low price, or whether or not the United States is going to be competitive in the world market. That is the real issue.

What the bill does today under the provision that you offered, it drives it down. It says, Mr. Secretary, the price is too high at $3.30 a bushel, so we are going to let you set it at $2.50 a bushel.

That now is setting it as far as the new minimum loan rate, and it tells the rest of the world that if you want to sell below that new minimum loan rate, or the new minimum U.S. price, all you have to do is sell at $2.45.

I think we ought to keep some suspense in here if we are going to keep in the world market. Let us keep them guessing. Why should we set a new minimum low price, and this provision take care of that.

Mr. DASCHLE. Let me reiterate in the little time that I have left to those watching the debate who are unclear about the ramifications of this amendment and what we are trying to do. First, we are trying to prevent the big from getting bigger at government expense. Second, we are trying to provide an opportunity for farmers to develop market orientation in this legislation. Third, we recognize that what has happened over the last 4 years has not been good for agriculture, that we are suffering a very severe crisis in farm credit and farm production, and clearly we have to do something different if we are going to bring ourselves out of the crisis we are in. And fourth, we can do it with less budget.

I do not think one can do any better than what this amendment is trying to do at any less cost to the Government. I believe that it certainly warrants the support of this House, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I take this time to advise my colleagues that we have a very difficult situation, as well as you can see from the debate here by the members of our committee.

But I have a responsibility, and I think we have a responsibility, to realize that this is a national problem, that the plight of rural America and the American farmer is a national problem that encompasses all regions, States—and every producer is impacted.

I want to remind my colleagues that this legislation is not a panacea, but it was very carefully debated and crafted. I have the responsibility to state to you that there are many areas of agriculture that are not impacted by this legislation. The fruit and vegetable industry, for example, is very important in my area. The only thing they get basically from the Government is harassment. If their crop fails, they get no assistance from Government. There is no loan. There is no target price.

We have to weigh that. It is not a single issue for a single area. You need to stick with the committee version because that was the sense of a majority of the members as to how we should proceed.

For example, somehow there is a concept that the family farm is ma and pa and the kids, and two hogs, and a few chickens and a cow. But let me tell you that went a long time ago.

So when you say you support the family farm, you must realize that a family farmer may own 100,000 acres. In some areas, this would be a big producer, but maybe not in another State,

maybe not in another region. But we are talking about the future of all American agriculture.

I will remind you that we could conceivably become an import-dependent Nation and we do not want this, especially in agriculture.

What farmers need is a price, not targeting. They need a price for their crop, and that is what we have to see that we do.

The current farm program is not working as well as we wanted it to, but other things disrupted it: the high value of the dollar, abnormal weather conditions, the high interest rates. If a farmer had a price for his crop, then he could make loan payments that are due, and this money is so very important to the community where he lives.

Now, under this marketing loan concept, you will be letting the rest of the world set the price. Yes; I would agree that where we set the loan has a tendency to set world prices also. But under this marketing loan concept, we would lose complete control. The farmer will sell his product at whatever low price is available and know the Government will still pay him a good price. This is bad policy.

And who is going to set the price? Our competitors. The price can be set every day. Our competitors around the world are going to look at our loan rate, and that is where they are setting their price? Not so.

If you turn it loose, they will set their price daily and our farmers will have no alternative but to sell. We will lose control of our input, as minimal as it might be, as to what the world price is going to be.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 3 additional minutes.)

Mr. DE LA GARZA. I also want to leave you with this thought: We do not know about this marketing loan. It is untried. It has not been utilized. We do not know if it will work.

The patient is too ill now to gamble. We have to stabilize his condition. I know of no better way to explain this than the time that I had an ailment called diverticulitis, and I had an attack, and they took me to the hospital. They said I was going to die. And the doctors had to then make the decision, do we do surgery or do we try to stabilize him?

Well, if they were to do surgery, then they read me the list of possible complications, and they left me to make the decision. There was no way that I was going to have surgery. They said they could try and stabilize my condition. But for a while, I thought, well, maybe if I am going to die anyway, it might as well be now.

But I decided against it because of the instinctive reaction of the body. So they stabilized my condition. Three months later, I went and had the surgery and everything worked out fine.

And that is where we are now, if you will pardon me for using my own personal experience. It is now too risky to gamble. We do not know what the other nations are going to do. We do not know what other countries are going to do. And I tell you that we cannot lose control of influencing the price.

□ 1410

Under the amendment, we would give charity to a few small farms under helping the family farmer. But now is not the time to do that and I assure you that in my congressional district, the bulk are small and they are family farmers, but there is a tendency to say that the big should not participate in the American dream; that the big should not participate in the program, that only the small should participate. We call it a family farm to rationalize our concept that to us, philosophically, "big is bad."

We need to pass a bill that encompasses all American agriculture. We cannot put the big off on the side; we cannot let the little one fall by the wayside. This committee bill may not help all of them out there, but we have to to stabilize the farm economy as best we can.

This is what the committee came up with. Yet, this amendment is a novel concept; it has not been tested. We cannot risk testing this concept now.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 1 additional minute.)

Mr. DE LA GARZA. The Committee started with the premise to not drastically reduce the farmers' income and then see how we can sustain it as best we can.

So as enticing as the legislation sounds, as fervent as the plea is from those who support it, I submit to the Members, we must stay with the committee because the balance that is at stake is too dangerous to gamble with.

(On request of Mr. DORGAN of North Dakota and by unanimous consent, Mr. DE LA GARZA was allowed to proceed for 1 additional minute.)

Mr. DE LA GARZA. I yield to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. The distinguished chairman, for whom I have the greatest respect, is worried that the largest producers in America might not be able to take advantage of the American dream.

I just want to say that they take advantage handsomely because 10 percent of the largest producers——

Mr. DE LA GARZA. Let me reclaim my time. I did not say that, and if it came out that way, I did not mean that; but there is a concept here that "if you're big, you're bad" and this is what I am trying to negate.

Mr. DORGAN of North Dakota. If the gentleman will yield further, let me just say that the 10 percent of the largest producers in the country now take 50 percent of the benefits in the farm program. We simply do not have unlimited money. The question is, how can we use our money the right way to provide the best support we can to the family farmers in the country? That is all we are trying to do.

Mr. DE LA GARZA. To support the committee version, that his how you can best utilize your money to help all of the farmers of America.

That is why I ask my colleagues to support the committee version of the legislation. We cannot gamble; it is too risky; we have tried and we can correct and have midcourse corrections; this would just be turned loose and then there will be no retrieving, regardless of what the consequences are.

Mr. ROBERT F. SMITH. Mr. Chairman, I rise in opposition to the amendment.

I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding and rise to associate myself with the very eloquent remarks of the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA], and to remind the Committee of the Whole that not only the gentleman from Texas but also the gentleman from Washington (Mr. FOLEY), the chairman of the appropriate subcommittee, has also risen in opposition to this amendment, as has the ranking member of the subcommittee, the gentleman from Montana [Mr. MARLENEE].

I would like to say to my very distinguished friend from South Dakota, who argued with me about the statistics in Illinois, that I was referring to farms of 500 acres average size in Illinois, and said that specifically in my remarks. The information that the gentleman used from the U.S. Department of Agriculture referred to all farms in Illinois, and there are many hobby farms in Illinois, of 30 and 40 acres, and I am sure the gentleman would not want the Committee of the Whole to have been misled by the response that he gave to me.

Mr. DASCHLE. Will the gentleman yield on that score?

Mr. MADIGAN. I do not have the time; the gentleman from Oregon [Mr. ROBERT F. SMITH] has the time, but perhaps he would yield to the gentleman.

Mr. DASCHLE. Will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman.

Mr. DASCHLE. Mr. Chairman, I have the statistics, and I think for the

record we might as well state them at this time.

We have 34,000 Illinois farmers whose farms have a base of 76 to 150 acres; we have 2,000 farmers in Illinois who have a base of 300 to 400 acres, and then we have 440 Illinois farmers with a base of more than 500 acres.

Mr. MADIGAN. If the gentleman will yield to me.

Mr. ROBERT F. SMITH. I yield to the gentleman.

Mr. MADIGAN. I said an average of 500 acres, and I referred to that as the average working farm in my State, and I think the 76-acre farms clearly are not working farms, and I think that point has been made, and I thank the gentleman for yielding.

Mr. ROBERT F. SMITH. I thank the gentleman, and may I just point out again and enunciate what I believe the chairman was describing. A question I want to leave in everyone's mind about this substitute is, what does it do about the overall surpluses in America of wheat and later in feed grains; what does it do to the non-subsidized commodities that are still out there; and much of agriculture is non-subsidized, there are just a few commodities, and what does it do to other subsidized crops?

The question I come back to again is the problem that you have in this bill, identified by the gentleman again from South Dakota, is that there is no cost compliance in this issue, in this measure, and that is dangerous because that means that you can move from one commodity to another without penalty.

The $50,000 limitation differentiates between bigs and littles; that still is in the bill, you can receive no more than $50,000 deficiency payments. Plus the fact that everybody in America, tomorrow morning, can go and produce 20 percent of their acreage in wheat under this proposal, and the next year we can move 10 percent of our commodities around to produce wheat.

So the point is everybody is going to produce wheat. If corn follows this, everybody that has produced anything else, will also produce corn, because it appears that corn and wheat are the most profitable government subsidies. Remember this program moves us to farm the government. Our program approved by the Committee was trying to move farmer income from the Government to the market place.

I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding. I just think we need to repeat at this point a point that was made earlier by the gentleman from Montana [Mr. MARLENEE].

When we talk about these figures from the U.S. Department of Agriculture; the size of this and the size of that and the size of something else, we are talking about ownership; we are not talking about operating farms.

As the gentleman from Montana [Mr. MARLENEE] said a while ago, operating farmers rent as many as four pieces of farmland in order to put together an amount of land sizeable enough of them to make a living.

When we talk about somebody having 76 acres, we are talking about ownership; we are not talking about operating farms, and I think that point made earlier by the gentleman from Montana needs to be repeated when we try to calculate who benefits and who gets hurt by these kinds of things.

Mr. ROBERT F. SMITH. I yield to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. I thank the gentleman for those comments and I thank my good colleague from the State of Oregon for yielding.

If we would go over the 1982 Agricultural Census, we would see that various categories in the number of wheat producers, and we note that there are 309,000 producers who produce under 150 acres.

(On request of Mr. MARLENEE, Mr. ROBERT F. SMITH was allowed to proceed for 2 additional minutes.)

Mr. ROBERT F. SMITH. I yield to the gentleman from Montana.

Mr. MARLENEE. I note that there are 66,350 who are 150 to 300 acres. Well, if we take those two categories, the first one and say well, these basically are absentee or who produce wheat as a sideline, we can set that 309,000 producers aside. They are absentee or else they are producers who produce wheat as a sideline.

Then we take the 66,000 and we divide that, and we have about 33,000 who are actual hands-on producers. They are 150 to 300 acres. That is where targeting is targeted for; 33,175. Add up all of the rest of the wheat producers, all of the rest of them, and you come up with 70,000 wheat producers in this Nation.

□ 1420

And, maybe, that is why, maybe that is why the National Wheat Growers do not support this concept nor do the Wheat Producers of Montana or any other bona fide group like the Farm Bureau.

Mr. Chairman, I thank the gentleman for yielding.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I thank the gentleman for yielding.

For clarification, was it the gentleman's point that we do not in this amendment deal with supply control any more effectively than what is in the bill?

Mr. ROBERT F. SMITH. I am suggesting under the Stenholm provision approved by the committee that we still have the opportunity to move 20 percent of one crop to another, and are likely to do so because of an increased subsidy by the Government of the United States. If everybody did that in America, we would be growing wheat in more surplus than we are growing it now. That was my point.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. ROBERT F. SMITH] has again expired.

(On request of Mr. DASCHLE and by unanimous consent, Mr. ROBERT F. SMITH was allowed to proceed for 1 additional minute.)

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I thank the gentleman for yielding.

I only say that first of all that that is what this amendment does too. This amendment does not change that. So as far as the comparison goes, we are dealing with exactly with regard to the same size farm as we were dealing with in that particular issue.

Mr. ROBERT F. SMITH. Reclaiming my time, and then I will yield. This amendment does make those charges. It raises the target price, it makes producing wheat more attractive, it moves people to grow wheat, and it will move people to grow corn.

Mr. DASCHLE. Yes; but the point that I have to make in regard to that is that the gentleman's understanding is that we have cross compliance here which prevents them from going to wheat, which prevents them from going to corn from another crop.

Mr. ROBERT F. SMITH. Reclaiming my time, it does not prevent them from initially moving 20 percent to wheat.

Mr. PENNY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

First of all, Mr. Chairman, I want to clarify a couple of points because it has been raised on several occasions by opponents of this amendment that somehow this targeting provision is a big bonus to doctors, lawyers, and other absentee owners. It is not.

If you look at this in a fair manner, you will discover that those kinds of farmland owners are not benefited in any degree by this measure that is not also available to them under the current law or under the Foley-Marlenee proposal. So it is not as if this is a big windfall to those kinds of landowners.

Second, the question was asked by the gentleman from Oregon, what do we do under this approach with the current surplus? One thing we do not do is add to the current surplus under

this approach, because under the marketing loan concept that grain is going to move. We are not going to turn it over to the Government at a huge cost the way we have under current programs and the way we will continue to under the Foley-Marlenee program.

We need a new approach in agriculture. That is the key argument in favor of this concept.

We do not save our farm economy by giving them the same old program.

The chairman of our committee argued a few minutes ago that this is not the time to try something new, that we want to stabilize the farm situation. No, we do not want to stabilize the farm situation because today the farm situation is deteriorating at a rapid rate. We need to do a better job of protecting farm income than we are doing under current circumstances and current programs and a better job than we would do under the Foley-Marlenee approach.

The marketing loan and the targeting concepts included in this amendment give us a chance to do a better job.

First of all, it gives us a chance to improve our market competitiveness. You know, a lot of people here say they want to make agriculture competitive, they want to have it market oriented. But when you offer them the only plan that will really get us market competitive, then they shy away from it, then they say we have to have income support at certain levels so we do not let that market price drop too low.

If we want to find out where that market will really go and how much of that market we can have, the marketing loan program gives us that opportunity. Then to make sure that you do not lose farmers in the process, let us give them a decent target. Let us not give them the same old target price, let us give them better target protection if we can.

This approach, as proposed by Messrs. STANGELAND, DASCHLE, DORGAN of North Dakota, GLICKMAN, and others, gives us a chance to move that target price up on the first level of production so that a small- and mid-sized family operator has an opportunity for a better price. Targeting makes an awful lot of sense from the budget standpoint as well. Keep in mind we are spending far less under this bill than we have been spending under current policy. I believe we ought to target those program benefits so that the small- and mid-sized family operators get the best income protection. Again, the only targeting that we have available is through the adoption of this amendment.

Last but not least, the issue in agriculture is a better price. We need to have a price if we are going to offer hope for our family farmers. Look at what happened to price in just the last year. I know this amendment only addresses wheat, but I want to compare what has happened on corn as well because there should be a similar amendment to this adopted when we take up the corn provisions.

But on wheat a year ago in August, the price for wheat was $4.60; this August, just a month ago, it was $3.60. For corn, a year ago it was $3.24; this past August it was $2.58. That price is continuing to drop. Farmers' income is going down. We know that under the best approach we are not going to restore the kind of markets we need in order to get the market price up within the immediate future. That means we have to do something through targets or loans to give the farmers a better income than under a current farm programs. We offer one possibility under the Bedell amendment that will be debated later. The Bedell provision gives farmers a referendum vote to raise their price through a loan approach, and keeps us competitive in the world market by using our existing surplus in a bonus-bushel export plan. But if we want the fallback to that referendum to be something better than the current farm program, to provide us better income protection than the same old stuff for another few years, then I think we have to adopt this Stangeland-Glickman amendment, because under this amendment with a marketing loan and targeted payments to the family farmer in the small- and mid-sized category, we are going to provide better income protection.

If that referendum fails, I want a better fallback plan, and this marketing loan concept with its targeting provisions provides us that.

Mr. COMBEST. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I appreciate the time. There has been a lot of discussion going on back and forth about this and other approaches to the wheat title of the farm bill. I certainly respect what the chairman indicated, that we should come with a program that fits closer to the farm bill as reported by the committee. I believe that is the direction to take.

However, there are some portions in that which a number of us do not support, a number of us would like to see some other objectives.

I am not going to go into the argument of why this may work better than some others. I think there are two or three basic points I would like to make to my colleagues in the House. No. 1, I do not believe that given the budget constraints that we have in trying to deal with the farm program we are going to come up with a program that everybody in this body is going to support. I wish that were the case. I do not think we are going to come up with a program that every farm group, no matter whether we can read off lists of this group supports this program or this group supports that program; that is not really the criterion, in my opinion. What we need, in my opinion, to look for is a program which will provide some income protection to the farmer, a program which will provide the opportunity for us to remain competitive in the export markets. I think it is vital that we continue those. I think it is vital that we do not lose those market opportunities in other countries. But I think it is also vital that we do not put that on the back of the farmer. I think in the current situation that is the case. We are causing and creating the farmer to have to finance our competing in foreign markets. Let us put it back on to the administration, and let us deal with that from the level rather than trying to leave it with the farmer.

I believe it is a significant and important matter that we continue to do these markets, and in my opinion this is the best approach that we can reach both of those goals.

Additionally, I do not believe this bill gouges or hurts the end user of the commodity, the livestock, or dairy producers, or others who have so much at stake, with the market so low that we have to keep competitive. Certainly it is important to the price of beef and to the price of milk that they be able to buy extremely competitively. Certainly the farmer needs to have more of an income. But I do not believe we need to leave that totally on the backs of the farmer.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I would be happy to yield to the chairman of the full Committee on Agriculture.

Mr. DE LA GARZA. Mr. Chairman, I appreciate the gentleman yielding.

I do not say this in a derogatory way, but the gentleman is emphasizing that you are putting it on the back of the farmer. Not so. We are sharing now. We are having a difficult problem.

But one of the worse problems in our area and in the area of the gentleman is when we are going to balance the budget. That is the most that we can do for the farmer besides giving him a price, is to balance the budget. This market clearing amendment, here you are letting the world set the price and you are putting the costs then on the taxpayer. What we do here is not all agreeable to a lot of people. That is why I say we have to stick with the committee, because editorial after editorial about the big price the farmers are getting, we know it is not so. So the gentleman uses perhaps the wrong phraseology here that you are going to take it off the back of

the farmer; you are going to put it on the back of the taxpayer without control, without limit. We have to do a balancing act.

I thank the gentleman for yielding.

Mr. COMBEST. Reclaiming my time, Mr. Chairman, I think the point I am trying to make is under current conditions and I think under many of the programs that we are looking forward to under the proposal as it comes from the committee is going to reduce that price potential to the farmer. I think that is where he has to be protected. As I am sure the chairman knows over many years of dealing with agriculture, you look at the end of the year to see whether or not you made a profit based on what the Government program has been, based upon what the price one had received in the marketplace. You add them up, and if you received more than you paid out, then you have made a profit, certainly. But I think it is also very important to note that throughout this entire type of a farm policy what we have done is we have used artificially high levels to set prices which some foreign countries can immediately come below and drive us out of that market and force the farmer into putting his commodity into storage. Certainly previous programs have not worked, we have continued to build up surpluses, we have continued to do that at the expense of the taxpayer, at the expense of the farmer because of the pricing it has. In my opinion, what it would do is to give that farmer that income protection which he needs, it would also give us an opportunity to move that commodity into the foreign markets to compete in those countries that are highly subsidizing their exports. And, yes, sir, Mr. Chairman, there is a level at which the taxpayer participates in the farm commodities. That has been the case for many, many years. I think it will continue to be the case for the next several, certainly if we are going to come out from under this program and out from under the problem.

The main point I would have to make is, I think we have to do something in the short term, not keep the status quo in agriculture but to do something that may be somewhat different because in my State the prices are so severe that we cannot let it fall simply as it is.

The CHAIRMAN. The time of the gentleman from Texas [Mr. COMBEST] has again expired.

(On request of Mr. DORGAN of North Dakota and by unanimous consent, Mr. COMBEST was allowed to proceed for 1 additional minute.)

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

First of all, I think the gentleman made an excellent statement, and I think he said it very clearly. I just wanted to point out to those who suggest that this is a budget problem, this approach, we are all familiar with budget problems; Lord knows, the cost of the farm program in recent years has exploded on us. And despite the fact that we have spent more and more money, we have not solved this problem. We have record farm failures. This approach is not a budget buster. In my judgment, this approach is the first step down that road to begin solving the farm problem and getting off the budget the kind of resources we have been spending in recent years, most of which, incidentally go to the largest producers from the pockets of the American taxpayers.

The farmers want a price, and they can either get it from the marketplace or from the Federal budget. We prefer the marketplace. In the short term, this approach is the right approach from the budget standpoint. This does not break the budget. The old approach breaks the budget. I think this approach is a first step toward solving our problem for the farmers and for the Federal budget.

And I appreciate the gentleman yielding.

Mr. COMBEST. The gentleman makes a very good point.

The CHAIRMAN. The time of the gentleman from Texas [Mr. COMBEST] has again expired.

(On request of Mr. DE LA GARZA and by unanimous consent, Mr. COMBEST was allowed to proceed for 1 additional minute.)

Mr. COMBEST. Mr. Chairman, the gentleman makes a very good point and one which, as is indicated, comes within the budget. And that is the reason for the targeting. We may have some problems with the way that is handled. I do not like targeting.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the chairman of the committee.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, very briefly, we have heard so terribly much that we need to level the field here, we need a level playing field. This marketing concept, they reduce, they reduce, they reduce, they reduce, because our farmer then will just get it from the Federal budget and we will be at their mercy. Where will we wind up? Where will be the price that we leave for our farmers? Where will we be in 2 years, 3 years?

I have to think of the farmer to the end of this century, not in the next election or next year or 3 years. We have got to look to see how we can stabilize it in the long term. If we leave this to the vagaries of other countries, knowing that we are going to sell at any rate, then they will just go under and go a lot under where we would be. What have we done to stabilize the price for the farmer at the end? Nothing.

□ 1435

The CHAIRMAN. The time of the gentleman from Texas [Mr. COMBEST] has expired.

(By unanimous consent, Mr. COMBEST was allowed to proceed for 1 additional minute.)

Mr. COMBEST. I appreciate the Chairman's concern, and I think we have the same concern for the farmer. I also want to look into the future. My concern is that the alternatives that are there short of the marketing loan approach is not going to leave us with any alternative because, in my opinion, in the out years we are not going to have many people involved in agriculture.

(On request of Mr. FOLEY and by unanimous consent, Mr. COMBEST was allowed to proceed for 3 additional minutes.)

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, I hope that the Committee will consider very carefully before it votes to support this substitute.

We are troubled in our agriculture today by an enormous overproduction. It is part of a worldwide overproduction problem that is driving down the price of grain and creating public management and expense problems throughout most of the exporting agricultural world.

We have a $2 billion-plus wheat crop today. In considering this amendment, we could be taking a step which I hope we do not take, that of providing so much protection to the farmer that all marketing decisions will be swept away, there will be almost a total guaranteed Government signal to produce, produce, produce.

There is a set-aside requirement in all of these bills. However the fertilizer that will be plowed into wheat acreage throughout this country to maximize production will create additional huge problems in the management of our public surpluses, that will be devilish in the future. This is a well-intended but bad amendment. It was rejected by the committee. It is opposed by the chairman of the committee, by its ranking minority member, by the chairman of the subcommittee and my colleague, the gentleman from Montana [Mr. MARLENEE]. While I am for protecting the farmer this will create almost a total Government guarantee to the farmer, and in doing so, takes away all signals of restraint in production.

The farmer will have an opportunity under this amendment to get whatever protection the price will lead to. Under it there are no limits. It creates an entirely new, untrusted and untried system which I think reckons to put us in even worse condition on price, on surplus and on farmer income.

Secondly, the taxpayers of this country will not permanently support a plan to provide unlimited amounts of grain to be produced in the United States and exported for overseas use. Some restraint has to be adopted in the production of crops here and abroad if we are ever going to get a restored price. This tends to weaken all of signals to the farmers here and abroad and creates a problem which I think will be devilish in the future.

Under the circumstances and despite my respect for those who have offered them an amendment on both sides of the aisle, I hope the general membership will reject both the substitute offered by the gentleman from Minnesota and the amendment offered by the gentleman from North Dakota.

Mr. COMBEST. I appreciate the gentleman's comments, and I know we are all very concerned about the direction of agriculture.

I would just simply say that this does, in my opinion, set up a supply management type program. It is voluntary mandatory, and I think it is one that will have some tremendous effects on actually what the result is. We are not setting ourselves up for the situation that will allow the Government to acquire and to take over great numbers of stocks because, simply, the program is a recourse loan rather than nonrecourse.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Washington made some excellent points in regard to this amendment. I would, though, point out that when it came up in the Committee it was defeated by one vote.

I wish at this point in time that we had done a little more cleaning up of this concept. We tried, and those of us who support it—and I intend to support this amendment today on the floor. I do so, in pointing out the gentleman from Washington made some arguments regarding the message that this bill sends or that this amendment sends. But I also rise at this point in time to encourage all members of this committee, particularly those on the House Agriculture Committee, to listen to the arguments that have been made in opposition to, as well as in favor of the market loan approach.

We are going to have another opportunity in just a few moments to discuss the so-called Bedell amendment. It is very interesting to listen to the debate today and to guess what lies ahead as we talk about yet another concept. This one is not necessarily new. But I want to point out one thing. My name has been used quite often with the Stenholm base and yield bill, of which I take quite a lot of pride, with my friend, the gentleman from Kansas [Mr. ROBERTS] who worked so hard in this particular section of the bill, in which we have attempted to meet the market-oriented needs of agriculture in allowing flexibility of producers. This particular section does not affect that.

It has been suggested that somehow cross compliance has been brought in. And let me refresh everyone's memory. Cross compliance has to do with an individual farmer participating in, let us say, the cotton program up to the maximum amount allowed under the limitation of payments and then producing wheat on the rest of his farm and staying out of the program, and that is allowed. If this amendment passes, that will no longer be allowed.

If you are for effective supply management, you need to be for cross compliance.

What do we mean by effective supply management?

For the last year and a half, I have defined effective market-oriented supply management around three basic principles. The first is, the United States will no longer act as the world surplus disposing agent. No. 2, the United States will not subsidize its producers to overproduce. And, No. 3, the United States will act to protect farm income up to a certain point.

Today we are talking about targeting of benefits. That is another way of saying that the United States and this Congress is going to have to come to grips with the budget implications of farm bills.

Now, I do not particularly subscribe to the targeting as it is done in this bill. It has got some real problems, and there is no point in continuing the debate. Those who have opposed it based on that I think are correct. But let me sum up by saying the first point that I mentioned can further be defined by saying we should not give price windfalls to nonparticipants in farm programs. Under the current farm program, and those who have come before it, we will see that we continue to give benefits to nonprogram participants. That is a very major weakness of current farm legislation.

No. 2, we should not encourage expansion by foreign producers. I submit should this amendment pass today it is a message that needs to be sent to the rest of the world. We are going to get very competitive. We are going to hold the farmer harmless in regard to this particular issue. It it budget responsible. And that argument has been well made, because the cost of the loan, if the Government ends up assuming that grain, that cost is paid by the same Treasury.

The third point that I would like to make to this argument is that we should avoid sudden demand shocks to agribusiness in rural communities, and this amendment proposes a certain amount of supply management. No question about that. It will not work any other way. In fact, I think it will be very effective supply management because it is truly a voluntary mandatory approach.

Now, you are going to hear in a moment those who argue that we ought to have mandatory controls. This one lets anybody produce. Anybody can farm, anybody can go out and raise all of the wheat that they particularly want to. They do not have to set aside anything if this amendment should pass. It is complete, total freedom.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has expired.

(By unanimous consent, Mr. STENHOLM was allowed to proceed for 2 additional minutes.)

Mr. STENHOLM. Mr. Chairman, it is complete and total freedom of an individual farmer to produce for that world market if he chooses not to participate in the supply management features that are a part of this amendment.

The last point that I would like to speak to in regard to this amendment and the one that is going to come later—because again I point out it is very interesting to listen to the debate for and against this amendment and to guess what is going to come when we get into the Bedell amendment. The chairman said a moment ago we should not gamble at this time. I am going to point out that same statement on Bedell, because it is one that we have got to think about. We spent a lot of time in the Agriculture Committee doing this. We should not continue the status quo in the farm bill.

We should serve notice to our foreign competitors that we will compete in terms of both price and supply.

Now, if that is what we really want to do, folks, this amendment is one way to do it. This is a good, quick way for us to get there.

So again let me point out, this does not have an adverse effect upon the base and yield section. It is still an integral part of the farm bill as I had hoped that it would be. Cross compliance is a separate issue that must be taken into consideration. It is a part of this amendment. Individuals need to make their minds up on that judgment based on your own opinion.

As I said, this is not a perfect amendment. The House Agriculture Committee has spent many hours of debate on this. The chairman is perfectly correct in saying that we should

not be rewriting farm legislation on the floor.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has made a number of cogent arguments. This Member of the House has been particularly interested in agriculture export matters, and in that respect I think that the arguments that the gentleman has introduced for consideration by the House today are very persuasive to this Member. It is for this reason and many others already discussed that I support this proposal. This is a risk, in a proposal for a different approach it is true but there are much higher risk proposals before this body, on this body, and as part of this bill.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has expired.

(On request of Mr. BEREUTER and by unanimous consent, Mr. STENHOLM was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. I frequently meet with our urban colleagues, and I know that they must be perplexed with the debate that is taking place here today, with the Agriculture Committee making recommendations and so many of its Members on both sides of the aisle advancing another proposal. But I say to these people, especially those that I meet with every week at 5 o'clock, on every Tuesday and Wednesday, for example that I want you to give very serious and favorable consideration to this Stangeland-Roberts amendment now before you offered by the distinguished gentlemen from Minnesota and Kansas, members of the Agriculture Committee.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Chairman, I am very distressed with the gentleman's remarks that he sees no relationship or correlation between cross compliance and the bases and yields bill. I would like to point out to my colleagues, whether you are from North Carolina, Louisiana, or California, or any State where you produce more than one commodity, your average farmer is going to be penalized and penalized significantly if this amendment passes.

The gentleman from Texas and I worked out, with others, after many long months, an understanding on cross compliance, and now the gentleman seems to be saying, "I no longer stand by that agreement as such."

Mr. STENHOLM. The gentleman is totally correct. In the base and yield section, as we worked it out, the gentleman is totally correct. But this amendment, if you are in favor of supply management, effective supply management, this amendment as offered is a way to get there. I do not argue at all with the gentleman's statement as far as what will happen to other areas and how it will affect other areas. I thought I made myself clear.

Mr. HUCKABY. If the gentleman will yield further, I would like to also point out that the initial bill before us, the Foley-Marlenee proposal, which is very similar to the Huckaby-Stangeland proposal in cotton and rice, provides for acreage reductions and supply management without these exotic new things that I agree with the chairman of the subcommittee, the gentleman from Washington, is going to cause more chaos and more confusion in agriculture.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has again expired.

(By unanimous consent, Mr. STENHOLM was allowed to proceed for 2 additional minutes.)

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I think the gentleman made a very fine statement. I would certainly like to commend him for it. I would agree, as well, that this amendment does do much in moving in the direction of supply management. It applies to wheat and feed grains. That is where the principal problem is.

I would also like to take issue with the statement that was made earlier that somehow the higher target price for that first 15,000 bushels of wheat is going to increase production. I do not see how in the world that is true if we use a bushel basis. How in the world could you increase production over the 15,000 bushels on the acreage base that we already have? I think most of us would agree that the bushel basis is certainly going to be a much tougher method as far as supply management is concerned, and I would agree with his assessment that this measure does offer hope in reducing the amount of carryover and therefore provides some hope, some light at the end of the tunnel for farmers, so they can look forward to better prices each year as we move along instead of looking forward to a system that is going to drive down the market price year after year after year by reducing the loan rate. And that is what we are really down to.

Again, I want to underscore that one thing there seems to be unanimous agreement about and that is the program we have been operating under the last 4 years simply has not worked. This is a change. The question is whether people want to change and move in a new direction or whether they want to stay with what has failed in the past 4 years.

Mr. STENHOLM. I might sum up my own remarks. I tried to make it very, very clear. There is a big difference in regard to the definition of cross compliance. The gentleman from Louisiana is totally correct in that. I thought I made my point extremely clear that if you are in favor of supply management, this is a way to get there.

I have got problems with two things about this amendment as offered. This is one of them.

The second point is the concerns that the gentleman from Washington brought up, and I have already summarized that. There is no point in going on.

I thank the House very much for indulging me this time in making these points.

□ 1450

Mr. SLATTERY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to refocus, if we can, on some of the fundamental facts that have gotten obfuscated in the discussion here this afternoon. I want to address my first remarks to the whole question of the targeting provisions in the bill.

I think it is important for us to understand the basic facts. The basic facts are that 5 percent of the farmers participating in the farm program get 39 percent of the total amount of money spent under the various commodity programs. Keep that point in mind: Five percent of the farmers get 39 percent of the money we are spending.

About 15 percent of the wheat program benefits go to 1 percent of the wheat farmers in this country. About 16 percent of the corn payments go to 2 percent of the corn farmers in this country. So let us keep that in perspective as we talk about the question of targeting.

The question is whether we can make this system fairer with respect to the distribution of the money—the limited amount of money—that we have to spend. I submit that the amendment that the gentlemen from Kansas and Minnesota and the other gentleman from Kansas [Mr. ROBERTS] are discussing here today, is a modest effort to address this fundamental problem of too few getting too much.

Any suggestion that farmers would dramatically increase their production of wheat, for example, because the target price would be raised from $4.38 to $4.50 as some of the previous speakers have suggested, just does not make a lot of sense to me. The other point

that I think needs to be responded to is the whole question of the set-aside requirements. The set-aside requirements in the amendment and the set-aside requirements in the committee bill are identical, there is no difference.

We have heard people say that if we adopt this targeting provision amendment that we are going to increase and encourage increased production. Let us look at that for just a second. The fact of the matter is that under the committee bill we are looking at a target price of $4.38 for all production up to the limits of the deficiency payment and up to the limits of the loan. Under the amendment, for the 15,000 bushels of production, I will concede the target price will be a little bit higher, farmers would receive a little more income for the first 15,000 bushels of production. Twelve cents a bushel more.

Then what happens? After that point, the incentive is not to produce, because the target price drops a full 50 cents a bushel, 38 cents below what the committee bill is talking about. So for those people that are worried about whether this will actually encourage production, I contend clearly that it will not encourage production. I would argue that for those farmers that are producing more than 15,000 bushels of wheat in this specific example, it would discourage production.

Mr. Chairman, the other point I think we need to focus on is this question of whether corn farmers are going to reduce their production and then start increasing wheat production. Let us look at that for a moment. Under the targeting provisions that will be offered subsequent to this amendment, we will talk about the corn target price being raised slightly for the first 30,000 bushels of production. So I would contend that we are going to increase the incentive to produce for the early stages of production of corn which is going to decrease the incentive to switch to wheat or vice versa.

Mr. Chairman, I would conclude by saying that in the final analysis, what we are looking at here is a balanced approach. An approach that recognizes and responds to the desperate need to address the income problem that we have in rural America. It does that with both targeting provisions and with the marketing loan concept.

It also sends a powerful message to the international marketplace. We are telling our competitors around the world who are subsidizing their farmers that American farmers are going to be in the marketplace, in the international marketplace next year regardless how much they subsidize their production. I believe that will have a chilling effect on how much money the Europeans and other producers around the world want to spend to subsidize their farm production.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. SLATTERY. I yield to the gentleman.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, the gentleman suggests that because he is going to have a corn targeting proposal it will not affect the transfer of acreage of corn to wheat. I would remind the gentleman that many corn farmers produce more than 30,000 bushels, and they would undoubtedly produce the first 30,000 bushels.

It might also encourage many producers who are now producing crops other than corn or wheat to move their crops to corn and wheat, since these crops will have special terms for the first 15,000 or 30,000 bushels.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SLATTERY] has expired.

(On request of Mr. ROBERTS and by unanimous consent, Mr. SLATTERY was allowed to proceed for 3 additional minutes.)

Mr. SLATTERY. Let us not confuse the basic facts. The facts are that for wheat, during the early stages of production, we will be encouraging that first 15,000 bushels of production under the amendment with the $4.50 target price as opposed to the $4.38 in the bill. Beyond the 15,000 bushels in production that may affect wheat farmers in Washington, the target price will drop 50 cents, and that will discourage additional production.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. SLATTERY. I am happy to yield to the gentleman from Kansas who has worked tirelessly on this amendment and whose knowledge in this area I deeply respect and I say that with all sincerity.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Chairman, I think that my colleagues can see that we have a division in the committee made of the establishment on one side and those of us who want to get there from here on the other. I must plead guilty.

Nine months ago, as the author of this convoluted and radical and very different departure from farm policy, I was meeting with Mrs. Stockman's very brilliant son, and we were trying out new ideas on how we could get there from here with profit and price into agriculture. I said what about a two-tier plan, and he said no. What about a bushel allotment plan and he said no. I said what about the current plan and he said no. I said what about the marketing loan and he said what is that.

We got our boot in the door. I do not think we can have it both ways. I would say to my very distinguished chairman that the committee bill does freeze target prices at $4.38. In terms of budget exposure, if you stop right there, yes, why we have less budget exposure. But also under the committee bill we give discretionary authority to the Secretary. We say, let him do it; let Jack Block do it. Then if he does that and he moves that loan rate down to $2.47, that is outside the payment limitation and then you will have that same kind of budget exposure.

Now, under the marketing loan, if that price falls to $2, you do make the payment from $2 to that current loan; to $3.14 all the way up to $4.38. But you move the grain; you move the grain. You ask what will our competitors do? What are they doing now? If you put that loan down to $2.50, they will sell it at $2.47. If in fact this does not make sense that if the price goes to $2 to move the grain and still protect the farmer up to $4.38, what are we doing all this for? If the grain does not move at $2, if we are not going to get market competitive and get there from here and end this 5-year agony, this "Death Valley Days" that the administration's projections show, if that is the case, if we cannot move the grain at $2, then I would say to my chairman and to my distinguished colleague from Washington that the administration is wrong, the Farm Bureau is wrong, Mr. MADIGAN is wrong, the chairman is wrong, everybody in this body is wrong. I want to get there from here.

We have heard a long debate here on how we ratchet down the loan rate to become market competitive over a 5-year period. We will not have anybody left. Let us get there from here.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SLATTERY] has expired.

(On request of Mr. ROBERTS and by unanimous consent, Mr. SLATTERY was allowed to proceed for 1 additional minute.)

Mr. SLATTERY. I thank the gentleman for his comments.

Mr. Chairman, in the remaining time I want to come back to the basic facts again. The basic facts with respect to this targeting amendment are these: No. 1 fact to focus on, do we want to continue to give 39 percent of the money that we are spending on these commodity programs to 5 percent of the farmers in this country? I say we should change this, and I say this amendment makes a historic first step toward addressing that problem.

Mr. HATCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the chairman of the committee [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, I take this time to advise the Members that I think we have fully debated this amendment and we are ready to vote. But what I would like to leave my colleagues with is the thought that even though there are differences of opinions as to the philosophy or the thrust of the solution, we all agree the farmer is still in trouble out there.

□ 1500

Mr. Chairman, we need legislation, and the intensity of the debate is perhaps because of that. We have a disagreement basically, but we have no crystal ball. It is illusory at best that the grain will move. We started losing markets before the dollar started gaining strength and before the interest rates started going up, so it is hard to say that the grain is going to move. It may or it may not.

But the fact that I want my colleagues to understand is that we still have the problem. We still have the farmer in trouble. We need to address many issues. We need to bring down interest rates, keep inflation down, and reduce, if we can, the discrepancy between our currency and other currencies. So we cannot say that we will pass this amendment and all of a sudden everything is going to be bright and sunshiny and everybody out there is going to be buying our grain. No so.

I ask my colleagues to exercise some degree of caution. I hope they do not get too terribly confused with loan rates and target prices and marketing loans. If they are confused, I do not blame them. But the best thing Members can do under the circumstances is to stay with the committee version, stay with the leadership of the committee, because we have to remain together for the other parts of the bill.

Mr. Chairman, the best way to arrive at a final product is to go with the carefully crafted parts of the legislation, and I would hope that the Members will do that.

The CHAIRMAN. The question is on the amendment, as amended and as modified, offered by the gentleman from Minnesota [Mr. STANGELAND] as a substitute for the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GLICKMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 228, not voting 6, as follows:

[Roll No. 322]

AYES—200

Ackerman	Applegate	Atkins
Alexander	Armey	Barnes
Bartlett	Guarini	Regula
Barton	Gunderson	Ritter
Bates	Hamilton	Roberts
Beilenson	Hartnett	Robinson
Bennett	Hayes	Rodino
Bentley	Heftel	Roe
Bereuter	Hertel	Rogers
Berman	Hiler	Rostenkowski
Biaggi	Hopkins	Roth
Bliley	Howard	Sabo
Bonior (MI)	Hubbard	Savage
Borski	Hughes	Saxton
Bosco	Ireland	Scheuer
Boulter	Jacobs	Schneider
Boxer	Jenkins	Schroeder
Broomfield	Johnson	Schulze
Brown (CO)	Jones (OK)	Schumer
Bryant	Kasich	Selberling
Burton (CA)	Kastenmeier	Sensenbrenner
Clinger	Kennelly	Sharp
Coats	Kildee	Shuster
Cobey	Kostmayer	Sikorski
Coble	LaFalce	Skeen
Coleman (MO)	Lantos	Skelton
Collins	Leach (IA)	Slattery
Combest	Leath (TX)	Slaughter
Cooper	Lent	Smith (FL)
Coyne	Levin (MI)	Smith (NE)
Crockett	Levine (CA)	Smith (NJ)
Dannemeyer	Lipinski	Snowe
Daschle	Loeffler	Snyder
Daub	Lujan	Solarz
Dellums	Luken	Stangeland
Dorgan (ND)	Lundine	Stark
Dornan (CA)	Markey	Stenholm
Downey	Martin (NY)	Strang
Durbin	Matsui	Studds
Dymally	Mavroules	Sweeney
Dyson	McCloskey	Synar
Eckart (OH)	McCurdy	Tauke
Edgar	McDade	Taylor
Edwards (OK)	McEwen	Torres
Emerson	McGrath	Torricelli
English	McKernan	Towns
Evans (IL)	McKinney	Traficant
Feighan	Meyers	Udall
Fields	Mikulski	Vento
Fish	Miller (OH)	Volkmer
Flippo	Molinari	Walgren
Florio	Moody	Walker
Foglietta	Mrazek	Watkins
Fowler	Murphy	Waxman
Frank	Natcher	Weber
Frenzel	Neal	Weiss
Frost	Nielson	Wheat
Gallo	Nowak	Whittaker
Gephardt	Oberstar	Whitten
Gingrich	Owens	Williams
Glickman	Packard	Wirth
Goodling	Pease	Wolf
Gordon	Penny	Wolpe
Gradison	Pepper	Wortley
Gray (PA)	Perkins	Yates
Green	Petri	Yatron
Gregg	Pursell	

NOES—228

Akaka	Carper	Donnelly
Anderson	Carr	Dowdy
Andrews	Chandler	Dreier
Annunzio	Chapman	Duncan
Anthony	Chappell	Dwyer
Archer	Chappie	Early
Aspin	Cheney	Eckert (NY)
AuCoin	Clay	Edwards (CA)
Badham	Coelho	Erdreich
Barnard	Coleman (TX)	Evans (IA)
Bateman	Conte	Fascell
Bedell	Conyers	Fawell
Bevill	Coughlin	Fazio
Bilirakis	Courter	Fiedler
Boehlert	Craig	Foley
Boggs	Crane	Ford (MI)
Boland	Daniel	Ford (TN)
Boner (TN)	Darden	Franklin
Boucher	Davis	Fuqua
Breaux	de la Garza	Garcia
Brooks	DeLay	Gaydos
Brown (CA)	Derrick	Gejdenson
Broyhill	DeWine	Gekas
Bruce	Dickinson	Gibbons
Burton (IN)	Dicks	Gilman
Bustamante	Dingell	Gonzalez
Callahan	DioGuardi	Gray (IL)
Campbell	Dixon	Grotberg
Hall (OH)	Martinez	Rudd
Hall, Ralph	Mazzoli	Russo
Hammerschmidt	McCain	Schaefer
Hansen	McCandless	Schuette
Hatcher	McCollum	Shaw
Hawkins	McHugh	Shelby
Hefner	McMillan	Shumway
Hendon	Mica	Siljander
Henry	Michel	Sisisky
Hillis	Miller (WA)	Smith (IA)
Holt	Mineta	Smith, Denny (OR)
Horton	Mitchell	Smith, Robert (NH)
Hoyer	Mollohan	Smith, Robert (OR)
Huckaby	Monson	Solomon
Hunter	Montgomery	Spence
Hutto	Moore	Spratt
Hyde	Moorhead	St Germain
Jeffords	Morrison (CT)	Staggers
Jones (NC)	Morrison (WA)	Stallings
Jones (TN)	Murtha	Stokes
Kanjorski	Myers	Stratton
Kaptur	Nelson	Stump
Kemp	Nichols	Sundquist
Kindness	O'Brien	Swift
Kleczka	Oakar	Swindall
Kolbe	Obey	Tallon
Kolter	Olin	Tauzin
Kramer	Ortiz	Thomas (CA)
Lagomarsino	Oxley	Thomas (GA)
Latta	Panetta	Traxler
Lehman (CA)	Parris	Valentine
Lehman (FL)	Pashayan	Vander Jagt
Leland	Pickle	Visclosky
Lewis (CA)	Porter	Vucanovich
Lewis (FL)	Price	Weaver
Lightfoot	Quillen	Whitehurst
Livingston	Rahall	Whitley
Lloyd	Rangel	Wilson
Long	Ray	Wise
Lott	Reid	Wright
Lowery (CA)	Richardson	Wyden
Lowry (WA)	Ridge	Wylie
Lungren	Rinaldo	Young (AK)
Mack	Roemer	Young (FL)
MacKay	Rose	Young (MO)
Madigan	Roukema	Zschau
Manton	Rowland (CT)	
Marlenee	Rowland (GA)	
Martin (IL)	Roybal	

NOT VOTING—6

Addabbo	Byron	Miller (CA)
Bonker	Carney	Moakley

□ 1515

Messrs. GEKAS, DELAY, STUMP, RUDD, PARRIS, and RALPH M. HALL changed their votes from "aye" to "no."

Messrs. ROBINSON, MATSUI, GUARINI, SWEENEY, FLORIO, MILLER of Ohio, BORSKI, FOGLIETTA, SOLARZ, SCHEUER, DYMALLY, SCHUMER, and NEAL, and Mrs. COLLINS and Mrs. BURTON of California changed their votes from "no" to "aye."

So the amendment, as amended, and as modified, offered as a substitute for the amendment, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRANK AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. FRANK. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRANK as a substitute for the amendment offered by Mr. DORGAN of North Dakota: Page 70, strike out line 19 and all that follows thereafter through page 71, line 19, and insert in lieu thereof the following:

"(C) The established price for wheat shall be $4.38 per bushel for the 1986 crop; $4.16

per bushel for the 1987 crop; $3.96 per bushel for the 1988 crop; $3.76 per bushel for the 1989 crop; and $3.57 per bushel for the 1990 crop, respectively.

Mr. FRANK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

□ 1530

Mr. FRANK. Mr. Chairman, I realize that this bill, in its short stay on the floor, has apparently already outlasted the membership's attention span, but this is a very important amendment which I choose to offer anyway.

This is an amendment which embodies the position of the Reagan administration on this particular bill.

Mr. ROBERT F. SMITH. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The Chair would point out to the gentleman from Oregon that it is too late to reserve a point of order. The point of order has to be reserved before the gentleman from Massachusetts begins his remarks.

Mr. ROBERT F. SMITH. If I may, Mr. Chairman, it was very difficult to hear. I did not even hear the amendment proposed and I was timely in my reservation of my point of order, Mr. Chairman. I was attempting to get order, as the Chair was. I suggest that I did not even hear the amendment offered.

The CHAIRMAN. The Chair asked if there was objection to the waiving of the reading of the amendment and the Chair did not hear an objection.

Mr. ROBERT F. SMITH. Mr. Chairman, with due respect, I did not even hear the amendment offered, and it has never been read. I was standing here before you, sir.

The CHAIRMAN. The Chair would note that there were literally dozens of people standing. The Chair was not addressed by the gentleman from Oregon and there was a waiving of the reading of the amendment.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the Chairman, and I would repeat that I am sorry that this amendment, which embodies the position of the Reagan administration, has drawn the wrath of my friends, the gentleman from Oregon, on the other side. I did not mean to stir up any internecine warfare opposite by offering this position.

What this does is deal fundamentally with what seems to me to be the flaw in the agricultural programs. I voted for the past amendment that was defeated. I wish it had been adopted.

I am concerned about small farmers and family farmers, but particularly with the defeat of that amendment and with other language in this bill which in fact Members should be aware increases, in fact, the amount that can go per farm. The limit we have had per farm is increased by this bill by some technicalities.

We have here the premier means-tested program in America. Under the agricultural program perpetuated by this bill, the more you got the more you get. The President himself noted in his radio speech on agriculture about a month ago that in the past 5 years we will have spent $59 billion in agricultural subsidies, about 3 times more than we spent in the preceding 5 years. We are spending more on this than we are spending on AFDC and on food stamps. It is not only not means tested; it is antimeans tested. It is inversely means tested. The larger the farm, the more you get.

What this amendment does is embody the position of the administration, which says that the target price that we pay farmers for growing wheat for which there is no market—if there was a market for the wheat and it could be sold at a reasonable price, this would not arise—the target price that we are paying farmers for something for which there is no market would be frozen for this year but would then begin to drop 5 percent a year. The bill freezes it indefinitely in practical terms.

The position of the administration, with which I agree, is that we begin to drop it. The fundamental fact remains. Agriculture is the only profession in the country, to my knowledge, where we guarantee people to a certain extent the ability to stay there. We do not do it and should not do it with others. We do not guarantee to buy all the autos that are made or all the shoes that are made or all the shirts that are made. We are saying to wheat farmers, "Stay in business and we will buy all your wheat and we will pay you so much per bushel."

This does not amend that concept out of existence. It simply says that we will begin to reduce it by 5 percent a year. We continue to pay more people more money than we have to grow things that we do not need. I am in favor of methods of transition. Buy-outs, additional credit, efforts to ease people out of this business, I support. Continuing indefinitely to pay them more money than we have to produce what we have no conceivable market for is a mistake, and I congratulate the President on this position and I am proud to offer the amendment here.

This particular commodity, wheat, if we were to adopt this amendment drafted by the Department of Agriculture, would save, according to the estimates of the Department, over a 5-year period, $5.5 billion. We will hear a great deal about the deficit in general, but there is one problem with deficits. We cannot reduce them in general. We can only reduce them in particular, and this happens to be a very appealing particular. It would still leave large amounts of money being paid to wheat farmers, but it would begin to reduce it.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Chairman, I have to confess I am a bit surprised to see the gentleman from Massachusetts sound reasonably serious in offering a proposal President Reagan sent to Congress, a proposal which was rejected by both sides of the political aisle in both bodies of the U.S. Congress, and suggest that he does so in the interest of helping family farmers.

I am disappointed, awfully disappointed, that the last vote did not prevail. I think we should target the farm program, but I will tell my colleagues that when we lost the last vote, that ought not persuade anyone in this House to rush toward President Reagan's proposal on agriculture. That is, in my judgment, a death sentence for thousands and thousands of family farmers across this country.

Is the gentleman serious about this proposal?

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

(By unanimous consent, Mr. FRANK was allowed to proceed for 2 additional minutes.)

Mr. FRANK. I am very serious about this proposal, although the context is difficult. A context in which the Committee on Agriculture tells us that we should continue, for instance, to build a fort out of butter in Kansas with Federal subsidies, sets a tone for the debate in which it is hard to be totally serious. But, yes, I am serious about this.

I am serious about trying to save $5.5 billion and not perpetuating a situation in which we pay to the larger farmers more money. I did not argue that this particular amendment helps the family farmers. What I said was, I have supported earlier this year in the credit bill that was vetoed, in the gentleman's amendment which unfortunately was previously defeated, I have supported measures that have been targeted, but it is not now targeted.

What you are doing is taking billions of dollars and giving it out in a method which I know the gentleman agrees with me is not a fair one. I will continue to support efforts to target

this money better, and I will continue to support efforts to ease people out who want to get out. But to continue to pay—and I want to reiterate what I said before—in this bill because we drop the loan rate and do not drop the target price rate, we exempt in this bill apparently, and I use "we" here in the broadest possible sense, we exempt that additional amount that is going to result from the limitation.

So the result of the bill as it came out of committee is that the limitation per farm will be increased. We will be giving more to people. We heard the statistics before about who gets the money. The gentleman from Kansas talked about who got the money. This is an effort to reduce that money which is being sent out inequitably.

I will continue to support efforts to target, but we are continuing, I think, to send large amounts of money to people who ought not to need it.

Mr. DORGAN of North Dakota. If the gentleman will yield further, I have known the gentleman from Massachusetts, I guess, for probably a dozen years and have long known of his interest in agriculture and his abilities in that area.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. FRANK] has again expired.

(On request of Mr. DORGAN of North Dakota and by unanimous consent, Mr. FRANK was allowed to proceed for 1 additional minute.)

Mr. DORGAN of North Dakota. If the gentleman will continue to yield, I just want to say that the reason the President's proposal on these price supports was just widely rejected and quickly rejected was that in the middle of a farm crisis, with farm prices dropping, with record farm failures, you do not begin to solve this thing by taking the price supports away and reducing prices. It is the wrong way to deal with this problem.

Mr. FRANK. The problem I have with the gentleman is, yes, I have known him for a dozen years, and for all those dozen years people in the Committee on Agriculture have been for increasing the programs, and we are told that a farm crisis is a bad time to cut them, and when we do not have a farm crisis is a bad time to cut them.

The fact is that the fastest growing, most inequitably targeted entitlement program in the United States are the agricultural programs. You get entitled to money. The more money you have, the more money you get, regardless of the effect on the budget, regardless of the effect on crops. It is sui generis in our situation, and I congratulate the administration for trying to bring some sense to it.

□ 1540

Mr. GLICKMAN. Mr. Chairman, I rise in opposition to the amendment.

Somebody just commented to me that when you find BARNEY FRANK and Ronald Reagan in agreement, either they are both crazy or they are both right, and I prefer to think in this case that the former is the truth rather than the latter.

I do not mean that. BARNEY is on my subcommittee, and at least I do not mean it with respect to BARNEY.

First of all, let us get the record straight. The current farm bill that we brought to the floor does not increase target prices. It freezes target prices, does not increase them.

So to vote for this bill is not voting for an increase in target prices. What the gentleman from Massachusetts, Mr. FRANK, talks about is decreasing by 5 percent a year the target price payments to farmers.

Before you do that, you have to do it in connection with what the current economic situation is out in America. The farm credit crisis is real, people are hurting, people are struggling, people are going broke.

Now the farm prices are reaching their depression-year lows right now in the market prices out there out in the country for wheat and corn, and soybeans, and livestock.

The farmers make their money in two ways. One is through the marketplace and one is through the Government, particularly in this period of time. What I think we all would like to see is for farmers to make their money through the marketplace, but right now if they rely exclusively on the marketplace, they are dead. Everybody in this room has gone out and given lipservice to the farmers of America. Everybody has said how terrible it is that they are going broke, how bad it is that rural banks are going under, how bad it is that rural communities are in trouble.

If you vote for this amendment, you vote to accelerate the crisis that is occuring in rural America. And it is not just for the farmers, I would say to the gentleman from Massachusetts [Mr. FRANK] but it is with the small towns throughout America that depend upon the agricultural economy to survive. It means small towns all over America will suffer more distress than they already do, it means that the farmers themselves will suffer that kind of distress.

So I am just saying to you that, yes, from a purely fiscal situation, we can save money by voting for the Frank amendment. But from a purely fiscal situation for farmers, you are going to bankrupt an awful lot of them.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Massachusetts.

Mr. FRANK. First I want to say I did not assert that this bill increases target prices. What I said was there is now in the law a $50,000 per farm limitation on what a farmer could receive.

That is poverty assistance for you, $50,000 per recipient, about 10 times the total AFDC payment.

What this bill does is allow you to go above that $50,000, because it drops the loan rate and does not drop the target price, and it goes from the $50,000 limit.

The second point I would like to make is that I am in favor of helping people in economic distress. But I have to comment on the grotesque inconsistency between voting the kind of cuts that have been voted to people in genuine need all across this country over the past four years, and voting for this bill which gives some help to people who are in need, but a vaster amount to people who are wealthy and above. This does not discriminate. This does not aim at the needy or the small farmer. However, the fact is that the bigger you are, the more you grow, the more money you get.

I would be glad to help respond to the problems that the gentleman is talking about. But this still throws all of the money to all of the people, and the wealthier, the bigger, the more solvent ones get more of the money than the others.

Mr. GLICKMAN. Unfortunately, I would say by this process, by cutting the target prices, you really cut the guts out of people that need it the most.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Kansas.

Mr. ROBERTS. I thank my friend for yielding, and I want to associate myself with his remarks.

The reason that this amendment is being introduced by the gentleman from Massachusetts [Mr. FRANK] is because I would not do it. I have more wheat than any other State in my district, and the administration came to me and said, "Won't you do the administration's bidding to get this under budget and to get a farm bill more market-oriented. Won't you freeze the target prices?" I said I just wished that we could freeze spending around here all across the board.

This target price is frozen for the life of the bill at $4.38. It is under budget. I mean for those of you who still really believe in the current budget, and I have been saying for some time this farm bill is being held hostage to a budget process that is a failure, we cut $11.8 billion in a special task force on the House Agriculture Committee to get to that level.

I would make one other point. This is direct income to farmers, yes, but also payment for embargoes, for market interference, for all sorts of things, a lack of contract sanctity, for the high deficit.

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If this amendment passes, I would say to the gentleman from Massachusetts, it is going to be very similar to a salary or income freeze.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has expired.

(On request of Mr. ROBERTS, and by unanimous consent, Mr. GLICKMAN was allowed to proceed for 2 additional minutes.)

Mr. ROBERTS. If my friend will continue to yield, I would say to my friend from Massachusetts it would be like salaries and incomes to the Boston Red Sox held level and the New York Yankees have extra.

I would say to the gentleman from Massachusetts that the average size farm in my district is 1,000 acres. That is not because we are big farmers, that is not because we are 6 feet 1 inch or belong to the Farm Bureau as opposed to somebody 5 foot 2 inches who is a small family farmer in Massachusetts. Our average size farm is 1,000 acres because we do not have the rainfall to do otherwise and be efficient. We have to have 1,000 acres. So if we leave the dock of supply management and we get into severe targeting, which is what the gentleman has recommended, we do make the farm program a welfare program. And I do not mean to perjure it in that sense. But this is no welfare program. This is designed to get the surplus down and the price up.

I would suggest to the gentleman that he has a great deal of blood pressure for those 250-acre-size farms with six cherry trees, four peach trees, a farm pond, two dogs, one with a wooden leg, and a whole bunch of cats. And I would say to the gentleman that that is fine, and that is the family farm if he wants to describe it. But that family farm has not been an economically viable operation to produce food and fiber in this country for over 30 years.

I thank the gentleman for yielding.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Ohio.

Mr. PEASE. Mr. Chairman, I would just like to inquire of my friend from Kansas what the position of the American Farm Bureau is on this amendment.

Mr. GLICKMAN. I do not know, but I assume that they are in favor of this amendment.

Mr. PEASE. I wondered about that, because I am a little bit puzzled. My understanding is that the American Farm Bureau Federation is in favor of a market-oriented approach which would allow the target prices to go up or down by 5 percent a year.

Now how is that consistent with the 5-year freeze?

Mr. GLICKMAN. I think the Farm Bureau is in favor of the Frank amendment that allows a reduction in target prices. I do not know specifically.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Kansas.

Mr. ROBERTS. Mr. Chairman, could I point out to my friend and colleague what the bill really says.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has again expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 3 additional minutes.)

Mr. ROBERTS. What the bill really says is we freeze the target price for 2 years, and then we make a determination with a farmer cost-of-production board working in conjunction with the USDA that is on board right now to determine if the farmers' cost of production goes down. If that is the case, we can move those target prices down.

I might add that the chairman of that board just happens to reside in my district, and in regard to lowering land values and things of that nature that could very well occur, that was the gentleman's amendment, along with this gentleman's, to make sure we freeze it for 2 years, but if, in fact, the farmer's cost of production went down, then we could lower the target prices.

Mr. GLICKMAN. I would just make one point. I say to the gentleman from Massachusetts [BARNEY FRANK] and anybody else here that there is kind of an implication that in a period of tough budgets that everybody should suffer, and I think that is true. But I want to tell you something. There are a tremendous number of people hurting as bad as they have hurt since the Great Depression right now in the midlands in America, and all throughout this country. And we are one family in this country, like when New York City was in trouble, and I like a majority of my colleagues helped that city out because I thought it would be an embarrassment to this country to see the largest city in this country in serious financial trouble. Our agricultural base is in serious trouble, and that is just not a statistic in the Washington Post. That is borne out by realities in bank failures, in suicides, in people who are hurting, in small towns closing up.

This amendment will help precipitate that.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, first I want to say to my friend from Kansas on the other side, he was apparently under the impression that I would be somehow worried about a freeze in the salary of the Boston Red Sox. I would. If it was my money, they would not get nearly that much. If people want to pay them that much, that is OK with me. It seems to me they are probably substantially overpaid, but I have no problem with that.

Second, I would say to my friend here from Kansas, yes, I agree, for people in need, OK. But that is not what this bill does.

I appreciate what the gentleman from Kansas [Mr. ROBERTS] said. He scoffed at the family farm. He said that is not for the family farm, it is to help a major industry that made some bad decisions.

I think we have to separate aid to individuals. Yes, I am for it. I voted for the farm credit bill. I voted for other things that would be helping those individuals.

This is a massive effort to continue an industrial policy for agriculture which says we will continue to subsidize people to grow, whether we need it or not. It does not begin to deal with the problem. It is not targeted and it is not aimed at people.

The gentleman from Kansas on the other side [Mr. ROBERTS] said that this is not a welfare program. Of course it is not. You know how you can tell? Because the people in it get too much money. We do not treat people on welfare that well. They do not get $50,000 and more a year. This program in the bill says that the $50,000 limit may have to be increased, and that is how you know it is not a welfare program.

Mr. GLICKMAN. Wait a second. It does not say that.

Mr. FRANK. It says if the loan rate is dropped below what it is now, it is the difference between the lower loan rate and the target price, and no one can be allowed to go above the $50,000.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has again expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 1 additional minute.)

Mr. GLICKMAN. First of all, what it says is if we take action to lower the market price arbitrarily by lowering the loan rate, we will make up the difference to the farmer.

Mr. FRANK. More than $50,000 a year.

Mr. GLICKMAN. The other point I think has to be said that by doing what you are doing, I do not think the gentleman voted for the last amendment—you did? I take it back and I appreciate the vote.

But what you are doing, what you are doing is you are cutting that target price for big farmers as well as small farmers, BARNEY, and you are not making any distinction yourself.

Mr. FRANK. If the gentleman would yield, I agree.

Mr. GLICKMAN. It is untargeted that way.

Mr. FRANK. And I want to make the distinction, but you are saying the arguments in favor of the amendment I agree with. They pointed out and persuaded me that a large share of the money now goes to the bigger people. I would not argue to help the AFDC problem by giving everybody in the State of New York a lot of money. That is what you are talking about, target it, aim it.

The gentleman from Kansas on the other side [Mr. ROBERTS] said forget about the family farm, this is the way to deal with the whole agricultural industry, and I think it is a very bad way.

Mr. MARLENEE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to say to my colleagues that I can well understand the gentleman's concern for the administration's position. In 1983, he voted 17 percent, according to the Congressional Quarterly, with the Reagan administration. According to the Congressional Quarterly, in 1984 he voted 30 percent of the time with the Reagan administration. And this great concern he has about these target prices and the Reagan administration, I mean it puts a glow in my heart that the gentleman may be coming over to the Reagan position.

Now I also understand that this gentleman has a great concern about tariffs and import limitations which affect the great Northeast corridor, which are nothing more, and I would repeat are or would be nothing more than a tax on the consumers. It is very inconsistent to be talking about limiting help to wheat producers and then taxing consumers by increasing restrictions on imports that raise the price.

Why does my colleague from Massachusetts propose reducing targets? So that they can buy their product cheaper.

Well I say that the American farmer has sold his product cheap enough and long enough and to the point to where he is at the point of bankruptcy, as is evidenced from the problems in the Farm Credit System. Even the banks are going broke.

I would say that we must defeat this amendment so that we can put more income into the agricultural producers' pocket.

I thank the gentleman and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] as a substitute for the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 93, noes 334, not voting 7, as follows:

[Roll No. 323]

AYES—93

Ackerman	Fields	Miller (WA)
Anderson	Florio	Monson
Archer	Frank	Moorhead
Armey	Gallo	Morrison (CT)
Barnes	Gibbons	Mrazek
Bartlett	Gingrich	Nelson
Bates	Goodling	Nielson
Beilenson	Gradison	Owens
Berman	Green	Packard
Bilirakis	Gregg	Pease
Bosco	Hansen	Petri
Broomfield	Hunter	Porter
Carper	Ireland	Ritter
Carr	Jacobs	Schroeder
Chandler	Johnson	Schulze
Cheney	Kolbe	Shaw
Clinger	Kostmayer	Shumway
Cobey	Lagomarsino	Smith (NH)
Coble	Livingston	Snowe
Conte	Lowery (CA)	Solarz
Coughlin	Lujan	Studds
Courter	Luken	Swindall
Crane	Lungren	Thomas (CA)
Dannemeyer	Mack	Torricelli
DeLay	Markey	Vento
DioGuardi	Mazzoli	Walker
Dornan (CA)	McCain	Waxman
Dreier	McCandless	Weiss
Early	McCollum	Whitehurst
Eckert (NY)	McDade	Young (FL)
Fawell	McKinney	Zschau

NOES—334

Akaka	Cooper	Gilman
Alexander	Coyne	Glickman
Andrews	Craig	Gonzalez
Annunzio	Crockett	Gordon
Anthony	Daniel	Gray (IL)
Applegate	Darden	Gray (PA)
Aspin	Daschle	Grotberg
Atkins	Daub	Guarini
AuCoin	Davis	Gunderson
Badham	de la Garza	Hall (OH)
Barnard	Dellums	Hall, Ralph
Barton	Derrick	Hamilton
Bateman	DeWine	Hammerschmidt
Bedell	Dickinson	Hartnett
Bennett	Dicks	Hatcher
Bentley	Dingell	Hawkins
Bereuter	Dixon	Hayes
Bevill	Donnelly	Hefner
Biaggi	Dorgan (ND)	Heftel
Billey	Dowdy	Hendon
Boehlert	Downey	Henry
Boggs	Duncan	Hertel
Boland	Durbin	Hiler
Boner (TN)	Dwyer	Hillis
Bonior (MI)	Dymally	Holt
Bonker	Dyson	Hopkins
Borski	Eckart (OH)	Horton
Boucher	Edgar	Howard
Boulter	Edwards (CA)	Hoyer
Boxer	Emerson	Hubbard
Breaux	English	Huckaby
Brooks	Erdreich	Hughes
Brown (CA)	Evans (IA)	Hutto
Brown (CO)	Evans (IL)	Hyde
Broyhill	Fascell	Jeffords
Bruce	Fazio	Jenkins
Bryant	Feighan	Jones (NC)
Burton (CA)	Fiedler	Jones (OK)
Burton (IN)	Fish	Jones (TN)
Bustamante	Flippo	Kanjorski
Byron	Foglietta	Kaptur
Callahan	Foley	Kasich
Campbell	Ford (MI)	Kastenmeier
Chapman	Ford (TN)	Kemp
Chappell	Fowler	Kennelly
Chappie	Franklin	Kildee
Clay	Frenzel	Kindness
Coats	Frost	Kleczka
Coelho	Fuqua	Kolter
Coleman (MO)	Garcia	Kramer
Coleman (TX)	Gaydos	LaFalce
Collins	Gejdenson	Lantos
Combest	Gekas	Latta
Conyers	Gephardt	Leach (IA)
Leath (TX)	Panetta	Smith, Robert
Lehman (CA)	Parris	Snyder
Lehman (FL)	Pashayan	Solomon
Leland	Penny	Spence
Lent	Pepper	Spratt
Levin (MI)	Perkins	St Germain
Levine (CA)	Pickle	Staggers
Lewis (CA)	Price	Stallings
Lewis (FL)	Pursell	Stangeland
Lightfoot	Quillen	Stark
Lipinski	Rahall	Stenholm
Lloyd	Rangel	Stokes
Loeffler	Ray	Strang
Long	Regula	Stratton
Lott	Reid	Stump
Lowry (WA)	Richardson	Sundquist
Lundine	Ridge	Sweeney
MacKay	Rinaldo	Swift
Madigan	Roberts	Synar
Manton	Robinson	Tallon
Marlenee	Rodino	Tauke
Martin (IL)	Roe	Tauzin
Martin (NY)	Roemer	Taylor
Martinez	Rogers	Thomas (GA)
Matsui	Rose	Torres
Mavroules	Rostenkowski	Towns
McCloskey	Roth	Traficant
McCurdy	Roukema	Traxler
McEwen	Rowland (CT)	Udall
McGrath	Rowland (GA)	Valentine
McHugh	Roybal	Vander Jagt
McKernan	Rudd	Visclosky
McMillan	Russo	Volkmer
Meyers	Sabo	Vucanovich
Mica	Savage	Walgren
Michel	Saxton	Watkins
Mikulski	Schaefer	Weaver
Miller (OH)	Scheuer	Weber
Mineta	Schneider	Wheat
Molinari	Schuette	Whitley
Mollohan	Schumer	Whittaker
Montgomery	Seiberling	Whitten
Moody	Sensenbrenner	Williams
Moore	Sharp	Wilson
Morrison (WA)	Shelby	Wirth
Murphy	Shuster	Wise
Murtha	Sikorski	Wolf
Myers	Siljander	Wolpe
Natcher	Sisisky	Wortley
Neal	Skeen	Wright
Nichols	Skelton	Wyden
Nowak	Slattery	Wylie
O'Brien	Slaughter	Yates
Oberstar	Smith (FL)	Yatron
Obey	Smith (IA)	Young (AK)
Olin	Smith (NE)	Young (MO)
Ortiz	Smith (NJ)	
Oxley	Smith, Denny	

NOT VOTING—7

Addabbo	Miller (CA)	Oakar
Carney	Mitchell	
Edwards (OK)	Moakley	

□ 1605

Mr. COBLE changed his vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from North Dakota [Mr. DORGAN] is recognized for 5 minutes.

There was no objection.

Mr. DORGAN of North Dakota. Mr. Chairman, I just wanted to point out where we are. I offered the base amendment to try to target price supports.

That was substituted by the Stangeland-Glickman approach which included targeting price supports and the

marketing loan concept. We have had a rather substantial debate on targeting price supports. We lost this afternoon. I am very disappointed by that loss.

I wish we had targeted price supports because I think it was the right thing to do.

I had worked with Congressman GLICKMAN and others in the substitute that was offered to try to target these price supports. I supported that. I thought it was the right thing.

We are now left with the base amendment which I introduced, so that we could provide access to debate the Stangeland-Glickman amendment. I do not intend to seek a recorded vote on my amendment.

I did want to say this: that if the amendment does not prevail, inasmuch as we have had this debate this afternoon, the other body has taken action to target price supports. I am hoping the House of Representatives, as we move down this road toward conference, will still consider the interests of many of us in the House to target price supports. But I did want to take the floor to say that I do not intend, because of the debate we have had on the Glickman amendment and because of the result of that vote, to seek a recorded vote on my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. BOULTER

Mr. BOULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOULTER: Page 75, line 9, strike out "July 1" and insert in lieu thereof "May 1".

Page 77, line 24, strike out "July 1" and insert in lieu thereof "May 1".

Page 79, line 6, strike out "July 1" and insert in lieu thereof "May 1".

Mr. BOULTER. Mr. Chairman, I have a very simple, straightforward amendment dealing with the announcement date for wheat. It is an idea I picked up in my town hall meetings in my district in Texas. If you all have wheat farmers in your districts and visit with them, you have heard the same thing. It would simply move the announcement date up from July 1 to May 1.

Mr. Chairman, the first thing I would like to do is explain my amendment which is desperately needed by wheat farmers in this country.

Each year the wheat program is announced for the following year allowing farmers to plan the next year's crop. The announcement includes program requirements for crop reduction and/or set-asides, as well as information on any plans for a paid diversion.

In my district and all of Texas, and indeed all winter wheat areas, the present July 1 date for the wheat program announcement is far too late to be of benefit to farmers.

Let me explain why, contrary to popular belief, the beginning of next year's crop starts on harvest day and not on planting day. In fact many farmers follow behind their harvesters with a plow that starts preparing the fields for the next crop. In winter wheat areas, harvest begins in May and usually ends by August. In Texas and surrounding areas 25 percent of the harvest is complete by June 1 and 75 percent of the harvest has been completed by July 1.

A typical farmer in my district will plow his field immediately after he has harvested his crop. In the next 6 to 8 weeks he will work his field to kill weeds, treat it for diseases, and fertilize the field. All this before planting. Planting starts in September.

Field preparation costs close to 70 percent of the total expenses that he will expend on his crop investment. With the current July 1 announcement date, decisions must be made without the benefit of knowing next year's program requirements: how many acres to prepare for planting, questions about fuel, chemicals, and labor costs, unnecessarily costing the farmer money.

As you can see, many farmers who harvest their crop before the annoucement date have already invested time and money into a crop when they find out what the program actually will require.

The following organizations have endorsed my amendment: The Texas Wheat Growers, the National Association of Wheat Growers, The Texas Farm Bureau, The American Farm Bureau Federation, and the American Agriculture Movement. In addition, the National Farmers Union has endorsed moving the announcement date forward.

Mr. Chairman, I hope my colleagues will support my efforts to help the farmer do the job he does so well—feed America and the world. The Wheat Program announcement should be made in time for the farmers to make prudent decisions.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. BOULTER. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, as I understand the amendment of the gentleman, it would require the Secretary to make an announcement of the wheat program on May 1 but also allows him to amend it up to July 15.

Mr. BOULTER. Yes; we do not tamper with the current law which allows the Secretary to revise his estimates.

Mr. FOLEY. Mr. Chairman, we have examined the amendment on this side and have no objection to its adoption.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. BOULTER. I would be happy to yield to the gentleman from Kansas.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment. Wheat producers are once again being forced to plant the winter wheat crop without knowing what the Government program will be next year. It seems, that it is a problem every year. When the process denies producers program decisions, they cannot make intelligent planting decisions.

Several years ago, I led an effort to mandate an early announcement of July 1. This was a vast improvement over the August 15 deadline that was in the law at that time. I commend the gentleman from Texas for taking the issue one step further and offering the May 1 deadline for the Secretary of Agriculture to announce the wheat program.

This amendment will provide the farmer with what he needs most—consistency and predictability and a better planning horizon to that he can make more rational business decisions on his cropping plans. As one producer told me recently, "Pat, I don't care what the USDA and the Congress do to me, just let me know." This amendment would let wheat producers know in time to make their decisions.

At the time, the House considered and passed the early announcement bill 2 years ago I argued for the May 15 deadline and the July 1 date was compromise. USDA made the valid point that sometimes the wheat supply picture changes so dramatically that a May announcement date would cause problems. The surplus is as great as ever, and it appears that we will be in a permanent state of surplus so I certainly don't see any problems with making that announcement date May 1, with the flexibility as the committee bill has to alter the program announcement if the wheat supply demand estimates change substantially.

I urge my colleagues to support the gentleman from Texas. His amendment is a good one.

I urge the House to adopt this amendment.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. BOULTER. I would be happy to yield to my friend from Oklahoma.

Mr. ENGLISH. I thank the gentleman for yielding.

Mr. Chairman, I join in support of the amendment. I think it is an outstanding one. It is certainly important to our part of the country in Oklahoma and Texas and all that region that we have an early announcement so that our farmers have some idea what the program is.

I thank the gentleman.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. BOULTER. I yield to my colleague from Texas.

Mr. COMBEST. I thank the gentleman for yielding.

Mr. Chairman, I would like to say I totally and fully support the amendment of the gentleman from Texas [Mr. BOULTER] and appreciate the fact that he would take the initiative to do it. It certainly has strong support from the wheat producers in my district as well.

Mr. BOULTER. Mr. Chairman, several speakers have risen to say that the present date of July 1 is simply too late. Farmers generally follow their harvesters with the plow. They need the information in time. Seventy percent of their crop investment is made before the announcement date comes out. I might just point out in closing, Mr. Chairman, that this amendment is supported by the Texas Wheat Growers, the National Association of Wheat Growers, the Texas Farm Bureau, and the American Farm Bureau Federation, and the American Agricultural Movement, and the National Farmers Union have endorsed moving the announcement date forward.

□ 1620

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BOULTER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows.

TITLE V—FEED GRAINS

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, ACREAGE LIMITATION AND SET-ASIDE PROGRAMS, AND LAND DIVERSION PAYMENTS FOR THE 1986 THROUGH 1990 CROPS OF FEED GRAINS

SEC. 501. Effective only for the 1986 through 1990 crops of feed grains, the Agricultural Act of 1949 is amended by adding after section 105B (7 U.S.C. 1444d) the following:

"SEC. 105C. Notwithstanding any other provision of law—

"(a)(1) For any crop of feed grains for which a national marketing certificate program is not in effect under title V, loans and purchases shall be made available to producers as provided in this subsection.

"(2)(A) Unless the Secretary, at the Secretary's discretion, makes available loans to producers under paragraph (3) for a crop of corn, the Secretary shall make available to producers on each farm loans and purchases for each of the 1986 through 1990 crops of corn for an amount of corn of such crop produced on the farm equal to the acreage on the farm planted to corn for harvest times the farm's program yield for the crop. Loans and purchases under this paragraph shall be made available during each of the five marketing years for such crops of corn, beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will encourage the exportation of feed grains and not result in excessive stocks of feed grains after taking into consideration the cost of producing corn, supply and demand conditions, and world prices for corn, except that the level of corn loans and purchases for a marketing year, including the marketing year for the 1986 crop of corn, may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year (as determined before any reduction in the level of loans and purchases made under the following sentence). Notwithstanding the foregoing provisions of this subparagraph, if the Secretary determines (i) that the average price of corn received by producers in the previous marketing year (including the marketing year for the 1985 crop of corn) was not more than 105 per centum of the level of loans and purchases for corn for such marketing year, or (ii) that the loan level computed under the foregoing provisions would discourage the exportation of corn and cause excessive stocks of corn in the United States, the Secretary may reduce the level of loans and purchases for corn for the marketing year by the amount the Secretary determines necessary to maintain domestic and export markets for grain, except that the level of loans and purchases shall not be so reduced in any year to a level less than 80 per centum of the level of loans and purchases as determined under the preceding sentence. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(B) Unless the Secretary, at the Secretary's discretion, makes available loans to producers under paragraph (3) for a crop of grain sorghums, barley, oats, or rye, the Secretary shall make available to producers under this paragraph loans and purchases for each of the 1986 through 1989 crops of grain sorghums, barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn under this paragraph, taking into consideration the feeding value of such commodity in relation to corn and other factors specified in section 401(b) of this Act.

"(3)(A) The Secretary may make available recourse loans to producers during each of the five marketing years for corn, beginning with the marketing year for the 1986 crop, at such level per bushel—not less than 75 per centum nor more than 85 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period—as the Secretary determines will encourage the exportation of feed grains and not result in excessive stocks of feed grains after taking into consideration the cost of producing corn, supply and demand conditions, and world prices for corn. The level of corn loans and purchases for a marketing year, including the marketing year for the 1986 crop of corn, may not be established under the foregoing formula at a level that is less than 95 per centum of the level of loans and purchases for the preceding marketing year. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination. The maximum term for any loan under this paragraph shall be 270 days.

"(B) The Secretary may make available to producers under this paragraph recourse loans for each of the 1986 through 1990 crops of grain sorghums, barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that recourse loans are made available under this paragraph for corn, taking into consideration the feeding value of such commodity in relation to corn and other factors specified in section 401(b) of this Act.

"(D) A producer may repay a loan made under subparagraph (A) or (B) at a level (per bushel) that is the lesser of—

"(i) the original loan level; or

"(ii) at any time through the date of maturity of the loan that the producer redeems the feed grain under loan—

"(I) the then current State monthly weighted average market price (per bushel) for the feed grain, as adjusted for each county in the State, received by farmers, as determined by the Secretary; or

"(II) the then current State weekly or daily weighted average market price (per bushel) for the feed grain, as adjusted for each county in the State, received by farmers, as determined by the Secretary, if the Secretary determines that it is administratively feasible and reduces the fluctuation in the repayment market price for producers.

"(b)(1)(A)(i) The Secretary shall make available to producers payments for each of the 1986 through 1990 crops of corn, grain sorghums, oats, and, if designated by the Secretary, barley for which a national marketing certificate program is not in effect under title V in an amount computed as provided in this paragraph. Payments for any crop of feed grains shall be computed by multiplying (I) the payment rate, by (II) the farm program acreage for the crop, by (III) the farm's program yield for the crop.

"(ii) Whenever an acreage limitation program is in effect for a crop of feed grains, if producers on a farm devote a portion of the farm's permitted feed grain acreage (as determined under subsection (e)(2)) equal to more than 5 per centum of the farm's feed grain crop acreage base for the crop to conservation uses or nonprogram crops, such portion of the feed grain permitted acreage in excess of 5 per centum of the base devoted to conservation uses or nonprogram crops shall be considered as part of the farm's feed grain program acreage and the producers shall be eligible for payments under this paragraph on such acreage, subject to the producers' compliance with the next sentence. To be eligible for payments under the preceding sentence, the producers on the farm must actually plant feed grains for harvest on at least 50 per centum of the farm's feed grain crop acreage base. The farm's feed grain crop acreage base and feed grain program yield shall not be reduced due to the fact that such portion of the farm's permitted acreage was devoted to conserving uses or nonprogram crops.

"(iii) Other than as provided in clause (ii), payments may not be made under this paragraph for any crop on a greater acreage than the acreage actually planted to feed grains.

"(B) The payment rate for a crop of corn shall be the amount by which the established price for the crop of corn (less 6 cents per bushel if the Secretary establishes a feed grain export certificate program for the crop

under section 107F(a)) exceeds the higher of—

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(ii) the loan level determined under subsection (a), before any adjustment made under the third sentence in subsection (a)(2)(A) for the marketing year for such crop of corn.

"(C) The established price for the 1986 and 1987 crops of corn shall be $3.03 per bushel, and for each of the 1988, 1989, and 1990 crops of corn shall be a price determined by the Secretary that is not less than 110 per centum nor more than 125 per centum of the simple average price per bushel received by farmers (as determined by the Secretary) during the marketing years for the immediately preceding five crops, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period. The established price for a crop of corn may not be established under the foregoing formula at a level that is less than 95 per centum of the established price for the preceding crop of corn, nor may the Secretary set the established price for the 1988, 1989, or 1990 crop of corn at a level less than the level for the preceding crop of corn unless the Secretary certifies to Congress at the time the Secretary announces the program for the crop that the costs of production for such crop of corn for all producers, as estimated by the Economic Research Service of the Department of Agriculture in consultation with the National Agricultural Cost of Production Standards Review Board, will be 5 per centum below the cost of production for the previous crop of corn for all producers. The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(D)(i) Notwithstanding the foregoing provisions of this section, if the Secretary adjusts the level of loans and purchases for corn in accordance with the third sentence in subsection (a)(2)(A), the Secretary shall provide emergency compensation by increasing the established price payments for corn by such amount as the Secretary determines necessary to provide the same total return to producers as if the adjustment in the level of loans and purchases had not been made.

"(ii) In determining the payment rate, per bushel, for established price payments for a crop of corn under this subparagraph, the Secretary shall use the national weighted average market price, per bushel of corn, received by farmers during the marketing year for such crop, as determined by the Secretary.

"(iii) Any payments under this subparagraph shall not be included in the payments subject to limitations under the provisions of section 1011 of the Food Security Act of 1985.

"(E) The payment rate for grain sorghums, oats, and, if designated by the Secretary, barley shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn.

"(F) The total quantity of feed grains on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2).

"(2)(A) Except as otherwise provided in subparagraph (C), if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for feed grains to feed grains or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to feed grains for harvest (including any acreage that the producers were prevented from planting to feed grains or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm's program yield for feed grains established by the Secretary for such crop times a payment rate equal to 33⅓ per centum of the established price for the crop. Payments made by the Secretary under this subparagraph may be made in the form of cash or from stocks of feed grains held by the Commodity Credit Corporation.

"(B) Except as otherwise provided in subparagraph (C), if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of feed grains that the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm's program yield for feed grains established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for prevented planting disaster payments under subparagraph (A) if prevented planting crop insurance is available to them under the Federal Crop Insurance Act with respect to their feed grain acreage. Producers on a farm shall not be eligible for reduced yield disaster payments under subparagraph (B) if crop insurance on the growing crop is available to them under the Federal Crop Insurance Act with respect to their feed grain acreage.

"(D) Notwithstanding the provisions of subparagraph (C), the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting feed grains or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) crop insurance indemnity payments under the Federal Crop Insurance Act and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to ensure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1) The Secretary shall proclaim a national program acreage for each of the 1986 through 1990 crops of feed grains. The proclamation shall be made not later than September 30 of each calendar year for the crop harvested in the next succeeding calendar year, except that for the 1986 crop the proclamation shall be made as soon as practicable after the date of the enactment of the Food Security Act of 1985. The Secretary may revise the national program acreage first proclaimed for any crop for the purpose of determining the allocation factor under paragraph (2) if the Secretary determines it necessary based on the latest information, and the Secretary shall proclaim such revised national program acreage as soon as it is made. The national program acreage for feed grains shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the feed grain program yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be used domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of feed grains are excessive or an increase in stocks is needed to ensure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of feed grains. The allocation factor for feed grains shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event may the allocation factor for any crop of feed grains be more than 100 per centum nor less than 80 per centum.

"(3) Except as provided in subsection (e)(2), the individual farm program acreage for each crop of feed grains shall be determined by multiplying the allocation factor by the acreage of feed grains planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage on the farm planted to feed grains for harvest from the feed grain crop acreage base established for the farm for the crop under title VI by at least the percentage recommended by the Secretary in the proclamation of the national program acreage. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage planted to feed grains for harvest is less than the feed grain crop acreage base established for the farm for the crop under title VI, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for feed grains, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(d) The program yields for farms for each crop of feed grains shall be determined under title VI.

"(e)(1) Notwithstanding any other provision of law—

"(A) Except as otherwise provided in subparagraph (B), the Secretary may provide

for any crop of feed grains either a program under which the acreage planted to feed grains would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) if the Secretary determines that the total supply of feed grains, in the absence of such a program, will be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. The Secretary shall announce any feed grain acreage limitation program or set-aside program under this subsection not later than September 30 prior to the calendar year in which the crop is harvested, and the Secretary may make appropriate adjustments in such announcement for the feed grain acreage limitation program or the set-aside program not later than October 30 before the calendar year in which the crop is harvested, if the Secretary determines that there has been a significant change in the total supply of feed grains since the earlier announcement. Notwithstanding the preceding sentence, the Secretary shall announce the feed grain acreage limitation program for the 1986 crop under subparagraph (B) as soon as practicable after the date of the enactment of the Food Security Act of 1985.

"(B)(i) For the 1986 crop of feed grains, the Secretary shall provide for an acreage limitation program, as described in paragraph (2), under which the acreage on the farm planted to feed grains for harvest will be limited to the feed grain acreage base for the farm for the crop reduced by a total of 20 per centum, except that, for producers who plant the 1986 crop of feed grains before the announcement by the Secretary of the feed grain acreage limitation program for that crop, the Secretary shall provide for a combination of (I) an acreage limitation program, and (II) a paid diversion program, as described in paragraph (5), under which the acreage on the farm planted to feed grains for harvest will be limited to the feed grain crop acreage base for the farm for the crop reduced by 10 per centum under the acreage limitation program and by an additional 10 per centum under the paid diversion program.

"(ii) With respect to any of the 1987 through 1990 crops of feed grains, if the Secretary estimates, not later than September 30 of the year prior to the calendar year in which the crop is harvested, that the quantity of feed grains on hand in the United States on the first day of the marketing year for that crop (not including any quantity of feed grains of that crop) will exceed 1,100,000,000 bushels, the Secretary (I) shall provide for an acreage limitation program, as described in paragraph (2), under which the acreage planted to feed grains for harvest on a farm would be limited to the feed grain crop acreage base for the farm for the crop reduced by not less than 10 per centum, and (II) may provide for a paid diversion program, as described in paragraph (5), or an additional acreage limitation for any desired reduction in planted acreage in excess of 10 per centum of the feed grain crop acreage base for the farm.

"(iii) As a condition of eligibility for loans, purchases, and payments for any such crop of feed grains, the producers on a farm must comply with the terms and conditions of the acreage limitation program and, if applicable, the paid diversion program.

"(2) If the feed grain acreage limitation program is announced under paragraph (1), such limitation shall be achieved by applying a uniform percentage reduction to the feed grain crop acreage base for the crop for each feed grain-producing farm. Producers who knowingly produce feed grains in excess of the permitted feed grain acreage for the farm shall be ineligible for feed grain loans, purchases, and payments with respect to that farm. The Secretary may provide that no producer of malting barley shall be required as a condition of eligibility for feed grain loans, purchases, and payments to comply with any acreage limitation under this paragraph if such producer has previously produced a malting variety of barley for harvest, plants barley only of an acceptable malting variety for harvest, and meets such other conditions as the Secretary may prescribe. Feed grain acreage bases for each crop of feed grains shall be determined under title VI. A number of acres on the farm determined by dividing (A) the product obtained by multiplying the number of acres required to be withdrawn from the production of feed grains times the number of acres actually planted to feed grains by (B) the number of acres authorized to be planted to feed grains under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. If an acreage limitation program is announced under paragraph (1) for a crop of feed grains, subsection (c) shall not be applicable to such crop, including any prior announcement that may have been made under such subsection with respect to such crop. Except as otherwise provided in subsection (b)(1)(A)(ii), the individual farm program acreage shall be the acreage on the farm planted to feed grains for harvest within the permitted feed grain acreage for the farm as established under this paragraph.

"(3) If a set-aside program is announced under paragraph (1), then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must setaside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of feed grains planted for harvest for the crop for which the set-aside is in effect. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. If a set-aside program is established, the Secretary may limit the acreage planted to feed grains. Such limitation shall be applied on a uniform basis to all feed grain-producing farms. The Secretary may make such adjustments in individual set-aside acreages under this paragraph as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4) The regulations issued by the Secretary under paragraphs (2) and (3) with respect to acreage required to be devoted to conservation uses shall ensure protection of such acreage from weeds and wind and water erosion. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing, or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(5) The Secretary may make land diversion payments to producers of feed grains, whether or not an acreage limitation or set-aside program for feed grains is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of feed grains to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(6) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may also pay an appropriate share of the cost of approved soil and water conservation practices (including practices that may be effective for a number of years) established by the producer on reduced acreage, set-aside acreage, or additional diverted acreage. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary, by mutual agreement with producers on the farm, may terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(8) In carrying out the program conducted under this subsection, the Secretary may prescribe production targets for participating farms expressed in bushels of production so that all participating farms achieve the same pro rata reduction in production as prescribed by the national production targets.

"(f) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and

payments, the Secretary, nevertheless, may make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2), but may be required if a set-aside program is established under subsection (e)(3).".

NONAPPLICABILITY OF SECTION 105 OF THE AGRICULTURAL ACT OF 1949

SEC. 502. Section 105 of the Agricultural Act of 1949 (7 U.S.C. 1444b) shall not be applicable to the 1986 through 1989 crops of feed grains.

The CHAIRMAN. Are there any amendments to title V?

If not, the Clerk will designate title VA.

The text of title VA is as follows:

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

REFERENDA AND PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT AND FEED GRAINS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA AND PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1990 CROPS OF WHEAT AND FEED GRAINS

"FINDINGS AND POLICY

"SEC. 501. (a) Congress finds that—

"(1) wheat and feed grains are essential agricultural commodities for the Nation, are produced throughout the United States by hundreds of thousands of farmers, and along with their products flow in substantial amounts through instrumentalities of interstate and foreign commerce from producers to consumers;

"(2) abnormally excessive and abnormally deficient supplies of wheat and feed grains on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce; and

"(3) interstate and foreign commerce in wheat and feed grains, and their products, should be protected from burdensome surpluses and disruptive shortages, a supply of the commodities should be maintained to meet domestic consumption needs and export demand, and soil and water resources of the Nation should not be squandered in the production of surplus burdensome supplies of the commodities.

"(b) It hereby is declared to be the policy of Congress that it is in the interest of the general welfare to assist in the marketing of wheat and feed grains for domestic consumption and export; to regulate interstate and foreign commerce in the commodities to the extent necessary to provide an orderly, adequate, and balanced flow of the commodities in interstate and foreign commerce; and to provide loans and other means to maintain farm income for producers of the commodities, reduce excess production, and enable consumers to obtain an adequate and steady supply of such commodities at fair prices.

"CONSUMER SAFEGUARDS

"SEC. 502. The powers conferred under this title shall not be used to discourage the production of supplies of food and animal feed sufficient to meet normal domestic and export needs, as determined by the Secretary. In carrying out the purposes of this title, the Secretary shall give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair both to producers and consumers.

"WHEAT AND FEED GRAIN REFERENDA

"SEC. 503. (a) The Secretary shall conduct a referendum by secret ballot of wheat and feed grain producers every two years to determine whether they favor or oppose the national marketing certificate program under this title. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after enactment of the Food Security Act of 1985, but not later than February 1, 1986. For the 1988 and 1989 crops, the referendum shall be conducted not later than July 1, 1987, and for the 1990 crop, year not later than July 1, 1989.

"(b) Any producer on a farm with a wheat or feed grain crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum, and if the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in the referendum in favor of the implementation of a national marketing certificate program, the Secretary shall proclaim that a national marketing certificate program will be in effect for the crops of wheat and feed grains produced for harvest in—

"(1) with respect to the referendum held not later than February 1, 1986, the 1986 and 1987 crops of wheat and feed grains;

"(2) with respect to the referendum held not later than July 1, 1987, the 1988 and 1989 crops of wheat and feed grains; and

"(3) with respect to the referendum held not later than July 1, 1989, the 1990 crops of wheat and feed grains.

"(d) In the event that a national marketing certificate program is approved for the 1986 crops of wheat and feed grains, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm program acreage prior to the proclamation by the Secretary that marketing certificates will be in effect with respect to that crop. Such compensation shall cover, at a minimum, the costs incurred by the producer for planting such crop, as determined by the Secretary.

"(e) If marketing certificates are not approved by producers in a referendum conducted under this section with respect to any crop of wheat or feed grains, in lieu of a national marketing certificate program for that crop, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat and feed grains as provided for elsewhere in this Act.

"NATIONAL MARKETING CERTIFICATE PROGRAM—WHEAT

"SEC. 504. (a) Notwithstanding any other provision of law, if a national marketing certificate program for a crop of wheat is approved under section 503, the Secretary shall make available to producers on each farm loans and purchases for such crop of wheat for an amount of wheat produced on the farm equal to the acreage on the farm that may be planted to wheat for harvest, as determined under subsection (c) or (e) of section 107D, times the farm program yield for the crop, as determined under title VI. Loans and purchases shall be made available during the marketing year for any such crop of wheat at such level as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat, except that the level of wheat loans and purchases for any such marketing year may not be established at less than $4.50 per bushel of wheat.

"(b)(1) The Secretary shall make available to producers marketing certificates for any of the 1986 through 1990 crops of wheat for which a national marketing certificate program is in effect. The amount of such marketing certificates made available to the producers on a farm shall equal an amount of wheat produced on the farm equal to the acreage on the farm that may be planted to wheat for harvest as determined under subsection (c) or (e) of section 107D, times the farm program payment yield for the crop, as determined under title VI.

"(2) A marketing certificate applicable to a marketing year issued to a producer of wheat shall authorize such producer to market, barter, or donate, without restriction, during such marketing year an amount of wheat equal to the amount of such marketing certificate. Wheat may not be marketed, bartered, or donated domestically without a marketing certificate, except that wheat not accompanied by a marketing certificate may be used for feed, human consumption, or other purposes on the farm of the producer, or may be sold for export.

"(3) Wheat accompanied by a marketing certificate that is sold for export shall be eligible for an export incentive payment on such wheat, as provided in section 1125 of the Food Security Act of 1985.

"(4) If for any crop, wheat that the producer harvests exceeds the amount of the

commodity that may be marketed, bartered, or donated under a marketing certificate, the excess may be carried over by the producer from one marketing year to the succeeding marketing year and marketed under a certificate in the succeeding marketing year to the extent that (A) the total amount of such wheat available for marketing under a certificate from the farm in the marketing year from which such commodity is carried over does not exceed the amount of the marketing certificate made available to the producers for that crop, and (B) the total amount of wheat available for marketing under a certificate in the succeeding marketing year (that is, the sum of the amount of such wheat carried over and the amount of such wheat produced on the farm eligible for marketing certificates in the succeeding year) does not exceed the amount of marketing certificates made available to the producers for the succeeding marketing year.

"(5) Marketing certificates made available to a producer of wheat shall not be transferable, except to the extent that such certificates accompany wheat that is marketed, bartered, or donated under paragraph (2).

"(6) Wheat harvested in a calendar year in which marketing certificates are made available to producers for the marketing year beginning therein may not be marketed, except as provided in paragraph (2), prior to the date on which such marketing year begins.

"(7) A person may not purchase or otherwise acquire an amount of wheat from a producer in excess of the amount of wheat that may be marketed, bartered, or donated by such producer under a marketing certificate, except that wheat that must be exported may be acquired as provided under paragraph (2).

"(8) If marketing certificates for wheat are not made available to producers for any marketing year, all previous marketing certificates applicable to wheat shall be terminated, effective as of the first day of such marketing year.

"PENALTIES WITH RESPECT TO WHEAT

"SEC. 505. (a)(1) Except as provided in subsection (b), if a producer fails to comply with any term or condition of a wheat program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment under this Act for the crop of wheat involved.

"(2) Except as provided in subsection (c), if anyone markets, barters, or donates wheat other than for export without a marketing certificate required under section 504 or markets, barters, or donates an amount of wheat for use in excess of the amount of wheat the person or entity is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a civil penalty against such person or entity in an amount equal to three times the current minimum loan rate for the wheat so marketed, bartered, or donated, or

"(B) with respect to a producer, decrease the number of acres of the farm's wheat crop acreage base such producer may devote to production for the succeeding crop of wheat by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A).

"(3) If a person knowingly purchases or otherwise acquires an amount of wheat in excess of the amount of wheat that may be marketed, bartered, or donated under a marketing certificate issued under this title, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the wheat so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a wheat program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary determines that the penalties provided for in subsection (a) are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"NATIONAL MARKETING CERTIFICATE PROGRAM—FEED GRAINS

"SEC. 506. (a) Notwithstanding any other provision of law, if a national marketing certificate program for a crop of feed grains is approved under section 503, the Secretary shall make available to producers on each farm loans and purchases for such crop of feed grains for an amount of feed grains produced on the farm equal to the acreage on the farm that may be planted to feed grains for harvest, as determined under subsection (c) or (e) of section 105C times the farm program yield for the crop, as determined under title VI. Loans and purchases shall be made available during the marketing year for any such crop of feed grains at such level as the Secretary determines will maintain the competitive relationship of feed grains to other grains in domestic and export markets after taking into consideration the cost of producing feed grains, supply and demand conditions, and world prices for feed grains, except that the level of feed grain loans and purchases for the 1986 through 1990 marketing years may not be established at less than $3.25 per bushel of corn.

"(b)(1) The Secretary shall make available to producers marketing certificates for any of the 1986 through 1990 crops of feed grains for which a national marketing certificate program is in effect. The amount of such marketing certificates made available to the producers on a farm shall equal an amount of feed grains produced on the farm equal to the acreage on the farm that may be planted to feed grains for harvest, as determined under subsection (c) or (e) of section 105C, times the farm program yield for the crop, as determined under title VI.

"(2) A marketing certificate applicable to a marketing year issued to a producer of feed grains shall authorize such producer to market, barter, or donate, without restriction, during such marketing year an amount of such feed grains equal to the amount of such marketing certificate. Feed grains may not be marketed, bartered, or donated domestically without a marketing certificate, except that feed grains not accompanied by a marketing certificate may be used for feed, human consumption, or other purposes on the farm of the producer, or may be sold for export.

"(3) Feed grains accompanied by a marketing certificate that is sold for export shall be eligible for an export incentive payment on such feed grains, as provided in section 1125 of the Food Security Act of 1985.

"(4) If for any crop, feed grains that the producer harvests exceed the amount of the commodity that may be marketed, bartered, or donated under a marketing certificate, the excess may be carried over by the producer from one marketing year to the succeeding marketing year and marketed under a certificate in the succeeding marketing year to the extent that (A) the total amount of such feed grains available for marketing under a certificate from the farm in the marketing year from which such commodity is carried over does not exceed the amount of the marketing certificate made available to the producers for that crop, and (B) the total amount of feed grains available for marketing under a certificate in the succeeding marketing year (that is, the sum of the amount of such feed grains carried over and the amount of such feed grains produced on the farm eligible for marketing certificates in the succeeding year) does not exceed the amount of marketing certificates made available to the producers for the succeeding marketing year.

"(5) Marketing certificates made available to a producer of feed grains shall not be transferable, except to the extent that such certificates accompany feed grains that are marketed, bartered, or donated under paragraph (2).

"(6) Feed grains harvested in a calendar year in which marketing certificates are made available to producers for the marketing year beginning therein may not be marketed, except as provided in paragraph (2), prior to the date on which such marketing year begins.

"(7) A person may not purchase or otherwise acquire an amount of feed grains from a producer in excess of the amount of feed grains that may be marketed, bartered, or donated by such producer under a marketing certificate, except that feed grains that must be exported may be acquired as provided under paragraph (2).

"(8) If marketing certificates for feed grains are not made available to producers for any marketing year, all previous marketing certificates applicable to feed grains shall be terminated, effective as of the first day of such marketing year.

"PENALTIES WITH RESPECT TO FEED GRAINS

"SEC. 507. (a)(1) Except as provided in subsection (b), if a producer fails to comply with any term or condition of a feed grain program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment under this Act for the crop of feed grains involved.

"(2) Except as provided in subsection (c), if anyone markets, barters, or donates feed grains other than for export without a marketing certificate required under section 506 or markets, barters, or donates an amount of feed grains for use in excess of the amount of the commodity the person or entity is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a civil penalty against such person or entity in an amount equal to three times the current minimum loan rate for the feed grains so marketed, bartered, or donated, or

"(B) with respect to a producer, decrease the number of acres of the farm's feed grain crop acreage base such producer may devote to production for the succeeding crop of feed grains by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A).

"(3) If a person knowingly purchases or otherwise acquires an amount of feed grains in excess of the amount of feed grains that may be marketed, bartered, or donated under a marketing certificate issued under

this title, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the feed grains so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a feed grain program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary determines that the penalties provided for in subsection (a) are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"REGULATIONS

"SEC. 508. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.".

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA: On page 124, line 14, strike the quotation mark and the second period.

On page 124, after line 14, add a new section as follows:

"PROGRAM BASES

"SEC. 509. Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 503, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605."

Mr. DE LA GARZA. Mr. Chairman, this amendment to the marketing certificate program as appears in our bill was made necessary by reestimate of the provisions caused by the Congressional Budget Office following adoption of H.R. 2100 by the committee.

This amendment will provide an additional 3 years' saving of over $2 billion.

This amendment will simply prevent any producer from increasing his wheat or feed grain base during the operation of the market certificate program. There may be a possibility that would entice someone because of the high support to get into the program. This will, in effect, not do any harm to the so-called Stenholm provisions of base and yield.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, in the interest of moving the process along, we have had the opportunity to review this amendment and have no objection to it on this side.

Mr. DE LA GARZA. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: Page 110, strike out line 1 and all that follows thereafter through page 124, line 14, and insert the following new title:

TITLE VA—PRODUCER-APPROVED WHEAT AND FEED GRAIN PROGRAMS

REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

SEC. 551. Effective only for the 1986 through 1991 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA AND QUOTAS, PRODUCTION ACREAGES, MARKETING CERTIFICATES, AND MINIMUM LOAN RATES FOR THE 1986 THROUGH 1991 CROPS OF WHEAT AND FEED GRAINS

"Subtitle A—Findings and Policy; Consumer Safeguards

"FINDINGS AND POLICY

"SEC. 501. (a) Congress finds that—

"(1) wheat and feed grains are essential agricultural commodities for the Nation, are produced throughout the United States by hundreds of thousands of farmers, and along with their products flow in substantial amounts through instrumentalities of interstate and foreign commerce from producers to consumers;

"(2) abnormally excessive and abnormally deficient supplies of wheat and feed grains on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce; and

"(3) interstate and foreign commerce in wheat and feed grains, and their products, should be protected from burdensome surpluses and disruptive shortages, a supply of the commodities should be maintained to meet domestic consumption needs and export demand, and soil and water resources of the Nation should not be squandered in the production of surplus burdensome supplies of the commodities.

"(b) It is hereby declared to be the policy of Congress that it is in the interest of the general welfare to assist in the marketing of wheat and feed grains for domestic consumption and export; to regulate interstate and foreign commerce in the commodities to the extent necessary to provide an orderly, adequate, and balanced flow of the commodities in interstate and foreign commerce; and to provide loans and other means to maintain farm income for producers of the commodities, reduce excess production, and enable consumers to obtain an adequate and steady supply of such commodities at fair prices.

"CONSUMER SAFEGUARDS

"SEC. 502. The powers conferred under this title shall not be used to discourage the production of supplies of food and animal feed sufficient to meet normal domestic and export needs, as determined by the Secretary. In carrying out the purposes of this title, the Secretary shall give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair both to producers and consumers.

"Subtitle B—Producer-Approved Wheat and Feed Grain Program

"PROCLAMATION OF WHEAT AND FEED GRAIN MARKETING QUOTAS

"SEC. 511. (a) Whenever prior to April 15 in any calendar year the Secretary determines that the total supply of wheat or feed grains, or both, in the marketing years for such commodities beginning in the next succeeding calendar year, in the absence of a marketing year program, will likely be excessive, the Secretary shall proclaim that a national marketing quota for wheat or a national marketing quota for feed grains, as the case may be, or marketing quotas for both, shall be in effect for such marketing years and for the marketing years for the next crop of such commodities. In the case of the marketing years for the 1986 and 1987 crops of such commodities, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"(b) If a national marketing quota for wheat or feed grains has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 nor later than April 15 of the calendar year preceding the year in which such marketing year begins, except that in the case of the marketing years for the 1986 and 1987 crops, such determination and proclamation shall be made as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986. The amount of the national marketing quota for wheat or feed grains for any marketing year shall be an amount of wheat or feed grains that the Secretary estimates is required to meet anticipated needs during such marketing year, taking into consideration domestic requirements, export demand, food aid needs, and adequate carryover stocks.

"(C) If, after the proclamation of a national marketing quota for wheat or feed grains for any marketing year, the Secretary determines that the national marketing quota should be terminated or increased to meet a national emergency or a material increase in the demand for wheat or feed grains, the national marketing quota shall be increased or terminated by the Secretary.

"FARM MARKETING QUOTAS

"SEC. 512. (a) For each marketing year for wheat or feed grains for which a national marketing quota has been proclaimed under section 511 of this title, the Secretary shall establish farm marketing quotas in accordance with this section.

"(b) The Secretary shall establish a marketing quota apportionment factor for each wheat or feed grain marketing year for which a national marketing quota is proclaimed under section 511. The marketing quota apportionment factor shall be determined by dividing the national marketing quota for such marketing year for wheat or feed grains by the product obtained by multiplying (1) the Secretary's estimate of the average of the then current program yields for wheat or feed grains assigned to each farm by (2) the total of each farm's then current wheat or feed grain crop acreage base.

"(c) The Secretary shall assign a farm marketing quota to each farm with a wheat or feed grain crop acreage base of fifteen acres or more for the crop involved by multiplying the marketing quota apportionment factor determined under subsection (b) of this section by the product obtained by multiplying (1) such farm's then current program yield for wheat or feed grains by (2) such farm's then current wheat or feed grain crop acreage base.

"(d) Farm marketing quotas shall be established by the Secretary under this section by June 1 of the calendar year preceding the marketing year for which a national marketing quota has been proclaimed under this title, except that in the case of the 1986 and 1987 crops, such quotas shall be established as soon as practicable after the enactment of the Food Security Act of 1985, but not later than January 1, 1986.

"PROCLAMATION OF WHEAT AND FEED GRAINS NATIONAL PRODUCTION ACREAGES

"SEC. 513. (a) If a national marketing quota has been proclaimed for any wheat or feed grain marketing year under section 511 of this title, the Secretary shall proclaim a wheat or feed grain national production acreage for the crop of wheat or feed grains covered by such marketing year on the date that such national marketing quota is proclaimed.

"(b) The amount of the national production acreage for any crop of wheat or feed grains shall be the number of wheat or feed grain acres that the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than acreage not harvested because of program incentives) of the farm prouction acreages for such crop will produce an amount of what or feed grains equal to the national marketing quota for the commodity for the marketing year for such crop.

"(c) If, after the proclamation of the national production acreage for wheat or feed grains for any crop, the Secretary determines that the national production acreage should be terminated or increased to meet a national emergency or a material increase in the demand for wheat or feed grains, the national production acreage shall be increased or terminated by the Secretary.

"FARM PRODUCTION ACREAGES

"SEC. 514. (a) The national production acreage determined under section 513 of this title for a crop of wheat or feed grains shall be apportioned by the Secretary among farms in accordance with this section.

"(b) The Secretary shall establish a production acreage apportionment factor for each crop of wheat or feed grains for which a national production acreage is determined. The production acreage apportionment factor shall be determined by dividing the national production acreage for such crop of wheat or feed grains by the total of the acres of wheat or feed grains included in each farm's wheat or feed grain crop acreage base, as determined under title VI of this Act.

"(c) The Secretary shall detemine the wheat or feed grain farm production acreage for each farm (with a crop acreage base for the commodity and crop involved of fifteen acres or more) on which wheat or feed grains are produced by multiplying the production acreage apportionment factor determined under subsection (b) of this section by the farm's wheat or feed grain crop acreage base.

"(d) Notwithstanding the provisions of subsection (c) of this section, the farm production acreage for each farm—

"(1) in the case of each crop of wheat, shall be equal to 65 per centum of the farm's crop acreage base for wheat, unless the Secretary estimates that, by the end of the marketing year for that crop of wheat, ending stocks of wheat will be equal to or less than the domestic consumption of wheat for the marketing year; and

"(2) in the case of each crop of feed grains, shall be equal to 80 per centum of the farm's acreage base for feed grains, unless the Secretary estimates that, by the end of the marketing year for that crop of feed grains, ending stocks of feed grains will be 10 per centum or less of the total use of feed grains for the marketing year.

"(e) Subject to the provisions of section 535(b) of this title, whenever a wheat or feed or feed grain production acreage for a crop is established for a farm, other than for a crop which the producers on the farm uses for on-farm feeding purposes and which the producers on the farm certify in writing will be used exclusively for on-farm feeding purposes during the period for which a national production acreage is in effect, under this section, the producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of the farm's production acreage for the commodity; and with respect to farms with a crop acreage base for the commodity and crop involved of less than fifteen acres, producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of fifteen acres.

"REFERENDA

"SEC. 515. (a) If national marketing quotas for wheat, feed grains, or both wheat and feed grains for two marketing years, are proclaimed under section 511 of this title, the Secretary shall, not later than July 1 of the calendar year in which such national marketing quotas are proclaimed, conduct a referendum by secret ballot of wheat and feed grain producers to determine whether they favor or oppose marketing quotas and production acreages for the marketing years and crops for which proclaimed. In the case of the 1986 and 1987 crops, the referendum shall be conducted as soon as practicable after the date of enactment of the Food Security Act of 1985, but not later than February 1, 1986.

"(b) Any producer with a wheat or feed grain crop acreage base of fifteen or more acres for the than current crop, as determined under title VI of this Act, shall be eligible to vote in the referendum. For purposes of this section, the term 'producer' shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of any referendum held hereunder within fifteen days after the date of such referendum and if the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in the referendum voted for marketing quotas and production acreages, the Secretary shall proclaim that marketing quotas and production acreages will be in effect with respect to the crops of wheat or feed grains, or both, produced for harvest in the two calendar years following the year in which the referendum is held (or in the case of the referendum held no later than February 1, 1986, for crops harvested in 1986 and 1987).

"(d) In the event that marketing quotas and production acreages are approved with respect to the 1986 crop of wheat or feed grains, the Secretary shall provide fair and equitable compensation to producers who planted a crop in excess of their farm production acreage prior to the proclamation by the Secretary that marketing quotas and production acreages will be in effect with respect to that crop. Such compensation shall cover at a minimum the costs incurred by producers for planting such crop, as determined by the Secretary.

"(e) If the Secretary determines that 60 per centum or more of the producers of wheat and feed grains (including 50 per centum or more of the producers of wheat and 50 per centum or more of the producers of feed grains) voting in a referendum approved marketing quotas and production acreages for a period of two marketing years, no referendum shall be held for the next year of such period.

"(f) If marketing quotas and production acreages are not approved by producers in a referendum as provided under this section, with respect to the crops harvested in the succeeding year, in lieu of such marketing quotas and production acreages, the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat and feed grains as provided elsewhere in this Act.

"LOANS AND PURCHASES

"SEC. 516. (a) If producers of wheat and feed grains approve marketing quotas and production acreages, as provided in section 515 of this title, loans and purchases shall be made available to producers as provided in sections 105C and 107D of this Act, except that the minimum loan rates for the crops of wheat or feed grains with respect to which marketing quotas and production acreages are in effect—

"(1) in the case of wheat, shall be not less than $5.03 per bushel for the 1986 crop, and, for each of the 1987 through 1991 crops of wheat, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$5.17 per bushel
for the 1988 crop	5.31 per bushel
for the 1989 crop	5.45 per bushel
for the 1990 crop	5.59 per bushel
for the 1991 crop	5.73 per bushel.

"(2) in the case of corn, shall be not less than $3.49 per bushel of corn for the 1986 crop, and, for the 1987 through 1991 crops, shall be not less than a level that represents an increase of two parity index points over the previous crop's minimum loan level, or the level provided in the following table, whichever is less:

"for the 1987 crop	$3.59 per bushel
for the 1988 crop	3.69 per bushel
for the 1989 crop	3.79 per bushel
for the 1990 crop	3.89 per bushel
for the 1991 crop	3.99 per bushel.

"(3) in the case of feed grains other than corn, for each of the 1986 through 1991 crops, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which loans are made available for corn.

"(b) Loans referred to in subsection (a) shall not be subject to the limitation on nonrecourse loans set forth in section 405(b) of this Act.

MARKETING CERTIFICATES

"SEC. 531. (a) At the time a producer of wheat or feed grains is assigned a farm marketing quota under section 512 of this title for any marketing year, the Secretary shall issue a marketing certificate to such producer for the crop of such commodity covered by such marketing year. The Secretary shall also issue marketing certificates to producers with a wheat or feed grain crop acreage base of less than 15 acres (producers not assigned a farm marketing quota) for such commodities to be produced on such crop acreage base for the crop covered by such marketing year.

"(b) A marketing certificate applicable to marketing year issued to a producer of wheat or feed grains shall authorize such producer to market, barter, or donate, during such marketing year, an amount of such commodity equal to the farm marketing quota assigned to such producer (or, in the case of a producer not assigned a marketing quota because the producer's crop acreage base for the commodity crop is less than 15 acres, an amount of such commodity equal to the producer's production of the commodity on the acreage—if the acreage is less than fifteen acres—planted to the commodity for harvest.

"(c) The Secretary shall adjust the amount of wheat or feed grains that may be marketed, bartered, or donated under a marketing certificate to reflect the amount of such commodity that will be used for feed, human consumption, or other purposes on the farm of the producer.

"(d) If for any crop, the wheat or feed grains that the producer harvests exceeds the amount of the commodity that may be marketed, bartered, or donated under a marketing certificate, the surplus amount of such commodity may be used for feed, human consumption, or other purposes on the farm of the producer, or may be carried over by the producer from one marketing year to the succeeding marketing year and may be marketed without penalty imposed under section 532 of this subtitle in the succeeding marketing year to the extent that (1) the total amount of such commodity available for marketing from the farm in the marketing year from which such commodity is carried over does not exceed the farm marketing quota, and (2) the total amount of such commodity available for marketing in the succeeding marketing year (that is, the sum of the amount of such commodity carried over and the amount of such commodity produced on the farm subject to a farm marketing quota in the succeeding marketing year) does not exceed the farm marketing quota for the succeeding marketing year.

"(e) Wheat for feed grains harvested in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though such commodity is marketed prior to the date on which such marketing year begins.

"(f) A person may not purchase or otherwise acquire an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate.

"(g) If marketing quotas for a commodity are not in effect for any marketing year, all previous marketing certificates applicable to such commodity shall be terminated, effective as of the first day of such marketing year.

"PENALTIES

"SEC. 532. (a)(1) Except as provided in subsection (b) of this section, if a producer fails to comply with any term or condition of a program conducted under this title, the producer shall be ineligible for any loan, purchase, or payment authorized under this Act.

"(2) Except as provided in subsection (c) of this section, if a producer markets, barters, or donates a commodity without a marketing certificate required under section 532 of this subtitle or markets, barters, or donates an amount of a commodity for use in excess of the amount of the commodity the producer is permitted to market, barter, or donate under such certificate, the Secretary shall—

"(A) assess a civil penalty against such producer in an amount equal to three times the current minimum loan rate for the commodity so marketed, bartered, or donated; or

"(B) decrease the number of acres of the producer's wheat or feed grain crop acreage base such producer may devote to production under section 514 of this title for the succeeding crop of the commodity by a number of acres that, if planted, would result in the production of a quantity sufficient to satisfy the penalty referred to in subparagraph (A) of this paragraph.

"(3) If a person knowingly purchases or otherwise acquires an amount of a commodity from a producer in excess of the amount of the commodity that may be marketed, bartered, or donated by such producer under a marketing certificate issued under section 531 of this subtitle, the Secretary shall assess a civil penalty against such person in an amount equal to three times the current minimum loan rate for the commodities so purchased or acquired.

"(b) If a producer fails to comply fully with the terms and conditions of a program conducted under this title and the Secretary believes the failure should not preclude the making of loans, purchases, or payments to the producer, the Secretary may make loans, purchases, or payments in such amounts as the Secretary determines to be equitable in relation to the severity of the program violation.

"(c) If the Secretary determines that the penalties provided for in subsection (a) of this section are not warranted by the severity of the program violation, the Secretary may reduce or waive such penalties.

"(d) Penalties collected under this section shall be deposited into the account of the Commodity Credit Corporation.

"TRANSFER OF FARM MARKETING QUOTAS

"SEC. 534. Farm marketing quotas assigned to a farm under this title generally shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, the farm marketing quota assigned to a farm for any marketing year, or any portion thereof, may be voluntarily surrendered to the Secretary by the producer, and the Secretary may reallocate the amount of any farm marketing quotas so surrendered to other farms having farm marketing quotas on such basis as the Secretary may determine.

"CONSERVATION OF ACREAGE REMOVED FROM PRODUCTION

"SEC. 535. (a) A producer of a commodity shall devote to approved conservation use all acreage of the farm's wheat or feed grain crop acreage base that may not be devoted to the production of the commodity involved under the rules applicable to farm production acreages under sections 514 and 524 of this title.

"(b) The Secretary may make such adjustments in the amount of such acreage removed from production as the Secretary determines necessary to correct for abnormal factors affecting production and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary determines appropriate.

"(c) Regulations issued by the Secretary under this section with respect to acreage required to be devoted to conservation uses shall require appropriate measures to protect such acreage against noxious weeds and wind and water erosion.

"(d)(1) Any acreage removed from production may be devoted to wildlife food plots or wildlife habitats in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(2) The Secretary may pay such amount as the Secretary considers appropriate of the cost of the practices designed to carry out the purposes of paragraph (1) of this subsection.

"(3) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relations to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(e)(1) A producer of a commodity shall execute an agreement with the Secretary that describes the means the producer will use to comply with this section not later than such date as the Secretary may prescribe.

"(2) The Secretary may, by mutual agreement with such producer, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"REGULATIONS

"SEC. 536. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.

"COMMODITY CREDIT CORPORATION

"SEC. 537. The Secretary shall carry out the program authorized by this title through the Commodity Credit Corporation.

"ADMINISTRATIVE PROVISIONS

"SEC. 538. The provisions of sections 361, 362, 363, 364, 365, 366, 367, 368, 372(d), 373, 374, 375, and 376 of the Agricultural Adjustment Act of 1938, as amended by section 452 of the Food Security Act of 1985, shall apply to the programs in effect under this title for any of the 1986 through 1991 crops of wheat and feed grains.".

"LIMITATION ON IMPORTS

"SEC. 539. If imports of grain or processed grain threaten to render ineffective, or materially interfere with, the national marketing quota program, Congress expects the Secretary will take appropriate action available under section 22 of the Agriculture Adjustment Act of 1933 as is necessary in order

that such imports will not render ineffective or materially interfere with this program.".

Amend the table of contents in section 2 accordingly.

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

PERFECTING AMENDMENT OFFERED BY MR. VOLKMER TO THE ADMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I also have a perfecting amendment at the desk.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

If the amendment is the same as the one just offered by the Chairman, we would have no objection to it on this side and would ask unanimous consent that it be considered as read.

The CHAIRMAN. The gentleman from Missouri [Mr. VOLKMER] needs unanimous consent to offer an amendment to his own amendment.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent, then, to offer the perfecting amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The text of the perfecting amendment offered by Mr. VOLKMER, to the amendment offered by Mr. VOLKMER is as follows:

Perfecting amendment offered by Mr. VOLKMER to the amendment offered by Mr. VOLKMER: After section 532, insert a new section as follows:

"PROGRAM BASES

"SEC. 533. Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 515, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605."

The CHAIRMAN. The gentleman from Missouri (Mr. VOLKMER) is recognized for 5 minutes on his amendment to his amendment.

PARLIAMENTARY INQUIRY

Mr. EVANS of Illinois. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EVANS of Illinois. Mr. Chairman, are we moving on the gentleman's perfecting amendment at this time?

The CHAIRMAN. That is correct.

Mr. EVANS of Illinois. His other amendment is still open and subject to debate?

The CHAIRMAN. Yes, the gentleman is correct.

Mr. EVANS of Illinois. I thank the Chair.

Mr. VOLKMER. Mr. Chairman, and Members of the Committee, we are now on the mandatory program amendment. I would like to first reflect a little bit, as has been discussed earlier during the debate on the Stangeland-Roberts-Glickman, et cetera, amendment, the condition of agriculture throughout the Midwest especially, and especially in northern Missouri. If you go from the northern Missouri River, from St. Joseph to Hannibal, my home town, you will find many farmers out there who are in very serious difficulty. And I am sure that people from Iowa and Illinois and Nebraska and other parts of this country can say the same thing.

Three out of the last 5 years, though, in our area have been disasters. 1981 was a wet year, 1983 and 1984 were drought years. We had such things as 12-bushel-an-acre soybeans and 10-bushel-an-acre corn. Some fields were without any ears at all on their corn. As a result of that, many farmers who had borrowed in order to put their crops in did not have any money to pay it back, and they had to go back and borrow again for another year. So as a result of all of these circumstances, plus buying the machinery in the late 1970's, they find themselves with a debt-asset ratio of anywhere from 50 percent to 75 percent, many of them. They are not able at today's prices to be able to pay those debts, principal, and also have a living off of that farm. So it has been a devastation. In fact, the University of Missouri, the Agriculture School and Economics Department, in a meeting that I had with them a couple weeks ago, estimated that if we continue on down the line with the programs that we presently have—and that is basically what is in the permanent provisions in this bill—that one-third to one-half of the farmers of northern Missouri are gone at the end of 4 years.

It has been alluded to earlier that that is not just farmers who are going to be gone. That is also small businesses, implement dealers. And I know many of you could tell the same story, that 4 years ago there were small towns that had three or four implement dealers and today they have one, where before they maybe had two hardware stores, they have got one. Many of my small towns have windows in stores that are boarded up. Nobody is willing to go back in them. Agriculture has been the main economy for that area, and agriculture is the No. 1 industry for the State of Missouri. Agriculture is sick and hurting.

Now, there are only two alternatives for my farmers, as far as getting out of this. One is if interest rates would go down about 3 or 4 percent, they could finance their indebtedness on that basis; but that is not going to happen, and we all know that is not going to happen. And the other alternative is for their income to go up.

Well, under the provisions that are in the bill presently, outside of the Bedell amendment, but the permanent provisions, their income is not going to go up. In fact, their net income will decline each year for the next 4 years because the cost of production will go up while the income maintenance stays the same.

So they are looking for a devastation. We are looking for a loss of schools. The land values will continue to deteriorate. We have had a deterioration of anywhere from 30 to 40 percent already of land values in the last 3½ years. That will continue. That erodes the base of my counties, of my schools, my cities, to where they do not have any base any longer, and it has a detrimental effect on the total social and economic structure of rural Missouri, and I say rural United States also.

Now, projections are if we go along with the permanent parts of this bill we are going to continue to have large carryover stocks. Let us just take this year. Wheat, 1.6 billion bushel carryover. That is not going to help prices get up. Corn nearly 3 billion, almost where we were in 1982. With soybeans, we are going to have a record carryover, more than we have ever had.

You can look at the prices. In 1983 in my area our local price for corn was $3.45.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. VOLKMER] has expired.

(By unanimous consent, Mr. VOLKMER was allowed to proceed for 5 additional minutes.)

Mr. VOLKMER. In 1983, the corn price was $3.45; in 1984, $2.89; and today they run, depending on whether you are on the Mississippi barge or whether you are inland, $2.00 to $2.20 a bushel.

Wheat in 1983 was $3.41 on the average; in 1984 it was $3.36. We are now down to $2.40 to $2.71.

Soybeans in 1983 was $8.56. In 1984 it dropped down to $5.94. And now it is

down to less than $5, around $4.92 to $5, depending, again, on the market.

These are declining prices, and we are going to continue to see declining prices unless we do something about the type of legislation that we offer to the farmers.

We are going to continue to have what we have had this year over last year, declining exports.

Now, the administration has taken a position that we need to get down to market clearing prices. Well, you are not going to clear the markets, you are going to clear out the farmers if you go to that.

They say we have to get to market clearing prices in order to continue to increase our exports. Yet I would like to point out to you that this year over last year we have lower farm prices, yet our exports are not increasing, our exports are actually still declining.

So the administration's answer to the solution as we have seen from the last record vote on the Frank amendment has been rejected by the House and the Senate and about everybody. We cannot have lower cash prices without some kind of government support.

The budget does not permit us, however, to support the farmers to the extent that they should be supported. So there is only one other way, and that is to reduce production through what I call a mandatory program. Under the provision that I am offering to the House as we have it today, it goes to the vote of the farmers. Given the farmers a choice, whether they wish to reduce production, increase their income, or they wish to continue, basically, all-out production and have lower prices for their commodities. In other words, I say that the farmer should be entitled to make that choice. Let the farmer decide whether or not he wishes to have such a program.

We already have a provision in the bill that, basically, provides for a referendum, known as the Bedell amendment, which I support. However, I just feel it does not go far enough. Under the Bedell amendment, wheat price would be at $4.50. Under the mandatory program, with marketing certificates on a bushel basis, we can have the wheat next year at $5.03.

In the Bedell amendment, corn is at $3.25. Under a mandatory price program, we could have corn at $3.49.

By using a marketing certificate and without farmers being able to move their bases and basing the marketing certificate on bushels, we can hold our production in line and, as a result, we can have a program whereby our farmers can make it through at least a couple of years, we can stabilize land values, we can help our small business people in our local towns, we can increase or at least stabilize the tax base for these communities, and at less cost to the taxpayers than any other program that we have, at less cost than what is in the bill.

Now, I will admit that with the increased prices to the farmers, the price of a loaf of bread in the grocery store, a pound loaf of bread, will probably have to go up three-fourths of a cent or one cent to take care of that increased price to the farmer. A box of cereal will probably have to go up 2 or 3 cents to provide for income for the farmer. A pound of hamburger may have to go up 2 or 3 cents.

But, Mr. Chairman, I think we need to realize that the people in this country today live better for less than anyplace else in the world. We eat better for less than any place else in the world. Right now the amount that the American family spends of disposable income on food ranks about 13 percent of their disposable income.

□ 1635

The CHAIRMAN. The time of the gentleman from Missouri [Mr. VOLKMER] has expired.

(By unanimous consent, Mr. VOLKMER was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Basically, that is less than any other industrialized country or any other country in this world in which statistics are kept. In no other place can you eat so well for so little. It has been the American farmer that has been basically subsidizing the consumer because he has been getting lower prices. The consumer has not necessarily been benefiting from those lower prices that the farmers got.

All we are asking is that the farmer be able to get a little bit more for the productivity that he has given to the American consumer throughout these years. Under this program, which I want to reiterate, it would only be enacted if voted upon favorably by 60 percent of the farmers. I feel that we can get the American farmer back on his feet again, and that we can stabilize farm income and our farmland values to where we can be proud to say that we finally have done something in this Congress for the American farmer rather than doing something to him.

PARLIAMENTARY INQUIRY

Mr. ALEXANDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ALEXANDER. Mr. Chairman, will the Chair please state to the Committee the prevailing amendment together with the parliamentary situation. I was not able to hear.

The CHAIRMAN. The Chair will state that the gentleman from Missouri [Mr. VOLKMER] has an amendment pending to his own amendment. Once we dispose of that, then the gentleman from Oregon [Mr. ROBERT F. SMITH] will be recognized to further amend the Volkmer amendment.

Mr. ALEXANDER. I thank the Chair.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Missouri [Mr. VOLKMER] to the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The perfecting amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. ROBERT F. SMITH TO THE AMENDMENT OFFERED BY MR. VOLKMER, AS AMENDED

Mr. ROBERT F. SMITH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERT F. SMITH to the amendment offered by Mr. VOLKMER, as amended: the Volkmer amendment is amended by striking all after title VA and inserting in lieu thereof the following:

PRODUCER-APPROVED WHEAT, FEED GRAIN, COTTON, RICE, AND SOYBEAN PROGRAMS

REFERENDA FOR THE 1987 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, COTTON, RICE, AND SOYBEANS

SEC. 551. Effective only for the 1986 through 1990 crops, the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.) is amended by adding at the end thereof a new title V as follows:

"TITLE V—REFERENDA FOR THE 1987 THROUGH 1990 CROPS OF WHEAT, FEED GRAINS, COTTON, RICE, AND SOYBEANS

"WHEAT, FEED GRAIN, COTTON, RICE, AND SOYBEAN REFERENDA

"SEC. 501. (a) The Secretary shall conduct a referendum by secret ballot of wheat, feed grain, cotton, rice, and soybean producers February 1, 1986 to determine whether they favor or oppose the agricultural programs set forth in sections 107D, 105C, 103(i), 101(j), and 201(g) of this Act. This vote shall be applicable to the 1987, 1988, 1989, and 1990 crops of wheat, feed grains, upland cotton, rice, and soybeans.

"(b) Any producer on a farm with a wheat, feed grain, cotton, rice, or soybeans crop acreage base of fifteen or more acres for the then current crop, as determined under title VI, shall be eligible to vote in a referendum. For the purposes of this section, the term "producers" shall include any person who is entitled to share in a crop of the commodity, or the proceeds thereof, because the person shares in the risks of production of the crop as an owner, landlord, tenant, or sharecropper. A landlord whose return from the crop is fixed regardless of the amount of the crop produced shall not be considered a producer.

"(c) The Secretary shall proclaim the results of the referendum held hereunder within fifteen days after the date of such referendum. If the Secretary determines that 60 per centum or more of the producers of wheat, feed grain, cotton, rice, and soybeans (including 50 per centum or more of the producers of each of the following crops: wheat, feed grain, cotton, rice, and soybeans) vote against continuing the agricultural programs set forth in sections 107D, 105C, 103(i), 101(j) and 201(g) of this

Act, then such sections shall have no effect for the 1987 through 1990 crops of such commodities.

"(d) If voters in the referendum vote against continuing the agricultural programs set forth in section 2 107D, 105C, 103(i), 101(j) and 201(g) of this Act as set forth in subsection (c), the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grain, cotton, rice, and soybeans as provided for elsewhere in this Act.

"REGULATIONS

"SEC. 502. The Secretary may issue such regulations as the Secretary determines necessary to carry out this title.".

Mr. ROBERT F. SMITH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

POINT OF ORDER

Mr. VOLKMER. Mr. Chairman, I have a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. VOLKMER. Mr. Chairman, my point of order is that the amendment goes to other titles including the referendum pertaining to not only wheat and feed grains but also cotton, rice, and soybean programs where the title VA does not pertain to those programs or referendum on those programs.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ROBERT F. SMITH] for his response to the point of order.

Mr. ROBERT F. SMITH. Mr. Chairman, my amendment is considered in the referenda portion of the bill. The referenda portion refers several titles to the people of this country, and my referendum does follow the rest of the referenda.

If this one is to be out of order, I assume we cannot discuss any referenda under this title VA.

Mr. VOLKMER. Mr. Chairman, continuing under my point of order, in perhaps assistance to the gentleman from Oregon, it would appear to me that such an amendment would be in order at the end of the bill or at the end of all titles, pertaining to all the titles. But this title VA, basically only pertains to wheat and feed grains.

Mr. ROBERT F. SMITH. Mr. Chairman, I ask unanimous consent to strike everything in my amendment except wheat and feed grains.

The CHAIRMAN. The Chair will first dispose of the point of order, unless the point of order is withdrawn.

Mr. VOLKMER. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. Will the gentleman from Oregon [Mr. ROBERT F. SMITH] please restate his unanimous-consent request?

Mr. ROBERT F. SMITH. Mr. Chairman, I withdraw my unanimous-consent request.

PARLIAMENTARY INQUIRY

Mr. BEDELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BEDELL. Mr. Chairman, do I understand that the gentleman is going to change his amendment so it only applies to wheat?

The CHAIRMAN. The gentleman from Oregon [Mr. ROBERT F. SMITH] has withdrawn his request.

Mr. BEDELL. I thank the Chair.

Mr. ROBERT F. SMITH. I thank the Chair, and I thank my colleagues for their concern about this issue.

Mr. Chairman, there will be placed before us today several methods of allowing farmers in America to vote on various kinds of programs, and it seemed to me that at least one alternative should be the best interests of the Committee on Agriculture, recognizing that for the past 9 months and certainly for the past 4 months, the Committee on Agriculture has been working, in most cases, without dissension trying to find the best avenue to draft a farm bill under very difficult circumstances in this country. Certainly with limited, which the Members have heard, and with tragic circumstances in America regarding agriculture. The best efforts of the best minds of Democrats and Republicans, seriously and sincerely.

In practically every case, without partisanship, they have drafted a bill and are bringing it before you today. You have seen some efforts to amend it, and you will see some efforts to refer questions about agriculture which, by the way, I must say have been untested. The committee has not heard the impact or the implications of them, but yet, we do have a bill which is before us, which is still open to amendment, but in most cases already this Congress has followed the lead of the very able chairman and the ranking member and those people who have been working on this bill diligently.

As regard for that, it seemed to me that if we are going to really be in favor of allowing the farmer to make a choice in whether or not a farm bill ought to be defeated or not in the country, we ought to give the farmer the best efforts of our achievement. There is no question that the best efforts, the time-tested efforts, come from the committee. They come from a majority of the committee, and as I say, come without prejudice.

So, if indeed it is true that we ought to let the farmer make a decision, let us give him the best we have, or her. Let us give him the result of the hearings tested farm program, of the input from people all over this Nation, North, East, South, and West, that we have in the basic bill before us. Let us not mislead the farmer with an untested program in one direction or another.

So my amendment, very basically, is simply an effort to bring the best efforts of the Agriculture Committee to the people in this country. I ask you to support it if you believe in a referendum, and I do. If you believe that farmers ought to determine what should happen, and I do. My dates follow exactly the Bedell amendment dates; they follow exactly those people who are qualified to vote under Bedell, they are qualified to vote here in my amendment. I have carefully followed that simply because those folks have done a great deal of work in trying to find the best referendum that they could manufacture. I think they have.

Basically, my amendment follows the Bedell referendum; those qualified to vote. It provides, however, differently that we give the best efforts of the bill that passes the House of Representatives to the farmers and allows them to make a decision about their future.

□ 1645

It seems to me that this is the best reasonable approach for those who want a referendum and for those who feel that maybe we are not doing the right thing. We can come back and write a new bill, but let us find out how the farmers feel about the best effort of the Agriculture Committee, Democrats and Republicans representing North, West, East, and South.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to my friend, the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would like to go through some specifics of the gentleman's amendment to see if I fully understand his amendment.

In the first place, it applies, as he has stated, to wheat, feed grains, cotton, rice, and soybeans, all those commodities, to begin with. Second, it pertains to a referendum on the programs that are existing in the present bill; is that correct? In other words, you would be asking the farmers to vote on the wheat program as we have it in the bill, or on the corn or feed grain program and the cotton, soybean, and rice programs, as to whether or not they favor it?

Mr. ROBERT F. SMITH. Mr. Chairman, if I may answer the gentleman, I am asking those people to vote on what may result in being the final farm bill as it is produced by this House of Representatives.

Mr. VOLKMER. That is correct. You are going to ask them to vote on all these things, and then the alternative, in the event the farmers would

vote against it, would be to go back to the 1949 act and let the Secretary implement the provisions of the 1949 act or the 1949 law?

Mr. ROBERT F. SMITH. That is not correct.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. ROBERT F. SMITH] has expired.

(On request of Mr. VOLKMER, and by unanimous consent, Mr. ROBERT F. SMITH was allowed to proceed for 3 additional minutes.)

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman for obtaining extra time for me.

That is not correct.

Mr. VOLKMER. Then what would we have.

Mr. ROBERT F. SMITH. Let me answer the gentleman, please.

Mr. VOLKMER. All right.

Mr. ROBERT F. SMITH. The bill that passes the House of Representatives becomes the law. The question will be referred, as with the Bedell issue, in February of 1986, and it will be the law for 1986. If at that point it is voted down, then the Congress has 1986 until the next crop year to produce another farm bill. That is my amendment.

Mr. VOLKMER. I do not find that. It says in here: "If voters in the referendum vote against continuing the agricultural programs * * * as set forth * * * the Secretary shall provide such loans, purchases, payments, and other assistance to producers of wheat, feed grain, cotton, rice, and soybeans as provided for elsewhere in this act."

Now, as to the referendum, then, are you saying it is only for that year? I see it is 1987, only 1987. So the present law would apply to 1986 only?

Mr. ROBERT F. SMITH. That is correct, unless it were passed, as does the Bedell amendment, as the gentleman well knows. If it were approved by the farmers, then it would become the law, just as the Bedell amendment does. I followed the Bedell language very carefully. I merely referred to the question of the farm bill that passes the House, which is the best efforts of the House of Representatives.

It is not a new idea, not something that has come off the shelf without hearings. It is a bill that we have worked over, that we have had hearings on and have had the best input from the Members of the House of Representatives, as well as all commodity groups across the Nation. That is what we are referring to, the best effort of the House of Representatives.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message from the President.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore. (Mr. SHARP) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

FOOD SECURITY ACT OF 1985

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have heard a great deal of discussion about the desirability of giving the agriculture producers in the country the opportunity at referendum next year, the opportunity to vote on some sort of agriculture or farm bill proposal. We presume that the two Houses of this Congress and the President will be able at some point during the balance of this year to agree on some type of farm bill for the next 4 years.

If it is so desirable to allow farmers to vote on something at referendum, what is wrong with letting the farmers vote on the farm bill approved by this Congress and the President this year? If the object is just to have a referendum, since everyone is running around here saying, "Oh, let's let the farmers have a referendum," if that is the object, then why not have a referendum on the farm bill? And if a majority of the farmers agree with what the Congress and the President has done, then that is the farm bill for the next 4 years.

But if they disagree, then it would be the farm bill for only 1 year, and in 1987 the Congress and the President would have to take up the task of writing a new farm bill.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. Yes; I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, the gentleman asks, why should we not vote on the actions of the committee, on the work product of the committee, to determine the attitudes of the farmers, and if the farmers do not like the bill, then we will write another bill?

Well, the answer to why we cannot delay was dramatically demonstrated by the Governor of Iowa, Governor Branstad, today. This is a Republican Governor who declared a state of economic emergency in Iowa, and his action was based upon an emergency which he declared due to the economic depression in the farm community, the lack of progress toward congressional passage of a farm bill, and the insolvency of the farm credit system and the adverse actions against its borrowers for failure of Congress to act on the farm bill.

That is the answer to the gentleman's question.

Mr. MADIGAN. Mr. Chairman, I thank my good friend, the gentleman from Arkansas.

Mr. ALEXANDER. And I thank the gentleman for yielding.

Mr. MADIGAN. But I am not suggesting that we delay. I am suggesting that we move ahead, that we pass the farm bill, and that somehow we implore the President to sign that farm bill and then we let the farmers next February vote at referendum as to whether or not they like it. And if they like it, it is the law for 4 years. If they do not like it, it is the law only for 1986, and for 1987 we would do it over.

I am not suggesting any kind of delay, whatsoever. I am familiar with the circumstances that occurred in Iowa today to which the gentleman refers, and in response to the gentleman I could make the point that the proposal offered by our distinguished colleague, the gentleman from Missouri, will have, if it were to be approved at referendum by the farmers, the very potential to exacerbate that problem in Iowa because what that referendum would say is that so much of everybody's land is going to be retired. That is what it would say.

So some of the best farmland in America located in Iowa would mandatorily be required to be retired, and land that was put in production in the 1970's, pastureland that should never be in production, land that we would like to get out of production because it is very fragile and very erodible land, 70 to 80 percent of that land, whatever the percentage is, would be in production as a result of this referendum. So what you are doing is artificially deflating the value of that good farmland in Iowa, exacerbating the problem that the Governor confronts today, and artificially inflating land in other parts of the country that should never have been put into production to begin with. You are artificially transferring land values from one place to another by imposing upon the relationship between agriculture and the Government of the United States this mandatory condition that so much of everybody's land must be retired.

That simply has not been thought out by our good friend, the gentleman from Missouri. It has not been thought out by our very good friend, the gentleman from Iowa, who spon-

sored a somewhat similar proposal. Those things need to be considered, and if you consider the whole of those things, as I am sure the farmers surely will, the next year they are not going to vote for those things.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MADIGAN] has expired.

(By unanimous consent, Mr. MADIGAN was allowed to proceed for 30 additional seconds.)

Mr. MADIGAN. So, Mr. Chairman, to simplify this process and to respond to this call that we give them some referendum to vote on, let us allow them to vote on a referendum on what we do here. I do not see anything wrong with that. I think it is not confusing to them at all. It is not time-delaying or dilatory in any way. It is to the point, it gives them something to vote on, and it gets us on with our business.

Mr. Chairman, I yield back the balance of my time.

Mr. ALEXANDER. Mr. Chairman, I rise in opposition to the Smith substitute and in support of the Volkmer amendment.

Mr. Chairman, I would first like to thank my friend, the gentleman from Illinois [Mr. MADIGAN], for yielding to me to respond to his question that he posed to the committee a moment ago. But I see it somewhat differently.

I will admit with the gentleman that the situation can become confusing very fast, and that Members of Congress who are not familiar with farm bills can be confused by a debate which replaces reason with rhetoric. And I do not mean by that that the gentleman is insincere. I think that the gentleman is sincere in attempting to continue the current policy, and that is in effect what the gentleman's amendment would do. He would continue the current policy.

The Governor of Iowa declared a state of emergency today because the current farm policy has placed farmers in a state of chaos and a state of bankruptcy. The import of the Governor's declaration of emergency has the impact of allowing farmers who are threatened with foreclosure to go into the State courts and to seek a moratorium based upon Iowa law to prevent that foreclosure from taking their farms and taking their homes in satisfaction of the delinquent debts which they owe.

Iowa is not different from Arkansas or the district that I represent, nor is it different from any farm State in the Nation. Just today a group of Arkansas farmers came to my office, one of whom is a lifelong friend whom I have known for my entire life. His father farmed, he has farmed, and he has children. He said to me that "The current farm law has so darkened the future of farming that I regret that my children cannot carry on the family tradition that was handed down to me by my father, and I have recommended to them that they seek their futures elsewhere."

That is a tragedy that is repeated across this land in thousands and thousands of cases because the current farm policy is bankrupt. It has not worked.

Any why has it not worked? It has not worked because the present farm policy is based upon the presumption of export. Roughly 50 to 60 percent of our products that we produce on the farm are intended for foreign markets. We hear throughout the news today that we cannot sell our products overseas because of an overvalued dollar, which makes our products too expensive to foreigners. That is true of corn, it is true of wheat, and it is true of soybeans. It is true of Caterpillar building equipment. It is true of anything we produce for export.

As a result of this overvalued dollar, our warehouses are bulging at the seams, and it is costing the American taxpayer a million dollars a day to store those products, that surplus.

Now, what are the farmers asking through this amendment offered by the gentleman from Missouri? They are asking to replace the current bankrupt policy with a rule of reason. They know that they cannot sell their products because of current economic conditions and current economic policy, so they want the right to vote to reduce their production and, therefore, allow the law of supply and demand to raise the prices when the current surplus is sold and eliminated.

□ 1700

That is all the farmers are asking is the right to reduce their production, which reduces the cost to the Government, it reduces the deficit, it makes better the economic conditions in our country. It even has the potential of lowering interest rates because our farmers want to lower the deficit.

The gentleman's amendment would in effect continue this policy, continue this bankruptcy, continue the tragedy which I made reference to earlier in calling upon the story told to me by my friend, the gentleman from Arkansas.

Mr. FRANKLIN. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield briefly to the gentleman from Mississippi.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for 3 additional minutes.)

Mr. ALEXANDER. Mr. Chairman, I yield to the gentleman from Mississippi.

Mr. FRANKLIN. Mr. Chairman, I thank my friend from across the river for yielding on this point.

I would like to ask my colleague from Arkansas, who represents basically the same kind of farm country that I do, we are right across the river and represent the great Mississippi Delta, if the gentleman is aware of the testimony that came before the Agriculture Committee concerning the referendum of the gentleman from Missouri [Mr. VOLKMER], that if it were passed there would have to be mandatory set-asides of upwards of 50 percent in most of the crop commodities included if the referendum passes and the mandatory type controls go into effect.

I want to know if the gentleman is aware of that and if his Arkansas farmers are aware of that.

Mr. ALEXANDER. Mr. Chairman, I will reclaim my time. I am aware of the gentleman's source of information, the U.S. Department of Agriculture. That is in error, the same as their current policy is wrong.

The Volkmer amendment would allow up to 35 percent cutback if the farmers themselves voted that amendment in effect and it would allow a 20-percent set-aside for the small farmer who earns less than $200,000 annual gross income.

I do not give credibility to the Department of Agriculture's representations on this subject. I am sorry. If the gentleman would like to cite additional data, I would be pleased to recognize him; but the Department of Agriculture has no credibility on this particular subject, because the information that it has put out is just as wrong as the policy that it is imposing upon the American farmer.

The gentleman from Missouri is trying to change that policy and that is why I support his amendment and I oppose the amendment to it that is offered.

I would say in addition on this subject, Mr. Chairman, that to urban Members of Congress who are not familiar with all of the intricacies of a farm bill, that the proposal offered by the gentleman from Missouri [Mr. VOLKMER] would cost less to the American taxpayer. It would reduce the deficit. It would raise income to the American farmer and it would help every American citizen.

Now, some people come back and say, "Well, you're going to raise consumer prices."

The amount of wheat in a loaf of bread is just a small percentage of the cost. It might raise the cost of a loaf of bread 4 cents or 3 cents or 5 cents, but not very much.

We are asking for the law of supply and demand and the rule of reason to be applied to the plight of the American farmer. That is all we are asking in the amendment offered by the gentleman from Missouri.

Mr. Chairman, I vigorously support the gentleman's amendment and I urge my colleagues, especially those from the urban areas of this country, to give consideration to this proposal.

The CHAIRMAN. The time of the gentleman for Arkansas [Mr. ALEXANDER] has again expired.

(At the request of Mr. FRANKLIN, and by unanimous consent, Mr. ALEXANDER was allowed to proceed for an additional 3 minutes.)

Mr. FRANKLIN. Mr. Chairman, will the gentleman yield to me?

Mr. ALEXANDER. I yield to the gentleman from Mississippi.

Mr. FRANKLIN. Mr. Chairman, as the gentleman knows, the referendum proposed by the gentleman from Missouri that is before us now only covers wheat and feed grains.

Mr. ALEXANDER. That is correct.

Mr. FRANKLIN. The gentleman and I have a common interest in other crops and commodities that are grown so abundantly in our districts. They are cotton, rice, and soybeans.

Does the gentleman from Arkansas advocate that we apply the same kind of a referendum to those major crop commodities that the gentleman and I are so desperately interested in in our part of the country?

Mr. ALEXANDER. Indeed, I do; but the subject before us is wheat and feed grains.

Mr. FRANKLIN. Well, will the gentleman continue to yield?

Mr. ALEXANDER. I yield to the gentleman.

Mr. FRANKLIN. I would like to say that the consensus of the people I talked to who represent comparable farms to those the gentleman represents do not feel that they can possibly make it by having to set aside up to 50 percent of the acreage that they are now producing.

Mr. ALEXANDER. The gentleman continues to use Department of Agriculture data which I have refuted.

Mr. FRANKLIN. Well, please, will the gentleman yield further?

Mr. ALEXANDER. I yield to the gentleman.

Mr. FRANKLIN. Where in this world should we go for competent data other than to the Government or agency who is responsible for keeping the statistics and knowing the things and who has the capability of coming and telling us what from the ASCS office is dependable?

Mr. ALEXANDER. May I answer the gentleman's question?

Mr. FRANKLIN. Go right ahead.

Mr. ALEXANDER. That is one of the reasons that our farm situation is in such a dismal mess, because we have had to rely upon the Department of Agriculture.

Mr. FRANKLIN. Well, then, the gentleman will not concede that there will have to be substantial reductions of a mandatory nature if a referendum of this nature is passed.

Mr. ALEXANDER. I am sorry. I was talking to someone. Would the gentleman repeat that?

Mr. FRANKLIN. The gentleman would certainly concede that if this referendum was passed, there would have to be substantial amounts of reductions in acreage planted.

Mr. ALEXANDER. That is the idea.

Mr. FRANKLIN. As opposed to what currently we do in setting aside crops in the acreage allotments.

Mr. ALEXANDER. That is the idea, to reduce production so that the supply will be lower and the price will rise.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Chairman, is the gentleman saying that the data supplied by the local ASCS offices is inaccurate?

Mr. ALEXANDER. I am saying that the information that the gentleman from Mississippi has offered in arguing his position against the amendment of the gentleman from Missouri (Mr. VOLKMER) is inaccurate.

Mr. EMERSON. Mr. Chairman, if the gentleman will yield further, the gentleman from Arkansas said that he has refuted the data of the Department of Agriculture. I understood that the gentleman disagreed with the data of the Department of Agriculture, but I did not hear the gentleman refute it.

Mr. ALEXANDER. Well, I can refute it to give the gentleman's supporting data to refute it. I have it here from the various sources, including committees that we depend upon like the Budget Committee and so on, that refutes that data; but there again, we are arguing the amendment of the gentleman from Missouri, not the plight of the Department of Agriculture.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Volkmer amendment and against the Smith amendment.

Mr. Chairman, this is my first time to stand and speak concerning this agriculture legislation; however, I think most of the Members know my roots go deep in agriculture. Like some of you, I have spent many years on a small family farm. A drought caused us to lose everything we had on that family farm and due to brucellosis, we lost everything in our cattle business. I loved agriculture and the soil so much that I went off and majored in agriculture at Oklahoma State University, our land grant university.

I stand here today to plead with my colleagues to listen very closely to what is being offered, because I truly believe as I stand in this well today that if we want to save the family farmer in the United States of America, we need to vote for the Volkmer mandatory set-aside or the Bedell voluntary set-aside program. If we are going to improve the agriculture income in America, if we are going to be able to allow the family farmer to exist and survive, the farmer must be able to make a profit.

The policy that is being offered on set aside is not new, other agricultural commodities have a quota or limit on production.

It would be a new direction for wheat, corn, and feed grains, but it is not new in other commodities and it has worked in other commodities.

I plead with my colleagues who may be wondering what to do with this farm bill, to listen carefully, because if we move in this direction, we can assist the farmer to receive a profit on less acreage with the set-aside. The farmer will be able to survive.

Some people will say, well, we can give them more loans and more credit. The farmer does not need more loans and more credit. They have got to have a profit. In our rural areas of this country today, we have a desperate economic crisis on the family farm.

The small rural communities are facing a disaster, not just a family farmer, but the rural communities of this country. The rural businesses are facing bankruptcies, more bankruptcies of farm implement dealerships than at any time since the Great Depression. Businesses are going under. They are not going to be able to survive unless the farmer has a profit so he can pay his bills.

There have been more bank closures than at any other time since the Great Depression. There have been over 230 banks closed in the last 4 years. The American Bankers Association will tell you today that there are 1,138 problem banks in rural America and throughout this country. Most of them are agriculture related banks. The bank cannot survive unless the farmer makes a profit.

The farm credit system in this Nation is facing drastic losses. There are $220 billion out there in farm credit and $75 billion of that is with the farm credit system. The farm credit system will have to be bailed out. Why? Because the farmer for many years has not had a profit. They have got to have a profit. In the past they have been able to stay in business because the equity of their land has increased for 40 years. But what has happened in the last 4 years? Not since the Great Depression have we seen land prices go down 4 years in a row, when most farmers in rural America today have lost 50 percent of their equity.

They cannot refinance. They have got to have a profit. They cannot continue.

I plead with my colleagues to realize that only the Volkmer amendment or the Bedell amendment will allow them to move to a profitable picture. They have got to have a profit in rural America or you are tearing the fiber apart in America. That is not the way we want to go in this country.

As I mentioned, 4 years of deflation has caused the greatest number of farm foreclosures ever to take place since the Great Depression. The only way we can turn it around is with these amendments.

The over-valued dollar has increased 45 percent in the last 5 years which has put a tariff on any exports of agricultural commodities overseas. The farmer cannot compete with the other countries under those conditions.

I ask you two questions, two questions to the people of America and to my colleagues: One, how long can a nuclear submarine stay under water? A nuclear submarine can stay under water for eternity as long as the crew has food, only if they have food.

Then I ask one other question to the people in this body and across America. Is a farm agricultural industry important or necessary to the national security of our country? I submit to you the answer is "Yes." If you agree then the only way we can have the family farmer survive and the family unit to survive would be to pass the Volkmer amendment or the Bedell amendment.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the Smith amendment.

Mr. Chairman, I will be brief. It does seem to me that the effort to provide American farmers an opportunity to choose or vote on the plan that affects their lives as much as any that our Government applies to them is appropriate. I think it is appropriate to give them a voice and an opportunity to choose.

I think the amendment of the gentleman from Oregon [Mr. ROBERT F. SMITH] does that and is well worth consideration of this body.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman from Colorado for yielding.

Mr. Chairman, we have heard two impassioned pleas for a new method of determining what should happen in agriculture in America. I suggest that we agree with the results of all those impassioned pleas, that agriculture indeed is in deep trouble; yet those same pleas were offered to the members of the Agriculture Committee. I suggest that if they had been adopted, then they would be part of the agricultural bill, which they are not, and it would be part of the referendum that I am proposing to make to the people in agriculture and to the farmers of America.

Obviously, those offers, those amendments, were not adopted by the Committee on Agriculture.

While we are talking about the Volkmer amendment, let me point out from a study done by the University of Missouri and Iowa State University about the 1985 farm bill, that if you want to get to 80 percent parity, and that is close to the Volkmer amendment, you must address your set-aside to 43 percent of the utilization, which means, by the way, that is an increase from 35 percent in the Volkmer amendment to 43 percent.

Then I must point to another part of the bill that has not been mentioned. That is simply that the bill also allows, the Volkmer amendment also allows the Secretary of Agriculture to insert quotas in addition to the set-asides if there are surpluses building.

□ 1715

I suggest that since 1981 we have had a 30 percent set-aside with surpluses building all the while. The question is: At 35 percent are we going to have surpluses building? The answer is yes.

The next question: How far will the Secretary go under your authorization of Volkmer in quotas? He will go as far as he needs to to stop surpluses from building. That means, I think, that we may well be at 50 percent set-aside, and I suggest that no farmer in America, if he cannot live on his farm now, can live on half his farm, and that is what we are doing.

My amendment, I again reiterate, brings the best that we can find from the Committee on Agriculture to the people of America. It brings the best. We have had these offers of amendments. We have had these other thoughts. They have not been adopted.

We want the people of America to vote on a farm bill. We want it to be the best consensus of minds we can find, and that is what I am proposing and that is what I would like to return to the people in America.

Mr. DURBIN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

It was my honor several years ago to serve on the House Committee on Agriculture, and with many of the gentlemen who have spoken today on the problems facing American agriculture. Representing a district, as I do, in central and western Illinois with strong agricultural resources and major agricultural problems, I can certainly identify with this debate. I see it every weekend when I return to the district and I have felt it in the economy of the district and I have certainly felt it in terms of the people who come to visit my office in despair over the present state of agriculture in America.

It is with some reluctance that I rise today in opposition to the Volkmer amendment. I want to salute my colleague from Missouri across the river for his ingenuity in proposing a new idea in agriculture. Although this might have been hinted at in previous programs, this is a departure from American agricultural policy. What he has suggested in terms of a mandatory referendum strikes us out on a new path, but I believe in voting against the Volkmer amendment today and I hope my colleagues would agree that it is a path which we should not follow for the following reasons:

If we are going to undertake a program to try and maintain a price level for American farmers by restricting production, we will have to accept the consequences of that program. The consequences will not be limited to the farm itself. The consequences will be felt all across America, in rural and urban areas. This is not a solution for farmers that will be borne solely by farmers. It is a solution that all America will pay for.

An analysis which I believe is one that should be commended to all the Members was done by the University of Missouri and the University of Iowa. The gentleman from Oregon [Mr. ROBERT F. SMITH] referred to it a few minutes ago. It analyzed an 80-percent parity proposal, which is slightly higher than what the gentleman from Missouri is suggesting, but I believe that analysis is topical for our discussion today.

If we pursue a mandatory control program, as the gentleman from Missouri suggests, if we try to assume that we are going to hit a level of parity by supply control, here is what we accept: By the year 1990, America's agricultural exports will decline by one-third—one-third. We will be removing ourselves from the world market. We will become domestic producers and domestic consumers.

What we will do by raising the price level in the United States is to set a higher level for our competitors to reach, and what will it mean? It will mean that countries around the globe will decide that perhaps that marginal acreage can now be put in tillable production because the price level that the United States seeks to set is one that they can produce at and turn a profit and put more acreage under production. What it means is more competition for us abroad as we withdraw from the world market.

As we withdraw acreage from production to keep a high price level, we will also see unemployment increase in

the United States. There will be less production, fewer materials used by our farmers, rural communities—and the gentleman from Oklahoma mentioned earlier the impact of today's farm economy on rural communities, and I have seen it—but consider if we take 45 percent of our land out of production how much business they will have to do at the bank in the rural community, how much business there will be at the seed and fertilizer dealer, how many people will be making tractors. Even fewer than today, I am afraid.

As we restrict imports, which is a necessary element in this program, we will see the emergence of another factor, the emergence of a major Government agency. There have been disparaging remarks about the U.S. Department of Agriculture, and I can always draw an applause in my district by suggesting that as well. But if we pass a mandatory control program, we will be creating a police department in the U.S. Department of Agriculture to go about this country and make certain that every producer is not producing beyond his or her quota.

The farmers who value their independence will see those days long gone. Instead, they will see a police action to keep their acreage under control far more than what they see today.

Finally, there is a suggestion that consumer prices would increase 20 to 25 percent. I am not a person who suggests that the American consumers do not have the best deal in the world. They do. We have a variety and a price which other countries envy. But this kind of increase over a short period of time will necessarily bring about a backlash from the rest of America outside of rural America that will see this program quickly abandoned.

I rise in opposition to the Volkmer proposal. I believe that although it addresses this problem with a unique and innovative approach, it is not the approach which we should follow today.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DURBIN] has expired.

(On request of Mr. VOLKMER and by unanimous consent, Mr. DURBIN was allowed to proceed for 3 additional minutes.)

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I would like to inquire whether the gentleman realizes that under the bill as it is drafted and before you on the export programs, we have provisions for export subsidy-type programs that will take care of the export markets, and the studies that have been made on that indicate that the exports will not necessarily decline to the extent that the gentleman proposes. That study was made by the University of Missouri without any export subsidies being taken into consideration.

Mr. DURBIN. I might say to the gentleman that if we are going to embark on an export subsidy program to make up the difference between the world price and some effort to reach parity, we are also embarking on a very expensive program.

Mr. VOLKMER. It is shown that it is cheaper, and the CBO has done a study on it, than what we are doing in the bill and what undoubtedly the gentleman may support. Budgetwise, it is easier to subsidize one-third or 30 percent of corn production than it is 100 percent of it.

Mr. DURBIN. I might suggest to the gentleman that the impact of reducing the acreage under production 45 percent of the corn acreage, for example, in the United States would have a devastating negative impact.

Mr. VOLKMER. It is not 45 percent. It is 20 percent on corn.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank my colleague for yielding to me.

Mr. Chairman, I want to commend the gentleman on his remarks and insight into the problems that are created with this kind of an approach to supply management, this kind of an approach to exports, this kind of an approach to trying to give the producers a program that they can understand and live with.

The gentleman's reference to a police state should be well taken, because I have lived through the mandatory control programs. That was one of the reasons that they were voted down a number of years ago, because of the problems that occurred there.

I certainly commend the gentleman and wish to associate myself with his remarks.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I would be happy to yield to the gentleman from South Dakota.

Mr. DASCHLE. Mr. Chairman, I rise in support of the Volkmer amendment. I do so for a very simple, albeit important reason, that reason is "price."

The bottom line on success or failure for us as we draft farm policy during the next 4 years will be a simple question, "What did we do to improve price?"

Improving price and thereby income is what must be our ultimate, in fact, our only major priority.

More than any other amendment, more than even the bill itself, this amendment will allow us to accomplish this goal.

Yet it set prices at rates below even what they were during the midseventies. Prices, I would add, that were increasing at the very time our exports were increasing and at the same time that livestock prices were reaching all-time highs.

And we provide the opportunity at long last, to increase income at dramatically reduced cost to the Federal Government.

This amendment will not give farmers larger subsidies. It will not give them fancy, complicated and confusing new programs with which to control. It will not be the final solution to the grave difficulties we face in agriculture.

But it is a start. It is a major improvement to the bill. I does do what we need to do most. It gives us a price. It deserves the support of the House.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Oklahoma.

Mr. WATKINS. I thank the gentleman for yielding.

Mr. Chairman, I would like to say to the gentleman that this is not a new policy. We are using this policy basically in several other commodities with some deviation.

Mr. DURBIN. Peanuts, for example?

Mr. WATKINS. Peanuts and tobacco, and we have quotas for milk and various things like that. It is the only way we can get production in line and also allow a profit to be made on the farm.

I was taught in 4-H and FFA to grow two blades of grass in place of one, and four in place of one, if possible. We did just that when we had an acreage-type allotment, but when we finally applied poundage quota or a bushel quota or a tonnage quota on the programs it worked. That is the only way basically we could get everything in line.

We have done a good job producing but let me say this is not basically a new policy but this is a policy that I think definitely would move our farmers toward a profitable picture in agriculture and it is definitely needed, because the situation is very grave today, in rural America as the gentleman knows.

Mr. VOLKMER. Mr. Chairman, I move to strike the requisite number of words, and I would like to speak very briefly in opposition to the Smith amendment.

To be very brief, it appears to me, after reviewing the Smith amendment, that it really would do away completely with the mandatory program amendment; that it is meant basically as what some of us used to call in legislative parlance back in the State legislature as a killer amendment because

all it really does is replace it with a referendum on existing programs.

What the gentleman from Oregon could have proposed at any other place in the bill did not have to be done in opposition to the Volkmer amendment.

□ 1725

I think if you want a clearcut vote up or down on the Volkmer mandatory program, then we should defeat the amendment of the gentleman from Oregon.

I also feel very strongly that since it does impact on cotton and rice, et cetera, and many of the people from those areas do not wish to have a referendum on those programs, I feel very strongly that we should defeat the amendment of the gentleman from Oregon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. ROBERT F. SMITH] to the amendment offered by the gentleman from Missouri [Mr. VOLKMER], as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ROBERT F. SMITH. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quroum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 324]

Ackerman	Boggs	Clay
Akaka	Boland	Clinger
Alexander	Boner (TN)	Coats
Anderson	Bonior (MI)	Cobey
Andrews	Borski	Coble
Annunzio	Bosco	Coelho
Applegate	Boucher	Coleman (MO)
Archer	Boulter	Coleman (TX)
Armey	Boxer	Combest
Aspin	Breaux	Conte
Atkins	Brooks	Conyers
AuCoin	Broomfield	Cooper
Badham	Brown (CA)	Coughlin
Barnard	Brown (CO)	Courter
Barnes	Broyhill	Coyne
Bartlett	Bruce	Craig
Barton	Bryant	Crane
Bateman	Burton (CA)	Daniel
Bates	Burton (IN)	Dannemeyer
Bedell	Bustamante	Darden
Beilenson	Byron	Daschle
Bennett	Callahan	Daub
Bentley	Campbell	Davis
Bereuter	Carper	de la Garza
Berman	Carr	DeLay
Bevill	Chandler	Dellums
Biaggi	Chapman	DeWine
Bilirakis	Chappell	Dickinson
Bliley	Chappie	Dicks
Boehlert	Cheney	Dingell
DioGuardi	Kanjorski	Ortiz
Dixon	Kaptur	Owens
Donnelly	Kasich	Oxley
Dorgan (ND)	Kastenmeier	Packard
Dornan (CA)	Kemp	Panetta
Dowdy	Kennelly	Parris
Downey	Kildee	Pashayan
Dreier	Kindness	Pease
Duncan	Kleczka	Penny
Durbin	Kolbe	Pepper
Dwyer	Kolter	Perkins
Dymally	Kostmayer	Petri
Dyson	Kramer	Pickle
Early	LaFalce	Porter
Eckart (OH)	Lagomarsino	Price
Eckert (NY)	Lantos	Pursell
Edgar	Latta	Quillen
Edwards (CA)	Leach (IA)	Rahall
Edwards (OK)	Leath (TX)	Rangel
Emerson	Lehman (CA)	Ray
English	Lehman (FL)	Regula
Erdreich	Leland	Reid
Evans (IA)	Lent	Richardson
Evans (IL)	Levin (MI)	Ridge
Fascell	Levine (CA)	Rinaldo
Fawell	Lewis (CA)	Ritter
Fazio	Lewis (FL)	Roberts
Feighan	Lightfoot	Robinson
Fiedler	Lipinski	Rodino
Fields	Livingston	Roe
Fish	Lloyd	Roemer
Flippo	Loeffler	Rogers
Florio	Long	Rose
Foglietta	Lott	Rostenkowski
Foley	Lowery (CA)	Roth
Ford (MI)	Lowry (WA)	Roukema
Ford (TN)	Lujan	Rowland (GA)
Fowler	Luken	Roybal
Frank	Lundine	Rudd
Franklin	Lungren	Russo
Frenzel	Mack	Sabo
Fuqua	MacKay	Savage
Gallo	Madigan	Saxton
Garcia	Manton	Schaefer
Gaydos	Markey	Scheuer
Gejdenson	Marlenee	Schneider
Gekas	Martin (IL)	Schroeder
Gephardt	Martin (NY)	Schuette
Gibbons	Martinez	Schulze
Gilman	Matsui	Schumer
Gingrich	Mavroules	Seiberling
Glickman	Mazzoli	Sensenbrenner
Gonzalez	McCain	Shaw
Goodling	McCandless	Shelby
Gordon	McCloskey	Shumway
Gradison	McCollum	Shuster
Gray (IL)	McCurdy	Sikorski
Gregg	McDade	Siljander
Grotberg	McEwen	Sisisky
Guarini	McGrath	Skeen
Gunderson	McHugh	Skelton
Hall (OH)	McKernan	Slattery
Hall, Ralph	McKinney	Slaughter
Hamilton	McMillan	Smith (FL)
Hammerschmidt	Meyers	Smith (IA)
Hansen	Mica	Smith (NE)
Hartnett	Michel	Smith (NJ)
Hatcher	Mikulski	Smith, Denny (OR)
Hawkins	Miller (CA)	
Hayes	Miller (OH)	Smith, Robert (NH)
Hefner	Miller (WA)	
Heftel	Mineta	Smith, Robert (OR)
Hendon	Molinari	
Henry	Mollohan	Snowe
Hertel	Monson	Snyder
Hiler	Montgomery	Solarz
Hillis	Moody	Solomon
Holt	Moore	Spence
Hopkins	Moorhead	Spratt
Horton	Morrison (CT)	St Germain
Howard	Morrison (WA)	Staggers
Hoyer	Mrazek	Stallings
Hubbard	Murphy	Stangeland
Huckaby	Murtha	Stark
Hughes	Myers	Stenholm
Hunter	Natcher	Stokes
Hutto	Neal	Strang
Hyde	Nelson	Stratton
Ireland	Nichols	Studds
Jacobs	Nielson	Stump
Jeffords	Nowak	Sundquist
Jenkins	O'Brien	Sweeney
Johnson	Oakar	Swift
Jones (NC)	Oberstar	Swindall
Jones (OK)	Obey	Synar
Jones (TN)	Olin	Tallon
Tauke	Visclosky	Wirth
Tauzin	Volkmer	Wise
Taylor	Vucanovich	Wolf
Thomas (CA)	Walgren	Wolpe
Thomas (GA)	Walker	Wortley
Torres	Watkins	Wright
Torricelli	Weaver	Wyden
Towns	Weber	Wylie
Traficant	Weiss	Yates
Traxler	Wheat	Yatron
Udall	Whitley	Young (AK)
Valentine	Whittaker	Young (FL)
Vander Jagt	Whitten	Young (MO)
Vento	Wilson	Zschau

□ 1740

The CHAIRMAN. Four hundred seventeen Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Oregon [Mr. ROBERT F. SMITH] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 107, noes 319, not voting 8, as follows:

[Roll No. 325]

AYES—107

Ackerman	Hansen	Packard
Anderson	Hopkins	Parris
Applegate	Hubbard	Regula
Bartlett	Ireland	Roberts
Bentley	Jeffords	Rogers
Bereuter	Kasich	Roth
Bilirakis	Kemp	Rudd
Boehlert	Kindness	Schaefer
Boulter	Kramer	Schroeder
Broomfield	Lagomarsino	Sensenbrenner
Brown (CO)	Leach (IA)	Shaw
Burton (IN)	Lent	Shumway
Chandler	Lewis (CA)	Siljander
Chappie	Lewis (FL)	Skeen
Cheney	Lightfoot	Smith (NE)
Coble	Lott	Smith, Denny (OR)
Combest	Lujan	
Conte	Lundine	Smith, Robert (OR)
Craig	Madigan	
Daub	Marlenee	Snowe
Davis	Martin (IL)	Snyder
DeWine	Martin (NY)	Solarz
Dreier	Mazzoli	Solomon
Edwards (OK)	McCollum	Stangeland
Emerson	McDade	Strang
Fiedler	McEwen	Sweeney
Fish	McKernan	Tauke
Franklin	Meyers	Taylor
Frenzel	Michel	Vander Jagt
Gekas	Miller (OH)	Whitehurst
Gibbons	Monson	Whittaker
Gilman	Montgomery	Wolf
Gingrich	Moorhead	Wylie
Goodling	Morrison (WA)	Young (AK)
Grotberg	Myers	Young (FL)
Gunderson	Nielson	
Hammerschmidt	O'Brien	

NOES—319

Akaka	Bennett	Bryant
Alexander	Berman	Burton (CA)
Andrews	Bevill	Bustamante
Annunzio	Biaggi	Byron
Anthony	Bliley	Callahan
Archer	Boggs	Campbell
Armey	Boland	Carper
Aspin	Boner (TN)	Carr
Atkins	Bonior (MI)	Chapman
AuCoin	Borski	Chappell
Badham	Bosco	Clay
Barnard	Boucher	Clinger
Barnes	Boxer	Coats
Barton	Breaux	Cobey
Bateman	Brooks	Coelho
Bates	Brown (CA)	Coleman (MO)
Bedell	Broyhill	Coleman (TX)
Beilenson	Bruce	Collins

Conyers	Hyde	Reid
Cooper	Jacobs	Richardson
Coughlin	Jenkins	Ridge
Courter	Johnson	Rinaldo
Coyne	Jones (NC)	Ritter
Crane	Jones (OK)	Robinson
Crockett	Jones (TN)	Rodino
Daniel	Kanjorski	Roe
Dannemeyer	Kaptur	Roemer
Darden	Kastenmeier	Rose
Daschle	Kennelly	Rostenkowski
de la Garza	Kildee	Roukema
DeLay	Kleczka	Rowland (GA)
Dellums	Kolbe	Roybal
Derrick	Kolter	Russo
Dickinson	Kostmayer	Sabo
Dicks	LaFalce	Savage
Dingell	Lantos	Saxton
DioGuardi	Latta	Scheuer
Dixon	Leath (TX)	Schneider
Donnelly	Lehman (CA)	Schuette
Dorgan (ND)	Lehman (FL)	Schulze
Dornan (CA)	Leland	Schumer
Dowdy	Levin (MI)	Seiberling
Downey	Levine (CA)	Shelby
Duncan	Lipinski	Shuster
Durbin	Livingston	Sikorski
Dwyer	Lloyd	Sisisky
Dymally	Loeffler	Skelton
Dyson	Long	Slattery
Early	Lowery (CA)	Slaughter
Eckart (OH)	Lowry (WA)	Smith (FL)
Eckert (NY)	Luken	Smith (IA)
Edgar	Lungren	Smith (NJ)
Edwards (CA)	Mack	Smith, Robert (NH)
English	MacKay	Spence
Erdreich	Manton	Spratt
Evans (IA)	Markey	St Germain
Evans (IL)	Martinez	Staggers
Fascell	Matsui	Stallings
Fawell	Mavroules	Stark
Fazio	McCain	Stenholm
Feighan	McCloskey	Stokes
Fields	McCurdy	Stratton
Flippo	McGrath	Studds
Florio	McHugh	Stump
Foglietta	McKinney	Sundquist
Foley	McMillan	Swift
Ford (MI)	Mica	Swindall
Ford (TN)	Mikulski	Synar
Fowler	Miller (CA)	Tallon
Frank	Miller (WA)	Tauzin
Frost	Mineta	Thomas (CA)
Fuqua	Mitchell	Thomas (GA)
Gallo	Molinari	Torres
Garcia	Mollohan	Torricelli
Gaydos	Moody	Towns
Gejdenson	Moore	Traficant
Gephardt	Morrison (CT)	Traxler
Glickman	Mrazek	Udall
Gonzalez	Murphy	Valentine
Gordon	Murtha	Vento
Gradison	Natcher	Visclosky
Gray (IL)	Neal	Volkmer
Gray (PA)	Nelson	Vucanovich
Gregg	Nichols	Walgren
Guarini	Nowak	Walker
Hall (OH)	Oakar	Watkins
Hall, Ralph	Oberstar	Waxman
Hamilton	Obey	Weaver
Hartnett	Olin	Weber
Hatcher	Ortiz	Weiss
Hawkins	Owens	Wheat
Hayes	Oxley	Whitley
Hefner	Panetta	Whitten
Heftel	Pashayan	Williams
Hendon	Pease	Wilson
Henry	Penny	Wirth
Hertel	Pepper	Wise
Hiler	Perkins	Wolpe
Hillis	Petri	Wortley
Holt	Pickle	Wright
Horton	Porter	Wyden
Howard	Price	Yates
Hoyer	Pursell	Yatron
Huckaby	Quillen	Young (MO)
Hughes	Rahall	Zschau
Hunter	Rangel	
Hutto	Ray	

NOT VOTING—8

Addabbo	Green	Rowland (CT)
Bonker	McCandless	Sharp
Carney	Moakley	

□ 1750

Mr. WYDEN, Mr. MACK, and Mr. SMITH of New Hampshire changed their votes from "aye" to "no."

So the amendment to the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. EVANS OF ILLINOIS TO THE AMENDMENT OFFERED BY MR. VOLKMER, AS AMENDED

Mr. EVANS of Illinois. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Illinois to the amendment offered by Mr. VOLKMER, as amended: Strike out section 514 and insert in lieu thereof the following new section:

"FARM PRODUCTION ACREAGES

"SEC. 514. (a) The national production acreage for a commodity shall be apportioned by the Secretary among farms, through local committees, in accordance with this section.

"(b)(1) To be eligible to receive a farm production acreage for a commodity for any crop year, a producer must complete and submit to the Secretary an application which contains—

"(A) the eligible crop acres of the producer, as determined under paragraph (2); and

"(B) the average annual gross farm program income by producers of such commodity during the five preceding crop years (excluding the highest and lowest years), as determined under paragraph (3).

"(2)(A) Except as provided in subparagraphs (B) and (C), the eligible crop acres of a producer shall equal the number of acres a producer requests to cultivate for the poduction of commodities during a crop year.

"(B) The total number of eligible crop acres of a producer during a crop year may not exceed the product obtained by multiplying—

"(i) the normal crop acres of the producer; by

"(ii) 80 per centum.

"(C) For purposes of subparagaph (B)(i), if a producer places acreage in the conservation reserve program established under section 16B of the Soil Conservation and Domestic Allotment Act, such acreage shall be added to the normal crop acres of the producer.

"(c) The total farm production acreage of a producer for all commodities produced during a crop year under this section shall consist of the base farm production acreage for each commodity determined under subsection (d).

"(d)(1) The base farm production acreage of a producer for a commodity for a crop year shall equal the number of acres obtained by multiplying—

"(A) eligible crop acres of the producer; by

"(B) production acreage apportionment factor of the producer.

"(2) As used in this section, the term 'production acreage apportionment factor' means a percentage obtained by dividing $200,000 by the average annual gross farm program income by producers of such commodity during the five preceding crop years (excluding the highest and lowest years), except that such percentage may not exceed 100 per centum.

"(e) Notwithstanding subsection (d), the farm production acreage of a producer—

"(1) in the case of each crop of wheat shall be no less than 60 per centum of the farm's crop acreage base for wheat; and

"(2) in the case of each crop of feed grains, shall be no less than 70 per centum of the farm's crop acreage base for food grains.

"(f)(1) Except as provided in paragraph (2), a producer may plant one or more commodities (in the producer's discretion) on acreage permitted to be cultivated under a farm production acreage issued under this section for a crop year.

"(2) Notwithstanding section 605, for any crop of wheat or feed grains for which a national marketing certificate program is approved under section 515, no producer of such crop may adjust the producer's crop acreage base for the crop as provided for in section 605, and the producer's base for such crop shall be as determined under title VI without regard to section 605.

"(3) In order to permit the Secretary to issue marketing certificates under section 531, a producer shall inform the Secretary of the number of acres the producer will use for the production of each commodity during each crop year.

"(g) If the normal crop acres of a producer becomes available for any reason, such normal crop acres shall revert to the Secretary and be reapportioned by the Secretary to the next operator of the farm.

"(h) Subject to the provisions of section 535(b) of this title, whenever a wheat or feed grain production acreage for a crop is established for a farm, other than for a crop which the producers on the farm use for on-farm feeding purposes and which the producers on the farm certify in writing will be used exclusively for on-farm feeding purposes during the period for which a national production acreage is in effect, under this section, the producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of the farm's production acreage for the commodity; and with respect to farms with a crop acreage base for the commodity and crop involved of less than fifteen acres, producers on the farm may not plant an acreage on the farm to the commodity for harvest for the crop in excess of fifteen acres.

In section 535 of the matter proposed to be inserted, insert the following new subsection:

"(f) If any land is required to be set aside, diverted, or otherwise not cultivated under the provisions of a program under this title, the producer shall satisfy such requirement to the extent possible with highly erodible cropland (as defined in section 1201 of the Food Security Act of 1985). Any such highly erodible land so set aside, diverted, or not cultivated, during a period of four succeeding crop years shall be excluded from any crop acreage base for any program crop (as computed under section 604 of the Agricultural Act of 1949).

Mr. EVANS of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Illinois. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I would like to say to the gentleman we have had the opportunity to review his amendment. I think it is a good amendment, and have no objection on this side.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Illinois. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I am more than willing to accept the amendment offered by the gentleman from Illinois.

Mr. EVANS of Illinois. Mr. Chairman, today I am offering an amendment to the Volkmer amendment which would do two things:

Refine the Volkmer amendment so that it will better target its program to mid-size, family farmers;

And ensure that the acreage set aside under the program offered by Mr. Volkmer includes the most highly erodible land.

My friend from the State of Missiouri supports this amendment which seeks to improve an already solid proposal.

Currently, small and mid-size farms receive significantly less than large farms in both direct benefits under the Federal Farm Program, and indirect benefits in the form of higher prices. Large producers should benefit from higher commodity prices as do other farmers. However, we have to question the wisdom and equity of allowing 22 percent of our direct program benefits to go to large producers who make up only 4.5 percent of all farmers.

My amendment in no way undermines the large producer. What it does do is make sure that under the producer-approved wheat and feedgrain program, large producers assume a fair share of the responsibility of cutting our Nation's soaring commodity surplus.

Under my amendment, every wheat and feedgrain producer would be required to set aside 20 percent of their crop base. Those farmers who exceed a specific level of gross farm program income would be required to set aside a progressively larger share of their crop base. The set-aside for wheat producers would be capped at 40 percent of their base acreage, while the set-aside for corn and producers of other feedgrains would be capped at 30 percent of the producer's crop base.

This is fair for two reasons:

First, those producers who must set aside additional acreage are also the producers who are reaping the greatest benefits from the Federal Farm Program. To be specific, they would be the farmers who receive over $200,000 in gross farm program income. It is entirely reasonable that these individuals do their part to reduce the huge surplus of wheat and feedgrains that our Government and taxpayers must contend with.

In pure numbers, this amendment would affect only a small percentage of our Nation's farmers. Nevertheless, it is these farms which should make additional cutbacks if needed, not our hard-pressed small and mid-size farms.

Second, and most importantly, this targeting provision would boost the farm income of all producers. After all, right now, about 50 percent of all farm income goes to this 4.5 percent of farmers. Our family farms and our large producers, even those very small few who might have to set-aside 40 percent of their crop base, would see greater farm income than under the current farm program.

Targeting benefits also makes sense in light of our farm crisis. The large majority of farm debt is held by the mid-size farmers. By targeting benefits, we can help ease the credit crisis, and not waste needed benefits on those large producers that can already make it just fine.

The second part of my amendment would require that set-aside lands under the Volkmer proposal include all highly-erodible lands. This provision is supported by many environmental organizations including the Sierra Club and the American Farmland Trust. It is in the best interests of our Nation in terms of reduced soil erosion and water pollution that such lands are set aside. Yet, in some cases, this highly erodible land is also very productive, thereby reducing a farmer's incentive to set it aside. This provision protects the long-term productive interests of our Nation's farmers, and the ability of our country to supply adequate food for our citizens for generations to come.

As you know, both Houses of Congress have agreed to provisions in their farm legislation which would establish a long-term conservation reserve. My amendment, by setting aside highly erodible acres under the Volkmer proposal, provides a strong incentive for our farmers to participate in the conservation reserve.

I urge my colleagues to support my amendment to strengthen the efforts by the gentleman from Missouri to turn around our country's farm economy.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. EVANS] to the amendment offered by the gentleman from Missouri [Mr. VOLKMER] as amended.

The amendment to the amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER], as amended.

The amendment as amended, was rejected.

The CHAIRMAN. Are there further amendments to title VA?

AMENDMENT OFFERED BY MR. BEDELL

Mr. BEDELL. Mr. Chairman, I offer an amendment that takes care of some concerns that the Committee on Ways and Means had.

The Clerk read as follows:

Amendment offered by Mr. BEDELL: On page 115, line 5, redesignate paragraph (1) as subparagraph (1)(A). On page 115, after line 13, insert a new subparagraph (B) as follows:

"(B) The Secretary may make available to importers marketing certificates for wheat or wheat products imported during the marketing year for any of the 1986 through 1990 crops of wheat for which a national marketing certificate program is in effect. The quantities of such imported wheat or wheat products shall not exceed the amount that may be imported under restrictions resulting from the imposition of measures under section 22 of the Agricultural Adjustment Act of 1933, reenacted by the Agricultural Marketing Agreement Act of 1937."

On page 115, line 14, redesignate paragraph (2) as subparagraph (2)(A). On page 115, after line 23, insert a new subparagraph (B) as follows:

"(B) A marketing certificate applicable to a quantity of wheat or wheat products issued to an importer shall authorize such importer to market, barter, or donate, without restriction, an amount of wheat or wheat products equal to the amount of such marketing certificate. Wheat or wheat products may not be marketed, bartered, or donated domestically by an importer without a marketing certificate."

On Page 116, strike line 21 and all that follows thereafter through line 24, and insert in lieu thereof the following:

"(5) Marketing certificates made available to a producer or an importer of wheat or wheat products shall not be transferable, except to the extent that such certificates accompany wheat or wheat products that are marketed, bartered, or donated under paragraph (2), and any such transfer that does not accompany wheat or wheat products shall render such certificates null and void."

On Page 120, line 4, redesignate paragraph (1) as subparagraph (1)(A). On Page 120, after line 13, insert a new subparagraph (B) as follows:

"(B) The Secretary may make available to importers marketing certificates for feed grains or feed grain products imported during the marketing year for any of the 1986 through 1990 crops of feed grains for which a national marketing certificate program is in effect. The quantities of such imported feed grains or feed grain products shall not exceed the amount that may be imported under restrictions resulting from the imposition of measures under section 22 of the Agricultural Adjustment Act of 1933, reenacted by the Agricultural Marketing Agreement Act of 1937."

On Page 120, line 14, redesignate paragraph (2) as subparagraph (2)(A). On page 120, after line 23, insert a new subparagraph (B) as follows:

"(B) A marketing certificate applicable to a quantity of feed grains or feed grain products issued to an importer shall authorize such importer to market, barter, or donate, without restriction, an amount of feed grains or feed grain products equal to the amount of such marketing certificate. Feed grains or feed grain products may not be marketed, bartered, or donated domestically by an importer without a marketing certificate."

On Page 121, strike line 21 and all that follows thereafter through line 24, and insert in lieu thereof the following:

"(5) Marketing certificates made available to a producer or an importer of feed grains or feed grain products shall not be transferable, except to the extent that such certificates accompany feed grains or feed grain

products that are marketed, bartered, or donated under paragraph (2), and any such transfer that does not accompany feed grains or feed grain products shall render such certificates null and void."

Mr. BEDELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BEDELL. Mr. Chairman, I yield to the chairman of the committee.

Mr. DE LA GARZA. I thank my colleague for yielding.

Mr. Chairman, this takes care of a jurisdictional conflict between our committee and the Committee on Ways and Means. After diligent effort between the staffs and the respective chairmen, the end result is this amendment which would satisfy the Committee on Ways and Means and would do no harm to our committee version, and I would urge the Members to accept it.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I understand this is a compromise that has been worked out with the Committee on Ways and Means that removes the objections, some if not all of the objections, that they had to the referendum proposal of the gentleman from Iowa in the bill.

Mr. BEDELL. That is correct.

Mr. MADIGAN. I am opposed to the referendum and intend to move to strike it, but I have no objection to this amemdment being adopted to it.

I thank the gentleman for yielding.

Mr. RUSSO. Mr. Chairman, will the gentleman from Iowa yield?

Mr. BEDELL. I yield to the gentleman from Illinois.

Mr. RUSSO. I thank the gentleman from Iowa.

Mr. Chairman, did the gentleman [Mr. BEDELL] discuss this amendment with the chairman of the Committee on Ways and Means?

Mr. BEDELL. I have discussed it with the staff, and they have discussed it.

Mr. RUSSO. And there was no objection?

Mr. BEDELL. This is what they want to see.

Mr. RUSSO. I thank the gentleman for yielding.

Mr. BEDELL. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. BEDELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MADIGAN

Mr. MADIGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MADIGAN, title VA, strike out line 1, page 110 and all that follows thereafter through line 14, page 124.

Mr. MADIGAN. Mr. Chairman, this is the most controversial part of the farm bill that is before the Committee of the Whole this afternoon, because I just offered a motion to strike a provision that was adopted in the committee by a 22-to-18 vote with members of both parties voting on both sides of the issue.

The issue is whether or not the bill will contain a provision for a farmer referendum on the corn and wheat crops that would allow all corn farmers and all wheat farmers to vote in a referendum regardless of the size of their operation, regardless of whether or not they are working farmers or hobby farmers, and each would have the same vote.

□ 1805

In community property States, Mr. Chairman, the wife of the farmer would have a vote, as well, but in noncommunity property States, the wife of the farmer would not have a vote. In other words, a computer salesman with 40 acres of corn would have the same vote as the working farmer with 600 acres of corn, and the computer salesman, if he lived in a community property State, would have a wife that could vote in this referendum, but the full-time working farmer in another State not a community property State would have a wife that would not be able to vote in a referendum.

This is portrayed as being an imposition of a voluntary program as a result of this referendum, but in fact if the referendum were adopted, a farmer who chose not to participate in the program would not be able to sell the commodity that he produced in the United States of America. Thus, the voluntary nature, it seems to me, Mr. Chairman, is clearly a misnomer.

In addition, Mr. Chairman, a livestock producer, a pork producer, a poultry producer or a dairy farmer who is required to buy a substantial amount of their feed under the provisions of this referendum would be at a competitive disadvantage not only with those who can grow their own but also those who might be in the same position immediately across the border in Canada or Mexico who would be able under the terms of this referendum to buy United States grain in Mexico cheaper than a livestock grower or pork producer or a dairy farmer could buy U.S. grain in the United States.

Under the provisions of this referendum, exports would be subsidized, which would mean that U.S. grain would sell cheaper in Moscow than it would sell in Kansas City or in Chicago.

This referendum also would establish that in the growing year of 1986 there would be a 30-percent set-aside of all the wheat acres in the United States and a 20-percent set-aside of all the corn acres in the United States. But in the crop years 1987 through 1990, if the carryover crop exceeded certain levels, under the provisions of the referendum, if the carryover crop for corn exceeds 1.100 billion bushels, and for wheat exceed 800 million, then the Secretary of Agriculture in the subsequent crop years 1987 through 1990 can determine on his own what the set-aside requirement will be.

The U.S. Department of Agriculture tells us that if this referendum were adopted, in crop year 1987 the set-aside required for wheat would be 50 percent of the wheat growers' acres and 40 percent of the corn growers' acres.

The referendum has the effect of taking out of production some of the most fertile land in the United States in a very mandatory way and keeping in production some of the most fragile and highly erodible land in the United States, completely frustrating any attempt to get that highly erodible and fragile land out of production. It institutionalizes that situation and has as an effect an absolute transfer of land values from fertile land to less fertile land.

Let me very quickly recap what I have said. Who would vote in this referendum? A hobby farmer would have the same vote as a working farmer. A hobby farmer's wife in a community property State would also have a vote. A working farmer's wife in a noncommunity property State would not have a vote.

It is advertised as a voluntary program, but nonparticipants would not be able to sell their crops in the United States.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MADIGAN] has expired.

(By unanimous consent, Mr. MADIGAN was allowed to proceed for 1 additional minute.)

Mr. MADIGAN. There will be subsidies paid to effect the export of grain to pork producers, livestock feeders, poultry feeders, other dairy people outside the United States, but no subsidies for the same kinds of people inside the United States.

As I said earlier, because of the export subsidies and the absence of any domestic subsidy, U.S. grain will sell cheaper in the Soviet Union than it will sell in the grain markets of the United States.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Oregon.

Mr. WEAVER. Will the gentleman agree to an amendment striking the export subsidy?

Mr. MADIGAN. I would agree to any amendment that the proponents of this bill want to make, but I would say to the gentleman——

Mr. WEAVER. No, no, no. Will the gentleman agree to striking the export subsidy?

Mr. MADIGAN. If the gentleman wants to offer an amendment to do that, I will not object to it, but I will point out at that point how it makes the program as unworkable to not have it as it does to have it. You do not gain anything. It becomes just as bad one way as the other.

Mr. BEDELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the hour is late. I know Members want to get away. I do not believe there is need to spend a lot of time debating this issue. I think people are well informed on the issue. I would point out that in this proposal it is exactly the same language as it is in the rest of the bill as far as the set-asides are concerned.

I would further point out that CBO estimates—and we said we have to go by CBO—are 20 percent set-aside.

As far as I am concerned, Mr. Chairman, we should proceed with a vote.

Mr. DASCHLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as does the gentleman from Iowa, I do not think we want to prolong the debate on this issue, but I think it is extremely important that the Members realize the importance of this amendment and what the author is trying to do.

It virtually guts what we have tried to do in the committee over the last 8 months. This will virtually assure that without the proper opportunity for farmers to vote, without the proper opportunity for farmers to obtain a good income, without the proper income for farmers themselves to ensure that they can be marketable in the export market, we severely dismantle a very important part of the bill.

So I would urge those who have been with the committee all along, I would urge those who really want to provide both marketability as well as good income and to do it at a time when we can come with below-the-budget level, that we do it now, and that we defeat the amendment offered by the gentleman from Illinois and that we ensure that we keep the bill intact and provide our goals, as we have so adroitly under the chairman's leadership.

I yield to the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. I, too, do not want to take a great deal of the Committee's time. I would like to say, very briefly, though, that I rise in opposition to the amendment. I would simply like to say that we have two different philosophical approaches that are contained within the bill. Under the bill, we allow the farmers to make the decisions as to which direction they want to go. There is no time since the Great Depression that this has been so important to the American farmer as to what we are going to be doing within a farm bill. Let him decide the issue. Let him decide which way he wants to go philosophically. It is his fate that is going to be determined by that. With that, I would urge defeat of the amendment.

Mr. DASCHLE. Mr. Chairman, if we want to be competitive on the export market, then clearly the Bedell provision will allow us to do that. If we want to provide better income to our farmers, then clearly the Bedell provision will allows us to do that. If we want to provide an opportunity to come in below the budget, then clearly the Bedell provision will allow us to do that.

I yield to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. How in the world by giving American livestock feeders dramatically higher cost of grains can you improve competitiveness? You destroy the competitiveness of American agriculture with this.

Mr. DASCHLE. I disagree with the gentleman from Colorado. I would say that the prices that we are offering in this amendment, in this part of the bill, I should say—it is not an amendment—are lower than what they were in the mid-1970's when export markets were increasing, when livestock prices were going up.

So clearly we are not even going back to where we were 10 years ago.

Mr. BROWN of Colorado. If the gentleman will yield, the point is that cattle feeders in Mexico and Canada will enjoy dramatically lower feeding costs than they will in the United States, and our 4.2 billion export market of red meat and meat byproducts will be decimated by this bill.

If you are for the provision, I understand it. But please do not hang your hat on exports because this does away with an entire export industry.

Mr. DASCHLE. I disagree very strongly. It does not at all. In fact, I think it provides us the opportunity to be more competitive in the export market. I think it provides us an opportunity not only to ensure that our grain producers are going to do well but also to ensure that our livestock producers can come and enjoy the wealth, as we hope our grain feed producers will under this provision. So there is no question that if we want to keep viability in agriculture as a comprehensive goal, not only in livestock, not only in dairy, not only in cotton and rice, but also in wheat and feed grains, then this provision is extremely important. I just hope that the House will see fit to defeat the Madigan amendment.

I yield to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. I thank the gentleman for yielding.

Mr. Chairman, I, too, rise to defend the Bedell provision to this farm bill because it is a provision which gives the farmers a chance to vote for better income. We are not going to get ourselves out of this farm crisis by giving farmers lower prices. This referendum plan gives the farmers a chance to vote for themselves to improve a price for their farm commodities.

Mr. DASCHLE. I thank the gentleman for his comments.

Mr. EMERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Madigan amendment.

Mr. Chairman, I yield to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, just very briefly I would like to respond to the gentleman from Iowa, who talked again about the estimates of the Congressional Budget Office, and say to the Members of the Committee of the Whole that I am reading from a letter addressed to me from the Congressional Budget Office under date of October 1, 1985, and that letter says:

> The market assumptions underlying the most recent baselines suggest that the acreage reductions of 40 percent in wheat and 25 percent in feed grains would be required.

Now, that is absolutely contrary to what the gentleman from Iowa just quoted the CBO as saying.

This is from a letter addressed to me from the CBO under date of October 1.

Mr. EMERSON. I thank the gentleman for his comments.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from Illinois [Mr. MADIGAN] and say also that I fail to see how we can single out wheat and feed grains for a referendum when we just voted against a referendum to put the whole farm bill before the farmers to see whether our collective work product is acceptable or not.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the Madigan amendment.

I wish there were a magic wand that we could wave and solve the income problems of agriculture that are so very real today. Unfortunately, there is no such wand. The Bedell provision theoretically would increase wheat farmers' income by $277 million in 1986, corn farmers' income by $1.5 billion, if you assume the same produc-

tion and no disruption of export or import markets.

While I strongly embrace and share in the goal of drafting farm legislation for a 1985 farm bill that will improve net farm income and return profitability to U.S. agriculture, I sincerely question the ability and probable direction generated by such a voluntary certificate approach. Do not misunderstand me. I can see that because demand is relatively inelastic, farm income would certainly increase for the first year, as I can see. Nobody argues that point. But before long the chickens will come home to roost.

□ 1820

Land and rental values would increase as bases would become capitalized. Witness tobacco and peanuts. The unemployment would spread throughout the rural economy because of a drastic production cutback. Foreign production would increase because of our higher domestic price levels. Furthermore, if we were to attempt to keep this mandatory program operating efficiently, I seriously doubt whether we could raise new import barriers quick enough to fight off the sudden influx of imported grain and products even with the Ways and Means acquiescence to the previous amendment.

I have serious questions regarding the workability and administration of such a program. The ASCS would be implaced in a position to be investigator, judge, and jury in order to police and monitor this program compliance. Witness that what we are about to do if we allow this to happen, an individual corn farmer or wheat farmer in the United States will be unable to continue to produce for the domestic market unless he has a base, as evidence by the language of the gentleman's bill in 1985. Because we have struck that part of the basis and yield provision that we worked so hard on in the committee for so long.

Also witness that in the gentleman's amendment, if you happen to be a farmer-feeder, by that, if you happen to be growing your own grain and feeding it to your own cattle, you can produce fence row to fence row; no restrictions. Get as large as you want to. But if you happen to be a farmer who has been selling his grain to his neighbor down the street or down the road, you will be unable to continue unless you participate in the set-aside to sell to that individual.

Because some commodities would be controlled and some uncontrolled, Government-mandated set asides would soar in my opinion. Many markets would be jeopardized. Now, proponents of this approach have repeatedly stated that the new export subsidy program known as BICEP or something like it, would keep U.S. wheat and corn competitive in world markets. That program has generated one sale in the last 4 months. So I ask those that believe that somehow we are going to be able to craft an export subsidy program in the real world, why have we been unable to make it work for the past 4 months?

I, too, have serious doubts whether this Congress would be willing to fund massive export subsidies amounting to an estimated $16 billion in 1986 and 1988 in order to fund the necessary exports to keep our production at the level that the gentleman's amendment provided. Even if approved, the international ramifications of export subsidies on this scale would undercut both Congress and the administration's argument for fair trade. Coupled with the fact that if such a subsidy became a major factor opening a trade war, which I think will happen, one of the first and largest sectors to suffer would be agriculture.

Some supporters of this legislation argue that farmers have a right to choose their own price support program, and I submit there is nothing wrong with that. The question is what we are voting for? If a vote needs to be taken, it should be our responsibility as drafters of public policy to develop and provide sound and equitable legislation through proper means instead of bowing to last-minute orchestrations.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has expired.

Mr. STENHOLM. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WEAVER. Mr. Chairman, reserving the right to object, I would say to my dear friend on the Agriculture Committee that we are trying to get to a vote. We have to rise at 6:30. I wonder if the gentleman could make it brief?

Mr. STENHOLM. I will do it in 1 minute.

Mr. WEAVER. Mr. Chairman, I withdraw my reservation of objection.

Mr. STENHOLM. If we are to change our agriculture policy as dramatically as this amendment suggests, we should allow our farmers to vote to do it. We should have taken more than 5 minutes in the Agriculture Committee in perfecting and debating and making this amendment workable. We should have taken more than 5 minutes.

Mr. Chairman, in closing, let me say that I think most of us know that mandatory controls are not the way to go. I think most of us know that mandatory controls are sort of like what Will Rogers said about Prohibition: "It may sound good, but it just will not work."

To those of us on the committee, witness what has happened in tobacco and peanut programs as we have had to make them more workable in the modern world before you ask to do to wheat and corn and feed grains what we will be asked to do should the motion to strike the Bedell amendment not carry.

Mr. MARLENEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that the referendum process is one of the most devastating, absolutely the most devastating concept that has been offered to agricultural programs since I have been in Congress or since I can remember.

Would the gentleman from Illinois [Mr. MADIGAN], answer a question for me?

How much reduction did the gentleman say would be required to meet the requirements of the bill?

I yield to the gentleman for his response.

Mr. MADIGAN. I would say to the gentleman that in the 1986 crop year, the Bedell proposal calls for a 30-percent set-aside on wheat, a 20-percent set-aside on corn, and then as a provision that in the years 1987 to 1990 the Secretary will set the set-aside determined by what the carryover crop is. There are levels provided for in the referendum as to what triggers lower or higher set-asides.

The United States Department of Agriculture says in the second year, the set-aside on wheat would be 50 percent of the acres, and on corn it would be 40 percent of the acres.

Mr. MARLENEE. Fifty percent of our wheat would be set aside into a nonuse or it could not be put into corn or other crops?

Mr. MADIGAN. That is the statement provided to the committee by the U.S. Department of Agriculture.

Mr. MARLENEE. It seems to me that when this Nation takes one of its most productive industries and cuts its output by 50 percent, by 50 percent, we are dealing a devastating blow to our balance of payments in this country. Devastating.

If we cut our exports by what this bill purports to do, and we cut our production by 50 percent, think of the effect that this will have on the country, think of the effect that this will have on our local and rural communities. How many fewer tractors we will sell; how much less fertilizer; how many fewer businessmen and services will be offered in the small towns which are already empty up and down main street. We have a lot of empty buildings up and down these main streets in these small towns, and I would urge my colleagues to think about those long and hard before they vote for the amendment or this propo-

sition where we have a referendum that would further exacerbate the situation.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I wanted to raise a problem that I have discovered where we have had an amendment adopted here just a few minutes that was not eligible for consideration under the rule. It is my understanding that the Bedell amendment that was adopted to this section a few minutes ago had not been printed in the RECORD in a timely fashion, so under the rule, it was not eligible for consideration on the floor except by unanimous consent.

In fact, we did not have a unanimous-consent request for that amendement, so therefore it should not have been considered under the regular procedures. Given that situation, it seems to me that the House should not be acting upon an amendment at this point that is based upon perfecting language that was offered that was not in fact eligible for consideration on the House floor.

If I might, Mr. Chairman, I ask unanimous consent that the proceedings be vacated under the Bedell amendment adopted to this section was adopted.

□ 1830

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WEAVER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Chair recognizes the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, if I may continue, if the producers of this country have told the agriculture Representatives in Congress one thing, it has been that "We want a long-term program that we can depend on, one that we can make projections with." They do not want to come back with a referendum every year to see what kind of a program they are going to have the next year. They do not want to have the uncertainty.

They want to have a program they can rely on, one they can sit down with their banker with, so they can decide how much fertilizer they need in the next year, how much financing they need in the next 5 years, whether they are going to buy land, whether they are going to sell land, or, as a matter of fact, whether they are going to stay in business. A referendum process absolutely does not contribute to that kind of stability in the agricultural communities.

The CHAIRMAN. The time of the gentleman from Montana [Mr. MARLENEE] has expired.

(By unanimous consent, Mr. MARLENEE was allowed to proceed for 1 additional minute.)

Mr. MARLENEE. Mr. Chairman, finally, let us think what this kind of a proposition does. Let us think what these referendum propositions do to our reputation as a reliable supplier. It completely destroys our ability to build our image as a reliable supplier. We would be saying:

Yes, we will have this program unless we have a referendum, and then we will have something else, but if the farmers turn it down, then we will have some other kind of a program.

It completely destroys our ability to project the image of a reliable supplier.

Finally, the referendum process is not supported by the National Wheat Growers, by the Farm Bureau, or by responsible farm organizations. I would ask the Members to support the Madigan amendment and vote against the referendum process.

Mr. DE LA GARZA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. BARNES] having assumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2100) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, had come to no resolution thereon.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I have taken this time for the purpose of inquiring as to the schedule for the balance of the day and for the week, and I am happy to yield to the distinguished majority whip because, as I understand it, there have been some changes made in the schedule for the balance of the day and for the remainder of the week.

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican whip for yielding.

Mr. Speaker, we intend to take up under suspension of the rules this evening a bill, H.R. 3453, providing for an extension of the Superfund for 45 days, and following the consideration of that suspension the House will have concluded its business for today.

Tomorrow, the House will meet at 11 o'clock to consider the appropriation legislation for Health and Human Services for fiscal year 1986, and following that we will resume consideration of the agriculture bill. We will rise at 6 o'clock tomorrow night.

We will then continue to consider the agriculture bill on Thursday, hoping to complete consideration of the bill by Thursday evening. I would caution Members that it is our intention to attempt to conclude the bill Thursday night, and there may be a late session on Thursday for that purpose.

If we conclude the agriculture bill on Thursday night, we do not plan to schedule business for Friday. In the event that we do not complete the agriculture bill on Thursday night, a Friday session can be anticipated.

Mr. LOTT. Mr. Speaker, if the whip would allow me to intervene at that point while he is looking down at his schedule, I think we should emphasize again to our Members that the intention is to bring the agriculture bill back up for consideration tomorrow after we complete the Labor-HHS appropriation bill, or, if we do not have any more time left tomorrow, the agriculture bill will be brought back up on Thursday, and the intention of the leadership is to complete consideration of the agriculture bill this week, is that correct? Whether it is Thursday night or Friday, the intention of the leadership is to complete the agriculture bill this week?

Mr. FOLEY. Yes, we intend to complete consideration of the agriculture bill Thursday night and, if necessary, to go late Thursday night for that purpose. If we do complete consideration of that bill on Thursday, as I have indicated, we do not intend to schedule business on Friday.

Mr. LOTT. Mr. Speaker, there were some other pieces of legislation on the schedule for this week, but they will be taken up at a later time, and I assume the Members will be notified of that; is that correct?

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. Mr. Speaker, I thank the gentleman, and I yield back the balance of my time.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on today's consideration of H.R. 2100.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUPERFUND EXCISE TAX EXTENSION

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3453) to amend the Internal Revenue Code of 1954 to extend the Superfund taxes for 45 days.

The Clerk read as follows:

H.R. 3453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 45-DAY EXTENSION OF SUPERFUND TAXES.

(a) IN GENERAL.—Subsection (d) of section 4611 of the Internal Revenue Code of 1954 (relating to termination of environmental taxes) is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (D) of section 223(c)(2) of the Hazardous Substance Response Revenue Act of 1980 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(2) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking out "September 30, 1985" and inserting in lieu thereof "November 14, 1985".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 30, 1985.

The SPEAKER pro tempore. Is a second demanded?

Mr. ARCHER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from Texas [Mr. ARCHER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3453, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3453 provides a short 45-day extension of the Superfund taxes the Congress enacted in 1980. The funding mechanism for the important Superfund Hazardous Waste Cleanup Program expired last night.

A short extension now is important so that the Congress can act in a deliberative manner to enact the 5-year reauthorization of Superfund without any loss of revenues to the trust fund during the debate. At a time when the EPA is severely reducing its cleanup efforts, we cannot afford to lose any money which we can collect.

Let me exphasize that this extension is only for 45 days so that the existing tax collecting mechanisms can continue in place. It is not a long-term extension into the next Congress. I would oppose a long politically motivated extension.

The Senate has already passed legislation to reauthorize the program and to expand the taxes associated with it. The House will soon consider similar legislation. It is probable that any legislation that is enacted will continue these original taxes at their preexisting rates or higher rates.

In the interest of avoiding an unwarranted disruption, I urge approval of H.R. 3453.

□ 1840

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the bill, H.R. 3453.

I do so with some reluctance, however. I had hoped that our committee would be able to deal with Superfund legislation in a comprehensive way before today. Unfortunately, other committees of jurisdiction have not completed their work, and we had planned to take up the tax aspects of Superfund after the other committees had made their decisions on program changes.

In light of these timing problems, the termination of Superfund taxes at the end of the fiscal year—which was midnight—and difficulties with respect to getting our committee's deficit reduction bill to the floor, I think it would be wise to grant the additional 45 days in which to find workable resolutions.

I can assure my colleagues I will do everything I can to make certain that our committee does, indeed, deal promptly and comprehensively with Superfund legislation should the 45-day extension be approved by the Congress and signed by the President. If the bill before us today does not become law, I am frankly concerned that this might pave the way for both confusion and mischief. The Committee on Ways and Means, in seeking the extension, is not stalling; we want, instead, to buy some time to take responsible and expeditious action.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Speaker, I take this opportunity to commend the gentleman from Illinois for his leadership in the fight to renew the Superfund to clean up hazardous waste sites. As the gentleman is aware, my district includes the Butler Tunnel, an abandoned mine shaft, an illegal dump site in Pittston Township in Pennsylvania, which is one of only six toxic waste sites in the Nation to be declared clean by the EPA. Despite EPA's assurances in 1982 that the Butler Tunnel site was clean, last weekend's hurricane caused over 100,000 gallons of highly toxic waste to be discharged into the Susquehanna River, creating a 60-mile oil slick and threatening water quality all the way down the river to the Chesapeake Bay.

The EPA has already alerted communities as far south as Baltimore to be aware of the threat the discharge poses.

The Center for Disease Control in Atlanta urges area residents not to come in contact with the spill, which contains substances which can cause damage to the skin, respiratory tract, and gastrointestinal system problems.

Mr. Speaker, it is essential that this extension legislation be passed today so that projects like this, emergency projects caused during disaster times, can be undertaken with sufficient funding and sufficient activity by the EPA to act immediately.

We are talking here of the water quality that serves literally millions of Americans that has been put in jeopardy. I urge my colleagues in the House to support the leadership of the gentleman from Illinois by supporting this legislation.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the minority whip, the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I really question the need for this 45-day extension. I think the Members would like very much to get action on Superfund legislation, and that is my point. I would like for us to keep the pressure on and get this legislation to the floor as soon as possible.

Now, I realize that we have got three different committees at least involved here and that they all have actions that they are working on; but I would like to get some understanding that we are not going to see this thing dragged out again and again. We do not need 45 days. I do not see why we need even 20 days.

I would like to ask the chairman of the Ways and Means Committee, do we have some understanding that this thing is going to move forward expeditiously and that it will be brought up to the floor for consideration sometime in this month?

I yield to the gentleman.

Mr. ROSTENKOWSKI. I think there was an agreement with the leadership this afternoon that the Committee on Public Works and the Committee on the Judiciary are going to act quickly on this legislation. I believe the Committee on Energy and

Commerce has already reported the legislation.

Immediately after the legislation is reported from the Public Works Committee and the Judiciary Committee, the Ways and Means Committee will consider the legislation. I am sure that the Committee on Ways and Means will be as expeditious as possible.

I am afraid that we on the Committee on Ways and Means want to see what the programming needs are before we fund them.

Mr. LOTT. Well, maybe I could address a question to members of the Public Works Committee, the chairman of the committee perhaps or the subcommittee could give us some information when the Committee on Public Works might report. Could we expect something within the next 10 days?

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am glad to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Speaker, Chairman HOWARD of the Public Works Committee has sent out a formal notice now from the Public Works Committee, with the ranking member, the gentleman from Kentucky [Mr. SNYDER] that we will schedule to mark up the bill on Wednesday of next week in the subcommittee and Thursday in the full committee; so 95 percent of the work of the Committee on Public Works is completed. We will mark up the bill, that is the direction, next week, both in the subcommittee and in the full committee and report out the bill.

Mr. LOTT. Mr. Speaker, I thank the gentleman.

I wonder if maybe the chairman of the Committee on Energy and Commerce that has already acted would express himself on it. That committee has already taken action and I worry that 45 days is quite a delay.

The SPEAKER pro tempore. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

Mr. ARCHER. Mr. Speaker, I yield 1 additional minute to the gentleman from Mississippi.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, I thank the gentleman. I will try to respond briefly.

I was present in the meeting referred to. Our committee has already acted on this legislation. We are anxious to see it move.

My personal feeling is that 45 days are not needed, but I am willing to go along with it as long as it does not become an obstacle.

Mr. LOTT. Does the gentleman feel that he has a commitment that it will move quickly out of the Public Works Committee and through the Rules Committee and to the floor?

Mr. DINGELL. Well, the distinguished chairman of both the subcommittee and the full Committee on Public Works, the gentleman from New Jersey [Mr. HOWARD] and the gentleman from New Jersey [Mr. ROE] have indicated that it is their intention to have the bill out of their committees by a week from this next Friday.

The Judiciary Committee has indicated that they can meet approximately the same time limit and the Committee on Merchant Marine and Fisheries has acted this morning.

The Speaker has indicated that it is his intention to move this legislation as speedily as he knows how, so it is my hope that the matter can move speedily.

The gentleman from Illinois [Mr. ROSTENKOWSKI] of course, can speak for himself and for the Ways and means Committee and will have to do so, as I am not empowered to do so.

Mr. LOTT. Mr. Speaker, I appreciate the gentleman's remarks.

I would like to have some more specific commitment about when we can expect it in the Rules Committee and on the floor, but I recognize that we are dealing with several different committees and that is hard to do.

This is important legislation. I know the Members on both sides of the aisle have worked very hard on this in different committees and would like to see this legislation brought to the House for full consideration.

I would urge all the committees, all persons involved in the various committees, to get it to the Congress this month.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 5 minutes to the chairman of the Committee on Energy and Commerce, the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank my distinguished friend, the gentleman from Illinois [Mr. ROSTENKOWSKI] for making this time available to me and I commend the gentleman for his comments made.

I share some of the concerns just raised by the distinguished minority whip, the gentleman from Mississippi [Mr. LOTT]. I do have reservation about taking this course, but I am willing to support the bill, in reliance on the pronouncements of the Speaker and others that this matter will go forward.

There is $130 million available at this time in the Superfund and there is not a desperate need for this extension. There is a sufficiency of moneys available according to the Administrator of the EPA that the process down there at EPA can go forward without any significant impairment during the time of the next 30 to 45 days.

Indeed, the spokesman for the New Jersey Department of Environmental Protection said yesterday that the gap would not hurt the program. He said as follows:

"We anticipate no interruptions. We already have $150 million appropriated and we are ready for it."

Similar comments have been made, as I mentioned, by the Administrator of the EPA.

The Governor of the State of Michigan has expressed particular concerns about the possibility of not enacting Superfund legislation during this year.

With this country having literally thousands, indeed, I have heard the figure of 100,000 Superfund sites which now are in need of cleanup, there is need for the most urgent speed, because this may perhaps be the largest single environmental and health problem now confronting the American people.

It should be noted that the Senate has passed a Superfund bill and for the House to delay further enactment of legislation of this kind would be indeed an action in which we could be charged with disregarding the public interest and in failing to carry forward on a matter of extreme and urgent importance.

As I mentioned, several committees having jurisdiction have met with the Speaker and all, including the Speaker, have agreed that the matter will move as expeditiously as possible. That is a judgment in which I concur and in reliance on those statements and in reliance on the urgent need to go forward with the least controversy, I am willing to support this legislation, even though I am aware that it is probably less than completely necessary.

I thank my dear friend, the gentleman from Illinois, for yielding to me.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time.

Mr. ARCHER. Mr. Speaker, I yield 8 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, it is with great reluctance that I rise to note my concern about a 45-day extension of the Superfund. I believe that the reauthorization of the Superfund is the most critical environmental program we will enact in this Congress. I am well aware that the taxing authority for Superfund ran out last night. I am concerned, however, that a 45-day extension will provide an easy out for those who for whatever reason are not able or are unwilling to face the important task of reauthorizing the Superfund now.

The Administrator of the Environmental Protection Agency put the cleanup program on hold in September due to uncertainty over funding.

We must not be lulled into thinking that a 45-day extension will allow the EPA to continue its full cleanup activities.

A simple extension such as we are considering here tonight will provide only one-third of the moneys the EPA was expecting to have for fiscal year 1986. This lack of money, coupled with uncertainties about when the full funding might be put in place, will continue to cripple the Superfund cleanup program.

So rather than talk about a 45-day extension, we ought to be considering how much time is actually needed for us to reauthorize Superfund.

I know that the other body has sent us a reauthorization bill for our consideration in a timely manner. We heard from the chairman of the Energy and Commerce Committee that H.R. 2817 was reported 2 months ago. The Merchant Marine Committee to which this bill was referred reported H.R. 2817 today with only one negative vote. The Administrative Law Subcommittee of the Judiciary Committee marked up H.R. 2817 on September 11, and we hear that the full committee will mark up the bill next Tuesday. We learn from the press reports that the Ways and Means Committee is ready to mark up the bill, and the chairman of that committee has been quoted as saying it is simply a 1-day job. The chairman of the Committee on Public Works will report its Superfund bill to the House some time next week.

So it would seem to me all this being said that if all of the committees with jurisdiction are able to meet these commitments on this important subject, a subject considered at length in the last Congress, we could have Superfund reauthorized in a much shorter term than 45 days.

I would hope that the gentleman from Illinois [Mr. ROSTENKOWSKI], the sponsor of this legislation, might consider amending this legislation to extend the funding for 15 or perhaps 18 days so that we will not mask the urgency of the need to reauthorize, expand, and improve the Superfund Program.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ECKERT].

Mr. ECKERT of New York. Mr. Speaker, I thank my colleague.

Mr. Speaker, I also rise in opposition to the 45-day extension of Superfund. Such an extension will serve only to mask the critical problem facing our country, the cleanup of our hazardous waste dump sites. While a 45-day fund extension may have some surface appeal, it does not move the cleanup program forward.

As my colleague from New York mentioned, in September the Administrator of the EPA stopped work at 57 sites due to the uncertainty of the reauthorization of Superfund. The work that would have been undertaken in September was based on the expectation of an increase of funding by threefold. A simple 45-day extension will leave the funding two-thirds short.

Therefore, this 45-day extension will not enable additional cleanup to go forward in the proper manner.

I note as others have that the other body has concluded its work on this important legislation. I am embarrassed to tell my colleagues back home that I have not yet had the opportunity to vote on Superfund on the floor of this House despite the fact that the committee on which I serve, the Energy and Commerce Committee, produced a carefully crafted bipartisan compromise measure by an overwhelming margin of 31 to 10.

We must spend our time working on permanent solutions to the Superfund, and I do not think we can tolerate any further delay.

I would hope that the commitments implied here tonight are honored and that we do not go beyond that 45 days, because even that is far too long.

Mr. ARCHER. Mr. Speaker, I have no further requests for time, except that I would like to yield myself about 15 seconds to say in colloquy with the gentleman from New York that it certainly should not be necessary that any further extension be taken, that we do complete our work in 45 days. I personally would not favor any additional extension and I would hope that the chairman of our committee would agree with that.

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Speaker, I certainly expect immediately after the Committee on Ways and Means receives documents from the other various committees we will work on it and get it done hopefully within a week.

Mr. MARKEY. Mr. Speaker, I rise at this time to voice my support of this temporary extension of current Superfund legislation. Congress needs sufficient time to pass a tough and comprehensive Superfund bill. At this time I want to reiterate my objections to the Superfund legislation passed by the Energy and Commerce Committee. I feel this extension will allow me and my colleagues on other committees to pass a comprehensive Superfund bill. I have always been a strong supporter of Superfund, but we must make every effort to work to ensure that the bill that we finally pass is strong and effective and one that achieves the goal of cleaning up the worst hazardous waste sites on a thorough and expedited schedule.

Mr. ARCHER. Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GALLO. Mr. Speaker, Congress has again forced itself into action. Faced with a deadline for reauthorizing Superfund, the Congress dragged its feet for 9 full months and has acted now to merely extend the Superfund for 45 days.

As a member of the Committee on Public Works and Transportation, one of the committee which has jurisdiction over the authorization of the Superfund, I am personally outraged by the necessity of this action. From the very first day of the 99th Congress, every Member in this body knew that we had a job to do. Every Member knew just how big that job was, and just how quickly we had to do it. In spite of this knowledge, the clock ran out on Superfund and, typically, we found ourselves in a prosition to have to take a Band-Aid approach to yet one more problem.

It almost seems like the bigger our problems are, the more willing this body is to use a Band-Aid approach to solve the problem. The debt ceiling, the budget, Superfund, these are all issues that deserve better solutions thant his Congress has been willing to deliver.

I know that many of my colleagues have worked very hard for timely Superfund reauthorization. I have worked with members of my own committee and members of many of the other committees with jurisdiction over Superfund to see that we got our job done on time. I have joined with my own committee chairman and subcommittee chairman, and with the ranking members of the Public Works and Transportation Committee and the Subcommittee on Water Resources, in a complete commitment to accomplish a thorough and adequate reauthorization for the Superfund.

I am not sure that the commitment that we have made is pervasive throughout Congress, and I am very concerned that our temporary Band-Aid extension of Superfund might have taken the pressure off of those Members who do not share our commitment to protecting our environment.

In spite of the lack of progress that we, as a body, have made in the last 9 months, 45 days is more than enough time to accomplish an adequate reauthorization of the most important environmental program in our country, provided that we all dedicate ourselves to getting the job done. Without this dedication, there is not enough time.

Today I would like to take this opportunity to call upon all of the Members of this body, from all the States and from both parties to join in our commitment to do this job. To reauthorize Superfund, to do it right, and to do it now. Any further Band-Aid approaches are just not acceptable.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 3453.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROHIBITION OF THE IMPORTATION OF THE SOUTH AFRICAN KRUGERRAND—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-114)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Ways and Means and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, October 1, 1985.)

EXTENDING GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF SOVIET SOCIALIST REPUBLICS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-113)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, October 1, 1985.)

□ 1900

RETIREMENT OF HON. PARREN MITCHELL

(Mr. BARNES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNES. Mr. Speaker, it is with both sadness and a sense of respect for his decision that I note the decision of our distinguished colleague and friend from my own State of Maryland, the great Congressman from Baltimore City, PARREN MITCHELL, to retire at the end of this term.

When PARREN MITCHELL leaves this Chamber after his last day as a Member of the House of Representatives, the Congress of the United States is going to lose one of its great champions for the dignity of the downtrodden, one of the great champions for civil liberties, for civil rights, and really, I think all of my colleagues would agree, a conscience that has spoken so beautifully and so eloquently over so many years here in the House of Representatives.

Mr. Speaker, we will lose one of the great Members of the U.S. Congress with PARREN MITCHELL's retirement. The Maryland delegation will lose its distinguished dean, and I will lose the daily occasion to work with a great friend and colleague, and it is with sadness that I note his decision to leave the House of Representatives.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. BARNES. I am happy to yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Speaker, I will take only a few seconds for the purpose of associating myself with the remarks of the gentleman from Maryland.

Although I do not come from Maryland, I, too, will miss the eloquence of PARREN MITCHELL.

Mr. BARNES. Mr. Speaker, one of our greatest colleagues has decided to retire, which I noted, as I say, with sadness.

HUMANITARIAN ASSISTANCE FOR UNITA FORCES IN ANGOLA

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, today I'd like to bring to the attention of my colleagues the situation in Communist-controlled Angola—where a group of freedom fighters known as the National Union for the Total Independence of Angola [UNITA] are fighting to liberate the people of their country from the despotical grip of a government which was installed and is controlled by Cuban military forces under the direction of the Soviet Union—and a bill I am introducing today that would provide for a measure of humanitarian assistance to the UNITA forces.

Mr. Speaker, the Members of the House are well aware of the deprivation of freedom being imposed on the people of Angola by the Soviet-backed Cubans. In 1976, Congress took the step of enacting the so-called Clark amendment which prohibited the use of American foreign aid to assist any military or paramilitary forces operating in Angola. Since that ill-conceived action was taken, over 200,000 Cuban military personnel have been sent to that nation to maintain forcefully in power the illegitimate government which they installed in 1975.

Mr. Speaker, my colleagues demonstrated their growing awareness that freedom is being cynically and barbarically denied to the people of Angola when they voted on July 10 of this year—by a 51-vote margin—to repeal the Clark amendment. Now, for the first time in 10 years, the United States is free to take a stand in favor of the principle tenets which we have always held to be the right of every man and woman—basic liberties which for too long have been denied to the people of Angola.

The tradition of the United States of helping people all over the world who are oppressed is an honored tradition steeped in the best intentions of a nation which shed the yoke of tyranny and has preserved its right to choose freedom for over 200 years. When we turned our eyes away from the cynical deprivation of freedom inflicted on the people of Angola in 1975—a condition which persists to this very day—we abandoned our own links with the never-ending struggle for liberty. The greatest freedom-loving nation in the world left the Communist forces free and unfettered adventuristically to extend their influence among the peoples of southern Africa. Nevertheless, the forces of UNITA maintained the fight on behalf of the Angolan people, and continue to resist the Cuban occupation against odds made great by an unwavering commitment on the part of the Soviet Union to take southern Africa for its own.

Having repealed the Clark amendment, the next logical—and essential—step for this Congress to take is to send the message to the freedom fighters of the UNITA movement that the United States is deeply sympathetic and willing to help in the effort to restore justice and democracy in Angola by extending to them humanitarian aid: That the people of the greatest, strongest, and most enduring freedom-loving nation in the world have not let the oppression imposed by the advocates of world communism go unnoticed. We must join our voices as well as our resources with those of the people of the world who recognize that Soviet hegemony in vulnerable nations is, in fact, the greatest threat to peace which the world faces today.

The bill I am introducing would pave the way for the Congress to make available the humanitarian support which the fighters for freedom in Angola so desperately need today by authorizing $27 million for that purpose. Its passage would permit the United States to make available to the UNITA forces the food, clothing, and medicine that they will need to carry on their fight. Perhaps just as importantly, the assistance which we make available will provide a boost to the morale of a force that is faced with a fight against all the resources and all of the will to conquer which are available to the Soviets and their Cuban benefactors.

I would point out to my colleagues that the bill I introduce today would not allow the use of funds authorized for the provision of weapons, ammunition, and other equipment, vehicles, or materiel which could be used to inflict serious bodily harm or death. The bill

would also prohibit the administration of the assistance by either the Central Intelligence Agency or the Department of Defense.

The language I have employed in the bill submitted to the House today is substantially similar to the provisions of the McDade amendment to the supplemental appropriations bill for fiscal year 1985 which the House agreed to on June 12 of this year. That amendment made $27 million available in humanitarian aid to the Contras fighting for freedom in Nicaragua—an amount which will allow them to win the fight against famine and illness so that they can carry on the fight against tyranny.

Now that the Clark amendment has been repealed, we have the opportunity to make the same commitment to the people of Angola—$27 million for humanitarian aid so that the advocates of democracy in southern Africa may not be defeated by want for basic needs.

Mr. Speaker, it is essential that we extend the commitment shown for democracy in Nicaragua by adopting the McDade amendment, and in Angola by repealing the Clark amendment, by taking positive action to assist Angolan freedom fighters. The bill I present to the House would authorize the enactment of appropriations so that such assistance may become available during the fiscal year which began today.

I urge my colleagues to consider carefully the dire conditions in Angola today, to recognize the deprivations of freedom which have been imposed by the presence of over 200,000 Cuban troops over the past 10 years, to recognize that that presence represents the continuing strategy of Soviet communism to extend its influence in nations which do not have adequate resources with which to resist their awesome military might, and to at last make a statement to the world—and especially to the people of Angola—that the greatest nation in the world does not intend to stand passively by while Cuba and the Soviet Union use force to extend their sphere of influence in the world.

TRIBUTE TO HON. MARGARET HECKLER, SECRETARY OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I rise to pay great tribute to our distinguished former colleague, the Honorable Margaret M. Heckler, who earlier today announced her resignation as Secretary of Health and Human Services under apparent pressure from White House staff.

Although Mrs. Heckler has agreed to serve as Ambassador to Ireland, a post in which I am sure she will serve with distinction, it is regrettable that this tireless public servant was forced to make her decision as the result of harsh and unjustified criticism voiced by unnamed administration officials.

While some of us may have disagreed with Mrs. Heckler on occasion, I think all of us can appreciate the enormous challenge of managing a department as large as Health and Human Services, a department with an annual budget in excess of $325 billion and one which directly affects the lives of all Americans.

The same faceless officials who criticized Mrs. Heckler's management style also failed to point out that more than a half dozen top posts at HHS remain unfilled because the White House was, in the words of Larry Speakes, "looking for the right people."

What a bum rap!

Despite the well-documented cases of waste, fraud, and abuse in Pentagon procurement programs, I find it curious that we have not heard any calls from White House staffers for the resignation of Secretary of Defense Caspar Weinberger.

In her capacity as Secretary of HHS, Mrs. Heckler often found herself in the awkward position of arguing for more Federal spending as a member of an administration intent on cutting Federal spending, regardless of the human and social costs.

Mrs. Heckler fought officials at OMB and the White House in her farsighted advocacy for increased funding for research into national health problems such as Alzheimer's disease and the AIDS epidemic.

One has to wonder if this was a factor in what is widely perceived as her ouster from the Cabinet?

One has to wonder if a male member of the Cabinet would have been subjected to a similar campaign of discredit and innuendo by anonymous White House bureaucrats?

I, for one, wish her the very best of luck in her new post.

TIME FOR FARMERS TO VOTE ON AMERICAN FARM POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 5 minutes.

Mr. SLATTERY. Mr. Speaker, it is time for farmers to vote on the direction of American farm policy.

Farmers have debated the pros and cons of mandatory versus voluntary farm programs for more than 30 years.

I believe farmers have a fundamental right to decide what direction they want to go—providing the choices are within the budget limitations when farmers make this basic choice it will hopefully end this debate for years to come.

I wonder why the Secretary of Agriculture says the President will veto any farm bill that contains a referendum?

Could it be that he doesn't want a good debate in farm country about agricultural policy because this debate will clearly reveal how detrimental this administration's fiscal policy has been to agriculture.

Mr. Speaker, during this debate, farmers will see clearly that reducing the deficit is crucial to agriculture.

During this debate, farmers will see clearly that protectionism is self-destructive.

Farmers know the effect of an overvalued dollar in limiting exports. They know what record high interest rates mean and they know what roller-coaster acreage reduction programs mean.

I will support the Bedell provisions in order to provide them that opportunity.

It is within the limits of the budget.

Some may fear a debate in farm country.

I do not.

I welcome it and I encourage my colleagues to support the Bedell provisions of the farm bill.

TAX TREATMENT OF DIVORCING SPOUSES IN COMMUNITY PROPERTY STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana [Mrs. BOGGS] is recognized for 5 minutes.

Mrs. BOGGS. Mr. Speaker, I am introducing legislation to provide for the equitable tax treatment of individuals subject to a divorce decree which retroactively terminates their marriage community. This legislation is the result of an inequity that was brought to my attention by an attorney in Louisiana.

In a typical divorce, the husband continues to be employed, earning an income; the wife either is not employed or is making less money than the husband. At present, the wife continues to be personally liable for the income tax due on one-half of her husband's earnings during the divorce or separation proceedings despite the fact that she does not receive a portion of such income.

The Internal Revenue Service does not recognize the termination of the marriage community of divorcing spouses in Louisiana and some other States until a final judgment of separation or divorce is rendered. In Revenue Ruling 74-393, the Service stated that a Louisiana judgment of separation or divorce, which dissolves the community retroactively to the date of filing of the petition for divorce or separation under State law, has no retroactive effect on the existence of the community for Federal income tax purposes. This

causes a great inequity to the lower income generating spouse and a windfall to the high-income spouse.

I do not know how widespread this particular problem might be. Since it does affect the tax liability of divorcing spouses in Louisiana, I believe it merits review by the Committee on Ways and Means.

Mr. Speaker, the text of H.R. 3458 follows:

H.R. 3458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 66 of the Internal Revenue Code of 1954 (relating to treatment of community income) is amended by adding at the end thereof the following new subsection:

"(e) TREATMENT OF RETROACTIVE TERMINATION OF COMMUNITY.—Under regulations prescribed by the Secretary, in the case of an individual legally separated from his spouse under a decree of divorce or separate maintenance which terminates the community (under applicable community property laws) as of a date earlier than the date on which the decree is granted, any item of income earned by the individual on or after the date on which the community was terminated (under applicable community property laws) shall be included in the gross income of the individual (and not in the gross income of the spouse), if the spouse—

"(1) did not receive an interest in the item of income under the decree; and

"(2) did not exercise control over the item of income earned by the individual on or after the date on which the community was terminated (under applicable community property laws).

This subsection does not apply to any amount which is includible in the income of a spouse under section 71 (relating to alimony and separate maintenance payments)."

(b) The amendment made by subsection (a) shall apply with respect to communities terminated by a decree of divorce or separate maintenance granted on or after the date of the enactment of this Act.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, on September 26, 1985, I was unavoidably detained and missed rollcall vote No. 288 on Senate Joint Resolution 27.

Had I been present, I would have concurred with the resolution.

LET TRUE INDEPENDENCE REIGN IN CYPRUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 60 minutes.

GENERAL LEAVE

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, today is the anniversary making a quarter of a century of independence for the Republic of Cyprus. On such a day, the people of that nation should be able to reflect on the progress of their freedom, the hope of their independence, and the growth of their culture as they make firm their grasp on the promise of the Free World. I called this special order because that celebration is denied our friends in the Republic of Cyprus, and will be denied them as long as their land remains divided by bitter differences perpetuated by military forces.

The rift between Greek and Turkish Cypriots was formalized by the violent invasion of Turkish troops over a decade ago; 200,000 Greek Cypriots were forced from their homes. Today, Cyprus remains divided, the island in turmoil. More than 30,000 Turkish troops continue to occupy the island. Tens of thousands of Turkish colonists were lured from the mainland to settle the occupied territory. And the Government in Ankara continues to subsidize half of the Turkish Cypriot budget.

These divisive actions have been taken despite an increasingly generous program of United States foreign aid to Turkey. Since our aid embargo was lifted in 1978, we have sent nearly $4 billion to Turkey, making it our third largest foreign aid recipient. All of this assistance has been provided under the clearly expressed condition that Turkey cooperate fully in the efforts to bring about a solution on Cyprus.

Yet cooperation has hardly been forthcoming. In 1983, Turkey alone supported the declaration of an independent Turkish federated state on Cyprus. As a direct result of this action and the continued illegal presence of Turkish troops on the island, the Congress last year cut military assistance to Turkey and conditioned $215 million in military grant aid upon Turkey's good faith progress in intercommunal talks on the reunification of Cyprus, particularly with respect to the treatment of the city of Famagusta, a major urban center which is held by the occupying Turkish troops.

This year, hope has been raised by the efforts of U.N. Secretary General Javier Perez de Cuellar. After long years of frustration over the absence of progress on negotiations, the first summit meeting last January between President Kyprianou and Rauf Denktash was a significant and welcome development, providing the first real hope for peace in the divided nation.

Congress has fortified this hope this year by authorizing again a special $250 million fund for Cyprus contingent on a successfully negotiated settlement. The peace and reconstruction fund, it was hoped, will help focus constructive energy on ways of encouraging the parties on Cyprus to work out their differences, and remove the obstacles to peace.

Indeed, such a settlement has taken another step forward. After an inconclusive first meeting, President Kyprianou, with the support of Javier Perez de Cuellar, has drafted and signed a fresh agreement. On reporting this development to Congress, President Reagan quotes Mr. Perez de Cuellar saying, "provided both sides manifest the necessary good will and cooperation, an agreement can be reached without further delay." The President's statement follows:

TEXT OF A LETTER FROM THE PRESIDENT TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, SEPTEMBER 3, 1985

DEAR MR. SPEAKER: In accordance with Public Law 95-384, I am submitting herewith a bimonthly report on progress toward a negotiated settlement of the Cyprus question.

Since my previous report, United Nations Secretary General Perez de Cuellar has continued his efforts, begun last fall, to obtain the two Cypriot communities' acceptance of an agreement containing the elements of a comprehensive Cyprus settlement. He endeavored to overcome the difficulties that had arisen during the January 1985 summit meeting by incorporating components of the documentation into a consolidated draft agreement. His expressed intention was to bring greater clarity to its various elements and to devise procedural arrangements for follow-up action, while preserving the substance of the documentation. The Secretary General reported to the Security Council in June, a copy of which is attached, that the Greek Cypriot side had replied affirmatively to his revised documentation and that he was awaiting the Turkish Cypriot response to his efforts. The Secretary General added that, "provided both sides manifest the necessary goodwill and co-operation, an agreement can be reached without further delay."

The Turkish Cypriots postponed replying to the Secretary General while they proceeded with a constitutional referendum on May 5, a presidential election on June 9, and parliamentary elections on June 23. The Turkish Cypriots stated that the referendum and elections would not preclude their participation in a federal Cypriot state. We have repeatedly registered with both communities our conviction that actions which might impede the Secretary General's efforts to negotiate an agreement should be avoided and have reiterated our policy of not recognizing a separate Turkish Cypriot "state."

Since my last report to you, American officials in Cyprus have met regularly with leaders of both Cypriot communities. Department of State Special Cyprus Coordinator Richard Haass visited Cyprus, Greece, and Turkey in July. He discussed the Cyprus issue with the two Cypriot parties and the Governments of Greece and Turkey and expressed our support for the Secretary General's initiative. We continue to urge flexibility by all parties and are encouraged that they continue to support a negotiated

settlement under the Secretary General's good offices mandate.

Sincerely,

RONALD REAGAN.

But Mr. Speaker, we have not seen the goodwill of Mr. Denktash. The Turkish Cypriots delayed responding to this agreement while they held a presidential election on June 9 of this year, followed by parliamentary elections later that month. Such an approach served only to further divide the two sides, and provided an inauspicious example of the sort of cooperation to come. In August, Mr. Denktash rejected the new document, declaring it impossible to accept the withdrawal of Turkish troops, and stating that Turkish Cypriots would not live in an integrated society with their Greek counterparts.

Cypriots cannot wait any longer for the freedom that they won 25 years ago, and neither should they have to. So much is at stake: The strength of NATO's southern flank is undermined by the continued tensions between Greece and Turkey over Cyprus; the United States continues to fund substantially a country that maintains an illegal occupying force on allied land. Finally, of course, is the right of Cyprus to govern itself, free from external threat.

Cyprus has been a good friend of the United States. Its people gave us crucial assistance in treating our wounded from the catastrophic bombing of our Marine barracks in Lebanon. President Kyprianou has led a tireless struggle against drug trafficking which is rife in that region of the world. Most recently, in standing on principle in support of a settlement, he repudiated the Communist Party on Cyprus—a brave move that could cost him dearly. President Kyprianou has earned our friendship, and our support. We can do more to demonstrate that commitment.

President Reagan met with Turkish Prime Minister Ozal in April, but could not make time in his schedule to meet with President Kyprianou. Such an invitation would clearly demonstrate the willingness of the United States to be a facilitator in the continuing negotiations to bring peace and unity back to Cyprus.

In Congress, unfortunate tensions with the leadership in Greece have sparked a reluctance to deal strongly with Turkey on the issue of Cyprus. The United States should never be loath to ask cooperation from a country receiving substantial military and economic aid, and we must continue to make clear to the Government of Turkey that its support of the occupation of Cyprus, and its refusal to withdraw its troops is unacceptable. When an American aid recipient uses the aid to force itself upon a neighbor, we are inescapably involved.

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Mr. LEWIS of California. Mr. Speaker, will my colleague yield?

Mr. FEIGHAN. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding. Let me in the beginning express my deep appreciation to my colleague for making the effort to hold this special order today on the 25th anniversary of the independence of Cyprus.

Shortly after I was elected to Congress, serving in January 1969, I had the opportunity to visit Cyprus, at the behest of people from my own community who are very interested in this very difficult problem. It is clear upon visiting Cyprus that if there is an illustration of the contrast between freedom and authoritarian systems, one can see it in that small island. The industry, the spirit, the attitude, indeed the warmth of the free Cypriot people pervades that atmosphere. Simply cross the line and you see the stark contrast of authoritarianism at work.

It seems to me that it is important to the Congress to focus itself once again on this critical problem. It is clear that early on, as the invasion had taken place, that the Congress did react with our embargo. We expressed our deep concern and our opposition to the Turkish action.

Since that time, however, our administrations have been less than straightforward in terms of what our policy in a moral sense ought to be.

This question, as my colleague knows, is not a partisan question. It is perhaps a reflection of our State Department's inability to act with consistency and with a sort of thinking that is long range and reflects a commitment to freedom.

It is very, very important that those of us who care about those fundamental principles, continue from time to time, when it is appropriate, to raise this flag, to express our concern. The gentleman doing this special order on this anniversary date is most important. I want to express my appreciation once again.

Today, October 1, the Republic of Cyprus is celebrating its 25th anniversary of independence. Unfortunately, during this day of celebration, we realize that the people of Cyprus are not completely independent. Their country remains divided and occupied by more than 30,000 Turkish troops.

Out special thanks and appreciation goes to U.N. Secretary General Perez de Cuellar for his willingness and efforts to arrange the January summit meetings between Cyprus President Kyprianou and Mr. Rauf Denktash. Prior to this summit, expectation levels were high. It seems that for the first time since the 1974 invasion of Turkish troops there were expressions of goodwill. While the outcome of these meetings has not been positive, I remain optimistic. The negotiations must continue to bring peace to our friends in Cyprus.

For this reason, I am participating in this special order today. We must encourage the talks between the Greek and Turkish Cypriot leaders. We must continue to strive for peace not only in Cyprus, but also for other countries that do not know the freedoms we enjoy.

Mr. FEIGHAN. Mr. Speaker, I appreciate very much the comments of my colleague from California and salute him for the very active involvement that he has taken in this critical issue, particularly for taking the time and the energy to visit the island and see first hand the kind of policy that we could pursue in this country that would help to faciliate a solution to the conflict.

Mr. LEVINE of California. Mr. Speaker, will the gentleman yield to another gentleman from California?

Mr. FEIGHAN. I am happy to yield to the genleman from California.

Mr. LEVINE of California. Mr. Speaker, I am pleased to join my colleagues on this occasion to celebrate the 25th anniversary of the independence of Cyprus. I commend my colleague from Ohio [Mr. FEIGHAN] for scheduling this special order.

Mr. Speaker, as we well know, Cyprus' independence has a sad and turbulent history. It has been 11 years since Turkey invaded, occupied, and divided Cyprus. The Turkish invasion established a Turkish Cypriot sector in the northern part of the island and today there are some 30,000 Turkish soldiers there.

Many efforts have been made to bring about a settlement of the conflict on Cyprus. Most recently, the U.N. Secretary General's initiative was looked upon as the most promising means to bring about peace. Unfortunately, Turkish Cypriot leader Rauf Denktash rejected the Secretary General's plan. Significantly, he specifically rejected the condition for withdrawal of Turkish troops from the island, the threshold requirement for a solution to the Cyprus problem. He also indicated an unwillingness to make any concessions to achieve peace and stated that Turkish Cypriots refused to live in a mixed society with Greek Cypriots. The situation is now at an impasse, and we await further efforts to resolve the problems.

As a member of the Foreign Affairs Subcommittee on Europe and the Middle East, I have had the opportunity to sit through many hearings and to talk to many officials about the problems in Cyprus. Many of us opposed Mr. Denktash's unilateral declaration of independence because it is an obstacle to the completion of negotiations to reunify the island. Congress has tried to find ways to encourage the parties to negotiate an end to their conflict. Unfortunately, our efforts have not met with success, and in the final analysis it is up to the Greek and

Turkish Cypriots to find the will to reach solutions to the conflicts.

So it is with mixed feelings that I participate in this special order—mixed because I am happy to share in the celebration of Cyprus' independence, but sad that the country must exist divided and in conflict. Not until Cyprus is reunited will its people be truly free to enjoy the fruits of their independence. I want to take this opportunity to encourage both sides to redouble their efforts to reach an agreement. The people of Cyprus, and indeed the world, would welcome this happy result.

Mr. FEIGHAN. I thank my colleague from California for his active work in trying to find a solution to the conflict on Cyprus, and his very active work in support of strengthening our relationship with the country of Greece as well.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to my colleague from California.

Mr. ANDERSON. Mr. Speaker, I would like to take this opportunity to commend the distinguished gentleman from Ohio [Mr. FEIGHAN] for his initiative in organizing this special order on Cyprus. This is especially pertinent, given the recent rejection by Turkish Cypriot leader Rauf Denktash, of the U.N. Secretary General's Cyprus initiative, agreed to in March by Cyprus President Spyros Kyprianou, the Greek Cypriot leader.

This has in effect—let us hope temporarily—dashed the hopes of the citizens of Cyprus that they might see an end to the 11-year occupation and division of their homeland. Since 1974, when 200,000 Greek Cypriots were driven from their home by invading Turkish soldiers, the tiny island has remained partitioned and occupied in part by the Turkish soldiers, as well as Turkish colonists who were lured from the mainland by the promise of land that had belonged to Greek Cypriots.

It is true that Turkey is an important United States ally, but we are dealing here with some fundamental issues of international law and morality. Turkey invaded and continues to occupy the territory of a formerly sovereign nation, and the Turkish Republic of Northern Cyprus is an illegal declaration of statehood, recognized by Turkey alone. Efforts by the United States urging Turkey to end its obstinacy and reach a solution have been to no avail, despite the generous amounts of aid granted to that country yearly. This special order serves as a vehicle in expressing the growing impatience among Members of Congress and the Nation at large over this process. American aid, in addition to being of strategic help to this nation, is supposed to reflect American values of justice and fair play. The Turks appear bent on a permanent division of the island of Cyprus, and the issue continues to fester.

I hope that this special order might contribute to arriving at a just and equitable solution to the Cyprus issue.

Mr. FEIGHAN. I thank my colleague from California for joining us today in this special order.

Mr. BILIRAKIS. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to the gentleman from Florida.

Mr. BILIRAKIS. Mr. Speaker, I would like to commend my colleague from Ohio [Mr. FEIGHAN] along with my other colleagues for the initiative he has demonstrated by taking out this special order on this truly historic day. It is action and involvement like his that is necessary now in order to encourage a solution to the problems of Cyprus which is so close and yet so far away. I would like to personally thank him and extend my hope that the gentleman will be an example which many others will follow.

Mr. Speaker, today the people of Cyprus celebrate an anniversary and I, too, would like to join my colleagues in extending my heartfelt congratulations to them on this, the silver anniversary, of the Republic's independence. I only wish and pray that this event were one that could be adequately marked by celebration alone. The unfortunate reality, however, is that there are many problems yet to be resolved before Cyprus can celebrate its true independence. It is our duty and obligation to draw attention to them.

Before we discuss the issue, however, I would like to take a moment to commend the brave and noble citizens of Cyprus for the resolve and strength of character they have demonstrated throughout these difficult years. The people of this island nation have had to endure many hardships, injustices, and insults throughout the years, but they have endured. Their loved ones have been lost, their families have been uprooted, their homes have been destroyed, but they continue to persevere. They are indomitable because justice is indomitable. Their right shall make right. This day truly belongs to them.

This is a day of which every Cypriot can be proud, for it marks a milestone in a long and just struggle for a free and independent country to call their own. The struggle continues and it is still just. The Cypriots continue to face many forces that threaten the indpendence of their country, and they continue to demonstrate the character and spirit that seeks to prevail in their noble cause. The international community must now step in and assist this just cause, for those forces that would undermine the integrity of Cyprus have been allowed to fester too long. It is now time for all freedom-loving nations, especially the United States, to stand up and have their voices heard. It is time we speak up for what is right and fair in Cyprus. It is time we do our part to help Cyprus finally achieve the independence and sovereignty that it is celebrating.

Mr. Speaker, we, in Congress, are in a particularly favorable position to contribute to a resolution of the current stalemate which has left Cyprus partitioned into Greek-Cypriot and Turkish-Cypriot sectors since the Turkish invasion of 1974. For this reason, I invited the Cypriot Ambassador to the United States, His Excellency Andrew J. Jacovides, to brief Members of Congress on the Cyprus issue on September 18. Mr. Jacovides' remarks were very useful, and informative, and emphasized the consistently positive stand of the Cyprus Government and the Greek Cypriot community during the various efforts toward a negotiated settlement of the Cyprus issue.

No one can deny that the Cypriot government and Greek-Cypriot community have done more than their fair share in encouraging a settlement throughout the years. They have made many painful concessions in an effort to bring harmony to the island which have not only not been matched by the other side, but have been thwarted by them. The Turkish-Cypriot community has even, in direct violation of relevant U.N. resolutions, taken a series of actions, subsequent to the 1974 invasion, which are aimed at consolidating the occupation and division of that small Mediterranean republic. For example, as recently as 1983, there was even an illegal attempt to create a new Turkish political entity in the occupied areas. Fortunately, this unprecedented secessionist action was promptly labled as illegal and unaceptable by the international community and received the condemnation that is so well deserved. Yet it illustrates all too well the staunch and dogmatic attitude of the Turkish and Turkish-Cypriot communities which has prevented the attainment of a just solution to the problems of the republic throughout these long, sad years.

Their detrimental actions have not ceased there. Contrast the following if you will. First, Cyprus has agreed to place internal security and the protection of human rights of all Cypriots under international supervision for as long as necessary while Turkey refuses to accept any impartial third-party international body on Cyprus. Second, Cyprus has agreed to a bicameral legislative constitutional arrangement under which Greek and Turkish Cypriots will be represented equally in the upper house, that is, 50–50, and proportionally to the population ratio in the lower house, that is, 80–20 while Turkey demands 50–50 representation

in everything, even though Greek Cypriots outnumber the Turkish Cypriots 4 to 1. Third, Cyprus has agreed to a total demilitarization of the Republic of Cyprus to be replaced by an enlarged U.N. peace keeping force in order to allay any security fears of the Turkish Cypriot community while Turkey opposes the augmentation of the U.N. Force and demands an arrangement that would legalize her military presence in the sovereign state of Cyprus.

There cannot, of course, even be any pretext of legitimacy for the presence of a foreign power's military troops in a sovereign state. In fact, to anyone familiar with the issue, there can be no doubt that the paramount obstacle to a negoitated settlement, in addition to first, the issue of Greek-Cypriot areas to be returned, and, second, freedom of movement within regions after settlement has been, and continues to be, the issue of the Turkish troops on the island and the insistence by Turkey on maintaining those troops there even after a settlement is reached.

I am pleased to report that the issue of demilitarization was particularly well received by the Members who attended Ambassador Jacovides' briefing, and I am hopeful that recognition of this necessity by our colleagues in Congress will soon translate into postitive action to help bring it about.

Turkey fails to realize that there may never be a settlement on Cyprus as long as they insist on maintaining foreign military troops there. Cypriot President Spiros Kyprianou first proposed demilitarization in 1978 at the special session of the United Nations on disarmament. It is, in fact, a basic prerequisite to a solution of the Cyprus problem. The demilitarization proposal, repeated by President Kyprianou in January 1984, contains two parts. First, it calls for the withdrawal of all Turkish occupation troops, together with the colonizers from Turkey. Second, at a later stage, all troops provided for under the Treaty of Alliance—Greek and Turkish contingents—would be withdrawn, and the Cyprus National Guard and the so-called Turkish-Cypriot Security Force should be dismantled. Demilitarization will contribute as an element of internal stability and alleviate Turkey's fears that Cyprus may be used against her militarily, but Turkey continues to resist all attempts to negotiate removal of her troops from Cyprus.

It is, therefore, up to us in Congress to encourage Turkey to begin negotiating in good faith and to convince her to begin to make some concessions of her own toward a settlement. Turkey is, after all, the third largest recipient of United States aid in this time of recordbreaking deficits at home, and it seems to me that the United States can, and should, put some further conditions on receipt of that aid.

It is my hope that if progress continues to lag, the Congress will act to send a clear message to Turkey and to the Turkish-Cypriot community that we are tired of waiting and hearing false promises. We are tired of halfhearted negotiatons which are doomed to failure in advance. We are tired of human rights violations. We are tired of property violations, and we are tired of subsidizing such illegal and immoral actions. We cannot wait any longer.

For the sake of the independence of a small nation, the stability of an entire region, and the peace of mind of thousands, I declare that the Cyprus problem must be settled and settled soon. Let us insist that all parties concerned act in good faith to ensure that a just solution is soon brought about. Thank you.

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Mr. FEIGHAN. Mr. Speaker, I want to thank my colleague from Florida for a particularly compelling statement, one that I think very clearly lays out the gross inequities that exist in that country today and one that, as well, states very clearly, I think, the obstacles that exist for a peaceful settlement to the conflict.

I think that your call to action, that the Congress should follow, is one that should be circulated widely in the Congress, and is one of immense sensibility.

I thank the gentleman for his participation.

Mr. GILMAN. Will the gentleman yield?

Mr. FEIGHAN. I would be very happy to yield to the gentleman from New York [Mr. GILMAN] who, as a member of the Committee on Foreign Affairs has been a very constructive force for a long period of time, quite a number of years, on trying to reach a settlement to this conflict.

Mr. GILMAN. Mr. Speaker today marks the 25th anniversary of the independence of the Republic of Cyprus. After 90 years of British rule, the newly independent people of Cyprus looked with hope on the future of their small nation. Unfortunately, the fruits of independence have not been fully enjoyed by the people of Cyprus. That land was wracked by dissension and violence, often inspired by outsiders. In 1974, the Turkish invasion led to a division of the island and the uprooting of populations, leaving thousands homeless. Turkish troops have remained on Cyprus since 1974, and progress toward a political solution has been excrutiatingly slow.

There has been some optimism in the past year in which the Greek Cypriot and Turkish Cypriot communities have been engaged in serious negotiations. U.N. Secretary General Perez de Cuellar has been untiring in his personal efforts to bring about a resolution of the situation on Cyprus. The Secretary General has circulated two drafts of a paper outlining a solution, each of which has been accented by one side. Now he is engaged in trying to bridge the gap between the two drafts—a gap which many observers believe is not very wide. The Secretary General deserves our praise for his past efforts and our encouragement as he continues to try to resolve this troublesome issue. I know that his work has been receiving strong support from the administration, which is entirely appropriate.

Mr. Speaker, the people of Cyprus deserve to live united and free of military occupation, in peace. They should be allowed to decide for themselves about their future. The 25th anniversary of an independent state is a sad time to have to contemplate about its impending return to true independence and to peace, but that is what we are all now hoping and praying for. With the cooperation and good will of all of the people of Cyprus, of Greece and Turkey, and all others who can bring their good offices to bear in support of an acceptable and just solution, hopefully we may be able to observe next October 1 as the 26th anniversary of a Cyprus united and at peace.

Mr. Speaker, I thank the gentleman from Ohio [Mr. FEIGHAN] for arranging today's special order in recognition of the 25th anniversary of the independence of the Republic of Cyprus, and for providing us this opportunity to participate in this worthy discussion.

Mr. FEIGHAN. Mr. Speaker, I thank my colleague from New York [Mr. GILMAN] very much for joining us in this special order today.

Mr. MCHUGH. Mr. Speaker, on October 1, the Republic of Cyprus will celebrate its 25th anniversary of independence. While for most independent nations this would be an occasion of unqualified joy and festivity, for the people of Cyprus this quarter-century mark is also a painful reminder of their island's divided status.

The tragic history of the Cyprus conflict is well-known to members of this chamber. Shortly after independence, serious differences arose between Greek and Turkish Cypriots over the interpretation and implementation of their new constitution. In part this reflected age-old animosities and suspicions, but the intercommunal fighting contributed to further divisions between the Greek and Turkish Cypriot communities. In 1964 the U.N. Security Council created a U.N. force in Cyprus which remains there to this day.

A decade later, following disturbances on the island, the Turkish government landed military forces and began the occupation of the northern part of the island. More than a third of the Cypriot population became refugees owing to this invasion. This mili-

tary occupation of northern Cyprus continues dividing the island today.

Despite this tragic past, Cyprus need not remain a nation divided. There appears to be considerable will among a majority of both Cypriot communities to find a peaceful settlement to their political dilemma through new constitutional arrangements. In the recent past, the United Nations has taken the lead in sponsoring a series of intercommunal talks between Greek and Turkish Cypriot leaders. Unfortunately, those talks have not proved fruitful to date. At various times both sides have been intransigent.

Future efforts to restore a federal government in Cyprus require that both sides show greater flexibility in their negotiating positions. For the time being, they should abstain from further acts which consolidate the island's divided status—acts such as the parliamentary and presidential elections held in the Turkish Cypriot north in June, or the proposal to allocate for Turkish settlement occupied lands belonging to displaced Greek Cypriots.

As much as some would like to think so, the solution of the Cyprus dispute does not lie with the Cypriots alone. Although the terms and structure of the settlement remain for them to work out, no real progress is likely without the good will and support of interested outside powers—Greece, Turkey, and the United States. The Governments of Greece and Turkey hold considerable sway over the Cypriot parties in the negotiations, and any settlement without their endorsement in word and deed has little chance of lasting success. Although Turkey has recently indicated that it intends to maintain troops on Cyprus as part of any settlement, it must realize that a key requirement for a durable solution is the withdrawal of Turkish forces from the island.

For its part, the United States must continue to actively support U.N. Secretary General de Cuellar's efforts to arrange further talks between the Cypriot leaders. In addition, we and our NATO allies should encourage Greece and Turkey to support negotiations. In doing so, we work toward the day when all Cypriots may celebrate their independence together.

Ms. SNOWE. Mr. Speaker, today, the 25th anniversary of Cypriot independence is an occasion for both commemoration and remorse. It is appropriate that we celebrate this 25th anniversary, while remembering that for 11 of those years the sovereignty of this small island nation has been under seige by foreign occupation of the northern half of its territory. The continuation of that occupation by Turkish forces is a sad comment on the resolve of a nearly united international community.

More than a decade of delay in reconstituting the nation of Cyprus after the Turkish invasion in 1974 has proved to be an insidious process. In international relations, as in politics, delay is a slow, quiet process of foreclosing options. By its nature, delay rarely causes headlines; all it does is compound problems and make their resolution more difficult.

There is an appearance of sameness in the basic equation on Cyprus ever since 1974: The island remains partitioned, with 40 percent of the land reserved for the 18 percent of the Cypriot population that happens to be of Turkish origin. This partition is maintained only through the occupation of northern Cyprus by more than 30,000 Turkish troops. Frustrated by the obstinacy of the Turkish occupation, the government of Cyprus has made one concession after another over the years in an attempt to accomodate the new, unpleasant realities on Cyprus and to make the nation whole once again. In that time, however, Turkey and Turkish-Cypriot leaders have employed the tactic of delay with escalating demands.

We usually debate the issue of Cyprus during foreign aid season in Congress. We do this due to our legitimate concern about the illegal use of American weapons in Cyprus over the years, and the need to decide whether to place additional restrictions on U.S. military aid to Turkey because of that concern. But such debate has a tragic repetitiveness. As Turkey and Turkish-Cypriot leaders move ahead with the process of establishing a permanent Turkish rump state on Cyprus, they pause once a year during congressional consideration of foreign aid legislation to send out encouraging signals amid a contrived flurry of diplomatic activity. If Congress takes some concrete action to encourage a settlement on Cyprus, Turkish-Cypriot Leaders scuttle the talks and blame Congress. If, however, Congress defers, trusting the promise of progress, the talks soon grind to a halt with the sudden appearance of new areas of Turkish-Cypriot concern.

There remains some hope for progress, however, due to the determined efforts of the U.N. Secretary General, who has worked for nearly 10 years in an attempt to achieve a mediated settlement on Cyprus. The Secretary General claims that he is the closest ever to a settlement of the problem of Cyprus, and that pressure must be placed on the parties involved to push the process to resolution. He also has warned that if negotiations do not move forward now, the process may be set back for years.

It remains to be seen just how responsive Turkey and Turkish-Cypriot leaders will be to the Secretary General's call for direct negotiations based on a proposed consolidated draft agreement he has put forward. The Governments of Cyprus and Greece accepted the consolidated agreement when the Secretary General first proposed it last April. The Turkish-Cypriots, however, delayed submitting any kind of reply until the end of August, and even then it was ambivalent and confusing.

To clarify the position of Mr. Denktash, the Turkish-Cypriot leader, the Secretary General arranged several meetings with Mr. Denktash in the past two weeks when he was in town for the convening of the 40th U.N. General Assembly. Little, however, was clarified. Mr. Denktash raised several nebulous concerns about the draft agreement, and declined to accept it even as a basis for negotiation. He requested another round of indirect talks to restructure the draft agreement before direct negotiations could begin. Thus, it appears that we are not entering a final stage toward settlement, but yet another episode in the process of delay.

In a meeting the Secretary General had with members of the Foreign Affairs Committee 3 weeks ago, he was clearly frustrated by such delays. Although he was not yet willing to give up his initiative, he sounded the alarm on the need to push the reluctant parties toward settlement. Certainly, we in Congress should care about what happens on Cyprus for humanitarian reasons and for our belief in the importance of international law. But what should most drive our concern is the fact that delay is not a neutral process: over the past ten years it has led to a serious erosion of our vital interests in the southern flank of NATO.

A lack of settlement on Cyprus has enflamed the animosity between our important allies in the Eastern Mediterranean, Greece and Turkey. It has fueled Greece's transformation from a strong ally to virtual neutrality in East-West issues. If the process continues, we may soon find a radical nonaligned country in the Eastern Mediterranean. What is more, our relations with Turkey have not improved as our relations with Greece have deteriorated. As Turkish-Greek relations worsened, Turkey has increasingly demanded United States Preferential Treatment in aid and in bilateral issues between Greece and Turkey. Any United States support for a symbol of equity and balance, such as maintenance of the 7 to 10 ratio in aid, is seen as anti-Turkish.

This is a dangerous process for U.S. national interests, and we must not allow it to continue. If the Turkish-Cypriots do not agree to enter direct negotiations, it might take a dramatic gesture by the United States to break the current psychology of deadlock. In recent months, the Secretary General has stated that in his view, the Security Council has been underused as a forum for serious problem-solving. He has urged that the permanent members of the Security Council pick one or two issues that do not involve direct superpower confrontation, and on which the United States and the Soviet Union generally agree. The obvious choice is Cyprus, as was urged in the September 21 issue of The Economist, which I would like to submit for the record. This is indeed the year to shatter the impasse on Cyprus—it may be our last opportunity. We must use all the tools available to us to demand that real progress is finally made. Let us help turn the 25th anniversary into a new era of unity and independence on Cyprus.

[From the Economist, Sept. 21, 1985]

THE JEWEL IN THE UN

(By Perez de Cuellar)

When precious stones are embedded in lumps of coarse matter, it takes skilled craftsmen with plenty of patience to reveal their beauty. The jewel of peace is not easily perceived amid all the dross at such a big international gathering as the annual session of the United Nations assembly, which began on September 17th. This being

the 40th session, almost 100 heads of state or government will converge on New York to add their posturings and special pleadings to those of the 159 delegations. After weeks of speechmaking, about 300 resolutions and decisions will be voted, nearly all of them passing instantly into oblivion. And when the three-month talkathon is over many people will, as usual, wonder whether it was worthwhile.

Of course, in simple terms of productivity, these huge gatherings are not worthwhile. If most of the verbiage and vote-countings were cut away, the world would feel no loss. Nevertheless, at the heart of all the dross there may still be discerned something of value.

Unprecedentedly, a world of sovereign states has for 40 years remained agreed that it needs a near-universal organisation with the primary purpose of maintaining peace. For all its weakness and wastefulness, the UN is the only such mechanism yet available. Blueprints for much better ones are ten a penny; but they are fated to remain mere blueprints so long as that characteristic of our times, the craving for national independence, endures. True peace-seekers should refrain from dreaming about ideal world organisations and concentrate on trying to make the one we have work better.

THE NEED TO SHOW IT CAN DO SOMETHING

Among the assembled throngs in New York there are some people who are more interested in making the UN work better than in using it as a loudhailer through which to shout slogans. Fortunately, one of them is the secretary-general. Mr. Perez de Cuellar cannot steer the assembly; he can only nudge it. But each September he gets a timely change to nudge it when he writes an introduction to his annual report on the organisation's work. He has repeatedly urged the delegates to cut down on resolutions, repetitions and confrontational rhetoric—warning them, last year, that the UN "is a willing and patient horse, but it should not be ridden to a standstill". He has also sought their support for his nudging of the 15-member security council.

One of his suggestions this year is that the security council should make a "concerted effort to solve one or two of the major problems before it by making fuller use of the measures available to it under the charter". The council's members should invite Mr. Perez to expound this idea. It is not unthinkable that they should agree, instead of waiting for crises, to focus their minds on a persistent problem and to put their full weight behind a plan for settling it. Cyprus, maybe?

Sometimes—as in the 1964 Cyprus and 1973 Middle East crises—the council has proved remarkably valuable. Its usefulness could surely be increased by quite modest improvements in its working methods. Moreover, some of these might require no formal agreement; already at least one such beneficial change, the abandoning of the charter's provision that a permanent member's abstention should constitute a veto, has been achieved simply by tacit consent. And even amendment of the charter is not as inconceivable as is widely supposed. To grasp that point, the council's 15 members need only look around their horseshoe-shaped table. There would be only 11 of them there, if the charter had not been amended as long ago as 1965.

The UN needs, above all, a fresh demonstration that it can achieve something. Next week the security council is to hold a special meeting at which its member states' foreign ministers will sit at that horseshoe table (Sir Geoffrey Howe presiding) and exchange ideas about the future of the council and the UN. If they refer to Mr. Perez's proposals at all, they may be inclined to poohpooh them as unrealistic. But 15 foreign ministers should be able, between them, to produce some realistic suggestions of their own for making more use of a mechanism which they still value.

Mr. BARNES. Mr. Speaker, I would first like to commend my colleague, the gentleman from Ohio [Mr. FEIGHAN] for taking the initiative on this important issue. He has led the fight in support of peace on the island of Cyprus for the last several years, and has been very successful in keeping this issue before the Congress.

Mr. Speaker, today marks the 25th anniversary of the independence of the Republic of Cyprus. Unfortunately, as has been the case for the past decade, this anniversary serves as a reminder to the Cypriot people—and to the world—of the tragedy that continues on that island. The 30,000 Turkish troops that have occupied the northern part of Cyprus since July 1974 remain in place. Turkey has also sent 50,000 colonists to bolster the Turkish representation on the island. This minority group, representing only 18 percent of the population, controls over 40 percent of the territory of the country.

Earlier this year, the Government of Cyprus accepted a draft agreement presented by U.N. Secretary General Javier Perez de Cuellar. However, Turkish Cypriot leader Rauf Denktash dashed hopes for progress on the agreement, by refusing to agree to the withdrawal of Turkish military forces from the island, and by stating that there is no intention on the part of the Turkish Cypriots to live in a mixed society with Greek Cypriots. This kind of intransigence will only prolong the suffering of the people of both communities in Cyprus.

Mr. Speaker, the Turkish Cypriots—and Turkey—need to hear from the United States. The Reagan administration has practiced a policy of "quiet diplomacy" on the Cyprus issue—a policy that, unfortunately, has granted the Turkish Cypriots the space to dig their heels in even deeper. For the last 5 years, we have stood by while the Turkish Cypriots declared their independence and wrote their own constitution, held elections, and distributed lands to Turkish Cypriots which had been taken from Greek Cypriots at the time of the invasion. One can hardly call this progress in uniting the two communities.

Every year the administration has proposed massive increases in aid to Turkey, aid that is used by Turkey to maintain the occupation forces in northern Cyprus. However, this Congress has stood firm over the years in its belief that United States military assistance to Turkey must be tied to progress on the Cyprus issue. Without a clear message from the United States, Turkish and Turkish-Cypriot intransigence on this issue will continue.

Mr. Speaker, we must make it clear that an equitable resolution of the Cyprus conflict is a priority in United States foreign policy. Without pressure from the United States in support of U.N. peace efforts, Cyprus will continue to mark the anniversary of its independence as a divided nation.

Mr. MATSUI. Mr. Speaker, I rise to pay tribute to the unflagging spirit and independence of the people of the Republic of Cyprus who celebrate their 25th anniversary as a nation today.

Throughout its history the sovereign nation of Cyprus has maintained a close and important relationship with the United States. Strategically located on the southeastern flank of NATO there are two British bases and a United States radar base on the island. After the bombing of the Marine barracks in Beirut, Cyprus was the only country to permit the United States use of its facilities in the evacuation of the wounded.

Since 1974, Turkish troops have illegally occupied 40 percent of the island. Regardless of efforts by the United States and the United Nations, Turkey has shown little indication of a willingness to withdraw from Cyprus. We should take this occasion to recommit ourselves to sending a clear message to the Government of Turkey that meaningful negotiations must begin immediately. Future aid to Turkey should be dependent upon that government's willingness to negotiate and progress in settling the conflict based on democratic principles of majority rule with full minority rights.

It is my hope that the warm and friendly people of Cyprus will enjoy the next 25 years of independence in peace and prosperity.

Mr. BROOMFIELD. Mr. Speaker, I rise to join in this commemoration of the 25th anniversary of the independence of the Republic of Cyprus. Twenty-five years ago, the people of Cyprus were freed from 90 years of British rule and 300 years under the Ottoman Empire. They looked to the future with hope.

Regrettably, in the years since independence, outsiders have interfered with the fate of that beautiful island; it still does not enjoy the unity and peace that it deserves. We recall with sorrow that in 1974, Turkey invaded Cyprus; 11 years later, Cyprus remains occupied by 25,000 troops, and 200,000 Greek Cypriots remain refugees.

This January, President Kyprianou of Cyprus and Mr. Ruaf Denktash, the leader of the Turkish Cypriot community, met in New York for the first summit-level talks between the two communities in 6 years. After the summit, United Nations Secretary-General Perez de Cuellar drafted a proposal which was not completely acceptable to the Greek Cypriot side. Nevertheless, important concessions were made by that side, so that a new revision was signed this March. Hopes for a quick settlement were dashed, however, when the Turkish Cypriot side refused to accept the revised version of the principles for peace.

Thus far, Mr. Denktash has refused to accept such elementary propositions as the need for Turkish troops to end their occupation, and for the establishment of free-

dom of settlement and movement on the island.

The Secretary-General is continuing his work. On this anniversary of the independence of Cyprus, we must reaffirm our support for his efforts. Our Government must urge Mr. Denktash to make the concessions necessary to achieve real progress on this issue. The ball is in his court. Without strong pressure from the United States, and movement by Mr. Denktash, Cyprus will never achieve the independence that its people hoped for for years and thought they achieved 25 years ago today.

Mr. FASCELL. Mr. Speaker, I congratulate the people of the Republic of Cyprus who are today celebrating the 25th anniversary of their nation's independence. Since that independence, the Republic of Cyprus has been one of the United States' most trusted friends in this strategically important area of the world. Cyprus' humanitarian assistance to the United States during both the TWA hostage crisis and the evacuation of the marines wounded in the Beirut barracks bombing are only two of the most recent examples of this friendship. The people of Cyprus have experienced their share of adversity and disappointments in the short history of their nation. Yet today, on this important anniversary, the people of Cyprus have reason to believe that peace is close at hand and that true independence for both the Greek Cypriots and the Turkish Cypriots is not far away.

This optimism is founded on the recent successes of U.N. Secretary General Javier Perez de Cuellar's Cyprus peace initiative. After the summit talks between President Kyprianou and Mr. Rauf Denktash broke down in January of this year, Mr. Perez de Cuellar began a tireless effort to consolidate the principles agreed to during those face-to-face meetings. The result of these efforts was the completion of a draft consolidated agreement in March. This document addresses the fundamental issues to be resolved between Greek and Turkish Cypriots. The Secretary General's efforts provide the best vehicle yet for future peace on Cyprus. President Kyprianou has agreed to this draft of the consolidated document and we are hopeful that Mr. Denktash will do the same in the near future. Acceptance of this document will serve to pave the way for a peaceful resolution of this 11-year-old tragedy.

In light of these positive developments, I believe the United States should reaffirm our support for the Secretary General's efforts and our conviction that his efforts represent the best hope for peace in Cyprus. The good faith actions of all parties to the dispute can and will overcome any remaining roadblocks to peace. Our friends on Cyprus have suffered through 11 years of adversity; it is time for us to take the steps necessary to ensure this peace opportunity does not pass.

Mr. GEKAS. Mr. Speaker, we are gathered here this evening to commemorate an important date in the history of the Republic of Cyprus. Twenty-five years ago on October 1, the independent republic was established. Our Nation has certainly enjoyed a beneficial relationship with Cyprus over those years, and I would like to express my appreciation to our friends in that regard.

It was Cyprus that allowed our country to use their airport after the terrorist bombing of our marines in Lebanon. That gesture will always be remembered by Americans as an example of the Cypriot good will.

Unfortunately, the people of Cyprus cannot fully enjoy this anniversary of their independence. As everyone knows, a force of foreign troops invaded their country in 1974, and remains there to this day. More recently, the Turkish Cypriots have tried to make permanent the partition of that island by forming a new government. So instead of celebrating the anniversary of their independence, many Cypriots will spend October 1 hoping for the return of their land, and a solution to this problem.

Those of us concerned with this issue turn our attention on this date to the efforts of United Nations Secretary General Perez de Cuellar to come up with a unification plan for Cyprus. Mr. de Ceullar has worked very hard this year to keep both sides negotiating, and his determination to resolve this matter is to be commended. It is my sincere hope that he will continue this very important process, despite the many obstacles that have been placed in his path by the officials of an illegal government.

At this moment in history, Mr. Speaker, we must rely on the success of the U.N. Secretary General to ensure the celebration of October 1 in the future by a truly independent Republic of Cyprus. Our prayers are with him.

Mr. BERMAN. Mr. Speaker, I commend my colleague from Ohio for organizing this special order to commemorate the 25th anniversary of Cypriot independence.

I am glad to join with the people of Cyprus in celebrating this occasion. I only wish this 25th anniversary of independence weren't marred by the continued partition of the island of Cyprus.

Last year we engaged in a special order to focus attention on the fact that against the will of most of her people, Cyprus is a divided island. We may have had some success, and helped make people aware of the problem. But the progress that has been made, both in terms of international support for unification and congressional pressure on the Turkish Government to join us in efforts to reunify Cyprus, hasn't brought about a final resolution of the conflict.

The Cypriot Ambassador to the United States, Andrew Jacovides, recently met with several of our colleagues to discuss the background and recent developments of the Cyprus problem. As Ambassador Jacovides pointed out, we in Congress have the tools to help facilitate a peaceful solution to the problems in Cyprus. I am hopeful that our use of one of those tools last summer will hasten a resolution of the dispute.

We conditioned eligibility for a $250,000,000 Cyprus Peace and Reconstruction Fund on acceptance by both sides of an agreement that makes meaningful progress toward a final settlement of the partition dispute. In order to receive the aid, Greek and Turkish Cypriots must settle the Varosha-Famagusta question, agree on allowable foreign troop levels in the Republic of Cyprus, conclude an agreement on the disposition of Cyprus' international airport, or take other significant steps that show progress toward a settlement.

The majority of the people of Cyprus want a unified and independent state, and our fundamental belief remains that the interests of the United States and the Cypriot people would best be served by a bizonal, Federal solution. United Nations Secretary General Perez de Cuellar has given both sides in the dispute the opportunity to achieve such a solution. Perhaps the provision we adopted in the economic support fund will serve as an added encouragement toward acceptance of the Secretary General's plan.

Let us hope that both Greek and Turkish Cypriots mark the occasion of the anniversary of independence by resolving to finally settle the partition dispute.

Mr. MAVROULES. Mr. Speaker, I address my colleagues today in recognition of the 25th anniversary of the creation of the Republic of Cyprus. On August 16, 1960, the island of Cyprus achieved its liberation from British colonial rule. Today, on the date officially recognized as the anniversary, we are compelled to take a moment to reflect upon the meaning of this important occasion.

The short 25 year history of this Republic has been marked by disturbing events—events which we all must come to terms with, and which necessitate our focusing particular attention on the significance of this anniversary.

If conditions were different, and we all wish that they were, we would be able to recognize this occasion in entirely positive terms. Unfortunately, this is not possible. We are unable to commemorate this event without addressing the unfortunate situation which currently prevails on the island of Cyprus. For as we all know, approximately 35,000 Turkish troops presently occupy over a third of the island—a military presence that is totally unacceptable, but that has persisted since the 1974 invasion. To compound the difficulties, unification talks between President Spyros Kyprianou and Turkish Cypriot leader Rauf Denktash have proven largely unproductive. And today, over 11 years after the 1974 invasion, the island remains divided. Indeed, in November 1983, northern Cyprus illegally declared itself an independent state, an action which was condemned by the U.N. Security Council.

And this, my distinguished colleagues, places a particular burden on our shoulders. It creates for each and every one of us a responsibility to speak out in the name of justice. I would say first that it is imperative that the United States vigorously pursue a peaceful, mutually agreeable settlement to the ongoing dispute. We must make it perfectly clear that we remain

firmly committed to this cause. Anything short of a persistent and determined effort on the part of our nation will signal an acceptance of the present situation. And let there be no question that the existing situation is one which contradicts our most valued notions of justice and international law.

I think, finally, that the ultimate significance of our recognizing today's occasion lies in the very reason for this anniversary—that being that this date marks the creation of a very specific national entity, one which was founded in accordance with very specific principles of government. And let us not lose sight of this very basic, and yet critical observation. We recognize today the original and official Republic of Cyprus, precisely as it was established on the day of liberation 25 years ago. We do not recognize any partition of the island, nor do we recognize any government except that which was originally created to govern the Republic in its entirety. We are morally compelled to uphold this position, and we must do so if we are to remain true to the very principles of democracy which provide the basis for our own system of government. And if there is one single thought which we must emphasize today, it is simply that by recognizing this anniversary, we are in effect reaffirming our commitment to an independent Republic of Cyprus, one which is free of geographical partitions, as well as of destabilizing and unlawful military occupation.

In closing, I would like to add that I recognize this anniversary with a deep appreciation for the significance and meaning of the liberation of Cyprus, and with a profound respect for the sovereignty and independence of the Republic that was created by this liberation. And, finally, I recognize this anniversary with the hope that someday in the near future the Republic of Cyprus will be freed of the internal strife that has marked so much of its short history.

Mr. BONKER. Mr. Speaker, today the people of Cyprus mark the 25th anniversary of the independence of their country. This momentous occasion, however, is overshadowed by the continued division of that nation, and the, as yet, unresolved fate of its Greek and Turkish populations.

The tragedy of Cyprus must not be allowed to continue indefinitely. The artificial division of the Republic of Cyprus is dangerous not only for the Cypriots, but for the whole Eastern Mediterrean region. It places American security interests in the region in jeopardy and remains the greatest obstacle to the restoration of good relations between Greece and Turkey, the anchors of NATO's southeastern flank.

The recent efforts on the part of the U.N. Secretary-General to broker a negotiated settlement on Cyprus offers reason for hope. In January, Cypriot President Kyprianou and Turkish Cypriot leader Denktash met for the first time in 5 years. Although no agreement was reached, negotiations are still underway. A draft agreement prepared by Secretary-General Perez de Cuellar was accepted by President Kyprianou but was later rejected by Mr. Denktash.

On this anniversary, I believe we must reaffirm our dedication to finding a peaceful solution to the Cyprus conflict. The recent humanitarian assistance given by Cyprus to the TWA hostages demonstrates the friendship that the people of Cyprus feel for our country. It is incumbent upon us now to help in their efforts to negotiate stability for the next 25 years.

Ms. MIKULSKI. Mr. Speaker, today the Republic of Cyprus celebrates the 25th anniversary of its independence. Sadly, the anniversary is marred by the continued division and occupation of their nation for the past decade.

The citizens of Cyprus have looked with hope to the United Nations Secretary-General's Cyprus initiative as the best means available to bring a long-awaited peace to their country.

The original U.N. proposal dealt with the amount of territory to be held by each side in the Cyprus dispute, the powers of the states and the Federal Government, and withdrawal of Turkish troops.

In January of this year, summit talks were held between President Kyprianou of Cyprus and Mr. Rauf Denktash to try and find a peaceful solution to the situation in Cyprus. Although these talks ended inconclusively, they established the principles that would be included in any future peace agreement for Cyprus.

After the summit, President Kyprianous played an integral role in Mr. Perez De Cuellar's efforts to draft a revised version of documentation which formed the basis for the January talks. In an unprecedented act of good faith, President Kyprianou made a substantial number of painful concessions in an effort to ensure a positive response from Mr. Denktash. In March of this year President Kyprianou signed the consolidated document for peace.

Unfortunately, in August 1985, Mr. Denktash diplomatically rejected the Secretary-General's consolidated document. In his reply, Mr. Denktash indicated that he would not accept the condition for the withdrawal of the more than 30,000 Turkish troops from Cyprus, the threshold requirement for any lasting solution to the crisis in Cyprus.

We in this country must do all we can to keep alive the possibility of a peaceful and united Cyprus. A successful solution would play an important role for improving relations between Greece and Turkey. It would shore up NATO's eastern flank, and, at long last, allow Greek and Turkish Cypriots to work together for a peaceful and prosperous future.

Since January, however, Mr. Denktash, with Ankara's approval, has continued to take steps to ensure the permanent partition of Cyprus. Since January, these measures have included the following:

Mr. Denktash held a referendum in May to adopt a new constitution for the occupied zone.

Mr. Denktash held presidential and parliamentary elections in June.

In June, Mr. Denktash announced the distribution of thousands of acres of land owned by Greek Cypriots in the occupied zone to Turkish Cypriots.

Today the people of Cyprus mark the 25th anniversary of their independence. Unfortunately, this sovereign nation will not enjoy the fruits of this freedom until their nation is once again united and free of occupation forces. A clear indication of our support for the cause of freedom on Cyprus offers the only hope for peace.

Mr. YATRON. Mr. Speaker, I rise to join my colleagues in commemorating this very important day. I want to thank the gentleman from Ohio, Mr. FEIGHAN, for his outstanding leadership and initiative in calling this special order.

October 1, 1985 marks the 25th anniversary of the establishment of the Republic of Cyprus. Cyprus has maintained a close relationship with the United States throughout its 25-year history, and recently provided critical logistical support for the American peacekeeping forces in Lebanon. Moreover, Cyprus was the only country to permit the United States use of its facilities in the evacuation of the wounded Marines after the Beirut bombing.

Since 1974, Turkey has occupied 40 percent of Cypriot territory, even though Turkish Cypriot make up less than 20 percent of the island's population. The United Nations has attempted to resolve this dispute, and the Congress and the administration have also worked to facilitate a lasting, peaceful settlement. In a wider geopolitical context, the continuation of the Cypriot discord also has important implications for NATO and Greek-Turkish relations. Clearly, we have a strong national interest in preserving intercommunal harmony on the island and in solving the basic disagreements between the parties.

As a member of the House Foreign Affairs Committee, I have been actively engaged in efforts to pressure Turkey to end the occupation, and to force an agreement which respects the rights and interests of both sides. I will continue to be involved in this issue.

I think this special order will serve to remind members of the importance of Cyprus to the United States and for the need of the Turkish Cypriot community to be much more forthcoming in negotiations.

Mr. HUGHES. Mr. Speaker, I would like to thank the gentleman from Ohio [Mr. FEIGHAN] for organizing today's special order on the Cyprus situation. Today's special order, on the 25th anniversary of Cyprus independence, serves both as an important reminder to our colleagues that the crisis in Cyprus continues, and as a call to this Congress for a renewed effort in resolving the conflict.

Cyprus remains a nation divided. I am deeply concerned that steps such as the exchange of Ambassadors with the Turkish Government, and the distribution to Turkish Cypriots of land owned by Greek Cypriots in the occupied zone, will not serve to advance peace negotiations in that troubled country.

I urge my respected colleagues to take note of United Nations Secretary General Javier Perez de Cuellar's efforts toward a negotiated peace in Cyprus. This spring, the Secretary General negotiated concessions from Cyprus President Kyprianou, and presented Mr. Denktash with a consolidated document for peace. This document was rejected by Mr. Denktash. The United Nations peace initiative will continue, and our cooperation, participation, and support of that determined effort is needed.

Our role in this situation, however, must focus not only on Cyprus, but also on our NATO alliance. The conflict between Greece and Turkey, both NATO allies, must not continue to upset the NATO stability in that critical region. A delicate balance must be struck in our treatment of those nations as NATO allies and players in this tragic division of Cyprus.

I believe, Mr. Speaker, that the time has come for this nation to reevaluate our policies concerning the Cyprus situation. The need for negotiation and concessions remains, and a positive role by this Congress is needed to bring peace and an independent government to the now 25 year independent Nation of Cyprus.

Mr. CARPER. Mr. Speaker, on this October 1, 1985, the people of Cyprus are marking the 25th anniversary of their independence. While this occasion normally would be a cause for celebration, today, the people of Cyprus will observe this anniversary with a sense of sadness.

There have been hopes, over the past year, that some progress would be forthcoming in resolving the problems on Cyprus. The promising initiatives undertaken by United Nations Secretary General Javier Perez de Cuellar and the subsequent meetings held between President Kyprianou and Mr. Denktash increased hopes for a peaceful settlement.

While no such settlement is on the immediate horizon, we, in the Congress, continue our support for a fair resolution on the conflicts on Cyprus. Hopefully, with everyone working together and committed to a fair resolution, future anniversaries will be a joyous occasion and not a bitter reminder of conflict.

Mr. PASHAYAN. Mr. Speaker, I am pleased to participate in the special order to commemorate our Nation's close ties with the Republic of Cyprus on the 25th anniversary of its independence. I should like to commend my colleague from Ohio, EDWARD FEIGHAN, for coordinating this effort.

I wish to congratulate the people of Cyprus on the 25th anniversary of their independence. The United States has a close friend in this young Nation. Cyprus provided assistance during the evacuation of wounded U.S. Marines from Beirut barracks and during the TWA hostage crisis, to mention just two of many humanitarian acts. I want the people of Cyprus to be aware that we appreciate this assistance.

This year we have been hopeful that peace is at hand at last in Cyprus. In January, Mr. Rauf Denktash, a Turkish Cypriot leader, agreed to meet with President Kyprianou for the first time in 6 years. This meeting occurred as a direct result of the clear message the 98th Congress sent to Turkey that their intransigence would not be tolerated. While the historic meeting ended inconclusively, it established the principles for a peaceful resolution of the conflict. We were all hopeful that the good faith Mr. Denktash displayed by agreeing to participate in the meeting would continue afterward and would produce a resolution of the remaining outstanding issues between the two communities.

Unfortunately, on this 25th anniversary date, there has been no resolution of the issues. Mr. Denktash has refused to commit himself to further negotiations, has termed the meeting a failure, and has implied that existing agreements struck at the meeting would have to be renegotiated. Mr. Denktash has held presidential elections, parliamentary elections, and a constitutional referendum in the occupied zone. Last month Mr. Denktash announced the conveyance of thousands of acres of land owned by Greek Cypriots in the occupied zone. In addition, Ankara and Mr. Denktash are continuing the illegal colonization of the occupied zone with Turkish peasants, who now number 50,000. All of these acts are contrary to the cause of peace and serve to drive a larger wedge through a nation already divided. Furthermore, statements from Ankara and Mr. Denktash that Turkish troops shall remain in Cyprus after a peace agreement is reached suggest that partition, not peace, may be Turkey's goal.

Unlike Mr. Denktash, President Kyprianou has been most forthcoming since the termination of the meeting. Since January, President Kyprianou has played an integral role in U.N. Secretary-General Perez de Cuellar's efforts to draft a revised version of the documentation that formed the grounds for the January talks. In an unprecedented act of good faith, President Kyprianou made a substantial number of painful concessions in an effort to elicit a positive response from Mr. Denktash. The concessions were made despite Mr. Denktash's refusal to participate in the Secretary-General's initiative. In March 1985, President Kyprianou signed the consolidated document for peace.

Unfortunately, this past August, the Secretary-General's consolidated document was diplomatically rejected by Mr. Denktash. In his reply Mr. Denktash indicated he would not accept the condition for the withdrawal of Turkish troops, nor would he make any concessions to achieve peace. He also stated his conviction that Turkish Cypriots shall refuse to live in a mixed society with Greek Cypriots.

We all recognize that Turkey has a special responsibility for promoting the peaceful resolution of the crisis. Clearly, Ankara has not lived up to its responsibility. Our patience is being sorely tried. Turkey must recognize from the actions of the 98th Congress and from previous Congresses that we are serious in our efforts to bring the two sides together. Our goal is and shall remain that the Republic of Cyprus shall be allowed to experience and to enjoy the freedom and independence it was granted 25 years ago today.

Mr. RUSSO. Mr. Speaker, in 1960 the Republic of Cyprus was founded and today we commemorate the 25th anniversary of this beautiful but troubled land. Would that we could celebrate this occasion with the knowledge that the problems dividing this small island nation and the long and bloody struggle there have been ended. But today, sadly, a decade after the 1974 Turkish invasion, Cyprus remains a deeply troubled country and no negotiated settlement has been achieved.

What we can do today, however, is celebrate our long-standing friendship with the Republic of Cyprus and reaffirm our commitment to a peaceful resolution of the continuing conflict on the divided island. We can affirm our commitment to basic human rights for the people of Cyprus and our commitment to the sovereign borders of both Greece and Cyprus. We can reaffirm our commitment to establishing a genuine and lasting peace through meaningful negotiations.

In doing so, we send a message of hope to the people of Cyprus. There can be no illusions about the congressional mood and the unswerving belief of the American people in self-determination and self-rule under a united government. There can be no doubt as to our continuing interest and efforts in behalf of an equitable resolution.

The brave people of Cyprus deserve no less. They deserve to know that their quarter century anniversary is to be applauded and that the tragic situation on their beloved island is of concern to the world. We are, indeed, all linked, country to country, by our efforts to achieve fundamental human rights for all people.

Mr. FAZIO. Mr. Speaker, I would like to join my colleagues today in this special order to celebrate the 25th anniversary of the independence of Cyprus. Unfortunately, continual Greek and Turkish division of this nation prohibit Cypriots from enjoying this freedom.

I applaud the efforts of U.N. Secretary General Javier Perez de Cuellar who is currently undertaking sustained efforts for peace between the NATO countries. In January, he drafted a proposal for reunification of a federation and along with congressional pressure, spawned a summit meeting between Turkish leader Denktash and Greek leader Kyprianou. Regretfully, the summit proved unsuccessful.

Reaffirmation of such pressure could ensure Cyprus' hopes for a peace settlement and eventually eliminate the possibility of a disastrous war. Furthermore, the summit collapse indicates the incessant need for U.S. involvement so that permanent partition may be avoided. Progress of the U.N. Secretary General and U.S. intervention may provide the last real opportunity to bring long-awaited peace to Cyprus.

I am pleased to support this celebration of Cyprus' independence and, in addition, call for continued efforts by the United States to help stabilize this troubled nation.

Mr. WOLPE. Mr. Speaker, I wish to congratulate the people of Cyprus on this, the 25th anniversary of their country's independence. While this occasion should be a cause for great celebration, the people of Cyprus will mark this day with sadness, as it serves as a bitter reminder of the continuing division and occupation of their nation.

The United States has a good friend in Cyprus, as Cyprus President Kyprianou has repeatedly demonstrated. I am sure we all remember their valuable assistance in the evacuation of wounded marines from Lebanon and, more recently, their help in resolving the TWA hostage crisis. For these reasons alone, we should reaffirm our commitment to the resolution of the Cyprus conflict. But in addition, we must also bear in mind that our own security interests in the region dictate that we take any and all steps to bring peace to this troubled nation.

Our hopes for peace on Cyprus now rest with the initiatives undertaken by U.N. Secretary General Javiar Perez de Cuellar. Expectations of progress were raised early this year by a summit meeting between President Kyprianou and Mr. Rauf Denktash. Unfortunately, that meeting and subsequent actions have proved inconclusive, although negotiations continue.

It has been over a decade since Turkish troops invaded and partitioned Cyprus. I urge my colleagues to take note of the continuing suffering of the Cypriots, the danger to NATO security posed by this persistent conflict, and the growing demand of the American people for a peaceful and speedy resolution to the stalemate on Cyprus. Freedom and true independence on Cyprus can only come with the removal of all foreign troops. I am sure we all join together to commemorate our longstanding friendship with the Republic of Cyprus and to send the Cypriots a message of hope on this important anniversary.

Mr. FLORIO. Mr. Speaker, I am pleased to join my colleagues from Ohio, Congressman ED FEIGHAN, in this special order commemorating the 25th anniversary of the independence of the Republic of Cyprus. I would like to commend his initiative in calling this special order and direct the attention of my colleagues to the significance of this date in the history of the Cypriot people.

Mr. Speaker, 25 years ago, Cyprus ceased to exist as a British colony and once again, after centuries of domination by foreign powers, became an independent republic. However, independence in 1960 did not bring the peace that was hoped for. Instead, the decades that have followed have brought the Cypriot people violence and bloodshed. However, they have also demonstrated the everlasting courage and perserverance of the Cypriot people and renew our hope that this small island in the Mediterranean will once again enjoy the benefits of peace and freedom.

This past July 20, the international community again mourned the passing of yet another year since the illegal occupation of Cyprus 11 years ago. Eleven years ago, Turkish troops violated this small nation's territorial integrity by invading the island and wreaking havoc and destruction among the island's inhabitants. Today, 11 years later, 18,000 Turkish troops still occupy over 40 percent of Cyprus and pose an ominous threat to the island's Greek Cypriot population.

Mr. Speaker, it is time we diligently persevere in negotiating a solution to this problem. Since summit talks between Cypriot President Kyprianou and Turkish Cypriot leader Denktash collapsed last January, Mr. Denktash has held both parliamentary and presidential elections in his illegally occupied northern portion of Cyprus. Indications are that the Turkish Government intends to continue maintaining Turkish troops on the island even after a settlement. Recently, the U.N. Secretary General reported the preparation of a draft agreement which represents a judicious settlement. Though the Greek Cypriots have accepted the agreement, the Turkish Cypriots have not yet replied.

It is my hope that an affirmative reply will be given and that the international community will bolster efforts for a just and timely settlement.

Twenty-five years ago, Cyprus was a budding republic tasting its first taste of freedom. Twenty-five years later, Cyprus may be an independent republic but it is partitioned and its people are divided. It is our moral responsibility to work to ensure that the illegal occupation of Cyprus and the tragedy of the division is not prolonged.

Mr. COELHO. Mr. Speaker, on this, the 25th anniversary of the establishment of the Republic of Cyprus, I would like to join my colleagues to offer my congratulations to the people of Cyprus, as well as offer my support for the continued efforts to bring about a negotiated settlement to the 11-year dispute which has divided the Mediterranean nation.

Throughout its 25-year history, Cyprus has remained a faithful ally of the United States, as most recently demonstrated by her help following the bombing of our Marine Corps headquarters in Beirut, and the TWA hijacking incident in Lebanon. Unfortunately, since 1974, Turkey has occupied 40 percent of the Cypriot territory, and has insisted on maintaining a separate nation, under the direct control of Ankara. U.N. Secretary General Perex de Cuellar has admirably continued his efforts to achieve an agreement between the two Cypriot communities, but he steadfast refusal of Turkey to cooperate has stalled any final accord.

The United States' reluctance to confront Turkey's disregard for the basic tenets of international law, on the Cyprus issue, as well as the Armenian genocide, is unfortunate. No one questions the value of our alliance with the Republic of Turkey. That relationship, however, must be based on mutual respect and understanding. The United States has, regrettably, been fooled into thinking that we can remain friends with Turkey only if we do not demand the same allegiance to human rights, that we expect of others, ally and foe, alike.

Today, the 25th anniversary of the Republic of Cyprus, is an appropriate time to call for her unification as well. Hopefully, such pleas will not have to be heard next October 1.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in commemorating the 25th anniversary of the creation of the Republic of Cyprus.

Twenty-five years ago, on August 16, 1960, Cyprus formally was removed from British control, and became an independent republic, establishing a representative constitutional government committed to fundamental principles of human rights for all of its citizens. The new country joined the community of free nations of the world, embarking upon an ambitious program of land reform, agricultural growth, and conservation programs.

Throughout its history as an independent state, the Republic of Cyprus has remained committed to the cause of freedom, and has maintained a close and friendly relationship with the United States. The Republic of Cyprus has provided critical logistical support for American troops in the Middle East, and recently, the United States used the country's facilities in the evacuation of wounded marines after the U.S. military compound in Beirut was bombed by terrorists.

Although this 25th anniversary should be a joyous occasion for the people of Cyprus, it is instead one of sadness, for it has been over 11 years since the armed forces of Turkey invaded this small country, occupying nearly 40 percent of the northern part of the island and forcing about 200,000 Greek Cypriots to flee south. There is extensive documented evidence of gross atrocities and crimes committed by the Turks during this invasion, and over 1,500 Greek Cypriots are still missing from this conflict.

Mr. Speaker, today, however, there is hope for a peaceful resolution to this division and occupation by the Turks. Initiatives have been undertaken by the Secretary General of the United Nations, and President Kyprianou of the Republic of Cyprus met earlier this year with the leader of the so-called Turkish Federated State of Cyprus. On this 25th anniversary of the formation of the Republic of Cyprus, let us reaffirm our commitment to this government, and let us hope that the Republic of Cyprus is reunified and returned to its former status as an independent country, whose people are free to determine their own destinies without foreign domination or occupation.

Mr. DYSON. Mr. Speaker, I rise today to commemorate the 25th anniversary of the founding of the Republic of Cyprus.

For the people of Cyprus, this day marks more than a remembrance of things past—it stands also as a symbol of promise and hope for the day when all the inhabitants of this resplendent island can live together in peace and harmony. So on this day, I believe it is appropriate not only to speak of Cyprus' independence, but also to offer a

word of encouragement to those who would bring peace to this troubled land.

As you know, Mr. Speaker, the United Nation's Secretary General Javier Perez de Cuellar has undertaken negotiations with Cyprus President Kyprianou and Mr. Rauf Denktash. It is my heartfelt hope that these discussions will further the cause of friendship among the various peoples of Cyprus, and pave the way to a just and lasting intercommunal peace. Only in this way can the vision of an independent Cyprus—dedicated to the principles of democracy, unity and freedom—be realized for all the island's inhabitants.

Mr. MOORHEAD. Mr. Speaker, I am very glad to participate in today's special order commemorating the 25th anniversary of independence for the Republic of Cyprus and wish to congratulate President Kiprianou. Under normal circumstances, a country's anniversary of independence should be a cause for celebration but the facts are that the Republic of Cyprus remains today a divided island plagued by age-old conflicts. Many problems still stand in the way of peace and reconciliation. We are hopeful, however, that in the near future the island's Greek and Turkish Cypriot communities will be able to work out their differences. We are to commend the U.N. Secretary General, Mr. Perez de Cuellar, for his Cyprus initiative and hope that through his efforts an end to the tensions will be brought about.

Mrs. BOXER. Mr. Speaker, I am proud to have the chance to speak in recognition of the 25th anniversary of the independence of Cyprus. As we approach this anniversary, we are reminded of the illegal occupation of a portion of Cyprus. Unfortunately, this division keeps the sovereign nation of Cyprus from truly celebrating its date of independence.

But there is hope for a peaceful solution between the Greek and Turkish occupants of Cyprus. Thanks to the efforts of U.N. Secretary General Mr. Perez de Cuellar, a draft initiative for Cyprus contains the seeds of hope. The initiative calls for the removal of Turkish troops, and it is aimed at reuniting the island as a federation through U.N.-mediated negotiations.

The Turkish Cypriot leader, Mr. Denktesh, has continued to be inflexible in attempts at a peaceful resolution to the problem. Mr. Denktesh is opposed to the withdrawal of Turkish troops from Cyprus, and his attempts to organize elections or to adopt a new constitution for the occupied zone, could destroy all present hopes for a peaceful resolution.

As we are the major suppliers of arms and technical support for the Turkish military, we must use this influence to persuade Turkey to show more flexibility in negotiating peaceful solutions to the Cyprus problem. Our military assistance to Turkey is provided under the condition that it be used for defensive purposes only. We must take a more responsible stance in insisting that the aid not be used for the offensive military activities that Turkey is now engaged in.

I have previously been a strong supporter of House Resolution 4505, a bill that would terminate our assistance program to Turkey unless action is taken to revoke the illegal declaration of independence of the rump Turkish state of Cyprus. I continue to feel that this is the type of pressure needed by the United States to convince the Turkish Government to be flexible in bringing about the unification of the peoples of Cyprus.

It has been the U.S. policy to support democratic nations. We cannot solve all the problems of Cyprus, but progress on this issue can be made if our Government does what is necessary to encourage Turkey to change its present policies.

Mr. ECKART of Ohio. Mr. Speaker, I wish to commend my friend and distinguished colleague from northeast Ohio for convening this opportunity to discuss the need for constructive change in Cyprus and to reaffirm our support for the citizens of that beleaguered nation.

Today we recognize the 25th anniversary of the independence of the Republic of Cyprus. In so doing, we also recognize the potential for a rebirth in that republic. The people of Cyprus, through patience and compromise, are seeking to achieve a lasting peace and understanding. We must use all of our influences to assist in uniting this land.

In order to accomplish this mission there must be more visible diplomatic attention given to the search for understanding in this region. As my colleagues have stressed, the United States must more actively support United Nation efforts to correct the years of tragic conflict. We can not leave the people of Cyprus split and adrift.

As Turkish Cypriots and Greek Cypriots begin to outline provisions for a fair and equitable constitution and discuss the implications of territorial divisons, let us, at the very least, offer our support and objective assistance in the negotiation process. The U.S. goal in this matter should be to support and persistently pursue peaceful dialog leading to eventual permanent resolution of their grievances.

We have many reasons to be concerned with the outcomes of these deliberations. Their stability is a guard to our military and economic interests in that region. The strength of NATO's southern flank is at question. The political unrest of the entire Middle East can be eased if the Cyprus situation is resolved.

We cannot pretend that this process of negotiation will be easy. It requires substantial patience and compromise from both sides of the table. It also demands our unyielding support and initiative for the task at hand: Peace for Cyprus and for Greece and Turkey. Today, as we look back on the 25 years of the Republic of Cyprus, let us send a message of hope and goodwill for the future of that republic.

Mr. FEIGHAN. Mr. Speaker, we have conducted this special order to reaffirm our commitment to the freedom and independence of Cyprus. Though some differ on the methods, we are united in Congress in our friendship with that nation, and our constant hopes for the renaissance of its true and well-deserved independence. May this anniversary mark not the bitterness of its division, but the courage of its people in their struggle for unity.

TWO AMERICAN JOURNALISTS INJURED OR KILLED IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD] is recognized for 5 minutes.

Mr. RUDD. Mr. Speaker, information on Afghanistan is scarce, to be sure, because of Soviet censorship. By closing Afghan territory to American television and Western reporters, by imprisoning journalists and others who have entered the country clandestinely, the Soviets have effectively kept the Afghan horror story from being told.

Late last night, Mr. Speaker, wire service reports indicated that two reporters, two American journalists from the Arizona Republic newspaper were injured, and possible killed, while on assignment in Afghanistan.

The two journalists were on a brave, uncertain, and perilous assignment. They were also one of the few sources of information and news we Americans have from that war-torn country.

I regret deeply this news and wish to express my sincerest sympathies to their families and deepest respect to their colleagues. My hopes and prayers are that we soon learn of their whereabouts and fate, and I urge the State Department and other agencies here in Washington and abroad to do everything in their power to quickly learn the correct circumstances surrounding these two men and make efforts for their return to our country.

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NATIONAL DEFENSE FOUNDATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 20 minutes.

Mr. BILIRAKIS. I thank the Speaker.

Mr. Speaker, in January of this year the NonCommissioned Officers Association of the USA [NCOA] established a new and very unique foundation. It is NCOA's National Defense Foundation [NDF]. It is unique because it is not another big weapons, faster airplanes organization. Rather like its parent NonCommissioned Officers Association, the National Defense Foundation is a people organization. The NDF advocates "peace through strength" but recognizes the strength of our Armed Forces is not measured

exclusively in the number of warheads we stockpile or the number of main battle tanks we field. Rather, the strength of our forces resides in the strength of our men and women in uniform. It is their will and the will of the citizens of the United States to support them which makes this Nation strong. It is the goal of the NDF to develop that will among service members and the public and to promote a better understanding of both military manpower and the military family issues.

I am among the more than 250,000 members of NCOA who support this foundation and its work. Accordingly, I rise today Mr. Speaker, to bring to the attention of my colleagues news of the efforts this fine organization has already begun and to create awareness of its plans for the future.

In the months ahead, the foundation will hold a series of Capitol Hill briefings designed to stress the importance of a strong commitment to the manpower areas of our total defense posture. Those quality of life issues that are receiving long overdue attention by the services will be fully developed for interested representatives and their staff. The issues which will be discussed are those of importance to the men and women of our Armed Forces such as: Military pay, retirement, on and off base housing facilities, medical care, CHAMPUS, education programs, and travel allowances. All of these will be covered in depth along with others which impact on the readiness of the services.

These are important components in the defense of our country. The defense of this Nation centers around our ability to attract and retain the right quality and quantity of personnel and to solicit from them the dedication and esprit de corps necessary to properly defend this country and her allies.

A companion program being developed by NCOA's National Defense Foundation involves educating our college students in the service's manpower areas. An intern program is being initiated to support those students interested in understanding the importance of this component of our total defense.

Additionally, the foundation has undertaken a program to recognize those who have served and are serving in our Nation's Armed Forces. Using direct mail, the association made possible the distribution of more than 6,000 appreciation cards to hospitalized veterans this past Fourth of July. A similar program we hope will be equally successful this coming Veterans Day.

But the real centerpiece of the NDF's activities, Mr. Speaker, is its effort in military voter registration.

The foundation will build around the success NCOA has achieved in assisting our military community stationed across this country and overseas to register and vote. Nonpartisan voter registration drives conducted in conjunction with the Department of Defense will be implemented throughout the military establishment. Operating through NCOA's chapters situated on and near most major defense installations worldwide, the foundation will strive to reach its goal of 1 million new registered voters from our 5 million member military family for the 1986 elections and beyond.

Last year, NCOA assisted in registering over 200,000 military personnel and their dependents. Following the lead set by the Department of Defense, NCOA was an integral part of last year's historic military voter registration drive. For the first time, the number of military personnel and their dependents who registered to vote surpassed the national average. The foundation will continue to focus attention and resources on military voter registration programs.

Working closely with the Department of Defense, the foundation has put together and published the NCOA National Defense Foundation voter registration kit. This kit vastly simplifies the procedure used by our service personnel, their dependents, and our overseas citizens when they register to vote. This group of citizens, some 7.5 million in number, almost all use the Federal postcard application to register to vote absentee. the NCOA voter registration kit instructs them on how to fill out this form for their particular State.

One primary goal of the foundation is to provide this kit free of charge to every base and fleet commander, voting assistance officer, and NCOA trained volunteer worldwide.

Coupled with this registration drive, the foundation will continue its efforts to work with individual State legislatures in an attempt to end the disenfranchisement faced by many service personnel stationed at sea or overseas. In March of this year, the National Defense Foundation sent out over 4,000 letters to State representatives asking them to support legislation allowing greater transit time for their States abentee ballots. I would like the NCOA letter and attached newspaper clippings that deal with this important issue to be included in the RECORD. For too many States still disenfranchise their citizens who vote absentee by mailing out their absentee ballots less than a month before the election. This is inadequate time for the ballot to get to our service community at sea or overseas and back.

Another problem faced by our military and overseas community is the absence of current information about the candidates seeking office. The foundation is developing a communication system linking candidates with potential voters so that both parties come away winners. I have enclosed a list showing the number of potential absentee voters per State. I would ask that this list be entered into the RECORD. These are our constituents and they should not be forgotten.

The number of U.S. representatives and their staff that have service experience is on a sharp decline. This has produced a need to focus on the manpower issues in the same indepth manner provided by our defense weapons systems manufacturers. Both representatives and staff need to be educated on the special concerns and interests of our service community in order to communicate effectively with these constituents.

All of these programs center around our constituents. Their duty assignments take them out of our States for extended periods of time. It is very important that we communicate with them as we do our other constituents so that they know our stands on key issues and how it effects their country, State, and finally themselves. With the help of the Noncommissioned Officers Association and their National Defense Foundation, our service personnel and their dependents will be registering and voting in historic numbers next November. I would like you to join with me in contacting NCOA's National Defense Foundation to further examine the programs they have to offer and to support them in implementing these important programs aimed at assisting our defense community.

THE NATIONAL DEFENSE FOUNDATION OF THE NON COMMISSIONED OFFICERS ASSOCIATION,

San Antonio, TX.

DEAR LEGISLATOR: According to a Department of Defense survey, approximately 182,000 military personnel who tried to vote in the 1980 presidential election were unable to do so. They received their absentee ballots too late or not at all. In 1984 an historic number of servicemembers and their dependents registered to vote so the numbers of disenfranchised will be even higher.

The basic problem is that regardless of how early voters apply, many local election officials do not have ballots printed and ready to mail until less than three weeks before the election. As is explained in the enclosed USA Today article, that is simply not enough time for the ballot to make the round-trip if the voter is overseas or at sea. Our Association, along with the American Legion and the Veterans of Foreign Wars, has adopted national resolutions calling upon the states to mail ballots at least 45 days before the election, so that military personnel will have ample time to vote no matter where the service of our country has taken them.

In addition to providing more time for ballot transmission, we are also interested in simplifying the absentee voting process from the point of view of the voter. Since over 80 percent of the service community votes absentee, we are particularly interested in eliminating notarization requirements on the federal post card application. They are a major impediment to some overseas

voters. (See enclosed New York Times article.)

I am writing to ask you to introduce and/or support the necessary reform legislation in your state. Upon request, we can provide specific proposals. There are currently eight states that count absentee ballots arriving up to ten days after the election. This is a possible solution to those states with late primaries that cannot be moved. Every serviceman and dependent needs to know that they can count on a minimum of 35 days for the mail out and return of their ballot.

We recognize that these adjustments may create some inconvenience for state and local election officials. Surely, the necessary adjustments are small in comparison to the importance of making voting rights more than an empty promise to our military personnel overseas. After all, were it not for the sacrifices of military personnel, now and in the past, none of us would have the opportunity to vote in free elections.

Very respectfully,

WALTER W. KRUEGER,
President.

[From the Dallas Times Herald, Nov. 13, 1983]

FIGHT WAGED TO GUARANTEE THE RIGHT TO VOTE

(By Jody Powell)

WASHINGTON.—When my home state of Georgia became the first in the nation to give 18-year-olds the right to vote, the rallying cry was, "Old enough to fight, old enough to vote." That was during World War II. Forty years later, 18-year-old can vote in every state of the Union—except for the young people who are most likely to be doing the fighting, those in the armed forces.

States election laws in most of the 50 states can, and do, deprive many Americans who are serving their country of the right to help select its government. The culprit is the way absentee ballots are handled. Most states send them out so late and require them to be returned so early that voting is a practical impossibility for Americans stationed overseas—and some in this country. (That problem also affects business people, tourists, missionaries, diplomats and Peace Corps volunteers. But by far the largest group is military personnel.)

No matter how early one applies for an absentee ballot, in most states election officials do not start mailing them out until three weeks before the election. In 45 states, the marked ballot must be received by polling officials—not just postmarked—by election day.

It's not that anyone set out to disenfranchise Americans in uniform. The rules exist primarily for reasons of convenience, having to do with the date of primaries, ballot certification and petition drives for independent candidates. Nevertheless, the effect is denial of the right to vote.

According to a survey conducted by the Department of Defense, almost 10 percent of those in the armed forces—some 182,000 men and women—who tried to vote in 1980 could not do so. In fact, the number of disenfranchised Americans is probably much higher. The Pentagon survey did not include those who were unaware that their vote was never counted because it was received too late by election officials. Thousands of others may have been discouraged from even making the attempt because of past difficulties. Nor does the Pentagon figure include military dependents.

The number who wanted to vote but couldn't, through no fault of their own, may have exceeded a quarter of a million in 1980. Presidential elections have been decided by fewer votes than that. But that is not really the point. The issue is whether those Americans who put their lives on the line to protect our political freedoms should be given a reasonable opportunity to enjoy them.

Ironically, those who are the victims of discrimination in this case also are barred from seeking redress through traditional channels. Members of the armed forces are legally prohibited from lobbying state legislatures or the Congress.

Fortunately, there is something the rest of us can do. Six states—Texas, California, Connecticut, Indiana, Maine and Tennessee—have taken steps to remove the most grievous barriers. (Georgia, which is one of the worst cases—requiring that absentee ballots not be mailed before 19 days prior to the election—also passed a reform measure; but it was vetoed because of an unrelated rider having to do with public utilities.)

That progress has come largely through the efforts of Samuel Wright, a young lawyer from Arlington, Va., who served as Voting Assistance Lawyer for the Judge Advocate of the Navy from 1977 through 1980. He is recruiting a cadre of volunteers to explain the problem to state legislators and governors and to lobby for reform. Also, he is signing up volunteers to work with local election officials to improve procedures within existing law—work that needs to be done even in states with acceptable legislation. So far, he has some 300 working in several dozen states. But more are needed.

Mr. Wright can provide advice on what changes are needed to make the process work better as well as the names of people already active in a given state. Information is also available to state and local officials through the Federal Voting Assistance Program at the Department of Defense.

With many state legislatures meeting for limited sessions early in the year, the time to start work is now. Nor could there be a more fitting time, with Veterans Day just behind us and scences of young Americans coming home to grieving families fresh in our minds. One would think that this would be a made-to-order cause for vetrans' groups, who can muster considerable political clout and who must surely feel an obligation to those who now wear the uniforms they served in so proudly.

Sam Wright recognizes that the changes he seeks may mean inconvenience for state and local officials as well as some added expense to taxpayers. But, he says:

"These are small accommodations to make to facilitate the enfranchisement of young men and women who are prepared to lay down their lives in defense of our country. Were it not for the sacrifices of military personnel, now and in the past, none of us would have the opportunity to vote in free elections."

And I say "Amen to that."

[From the New York Times, Jan. 3, 1984]

VOTERS OUT OF U.S. HAVE DIFFICULTIES—THOSE LIVING ABROAD MUST FIND A NOTARY AND RETURN BALLOT

WASHINGTON.—An American who is away from home on Election Day must get forms notarized as many as four times to vote as an absentee, a nuisance for visitors to another state, but nearly impossible for those in a remote corner of the world.

An American from Rhode Island, for example, who is doing missionary work in Mozambique in southern Africa has many difficulties. Mozambique stretches more than 1,000 miles north of the capital, Maputo. Four officers as the United States Embassy in the capital are authorized to act as notaries.

So a conscientious Rhode Islander in northern Mozambique would have to make four 1,000-mile trips to Maputo.

Ursula Shears, who is in charge of voting issues in Washington for a group called Democrats Abroad, said of Rhode Island's rules: "You have to take an oath when you send in the Federal post card asking for a ballot, again when you send in a State form that does the same thing, a third time when you register and a fourth time for the ballot itself."

4 MILLION TO 5 MILLION ELIGIBLE

Henry Valentino, head of the Federal Voting Assistance Program, estimated that four million to five million Americans in other countries are eligible to vote, a source of support that candidates hardly tap. About two million are in the armed forces, stationed from Iceland to the South Pacific, and on ships at sea. Two and a half million to three million are civilians who have retired, or belong to service families, or have jobs that keep them away from home, or happen to be traveling on Election Day.

Many are United States citizens born in Italy, Greece, Poland, Yugoslavia and other places who have gone back to the old country, where they can live better on a Social Security pension than in America. Some are commuters from Canada and Mexico, the countries that have the most United States citizens in residence.

For most, the source of voting difficulties is back home. Four notarizations are required by only Rhode Island, but several states require two or three.

TIMING IS MAIN PROBLEM

Mr. Valentino said the main problem was that many states waited until 20 days before Election Day to mail out ballots and required them back by Election Day, which is not enough time to accommodate slow postal service in many parts of the world. Mr. Valentino favors a period of 40 or 45 days.

He estimated that outside the armed forces only 34 percent of those eligible who were abroad even tried to vote in 1980, compared with nearly 54 percent in the country as a whole.

American Citizens Abroad, a nonpartisan organization based in Geneva, ran a survey to find out why. Many citizens said they did not know they were eligible. Some also feared that voting might make them more likely to be asked for state taxes, since each vote in the Presidential election must be counted in a particular state.

Democrats Abroad and Republicans Abroad both arrange for voters to participate in primary elections, choosing delegates to their respective national conventions.

The Democratic delegates will have the right to vote in the convention, which chooses the candidates and drafts a platform. Democrats Abroad will elect delegates by mail and these, with officers of the group, will have five votes among the 3,933. Another group called Latin American Democrats, most of them from the Panama Canal area, will have five votes. Their delegates will be chosen by caucus on March 17.

The Republicans so chosen will have no vote at the 1984 convention.

[From USA Today, Sept. 14, 1984]

SUB DUTY SINKS OREGON MAN'S VOTE

(By Frank Zoretich and Timothy Kenny)

SEATTLE.—A submariner's hopes of voting in the Nov. 6 presidential election have been torpedoed by Oregon's absentee ballot laws.

The problem for Michael Schenatzki, a 31-year-old Aloha, Ore., resident stationed in Bangor, Wash.: He has gone to sea aboard a nuclear-powered submarine, which can stay out to sea up to 70 days. And Oregon won't print its ballots until next month.

"It's frustrating, not being permitted to vote by absentee ballot," Schenatzki said before his departure. "This is a very important election because the viewpoints of the candidates are so different."

About 180,000 service men and women—9 percent of the USA's 2 million service men and women—couldn't vote in the last election because of problems like Schenatzki's.

But federal officials expect fewer voting problems this year for the USA's 2 million service men and women.

Washington, Georgia, Connecticut, Maine, and California now have "submarine ballots" that can be issued 90 days in advance of elections for service personnel.

STATE RESIDENCE OF MILITARY MEMBERS, DEPENDENTS, OVERSEAS CITIZENS

State or territory	Military members' tax withheld, legal residence	Members' total State tax withheld [1]	Dependents [2]	Nonmilitary overseas citizens [3]
Alabama	49,299	$12,570,695	36,974	40,229
Alaska	6,075	0	4,556	5,747
Arkansas	27,937	3,186,370	20,953	22,988
Arizona	28,882	0	21,662	28,735
California	179,418	17,211,205	134,564	258,615
Colorado	28,028	7,789,201	21,061	34,482
Connecticut	29,290	0	21,968	34,482
Delaware	6,418	2,480,942	4,814	5,747
District of Columbia	6,300	2,663,642	4,725	5,747
Florida	181,824	0	136,368	109,193
Georgia	66,597	17,773,530	49,948	57,470
Hawaii	11,349	5,857,185	8,512	11,494
Idaho	9,533	710,440	7,150	11,494
Illinois	94,327	0	70,745	126,434
Indiana	53,181	7,062,816	39,886	57,470
Iowa	26,018	6,655,564	19,514	34,482
Kansas	18,840	4,747,007	14,130	28,735
Kentucky	31,385	8,513,806	23,539	40,229
Louisiana	36,779	4,566,829	27,584	45,976
Maine	16,110	3,987,069	12,083	11,494
Maryland	39,692	12,281,860	29,769	45,976
Massachusetts	39,732	12,925,707	29,799	63,217
Michigan	92,566	0	69,425	103,446
Minnesota	32,385	3,644,310	24,289	45,976
Mississippi	28,872	3,899,627	21,654	28,735
Missouri	42,536	0	31,902	51,723
Montana	9,184	0	6,888	11,494
Nebraska	14,197	3,005,416	10,648	17,241
Nevada	9,758	0	7,319	11,494
New Hampshire	13,875	0	10,406	11,494
New Jersey	54,247	6,462,861	40,685	80,458
New Mexico	17,117	1,657,162	12,838	17,241
New York	137,843	24,536,059	103,382	195,398
North Carolina	65,783	26,426,788	49,337	63,217
North Dakota	6,886	0	5,165	5,747
Ohio	111,151	12,459,166	83,363	120,687
Oklahoma	24,896	4,164,259	18,672	34,482
Oregon	27,416	5,868,993	20,562	28,735
Pennsylvania	94,445	2,186,359	70,834	132,181
Rhode Island	8,296	2,386,918	6,222	11,494
South Carolina	41,236	15,743,371	30,927	34,482
South Dakota	9,209	0	6,907	5,747
Tennessee	57,381	0	43,036	51,723
Texas	210,509	0	157,882	155,169
Utah	8,013	2,363,602	6,010	17,241
Vermont	6,939	0	5,204	5,747
Virginia	59,315	23,667,888	44,486	57,470
Virgin Islands	370	0	278	365
Washington	53,650	0	40,238	45,976
West Virginia	20,540	0	15,405	22,988
Wisconsin	35,313	9,618,392	26,485	51,723
Wyoming	4,825	0	3,619	5,747
Guam	3,038	0	2,279	2,885
Puerto Rico	4,812	0	3,609	5,550
Foreign	15,786	0	11,840	15,200
Trust Territories	164	0	123	154
Samoa	480	0	360	365
Nondesignated	10,028	0	7,521	8,550
Total	2,320,075	279,075,039	1,740,104	2,538,761

[1] Tax withheld is for military members only.
[2] Dependents—Military members multiplied by .75.
[3] Overseas citizens—Derived by multiplying factor 5747 by number of state congressional representative.

THE LEGACY OF WALTER HARRISON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. FOWLER] is recognized for 60 minutes.

Mr. FOWLER. Mr. Speaker, today the Georgia delegation joins together to celebrate the memory of one of our State's most dynamic leaders for over 60 years, Walter W. Harrison, of Millen. Born on September 30, 1899, Walter Harrison would have celebrated his 86th birthday yesterday. During his life, Mr. Harrison served as a catalyst for measures to improve the lives of rural people, and in public life had a record of service few have equaled. It is with a great sense of personal loss that we come together to mourn his passing, but in remembering his life we renew our dedication to the principles of public service for which he was so well known.

Around Millen, a lot of folks had a saying, "If you want a job done, get Walter Harrison on it." That only half-joking remark captured the essence of his drive to accomplish tasks that seemed beyond the reach of normal men and women. To someone growing up in Jenkins County or in another rural area of Georgia, it was hard to imagine that your farm might one day have electric light, or a telephone, or a mighty dam might be built on a nearby river, or that a marketing association might be formed to help you get better prices for your produce. Those and many other unthinkable things became a reality through the work of the man we remember today, "Uncle Walter."

Walter Harrison was an orphan who was raised by Miss Essie Harrison and lived almost all of his life in Millen, GA. Miss Essie owned a dress shop there and was one of the old style, great Southern ladies. She instilled in Walter the two characteristics for which he was best known, his faith in God and his dedication to improving the lives of others. While Uncle Walter never married, he fulfilled his longing for family by taking everyone in Millen as his own. They became his family and his love for them was a strong as any father's for his children.

Today, if you were to walk around Millen and ask about Walter Harrison, you would hear people say, "Uncle Walter helped me go to ABAC," the local college, or "he paid my way through secretarial school," Helping people better themselves is part of the legacy of Walter Harrison and in doing so he never sang his own deeds. It was always quietly done.

To those of us in public office, his record of service is enviable. For 20 years he served as mayor of Millen, 2 years as councilman, 6 years as county commissioner, 8 years in the Georgia State Senate and 12 years in the State house of representatives. But that was not enough to keep Uncle Walter busy.

He was a leader in efforts to establish and maintain a rural electric program after he joined the Planters EMC board of directors on September 14, 1937. He was in the forefront of the pioneering group who signed up co-op members at the start, and led the co-op as president of the board during the critical startup years from 1939 to 1950. In total, he served on the board for over 47 years, 18 as president. As an early leader in statewide REA organization, he was vice president of the Georgia statewide organization from 1942 to 1944, president from 1944 to 1947, and general manager from 1950 to 1974. During this time he became a director on the National Rural Electric Cooperative Association Board for 31 years, its president in 1959-60, and upon retirement was named "Board Member Emeritus." Still this was not enough to keep Walter Harrison busy.

He was a pioneer in the formation of the Planters Rural Telephone Cooperative in 1950, the first of four to be organized in Georgia. In 1974, he played a prominent role in forming Oglethorpe Power Corp., a generation and transmission cooperative supplying power to 39 Georgia electric cooperatives. He was a veteran of World War I, a member of Millen United Methodist Church for 62 years, was active in the chamber of commerce and the Rotary Club which was world renowned for its consecutive 100 percent attendance during the time he was president. He was the owner and publisher of the Millen News, active in water project development in the Central Savannah River Area which helped bring Federal power to electric cooperatives at tremendous savings, was inducted this year in the Cooperative League's Hall of Fame and most recently, was officially designated "Mr. Rural Electrification in Georgia" by Governor Joe Frank Harris.

These deeds and achievements are only a part of the rich legacy Walter Harrison has left us. His life will be recorded not only in the history books but in our hearts as well.

I include several articles on Mr. Harrison for your perusal.

The articles follow:

[From Rural Electrification, September 1985]

"UNCLE WALTER'S" LEGACY

(By Bob Bergland, Executive Vice President and General Manager)

When Walter Harrison died the morning of August 3, he left a rich legacy of more than 48 years as a leader in this program, and more than a half-century of tireless

effort to improve the quality of life for all rural Americans. His life, which lasted a month shy of 86 years, was a celebration of success.

I had known "Uncle Walter," as so many of his friends and admirers called him, by reputation long before I met him. He was a legend and an institution. A walk with him through downtown Atlanta was like going to a family reunion. Everyone seemed to know the man from Millen, whose work in rural electrification, soil conservation, the Methodist Church and a variety of other civic causes had touched the lives of people in so many communities.

Only 1 percent of the farms in Georgia were electrified when Walter spearheaded the organization of Planters EMC, his home co-op, where he served on the board for 47 years. He helped to organize Georgia statewide and served as its manager for 25 years. In 1947, Walter was elected to NRECA's board of directors, rose to the presidency in 1960 and was re-elected to that position the following year. He represented Georgia on the NRECA board until 1979, when he left by choice and was succeeded by Hubert Hancock. But the board installed him as "director emeritus," and he served in that capacity until he passed away.

Walter was one of the most gifted public speakers I have ever heard. He had all the talents and attributes necessary to carry him to the heights of politics, which he loved. He served as the mayor of his hometown for many years, as well as 20 years in the Georgia legislature, 12 in the House of Representatives and eight in the Senate. I can't help but think that politicians in Georgia must have been constantly looking over their shoulders, wondering if and when Walter would run for governor.

A few years ago, the state of Georgia selected a few of its most prominent citizens for filming what it called its "Great Georgian" series. Walter Harrison was one of those.

Around NRECA and elsewhere, stories of Walter Harrison are legion. Typical is one from the 1975 NRECA annual meeting in New Orleans which demonstrates his ability to rise to a chance occasion. It was Tuesday, and the general session program had reached the high point of the morning—a panel discussion on the nation's energy problems. As the group prepared to go on stage, the key panelist was missing. Frantic checking yielded the knowledge that he was somewhere enroute from the airport, his arrival would be delayed by 15 or 20 minutes. What to do? With lunchtime approaching, how could the audience be held?

The answer was to call on Walter Harrison. As those who were there fondly remember, Walter strode to the podium and at his eloquent best quieted the crowd with a speech that sounded as if he had worked on it for days. A humorous footnote to this incident, I'm told, is that at one point Walter thought that the man had arrived and began to end his speech, only to be told, "Go on! Go on!" and he picked it right up without missing a beat.

There were two events that Walter wanted to participate in before he died. One was the 50th anniversary of REA celebration at Warm Springs last May, and the other was the dedication of the Richard B. Russell Dam, formerly known as Trotters Shoals. That dedication will take place this month. He worked for more than a decade to get that project on the Savannah River authorized. Its power will mean a great deal to the co-ops of Georgia and states in that power marketing area.

Walter Harrison never quit fighting and working for the rural electrification program and the people in rural America. That is his legacy.

GEORGIA LEADER DIES

Walter Harrison died, Saturday, Aug. 3 at his home here. He was born in Millen on Sept. 30, 1899.

At the time of his death, he was serving as director emeritus on NRECA's board, the only person to have held that title. He served two terms as president of NRECA. He led in the establishment of local, state and national rural electric programs, serving on the board of Planters EMC, Millen, for 47 years.

He served as Mayor of Millen for 20 years, editor of the Millen News for 30 years, county commissioner for eight years, state representative for 12 years and state senator for eight years.

He played a major role in marshaling the rural electric forces of three states in behalf of Federal development of the Savannah River. He was especially effective in obtaining authorization and funding for the Richard Russell Dam and Lake at Trotters Shoals, which will be dedicated at ceremonies Sept. 7.

He helped organize the Georgia statewide rural electric organization and served as its general manager for 25 years. He founded the Rural Electric Minuteman program in 1959, which resulted in the organization of citizens groups throughout the United States and the establishment of the RE Newsletter to keep them informed.

He was inducted into the Cooperative League's Hall of Fame on April 30. Governor Joe Frank Harris of Georgia officially designated him, "Mr. Rural Electrification in Georgia."

Famed as an orator, Harrison was a popular speaker before rural electric audiences and Methodist Church groups.

Sparing with "ratepayers' money," Harrison nevertheless was often a persuasive spokesmen on the NRECA board and at annual meetings in getting financial support for strong information, legislative and rural development programs.

A cheerful and forgiving man, expansive of gesture and fluid of speech, he would make his drop-ins brief and end them with a hand salute: "You're a great American," he would say, and be off.

The Wednesday before his death, he was taken on a stretcher to the dedication of the "Walter Harrison Exhibit Room" of the old Freight Depot Museum in Millen, where, it was said, he made a great speech.

[From the Millen News, Aug. 8, 1985]

WALTER WADE HARRISON—1899-1985

Walter W. Harrison, 85, editor of the Millen News since 1946, died at his residence early Saturday morning August 3, after a short illness. He was a native and lifelong resident of Jenkins County.

He was active in the Rural Electrification Program and was the leader in the establishment of the Planters Electric Membership Corporation in Jenkins County in 1937. He was a member in the forefront of the Pioneering Group who signed up co-op members at the start. He led the co-op as president of the board during the critical start-up years from 1939 to 1950. He served as a member of the board for 47 years and as president 18 of those years.

He was a pioneer in the formation of the Rural Telephone Cooperative and sponsored the Rural Telephone Act in the Georgia Senate in 1950. He served as president of the Rural Telephone Cooperative in Jenkins County for four years.

He was active in related organizations which included all segments of the electrical industry. He served as chairman of the Farm Electrification Council. He was active in the Georgia Electric Membership Cooperation and he served as president from 1950 to 1975. He was currently serving on the Georgia Electric Membership Cooperation Board representing his local co-op. He served for 31 years as a member of the board of directors of NRECA, and was president for two years and at the time of death was a board member emeritus, the only person to hold such a position in the NRECA.

In the political area in Jenkins County he served 20 years as mayor of Millen, two years as councilman, six years as county commissioner, eight years as a member of the Georgia State Senate and 12 years as a member of the House of Representatives.

He promoted the dairy industry in Jenkins County and was instrumental in the formation of the Ogeechee Valley Cheese Plant which helped expand the dairy industry to the position of one of the largest dairy counties in the state.

He was not only interested in promoting the economic position of his home county but was one of the founders of the Central Savannah River Area Planning and Development Commission which served 13 counties in southeast Georgia. He served as president of the commission and at the time of his death was still a longtime member of the board of directors.

Another accomplishment of which Mr. Harrison was most proud was his involvement in the chartering of the Ogeechee Valley Bank. He had served as the Chairman of the Board of Directors since its beginning and held this position at the time of his death.

He was also instrumental in bringing the public and private Electric Utility Leadership into a closer working relationship thus promoting general use of electricity throughout the nation. He was honored in 1975 with the Silver Switch Award in appreciation of his work in the field of Rural Electrification. He also received a Certificate of Appreciation from REA in Washington along with a Distinguished Service Award from NRECA and was the first director of the organization to be so recognized.

Because of his general interest in rural development and especially agri-business, he was awarded the "Distinguished Agri-Business Award" from the Georgia Agri-Business Council He also received a plaque in recognition of his services to the Oglethorpe Power Cooperation, the wholesale supplier of electricity in 39 rural cooperatives in Georgia.

He was a member of the Millen United Methodist Church for 62 years and was still on the administrative council and up to the time of his illness taught the Sunday school class. He was an active member of the Millen Rotary club of which he served as president and a member of the board of directors for many years.

In addition to his many accomplishments, Mr. Harrison devoted his entire life to those things that would make his hometown a better place to live.

His most recent award was from the board of directors of the Cooperative League of the USA when he was inducted into the Cooperative Hall of Fame which was established in 1974 and is maintained by the Co-

operative League to honor those whose lifelong contributions to the Cooperatives have been truly heroic. He received this award on April 3.

Another recent award was made to Mr. Harrison during the 50th Anniversary celebration of the Rural Electrification program held at the Little White House in Warm Springs, Georgia, on May 11th of this year. At this time Governor Joe Frank Harris presented Mr. Harrison with a plaque proclaiming him as "Mr. Rural Electrification of Georgia". The last honor bestowed upon Mr. Harrison was on July 20th, when the Jenkins County Historical Association dedicated the exhibit hall at the Olde Freight Depot Museum as "The Harrison Room."

An indication of the high esteem in which Mr. Harrison was held was the overflow crowd at the Millen United Methodist Church for his funeral. The church was filled not only with local residents, but a host of people who traveled long distances, from throughout the nation and state to pay their last respects to Walter Harrison.

The funeral services were held at the Millen United Methodist Church at 2 p.m. on Monday with the Reverend Charles Conway and the Reverend Clyde Harvard officiating. His body lay in state at the church for two hours prior to the funeral services. Burial was in the Millen Cemetery.

Pallbearers were Bob Tanner, Joe Tanner, G. B. Sasser, Gordon Sasser, Ellis Lovett, and Frank Edenfield.

[From the Savannah Morning News]

WALTER W. HARRISON

Light and enlightenment were the chief commodities Walter W. Harrison had to offer his friends and neighbors in Jenkins County. His death at age 85 in Millen Saturday prompted recollections of his yeoman service.

As editor of The Millen News, he enlightened through his weekly newspaper. But he was not content to remain the county sage and merely report on the passing parade in his corner of the world. Whenever he saw a need, he made things happen to fulfill that need.

He thus was an activist as well as an editor. He took the lead in rural electrification, and helped to establish one of the first of Georgia's many cooperatives that would cause the electric light to supplant the kerosene lamp and in other ways improve with electrical energy the quality of life in rural areas.

Similarly, Mr. Harrison led the way for a telephone cooperative. He was in the forefront of movements to improve dairy farming and other agricultural activities. He used his newspaper to promote such progress, and he broadened his leadership by taking active roles on Millen's council as mayor and as an alderman, on the Jenkins County Commission, and in the General Assembly. Not much went on in Millen and environs that didn't involve Mr. Harrison.

Walter Harrison many times was recognized publicly for his leadership. His death affords a final opportunity to express gratitude to one who gave service above and beyond the call of duty to so many and in so many different ways.

□ 1950

Mr. FOWLER. Mr. Chairman, I yield to my distinguished colleague, the gentleman from the First Congressional District of Georgia [Mr. THOMAS].

Mr. THOMAS of Georgia. I thank my colleague for yielding.

Mr. Speaker, it is an honor for me to join with the many friends of Walter Harrison in this tribute. This is a very special time for me because Mr. Harrison was a resident of Millen, GA, in my congressional district, and he was a wonderful friend and a trusted counselor to me for a number of years.

The death of Colonel Harrison, as many of us called him, was an event that means many things to me personally.

On one hand, it marked the loss of a light of leadership that we had all come to depend on for decades. It was a sad and tragic loss for our State and our Nation.

But from another perspective, his passing has led me and many others to reflect on, and celebrate, the joy that comes from the life of a man who gave much more than he took. That is the heart and soul of Walter Harrison—a man who dedicated himself to public service in the highest and finest sense of the word.

I often dropped by to visit Mr. Harrison in his office at the Millen News, the paper that he loved and edited for years. His desk was always cluttered with the materials of his latest projects and latest battles, and his walls were covered with the awards and tributes of past accomplishments.

In the space of a few moments, Mr. Harrison would make you at home with his booming and resonant voice of welcome, have you in a chair, and launch into questions and statements about issues ranging from outer space to historic renovation. He had that special spark of enthusiasm that even at age 85 allowed him to take a listener and transform that person into a partner—a partner in his latest project for the public good.

I left the House floor just a few months ago to go downtown here in Washington to celebrate with Colonel Harrison when he was inducted into the Cooperative League of the USA Hall of Fame in recognition of his work in behalf of rural electrification. I drove to his home in Millen this past May to visit with him during his illness, and he was a man facing that illness with characteristic courage. He turned aside questions about his physical condition and instead was full of questions and comments of his own about the many issues in which he was still involved.

The work of Colonel Harrison in regard to electric power is legendary, and the public record of his life will show that he was the pioneer who had the insight and skill to make the dream of universal electric service a reality in my State.

It is hard to imagine a Georgia or an America today that was ever without electricity, and yet that was just the situation for most of the land area of my State at about the time of my birth. It took men like Walter Harrison to recognize that affordable electric power was the foundation of any effort to pull rural America from economic stagnation, and it took men like Walter Harrison to turn what was a dream into a reality.

I will not dwell on Mr. Harrison's accomplishments regarding rural electrification because that is well established in the public record. But we should take special note that he had the vision to select the great issue of his day as the goal of his professional life, and we should remember that he developed a remarkable array of skills to accomplish his goal.

I say that because Colonel Harrison was a man who combined the toughness of a drill sergeant with the speaking skills of a great preacher, and a heart as big as the Nation he loved. He was a soft touch for anyone in need, and he responded to every appeal for assistance with a worthy cause.

For any normal man, Colonel Harrison's work with rural electrification would have left no time for other affairs, but that was not his nature. He was a tireless servant to the public and was elected to just about every office he ever cared to hold, from councilman and mayor to State senator. He was a renaissance man of rural America.

Mr. Speaker, with the death of Walter Harrison, our Nation has lost a dynamic leader, and I have lost a treasured friend.

Our tributes to him are from our hearts, but no matter what words of honor we may speak, none can do him greater tribute than the monuments of accomplishment that he fashioned with his own deeds. We take comfort in the fact that his accomplishments will stand strong and tall long after we in this Chamber are gone.

It was a privilege for me to know Walter Harrison. It was an honor to count him as a friend. He brought the light of electric power to generations of Americans, but more importantly, he taught us that the light within ourselves is more powerful than any obstacle to a worthwhile goal.

May God bless that great man and may God comfort his family and hometown friends.

I would like to conclude my remarks by inserting into the RECORD the comments of a man who knew and loved Walter Harrison for many, many years. He is Mr. Frank Edenfield, the publisher of the Millen News a man with great insight into his beloved city of Millen and rural Georgia. The following editorial, which was published in the Millen newspaper on August 15 of this year, is the finest testament I have seen to one of the finest men I have ever known:

[From the Millen News, Aug. 15, 1985]

WALTER HARRISON AS I KNEW HIM

(By Frank M. Edenfield)

On Saturday morning, August 3rd 1985, I lost a lifetime friend with the death of Walter Harrison. In addition to being a friend, Walter and I had been partners in the Millen News for nearly forty years, he serving as Editor and I, as Publisher. Needless to say this was a shock to me, even though Walter had lived to the ripe old age of eighty-five.

As is sometimes the case in these kind of circumstances, when the initial shock has worn away your mind begins to wander and reminisce. This is exactly what happened to me.

The thought came to me that most of Walter's achievements on the State and National level had been chronicled in the press of the state and nation. However, little, was said about the impact that his life had on this community other than to state that he had devoted his entire life to serving.

As I began reminiscing I made a memory trip through Millen trying to recall those things which Walter had participated in which made a large contribution to the progress of this community. I began jotting down those things which I could remember, and I realize the list is far from being complete, however, I would like to share with you some of the things which I remembered about Walter Harrison. These events are not in chronological order nor are they remembered in the magnitude of their importance.

My starting place was down Cotton Avenue and I immediately came upon The Olde Freight Depot Museum which would not be in existence today had it not been for Walter. Then as I approached the Chamber of Commerce office I recalled that Walter had been the first Secretary of the Jenkins County Chamber of Commerce when he was a young man, serving for years with no pay. Across the street was the Pal Theater which he had struggled to keep in existence for years believing it was a focal point for the youth of our community for entertainment.

As I passed the railroad station I could not help but remember the fact that Walter had been an express agent for the railroad and that throughout the years he had done battle with the railroad each time they sought to discontinue a passenger train that served Millen and this area of the state. The railroad won this battle but Walter prolonged the victory.

Then as I turned on South Gray Street, I saw the recreation facility just beyond Edenfield Feed and Seed store and remember that it was Walter who first secured a lease from the Central of Georgia Railway for this property to be used for recreational purposes. I could not help but remember the many football and baseball games which youth of our community have played on this field and the construction of a grandstand in order that Millen might compete in the long forgotten Million Dollar League and later the Georgia-Carolina baseball league. This site was also used as the location for the annual Jenkins County Fair which was held for many years.

Continuing South on Gray Street, I passed the Bethany Home and recalled the part Walter played in getting Dr. Cleveland Thompson to sell his hospital to the Bethany Home interest for the establishment of their facilities here. I rode through the Myers Hill section of our community and remembered that the first development in this section was brought about through the efforts of Walter Harrison and Wiley Wasden. Walter's foresight in placing city utilities was the beginning of the development for this section of the city.

Then as I rode by the modern recreation complex I could not help but remember that the land upon which this facility is situated was first bought by Walter Harrison and then sold to the city at no profit to be used for the purpose that it is now being put to.

As I drove on Highway 25 I could not help but recall his efforts in cooperation with another pioneer citizen of our community, Ernest Daniel, in securing the bridge across the Ogeechee River. Also, he was largely responsible for the securing of improvements on Highway 25 which included the overpass.

Continuing on up Highway 25 I turned west on Highway 17 and recalled the part Walter played in establishing the development of Lincoln Park in its beginning and also his efforts in the development of the Foggy Field area.

As I rode past Thomson Company I remembered that Walter, almost single handed, was responsible for establishing this industry in Millen which has resulted in the employment of hundreds throughout the years and has made such a tremendous contribution to the economic security of our community.

As I rode along the northern city limits of Millen I saw the magnificent building which houses Jockey International and could not help but recall the part Walter played in securing this industry which was originally housed on Daniel Street in a remodeled cotton warehouse and then the expansion in that area to cover almost a block before the move to its present location.

As I rode by the Millen Community House I remembered as a young teenager going to school when this site was often a big pond during the rainy season and that Walter had the foresight to use WPA labor to have it drained and filled in and later taking advantage of WPA labor for the construction of the beautiful Community House.

As I passed the Millen United Methodist Church I remember how unselfishly Walter had given of his time and talents and probably his finances to bring about many of the improvements to his church.

Youth, Inc. was another of his dreams. He believed the youth of the community needed a center for good clean recreation and convinced a number of other local citizens who had the same desire to join him in building this building and developing the facilities there.

Another dream of Walter's which became a reality was the establishment of the Ogeechee Valley Cheese Plant as a means of providing additional income for the hard pressed farmers of our area. The cheese plant failed but in so doing it marked the beginning of the gigantic dairy industry for Jenkins County.

I remember the part he played in first influencing the owners and managers of Brigadier Industries to bring their mobile home plant to Millen which has grown into one of the major industries located in our community. Also, the part he played in bringing Ravenwood, a manufacturer of furniture, to Millen. This too failed but it was most beneficial to the community while it was in existence.

While Walter was not directly involved in the movement of Look Products, which later became known as Rusco Industries, to Millen, he was one of its biggest supporters and assisted them in every possible way since their move to Millen.

Walter was also the father of the development in the Knox Homes section of our community. He did this by convincing the Knox Brothers of Thomson, Georgia, to develop the area and sell the homes to local citizens on a long term, low interest, rate plan.

The three housing projects which are now in existence in Millen are also another of his ideas on which he spent many hours getting Federal Approval for the projects.

The old City Hall on Gray Street was another of Walter's accomplishments. This was built during the WPA days at little cost to the local taxpayers. I cannot help but recall his pride at having Millen's first fire truck. This was a homemade affair but at the time it was a great improvement over the fire fighting equipment being used by the City. This fire truck, by the way, is still in existence and is in the custody of the local Shrine Club.

Walter was very sentimental about the historic structures in our community, particularly the Hotel Estelle. He was largely responsible for its preservation to this date.

Another dream that he pursued and lived to see fulfilled was the chartering of the Ogeechee Valley Bank. He pursued this for many years because he firmly believed that an additional bank would tend to improve the economic condition of our city and county.

He was also at the forefront of the establishment and construction of the Jenkins County Memorial Library and the Jenkins County Health Center.

Walter firmly believed that the various communities of our county could be served better if each area had a central meeting place and he spearheaded drives in each of these communities which resulted in the building of community houses in several different sections of the county. He was saddened by the fact that most of these are no longer being used.

Another of his outstanding accomplishments was the part he played in the establishment of Magnolia Spring State Park and the Federal Fish Hatchery. This was a long term dream of Walter's which began when he was able to get a CCC camp located in the area during the depression years. This camp provided the manpower to start the development of these areas.

Another historical landmark which is still preserved today as Big Buckhead Church. This was almost a one man endeavor by Walter, however, from time to time he was able to influence others to join him in the venture.

Walter undoubtedly had a crystal ball that he consulted with from time to time, for many, many years ago when serving as Mayor of the City of Millen he was successful in getting the city fathers to purchase the land which now is being used at the Millen Cemetery. Few believed that Millen would ever need this amount of space but time has proved otherwise.

Throughout all of Walter's public life he believed that the way to expand a community was to improve its facilities and there is no way of telling how many hours, days, months or years that he spent seeking ways to pave the streets within the city and the extension of water and sewer facilities of the city into remote areas. Time has proved that he was correct because most of those remote areas are now residential areas of the city.

Another thing Walter loved was the youth of this community and there is no way of telling or knowing how many of our local

youth he has assisted in so many ways, from giving them a few dollars to spend at summer camp to helping them arrange some means of attending college to further their education. I was privileged to know some of those but Walter chose to keep them a secret and this secret died with Walter Harrison.

I believe to sum it up Walter loved first his church, then his community, the development of the Rural Electrification Program, not only in Jenkins County but throughout the State and Nation, and the Millen News.

As I drove along the city limits of Millen I could not help but observe the telephone and electric lines which extend out into the rural areas of Jenkins County, remembering that most of this would not have been accomplished without the part played by Walter Harrison.

My personal loss is more than I can put into words, because throughout the many years of association I have sought his advice and counsel on numerous occasions and I value this very much. I will not attempt to elaborate on this other than to say he had a lasting influence in my life and had it not been for the partnership which we formed some forty years ago with a handshake standing on the corner of Winthrope and Gray Streets, I am sure that I would not be in the position to write the comments that I have listed above. To say that I shall miss him would be the understatement of the century, for I shall always cherish the memories I have of him.

I hope as you read the above you will allow your mind to reminisce back through the years and remember the impact this man had on this community. I know that I have omitted many things that he was associated with but I believe this contains many of the highlights.

I guess all of the above could be summed up by a joke which I heard Lewis Grizzard, who writes a daily column for the Atlanta newspaper, use in a speech. The story goes like this "If you are a member of a dog sled team, the scenery would remain the same unless you were the lead dog". In my opinion, Walter Harrison was the "lead dog" in this community. The scenery has changed quite a bit during these years and he was responsible for much of this change.

Mr. FOWLER. I thank the gentleman for his comments.

Mr. BARNARD. Mr. Speaker, it is my pleasure to join with my distinguished colleagues from the State of Georgia in honoring Mr. Walter Harrison, affectionately known as "Mr. Rural Electrification."

Mr. Harrison nurtured the growth of rural electrification from its infancy in 1936 through the next five decades, and was instrumental in bringing electricity for the first time to rural areas in Georgia and throughout the United States.

Through Mr. Harrison's efforts, farms in our state were belatedly introduced to the 20th century, and he devoted a great deal of time to bring not only the benefits of electrical power to these areas, but the advantages of telephone communication as well.

In addition to the good works he performed on behalf of rural electrification, Mr. Harrison gave generously of his time through nearly 50 years of public service—including two decades as mayor of his hometown of Millen, and an equal number of years in the Georgia General Assembly.

Mr. Harrison was involved on a civic level, too, in Millen and surrounding Jenkins County. From volunteering many years to his church to serving as editor of the local newspaper, he obviously was an active participant in all his endeavors.

Mr. Harrison's legacy lives on in many ways: in the educational opportunities he provided by helping young people go to college, in the good deeds he performed through many organizational boards on which he served, and especially in his tireless work on behalf of rural electrification, which has been responsible for great strides not only in Georgia but throughout our Nation. I am privileged to join in saluting him today for the many years of service he gave, from which we all continue to benefit immeasurably.

Mr. RAY. Mr. Speaker, I want to thank my colleague, Congressman FOWLER, for allowing me this moment to pay tribute to Walter Harrison, a man who was known throughout Georgia for his commitment to bettering the lives of the people in our State and in his community.

Walter Harrison will be remembered for his early commitment to the challenge of bringing electricity to rural Georgia. Although we take it for granted now, in 1937 electricity seemed like a dream to people in most parts of rural Georgia. Walter Harrison wanted to make that dream a reality, and he dedicated his life to pursuit of that goal.

With his help, the Planters Electric Membership Cooperative was formed and he served as the president of the board from 1939 to 1950. During those early years, when co-ops still faced uncertain futures, Walter Harrison acted as both guide and leader to put Planters EMC on solid footing.

Walter Harrison always sought to bring the fruits of progress into the rural areas. He was a pioneer in the formation of the Rural Telephone Cooperative, and sponsored the Rural Telephone Act in the Georgia Senate in 1950. He constantly sought new ways to put electricity to work on the farms of Georgia, and served as chairman of the Farm Electrification Council, as well as president of the Georgia EMC from 1950 to 1975.

Walter Harrison's mark on Georgia is one of brilliance. It continues to shine now, as it will in the future, whenever the lights go on across rural Georgia. Few men leave behind the legacy of good works and community love which Walter Harrison has, and our State will sorely miss him.

We will always need men and women with the vision to see a brighter future and the courage to reach out for that future.

Walter Harrison saw the world around him as a place that could be improved—and he devoted his life to bringing those improvements to pass. In paying tribute to him today, there is one act that I believe to be most fitting. It is now up to those who have benefited from his life to pledge to carry on his work.

If Walter Harrison's spirit of giving, service and love live on, his legacy will never die. I believe there can be no more meaningful tribute to a life generously lived than this.

Mr. DARDEN. Mr. Speaker, I join my colleagues from Georgia in expressing sorrow over the death of Mr. Walter Harrison, one of the early shapers of the rural electrification movement in this country.

As someone who grew up on a dairy farm, I can understand perhaps better than some of my urban colleagues the value of Mr. Harrison's work to bring electric power to rural America. In the depths of the Great Depression of the 1930's, rural electrification began to erase the darkness of nights in the countryside and to relieve rural people from much of the drudgery which was a necessary part of rural life for years after the lighting of our cities. Thanks to Mr. Harrison's efforts, the lives of people of my generation in Hancock County, GA, could be markedly easier and more comfortable than had been the lives of our parents.

I had the honor recently of attending dedication ceremonies for the new Richard Russell Dam, power from which will be a boon to the electric cooperatives of Georgia and surrounding State. Mr. Harrison was especially effective in obtaining authorization and funding for that dam, which was dedicated just 5 weeks after his death. It now joins the long list of monuments to his dedication and service to rural people across this country.

Mr. HATCHER. Mr. Speaker, I rise to pay tribute to one of Georgia's finest leaders for the last 60 years, Mr. Walter Harrison, who passed away on August 3. Mr. Harrison, a native and lifelong resident of Jenkins County, GA, was active in the early years of the Rural Electrification Administration program in southeast Georgia.

In addition, Mr. Harrison had a distinguished political career, including eight years as a member of the State senate, 12 years as a State representative, 20 years as the mayor of Millen, GA, 2 years as a city councilman, and 6 years as a county commissioner.

Mr. Harrison's long record of public service has been the inspiration and guiding force behind many of the Georgians' lives he has touched. His dedication to his hometown and to his home State is evident in the many areas in which he worked throughout his life. His commitment to making Georgia a better place to live will be felt for many generations to come, but it is also a commitment that will be sorely missed in the state. We need more Walter Harrisons, and I humbly salute this great man whose memory will live long in the history of Georgia.

Mr. ROWLAND of Georgia. Mr. Speaker, many people have described Georgia's Walter Harrison as a "pioneer." It is a description which fit this Jenkins County native in every way. He was a visionary, an innovator, a bold and adventurous leader in his community and State.

No more than 1 percent of Georgia's farms had electricity when Walter Harrison established the Planters Electric Membership Corp. in 1937, supplying power to rural Burke and Jenkins counties. He went on to devote most of his life to the rural electric program on both the State and national levels. He was instrumental in establishing the Georgia Electric Membership Corp., where he served as the organization's manager for 25 years.

Walter Harrison received more awards and honors than we can recount here. But it was particularly fitting that just this year he was presented the Georgia EMC 50th anniversary Pioneer Award, was named by Gov. Joe Frank Harris as "Mr. Rural Electrification," and was inducted into the Cooperative League of the USA Hall of Farm in Washington, DC.

When he died at the age of 85 last month, the people of Georgia and the Nation lost a true friend.

GENERAL LEAVE

Mr. FOWLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AIDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 30 minutes.

Mr. DANNEMEYER. Mr. Speaker, I take this time this evening as a senior member of the health and Environment Subcommittee of the Energy and Commerce Committee to talk about a subject that is on the minds and hearts of many Americans today. That is the subject of AIDS; what is it, what we in Congress can be doing about it, and what we should be doing about it.

First, a few words as to what its current status is in this country.

It is a serious condition characterized by a defect in the natural immunization against disease. Hence, the name AIDS.

Since its discovery in the United States in 1981, the Public Health Service has received reports of more than 13,000 cases, over 50 percent of which have resulted in death.

Over 1 million Americans have been infected with the AIDS virus right now. It is reported that 5 to 10 percent of those that are so infected will come down with AIDS within the next 5 years. Some persons have estimated that those who will come down with AIDS in the next 5 years is closer to 25 percent. If the 25-percent figure is accurate, that means 250,000 Americans dying with AIDS within 5 years.

Currently the death rate is 80 percent 2 years after diagnosis. No AIDS patient has survived more than 3 years after diagnosis. More than 160 cases of AIDS in children are under the age of 13. AIDS can be passed on to infants in the womb or after birth. Reported incidents of AIDS have doubled each year since its discovery in 1981. Health officials anticipate over 40,000 new cases of AIDS over the next 2 years in the United States alone.

One of the crucial questions about AIDS, of course, is: Can it be transmitted by normal social contact? The answer to this question is at this point unclear. Most of the medical officials in our country say no, although they are not certain about that.

The syndrome has been reported as striking mainly male homosexuals, 72 percent, roughly, of AIDS cases. It has also affected intravenous drug users, 17.2 percent of the AIDS cases. This means that a significant number of innocent victims in no-risk groups have been afflicted by the disease, 3.6 percent Haitians, 0.6 percent hemophiliacs, 1.2 percent recipients of blood transfusions and 3.8 percent belonging to no apparent risk group. There are about 500 of these 13,000 AIDS cases today that medical science cannot really find a cause for how those persons acquired it.

There are about 2 percent, close to that, of people who were in medical need of a blood transfusion, went to a blood bank or a hospital and got a blood transfusion and ended up with AIDS, about 260 people nationwide in that category today.

The live AIDS virus has been found in blood, semen, serum, saliva, urine, and tears. There are 216 reported cases of AIDS linked to the use of blood or blood products, blood transfusions, or hemophiliacs. Research studies indicate that the median lifetime number of male sexual partners for homosexual male AIDS patients is 1,160.

Regarding treatment, the UCLA Medical Center estimates that the average AIDS patient requires 2 to 3 months of hospitalization, with 1 to 3 weeks in the intensive care unit, equaling a total cost of $50,000 to $100,000 per patient. At the present time there is no known cure for AIDS.

As to the magnitude of the risk to our world, listen to these words from Dr. John Seale, writing in the August issue of Britain's Journal of the Royal Society of Medicine, stating that AIDS is capable of producing a lethal pandemic throughout the crowded cities and villages of the Third World of a magnitude unparalleled in human history.

Some of these matters were brought to this Member's attention in my home State of California over the recent August break, and indeed we Californians have 25 percent of the AIDS cases that have been so far recorded in these United States. Of those 25 percent of the cases, most of them are located in San Francisco, in Los Angeles, although some are spread out in other areas of the State of California. About 40 percent of the total cases are located in the State of New York.

Members would be interested to know that since 1982, $407 million has been expended on AIDS research. In 1982, just 4 years ago, only $5.6 million was appropriated for research. In 1986, just under $200 million has been earmarked by the Federal Government, indicating a response for the need of intensive effort. I do not think there is any questions in anybody's mind in the Congress today that we will supply the funds that are requested by our public health authorities in order to hopefully find a cure for the disease, although the prospects for that have not been, up until now, entirely optimistic in terms of a forecast.

As a result of certain information that was brought to my attention last month, I wrote a letter to the Public Health Service on August 8, asking that body in this country to take some action in order to protect the integrity of the blood supply that we Americans rely upon whenever we have need for a blood transfusion. At that time, when you went to a blood bank, you were given two forms to fill out. One form contained 20 questions. One of the questions was whether or not you are an intravenous drug user. Bear in mind that category of people have contributed about 17 percent of the AIDS cases.

□ 2005

If you answer that question "yes" to the blood bank, the official position is you cannot donate blood.

You are also given another form, this was as of August 8 of this year, in which the blood banks listed certain persons in a "should not donate" category. In the "should not donate" category were listed polygamous male homosexuals. The inference being that if you are a monogamous male homosexual as of that date, August 8, your blood was welcome in the blood supply of the country. The rationale for that position was that the Elisa test that was begun in the early part of this year that detected any AIDS virus that may have been in the blood of a monogamous male homosexual so the blood supply was protected.

The defect in that reasoning is the fact that of those who test negative, there is a 4-percent fail rate. In other words, of those monogamous male homosexuals who are given the test, a false negative comes into existence for 4 percent of the total so their blood is getting into the blood banks of America.

My letter of request to the Public Health Service was that all male homosexuals be denied the ability to donate blood so as to protect the integrity of the blood supply of this country. I am happy to say to my colleagues that just 1 month later, September 8, CDC, speaking for the Public Health Service, adopted a regulation in which it placed monogamous male homosexuals on the same basis as polygamous male homosexuals. Namely, that they were both placed into the "should not donate" category.

The puzzling thing about this position is this: Intravenous drug users, who contribute roughly 17 percent of the cases of AIDS are in the "cannot" category. Yet male homosexuals who contribute 75 percent of the cases of AIDS are still today in the "should not donate" category. I asked Dr. Mason, head of Public Health Service, the other day in my office to put all male homosexuals in the same category as intravenous drug users on the rationale that if it is in the public interest, and I believe it is, to suggest that intravenous drug users who contribute 17 percent of the cases of AIDS are not permitted to donate blood, then I would submit that it follows that a category who contribute 75 percent of the known cases of AIDS should also be in the "cannot" category. He said he would take that into consideration.

Quite frankly, my friends, I believe that the reason that the CDC acted so promptly, promptly being 30 days from the time of my letter of August 8, was because they could not defend the position that they were taking with respect with continuing to receive into the blood banks of America the blood of those who claim to be monogamous male homosexuals. That is the reason I believe on September 8 that they wisely adopted the policy option that significantly implemented the recommendation that I asked them to make. I hope that they will have the wisdom to take the additional step of placing all male homosexuals into the "cannot" category as well to further protect the integrity of our blood supply.

I think it is time that we say to the American people that our blood supply today that any of us has recourse to utilize is contaminated with a modest quantity of AIDS virus. Any of us bear a small statistical chance of getting AIDS if we take a blood supply today from a hospital or a blood bank or what have you. The public health authorities are faced with a very delicate choice: If we had a perfect world, we would throw out all of the supplies of blood in the blood banks of America today. But if we did that, those who depend on that blood and plasma for life-giving sustenance would be denied the receipt of that needed commodity. The judgment call has been made that those who would be denied the blood from the blood banks would be far greater in number than those who statistically are going to get AIDS from continuing to receive blood from the blood supply of this country. I think probably that is a sound judgment.

What should we do? Those of us in this country, when faced with the problem of needing a blood transfusion? We should encourage the blood banks, the hospitals of this country to set up direct donation of blood, so that when our loved ones have a need for a blood transfusion, we can, within the framework of our family units and our close loved ones, receive the blood that we need. This reduces the chance, significantly, of any recipient of blood innocently receiving AIDS.

In some places of the country this is followed today. Not everywhere, but in some places. I believe it is one policy option that our public health authorities should be diligently pursuing in order to protect the integrity of the blood supply of this country and the health of the people of America.

A good question comes into existence, and that is why it took a letter from a Member of Congress on August 8 to cause CDC to change its policy with respect to who cannot or should not be donating blood. Up until that point, CDC had made a judgment balancing competing interests. On the one hand, protecting the integrity of the blood supply of the country; on the other hand, protecting the sensitivity of the male homosexual community of America.

As of August 8, when I wrote that letter, they had come down on the side of protecting the integrity of the sensitivity of the male homosexual community of America, and to that extent, I believe that they made a serious error of judgment. To a large extent, they have corrected that error of judgment, and I think they should be commended for the step that they have taken.

I think today in this country it is time our public health authorities recognize the epidemic that is going on and pursue certain policy options that when this balance effect has to take place, will come down on the side of protecting the integrity and the health and the public at large and be less concerned for protecting the sensitivity of these tragic AIDS victims for whom we can have nothing but compassion, and I certainly do, because they are going to die. There is no cure for it at this time.

But those of us in public life are called upon to make choices, some of them hard. In this instance I think the choice of protecting the public health must take precedence over the sensitivities of that group in our culture which has contributed the largest percentage of these AIDS cases; namely male homosexuals.

In this spirit, I wrote the letter that I did to the head of the Public Health Service. As a result of the controversy that developed in California in mid-August over this issue, a lawyer from San Francisco called me on the phone and brought to my attention a case he was handling for four nurses working in the San Francisco General Hospital. General practitioner nurses.

He told me a tale that is very difficult to believe upon hearing. What he said was this: San Francisco General Hospital adopted a policy that said to the nurses, "When you are treating victims of AIDS in this hospital, you may not wear gowns, masks, and gloves because when you do that you impinge on the sensitivity of the AIDS patients in the hospital." Bear in mind that all other health practitioners in that hospital treating AIDS patients wore gowns, masks, and gloves such as dentists, doctors, x-ray technicians, dietitians, maintenance workers; anybody else going into those rooms.

These nurses made a legitimate claim of discrimination, and so they brought their case to California OSHA in Sacramento.

□ 2015

OSHA sent an investigator to look into this matter and a couple weeks ago made an interesting decision. It said that the nurses were right, that they should be permitted to wear gowns, masks, and gloves in treating these AIDS patients so long as other health practitioners were permitted to do the same; but then they went on, OSHA did, to enter an interesting little footnote to their decision. They said, "Nurses, you may wear gowns, masks, and gloves, except in those cases where the doctors treating the AIDS patients notate otherwise on the charts."

A day after this decision by OSHA, the doctors treating AIDS patients went around one by one and made notations on the charts stating that the nurses were not to wear gowns, masks, and gloves, in treating those AIDS patients.

When you hear discrimination of that type, you wonder what in the world is going on. I will tell you what is going on. That hospital has an administration consisting of a majority of male homosexuals. They are running the facility in a way that exhibits the bias I have described.

I think it is intolerable, it is insufferable that such a condition would be permitted to exist and I believe that we in the Congress, having control and responsibility for disbursing Federal funds to hospitals all over America, should be saying to any hospital receiving Federal funds, "You may not discriminate in respect to health care of workers in your facilities."

I believe at this point it is necessary that we in Congress consider what policy options are available to us and I have sent out a "Dear Colleague" letter to the Members of this House and I want to describe what those policy options would be right now.

The first bill would make it a felony for a person in a high-risk group to knowingly donate blood. The CDC defines a high-risk group as those with AIDS, intravenous drug users, hemophiliacs, those receiving transfusions within the previous year, or males who have had sex with another male since 1977.

This is to give teeth to the Public Health Service guidelines with a criminal penalty. It is no different than when you go down to a bank and seek a loan from your banker. You list your assets and liabilities and on the bottom you sign that the statements you have made are correct and accurate, and in some cases you sign under penalty of perjury. Most of us correctly state our condition, but if we do not, the system provides a means for going after those who deliberately misrepresent their status.

Strange and weird as it may sound, my office has received unconfirmed reports, which are difficult to check out, that certain male homosexuals in this country are so incensed and frustrated that America has not found a solution to the AIDS crisis to cure them of this disease that they have in a spirit of spite threatened to donate blood, those with AIDS, in order to contaminate the blood supply, hoping to reach the heterosexual world so as to increase the level of attention that we of the heterosexual world, the 95 percent of us in this country, may be willing to devote to this tragic disease.

To those who may have the inclination, let me observe that we in the Congress will appropriate what is necessary, called upon by the public health authorities for research funds to hopefully find a cure for this tragic disease. We do not need threats of that nature. Threats of that nature will not add anything to the solution, but I think this law that I am talking about is necessary so that if we do have people who conduct themselves in that way that we have the means to bring them to justice for their excesses.

The second bill forbids discrimination against nurses and health care practitioners from using protective garments in treating AIDS patients.

I previously described to the Members what was encountered in the San Francisco General Hospital and the rationale as to why we should adopt that regulation.

I am advised that tomorrow the House is scheduled to take up the appropriation bill for HHS. This Member will attempt to offer an amendment to that bill so as to make clear that we will not tolerate the discrimination that we have encountered, as I have described, in the city and county of San Francisco at the San Francisco General Hospital.

The Members know very well that the rules of this House have been so structured that it is very difficult to offer such an amendment because you have to keep the committee from rising in order to be able to offer your amendment. That is done as a means of preventing accountability for the Members of this House as to our actions.

To my Democratic colleagues who run this place, I would suggest that here is another instance where your crushing of the rules, compressing the rules, has prevented some of us from offering an opportunity that we otherwise would like to pursue.

The third bill would prohibit those persons with AIDS from practicing in the health care industry. Common sense dictates that a doctor, nurse, dietician or technician with AIDS should not come into contact with other individuals in a medical setting.

The fourth bill addresses halting the transmission of AIDS through sexual contact. This bill would provide that any city throughout the United States which fails to shut down its bath houses will be denied Federal funds. The medical community is in full agreement that AIDS is transmitted through promiscuous homosexual contact which flourishes at these facilities. Any public health officer in a city with a bath house that is frequented by male homosexuals today should exercise their judgment under the law and take action to remove that menace to the public health, just as we remove public houses of prostitution in most States of the Union on the grounds that we stop the spread of disease and we also respect the public morals of the community.

The fifth bill concerns the school attendance of students with AIDS. I believe such schoolchildren should be prohibited from attending school. Although CDC has promulgated contrary guidelines, I believe they are inadequate to deal with the special circumstances attendant upon the classroom situation. Children come into close contact with one another during the course of the schoolday and cannot be expected to shoulder the burden of taking necessary precautions in dealing with another AIDS child.

I would commend to the reading of my colleagues an article that was written by Norman Podhoretz, dated October 1, at least that is the date that I saw it, in a publication in the Salt Lake City Tribune, distributed by the News America Syndicate. It raises a very interesting series of questions about this whole problem of AIDS. It begins in the article as to accountability from where it has come from. This is a quotation from that article:

> Yet while there has been a good deal of revulsion felt and expressed in private, the public response has been a meek acceptance of the idea propagated by homosexual activists that it is the rest of us who are responsible for the existence and spread of this horrible disease.
>
> From the idea that the rest of us are to blame, it follows that we must give "top priority" to halting the spread of AIDS. This, in fact, is what the Reagan administration, speaking through the president himself, has agreed to do.

Then Mr. Podhoretz goes ahead and describes how the AIDS virus is transmitted and what people must do in order to decrease the spread of the disease.

> Dr. James O. Mason, director of the National Centers for Disease Control in Atlanta, flatly stated that no new drug or vaccine is needed to halt the spread of AIDS. "We could stop transmission of this disease today," he said, if only homosexuals (and intravenous drug users—but they are another story) were willing to observe certain precautions.
>
> In speaking of these precautions, however, the media, with one or two exceptions like the New York Post, have, as Newsweek puts it, surrendered to "a squeamish lack of specificity." Reporters have used vague phrases like "exchange of bodily fluids" or "intimate sexual contact," and they have rarely pointed to "the correlation between AIDS and extreme promiscuity."
>
> Curious, is it not, that in an age of ubiquitous pornography and blunt speech, it should be so hard to say in plain English that AIDS is almost entirely a disease caught by men who bugger and are buggered by dozens or even hundreds of other men every year?

For those of us who wonder how it is being spread in America, it is just that. God intended a plan for men and women of this world in the sexual arena whereby one man and one woman come together as a family unit and from that family unit children come into the world and propagate the race.

God's plan for man was Adam and Eve, not Adam and Steve, and when a human male penis is inserted into the anus of another male and sperm for the donor ends up in the anus of the recipient, there is every reason to believe this is the means by which AIDS is spread, because the lining of the anus is so structured as to not to be able to resist to prevent the sperm from entering into the bloodstream of the recipient. That interaction of the sperm into the bloodstream of the recipient is the cause of why most people, or a lot of people say AIDS has developed in our culture.

We in Congress cannot pass a law dealing with the morality and the sexual mores of our people. That is beyond our reach. It is none of the business of the Federal Government or the State government or any government in America what two people, man or woman, do in the privacy of

their own homes; but when these activities take place in public chambers, such as bath houses currently in existence in different places in America, so as to permit the transmission of a disease which is known to be transmitted by sexual contact, some of us in public life must speak up to say where perhaps we have misplaced our emphasis in terms of what we should be doing.

We live in a permissive hedonistic world in America and this AIDS epidemic is a means whereby perhaps our attention has been drawn to the excesses that have come into our society.

It is my hope that health officers around the country will have the courage of their convictions to take on the strength of the male homosexual political community and their environs and to take action to shut down those bath houses which are known to be places where AIDS are transmitted. I am talking about places in my home State of California, like San Diego and Los Angeles and San Francisco right now.

The city council of the city of Los Angeles was so influenced by the perceived political clout of the male homosexual community that they adopted an ordinance by eight to nothing saying that persons could not discriminate against those who had AIDS.

I would like to thank my colleagues for this opportunity and as this matter progresses, I will have another opportunity to share these thoughts with my colleagues.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SLAUGHTER) to revise and extend their remarks and include extraneous material:)

Mr. BILIRAKIS, for 20 minutes, today.

Mr. DANNEMEYER, for 30 minutes, today.

Mr. PASHAYAN, for 5 minutes, today.

Mr. SLAUGHTER, for 60 minutes, October 8.

Mr. LEACH of Iowa, for 60 minutes, October 24.

Mr. DREIER of California, for 60 minutes, October 8.

Mr. RUDD, for 5 minutes, today.

(The following Members (at the request of Mr. ECKART of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. SLATTERY, for 5 minutes, today.

Mrs. BOGGS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. GAYDOS, for 30 minutes, on October 3.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SLAUGHTER) and to include extraneous matter:)

Mr. MOORHEAD.

Mr. LEWIS of California in two instances.

Mr. MOORE.

Ms. SNOWE.

Mr. DANNEMEYER.

Mr. GREGG.

Mr. WHITEHURST.

Mr. TAUKE.

Mr. WOLF.

Mr. HYDE in two instances.

Mr. COURTER in two instances.

Mr. GUNDERSON.

Mr. GEKAS.

Mr. DIOGUARDI in three instances.

(The following Members (at the request of Mr. ECKART of Ohio) and to include extraneous matter:)

Mr. MAVROULES.

Mr. STARK.

Mr. RICHARDSON in two instances.

Mr. MORRISON of Connecticut.

Mr. BARNES.

Mr. TRAXLER in two instances.

Mr. MICA.

Mr. GARCIA in two instances.

Mr. COELHO.

Mr. HOYER.

Mr. PEPPER.

Mr. FRANK.

Mr. EDWARDS of California in two instances.

Mr. ACKERMAN in two instances.

Mr. FASCELL.

Mr. LANTOS.

Mrs. SCHROEDER.

Mr. MURTHA.

Mr. FLORIO.

Mr. WIRTH.

Mr. RODINO.

Mr. EDGAR.

Mr. MARKEY in two instances.

Mr. HUBBARD.

Mr. BENNETT.

Mr. LAFALCE.

Mr. RANGEL.

Mr. MINETA.

Mr. TOWNS in two instances.

SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1701. An act to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire; to the Committee on Public Works and Transportation.

S.J. Res. 189. Joint resolution designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 201. Joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 206. Joint resolution to authorize and request the President to designate the month of December 1985, as "Made in America Month"; to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore.

H.R. 3452. An act to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad-unemployment insurance program; and

H.R. 3454. An act to extend temporarily certain provisions of law.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills and joint resolutions of the House of the following title:

On September 20, 1985:

H.J. Res. 128. Joint resolution designating the month of October 1985 as "National High-Tech Month"; and

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

On September 25, 1985:

H.R. 1042. An act to grant a Federal charter to the Pearl Harbor Survivors association;

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week";

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week";

H.J. Res. 394. Joint resolution reaffirming our historic solidarity with the people of Mexico following the devastating earthquake of September 19, 1985;

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the Agency's 25th anniversary, 1985–86; and

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Awareness Month."

On September 27, 1985:

H.J. Res. 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes.

On September 30, 1985:

H.R. 3414. An act to provide that the authority to establish and administer flexible and compressed work schedules for Federal Government employees be extended through October 31, 1985;

H.R. 3452. An act to extend for 45 days the application of tobacco excise taxes, trade adjustment assistance, certain medicare reimbursement provisions, and borrowing authority under the railroad unemployment insurance program.

On October 1, 1985:

H.R. 3454. An act to extend temporarily certain provisions of law.

ADJOURNMENT

Mr. DANNEMEYER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (as 8 o'clock and 28 minutes p.m.), under its previous order the House adjourned until tomorrow, Wednesday, October 2, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2062. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the Department of the Army's proposed Letter of Offer to the People's Republic of China for defense articles, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

2063. A letter from the Secretary of Housing and Urban Development, transmitting the second report on progress of the recipients of Rental Housing Rehabilitation and Development Program grants, pursuant to 42 U.S.C. 1437o(n) (September 1, 1937, chapter 896, section 17(n) (97 Stat. 1206)); to the Committee on Banking, Finance and Urban Affairs.

2064. A letter from the Executive Director, National Council on Educational Research, transmitting the eighth annual report, pursuant to 20 U.S.C. 1221e(c)(3); to the Committee on Education and Labor.

2065. A letter from the Administrator, Agency for International Development, transmitting the determination that the Government of Brazil is in default of certain indebtedness, pursuant to 22 U.S.C. 2370(q); to the Committee on Foreign Affairs.

2066. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification that the President has determined that it is necessary to reprogram an additional $13 million for El Salvador from the fiscal year 1985 continuing resolution (Presidential Determination 85-18), pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

2067. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's Letter of Offer to the People's Republic of China for defense articles, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2068. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the political contributions by Joseph Vener Reed, of Connecticut, to be Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2069. A letter from the Under Secretary of State for Management, transmitting a report on the plans for implementation of travel controls on certain U.N. Secretariat employees, pursuant to Public Law 99-93, section 141; to the Committee on Foreign Affairs.

2070. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report on suspension of deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a), Immigration and Nationality Act, pursuant to INA, section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

2071. A letter from the Chairwoman, U.S. International Trade Commission, transmitting the Commission's 43d quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

2072. A letter from the Acting Director, Office of Management and Budget, transmitting the Simplified Competitive Acquisition Technique Act of 1985; jointly, to the Committees on Government Operations and Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PEPPER: Committee on Rules. House Resolution 281. Resolution providing for the consideration of House Joint Resolution 3, Joint resolution to prevent nuclear explosive testing; (Rept. 99-294). Referred to the House Calendar.

Mrs. BURTON of California. Committee on Rules. House Resolution 282. Resolution waving certain points of order against H.R. 3327, making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-295). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RICHARDSON (for himself and Mr. LUJAN):

H.R. 3457. A bill to ensure the maintenance of a strong, reliable, and operational domestic uranium industry by requiring the Secretary of Energy to limit the use of nondomestic uranium by civilian nuclear power reactors; to the Committee on Interior and Insular Affairs.

By Mrs. BOGGS:

H.R. 3458. A bill to provide for the equitable tax treatment of individuals subject to a divorce decree which retroactively terminates the community; to the Committee on Ways and Means.

By Mr. CHAPMAN:

H.R. 3459. A bill to amend the Steel Import Stabilization Act to support the President's national policy for the steel industry by stabilizing steel imports from countries not parties to bilateral arrangements under the President's national policy for the steel industry; to the Committee on Ways and Means.

By Mr. DORNAN of California:

H.R. 3460. A bill to provide that no Federal court may require the expenditure of Federal or State moneys without prior legislative authorization; to the Committee on the Judiciary.

By Mr. EDGAR:

H.R. 3461. A bill to amend the Congressional Budget Act of 1974 to provide for a 2-year budgeting cycle, to provide for separate and timely consideration each of authorizing legislation, budget resolution, and appropriations, and for other purposes; jointly, to the Committees on Government Operations, and Rules.

By Mr. EDGAR:

H.R. 3462. A bill to require that the President transmit to the Congress, and that the congressional Budget Committees report, a balanced budget for each fiscal year; jointly, to the Committees on Government Operations, and Rules.

By Mr. FASCELL (for himself, and Mr. BROOMFIELD) (by request):

H.R. 3463. A bill to authorize assistance to combat terrorism in Central America, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FLIPPO (for himself, Mr. DUNCAN, Mrs. LLOYD, Mr. FORD of Tennessee, Mr. JENKINS, Mr. DARDEN, Mr. ERDREICH, Mr. SHELBY, Mr. ROGERS, Mr. SUNDQUIST, Mr. BEVILL, Mr. HUBBARD, and Mr. GORDON):

H.R. 3464. A bill to amend the Inspector General Act of 1978 to establish an Office of Inspector General in the Tennessee Valley Authority; to the Committee on Government Operations.

By Mr. FRANK (for himself, Mr. FISH, Mr. RUSSO, and Mr. GILMAN):

H.R. 3465. A bill to make permanent the requirements of the manufacturing clause of the copyright law; to the Committee on the Judiciary.

By Mr. GAYDOS:

H.R. 3466. A bill to extend the authorization of appropriations for general revenue sharing for 7 years; to the Committee on Government Operations.

By Mr. GREGG:

H.R. 3467. A bill to amend the Internal Revenue Code of 1954 to impose a surcharge tax on business activities to provide revenues for the trust fund known as the "Hazardous Substance Response Superfund" with respect to the clean-up of hazardous wastes, and for other purposes; to the Committee on Ways and Means.

By Mr. JENKINS:

H.R. 3468 A bill to extend through June 30, 1990, the suspension of import duties on synthetic rutile; to the Committee on Ways and Means.

By Mr. JENKINS (for himself, Mr. FOWLER, and Mrs. COLLINS):

H.R. 3469. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma (for himself, Mr. ROSTENKOWSKI, Mr. JACOBS, Mr. GEPHARDT, Mr. FOWLER, Mr. DONNELLY, Mr. COYNE, Mr. GIBBONS, Mr. ARCHER, Mr. DAUB, Mr. GREGG, Mr. PICKLE, Mr. STARK, Mr. FORD of Tennessee, Mr. MATSUI, Mr. FLIPPO, Mr. ANTHONY, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. THOMAS of California, Mr. MCGRATH, Mr. PEPPER, Mr. ROYBAL, Mr. RINALDO,

Mr. ADDABBO, Mr. SCHEUER, Mrs. SCHROEDER, Mr. BONKER, Ms. OAKAR, Mr. BONER of Tennessee, Mr. TAUKE, Mrs. BURTON of California, Mr. LIGHTFOOT, Mr. STALLINGS, Mr. DOWNEY of New York, and Mr. DELAY):

H.R. 3470. A bill to establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board, and which shall be responsible for the administration of the old-age survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such Act, and to provide for off-budget treatment of the old-age, survivors, and disability insurance program beginning with fiscal year 1987; to the Committee on Ways and Means.

By Mr. MOORE:

H.R. 3471. A bill to amend the Internal Revenue Code of 1954 to revise and extend the taxes used to finance the Superfund Program; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 3472. A bill to authorize humanitarian assistance for the National Union for the Total Independence of Angola (UNITA); to the Committee on Foreign Affairs.

By Mr. ROWLAND of Georgia:

H.R. 3473. A bill to amend title 23 of the United States Code to consolidate the interstate construction and 4R programs, to establish a State and local block grant highway program, to increase flexibility in the use of toll revenues to finance highway projects, to extend the authorization of funds for Federal-aid highway programs through fiscal year 1990, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. TAUKE:

H.R. 3474. A bill to amend part A of title XVIII of the Social Security Act to permit imminently terminally ill patients to continue medicare coverage of their hospitalization; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H.R. 3475. A bill to expand and improve programs of adult and continuing education; to the Committee on Education and Labor.

By Mr. DORNAN of California:

H.J. Res. 403. Joint resolution proposing an amendment to the Constitution of the United States to permit congressional review of court determinations that Federal or State law is invalid under the Constitution; to the Committee on the Judiciary.

By Mr. FASCELL (for himself and Mr. BROOMFIELD) (by request):

H.J. Res. 404. Joint resolution with respect to the Agreement for Cooperation between the United States and the People's Republic of China concerning the peaceful uses of nuclear energy; to the Committee on Foreign Affairs.

By Mr. OWENS:

H.J. Res. 405. Joint resolution to designate October 17, 1985, as Black Poetry Day; to the Committee on Post Office and Civil Service.

By Mr. SLAUGHTER:

H.J. Res. 406. Joint resolution to commemorate the associations of the Clarke County region of Virginia with the national historic heritage during the sesquicentennial year of that county; to the Committee on Post Office and Civil Service.

By Mrs. BOXER (for herself and Mr. MILLER of California):

H. Con. Res. 202. Concurrent resolution to request the President to provide economic assistance to Mexico while enhancing the national security and energy preparedness of the United States by further filling the strategic petroleum reserve with petroleum obtained from Mexico; jointly, to the Committees on Foreign Affairs, Energy and Commerce, and Armed Services.

By Mr. RODINO:

H. Con. Res. 203. Concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made"; to the Committee on House Administration.

By Mr. MICHEL:

H. Res. 280. Resolution electing Representative Combest of Texas to the Committee on the District of Columbia; considered and agreed to.

By Mr. ROSTENKOWSKI:

H. Res. 283. Resolution returning to the Senate the bill S. 1712; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. OBERSTAR.

H.R. 585: Mr. NELSON of Florida.

H.R. 598: Mr. SCHEUER.

H.R. 734: Mr. JONES of North Carolina, Mrs. VUCANOVICH, Mr. MARTINEZ, Mr. TORRICELLI, and Mrs. BENTLEY.

H.R. 760: Mr. SYNAR.

H.R. 776: Mr. NEAL and Mr. MORRISON of Washington.

H.R. 864: Mr. WHEAT.

H.R. 983: Mr. DAVIS, Mr. ERDREICH, Mr. WRIGHT, Mr. DIOGUARDI, Mr. ACKERMAN, Mr. YATRON, Mr. DERRICK, Mr. MINETA, and Mr. MICA.

H.R. 1044: Mr. BROWN of California.

H.R. 1139: Mr. DUNCAN.

H.R. 1256: Mr. SEIBERLING, Mr. VENTO, Mr. DASCHLE, Mr. WEAVER, Mr. MARTINEZ, and Mr. KOLTER.

H.R. 1432: Mr. DWYER of New Jersey, Mr. SEIBERLING, Mr. ACKERMAN, and Mr. HOYER.

H.R. 1435: Mr. LUNDINE, Mr. LAFALCE, Mr. BURTON of Indiana, Mr. WOLPE, Mr. DARDEN, and Mr. LEVIN of Michigan.

H.R. 1458: Mr. GONZALEZ.

H.R. 1482: Mr. RANGEL.

H.R. 1538: Mr. GRAY of Illinois.

H.R. 1550: Mr. MONSON.

H.R. 1759: Mr. BRYANT and Mrs. LLOYD.

H.R. 1769: Mrs. SMITH of Nebraska.

H.R. 1770: Mr. SENSENBRENNER.

H.R. 1840: Mrs. BYRON, Mrs. VUCANOVICH, Mr. DAUB, Mr. PERKINS, and Mr. STALLINGS.

H.R. 1902: Mr. PARRIS.

H.R. 2080: Mr. HORTON, Mr. SILJANDER, and Mr. MARKEY.

H.R. 2185: Mr. RALPH M. HALL.

H.R. 2361: Mr. LEVIN of Michigan.

H.R. 2504: Mr. SOLOMON.

H.R. 2532: Mr. DIOGUARDI.

H.R. 2656: Mr. KOLTER, Mr. WEISS, Mr. STOKES, Mr. MARTINEZ, Mr. SEIBERLING, and Mr. JACOBS.

H.R. 2657: Mr. MARTINEZ, Mr. STOKES, and Mr. KOLTER.

H.R. 2659: Mrs. LLOYD, and Mr. GINGRICH.

H.R. 2663: Mr. ROWLAND of Georgia.

H.R. 2708: Mr. IRELAND.

H.R. 2741: Mr. KANJORSKI and Mr. HANSEN.

H.R. 2762: Mr. GRAY of Illinois.

H.R. 2807: Mr. MILLER of Ohio.

H.R. 2840: Mr. ROBINSON, Mr. HAMMERSCHMIDT, Mr. MCCLOSKEY, Mr. WHEAT, Mr. ECKART of Ohio, Mr. RUSSO, Mr. OWENS, Mr. GUARINI, and Mr. DASCHLE.

H.R. 2866: Mr. CROCKETT and Mr. RANGEL.

H.R. 2870: Mr. KLECZKA, Mr. KILDEE, Mr. MATSUI, Mr. DIXON, Mr. CARPER, Mr. KOSTMAYER, Mr. ROWLAND of Georgia, Mr. FEIGHAN, Mr. ANDERSON, Mr. LUKEN, and Mr. WEISS.

H.R. 2873: Mr. LUKEN, Mr. MARTINEZ, Mr. COYNE, Mr. MCCLOSKEY, and Mrs. HOLT.

H.R. 2950: Mr. JACOBS, Mr. DELLUMS, Mr. LANTOS, Mr. BEILENSON, Mr. LEHMAN of Florida, Mr. CHANDLER, Mr. ROYBAL, Mr. HEFTEL of Hawaii, and Mr. WILLIAMS.

H.R. 3045: Mr. MARTINEZ.

H.R. 3050: Mr. RINALDO and Mr. KASICH.

H.R. 3082: Mr. ROBINSON and Mrs. BOXER.

H.R. 3083: Mr. ROBINSON and Mrs. BOXER.

H.R. 3084: Mr. PURSELL.

H.R. 3099: Ms. KAPTUR.

H.R. 3130: Mr. SWIFT.

H.R. 3132: Mr. WOLPE, Mr. MCKINNEY, Mr. APPLEGATE, Mr. ANTHONY, Mr. BEILENSON, Mrs. BURTON of California, Mr. BROWN of California, Mr. BATES, Mr. CLAY, Mr. FAUNTROY, Mr. EDWARDS of California, Mr. COUGHLIN, Mr. DONNELLY, Mr. ADDABBO, Mr. FRANK, Mr. GUARINI, Mr. ANDERSON, Mr. HAYES, Mr. HERTEL of Michigan, Mr. LIPINSKI, Mr. LEVIN of Michigan, Mr. LELAND, Mr. LOWRY of Washington, Mr. KASTENMEIER, Mr. MITCHELL, Mr. MOAKLEY, Mr. OWENS, Mr. LUNDINE, Mr. ROYBAL, Mr. STARK, Mr. TOWNS, Mr. WYLIE, Mr. WIRTH, Mr. BOSCO, Mr. SEIBERLING, and Mrs. HOLT.

H.R. 3173: Mr. HATCHER.

H.R. 3206: Mr. WILLIAMS and Mr. CONYERS.

H.R. 3207: Mr. WILLIAMS.

H.R. 3258: Mr. DIOGUARDI, Mr. PEPPER, Mr. MATSUI, Mr. LELAND, Mr. MCHUGH, Mr. SENSENBRENNER, Mr. OWENS, Mrs. COLLINS, Mr. COELHO, Mr. DELLUMS, and Mr. ACKERMAN.

H.R. 3263: Mr. VALENTINE and Ms. KAPTUR.

H.R. 3297: Mr. BRYANT.

H.R. 3344: Mr. WAXMAN, Mr. WORTLEY, Mr. MURPHY, Mr. HORTON, Mr. MRAZEK, Mr. CROCKETT, Mr. ROE, Mr. DWYER of New Jersey, Mr. DELLUMS, Mr. ST GERMAIN, Mr. DE LA GARZA, Mr. FRANK, Mr. FAZIO, Mr. SAVAGE, Mr. RANGEL, Ms. OAKAR, and Ms. KAPTUR.

H.J. Res. 7: Mr. WOLF, Mr. PORTER, Mr. ROTH, Mr. HUNTER, Mr. GINGRICH, Mr. SENSENBRENNER, and Mr. KINDNESS.

H.J. Res. 105: Mrs. LONG.

H.J. Res. 126: Mr. VALENTINE, Mr. MCEWEN, Mr. ADDABBO, Mr. SCHUMER, and Mr. FUSTER.

H.J. Res. 127: Mr. MOAKLEY.

H.J. Res. 133: Mr. ROSE, Mr. DASCHLE, Mr. COURTER, Mr. ROWLAND of Georgia, and Mr. RICHARDSON.

H.J. Res. 172: Mr. AUCOIN, Mr. BOEHLERT, Mrs. BYRON, Mr. CAMPBELL, Mr. CARR, Mr. CRANE, Mr. COOPER, Mr. DONNELLY, Mr. DORNAN of California, Mr. DOWDY of Mississippi, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FISH, Mr. FORD of Tennesse, Mr. FRENZEL, Mr. GARCIA, Mr. HUNTER, Mr. KEMP, Mr. LANTOS, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LENT, Mr. MCCAIN, Mr. MCKINNEY, Mr. MANTON, Mr. NELSON of Florida, Mr. PACKARD, Mr. PANETTA, Mr. PASHAYAN, Mr. PERKINS, Mr. RAHALL, Mr. REGULA, Mr. ROBINSON, Mr. ROSE, Mr. SABO, Mr. SAVAGE, Mrs. SCHNEIDER, Mr. SEIBERLING, Mr. STARK, Mr. STRATTON, Mr. TAUKE, Mr. TORRES, Mr. WHITTAKER, and Mr. KLECZKA.

H.J. Res. 175: Mr. STRANG.

H.J. Res. 267: Mr. SKEEN and Mr. MOLINARI.

H.J. Res. 279: Mr. FRANKLIN.

H.J. Res. 313: Mr. DOWDY of Mississippi, Mr. BUSTAMANTE, Mr. BOEHLERT, Mr.

GAYDOS, Mr. LIPINSKI, Mr. NATCHER, Mrs. SCHNEIDER, and Mr. FISH.

H.J. Res. 329: Mr. AUCOIN, Mr. BARNES, Mr. BATEMAN, Mr. BATES, Mr. BOEHLERT, Mr. BOSCO, Mr. BROWN of California, Mr. BROYHILL, Mr. BUSTAMANTE, Mr. CAMPBELL, Mr. CARR, Mr. DEWINE, Mr. DYSON, Mr. FOLEY, Mr. FRANK, Mr. GONZALEZ, Mr. GRAY of Pennsylvania, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HALL of Ohio, Mr. HAYES, Mr. HENRY, Mr. HERTEL of Michigan, Mr. HUNTER, Mr. JONES of Tennessee, Mrs. KENNELLY, Mr. LAFALCE, Mr. LATTA, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LOWRY of Washington, Mr. LUKEN, Mr. MCHUGH, Mr. MOLINARI, Mr. MOORE, Mr. MRAZEK, Mr. NEAL,Ms. OAKAR, Mr. PACKARD, Mr. PANETTA,Mr. PEPPER, Mr. REGULA, Mr. RICHARDSON, Mr. ROGERS, Mr. ROTH, Mr. SABO, Mr. ST GERMAIN, Mr. SCHUMER, Mr. SIKORSKI, Mr. SKEEN, Mr. SMITH of Iowa, Mr. ROBERT F. SMITH, Ms. SNOWE, Mr. SNYDER, Mr. STANGELAND, Mr. STUMP, Mr. TAUKE, Mr. TAUZIN, Mr. TOWNS,Mr. VOLKMER, Mr. WILSON, Mr. WYDEN, Mr. YOUNG of Missouri, Mr. YOUNG of Alaska, Mr. BILIRAKIS, Mr. GALLO, Mr. HOWARD, Mr. ARCHER, Mr. CRANE, Mr. MCKINNEY, Mr. MILLER of Washington, Mr. GROTBERG, and Mr. KLECZKA.

H.J. Res. 331: Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. BARNES, Mr. BATEMAN, Mr. BEDELL, Mrs. BENTLEY, Mr. BEREUTER, Mr. BERMAN, Mr. BIAGGI, Mr. BLAZ, Mr. BLILEY, Mr. BORSKI, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mr. BURTON of Indiana, Mrs. BURTON of California, Mr. BUSTAMANTE, Mr. CARNEY, Mr. CHAPPIE, Mr. COELHO, Mrs. COLLINS, Mr. CONTE, Mr. COUGHLIN, Mr. CROCKETT, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DIOGUARDI, Mr. DONNELLY, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. DYSON, Mr. ECKERT of New York, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. FRANK, Mr. FRENZEL, Mr. GARCIA, Mr. GEJDENSON, Mr. GEKAS, Mr. GRAY of Illinois, Mr. GREEN, Mr. GUARINI, Mr. HENRY, Mrs. HOLT, Mr. HORTON, Mr. HUGHES, Mr. JEFFORDS, Mr. KANJORSKI, Ms. KAPTUR, Mr. KASICH, Mrs. KENNELLY, Mr. KINDNESS, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAGOMARSINO Mr. LANTOS, Mr. LENT, Mr. LEWIS of Florida, Mr. LIPINSKI, Mr. LUNGREN, Mr. MCCAIN, Mr. MCEWEN, Mr. MCGRATH, Mr. MCHUGH, Mr. MANTON, Mr. MARTIN of New York, Mr. MATSUI, Mr. MAVROULES, Mr. MOAKLEY, Mr. MOODY, Mr. MOORHEAD, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NOWAK, Mr. O'BRIEN, Ms. OAKAR, Mr. ORTIZ, Mr. OWENS, Mr. PANETTA, Mr. PASHAYAN, Mr. PEPPER, Mr. QUILLEN, Mr. RAHALL, Mr. REGULA, Mr. REID, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SAXTON, Mr. SCHEUER, Mr. SILJANDER, Mr. SMITH of Florida, Mr. SOLARZ, Mr. SOLOMON, Mr. STOKES, Mr. SUNIA, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAXLER, Mr. VENTO, Mr. WALGREN, Mr. WAXMAN, Mr. WOLF, Mr. WORTLEY, Mr. YOUNG of Missouri, and Mr. CHANDLER.

H.J. Res. 334: Mr. ALEXANDER, Mr. ANTHONY, Mr. BEDELL, Mr. BREAUX, Mrs. BURTON of California, Mr. CARPER, Mr. COOPER, Mr. DINGELL, Mr. GEJDENSON, Mr. GEPHARDT, Mr. CHAPMAN, Mr. HOYER, Mr. HUTTO, Mr. JENKINS, Mr. LIVINGSTON, Mr. LUNDINE, Mr. MCKERNAN, Mr. MORRISON of Connecticut, Mr. ORTIZ, Mr. RAY, Mr. RICHARDSON, Mr. ROBINSON, Mr. RODINO, Mr. ROSE, Mr. RUSSO, Mr. SAVAGE, Mr. SCHEUER, Mr. SKELTON, Mr. SPRATT, Mr. UDALL, Mr. WHITLEY, Mr. ACKERMAN, Mr. ATKINS, Mr. BEILENSON, Mr. FOLEY, Mr. FRANK, Mr. FUSTER, Mr. GRAY of Illinois, Mr. HAWKINS, Mr. HUCKABY, Mr. MAVROULES, Mr. PANETTA, Mr. GRAY of Pennsylvania, Mr. WATKINS, and Mr. HALL of Ohio.

H.J. Res. 350: Mr. DERRICK, Mr. SCHULZE, Mr. WIRTH, Mr. MONTGOMERY, Mr. COBLE, and Mr. THOMAS of Georgia.

H.J. Res. 375: Mr. BROWN of California, Mr. DASCHLE, Mr. DAUB, Mr. HUNTER, Mr. KASICH, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. MILLER of California, Mr. RANGEL, Mr. ROGERS, Mr. SAVAGE, and Mr. WORTLEY.

H.J. Res. 379: Mr. DAUB, Mr. HORTON, Mr. GUNDERSON, Mr. FRENZEL, Mr. DWYER, of New Jersey, Mr. BRYANT, Mr. CHAPPIE, Mr. HEFTEL of Hawaii, Mr. DYSON, Mr. REID, Mr. SCHEUER, Mr. WOLF, Mr. WHITTAKER, Mr. ENGLISH, Mr. ANDREWS, Mr. MONSON, Mr. MRAZEK, Mr. WORTLEY, Mr. DIOGUARDI, Mr. MAZZOLI, Mr. SHUMWAY, Mr. CONTE, Mrs. LLOYD, Mr. LAGOMARSINO, Mr. BEDELL, Mr. LAFALCE, Mr. ROE, Mr. MARTINEZ, Mrs. BENTLEY, Mr. HUGHES, Mr. RAY, Mr. LIGHTFOOT, Mr. CROCKETT, Mr. WEISS, Mr. SMITH of Florida, and Mrs. KENNELLY.

H.J. Res. 385: Mr. MCCLOSKEY, Mr. BATEMAN, Mr. RALPH M. HALL, Mr. WILSON, Mr. APPLEGATE, Mr. MINETA, Mr. DAUB, Mr. PASHAYAN, Mr. CONTE, Mr. ROBERT F. SMITH, Mr. SHUMWAY, Mrs. LLOYD, Mr. NICHOLS, Mr. BLILEY, Mr. RANGEL, and Mr. ROSE.

H.J. Res. 386: Mr. SHUMWAY, Mr. PASHAYAN, Mr. WAXMAN, Mr. BROWN of California, Mr. RODINO, Mr. SILJANDER, Mr. MACK, Mr. ROWLAND of Connecticut, Mr. BLILEY, Mr. HAMMERSCHMIDT, Mr. THOMAS of California, Mr. COLEMAN of Texas, Mr. PETRI, Mr. TAUKE, Mr. SPRATT, Mr. OBERSTAR, Mr. WISE, Mr. DELLUMS, Mr. GRAY of Pennsylvania, Mrs. BOXER, Mr. HILER, Mr. DOWNEY of New York, Mr. SUNDQUIST, Mr. LUNGREN, Mr. HAWKINS, Mr. GOODLING, Mr. MOLINARI, Mr. STALLINGS, Mr. LEWIS of Florida, Mr. BATES, Mr. GEKAS, Mr. TOWNS, Mr. BARTLETT, Mr. REID, Mr. EDGAR, Mr. GINGRICH, Mr. ZSCHAU, Mr. CHANDLER, Mrs. SMITH of Nebraska, Mr. MONTGOMERY, Mr. STENHOLM, Mr. STUMP, Mr. EMERSON, Mr. SCHUMER, Mr. HUCKABY, Mr. MCCANDLESS, Mr. BADHAM, Mr. SNYDER, Mrs. JOHNSON, Mr. DREIER of California, Mr. MCCAIN, Ms. SNOWE, Mr. WOLF, and Mr. FAZIO.

H. Con. Res. 15: Mrs. BOXER.

H. Con. Res. 180: Mr. BARNES, Mr. FRANK, Mr. DUNCAN, Mr. GORDON, Mr. TALLON, Mr. PORTER, Mr. SUNDQUIST, Mr. ATKINS, Mr. VISCLOSKY, and Mr. FASCELL.

H. Res. 76: Mr. SMITH of New Hampshire, Mr. FAUNTROY, Mr. MCDADE, Mr. LENT, Mr. KOSTMAYER, Mr. NELSON of Florida, Mr. DORNAN of California, Mr. LELAND, Mr. YOUNG of Missouri, Mr. MORRISON of Connecticut, Mrs. BOXER, Mr. HORTON, Mr. FAZIO, Mr. DIOGUARDI, Mr. MARTINEZ, Mr. BEDELL, Mr. PORTER, Mr. CONTE, Mr. DELAY, Mr. DWYER of New Jersey, Mr. BUSTAMANTE, Mr. SMITH of New Jersey, Mr. FRENZEL, Mr. LANTOS, Mr. SMITH of Florida, and Mr. MINETA.

H. Res. 180: Mr. WALKER, Mr. DARDEN, Mr. PASHAYAN, Mr. DANIEL, Mr. BADHAM, Mr. WORTLEY, Mr. SWINDALL, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. COBLE, Mr. THOMAS of Georgia, Mr. THOMAS of California, Mr. KRAMER, Mr. ROE, Mr. GILMAN, Mr. SMITH of Florida, Mr. PACKARD, Mr. MCCANDLESS, Mr. MCKERNAN, and Mr. HYDE.

H. Res. 194: Mr. YATES, Mr. LELAND, Mr. HOWARD, Mrs. LLOYD, Mr. JONES of Oklahoma, and Mr. ACKERMAN.

H. Res. 256: Mr. CONYERS, Mr. MITCHELL, Mr. LEHMAN of Florida, Mr. GEJDENSON, Mrs. COLLINS, Mr. PEPPER, Mr. DELLUMS, Mr. EDWARDS of California, Mr. CROCKETT, Mr. DOWNEY of New York, Ms. OAKAR, Mr. SMITH of Florida, and Mr. LEVIN of Michigan.

H. Res. 268: Mr. MARLENEE, Mr. MOAKLEY, Mr. DANIEL, Mr. LEVIN of Michigan, Mr. BATES, Mrs. SCHROEDER, Mr. AKAKA, Mr. VISCLOSKY, Mr. DWYER of New Jersey, Mr. COUGHLIN, Mr. DICKS, Mr. MARKEY, Mr. MCKINNEY, Mr. SILJANDER, Mr. GALLO, Mr. COYNE, Mr. BUSTAMANTE, Mr. SMITH of New Hampshire, Mr. MICA, Mr. STUDDS, Mr. SWIFT, Mr. TAUZIN, Mr. SHARP, Mr. KRAMER, Mr. BROWN of Colorado, Mr. DASCHLE, Mr. RALPH M. HALL, Mr. ENGLISH, Mr. ROWLAND of Connecticut, Mrs. VUCANOVICH, Mrs. BYRON, Mr. HYDE, Mr. SAXTON, Mr. RITTER, Mr. BLAZ, Mr. BATEMAN, Mr. GONZALEZ, Mr. MONTGOMERY, Mr. CHAPPIE, and Mr. SKELTON.

H. Res. 271: Mr. MANTON, Mr. BORSKI, Mr. DELLUMS, Mr. LENT, Mr. SAVAGE, Mr. GILMAN, Mr. BOLAND, Mr. DIOGUARDI, Mr. BUSTAMANTE, Mr. MRAZEK, Mr. HOWARD, Mr. ROE, Mr. ADDABBO, and Mr. WALGREN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

220. By the SPEAKER: Petition of the Board of Supervisors, County of Yuba, California, relative to the establishment of crisis control centers; to the Committee on Foreign Affairs.

221. Also, petition of Flor de Luz E. Angderson, Philippines, relative to citizenship; to the Committee on the Judiciary.

222. Also, petition of Carlos S. Angderson, relative to citizenship; to the Committee on the Judiciary.

223. Also, petition of the American Association of Retired Persons, Chapter 2849, Rutherford, NC, relative to deficits; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3424

By Mr. OWENS:

—Page 64, immediately after line 2, insert the following new section:

SEC. 515. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to issue, implement, or administer any contract entered into after the date of enactment of this Act for the performance by a non-governmental commercial source of library services for a Federal department, agency, or other entity.

By Mr. WISE:

—Page 8, line 18, strike out "$984,022,000" and insert in lieu thereof "$987,545,000".

Page 8, line 25, strike out "$15,297,000" and insert in lieu thereof "$18,820,000".

H.J. RES. 3

By Mr. HYDE:

(Amendment in the nature of a substitute.)

—Strike out the preamble and in lieu thereof insert the following:

Whereas the United States is committed to the prevention of nuclear war through substantial, verifiable, equitable, and militarily significant reductions in nuclear arms;

Whereas in Geneva the United States and the Soviet Union are engaged in negotiations to reduce nuclear arms;

Whereas a viable nuclear deterrent is at present necessary for the security of the United States and its allies;

Whereas the United States, in recognizing a dispute within the scientific community concerning the inadequacy of verification of test bans, is in the process of improving its present verification capabilities in the interest of peace and stability;

Whereas the United States Government has concluded, based upon a thorough evaluation of the evidence, that the Soviet Union may have violated the Threshold Test Ban Treaty;

Whereas the interest of the United States in verification improvements has been demonstrated by repeated proposals to the Soviet Union to enhance verification of the Threshold Test Ban Treaty;

Whereas the President appealed to the Soviet Union at the United Nations on September 24, 1984, to "cooperate in this undertaking and to reciprocate in a manner that will enable the two countries to establish the basis for verification for effective limits on underground nuclear testing"; and

Whereas the President on July 29, 1985, demonstrated his commitment to the process that could ultimately lead to effective verification of the Threshold Test Ban Treaty by inviting the Soviet Union to send experts, with any instrumentation devices they deem necessary, to measure the yield of a nuclear test at the U.S. test site: Now, therefore, be it

Strike out all after the resolving clause and in lieu thereof insert the following:

That it is the sense of the Congress that the United States should—

(1) continue efforts to gain agreement by the Government of the Soviet Union to measures which will improve verification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty, and ultimately a Comprehensive Test Ban Treaty;

(2) reaffirm mutual compliance of the Threshold Test Ban Treaty; and

(3) continue to work toward the attainment of a verifiable Comprehensive Test Ban Treaty following the achievement of mutual, substantial, verifiable, and militarily significant nuclear arms reductions.

EXTENSIONS OF REMARKS

THE NUCLEAR FUEL SECURITY ACT OF 1985

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. RICHARDSON. Mr. Speaker, I am introducing today, the Nuclear Fuel Security Act of 1985, a much-needed response to address the many problems confronting our domestic uranium industry today. The act provides for 75 percent of U.S. requirements to be filled by domestically produced uranium, with grandfathering of existing contracts. My bill would give the Department of Energy the flexibility to modify the domestic requirement provision and would also provide the necessary international competition to hold prices down to a reasonable level.

I would like to point out to my distinguished colleagues that DOE and utility industry representatives have testified previously that concern over energy security should lead to a 60- to 70-percent reliance on domestic uranium. This would reverse one trend today evidenced by TVA's 75 percent dependence on foreign uranium largely from South Africa. DOE's new enrichment contract—currently being challenged in the courts—suggested that at least 70 percent of enrichment needs to be satisfied domestically. The bill I am introducing today is consistent with this level.

Mr. Speaker, my legislation is needed to provide the market stability and impetus to long term contracting necessary to have a meaningful domestic uranium industry in the future.

Last Thursday, the Secretary of Energy ruled that the domestic uranium industry was nonviable. I have been trying to hammer home that point for the past year. Our domestic uranium industry is dying and, without immediate action, the industry will collapse. The nonviability ruling is recognition of the many problems facing the domestic uranium industry. However, DOE has not taken immediate steps for relief. Mr. Speaker, one of those remedies proposed by DOE would study the amount of foreign uranium coming into the country and decide whether any import relief action is needed—if import restrictions are not needed why did DOE find the industry to be nonviable? Is it because domestic uranium producers cannot support demand needs here at home? Certainly not. Is it because of DOE's enrichment policies? Probably. Is it because of unfair subsidized imports? Absolutely. We don't need studies. We need action. The facts are clear. The domestic uranium industry needs relief from the glut of foreign imports today.

The flood of uranium imports is unfair. Mr. Speaker, most U.S. uranium imports are from Canada and South Africa. Canada has subsidized its uranium industry in excess of $1 billion. Canada's home market price is several times that at which it is selling uranium in the United States—a conditon commonly referred to as dumping under U.S. trade statutes. In addition, Canada imposes a 100-percent de facto domestic content requirement which excludes U.S. producers from its market. South Africa uranium is produced along with gold and South Africa assigns most of its costs to gold production—this results in uranium price undercutting.

Mr. Speaker, the flood of uranium imports is jeopardizing ratepayer interests. Canada, South Africa, and other major foreign producing countries sponsored a cartel in the 1970's to raise their export prices and allocate production. These countries have adopted statutes to prevent the application of U.S. antitrust law to their uranium marketing activities. The bottom line is that utility ratepayers need a secure source for their nuclear fuel. The United States has ample uranium reserves to meet projected future needs.

It is time to face the facts. Our domestic uranium mining and milling industry is in an extremely depressed condition. Employment has dropped 90 percent, from 22,000 to less than 2,000. Production has dropped to less than 5,000 tons, the lowest level since 1955, and I might add only one-fourth of U.S. civilian requirements. Only 4 or 5 of our 25 uranium mills remain in operation. Mr. Speaker, no rebound is in sight; virtually all new contracts are for foreign-source uranium, and imports and import commitments are increasing rapidly. U.S. mills and mines will not be kept on standby indefinitely. Mills will be decommissioned and mines flooded. It will be costly, time-consuming, and difficult to restart our domestic uranium industry once this happens.

Mr. Speaker, we should know times are tough for our domestic uranium industry when the chairman of Cogema—the French nuclear fuel company owned by the French Government—shows more concern for the security of supply and the viability of the U.S. domestic uranium industry than the American Government. In the June 17, 1985 issue of Nuclear Fuel the chairman of Cogema said,

"I don't want to put myself in the American's place, but if I were an American citizen, or a utility, I would be worried about the drop in domestic production, because it is easier to close down mines than to reopen them—much easier. Utilities are profiting from current market conditions, they are not worried because they have large inventories and they have a lot of import possibilities. Nevertheless, in a very long-term perspective, and with a reasonable attitude toward supply security, I think that too great a drop in U.S. production would pose problems and, in any case, would be to a certain extent irreversible."

Mr. Speaker, it is my sincere hope that the Congress will take the Secretary of Energy's nonviability ruling seriously and support my Nuclear Fuel Security Act of 1985 on behalf of a viable domestic uranium industry.

AFFIRMATIVE ACTION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. EDWARDS of California. Mr. Speaker, in an article which appeared in the Boston Globe, Father Drinan, our distinguished former colleague, discusses the international aspects of the affirmative action issue. I commend this article to all of our colleagues.

AFFIRMATIVE ACTION IS NOT A PROBLEM FOR THE UNITED STATES ALONE

(By Robert F. Drinan)

The rejection of William Bradford Reynolds to be the third-ranking person in charge of the Justice Department was not only a tacit repudiation of his approach to civil rights but also a vote in favor of the validity of affirmative action.

The Reagan administration has never really conceded that it is opposed to affirmative action but its rhetoric against quotas as discrimination in reverse probably amounts to the functional equivalent of opposition to affirmative action.

Although the history and problems of the 28 million black citizens in America are unique, affirmative action is not a problem for the United States alone. Affirmative action is a part of the treaty which more nations (127) have signed than any other convenant that ever emerged from the United Nations.

The Declaration on the Elimination of All Forms of Racial Discrimination approves of affirmative action in these carefully crafted words:

"Special measures taken for the sole purpose of securing adequate advancement of certain racial or ethnic groups or individuals requiring such protection as may be necessary in order to ensure such groups or individuals equal enjoyment or exercise of human rights and fundamental freedoms shall not be deemed racial discrimination, provided, however, that such measures do not, as a consequence, lead to the maintenance of separate rights for different racial groups and that they shall not be continued after the objectives for which they were taken have been achieved."

This declaration originated in the UN General Assembly in 1963. With active US

support, it was completed in 1965. In 1969, after the requisite number of nations ratified the treaty, it entered into force as a part of international law. Even though the US Senate has never ratified the document, it is arguably binding on the United States.

The declaration, which contains a sweeping condemnation of racism in every form, carefully stipulates that "special measure" designed to secure "adequate advancement" of racial groups shall not be deemed "racial discrimination." The only condition is that these "special measures" be discarded after they have achieved their objectives.

This clear endorsement of affirmative action agreed to by two-thirds of the nations of the world is one of the topics treated in a thoughtful collection of 10 essays analyzing affirmative action as it is applied in several nations; this 291-page book was issued by the Rockefeller Foundation in May 1984.

Here are some examples of affirmative action:

1. In Peru, affirmative action is directed at enhancing the educational and economic status of Indians who constitute the vast majority of the population.

2. In India, affirmative action is targeted at 22 percent of the people belonging to the lower castes, the best known of which are the Untouchables.

3. In Israel, affirmative action has been justified as a means of building the self-respect of groups, particularly Arabs, who are held in low esteem.

It is interesting to note that the new Canadian constitution recognizes a form of affirmative action, since the document explicitly approves of "any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups."

A unique form of affirmative action was established when Zimbabwe was being born: 20 seats out of 100 in the parliament are reserved for whites. This arrangement will exist at least until 1989.

A Rockefeller study notes the negative aspects of affirmative action but concludes that affirmative action has "made a positive difference where other measures have failed."

The controversies about affirmative action will continue to be complex and confusing. But the United States is not alone in its struggles to remove the deep-seated effects of institutionalized racism and sexism.

Other nations have discovered the truth of Justice Blackmun's words in the Bakke decision: "To get beyond racism we must first take account of race. There is no other way."

BUILDING AN INTERAMERICAN COMMUNITY OF PHYSICIANS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. BARNES. Mr. Speaker, the Interamerican College of Physicians and Surgeons is a unique organization which represents more than 24,000 Spanish-speaking physicians practicing in the United States. It has recently received funding from the Agency for International Development to implement a primary care physician exchange program between U.S.-based Hispanic practitioners and Latin American physicians. This program will greatly contribute to health in the hemisphere by utilizing the unique resources of thousands of Hispanic physicians in the United States to provide medical training to their counterparts in Latin America. These Hispanic physicians will make a great contribution by accelerating the development of primary care services and manpower in the hemisphere.

I would like to share with my colleagues a copy of the description of this project entitled "Building an Interamerican Community of Physicians."

BUILDING AN INTERAMERICAN COMMUNITY OF PHYSICIANS

The Interamerican College of Physicians and Surgeons has recently secured the support of the Latin America Bureau of the Agency for International Development in its efforts to build a bridge of technical knowledge and human understanding on a physician to physician basis throughout the Interamerican community.

The objective of the ICPS/USAID Cooperative Agreement is to design and implement a medical technology exchange program between members of ICPS practicing primary care medicine in the U.S. and physicians in Latin America, Central America and the Caribbean.

ICPS is uniquely prepared to facilitate technical training exchanges both in the U.S. and in Latin America because its membership is characterized by bilingual communications skills and cultural awareness of the customs and behavior of the inhabitants of the hemisphere.

Many ICPS members are directly involved in the training of medical students and the delivery of primary care services to underserved populations in the U.S.

ICPS publishes a medical magazine, MEDICO, Interamericano which is published on a monthly basis and distributed to members in the U.S. and abroad.

The ICPS-AID Cooperative Agreement will involve the following activities:

Placement of LAC/Physicians with Spanish-speaking primary care practioners for 6 months in rural and urban underserved areas to observe and participate where possible in the delivery of medical services.

The design and conduct of informal/formal structured training programs to be supervised by ICPS physician preceptors. Both clinical and non-clinical skills will be incorporated in the preceptorship program which will include: pediatrics, obstetrics and gynecology, family practice, emergency medical services, ophthalmology, rehabilitation medicine, hospital administrative and public health.

Placement in innovative service delivery environments will be emphasized where possible.

The provision of short-term technical assistance by Spanish-speaking ICPS physicians in LAC/Country settings.

The establishment of a clearinghouse function for the selection and placement of clinical training candidates in short and long term academic training programs in the U.S.

ICPS will respond to US/AID Mission requests for information and guidance on clinical training in the U.S.

The ICPS Physician Exchange Program will emphasize rural and community health care. Each exchange participant will be assigned to a practicing bilingual physician preceptor who will function as a sponsor, mentor and advisor while in the U.S.

Prominent medical scholars and primary care specialists will be identified to provide technical seminars and demonstrations both in the U.S. and the LAC Region.

ICPS views the Physician Exchange program as a means of developing health care leadership in the U.S. and in LAC/countries as a hemispheric resource.

Your support is needed and sought in demonstrating the value of Apreton De Manos Curativas—Building an Interamerican Community of Physicians.

CALL TO CONSCIENCE VIGIL

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MAVROULES. Mr. Speaker, I speak to may colleagues today on behalf of thousands of Jewish citizens in the Soviet Union deprived of emigration privileges.

Last week I sent out a letter cosigned by 75 other Members to Secretary General Gorbachev. In the letter we expressed our concern for a certain Jewish family, one out of thousands, who seeks emigration privileges from the Soviet Union. Mikail Faingersh and his family have been denied the right to emigrate to Israel since they first applied in October of 1979. The letter follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 20, 1985.

MIKHAIL S. GORBACHEV,
Secretary General of the Communist Party, the Kremlin, Moscow, Union of Soviet Socialist Republics.

DEAR SECRETARY GENERAL GORBACHEV: We, the undersigned members of the United States Congress, are writing to express our concern for the thousands of Jewish citizens in the Soviet Union seeking emigration privileges.

Shcharansky, Begun, Paritsky, and Nudel, among others, have been etched in our collective consciousness. Every week we in the West hear of new names—the human faces of human rights—and we are again compelled by our tradition and the moral imperative to speak out on their behalf.

Today we raise our voices for Mikail Faingersh, his wife, Mira, and their ten year old son, Roman, who are residents of Kishinev, Moldavian, S.S.R. Faingersh first applied for emigration from the Soviet Union to Israel in October of 1979. He has since been refused the right to leave, which is in clear violation of the Helsinki Accords, signed by the Soviet Union in 1975.

We strongly urge you on humanitarian grounds to grant the Faingersh family an exit visa so that they may emigrate to Israel. Their plight is compounded by the fact that Mikhail's parents, now living in Israel, are in failing health and have never seen their grandson. Time is precious for the grandparents and for Mikail Faingersh and his family.

We ask you to let the Faingersh family join their relatives in Israel.

VALEDICTION TO THE CLASS OF 1985

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MICA. Mr. Speaker, I would like to bring to the attention of my colleagues a valedictorian address recently delivered by a Florida high school student.

Her name is Kimberly Anne Ackourey, valedictorian of the 1985 graduating class of Pope John Paul II High School in Boca Raton.

Ms. Ackourey's address is a stirring tribute to the indomitable nature of the human spirit. It is a call to action, a plea for compassion in our troubled age. It speaks to what is good and giving in each of us. The youthful author of these words has wisdom beyond her years, Mr. Speaker, and I commend her thoughts to my colleagues.

After four years of high school we have learned about past and present peoples and cultures. We have formed relationships with others and have received an encouraging sense of accomplishment from both our parents and our teachers. We have become well-rounded individuals who are capable of making great contributions to the world. The values we have formed at Pope John Paul II High School will guide us in actions we will take.

Moral values are more than persuasive words that are instilled in the family and in the classroom. They are demonstrative expressions of our love and concern for others. These values have been enhanced by our communications with fellow students, faculty, and staff. They are evident in school projects, such as in the collection of food for the poor and in visiting the aged. We search for a meaningful life filled with interest because we dread monotony and boredom. By knowing our fundamental beliefs, we will be able to live this full and varied life that each of us strives for.

Advancement characterizes our age. The whole world will be living with the increasing implications of nuclear weapons and energy, space travel, computer technology and medical innovations. However, science and industry cannot decide our future. We, acting as educated individuals, are the only ones who can make this decision. We of the graduating class have developed realistic attitudes about our future by becoming more informed. We have learned to avoid George Orwell's dismal concept of 1984, and have adopted Sir Charles Snow's belief of the importance of combining humanism with technology. By understanding ourselves and where we are going, we will not allow such technology to change the goals in our lives.

Our morals allow us to view technology from a more altruistic perspective. Continuous development is not only imperative, but it is also inevitable. Advancement must be applied, therefore, for the benefit and not the destruction of mankind. Our attitudes will influence the attitudes of those in the future, and we must realize our power to change situations in the world—such as world hunger and the threat of nuclear holocaust. As Albert Einstein once wrote: "We have the means to get almost anywhere." We graduates have the potential to become the people we wish to become. We can contribute to society now and far into the future by believing in ourselves and by utilizing our skills for the betterment of all.

Justice William O. Douglas, a great American who took the path that many of us will take, emphasized the importance of responsibility and contribution to society when he said: "I hope that America's only dream of empire will be the common good of humanity. I hope America will come to realize that her strength is not in fire power but in ideas of justice, tolerance, equality. We have a decisive role to play."

We, the 1985 graduating class of Pope John Paul II High School, must now decide what this role will be. We have many opportunities before us, many paths to follow. I wish each and everyone of you, my fellow students, the greatest happiness in whichever route you choose to take. May you always realize your vast potential and have the courage needed to reach all of your goals.

LEA COUNTY—CHAMPION COWBOY CAPITOL OF THE WORLD

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. RICHARDSON. Mr. Speaker, cowboys and cowgirls are as much a part of our country's traditions as apple pie. I want my distinguished colleagues to know that New Mexicans proudly boast that Lea County in the Southeastern part of my State is still the champion cowboy capitol of the world. I hope my distinguished colleagues will take the opportunity to read a recent article that appeared in New Mexico Magazine, entitled: "Lea County—Champion Cowboy Capitol of the World," and meet some of New Mexico's champions:

LEA COUNTY—CHAMPION COWBOY CAPITOL OF THE WORLD

(By Douglas Kent Hall)

Mention New Mexico and hardly anyone automatically thinks of cowboys. Once we get beyond whatever the public relations people might mean by "The Land of Enchantment," our response might first include images of Indians selling jewelry on the plaza in Santa Fe. But the truth is, New Mexico is also a great cowboy state.

I discovered this while writing and photographing my book *Working Cowboys.* Naturally, I started out in Texas. But I was repeatedly steered back to New Mexico, where many legendary cowboys punch cows on ranches larger and wilder than the more famous spreads in Texas or anyplace else.

The people of Lea County, for instance—down in the southeastern part of the state, where Indians are few and the natural beauties normally associated with New Mexico are almost nonexistent—aren't going to let you forget about their cowboys.

Lea County is more likely to be labeled oil country than cattle country because it seems to a traveler driving thought that seesawing oil pumps far out number the stock. But while Lea County cowboys will admit that oil pays a lot of the country's bills, they still maintain that this is prime cowboy country. And that's no idle boast. They measure and back it up by the number of cowboys who have been bred here on the high plains beyond the caprock and then gone on to be world champion rodeo performers.

Tuffy Cooper, himself a champion roper and an avid supporter of the Lea County Fair and Rodeo as well as the Lea County Cowboy Hall of Fame, can tick the names of their famous cowboys off on his fingers. "George Wier was world champion in 1917. Ricahrd Merchant held the title in 1923 or '24. Then Jake McClure came along in the late '30s and early '40s. Troy Fort was the next one; he was world champions calf roper in 1947 and 1949. I was the first national intercollegiate calf-roping champion. We've had many national high school champions. My daugher, Betty Gail Cooper, was the first national girl champion in college rodeo. She went on to become the World Champion All-Around Cowgirl, a title she's held for the last two years. My son, Roy Cooper, was the National High School Champion All-Around Cowboy, the National Inter-Collegiate Champion All-Around Cowboy, the PRCA Rookie of the Year, the World Champion Roper for six years, then the World Champion All-Around Cowboy for two years. My nephew, Jimmy Cooper, was World Champion All-Around Cowboy two years ago. . . ."

If there are a few names Tuffy can't recall, Fern Sawyer, a World Champion All-Around Cowgirl, unofficial national ambassador for rodeo and one of the original founders of the Lea County Rodeo, can certainly supply them. And she would add to her list the name of the great roper, Bob Crosby. "He's not from this county—he was born just over the line in Chaves County—but he came to all our rodeos and we sure like to claim him."

Tuffy and I sit in his comfortable ranch house near Monument, south of Hobbs. Tuffy is tall, lean, in late middle age, and has an incredible smile that shows a lot of teeth and lights up his whole face. In front of me is a glass-topped coffee table at least 10 feet long and two feet wide that is filled with solid silver trophy buckles inlaid with gold and rubies worth a small fortune—evidence of this family's dedication to the sport of rodeo. I ask him why one county could produce so much cowboy talent, and he lays it to survival. "You either have to rope or work," Tuffy says with a grin. "It's kind of like some of the blacks in the ghettos; they have to work to get out of their poverty. It's the same here. Ranching is a tough life."

I drove down to Lovington last August to the Lea County Fair and Rodeo (August 14-17 this year) to see what made the Lea County cowboys so formidable on the world circuit. Two hundred miles out of Santa Fe the sun stopped shining. The kind of vicious black clouds that sweep through West Texas hung on the horizon; wind and lightning started and sheets of rain feel, making rivers of the roads and brining floods down from the arroyos southeast of Roswell.

I found Tuffy, who is head of the rodeo committee, in the rodeo office on the fairgrounds. He was optimistic. He figured the rain would stop by rodeo time; if not—well, it didn't matter. They'd never cancelled a performance because of weather.

Joe Bob Feller, one of the rodeo clowns and bullfighters, was waiting out the storm in the office. I asked him how it was, fighting bulls in the mud. "The worst part's gettin' your feet wet," he laughed. "After that it's all downhill."

In the late afternoon the rain let up briefly, but just before rodeo time a fresh bank of clouds blew in and it began again. The downpour increased as time for the grand entry parade approached.

I mentioned to one of the contestants that it was a shame about the rain.

"It's only normal," he said. I'd say it rains here seven out of 10 rodeos." A cowboy standing with him, his hat dripping and his chaps slick with water, disagreed: "Nine out of 10 is a whole lot closer to the truth. During rodeo week, this place turns into a regular swamp."

Did they think it had anything to do with the success of the local cowboys like Roy Cooper, the current World Champion All-Around Cowboy?

"Well, maybe. It ain't easy in this stuff. I guess it's like the old saying, 'When the goin' gits tough, the tough git goin'.' "

Organ music crackled over the PA system, announcing the start of the grand entry. Queen, producers, judges, and local rodeo boosters rode their horses through mud at least eight inches deep. The bareback broncs were fighting the gates of the the faces of these men and women as they awaited their events. And there was a certain futility in their attempts to stay even semidry. Those who hadn't brought slickers used plastic garbage bags to protect their riggings, saddles, ropes, and even their own bodies. The crowd had dwindled, the remaining few huddled near the spot where Baldy was buried. One clown grabbed a pickup man's rope and let himself be pulled belly first through the mud; he went hydroplanning past the last of the crowd in the grandstand.

Fern Sawyer came down to stand with me during the girl's barrel racing. A small, ageless, vivacious bundle of energy, she has been a supporter of rodeo for women and men all her life, and the mark she has left on the sport is considerable. When I first met Fern 12 years ago, the cowboy who introduced us said: "Inside that little body is the heart of 10 men." During those years I have discovered the truth in his statement. I know she still does most of the work on her ranch that she ropes every calf that is branded there, and that she knows as much about working cattle and rodeoing as any person alive. I also know that she's as outspoken as any person I've ever met. Her opinions on the girls who were barrel racing were no exception. She watched the first two or three in silence and then said: "These girls sure don't ride according to my standards. Hell, if I'd rode grabbing the horn like that to hang on, my dad wouldn't've let me ride at all. Everybody says you can't ride barrels on those spirited horses without hanging on, but I'll betcha I could. You put the horse at a disadvantage if you can't ride him. Besides, it looks awful."

I asked why she thought Lea county has produced so many champions. She shook her head. "I know we've got 'em. I don't know why. But there is one thing about Lea County and maybe this is part of the explation. My dad always said that he'd looked all over the United States and this was the best ranching country in the world, right here in these high plains. Because you might not get any rain part of the time, but when you do, you get the strongest grass there is.' "

Looking down on what bore a closer resemblance to a frog pond than a rodeo arena, I though that there probably would be some grass on the high plains next year. And that maybe the cowboy had been right about the tough gittin' goin' when the goin' gits tough—at least it seemed to be true down here in Lea County, the Champion Cowboy Capitol of the World.

INACTION OR BAD ACTION?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. EDWARDS of California. Mr. Speaker, the Los Angeles Times, in an editorial on September 20, 1985, points out the shortcomings of the immigration reform proposals currently being considered by the Congress. I commend this editorial to the attention of all those who are concerned about this serious issue.

INACTION OR BAD ACTION?

The U.S. Senate has approved a new version of an immigration-reform bill with so many weaknesses that doing nothing would be better.

This marks the third consecutive year in which Senator Alan K. Simpson (R-Wyo.) has won Senate approval for legislation aimed at stemming the flow of undocumented aliens into the United States. The key element of Simpson's bill, as in the past, is sanctions against employers who hire illegal immigrants as workers. The intention is to dry up many of the jobs that lure foreigners.

Foremost among its faults are the restrictions on an amnesty for immigrants living in the United States. Legal status is proposed for those who have lived here since 1980, but only after a study commission has determined that the employer sanctions provided by the legislation have worked to stem the flow of illegal immigrants. Since employer sanctions have not proved adequate in 20 other nations that have tried them, according to a study by the General Accounting Office, it is possible that amnesty would never be granted to the otherwise honest, hard-working immigrants who have established themselves in this country. That in turn would drive them further underground and increase their exposure to exploitation.

Another defect of the bill is a guest-worker amendment attached to it by Sen. Pete Wilson (R-Calif.) at the behest of Western growers. Arguing that farmers cannot harvest perishable crops without a steady supply of migrant laborers, Wilson persuaded the Senate to create a temporary-worker program that would allow up to 350,000 foreign workers at any one time to enter the United States as seasonal farm workers. Simpson argues that this provision would all but negate the intended effect of his bill by opening U.S. borders wider. He also warns that the Wilson workers would be treated no better than Mexican migrants were under the old discredited *bracero* program. Simpon's misgivings are well founded.

The counterpoint in the House to Simpson's Senate proposal is the immigration bill written by Rep. Peter W. Rodino Jr. (D-N.J.) that would balance employer sanctions with an immediate amnesty for immigrants who have lived in the United States since 1982. Rodino also includes provisions that would protect Latinos and other minority citizens from job discrimination by overcautious employers who might decide not to hire anybody who looks or sounds "foreign." The Rodino bill is far better than the Senate bill.

Unfortunately, even if Rodino's bill gets through the House intact, it would go up against Simpson's bill in conference committee. There both bills would likely be mangled beyond recognition, or simply die, as happened with two rival immigration bills at the end of the last Congress. This is a scenario for more political inaction and frustration over immigration.

But bad action can be worse than inaction. And there is new research suggesting that the effect of massive illegal immigration is not as serious a problem as those in Congress, pushing for reform legislation, have thought.

A new study by the Urban Institute in Washington concluded that the influx of Mexican workers into Southern California is beneficial to the region. The undocumented aliens help keep marginal industries viable, help keep inflation down and do not have any appreciable effect on local unemployment rates, the researchers concluded.

At the very least, the new research underscores the importance of avoiding quick-fix remedies that ignore long-term demographic trends and economic complications. No immigration reform can be acceptable unless it assures generous amnesty for illegal immigrants already established in the United States while avoiding procedures that will in any way encourage discriminating in hiring.

U.S. WETLANDS ENDANGERED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to the dangers posed to our Nation's wetlands, one of our most important natural resources. I would also like to underscore the insightful points raised by an article by Holly Lown, that appeared in the September 15 issue of the National Rifle Association Monitor.

Once thought to be wastelands, wetlands exist in every State in the United States but are rapidly diminishing to the detriment of the migratory waterfowl populations. Wetlands are crucial for the existence of many waterfowl species since they provide year-round habitats for numerous species and serve as their principal breeding, feeding, and resting grounds. When this country was settled more than 300 years ago, 215 million acres of wetlands existed. Currently, this acreage has diminished to 99 million acres because of highway construction, soil erosion, urban development and drainage for agriculture.

Because of this decreasing rate of available habitats for waterfowl, there has also been a corresponding decrease in the number of waterfowl available for hunting purposes. This season, U.S. waterfowl hunters will see more restrictive Federal regulations for waterfowl hunting. For the hunters in my district, a part of the Atlantic Flyway, restrictions include a shorter hunting season, smaller bag limits and higher points for certain species. In 1934, the passage of the Migratory Bird Conservation Act authorized the Fish and Wildlife Service to acquire waterfowl habitat with money raised through the sale of duck stamps.

Since that time, Congress and the Federal Government have taken measures to acquire more wetlands. However, of the 99 million acres that now exist, only 8 percent are currently owned by Federal or State government. In 1976, the Fish and Wildlife Service revised its acquisition strategy and decreased the number of acres it was set to acquire. It is crucial that we support efforts currently in the Congress to accelerate wetlands acquisition and ensure that our wetlands and our waterfowl populations do not further diminish.

Holly Lown's excellent article, "Declining U.S. Wetlands Threaten Waterfowl Populations," follows:

DECLINING U.S. WETLANDS THREATEN WATERFOWL POPULATIONS

(By Holly Lown)

The loss of wetlands in America is one of the most critical conservation problems facing the nation at this time, with far-reaching, long-term implications for the maintenance of migratory waterfowl populations.

Wetlands are crucial for the existence of many species of birds, ranging from waterfowl and shorebirds to song birds. While providing year-round habitats for many species of birds, wetlands serve as principal breeding, feeding and resting grounds for a great many of the nation's migratory waterfowl populations.

Wetlands exist in every state in the United States, but their abundance varies with the geography of the area, land use and general regional differences. Common terms used to describe wetlands include marshes, swamps, bogs, small ponds, mud flats and wet meadows.

Most of America's wetlands fall into two ecological systems: estaurine and palustrine. Estaurine wetlands are found along the U.S. coastline and are associated with tidal waters. Palustrine wetlands, comprising 94 percent of the wetlands in the contiguous United States, are found in inland areas. They include marshes, ponds and forested wetlands.

Once thought to be wastelands, the importance of wetlands has come to the forefront of public attention in recent years.

The most recent full-scale data on wetlands and their losses are in a report published by the U.S. Fish and Wildlife Service (FWS) titled "Wetlands in the United States: Current Status and Recent Trends," which documents wetlands through the mid-1970's.

According to the report, America boasted about 215 million acres of wetlands when the country was settled more than 300 years ago. By the mid-1970's only 46 percent, or 99 million acres, remained. Wetlands make up only 5 percent of the land surface of the lower 48 states at the present time.

Of the existing 99 million acres of wetlands, only 8.2 percent are owned or controlled by federal or state governments. Almost 92 percent are privately owned.

But these wetlands are continuing to decline at astonishing rates. Current FWS estimates put the annual loss of wetlands at about 458,000 acres, with inland wetlands accounting for about 440,000 acres.

These losses can be attributed to many factors, including highway construction, soil erosion and urban development, but nearly all losses—87 percent—are due to drainage for agriculture, according to the Fish and Wildlife Service.

While wetland losses and degradation continue throughout the country, there are nine areas where wetlands are most threatened. They include both coastal and inland wetlands, all of which are important to migratory waterfowl.

One of the most endangered are all of the estuarine wetlands of the U.S. coastal zone. Wetlands losses there were heaviest between the mid 1950's and 1970's, with more than half being destroyed during that period. Only about 5.2 million acres of coastal wetlands remain in the lower 48 states. And, although protected by federal and state statutes, they still are threatened by developers.

These wetlands exist mostly along the Pacific, Gulf and Atlantic coasts, serving as important habitats for migratory waterfowl in the Pacific, Atlantic, Mississippi and Central flyways. For example, the San Francisco Bay area serves as a wintering ground for about 40 percent of North America's ruddy duck population.

Another threatened wetland is the Chesapeake Bay's submerged aquatic beds, which have suffered severe losses since the 1960's. According to the FWS, submerged aquatic vegetation there decreased by almost 65 percent in the 1970's. Once serving as a feeding and wintering ground for 50 percent of the Atlantic Flyway population of canvasback ducks, the reductions in submerged vegetation there have led to declines in the local populations of canvasbacks, redheads, and migrating Canada geese and black ducks.

The Louisiana coastal marshes, comprising roughly one-third of the coastal marshes in the contiguous United States, suffer a loss of about 25,000 acres a year. These wetlands are important to the state's multi-million dollar shellfish industry, but also serve as wintering grounds for migratory waterfowl in the Mississippi Flyway.

Six inland wetlands were designated as problem areas by the FWS. And, although both coastal and inland wetlands serve as habitats for migratory waterfowl, inland wetlands are most noted for waterfowl production, especially those located in the northern United States.

More than 12 million ducks nest and breed annually in the northern U.S. wetlands. This, when combined with similar habitats in Canadian prairies, accounts for about 60 to 70 percent of North America's duck breeding population.

The prairie pothole region wetlands, which extend from south-central Canada to north-central United States, covers about 300,000 square miles with roughly one-third in the United States. Currently only 25 percent, or 5.6 million acres, remain of the wetland that once spanned 22 million acres.

While this region accounts only for 10 percent of North America's waterfowl breeding area, it produces 50 percent of the duck crop in an average year. The abundance of ponds in this region is the most important single factor in regulating the production on mallard ducks.

The wetlands of Nebraska's sandhill and rainwater basin also are threatened by destruction, losing more than 28,000 acres of its original wetlands. Located in the Central Flyway, about 2.5 million ducks and geese travel through this area each spring. Ninety percent of the midfronted geese also stage in these wetlands each spring.

Forested wetlands of the lower Mississippi alluvial plan are among the nation's most important wetlands for migratory waterfowl. However, only 20 percent of the original acreage, or 5.2 million acres remain in this region that serves as the prime overwintering grounds for many North American waterfowl, including 2.5 million of the 3 million mallard ducks of the Mississippi Flyway. Nearly all of the nation's population of 4 million woodducks use these wetlands as overwintering grounds.

Other inland wetlands determined by the FWS to be in danger of destruction are in South Florida, North Carolina and semi-arid states in the west, including Arizona, New Mexico and Nevada.

Although wetlands continue to decline at an alarming rate, a number of legislative measures to protect them from destruction have been in place for several decades. Wetlands protection in the United States is accomplished by direct federal or state purchase or by acquiring conservation easements that prevent wetlands from being drained, burned, leveled or filled.

Acquisition of wetlands began in 1959 when the U.S. Fish and Wildlife Service and state fish and wildlife agencies jointly determined that 12.5 million acres of waterfowl habitat was needed to maintain populations at existing levels. The FWS was responsible for acquiring 8 million acres, while the states took responsibility for 4.5 million acres of waterfowl habitat.

In 1976, the FWS revised its acquisition strategy and set a goal of acquiring only 4 million acres, of which 2 million already were owned, by the end of 1986. The FWS estimates that it will acquire about 434,000 acres by the end of 1985, leaving approximately 1.5 million acres to be secured, at a cost of about $1.5 billion. The states have acquired about 425,000 acres since 1959, about 17 percent of their goal.

The primary source of funding for wetlands acquisition comes from the Migratory Bird Conservation Act of 1934, which established the Migratory Bird Conservation Fund. The fund authorized the Fish and Wildlife Service to acquire waterfowl habitat with the proceeds from the sale of Duck Stamps.

In 1961, the Weltands Loan Act authorized an advance appropriation to accelerate federal wetlands acquisition to be paid from Duck Stamp proceeds. The loan is due in 1986.

And, in 1964, the Land and Water Conservation Fund Act authorized the use of monies for the purchase of congressionally authorized National Wildlife Refuges and endangered species habitats.

Other wetlands protection legislative measures include:

The Water Bank Act of 1970, authorizing the Secretary of Agriculture to lease wetlands to prevent them from being drained for crop production;

Section 404 of the Clean Water Act, as amended in 1977, making the alteration of wetlands, including those privately owned, subject to review by the U.S. Army Corps of Engineers;

The Fish and Wildlife Coordination Act, designating the U.S. Fish and Wildlife Service as consultant in the construction of federal projects or the issuance of any federal permits that would affect wetlands.

Despite these government efforts, wetlands continue to disappear. Recognizing this, Congress has given greater consideration to wetlands issues during the past few years.

In early 1985, Rep. John Breaux (La.) introduced legislation that would provide emergency funds for the acquisition and protection of wetlands.

The Emergency Wetlands Resource Act (H.R. 1203) would authorize the transfer of $75 million per year for 10 years from the Land and Water Conservation Fund to a Wetlands Conservation Fund. Monies would be used for federal and state wetlands efforts.

Wetlands acquisition would be guided by a National Wetlands Priority Plan that the Secretary of Interior would prepare in consultation with the states. This would require identifying the types of wetlands that should be given priority for acquisition and enhancement projects. All federally acquired land would be added to the National Wildlife Refuge system.

Similar to the Pittman-Robertson Fund, the state cost-sharing program would require states to get approval from the Secretary of Interior for either a comprehensive wetlands conservation plan or for specific wetlands projects. These projects would include enhancement programs to establish a new wetland, increase the size of an existing wetland or restore an existing wetland.

Funding for existing federal wetlands protection efforts would come under the Migratory Bird Conservation Fund (MBCF) by raising the price of Duck Stamps from $7.50 to $15 over a five-year period.

Duck Stamps, which are required for the hunting of migratory waterfowl, are extremely important to the acquisition of wetlands. They have contributed $300 million toward the purchase of 3.6 million acres of migratory bird habitat since 1934. Receipts have averaged $14-$16 million annually.

A new source of funds would be added to the MBCF by authorizing the Secretary of Interior to charge entrance fees to certain units of the National Wildlife Refuge System.

Together, the two provisions are projected to provide $140 million in new revenues over a 10-year period.

An important provision of the legislation would eliminate the requirement for repayment of advances to the Wetlands Loan Act from the MBCF. About $177 million has been appropriated to date. When the act expires in 1986, the FWS is required to use 75 percent of annual Duck Stamp receipts to repay the loan. Elimination of repayment would allow the continued use of Duck Stamp receipts to acquire more wetlands.

The bill is awaiting consideration by the House of Representatives this fall. A Senate companion bill, S. 740, was introduced earlier this year by Sen. John Chafee (R.I.) and is pending approval by the subcommittee on environmental pollution.

In the federal government, the Habitat Preservation division of the U.S. Fish and Wildlife Service released in February an Interim Service Management Plan outlining its goals for ensuring and continuing the protection and proper management of wetlands.

Among the FWS's strategies is to update and maintain national statistics on the status and trends of wetlands, which would provide information needed to develop or alter federal statutes and regulations that affect wetlands.

In addition, the FWS plans to intensify efforts to protect the nation's wetlands through acquisition by local, state and federal governments, and the private sector.

Among the many wetlands studies in progress is a project that will result in the identification of the major causes of wetland losses in the prairie pothole region of the United States. This will include an assessment of the extent to which federal agriculture programs and tax code provisions play a role in the conversion and degradation of these wetlands.

According to the Fish and Wildlife Service, while predicting the future of the nation's wetlands is difficult, an examination of recent trends in wetlands provides insight into what can be expected.

The FWS estimates that, at present rates, there will be virtually no waterfowl breeding habitat left in the contiguous United States 100 years from now. Only 50 percent of the present overwintering waterfowl habitat will be left by that date.

The greatest losses have and will continue to be in the Pacific, Atlantic, Central and Mississippi Flyways. Twenty-one states within these flyways face severe losses. They are: Alabama, Alaska, Arkansas, California, Delaware, Florida, Georgia, Illinois, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Nebraska, New Jersey, North Carolina, North Dakota, South Carolina, South Dakota, Texas and Wisconsin.

Experts predict that although legislatures have moved to reduce coastal wetland losses by enacting protection laws, inland wetland conversions will continue at a high rate until states enact more inland wetland conservation laws. However, they say that such legislation will be difficult to enact because the majority of inland wetlands occur on private lands.

In essence, the prospects for our nations wetlands seem dim. Without increased efforts by all levels of government and the private sector, wetland losses continue at an alarming rate leading to the destruction of America's landscape and treasured lands.

EUROPE AND STAR WARS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GARCIA. Mr. Speaker, Sunday's New York Times contained an article by James M. Markham on the European perspective on star wars—or the SDI.

It is important that we remain informed of our allies position on star wars and defense issues in general. NATO is, after all, the backbone of our military defense system.

I submit Mr. Markham's article for my colleagues' perusal.

IN EUROPE, "STAR WARS" IS MORE THAN A POCKETBOOK ISSUE

(By James M. Markham)

BONN.—Mikhail S. Gorbachev makes his first visit to Western Europe as leader of the Soviet Communist Party this week. It seems hardly accidental that he is starting with France, which has rebuffed President Reagan's program for putting antimissile weapons in space.

For weeks, Western European Governments have been on edge, waiting for Mr. Gorbachev to let the other shoe drop. Tantalizingly, the new Soviet leader and his lieutenants had been hinting that Moscow would be willing to consider radical cuts in its offensive nuclear armory if the Reagan Administration would scrap its Strategic Defense Initiative, also known as "Star Wars."

On Friday, the Soviet Foreign Minister, Eduard A. Shevardnadze, made just such an offer at the White House. Since President Reagan has ruled out abandoning research into space weapons, the stage is being set for another possibly wrenching drama pitting the vulnerabilities of the Western Europeans against Washington's strategic imperatives.

Until the Reagan space program was refocused and redefined by critics as a possible "bargaining chip" at the Geneva arms talks, the Administration had been doing fairly well in selling it. By playing on fears that Western Europe was slipping behind the United States and Japan in high technology, and by dangling the offer of participation in a $26 billion research bonanza, Washington won important European industrial support and neutralized some lingering concerns about the program's implications for NATO defense doctrine.

A patchy Western European response has emerged, but one that the Reagan Administration can probably live with. While President François Mitterand has firmly ruled out French governmental participation, several big state-supported firms, including Thomson and Matra, are talking to the Pentagon about contracts. "We are not going to do anything that takes away from France's defense needs," said a top French defense executive, "but if we find something we can do with the Pentagon, we will do it." In the bidding, French companies are actually ahead of their German and British competitors. Britain's Defense Minister, Michael Heseltine, has attempted without apparent success to extract a commitment to guarantee British industry a $1.5 billion share of Star Wars research during the first five years.

The British and West German Governments seem likely to sign framework accords with Washington that will cover their industrialists' involvement and—they hope—guarantee that technology-sharing will be a two-way street. Chancellor Helmut Kohl of West Germany appears interested in delaying formal agreement until Britain has gone first and until he meets with President Reagan in Washington around Oct. 31. A thumbs-up by nonnuclear West Germany would make it easier for Italy, which usually stays in step with Bonn on security issues, to fall into line. Elsewhere in NATO, Denmark and Norway have categorically rejected space weapons cooperation. Canada has endorsed the principle of research and left the door open for its companies to join in, but has withheld governmental backing.

The Shevardnadze offer places the Western Europeans in a predicament. They have supported research in the unspoken hope that space weapons will ultimately not be deployed because they will prove too costly, will not work or will be negotiated away. The Governments know they would have difficulty explaining to skeptical publics why the United States seemingly rejected a chance for disarmament to pursue an effort that is sometimes portrayed, and not just by Soviet propaganda, as spreading the arms race to the heavens.

Much will hinge on Mr. Gorbachev's and Mr. Reagan's next moves. A crucial issue will be how each side defines Star Wars "research." Senior aides to Chancellor Kohl say the Americans cannot be forced to renounce the kind of research that has been going on in the Soviet Union for some time. But Bonn and other capitals would clearly welcome an accord that banned deployment of space weapons. A senior British official predicted that the ultimate Soviet offer might prove to be "ambiguous," but if it's "really interesting," Europeans will encourage the Americans to pursue it.

In the maneuvering before he meets with Mr. Reagan in Geneva in November, Mr. Gorbachev has seized the initiative. At his Sept. 17 news conference, Mr. Reagan complained that the Soviets have stepped up "a long-time campaign aimed mainly at our allies in Europe and in an effort to build an impression that we may be the villians in the piece and that they're the good guys."

In coming weeks, the two leaders, each a gifted communicator with considerable Thespian talent, seem destined to play out a Star Wars Intermezzo for an attentive Western European audience. Having lost the last struggle for European opinion over American medium-range weapons, the Russians under Mr. Gorbachev have abandoned growls and threats for something rather like sweet reasonableness. The name of the game during the missile debate two years ago was to appear to be flexible.

The rules do not seem to have changed. One of the players has.

ICE-MAKING INVENTOR HONORED BY STATUE

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MICA. Mr. Speaker, I would like to bring to the attention of my colleagues an article published in the Palm Beach Post. The article profiles one of Florida's bona fide heroes, a man whose contributions earned a place in Statuary Hall in the U.S. Capitol.

I am referring, of course, to Dr. John Gorrie, the father of refrigeration and manmade ice. That contribution, coming at a time when Florida was frontier swampland, speaks for itself.

This article, Mr. Speaker, is an eloquent tribute to a courageous inventor and a great Floridian, and I commend it to my colleagues.

[From the Palm Beach Post, Aug. 18, 1985]

ICE-MAKING INVENTOR HONORED BY STATUE

(By Larry Lipman)

WASHINGTON.—He was never governor, senator or congressman. None of Florida's 67 counties bear his names nor do any of its cities. He died a broken, rejected man—penniless and foresaken. Yet his is one of two statues Florida gave the U.S. Capitol to represent its citizens.

He was Dr. John Gorrie, a bona fide Florida hero: the father of refrigeration and mechanically made ice.

Frontier Florida was a forbidding place back in 1833 when John Gorrie, a young physician from Charleston, S.C., arrived. Most of the population then lived along what was to become the northern tier of counties stretching from Pensacola to St. Augustine. The rest of the state was largely uninhabited by white settlers. Indians still roamed much of the central and southern portions of the peninsula.

Most of the cotton grown in South Georgia and the Florida Panhandle was shipped from the busy port of Apalachicola, slightly to the west of where the state capital, Tallahassee, would be build .

Details of Gorrie's early life are somewhat sketchy. Research volumes give conflicting dates for his birth, either 1802 or 1803. He graduated from the college of Physicians and Surgeons in Fairfield, N.Y. in 1827 and then practiced in Abbeville, S.C. before journeying south to Apalachicola.

There he quickly became an active member of the town. He became its postmaster in 1834 and was a city councilman, city treasurer and by 1837 was mayor.

But he resigned suddenly in 1839 to devote his full practice to medicine. Malaria was the scourge of the day. Gorrie was ahead of his time in urging in an 1844 treatise *Prevention of Malarial Diseases*, that the swamps be drained and that people sleep under mosquito netting to preventing infection.

He also pioneered the treatment of fever victims by cooling their rooms. To do this he placed ice in a basin held near the ceiling. The cool heavy air flowed downward, across the patient, and out through an opening in the floor.

But ice was difficult to obtain in steamy 19th-century Florida. It had to be brought from the north in great hunks delivered by wagon train or sailing ship. The cost was prohibitively expensive: 50 cents to a dollar for a pound of ice. Imagine that in 1840 dollars.

Gorrie sought a way to artifically produce ice to cool his patients. The Italians had been making ice for years, but their method was crude and impractical. The doctor turned inventor and in the mid-1840s he perfected the technique still used for refrigeration and ice making. The principle involves heating a gas by compressing it, cooling it through radiating coils and then expanding it to further lower the temperature.

On May 6, 1851, Gorrie was granted patent number 8080 for his ice making machine. (His original now is in the Smithsonian Museum.) But Gorrie ran into difficulties trying to further production. He hoped to obtain financing to build a larger ice making machine, but investors were skeptical.

Broken, disillusioned, his finances and health in ruins, Gorrie returned to Apalachicola where he died in June 1855.

Gorrie's contributions to science were largely ignored until the Southern Ice Exchange recognized its debt to him and in 1900 erected a statue in his honor in Pensacola.

On April 30, 1914, Gorrie's statue was unveiled in Statuary Hall, in the old House chamber of the U.S. Capitol where it still stands. The marble statue by sculptor C. Adrian Pillars shows a handsome young man standing with hand on hip gazing confidently ahead.

Gorrie probably never realized the impact his invention would have on modern life. He was seeking a way to relieve the suffering of his patients. His discoveries paved the way for our modern methods of keeping food cold and for the air conditioning that makes life in South Florida bearable through much of the year.

There is a story, possibly apocryphal, about two little Baptist churches near Tallahassee that face each other across a country highway. They once were a single church but they split because of Gorrie's ice making machine.

It seems the original church had a Sunday night tradition of hearing "testimonies," in which members would talk about anything that came to mind: problems they were having, inspirations they felt at the time or even interesting experiences. One member of the church stood one night and said he had been to Apalachicola and had seen a machine that made ice.

Immediately the church was in an uproar because some members felt this was heresy. They pronounced that the making of ice is a role God had kept unto Himself. There was a move to turn this member out of the church for heresy, but instead someone suggested that a delegation be sent to Apalachicola to see if such a machine really existed. A week later, the delegation returned and reported that indeed there was a machine there that appeared to make ice.

The delegation's report failed to settle the issue. Instead, it caused even more controversy within the congregation. Ultimately the controversy grew into two factions—the Yeas and Nays—on the question of manmade ice. The Yeas, outnumbered, separated into a new congregation and built a church across the road.

Each state is allowed two statues to represent it in the Capitol. Florida's other statute is of Edmund Kirby Smith the last Confederate general to surrender after the Civil War and the last surviving full general of either side.

A native of St. Augustine, where his father had been a district court judge, Smith graduated with honors from the West Point U.S. Military Academy and served under Gen. Zachary Taylor in the Mexican War. After the war he returned to the academy as a mathematics professor until the outbreak of the Civil War in 1861. He served as chief of staff to Gen. Joseph E. Johnston at Harper's Ferry and was severely wounded at the battle of Manassas.

TVA NEEDS INSPECTOR GENERAL

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FLIPPO. Mr. Speaker, today several of my colleagues from the Tennessee Valley Authority service area join me in introducing legislation to add the TVA to the list of departments and agencies benefiting from inclusion in the Inspector General Act of 1978.

Our action is primarily a reflection of the strong public concern for greater economy, efficiency, and effectiveness in the management of the complex and costly Tennessee Valley Authority Power Program which is totally financed by revenues collected from the people who use the power. Our action is an effort to bring a higher degree of accountability to the TVA and thus strengthen the TVA's ability to deal with the problems it faces now and in the future.

Beyond that, providing TVA with an Inspector General will enable the management and the employees of the corporation and the Congress to benefit from an independent appraisal of problems and progress of the agency.

No matter how well-motivated and conscientious and management of an agency may be, audits and investigations initiated by the agency's management, with auditors and investigators responsible to that management, can never achieve the credibility of similar efforts undertaken by an inde-

pendent agency such as the Office of Inspector General.

Regardless of whether the reputation is merited, the perception of management harassment, intimidation, and retaliation of employees who express public safety concerns at TVA prompted the agency earlier this year to hire an outside firm to receive information on employee concerns on a confidential basis at one of the nuclear facilities. Had an independent inspector general been in place, one who could protect the identity of employees with concerns about the public safety aspects of some of the work at the facility, the issue might have been indentified and confronted by management at an earlier stage and resolved at considerably less cost to the ratepayers who must pay TVA's bills.

Yes, TVA employees would benefit from having an inspector general who would provide them with statutory protection from the fears of intimidation, harassment and retaliation. TVA management would benefit from access to honest employee expressions of concern through an independent inspector general. This would contribute to the overall economy, efficiency and effectiveness of the TVA, a goal shared by the employees, the management, the Congress and the public being served by the TVA.

The largest group of beneficiaries of an inspector general, however, would be the people in parts of seven States who pay the TVA nearly $5 billion a year for electric power. These people are the sole source of revenue for TVA's electric power program. They pay for TVA's management mistakes and they benefit from TVA's management efficiencies.

The ratepayers have no statutory means of checking on the validity of TVA's periodic estimates of revenue requirements which determine the cost of the electricity. They have no knowledgeable or informed experts to look beyond the technicalities of the rate structures and the assignment of costs to various classes of users. They have no State, regional or Federal regulatory body with rate experts to examine the detailed components which add up to the electric rates charged by TVA.

The proposed legislation wiil commission the inspector general to review TVA's rate structure as well as the periodic rate adjustments and inform the rate payers, thorugh the Congress, of his findings. The IG could not infringe on the authority existing in the TVA Act to have the TVA Board establish the rates now could the IG alter the policy directions to the Board found in the TVA Act. However, if the findings disclose a need for changes in the TVA Act in regard to the rates, the issue could be examined, evaluated, debated and considered by the Congress.

This proposal will reorganize the process and the structure through which problems are brought to the attention of the TVA Board. It will assure prompt and truthful reporting of problems and improvements in TVA to the Board and to the Congress.

Some of the functions of an inspector general are already being accomplished through various offices within the TVA. These functions will be consolidated under the inspector general. More importantly, the independent nature of this effort will be assured by having the inspectors and auditors report to the IG rather than the officials responsible for managing the programs which may be under review.

This, with the assurance of confidentiality which the IG can provide employees who are concerned about management practices, should enable management to benefit from the wealth of knowledge and information available from employees.

Properly staffed, an inspector general can be a valuable addition to the management team at TVA. By having the auditing and investigative units in a single office in TVA, an inspector general would improve communications between these units and between these units and the TVA Board.

By giving these functions independence from management and program responsibilities, this change would free management from any charges of foot-dragging in investigations of complaints.

Creating an Office of inspector general would also eliminate the situation that now exists where auditors and investigators report to the officials who are directly responsible for the programs under investigation. The eixsting situation can raise questions about how truly independent the investigations are.

An inspector general would also remove any suspicion that TVA management could squash any potentially embarassing investigation or inquiry.

An inspector general would be expected to provide leadership and coordination and recommend policies to the Board to promote economy, efficiency, and effectiveness in the administration of the TVA program. In addition, an Inspector General would recommend policies to prevent and detect fraud, abuse and waste in TVA programs and operations; would conduct, supervise and coordinate all audits and investigations relating to TVA's programs and operations, and keep the TVA management and the Congress informed about problems and remedies with the administration of TVA programs and operations.

In many departments of Government, the Office of Inspector General has already become a respected vehicle for advancing traditional auditing and investigative skills. The inspector general concept is a valuable means to help restore confidence in the management of an agency by providing an experienced, independent evaluation of program activities. TVA could benefit from an inspector general and I urge timely consideration of the inspector general legislation to improve the economy, efficiency and effectiveness of TVA.

H.R. —

A bill to amend the Inspector General Act of 1978 to establish an Office of Inspector General in the Tennessee Valley Authority

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. FINDINGS.

The Congress hereby finds and declares that the Tennessee Valley Authority is a government corporation with all the powers of the corporation vested in the Board of Directors, thus the citizens and rate payers within the service area and the employees of the corporation lack a statutory means for an independent review of the corporation's policies and its actions to implement policies in such matters as direction of the corporation, changes in electric rate structure and periodic rate adjustments, personnel policies and the implementation of personnel policies, and other activities.

The economy, efficiency and effectiveness of the operations of the corporation are lessened by the loss of confidence of the citizens in the service area in the actions of the board, sometimes involving complex and technical judgements, and the poor morale of employees who have no effective avenues for review of concerns about public safety, harassment, intimidation, favoritism and other employee questions outside of the managers responsible for establishing and implementing the policies giving rise to the concerns. Support of both the public and the corporation's employees is directly related to the future wellbeing of the Tennessee Valley Authority.

Establishment of an Office of Inspector General for the Tennessee Valley Authority will provide the board, the employees and the people of the service area with an independent and objective review and appraisal of the corporation's policies and the implementation of those policies and thus strengthen the corporation by enhancing the confidence of the people in the economy, efficiency effectiveness of the corporation's activities.

SEC. 2. ESTABLISHMENT OF OFFICE.

The Inspector General Act of 1978 (hereafter in this Act referred to as the "Act") is amended—

(1) by inserting "the Tennessee Valley Authority," after "the Small Business Administration," in section 2(1);

(2) in section 11(1)—

(A) by striking out "or the Administrator" and inserting in lieu thereof "; the Administrator"; and

(B) by striking out "Veterans' Affairs," and inserting in lieu thereof "Veterans' Affairs; or the chairman of the Board of Governors of the Tennessee Valley Authority;"

(3) in section 11(2)—

(A) by striking out "or the Agency" and inserting in lieu thereof "; the Agency"; and

(B) by striking out "Veterans' Administration," and inserting in lieu thereof "Veterans' Administration; or the Tennessee Valley Authority;".

SEC. 3. SPECIAL PROVISIONS RELATING TO THE TENNESSEE VALLEY AUTHORITY.

The Act is further amended by inserting after section 8A the following new section:

"SPECIAL PROVISIONS RELATING TO THE TENNESSEE VALLEY AUTHORITY

"SEC. 8B. (a) In addition to other duties and responsibilities specified in this Act, the Inspector General of the Tennessee Valley Authority shall receive public comments on the corporation's policies on electric power rates and on the corporation's periodic rate adjustments, and shall review the appropriateness of the corporation's actions under the mandates of the Tennessee Valley Authority Act and other applicable legislation, and shall report the findings to the Chairman of the Board and to the Congress.

"(b) In addition to the Assistant Inspector Generals provided for in section 3(d) of this Act, the Inspector General of the Tennessee Valley Authority shall, in accordance with applicable laws and regulations governing appointments in the Tennessee Valley Authority appoint an Assistant Inspector General for Rate Review who shall have the responsibility for review of electric power rates of the Tennessee Valley Authority. In reviewing such rates, the Assistant Inspector General shall take into account the directives of the Tennessee Valley Authority Act as to revenue requirements and other policies; the cost-of-service principle that each class of customer should bear the costs incurred by the corporation in serving that class; and the obligation to operate the electric power system so that electric energy is available to users at the lowest possible cost.

"(c) In addition to complying with the requirements of section 5, the semiannual report of the Inspector General of the Tennessee Valley Authority shall

(1) include a description of any significant problems affecting the corporation's ability to provide electric energy to consumers at the lowest possible cost.

(2) include a description of any significant problems or delays in transfers of other offices or agencies, or functions, powers or duties thereof, as are properly related to the functions of the Office and would, if so transferred, further the purposes of this Act."

SEC. 4. TRANSFERS OF FUNCTIONS.

Section 9(a)(1) of the Act is amended—

(1) by striking out "and" at the end of subparagraph (M); and

(2) by inserting after subparagraph (M) the following new subparagraph:

"(O) of the Tennessee Valley Authority, the office of that agency referred to as the 'Office of Auditing and Evaluation' and that portion of the office referred to as the 'Office of General Counsel' responsible for the evaluation of complaints concerning fraud, waste and abuse; and".

SEC. 5. EFFECTIVE DATE.

The amendments made by the Act shall take effect on 60 days after becoming a public law.

LOTTERY ADVERTISING CLARIFICATION ACT OF 1985, H.R. 3431

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FRANK. Mr. Speaker, I join my colleagues, Mr. WORTLEY, Mr. REID, and Ms. VUCANOVICH in introducing legislation to modernize and clarify Federal restrictions on the advertising of charitable and other legal State-regulated lotteries.

Current Federal laws were intended to prohibit entirely the interstate importing, transporting, mailing, and broadcasting of information related to "lotteries" within the United States. A "lottery" has been defined to include any activity in which a prize is distributed according to chance in exchange for some consideration. These activities can include bingo or raffles conducted by church or other educational or charitable organizations, State-run lotto or numbers games, jai-alai, greyhound or horse racing, casino gaming, or any other "game of chance." A limited exception to this rule permits advertising of State-conducted lotteries within the State conducting the lottery, or in an adjacent State which also conducts a lottery. Under this antiquated law, individuals could be criminally prosecuted if they post or circulate a notice of a Saturday night bingo game or a charitable raffle in another State or inadvertently run an advertisement in a local newspaper with an interstate circulation.

Federal restrictions on lottery advertising were originally enacted more than 100 years ago to combat the spread of completely unregulated and generally fraudulent wagering schemes. The remnants of these century-old prohibitions are found in 18 U.S.C. 1302 and 18 U.S.C. 1304, which provide criminal penalties for mailing or broadcasting information concerning a "lottery, gift-enterprise, or similar scheme." These laws have lingered as part of the Criminal Code even into the present era, where fully 45 States permit wagering on bingo, where at least 36 States allow betting on horse races, and where 18 States themselves conduct lotteries.

Numerous U.S. Supreme Court decisions over the last decade have "cast serious doubt upon the enforceability" of these Federal criminal statutes, according to testimony by the Department of Justice in Senate Judiciary Committee hearings last summer. The Court's commercial speech decisions including *Bigelow* v. *Virginia*, 421 U.S. 809 (1975) have consistently ruled that truthful commercial speech which advertises a lawful activity is protected under the first amendment of the U.S. Constitution. In that case, the Court ruled that the purveyor of business legal in the State in which it is carried on is free to advertise that business in any other State, even if the business would be illegal if carried on in the State in which the advertisement appears.

Given that holding, the Department of Justice concluded that the Federal Government may be unable to enforce laws prohibiting the advertisement of lotteries legal in the State in which they are conducted. The legislation introduced today intends to restore consistency between the lottery laws and the Supreme Court's decisions concerning commercial speech. At the same time, by lifting the Federal criminal prohibitions against the dissemination of information relating to legal lottery activities that are operated subject to State supervisory authority, we restore the enforceability of the Federal laws against advertising of illegal lotteries.

Parimutuel horse racing provides but one example of just how difficult the existing lottery statutes are to apply. While there are some older judicial decisions that held horse racing to be a lottery, the overwhelming weight of the more current decisions excludes horse racing from these statutes because of its status as a "sport." As a result of this ambiguity, horse racing is frequently advertised both in the written and electronic media.

The contradiction of these laws is exemplified in their preclusion of mailed or broadcast advertising of charitable raffles, church bingo games, and other lotteries conducted for civil purposes. Currently, advertising and detailed information concerning these fundraising activities cannot even be broadcast or distributed by newspapers sent by mail or out-of-State by other means. Smaller newspapers are frequently precluded from carrying lottery advertisements that can be carried by their larger competitors which print separate regional or interstate editions.

Under my proposal, the use of the mail by promoters of an illegal lottery activity would continue to be strictly prohibited. The use of the mail by promoters of legal lottery activity would continue to be severely restricted so that the mailing of lottery tickets and other instruments or paraphernalia would be prohibited.

In conclusion, the "Lottery Advertising Clarification Act of 1985" introduced today would restore the enforceability of existing lottery laws while preserving first amendment protections for all Americans. These laws would continue to protect our citizens against illegal or fraudulent lottery activities and, when coupled with State regulations, would preserve the current legal framework which effectively regulates these commercial activities. The promoters of legal and regulated lottery activities, including State-run numbers games, charitable raffles, church bingo games, and other lotteries conducted for civil purposes would be permitted to advertise their business activity in written and broadcast media which travel across State boundaries in a manner consistent with previous Supreme Court interpretations of the first amendment. States will continue to benefit from State owned and regulated private businesses which provide employment, create demand for goods and services, stimulate jobs in other sectors of the economy, and pay substantial taxes and licensing fees.

I commend the attention of my colleagues to this issue and encourage your support and cosponsorship for this logical reaffirmation of our constitutional obligations.

The text of H.R. 3431 follows

H.R. 3431

A bill to clarify certain restrictions on distribution of advertisements of State authorized Lotteries, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Lottery Advertising Clarification Act of 1985".

SEC. 2. FINDINGS.

The Congress finds that—

(1) section 1301 of title 18, United States Code, prohibits the mailing or broadcasting of information related to lotteries within the United States;

(2) an exception to this general rule permits advertising of State conducted lotteries within the State conducting the lottery or within an adjacent State which also conducts a lottery;

(3) these statutes, which were originally enacted over one hundred years ago, require revision and clarification as a result of recent court rulings which have drawn into question their enforceability and constitutionality;

(4) revising and clarifying these Federal criminal prohibitions against the dissemination of lottery information to be applicable solely to illegal or unregulated activities will—

(A) restore their enforceability and protect citizens against illegal, unregulated or fraudulent enterprises;

(B) increase the revenues of legal and regulated lotteries many of which are widely utilized by public, charitable, and religious organizations to generate a substantial portion of their operating revenues;

(C) restrict the use of the mail by promoters of lottery activities;

(D) eliminate discrimination against smaller newspapers which are precluded from carrying lottery advertisements now published in larger newspapers that can print separate regional editions; and

(E) provide increased employment opportunities, increased demand for goods and services and substantial tax revenues and licensing fees from State-owned or authorized lotteries.

SEC. 3. AMENDMENTS RELATING TO IMPORTATION, TRANSPORTATION, MAILING, AND BROADCAST OF ADVERTISEMENTS FOR LEGAL LOTTERIES AND SIMILAR ENTERPRISES OFFERING PRIZES DEPENDENT ON CHANCE.

(a) AMENDMENT TO TITLE 18, UNITED STATES CODE.—Subsection (a) of section 1307 of title 18, United States Code, is amended by striking out "conducted by" and all that follows through the end of the subsection and inserting in lieu thereof ", gift enterprise, or similar scheme offering prizes dependent in whole or in part upon lot or chance, if the lottery, gift enterprise, or similar scheme is authorized and regulated by the State in which it is conducted.".

(b) AMENDMENT TO TITLE 39, UNITED STATES CODE.—Section 3005(d)(1) of title 39, United States Code, is amended by striking out "a newspaper" and all that follows through "such a lottery," and inserting in lieu thereof ", advertisements, lists of prizes, or information concerning a lottery, gift enterprise, or scheme for the distribution of money or of real or personal property, by lottery, chance, or drawing of any kind, if the lottery, gift enterprise, or scheme is authorized and regulated by the State in which it is conducted.".

SEC. 4. TECHNICAL AMENDMENTS.

(a) AMENDMENT RELATING TO TITLE 18, UNITED STATES CODE.—(1) The section heading of section 1307 of title 18, United States Code, is amended to read as follows:

"§ 1307. Exceptions relating to certain advertisements and to State-conducted lotteries.".

(2) The item relating to section 1307 in the table of sections for chapter 61 of title 18, United States Code, is amended to read as follows:

"Section 1307. Exception relating to certain advertisements and to State-conducted lotteries".

(3) Subsection (d) of section 1307 of title 18, United States Code, is amended by inserting after "purposes of" the following: "subsection (B) of".

(4) The first sentence of section 1304 of title 18, United States Code, is amended by inserting after "radio" the following: "or television."

AMENDMENTS RELATING TO TITLE 39 UNITED STATES CODE.—Subsection (d)(2) of section 3005 of title 39, United States Code, is amended by striking out "such a lottery" and inserting in lieu thereof "a lottery conducted by a State acting under authority of State law.".

APARTHEID'S FUTURE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GARCIA. Mr. Speaker, the September 29 edition of the New York Times contained an article by Peter Grothe, a professor at the Monterey Institute of International Studies, on South Africa.

Professor Grothe makes a comparison between South Africa in 1985 and 1980. He sees the situation there as reaching a boiling point. His prognosis for the future is not overly optimistic. Nonetheless, I submit Professor Grothe's article for the RECORD.

QUICKENING CHANGE IN SOUTH AFRICA

[From the New York Times, Sept. 29, 1985]

(By Peter Grothe)

MONTEREY, CALIF.—A visitor returning to South Africa after an absence of five years is reminded of the story of the old fellow who heard the clock strike 13 and said, "It's never been this late before."

When I was in South Aftica in 1980, giving guest lectures at universities, a highly respected Western diplomat told me that the most likely model for change in South Africa was not Mount St. Helens but rather a boiling caldron.

In his view, then, a large and sudden eruption was unlikely. What he expected instead was limited black violence that would be met by repression from the Government, followed by limited accommodation and then a period of relative quiet. A series of such cycles of violence, repression and limited accommodation would, he thought, take place over a period of years until fundamental change had been accomplished.

At the time, I found this prediction plausible. It may still be, but my recent trip suggested that the Mount St. Helens metaphor is perhaps more appropriate today than it was five years ago.

The returning visitor finds nine significant differences between South Africa in 1980 and 1985.

First, unlike five years ago, blacks now feel a genuine sense of power and a decreasing reluctance to use it. Many blacks recognize that the South African Army and police are the strongest in Africa and that, in a violent confrontation, blacks would come out the losers. Nevertheless, many militant young blacks are ready for violence—including violence in white areas. Perhaps more important, the power to withhold one's labor and to boycott white stores gives blacks enormous economic clout, and they are now aware of it.

Second, the perceptual gap between ruling Afrikaners and blacks has widened. Whites point with pride to abolition of some of the worst aspects of apartheid—many of the better hotels and restaurants have been integrated, for instance, the mixed-marriage law has been abolished and many blacks are being promoted to middle-level jobs. Many Afrikaners speak about the enormous significance of these changes and the sacrifices they have made. The black view was summed up by one resident of Soweto: "Man, that's nothing but cosmetics. 'I'll only be satisfied when I get the vote."

Blacks and Afrikaners also have different timetables for change. Members of the Government talk about gradual, long-range solutions. The patience of the blacks is wearing thin. They want one man, one vote—and they want it now. The Rev. Beyers Naude, the general secretary of the South African Council of Churches, told me: "My fellow whites have no idea of the deep sense of outrage in the black townships."

Third, five years ago the economy was strong. Now it is in turmoil. Many white business leaders, terrified by economic alarm signals and by the specter of foreign banks refusing to roll over their short-term loans, have urged the Government to release Nelson Mandela, negotiate with the banned African National Con and immediately dismantle the apartheid system. This would have been unheard of even six months ago.

Fourth, Afrikaners—once called "the white tribe of Africa"—are no longer unified. A significant and vocal minority has bolted the ruling National Party and formed their own ultraright group, the Conservative Party. Many observers see this faction, which argues against all concessions to blacks, as a constraint on President P. W. Botha's announced intentions of reform.

Fifth, there have been perceptible shifts in the attitudes of many whites in the last five years. The Afrikaner students I met seemed to be troubled and searching. Most seemed to hold views more liberal than those of their parents' generation. English-speaking students, who have traditionally held more liberal views than Afrikaners, have gone even further. Many of them now seem willing "to put their bodies on the line," as they did last month when hundreds of demonstrating Cape Town University students were whipped and tear-gassed by police. Further, many more English-speaking whites are now considering emigration. One English-speaking businessman told me: "More than half of my friends are planning to leave the country."

Sixth, there are growing fissures among blacks. Militant young blacks are becoming increasingly impatient with the moderate views of their parents' generation and with moderate leaders like the Zulu chief, Gatsha Buthelezi, and Bishop Desmund Tutu. Meanwhile, the Government continues to jail or ban moderate black leaders who want peaceful change, causing young militants to ask: "Look, the Government arrests the peaceful moderates. What option is there other than violence?"

Seventh, although President Botha denies it, it is quite clear that white South Africans are much more sensitive to outside political and economic pressures than used to be the case. Talks with many whites and a perusal of the press leave no doubt about this, and it would suggest that President Reagan's tranquilizing notion that the Botha Government has substantially solved its problems makes for the wrong strategy at the wrong time.

Eighth, blacks are experiencing what the American historian Crane Brinton once called "the revolution of rising expectations." When Rhodesia became Zimbabwe, South Africa became the last white domino on the continent. President Botha said to whites, "Adapt or die." Those and other events have given blacks the expectation

that the complete dismantling of apartheid is within reach—not for their grandchildren's generation, but for them.

Finally, in the fall of 1980, President Jimmy Carter was extremely unpopular with South African whites and extremely popular with blacks. In sharp contrast, Ronald Reagan is extremely popular with whites and arguably the most unpopular President in American history with blacks.

What conclusions can one draw? No one can accurately predict the future, and the caldron may continue to simmer, more or less quietly, for some time to come. Yet most of the trends I noticed suggested to me that a volcanic eruption becomes more and more likely with every passing month.

In Alan Paton's classic novel, "Cry The Beloved Country," a black South African clergyman says about whites, "I have one great fear in my heart—that one day when they are turned to loving, they will find that we are turned to hating." It strikes me now as a sadly accurate prophecy.

ITALIAN-AMERICAN CONTRIBUTIONS HONORED

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MORRISON of Connecticut. Mr. Speaker, the story of our Nation is the story of immigrants, a story of journeys from the old to the new, of brave and resourceful men and women who left their homes in search of a better life in a new land. Christopher Columbus led the way for the millions who followed, and in celebrating his journey every year we celebrate the contributions of the many immigrants who wove their fates into the rich fabric of America.

Columbus Day has special signficance for Connecticut's Third District, a district blessed with a large and thriving Italian-American community, proud of its rich heritage. On October 12, the Columbus Day Committee of Greater New Haven will hold its annual dinner dance celebration in honor of the contributions of Columbus and the many sons and daughters of Italy who followed him.

The Columbus Day Committee is a nonprofit organization with a long history of working to promote public awareness of Italian-American contributions. This year's theme is a "Salute to the Arts" and the guest speaker at the dinner will be Hon. Daniel Terra, the U.S. Amabassador-at-large for Cultural Affairs.

I would like to commend the people who have made this year's dinner dance celebration possible. While it is impossible to mention everyone, I would like to give special recognition to Police Chief John P. Ambrogio of Hamden, general chairman of the Columbus Day Committee and Anita Guarino and Frank Perri, co-chairmen of the dinner-dance celebration.

When we celebrate the anniversary of Columbus' journey, we celebrate the achievements of the past and the promise of the future. We celebrate the American dream.

Mr. Speaker, I congratulate the Columbus Day Committee of Greater New Haven on the eve of their annual dinner dance celebration, and wish them many more years of success.

HERE'S THE BEEF: MONFORT OF COLORADO

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mrs. SCHROEDER. Mr. Speaker, while many companies are pestering Congress for high tariffs, quotas, and the like, Monfort of Colorado, Inc., is moving in a different direction.

The meat processing firm is creatively experimenting with new products for today's convenience and health conscious consumer.

BEEF PRODUCTS WITH SEX APPEAL

(By Thomas Schilling)

GREELEY.—Researchers at Monfort of Colorado, Inc.'s headquarters here are searching for beef products with sex appeal in preparation for the company's first foray into the nation's supermarkets.

The company wants to find more stable sources of profits after spending 20 years buying, feeding and butchering cattle, then selling their carcasses to beef wholesalers—a business that garnered $1.5 billion in sales and $15 million in profits last year.

At its $12 million processing plant in Hastings, Neb., the company is using state-of-the-art equipment to prepare deli meats and, eventually, such as frozen entrees as sauerbraten, medallions of tenderloin in Burgundy sauce and fajitas.

During an era when beef and red meat are depicted as unhealthy, Monfort of Colorado's entry into the consumer markets gives the stagnated beef industry a new weapon in its battle against the more aggressive poultry producers.

Besides squaring off with chicken nuggets and turkey patties, Monfort of Colorado—a company with no mass-marketing expertise—will be competing against such giants as the Campbell Soup Co. and Oscar Meyer.

"We have always thought of ourselves as a commodity company, sort of like an auto plant in reverse," said Kenneth Monfort, president and chief executive officer. "But we think there is an opportunity in these new products."

The new products—which eventually will account for up to 10 percent of Monfort of Colorado's income—will offer a more stable source of profits, less sensitive to the swings of the commodity markets than the carcass business that the company has relied upon for so long, Monfort said.

"There is more profit in processing the products," said Glenn Schmidt, a Colorado State University agriculture professor who is advising the company's researchers.

But it's a big step for the company that's never mass marketed a product and has little identity among consumers. Packages of the new Monfort Gold deli meats are in area supermarkets, some grocers said.

But consumer attitudes toward meat complicate Monfort of Colorado's effort. Research indicating that fatty foods such as red meat may cause cancer and other health problems has driven many consumers away from beef and to poultry.

Monfort makes no secret of his skepticism. "Will we go into this in a big way? I don't know," he said. "Part of it is getting me emotionally ready to do some of these things."

Despite Monfort's pessimism, his company is being hailed in the beef industry for taking a few tentative steps toward offering consumers new beef products.

Beef producers have been somewhat slow adjusting to consumer trends, and some analysts believe that's reflected in the decline of beef consumption. From a high of 91.7 pounds per person in 1977, consumption fell to 77.4 pounds last year.

"They have been selling the same cuts—steaks and roasts—for years," said Roger Berglund, spokesman for the National Cattlemen's Association.

Most consumers are looking for foods that can be prepared quickly, usually within 30 minutes, Schmidt said. That convenience is lacking in many traditional beef cuts. A chuck roast, for example, may take several hours to cook, Berglund said.

"The consuming public is changing," said Schmidt, "and prepared cooked products fit into those changes."

So far, it's been the new poultry products that have captured the consumer's imagination.

While beef declined, poultry consumption rose from 53.2 pounds per person 1978 to 65.6 pounds last year—an increase of 25 percent.

Much of that success can be attributed to innovative products such as chicken and turkey patties, nuggets, delicatessen items and a growing number of frozen entrees. Beef can use the same techniques to increase its sales, say analysts.

"I do think that to be competitive, they have got to come up with some convenience-oriented products," said Mikki Dorsey, editor of the Lempert Report, a food marketing journal. "And they can do it—just look at what the frankfurter industry did by putting stuffings like cheese or chili inside the frankfurters. Their sales were way down, and it helped bring them back."

Monfort and others in the beef industry are defensive about their products, claiming that all of the beef produced is sold, despite turkey patties.

However, beef prices are far lower than they were a decade ago and Monfort of Colorado's researchers and marketers see the chicken nuggests, turkey patties and their ilk as the enemy.

"We're trying to compete with poultry," said Rhonda Miller, director of research and development. "We're trying to get dollars back from chicken and turkey."

Monfort of Colorado's first foray into the consumer market has been in deli meats, offering 12-ounce packages of such pre-cooked products as corned-beef brisket, roast beef and pastrami. The company already had been selling beef products to supermarkets for deli counters and had supplied individual steaks and other beef and lamb cuts to restaurants for many years.

The initial response to Monfort's prepackaged meats has been restrained except in upper-income, white-collar neighborhoods, say grocers and the company's marketers. But if the products are properly marketed, they say, they will sell well.

"We think it will be a slow sales builder, but it's definitely a product whose time has come," said Jeffery Stroh, a spokesman for

Safeway, which has offered Monfort Gold in its Denver-area stores since midsummer.

"The products look real promising," agreed Jan Loutzenhiser, vice president of manufacturing and distribution for King Soopers, which already sells Monfort Gold corned beef and will begin offering more products this week.

But research at Monfort of Colorado doesn't stop at the deli counter. A list of potential products on the desk of Robert Parris, vice president of sales, includes 21 new entrees ranging from common plates such as roasted prime rib to exotic offerings such as seared lamb kabobs.

"We have some ideas for some more exotic offerings," said Parris. "They have a lot of sex appeal."

But in the eyes of some hardcore beef-and-potato fans, one of Miller's projects may have gone too far when it employed a seaweed extract to enhance a beef classic—the steak.

The company used the seaweed byproduct as a gel to hold together shredded beef molded into a steak as part of the effort to make beef products more visually appealing, Miller said. Because the seaweed extract binds the meat together without being frozen, it allows the steaks to display a fresh, red color when placed in supermarket meat counters, said Miller.

The seaweed steak still is in the research stage, she said.

Monfort has his reasons for being skeptical about his company's entrance into the consumer arena. The company has no consumer marketing experience, its name is not well-known by shoppers and it faces stiff competition from Campbell Soup Co., Armour Foods and Oscar Meyer, all of which are developing beef products.

"I think the market is ripe—but there will still be product failures," agreed Schmidt. "You have to enter this business carefully."

Although he controls one of the nation's largest beef empires, Monfort remembers the bad times in 1980 when the company suffered a $23 million loss. He intends to move carefully into a market that appears profitable but is filled with risk.

"In 1980, our company got into serious financial trouble," said Monfort. "I will be careful now not to do things that we can't afford to do."

FIRING THE HIRING SCOREKEEPER

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. EDWARDS of California. Mr. Speaker, for too long in our Nation, women and minorities have been denied equal opportunities in employment. As a step to rectify this longstanding problem, President Johnson signed Executive Order 11246 in 1965, which requires Federal contractors to use affirmative action to offer employment opportunities to women and minorities. For 20 years, this requirement of affirmative action, using numerical goals and timetables to measure progress, has helped to integrate the American work force. Both employers and employees have grown comfortable with the present requirements.

The administration is planning to revise the affirmative action requirements. Goals and timetables will still be allowed, but will no longer be necessary. Scant positive action will be required on the part of Government contractors. Assertions of good faith efforts will replace real measurements of progress. Although the administration does not plan to consult with the Congress on changes to the Executive order, I believe that the following editorial from the New York Times will be informative to our colleagues.

[From the New York Times, Sept. 23, 1985]

FIRING THE HIRING SCOREKEEPER

For 20 years, the Federal Government has used its own business to promote the nation's business. Companies that want contracts must agree to affirmative-action requirements that open job opportunities to women and minorities. This progressive program works, yet for some reason it displeases the Reagan Administration.

Officials are rewriting the affirmative-action requirements. The Administration is not proposing openly to leave the field in the contest against hiring discrimination, but this tinkering threatens to do something just as decisive: fire the scorekeeper.

The Departments of Labor and Justice are still contending over the new executive order, which Labor Secretary Bill Brock indicates may soon be ready for the President to sign. Is the Administration sincere about wanting to improve job opportunity? The tip-off will be what the order says about goals and timetables.

Federal contractors have not had to meet arbitrary or rigid quotas for hiring women and minority members. But when these are underrepresented, an employer must at least develop goals and timetables for hiring and promotion. For example, if minority members represented 50 percent of the available labor force, a contractor with only 5 percent minority employees would have to take reasonable steps to narrow the gap.

Reporters recently obtained the first draft of a new order. It would merely require that contractors expand the pool of minority members and women considered for hiring and promotion, with no measurement of success or progress. A later draft reportedly would allow contractors to post numerical goals, but only on a voluntary basis.

Both proposals are empty. In a recent speech, Attorney General Edwin Meese argued stubbornly that "counting by race is a form of racism." But without measurable standards, there's no way to determine whether contractors are complying. What sanction can be imposed against a contractor who simply must interview, but not necessarily hire, more minorities and women?

The original executive order included regulatory teeth, geared to goals and timetables, precisely because contractors had not abandoned traditional practices voluntarily. Now, after 20 years of Federal attention, many companies welcome the affirmative-action requirement to increase female and minority representation and to avoid reverse-discrimination lawsuits from white males.

The Government can do business with whomever it chooses. It can, indeed should, impose non-discrimination principles on companies that benefit from that business. Numerical standards are the only effective way to measure compliance. But its tortured tinkering with the executive order, the Administration ignores history and discloses its intent. It doesn't want to play the game fairly. It doesn't even want to keep score.

H.R. 3471, A BILL TO PROVIDE A RELIABLE, FAIR, AND SUFFICIENT SOURCE OF REVENUE FOR THE SUPERFUND PROGRAM

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MOORE. Mr. Speaker, the reauthorization of Superfund is the single most important environmental issue of this Congress and for my State. Louisiana is one of the few States that pays a significant portion of the tax and also has a significant toxic waste problem. We see both sides of the problem.

Louisiana's economy is dependent on the industries most affected by the current Superfund tax. The petrochemical industry is accountable for one out of every eight jobs in Louisiana. U.S. petrochemical products are already declining in world competitiveness as foreign petrochemical feedstocks are subsidized by foreign governments. The tax structure of our Superfund Program must not add to the burden our U.S. industries are already being forced to bear. Instead, we must look for alternatives that ensure adequate resources for cleanup.

The current funding mechanism of the Superfund Program which relies exclusively on the feedstock taxes is fatally flawed in a number of respects. First, it is completely arbitrary. The tax burden is not fairly related to the responsibility for prior cleanups, nor is it related to future anticipated problems. Second, not only is the tax not trade neutral, it actually advantages foreign imports in the U.S. market. Although current feedstock taxes apply to imported feedstocks, the tax is being avoided by foreign producers who, rather than importing the feedstock, import a derivative product. Such tax avoidance gives imports an unfair competitive advantage. My bill, H.R. 1775, will correct that problem with a much needed tax on imported derivative products. However, the fact remains that any increased burden on feedstock taxes will create competitive problems for U.S. producers.

This is especially troubling in my State of Louisiana which has a high concentration of feedstock production. More than 25 percent of the total feedstock taxes collected from feedstock production are derived from Louisiana. Yet there are only five national priority list sites being cleaned up by the Superfund. This is primarily because companies producing in Louisiana are already taking the responsibility for their past sites and are developing sophisticated new methods of treatment in an effort to prevent future toxic waste sites. These companies are paying twice. First for the cleanup of that for which they are responsible, and second for the cleanup of the rest of the Nation where responsible parties cannot be found.

There is no question that we will increase our economic resources committed to the

cleanup of hazardous waste. The question is how, and who will bear the burden?

On March 27, 1985, I introduced H.R. 1775, a bill to provide a reliable and fair source of funding for the Superfund Program. It is balanced equitably between a feedstock tax, a waste-end tax and general revenues, with each component financing approximately one-third of the $5.3 billion that the administration requested for the reauthorization of Superfund. Today I am introducing a bill that will meet the same objectives of equity and fairness and provide up to $10 billion of revenues, in the event that Congress decides that that level of funding is needed. I believe that there is a serious doubt as to whether $10 billion is an appropriate funding level and I intend to be an active participant in the debate when the issue is taken up. However, upon introduction of H.R. 1775, I made it clear that, to the extent that anyone can devise a way to accelerate the cleanup program further, without wasting resources, I certainly will support and encourage providing the necessary resources.

The other body has adopted a Superfund reauthorization bill requiring funding of $7.5 billion and our Committee on Energy and Commerce has recommended funding of $10 billion. If Congress decides that $10 billion in toxic waste cleanup is the appropriate level during the next 5 years, this bill provides a funding structure sufficient to meet that objective. The $10 billion of resources that would be provided in this bill include:

First, a much-needed import tax on derivative products. Although current feedstock taxes apply to imported feedstocks, the tax is being avoided by foreign producers who, rather than importing the feedstock, import a derivative product. Such tax avoidance gives imports an unfair competitive advantage. My import tax will correct that problem.

Second, a waste-end tax to discourage the most environmentally risky waste-management practices and to encourage the generation of less toxic wastes. More than 80 percent of the people recently surveyed in Louisiana believe that those who generate the waste should help pay for the cleanup. This tax will achieve that goal and will encourage the development of new and better methods of treatment.

Third, a feedstock tax on crude oil and feedstock chemicals in the same proportion as EPA's recently released 301 studies. My bill modifies the feedstock rate schedule to achieve a more equitable distribution of the tax burden while not increasing the total revenue from that collected under current law. The portion of the feedstock tax attributable to crude oil would decrease from 15 percent under current law to 3 percent under my bill. Similarly, the portion attributable to organic feedstocks would decrease from 65 percent to 38 percent and the share of inorganic feedstocks would increase from 20 percent to 59 percent. This lessens the tax on Louisiana oil and chemicals and shifts to waste-end as EPA study says should be done.

Fourth, a broad-based tax on large corporations. As the EPA studies show, many industries benefiting from past toxic waste disposal practices make no contribution to Superfund. My bill would make them contribute with an administratively simple tax based on the FICA tax base. The tax would be rebated on exports, thus enabling our products to better compete abroad.

Fifth, general revenue contributions—equivalent to each of the major sources of tax revenues. As this Congress chooses, and rightfully so, to place a greater priority on hazardous waste cleanup, our Federal commitment must also increase.

Sixth, borrowing authority. This program should be given the flexibility to meet its crucial task and thus, should have the authority to borrow if the tax receipts fall short of the needed level. My bill would create such authority.

Seventh, recoveries of amounts from responsible parties. Those who are responsible for the site and can be identified should pay for its cleanup. My bill extends this important provision of current law.

Finally, it is expected that an additional $2 billion will be generated in private party expenditures outside of Superfund. Those expenditures would raise the total level of resources directed at our Nation's total cleanup effort to $10 billion.

For us to fail to commit the resources necessary to assure that the next generation is protected from the dangers posed by hazardous waste sites would be unthinkable. We should, and I believe my bill would, fund cleanup of past problems on a fair and efficient basis and encourage prevention of future problems. However, in deciding the appropriate level of funding, Congress must be careful not to assume that throwing money at this problem will solve it. I am deeply concerned that we seek an effective and economically efficient long-term solution. We should not merely transfer the hazardous-waste risk from one geographic area to another, which is exactly what could happen, unless this program is managed with technologically effective solutions. We must assure ourselves that we are solving the Nation's hazardous waste problem and not compounding it with Government waste.

Mr. Speaker, I have worked for more than a year to develop the Superfund tax structure that is fair, broad based and that encourages sound environmental disposal and treatment of toxic waste. I believe that there is perhaps one principle above all others that Congress must respect in the reauthorization process. Business and economic expansion and protection of our environment are not mutually exclusive goals. I believe that this bill and H.R. 1775 respect both goals.

HELSINKI COMMISSION TO DISCUSS CSCE PROCESS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. HOYER. Mr. Speaker, the Commission on Security and Cooperation in Europe, commonly known as the Helsinki Commission, will hold a hearing to discuss the future of the CSCE, or Helsinki, process. The hearing will take place at 10 a.m. on Thursday, October 3, in room 538 of the Dirksen Senate Office Building.

The Helsinki Final Act was signed by the heads of all the nations of Europe except Albania, plus the United States and Canada, on August 1, 1975. In celebrating the 10th anniversary of that event this last summer, the process created by the Final Act has come under close scrutiny, particularly in light of the blatant violations of Final Act's provisions on human rights, family reunification and other humanitarian concerns by the governments of the Soviet Union and Eastern Europe. Some believe that the United States should withdraw from the Helsinki process because of the continuing violations. Others have argued that these same violations make CSCE all the more necessary as a way to focus world attention on the wide gap between the East bloc's words and deeds.

The Commission, created by the U.S. Congress to monitor and encourage compliance with the principles and provisions of the Final Act by all signatory states, believes that the success of the Helsinki process depends largely on the input of organizations and individuals concerned with human rights. While such groups in the West have played a positive role in promoting human rights, similar groups in the Soviet Union and the countries of Eastern Europe have not been allowed to organize and speak out freely on abuses in their own or in other signatory states. Instead, members of such groups have been imprisoned, incarcerated in psychiatric wards or forcibly exiled in the West for taking their governments' commitments in the Final Act seriously.

The Commission is holding the October 3 hearing to learn the views of several well-known nongovernmental organizations concerned with human rights in the Soviet Union and Eastern Europe on how the United States can best promote human rights through the Helsinki process. We will also hear from former members of the Moscow Helsinki Monitoring Group on what CSCE has meant for dissent in the Soviet Union. The full witness list is as follows:

Rita Hauser, International Parliamentary Group for Human Rights in the U.S.S.R.

Jeri Laber, Helsinki Watch Committee.

Yuri Yarim-Agaev, Moscow Helsinki Group and Resistance International.

Lyudmilla Alexeyeva, Moscow Helsinki Group.

Leonard Sussman, Freedom House.

The public and the press are invited to attend.

A SALUTE TO A CHILI CHAMPION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. RICHARDSON. Mr. Speaker and my distinguished colleagues, I recently had the pleasure of meeting a world champion chili cook. As you might well expect, chili cooking is serious business in the Southwest—even the spelling of the word has been the focus of debate during the 99th Congress.

I would like to draw attention to a constituent of mine from the Third Congressional District of New Mexico who holds the distinction of winning both red and green chili cooking world class competitions. Mr. Harold R. Timber of Taos, NM, won the red chili champion cookoff in October 1983 competing against contestants from the 50 States and from such foreign countries as: Mexico, England, and New Zealand—not to mention the U.S. Navy.

Mr. Speaker, to add to his credit Mr. Timber won the 1981, 1982, and 1983 world's fair green chili competition in Las Cruces, NM. Mr. Timber is the 1984 winner of the World's Fare Salsa Championship in Las Cruces, NM, and has displayed his chili cooking talents here in Washington, DC, during the "Chili Party U.S.A." in Lafayette Park. As you might expect, Mr. Timber is a strong supporter of a bill pending in the Congress to make chili or chile the national dish of the United States.

Mr. Speaker, I hope you and my distinguished colleagues will join with me in saluting Mr. Timber's accomplishments in achieving chili culinary excellence and for spicing up our lives.

MIKE DEWINE LOOKS AT RELIGION IN NICARAGUA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. HYDE. Mr. Speaker, the Catholic Church in Nicaragua has fallen upon hard times. One of the most disturbing aspects of this turn of events is that a small group of Catholic clergy has sided with the Sandinistas and are serving as apologists for the Marxists regime in Managua. One of these individuals is Fr. Miguel D'Escoto, a suspended Maryknoll priest who is presently serving as Nicaragua's Foreign Minister.

Fortunately, most of the clergy in Nicaragua have not been fooled by the liberation theology preached by D'Escoto and others who reinterpret the Gospels in an effort to reconcile Marxism with Christianity. Particularly noteworthy in this regard are the comments of Nicaraguan Cardinal Obando y Bravo, who says, "I thought liberation theology could help people and could play a role in reducing the enormous gap between rich and poor. But now, watching it in practice, I think this is unlikely because I see that it foments class hatred."

D'Escoto and Obando y Bravo voice sharply contrasting views of what must be done to bring peace and stability to their strife torn nation. Congressman MIKE DEWINE, one of the most knowledgeable members of the Foreign Affairs Committee on Central American matters, has carefully scrutinized the actions and rhetoric of the two clergymen and I would like to share with my colleagues his findings. They appeared in a recent edition of the Cincinnati archdiocese's Catholic Telegraph as a response to an editorial in that newspaper and I request that they be inserted at this point in the RECORD.

[From the Catholic Telegraph, Aug. 9, 1985]

LAWMAKER SCORES D'ESCOTO, SANDINISTAS

(By Congressman Mike DeWine)

I find in incredible that you would equate Cardinal Obando y Bravo of Nicaragua, truly a rallying point for social justice and religious freedom in Nicaragua, and Miguel D'Escoto, the suspended priest and Nicaragua Foreign Minister. A growing body of evidence indicates the religion of Father D'Escoto and the Sandinistas—the only religion—is Marxism.

Father D'Escoto's brand of Catholicism in Nicaragua is called the "people's church." Congressman Henry Hyde of Illinois visited the "people's church" in Managua, Santa Maria de Los Angeles. There is no crucifix behind the altar. Instead, he reported, there is a mural of Christ dressed as a guerrilla fighter.

The Sandinistas also have introduced "Masses without priests," which Pope John Paul has denounced.

Their treatment of the pontiff during his 1983 visit also is telling. John Paul found himself saying Mass at an altar backed by large murals of revolutionary figures—and no crucifix.

His celebration of the Mass in Managua was drowned out by Sandinistas equipped with megaphones packed into the first 10 rows of seats. Newsweek magazine, The Miami-Herald, The Washington Post and a host of other publications reported how the Pope struggled to be heard over organized chanting of political slogans, shouting three times "Silencio!"

Later, the Vatican issued a statement denouncing the Sandinistas' treatment, saying they "profaned" the Mass, debased his mission for political reasons, and prevented thousands from hearing him.

Pope John Paul put the choice to D'Escoto early this year—serve the church or serve the Sandinistas and D'Escoto chose the communist Sandinistas government. A Washington Post reporter met with D'Escoto a short time later and described the scene:

"We are sitting in a spacious thatched gazebo by the swimming pool, sipping cold drinks delivered by a maid. A gardener putters around in the tropical shrubbery and in the well-tended beds of exotic flowers. It is a day for water rationing in Managua, but the sprinkling goes on.

"A pair of German attack dogs—big and menacing killers bred first by Roman legionnaires in the years before Christ—stalk the lawns.

"There is a gleaming Mercedes-Benz sedan in the garage, smaller cars and several armed guards in the driveway. The estate, high on a hill, affords a magnificent view of Managua at night, lights glistening as in a diamond necklace. It is cut off from prying eyes by a high stone wall interrupted only by a huge gate of plate steel.

"Our host appears, a portly fortyish, bespectacled man wearing a tailored safari suit made of gabardine. He orders a glass of water from the maid. He is Miguel D'Escoto, the foreign minister of the Sandinista government in Nicaragua."

This is not the same kind of priest as Cardinal Obando, who has always been known in Nicaragua as a man of the people. When the dictator Anastasio Somoza once gave him a Mercedes, he raffled it off and used the proceeds for church work. When Somoza tried again with a long black limousine, the cleric returned it.

Cardinal Obando has been a peacemaker. Like Pope John Paul, he has called for reconciliation among Nicaragua's political factions. He has negotiated agreements between them and defused stand-offs that otherwise might have ended in violence.

D'Escoto and the Sandinistas, who have installed him in his mansion overlooking the city, aren't interested in reconciliation. They are interested in consolidating their revolution and choking off the last voices of resistance. D'Escoto, the priest, born in Hollywood, California, essentially has had the job of chief propagandist.

The latest media event is D'Escoto's "fast for peace." You printed his statment, which heaps all of Nicaragua's problems at the door of the United States. D'Escoto left his mansion for the fast and moved to the more photogenic "grounds of a church in a poor neighborhood in Managua . . . mostly in a small room furnished with a bed, a rocking chair, small religious paintings on a makeshift shrine, a photogrpah of the late Martin Luther King Jr. and posters," reports another Washington Post correspondent.

"Although D'Escoto has made it clear that he will not fast until death, there are daily briefings for journalists about the state of his health and bulletins on state radio," the correspondent continues.

Cardinal Obando, meanwhile, has suggested he does not think much of the fast and has questioned its motives. At one point, he read from the Gospel according to Matthew: "When you fast, don't be like the hypocrites who put on a sad countenance, for they make faces so that other men will know they are fasting."

While D'Escoto is directing attention toward the U.S. and away from Nicaragua's internal mess, the Sandinistas are tightening their hold on Nicaraguan life. When I visited Nicaragua this spring, people turned up the radio before they would talk for fear of government bugging and priests described how they must teach Marxism in Catholic schools. Meanwhile, the Sandinistas claim to be increasing literacy, but don't mention the textbooks teach children to count with pictures of grenades and guns.

I talked with a sidewalk produce vendor, who told me he had just been ordered by the Sandinistas to sell only to the government. And I met with the young priest who is Cardinal Obando's chief spokesman. He was stripped by Sandinista activists and chased naked through the streets while Sandinista cameramen filmed him for the evening news and said they had caught him

in "unpriestly relations" with a woman parishioner.

After all this, I fail to see how a Catholic publication could defend Miguel D'Escoto or believe that the final outcome of this Marxist-Leninist revolution will be any different than any other Marxist revolution in history—with the persecution of Catholics.

The Sandinistas' claims and promises have been heard before; we've also seen their modus operandi. Both the Soviet Union and Cuba say there is religious freedom in their countries. But the latest report from Cuba on the Catholic Church there tells quite a different story:

"About 800 priests and 2,225 nuns were in Cuba in 1959 serving 5.5 million people. Today, in a population of 10 million, Cuba has only 215 priests and fewer than 200 nuns. Many members of the Jewish and Protestant clergy also were forced to leave the country as a result of the government's policy.

"The church has no means of communication, no freedom of expression. Radio, television and newspapers are all state-owned. No word of proselytism is allowed and all meetings are to be conducted within the church. In 25 years, no new churches have been built and construction material for those in need of repair is often denied . . ."

The lights guiding D'Escoto and the communist Sandinista government are not those of Catholic social reform.

(U.S. Rep. Mike DeWine represents Ohio's Seventh Congressional District and is a member of the House Foreign Affairs Committee and its Subcommittee on Western Hemisphere Affairs, which has jurisdiction over issues involving Central America. He visited Nicaragua and El Salvador this spring.)

THE WORDS OF AVITAL SHCHARANSKY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. COURTER. Mr. Speaker, the U.S.S.R. has not contented itself with ignoring the Helsinki accords it signed with such deliberation 10 years ago, but has made every effort to persecute the brave men and women who formed unofficial committees to monitor Soviet compliance with the agreements.

One such man, Anatoly Shcharansky, has been abused by the authorities for well over a decade for daring to ask the regime to live by its word. Recently his remarkable wife has written an eloquent essay on his plight. The New York Times has done well to give Avital Shcharansky a hearing, and today I want to broaden her audience by placing her story before all my colleagues in this House.

[From the New York Times, Sept. 24, 1985]

SPEAK UP FOR SOVIET JEWS

(By Avital Shcharansky)

Some 400,000 Jews, among them my husband Anatoly, are being held hostage in the Soviet Union. Will any of these thousands ever taste the bright air of freedom in their ancient homeland, Israel? The American public and its officials might usefully put this excruciating question to the Soviet Foreign Minister, Eduard A. Shevardnadze, during his visit this month to the United States—for its answer lies entirely in the hands of his barbaric Government.

Tyrannies of all sorts have been known on earth, but until our day it has been virtually unheard of for any regime, no matter how despotic, to deny that most elementary of all political alternatives, the right to leave. Even Nazi Germany in the years before World War II grudgingly allowed free emigration—to say nothing of Russia under the Czars or South Africa under apartheid. In places where whole classes of citizens have been denied the right to vote, or the right to a free press or to freedom of religion, they have been given the right to emigrate. Not, however, in the Soviet Union.

Yet Moscow did in fact put its signature 10 years ago to the Final Act of the Helsinki conference. It thus conceded, among other things, that "everyone has a right to leave any country, including his own, and return to it." It is in accordance with this provision and with internal Soviet regulations that 400,000 Jews have asked to emigrate by requesting invitations from Israel. Yet last year only 896 were permitted to leave (and only 702 through August 1985), while leaders of Soviet Jewry languish in prisons and work camps.

To the charge of barbarism, then, we may add the charge of violation of an international agreement. In flouting this covenant, the Kremlin mocks the values on which civilization itself must rest. Does this not cast the darkest doubts on Moscow's present diplomatic efforts to impart an image of sweet reasonableness and moderation? Should this not put into question the Soviet Union's right to be admitted into the comity of nations?

Anatoly Shcharansky was refused a visa in 1973, but like many others he placed his hopes in the Helsinki convenant. In the mid-1970's, he served as a prominent member of a group that took it upon itself to monitor Soviet compliance. It was on account of these wholly legal activities—and not for the spurious crime of spying with which he was charged—that he was arrested and imprisoned more than eight years ago.

His fate since then is a macabre commentary on the brave words of the Helsinki accords. In 1977, he was sentenced to three years in prison and 10 years of hard labor. After transfer to a work camp, he was placed in solitary confinement for 90 days as punishment for lighting Hanukkah candles and reciting the Hebrew Psalms. While there, he was kept alive on a diet of bread and water, the bread on alternative days only. In November 1984, he was again isolated in the camp's internal prison.

My husband's health has deteriorated dangerously. He suffers from severe pains in his chest and eyes. Months pass when he is not heard from, when no one is allowed to visit him. For him, as for Iosif Begun, Dan Shapiro, Yuli Edelshtein, Alexander Koimiansky and countless other Soviet Jews, this has been the meaning of the Helsinki accords.

These are days of high hopefulness in the West. Talks between the superpowers are proceeding apace, a summit meeting is in the offing and the democracies, yearning for peace, bend with eager pliancy in the direction of Mikhail S. Gorbachev's smile. The Soviet leader, eager to derail the Strategic Defense Initiative and acquire Western high technology, is desperately seeking accommodation and normalization. Can it be too much, in this season of expectation, to suggest that one unequivocal demand be made of those who have so systematically trampled on the rights and the lives of countless human beings begging for nothing but release? Is it too much to ask that before we seek or trust its signature on future treaties, the Soviet Government be required to honor the Helsinki accords—the most easily implementable of agreements?

Ultimately, the question is for Mr. Shevardnadze's Government to answer. But it is up to the West, particularly the United States, to ask. My husband and the Jews of the Soviet Union wait upon the word.

STATEMENT BY GEORGE P. SHULTZ TO THE U.N. GENERAL ASSEMBLY

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MICA. Mr. Speaker, I would like to bring to the attention of my colleagues the recent statement of the Honorable George P. Shultz, U.S. Secretary of State, to the 40th session of the U.N. General Assembly.

Mr. Speaker, the Secretary of State's remarks carry a welcome message for all Americans concerned about the role of this country in the United Nations. It is time for the General Assembly to put aside the political warfare and unrealistic posturing, the gratuitous attacks upon the United States and its friends, that have come to characterize so much of that organization's activities.

It is time, Mr. Speaker, for the General Assembly to engage in a realistic appraisal of the forces of repression in the world today. It is time for the General Assembly to get down to real business and address its agenda with the seriousness those subjects deserve—with good will, honesty, and realism.

STATEMENT BY THE HONORABLE GEORGE P. SHULTZ, U.S. SECRETARY OF STATE TO THE 40TH SESSION OF THE U.N. GENERAL ASSEMBLY

Mr. President, Mr. Secretary-General, distinguished delegates:

Three years ago, when I addressed this body for the first time, I stressed the need for realism. There is probably no other quality so appropriate and necessary for this Organization.

But realism does not mean cynicism, or even pessimism. It means a clear-sighted appreciation of the opportunities we face, as well as of the obvious problems. It means remembering the many challenges that the world community has overcome, and drawing lessons from that. It means understanding that idealism and the yearning for human betterment are themselves part of reality, and thus have enormous practical significance.

The founding fathers of the United Nations are sometimes accused of naive utopianism. Supposedly they ignored the harsh realities of power politics in attempting to create a global system of collective security. I doubt it. The men and women who set up this Organization forty years ago were among the great statesmen of the century.

They drafted the Charter as a set of standards for international conduct—knowing full well that the world's nations probably would fall short of those standards, but knowing also that the setting of high goals is a necessary precondition to their pursuit and attainment.

The lofty goals of the Charter have a concrete, practical meaning today. They not only point the way to a better world; they reflect some of the most powerful currents at work in the contemporary world. The striving for justice, freedom, progress and peace is an ever-present and powerful reality that is today, more than ever, impressing itself on international politics.

Our political thinking must catch up to this reality. The policies of nations must adapt to this basic human striving. This Organization, too, must adapt to reality; it cannot afford to consume itself in political warfare and unrealistic posturing. There is work to be done. Let's do it.

The world community faces enormous challenges in three areas: In satisfying mankind's yearning for democracy, freedom, and justice, in preserving and perfecting global peace and stability, and in spreading economic prosperity and progress.

THE DEMOCRATIC REVOLUTION

First, the quest for democracy and freedom: Since the end of the Second World War, modern communication has opened the eyes of most of the world's peoples to the realization that they do not have to live their lives in poverty and despair—that, on the contrary, the blessings of prosperity and liberty known in the past only by a relative few can be theirs as well. The ideals for which the war was fought, and the spread of democracy and of prosperity in the industrialized world since, created an explosion of expectations.

The result has been, in recent years, a revolution of democratic aspirations sweeping the world. At the time of the San Francisco conference in 1945, most of the nations represented in this hall today were not independent states but possessions—colonies of European empires. The vast number of languages, cultures, and traditions I can now see before me testifies to the revolution in the world order. The old empires eventually had to accept the postwar reality of self-determination and national independence.

Much of the conflict in the world today stems from the refusal of some governments to accept the reality that the aspirations of people for democracy and freedom simply cannot be suppressed forever by force.

In South Africa, these aspirations on the part of the black majority have—as never before—drawn global attention and support. Change is inevitable. The issue is not whether apartheid is to be dismantled, but how and when. And then, what replaces it: Race war, bloodbath, and new forms of injustice? Or political accommodation and racial coexistence in a just society? The outcome depends on whether and how quickly the South African Government can accept the new reality, and on whether men and women of peace on both sides can seize the opportunity before it is too late.

This much is clear: There must be negotiation among South Africans of all races on constitutional reform. True peace will come only when the government negotiates with—rather than locks up—representative black leaders. The violence will end only when all parties begin a mutual search for a just system of governance.

One area where the furture has brightened in the past five years, as the aspirations of the people for democracy have been met in country after country, is Latin America. In contrast to only 30 percent in 1979, toay more than 90 percent of the people of Latin America live under governments that are either democratic or clearly on the road to democracy.

In Central America, El Salvador, under the courageous leadership of President Duarte, has shown that democracy can take root and thrive even in the most difficult terrain. Its citizens braved extremist violence to participate overwhelmingly in four free elections since 1982. Their president's current personal ordeal only serves to underscore the sacrifices thousands of Salvadorans continue to make as they fight to realize the ideals of the UN Charter. For this commitment they should be applauded by all members. Ironically, El Salvador is today the only democracy subject to the scrutiny of a special rapporteur for human rights.

Among El Salvador's neighbors, Costa Rica has long been the region's beacon of representative government; Honduras is about to replace one freely elected government with another; and Guatemala is about to join them as a democratic nation with election of a president in November. These developments should enhance regional cooperation for economic development, which the United States supports through our Caribbean Basin Initiative and President Reagan's Initiative for Peace, Development and Democracy.

But regional peace in Central America is threatened by the rulers of Nicaragua and their Soviet and Cuban allies. Behind a cloak of democratic rhetoric, the Nicaraguan Communists have betrayed the 1979 revolution and embarked on a course of tyranny at home and subversion against their neighbors. Brave Nicaraguans are fighting to restore the hope for Freedom in their country, and the other nations of the region are working together in collective self-defense against Nicaraguan aggression.

How can this crisis be resolved? The Central American nations, together with their nearest neighbors—the Contadora Group—have subscribed to a Document of 21 Objectives. These include non-interference in the affairs of one's neighbors, serious dialogue with domestic opposition groups, free elections and democracy in each country, removal of foreign military personnel, and a reduction of armaments. My government supports a verifiable treaty based on full and simultaneous implementation of the 21 Objectives. We welcome the resumption of talks next month in Panama and hope they lead to a final agreement. Contadora is the best forum for pursuing a settlement.

In El Salvador, President Duarte, true to his pledge to the Assembly last year, has pursued a dialogue with the guerrilla opposition. Would that the rulers of Nicaragua make—and honor—the same pledge to the Assembly this year. In San Jose on March 1 of this year, the Nicaraguan democratic resistance called for internal dialogue, moderated by the Roman Catholic Church, to end the killing.

The people of the region are waiting for a positive answer from the rulers of Nicaragua. Can it be that, never having been chosen by their people in a truly free election, they lack the confidence to face opponents they cannot silence or lock up, as they have so many others? The United Nicaraguan Opposition deserves to participate in Nicaraguan political life, and has an important role to play in the diplomatic process. Regional peace will not come without it.

The reality of the democratic revolution is also demonstrated by the rise of national liberation movements against Communist colonialism: in Afghanistan, Cambodia, Angola and other lands where, as in Nicaragua, people have organized in resistance to tyranny. Unlike the old European empires that came to accept the postwar realtiy of self-determination and national independence, the new colonialists are swimming agains the tide of history. They are doomed to fail.

In Afghanistan, the almost six-year-old Soviet invasion has inflicted untold suffering on a people whose will to resist and to free themselves from a pitiless tyranny cannot be broken. Hundreds of thousands of Afghans are dead and maimed, millions more make up the largest refugee population in the world, and countless villages, schools, and farms lie in ruins. Nowhere in the world has the carnage wrought by Soviet imperialism been greater than in Afghanistan, and nowhere has the resistance been more determined and courageous.

The withdrawal of Soviet forces, as the General Assembly has noted on six occasions, would lead to solution of the Afghanistan problem. A solution must also encompass restoration of the country's independent and nonaligned status, self-determination for the Afghan people, and the return in safety and honor of the more than three million refugees. Unless and until the Soviet Union permits such a solution, the national liberation struggle in Afghanistan will continue, the worldwide effort to provide succor to a beleaguered people will go forward, and Soviet protestations of peace on this and other issues will not ring true. My government, together with others concerned, stands ready to implement a just solution to this problem.

Cambodia, as we all know, stands as one of the worst examples in history of a totalitarian ideology carried to its bloodiest extreme. Today, courageous freedom fighters under the leadership of Prince Sihanouk and Son Sann struggle to reclaim their country. We continue to support the ASEAN program for a peaceful solution: Vietnamese forces must withdraw completely, and Cambodia's independence, sovereignty, and territorial integrity must be restored under a government chosen in free elections.

In other countries, where the apparatus of repression is well developed, countless thousands of men and women wage private struggles for freedom, armed only with their consciences and their courage. Some suffer for their political convictions; others for their religious beliefs: Solidarity trade unionists in Poland; Jews, Baptists, Roman Catholics, Pentecostalists and others in the Soviet Union; Baha'is in Iran. With all the men and arms at their disposal, what are these governments afraid of?

These brave and often nameless prisoners of conscience struggle to achieve for men and women in every corner of the world the promises of this Organization. We are with them, and we call on all states as members of this body to honor their solemn commitments. As Thomas Jefferson once said, the opinions of men and women are not the rightful object of any government, anywhere.

THE QUEST FOR PEACE

Mr. President, the quest for peace continues on many fronts. And for all the obstacles confronting it, there are examples of success—such as the Antarctic Treaty, which recently marked a quarter century of

effective international cooperation. We can learn from problems overcome, as we tackle the formidable problems ahead.

In the Middle East, ten or fifteen years ago, peace between Israel and any Arab state seemed a remote if not impossible dream. Finally, after untold suffering and four wars, a courageous leader, Anwar Sadat, abandoned the old ways of thinking and took the step no other Arab leader had been prepared even to contemplate: He recognized that the State of Israel was here to stay and, with Prime Minister Begin, vowed there would be no more wars. Peace and normal relations were established, and the Sinai was returned.

The past year has seen major efforts toward new negotiations between Israel and its Arab neighbors. The United States is committed and engaged in support of those efforts, in accordance with President Reagan's initiative of three years ago. Yet the lesson of the past is clear: Progress can only be achieved through direct negotiations, based on Security Council Resolutions 242 and 338. There is no other way, and evasion of this reality only prolongs suffering and heightens dangers. Nothing positive will ever be achieved by chasing illusions of "armed struggle"; but much can be accomplished by parties who are committed to peace and engaged in serious dialogue. The moment is at hand—this year—to make major progress and to begin direct negotiations.

To the east, we have the continuing failure of reason to prevail and end the devastating war between Iran and Iraq. Prolonged by Iran's refusal to come to terms with its inability to achieve victory, this war has now entered its fifth year, with no end in sight. We again call on both parties to negotiate an end to the fighting.

On the Korean peninsula we see the first tentative steps being taken to get away from the mode of thinking that has characterized the past forty years. A decade ago, there seemed little hope for a significant reduction of tension. Yet last year both Koreas began a multi-faceted direct dialogue, which the United States supports as the key to a solution. While the animosities of a lifetime are not resolved quickly, a start has been made. We also believe that UN membership for both the Republic of Korea and North Korea, in accordance with the principle of universality, would help reduce tensions.

Perhaps the most dramatic problem that requires new ways of thinking is international state-sponsored terrorism. Terrorism is every bit as much a form of war against a nation's interests and values as a full-scale armed attack. And it is a weapon wielded particularly against innocent civilians, against free nations, against democracy, against moderation and peaceful solutions. It is an affront to everything the United Nations stands for.

Progress has been made against the terrorist threat through cooperation in the UN system. Many nations subscribe to the Hague, Tokyo, and Montreal Conventions to make air travel safer and to suppress hijacking and sabotage. Progress has also been made in providing protection for diplomats, and some nations have agreed on how to handle hostage situations. Just this month, participants at a UN Congress in Milan adopted a strong, broad-ranging resolution urging all states to adhere to these agreements and to strengthen international actions against terrorism.

Much more remains to be done. The United States and other nations, for example, are working with the International Civil Aviation Organization to improve standards of security. Over the past year, some 90 potential terrorist actions against United States facilities or citizens have been deterred or prevented. But the fight has only begun, and it cannot be won by one government alone. The civilized world must put the terrorists and their supporters on notice: We will defend ourselves in any and every way we can.

UNITED STATES-SOVIET RELATIONS

The reality of the nuclear age, Mr. President, has impelled the United States and the Soviet Union to engage in a dialogue, of varying intensity, for the past forty years. This dialogue has been an unprecedented attempt by two rivals to manage their competition and avert war. We know that we share a responsibility for maintaining peace, not just for our peoples but for all the earth's people.

Despite all the difficulties, let us remember what has been accomplished. After the two most destructive wars in history, the superpowers have averted world war for four decades. We have had some success in limiting nuclear testing. Working together with other nations since the Non-Proliferation Treaty in 1968, we have succeeded in restricting the proliferation of nuclear weapons. Twenty years ago it was conventional wisdom that there would be 15 to 25 nuclear weapons states by today; yet the number of states acknowledged to possess nuclear weapons has held at five for the past twenty years. The United States remains committed to all the goals of the NPT, whose third review conference just successfully concluded in Geneva. And the United States and the Soviet Union have taken practical steps to avoid conflict. Our navies have long agreed to work together to prevent incidents at sea. And we have set up and improved the Hot Line for crisis communications.

In the Nuclear and Space Arms talks in Geneva, the United States had advanced far-reaching proposals: a reduction by almost one-half in the most destabilizing weapons, strategic ballistic missile warheads, and elimination of the whole class of U.S. and Soviet longe-range INF missiles worldwide, all leading ultimately to the complete elimination of nuclear arms. We repeatedly have stressed our readiness for given and take, and to consider alternative proposals. Each of our proposals has been followed up by further attempts to find common ground with the Soviet Union. We have offered trade-offs and made clear our readiness to take account of legitimate Soviet concerns to obtain an agreement that would enhance strategic stability and strengthen deterrence.

Progress at Geneva has been slow. Thus far the Soviet Union has not negotiated with the responsiveness that the talks require. Nonetheless, our determination to reach an equitable agreement has not wavered.

In this spirit, President Reagan last June decided to continue our policy of taking no action that would undercut the limits of previous agreements, to the extent the Soviet Union shows comparable restraint. Despite serious reservations about those agreements, and serious concerns about the Soviet record of non-compliance, the President made this decision to foster a climate of truly mutual restraint to facilitate progress in arms control.

While the most direct path to a safer world is through equitable, verifiable reductions, we also see value in verifiable limitations on nuclear testing. For that reason, President Reagan, in his speech to this body last year, proposed that the United States and the Soviet Union exchange visits of experts at test sites to measure directly the yields of nuclear weapons tests. This would significantly improve confidence in the verifiability of proposed treaty limits on underground testing. The Soviet Union rejected this offer. Nevertheless, last July, the President issued an unconditional invitation for a Soviet team to observe and measure a nuclear test at the Nevada Test Site. We again call on the Soviet Union to take up this offer, which is s concrete, positive step toward verifiable restrictions on nuclear testing.

When the Anti-Ballistic Missile Treaty was signed in 1972, it was assumed that tight limits on defensive systems would make possible real reductions in strategic offensive arms. But the Soviet Union has never agreed to any meaningful reductions in offensive nuclear arms. Instead, it has continued an unprecedented military build-up—particularly in heavy ICBM's with a first-strike capability—which is eroding the basis on which deterrence has rested for decades. The strategy of reliance on offensive retaliation to preserve deterrence and prevent war thus is being called into question by Soviet actions.

The answer is, first, for us both to agree on strategically significant, verifiable reductions in the numbers and destructive potential of offensive weapons. But there are additional ways to redress the problem. President Reagan has directed our scientists and engineers to examine—in light of new technologies, and fully in accord with the ABM Treaty—the feasibility of defense against ballistic-missile attack. Strategic defense could give our children and grandchildren a safer world. We would continue to rely on deterrence to prevent war, but deterrence would be based more on denying success to a potential attacker, and less on threatening massive mutual destruction. Such a means of deterrence should be safer and more stable. Our goal is not to achieve superiority, but to add to the security of both sides. As former Soviet Premier Kosygin said, and antimissile system "is intended not for killing people but for saving human lives."

We want to cooperate with the Soviet Union in making progress on these most important of all issues. Progress requires—it demands—good will, realism, and honesty. Behind the curtain that encloses Soviet society, free from the open debate we see in the West, a major strategic defense program has proceeded for decades. The current Soviet leaders know that. In the past twenty years, the Soviet Union has spent about as much on strategic defense as on their offensive nuclear forces. They know that. The Soviets have the world's most active military space program, last year conducting about 100 space launches, some 80 percent of which were purely military in nature, compared to a total of about twenty U.S. space launches. The Soviets know that, too. They deploy the world's only ABM system, whose nuclear-armed interceptors and other components are undergoing extensive modernization. They are researching many of the same new technologies as we, and are ahead in some. And the Soviet Union has the world's only extensively-tested and fully operational anti-satellite system. The Soviet leaders know full well their own efforts in these fields. Their propaganda about Ameri-

can programs is blatantly one-sided and not to be taken seriously.

So let's get down to real business, with the seriousness the subject deserves. And let us do so in the quiet of the negotiating room, where we can really make progress on narrowing our differences.

Progress needs to be made in other arms control areas as well. Restraints against chemical and biological weapons have eroded in recent years as international agreements have been violated by the Soviet Union and others. In April 1984 the United States proposed a comprehensive treaty for a global ban on chemical weapons. We will again introduce a resolution on chemical weapons in the First Committee. We must have talks on serious, verifiable proposals.

To reduce the risk of conflict through miscalculation, we and our Atlantic allies have proposed significant confidence- and security-building measures at the Conference on Disarmament in Europe. To enhance security in Central Europe, we have repeatedly sought ways to move the Mutual and Balanced Force Reduction talks in Vienna forward.

In sum, the United States and the Soviet Union now have an historic opportunity to reduce the risk of war. President Reagan looks forward to his meeting with General Secretary Gorbachev in November. We have a long agenda. The United States is working hard to make it a productive meeting. And we want the meeting itself to give further impetus to the wide-ranging dialogue on which we both are already embarked. Soviet acts of good faith and willingness to reach fair agreements will be more than matched on the American side.

ECONOMIC FREEDOM AND MATERIAL PROGRESS

Mr. President, just as there is a democratic revolution in the world today, there is also a revolution in economic thinking. Mankind is moving toward an ever greater recognition of the inescapable tie between freedom and economic progress. Command economies, in spite of all their pretensions, have not done very well in liberating people from poverty. In reality, they have served as instruments of power for the few, rather than of hope for the many. Expectations of material progress and prosperity have been fulfilled in countries whose governments applied reason and fresh thinking to their problems, learning from experience rather than slavishly following outworn dogma. The new way of thinking—economic freedom—actually is a return to old truths that many had forgotten or never understood.

Those developing countries in Asia relying on free market policies, for example, have enjoyed one of the most remarkable economic booms in history, despite a relative lack of natural resources. The ASEAN nations and the Republic of Korea have grown at 7 percent a year over the past decade, the fastest rate in the world, and ASEAN has become a model of regional development and political cooperation. In recognition of the success of economic freedom, the nations of the South Pacific have continued to encourage the private sector as well. We are joining with them in a dedicated effort to negotiate quickly a regional fisheries agreement that will benefit all.

These and other countries' success demonstrates that the laws of economics do not discriminate between developed and developing. For all nations, eqally, the true source of wealth is the energy and creativity of the individual, not the state. After decades of fashionable socialist doctrine we see today—on every continent—efforts to decentralize, deregulate, denationalize and enlarge the scope for producers and consumers to interact in the free market. In India, China, and elsewhere, new policies are being adopted to unleash the creative abilities of talented peoples. At the Bonn Economic Summit last May, the leaders of the largest industrial democracies acknowledged the same truth. The road to prosperity begins at the same starting point for all nations: freedom and incentives for the individual.

This truth should be our guide as we address today's economic challenges.

In sub-Saharan Africa, drought has placed perhaps 30 million men, women and children at risk. We do not know how many have already died. Along with other Western countries, the United States has undertaken one of the largest disaster relief programs in history. This year alone, the United States has provided $1.2 billion for drough and famine relief and $800 million in other economic assistance. The nations that have been helping should continue to do so; those that have not borne their share should start doing so.

But we owe it to the suffering to ask this question: "Why is food so scarce?" Drought, without question, is part of the reason. But in some countries, there are other, more important reasons. One is government policies that have severely harmed agricultural productivity. These policies must be reversed. Those countries that have undertaken liberalizing reforms are reaping the benefits and can show the way for others. Another problem is lack of appropriate technologies. The United States is carrying out a long-term program to strengthen African agricultural research, which we hope will help to produce a green revolution on the continent.

Elsewhere in the developing world, as in Africa, countries face the continuing problem of debt. Many have undertaken necessary, though painful, adjustment—taking courageous steps to cut government spending, eliminate subsidies and price controls, permit currencies to adjust to the market, free interest rates to encourage saving and discourage capital flight, and create conditions to attract new capital. Austerity, however, is certainly not an end in itself. The purpose of short-term adjustment is to get back in the track of long-term growth.

In all these efforts we must be careful that the heavy burden of servicing the historic debt levels of the developing nations of Latin America and Africa does not inhibit their future growth. Creative cooperation between borrowers and lenders, with continued constructive assistance from the World Bank and the IMF will be essential in achieving this goal.

Other nations, too, have a major part to play in helping these countries overcome their debt problems and resume sustainable growth. External financing to support effective adjustment has been, and will continue to be, important. Access to export markets is also necessary.

Indeed, an open trading system is crucial to the hopes of all of us. Trade expansion has been an engine of postwar prosperity. It would therefore be suicidal to return to the protectionism of the 1920's and '30's, which helped bring on the Great Depression. Protectionism is not a cure; it is a disease—a disease that could cripple all of us. Trade must be free, open, and fair—the United States will work to see that it is. But there must be a level playing field. We want to open trading, but that means mutuality. Barriers erected against American products are just not acceptable to us.

As President Reagan is saying today in a major speech, "the freer the flow of world trade, the stronger the tides for human progress and peace among nations." To preserve and strengthen the trading system may well be the central economic issue facing the world community today. For that reason, it is essential that all nations join now in preparations for a new GATT round next year. No nation, even one as large and as powerful as the United States, can, by itself, insure a free trading system. All that we and others have done to provide for the free flow of goods and services and capital is based on cooperation. Indeed it was in that very spirit of cooperation that prompted the United States and five of the leading industrial nations yesterday to pledge firm resolve to work together in addressing the pressing economic issues of this decade.

Sound economic policies in every country are the key to strengthening the world economy. In the United States, policies that have unleashed individual talent, reduced government's role, and stabilized prices have helped to produce more than 8 million new jobs since 1982 and lead the world out of recession. But many imbalances in the world economy remain—notably in trade accounts, exchange rates, and capital flows. These must be corrected, by the world community acting in concert, if recent economic gains are to be preserved and hopes for progress sustained. For its part, the United States must restrain public spending, reduce its budget deficit, and encourage saving. Others must do more to reduce rigidities, and promote the private investment needed to facilitate adjustment and spur expansion.

I believe we can surmount our problems, just as we succeeded in solving the energy crisis and bringing inflation under control. There was a time when those problems, too, seemed insurmountable. We can succeed again today if we have the honesty and courage to face our problems squarely, and if our ways of thinking conform to reality.

CONCLUSION

Mr. President, forty years ago the founders of the United Nations recognized that new ways had to be found to regulate conduct between nations. That remains true today. The Charter and the Universal Declaration of Human Rights speak to us not as different races, creeds, and nationalities, but as human beings, men and women. Our task as we look to the next century is to learn that the things which unite us—the desire for peace, human rights, and material well-being—as set down in those documents, are far more important than the things which divide us.

The main obstacle to greater realization of the goals of the Charter is the lust of the few for power over the many, just as it has been the obstacle to human happiness since the dawn of history.

But change is inevitable. And today change, technological change, holds out hope, perhaps as never before. The revolution in communications and information may be the most far-reaching development of our time. Those political systems that try to stand in the way of the free flow of knowledge and information will relegate their citizens to second-class status in the next century. The future belongs to societies that can spread knowledge, adapt, innovate, tap the unfettered talents of well-informed citizens, and thus fully exploit the new technologies; free societies clearly are best equipped for this challenge. The communications revolution will be a truly liber-

ating revolution—for it threatens the monopoly of information and thought upon which tyrants rely for absolute control.

On every continent—from Nicaragua to Poland, from South Africa to Afghanistan and Cambodia—we see that the yearning for freedom is the most powerful political force all across the planet. The noble ideals of democracy and freedom are in the ascendant. Today, we can look with renewed hope to the day when the goals of the United Nations truly will be met.

THIS ADMINISTRATION JUST WANTS TO KEEP ON TESTING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. STARK. Mr. Speaker, I read with dismay Representative HENRY HYDE's article in last Wednesday's Washington Post which characterized congressional advocates of a Comprehensive Test Ban Treaty (CTBT) as politicians who place politics above our national security.

As the Representative of a district in which one of our two nuclear weapons labs is located, I am a CTBT advocate whose support for such an agreement is probably a political liability at home. But I believe a verifiable CTBT would enhance our security.

My colleague claims that "House Democrats have placed a Comprehensive Test Ban Treaty resolution on the legislative fast track" to embarrass the President on the eve of the summit.

But the Republican-controlled Senate passed exactly the same language contained in the House bill by a vote of 77-22 on June 20 of last year! Did a bipartisan group of 77 U.S. Senators vote to urge the President to damage our security? Is floor consideration of a bill in October 1985 a "legislative fast track" when hearings were held in February, April, and May, and the Senate acted over a year earlier? I think not.

As for embarrassing the President by asking him to act in our interest on the eve of his first summit in 5 years, I would argue he has embarrassed himself without congressional help.

Representative HYDE wrote, "I fail to see the wisdom of advocating—at this critical pre-summit juncture—what has been a Soviet propaganda proposal for years." This is apparently because he does not recognize the security benefits we would reap from a CTBT. Others before him did.

A test ban has been the stated goal of every American President since Eisenhower. Until now, of course. Did all those gentlemen unwittingly play into the hands of Soviet propagandists to the detriment of our security? Or did they advocate a CTBT because it would make us more secure?

Representative HYDE offers several explanations of why he opposes a CTBT. He notes continued testing is essential to maintain our deterrent "in view of the massive and ongoing Soviet nuclear force modernization". But Soviet force modernization would be severely limited as a CTBT would prevent them from developing more advanced warheads.

He says a key reason for continued nuclear testing "is that it allows us to move * * * to smaller weapons designed to accomplish their military tasks more efficiently." Finally, he laments that "the Soviets * * * may be unable to test smaller, less destructive warheads."

In essence, Representative HYDE says smaller U.S. weapons will become more militarily effective, while smaller Soviet weapons will make their arsenal less destructive.

He can't have it both ways. Soviet weapons will be more militarily effective as well, thus increasing the threat they pose to our security. Why do Mr. HYDE and the administration want the Soviets to build more effective weapons with which to threaten us? Are smaller weapons better if they are more likely to be used? What is a "small" strategic nuclear warhead?

The only reason the administration and its allies oppose CTBT negotiations is because they want to continue nuclear testing. I advocate a CTBT because I care what the Soviets aim at my constituents. I prefer Soviet weapons that do not mislead Soviet leaders into believing nuclear war is somehow a military venture, instead of a mutual suicide pact.

Representative HYDE's arguments illustrate the fundamental reason why this administration has failed to make progress in arms control: their total disregard for the value of limiting Soviet military programs as a means of enhancing our security.

LORENE MEEK CELEBRATES OVER 37 YEARS WITH THE AMERICAN TITLE CO. OF SAN BERNARDINO

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. LEWIS of California. Mr. Speaker, it is with great pride that I join with family, friends, and business associates in honoring and celebrating the 37th anniversary of Ms. Lorene Meek in the title insurance business. Today, the First American Title Insurance Co. is one of the largest and most successful title insurance companies in San Bernardino County. Ms. Meek, in the capacity of vice president, has been a major factor in the success of the San Bernardino office, as well as making many contributions to benefit the nationwide company in general.

Lorene has contributed to many civic and charitable institutions over the years, and continues to be unselfish of her time and energy for just causes.

Mr. Speaker, I take great pride in commending to my colleagues Ms. Lorene Meek, a truly remarkable woman who has, through her selfless years of hard work, her intelligence and business acumen, made a most significant contribution to her community as well as exemplifying what a model executive can be in today's world.

DENVER SCHOOL COMPUTER LAB IS NATIONAL MODEL

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. WIRTH. Mr. Speaker, 2 weeks ago I introduced the Education Technology Act of 1985 to assist elementary and secondary schools in fully utilizing the vast educational potential of computers in the classroom.

Recently, I was pleased to learn that in my own State of Colorado, the George Washington High School in Denver is operating one of the best computer laboratories in the country. Established in 1961 by Dr. Irwin Hoffman before home computers even existed, the program has an impressive track record and a distinguished list of graduates. The George Washington High School program is an example of the kind of program which the Education Technology Act of 1985 would help to establish. I recommend the following article from The Denver Post, which describes the program, to our colleagues.

The article follows:

[The Denver Post, Sept. 29, 1985]

COMPUTER LAB FAMOUS—GW MAY BECOME MODEL FOR NATION

(By Janet Bingham)

Word spreads.

Carol Scheuer heard it from a friend, that Denver's George Washington High School has one of the best computer labs in the country.

The friend was in a position to know. As a student there, Steve Cohen had written his own computer software program and was earning royalties from national sales.

So every morning Carol, a 16-year-old senior who goes to a private school for most of the day, gets up before sunrise and bicycles over to George Washington for a 7 a.m. computer class—one of two computer courses she takes there.

The George Washington computer lab has attracted the interest of students like Carol for years, but for the most part its doors have been closed to those assigned to any of Denver's nine other public high schools. Only students who are or would be assigned to George Washington currently use the program.

Last week, however, the school district received $3.9 million in federal funding to establish four citywide "magnet" programs, including a Computer Magnet Center that will expand George Washington's lab to serve 200 additional high school students from throughout the city, starting in January.

Students who want to use the lab must have completed basic computer classes at their own schools and apply to George Washington's program.

The lab already has been cited for excellence in a National Science Foundation study, and its reputation even extends as far as China. Ministers of education from 29 Chinese provinces will make a special stop in Denver to visit it next week.

The lab's 12-member staff has garnered an impressive set of personal awards, and its energetic founder, Irwin Hoffman, expects the expanded program to become a model for the rest of the nation.

The grant money comes as a relief to Hoffman, who started pushing for computer education in Denver high schools back in 1961 when home computers didn't even exist. He has scrounged for equipment and written grant proposals until he had writer's cramp in order to win most of the 82 computers that fill two third-floor classrooms.

In a school district under court order to desegregate and provide an equal education to all, the very excellence of the program he developed became a bit of an embarrassment.

George Washington is racially balanced (about 54 percent black, 37 percent Anglo), and nearly half of its 1,500 students last year took at least one of 14 computer education courses.

But officials wondered how the district could claim to offer "equal" education when most of the city's students didn't have access to its best computer lab.

That problem is solved now.

Teachers are proudest of the accomplishments made by the lab's students and are confident that list of successes will grow as the program is expanded.

Three years ago, 19 students designed and programmed a series of English lessons in four languages—Vietnamese, Laotian, Spanish and Hmong. The lessons are being distributed worldwide, and the computer lab gets a commission.

Recent graduate Chuck Tucker was 17 when he rewrote and simplified a software program designed to teach high school students the elements of the Pascal System, a computer language. Atari give him a computer, a $1,500 stipend, and hired him to act as chief consultant to their software engineers.

Last year Steve Kelley, then a senior, revised an educational software program and wrote an article that was published in a journal for mathematics teachers. He was also invited to speak at a national meeting of the Mathematics Association of America.

And the list goes on. Cohen, the friend who told Carol about the lab, is only one of numerous other students to have produced and sold their own software programs.

Students in Hoffman's lab quickly find themselves teaching other students and adults.

Carol is currently teaching three elementary students how to use the Pascal and Logo computer languages. What they'll learn first, says Carol, is that "The computer doesn't teach us; we teach the computer."

Peter Bailey, 17, is creating a software program that will help students, businessmen and others who want to know exactly what steps are needed to get them from the beginning to the end of a group project. As part of his assignment he must write his own computer manual and teach the program to others when he's finished.

"What you learn in here is that a computer doesn't do anything except what you tell it to do," says Bailey. "It is a tool. We're definitely in control of the computer."

That is a key concept that Hoffman and his colleagues try to get across. In this lab, a computer is not used as a "substitute teacher." Students don't sit passively before it doing drills.

Human teachers retain their importance in the program. "For a while you go along at your own pace, but then if you hit a glitch, the teachers are always available to help you," says Carol. "I end up talking more to my teachers in here than I do in my regular classes."

SHOULD WE REPEAL THE PRIVATE EXPRESS STATUTES?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mrs. SCHROEDER. Mr. Speaker, I received a copy of the following letter from Postmaster Janice Yabes of Eldorado Springs, CO, which she sent to the Daily Camera newspaper editor. I believe my colleagues would appreciate hearing some of the arguments against repealing the private express statutes.

HOW MANY MAILS?

Editor: If people think the breakup of AT&T is a mess, just wait and see what happens if the U.S. Postal Service is broken up.

Everyone and his brother will be able to deliver mail; you won't know who will be delivering mail to your home. You may have a half-dozen people a day bring mail to your home.

The United States has the best Postal Service in the world and the least expensive. It has its faults, but what company doesn't?

Just stop and think: if a letter doesn't show up, where will you go to complain? You will have to contact the person who mailed the letter to find out which company was used. Have you ever tried to contact UPS in Boulder? Impossible; you have to call Denver.

Sure, they might deliver mail within the city for 10 or 15 cents, but will they deliver the same letter across the country for 10 cents? No way!

What if they don't deliver to rural towns, farms, ranches, mountain towns? Then you're back to the U.S.P.S.: they deliver everywhere for 22 cents.

Will they pick up your letters everyday at your home, or just when they happen to deliver them?

Are your going to keep stamps for each company, so you can use each one? Will you drive all over looking for a company mail drop?

When you move, you will have to notify each company and hope for the best. Do you think they will forward your mail free for 18 months, like the U.S.P.S. does? No way! You will be charged for forwarding. You bet!

Has your phone bill gone down since the breakup of AT&T? No way! If business is taken away from U.S.P.S., the price of a postal stamp will go up much faster. The other companies might start out a few cents cheaper, but they will have to increase their rates. Just like MCI, Sprint, etc.

Remember the old saying, "The check is in the mail?" Now you will have to say, "which mail?"

Companies will be able to deliver pornography right to your door, whereas now you are protected from that by the U.S.P.S.

These are just a few things to consider. I could go on and on. Stop and give this some real thought, and contact your Congressperson soon.

You can't buy a candy bar for 22 cents, but you can get a letter across the U.S.A. for 22 cents. Yes, we have our faults, but we are still darn good.

THE SUPERFUND REVENUE ACT OF 1985

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GREGG. Mr. Speaker, although the Committee on Energy and Commerce completed action on H.R. 2817 almost 2 months ago, further consideration of the Superfund reauthorization remains stymied by arguments over specific programmatic provisions and a lack of consensus on a mechanism to finance the program. The House went on record last year as favoring a $10 billion program for the next 5 years, but a strong case has been made that last year's Superfund taxing authority needs to be restructured. Several new funding proposals have been put forth, but none has been able to garner a broad base of support. The industrial community also remains polarized by factions espousing different financing mechanisms. The disagreement centers primarily on the "Superfund excise tax" [SET], a modified value-added tax, which has been proposed to broaden the tax base. Proponents claim that because of the general societal nature of the problem, the SET is needed to distribute the burden more equitably to all manufacturing industry. Also, the SET is viewed as the best vehicle for providing import-export neutrality. Opponents argue that the SET is a hidden tax with little nexus to the hazardous waste problem. Also, because it is a modified value-added tax, it has significant tax policy implications which are viewed as inappropriate for consideration in the context of environmental legislation. To add to the confusion, the other body voted to express strong opposition to a value-added tax, even though S. 51, their Superfund reauthorization legislation, contains such a tax!

Another source of controversy has arisen from the variety of "waste-end" taxes which have been proposed by the administration and members of both Houses of the Congress. Although a significant segment of the industrial community, including groups representing members of the chemical and petroleum industries, have expressed support for such a tax, many individual chemical, petroleum and other companies are vigorously opposing them. Even those favoring such taxes disagree on the questions of whether waste generation or disposal should be taxed and whether the taxes should be levied on the total weight of the wastes or only on their water-free content.

Clearly some alternative is needed if we are going to get the Superfund reauthorization moving.

I am, today, introducing such an alternative approach to broadening the revenue base for the Superfund. This legislation was developed in consultation with repre-

sentatives of the environmental community and a broad spectrum of chemical, petroleum and nonchemical companies. The preliminary reception which the proposal has received from more than 50 companies representing all of these groups of industries indicates that this approach may serve as the basis for developing a broad consensus.

The key to this proposal is a simple surcharge to raise $895 million with varying rates assigned to different segments of industry on the basis of their historical involvement with hazardous waste, as noted in studies such as the May 1985 report on hazardous waste management issued by the Congressional Budget Office. Such a stratification of the tax allows base broadening, while retaining the fundamentals of the "polluter pays" concept that is fundamental to our Nation's environmental policy. In fact, the concept is strengthened by the allocation of the tax burden on the basis of the industries' past performance, rather than tying it to future performance, as would be done under the waste-end structure.

The basis for identifying these industries will be a system similar to the standard industrial classification [SIC] codes currently used, with good success, by the Department of Commerce for census purposes. Individual firms within each SIC group would be taxed in relation to their size. Since similar industries may be assumed to exhibit similar degrees of automation, the number of employees engaged in a given line of business should be an approximate indication of business size.

The chemical and petroleum industries—SIC 28 and 29—would be taxed on the basis of their historical generation of one-half to two-thirds of our hazardous waste. Their annual surcharge, as a group, would be set at $250 million. Because these industries also pay most of the feedstocks tax, their total annual tax would be $550 million. This amount is estimated to be essentially the same as they would sustain under a mix of feedstock, waste-end, and broad-based taxes. A tax liability of $150 million per year would be assigned to the rubber and plastics, primary metals and fabricated metals industries—SIC 30, 33, and 34—based on the fact that they have historically produced between one-third and one-fourth of the Nation's hazardous waste. Other manufacturing industries, many of whom have historically produced small, but measurable, amounts of waste and/or used large amounts of chemicals, solvents, plastics, and so forth, would pay $230 million per year. Service industries are also deemed to have benefited significantly from the products of processes which produce hazardous wastes, and thus, would also be taxed to raise $265 million per year. However, since the tax base in the last two categories is very large, individual tax burdens would be quite small.

Import/export neutrality, an absolute necessity in light of our current trade problems, is provided in a manner which should be GATT-compatible, based on the fact that the surcharge would be levied at different rates on industries producing different categories of products.

In addition to proposing a new base broadening mechanism, my legislation provides a total package which includes a continuation of current feedstock taxes—$260 million per year—and petroleum tax—$40 million per year—to produce the appropriate allocation of liability to the chemical and petroleum industries. The continuation of a 12.5-percent contribution from general revenues—$220 million per year based on the portion of the program authorized in H.R. 2817 which is directed at cleaning up abandoned waste sites—would also be appropriate, even in the current economic climate, since there are many Government-related, tax-exempt contributors to our toxic waste problem.

Also, because of the controversy surrounding the ability of the EPA to effectively utilize the full $2 billion per year authorized by H.R. 2917, I believe it is appropriate to authorize $200 million per year in borrowing authority to provide flexibility. It is my personal view that while the EPA may not be able to absorb the full programmatic increase authorized by H.R. 2817 in fiscal 1986, it should be encouraged to expand its capabilities as rapidly as possible; and the Agency should be in position to begin invoking the borrowing authority in fiscal 1987.

To prevent this borrowing authority from becoming a "back door" to general revenues and adding to the national debt, a provision is included in my legislation to require that the debt be repaid by increasing the Superfund surcharge in the outyears.

Since recoveries and interest should produce an additional $160 million per year, these taxes should raise the necessary revenue for a $10 billion program over the next 5 years when combined with the $250 million per year underground storage tank fund established by H.R. 2817, but not covered by my legislation.

This financing package for Superfund provides a more rational environmental nexus than the controversial waste-end taxes and establishes an even broader tax base than the SET, without resorting to a value-added tax mechanism. In addition, it is simple to administer and pay, imposes virtually no additional recordkeeping requirements, and should produce no significant distortion of either domestic or international markets.

MECHANICS OF APPLICATION OF A SURCHARGE THAT RELATES TO THE HISTORICAL GENERATION OF HAZARDOUS WASTE

A. TAXABLE ENTITY

The Superfund surcharge will apply to all domestic and foreign corporations (within the meaning of Code Section 7701(a)(3) and partnerships (within the meaning of Code Section 7701(a)(2)) carrying on trade or business activities within the United States. For this purpose, all corporations that are members of the same controlled group of corporations (within the meaning of Code Section 1563(a), except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears in section 1563(a)(1)) shall be treated as a single taxpayer. Once each taxable entity has been identified in this manner, the taxpayer allocates its business activities among the various taxable categories set forth below.

B. DETERMINATION OF TAXPAYER'S TOTAL SURCHARGE LIABILITY

1. Identification of taxpayer's business activities

In determining its Superfund surcharge liability, the taxpayer first must identify the category or categories in which its business activities fall based on the four broad categories delineated above.

Thus, a company that is engaged in manufacturing, production, mining, or processing activities need only identify whether it has any business operations falling within the five SIC Codes described in Categories A and B.[1] If the company has such activities, it must then apply the allocation rules discussed below. If the company does not, all of its business operations will be taxed under Category C.

2. Determination of surcharge liability for each line of business of the taxpayer

(a) *In general.*—Having identified its overall business activities with relation to the four taxable categories, the taxpayer then must determine the amount of surcharge liability to be imposed with respect to each such taxable category of activity. Within each taxable category of activity, the proposed legislation specifies a schedule of amounts of tax that vary in accordance with the scale of the taxpayer's operations in that line of business, as represented by the relative size of the taxpayer's workforce in that line of business.

(b) *Determining size of taxpayer's total workforce.*—The calculation of the total number of employees of the taxpayer shall be made by dividing (1) the total amount of wages paid or incurred by the taxpayer as determined for unemployment tax purposes under Code section 3306(b) (i.e., the first $7,000 of compensation paid to the employee during the calendar year) with respect to all of the taxpayer's business activities, by (2) $7,000. The advantage of this method of calculating total employees is that it takes account of part-time and seasonal employees (e.g., two part-time workers each earning $3,500 treated as a single worker by means of this calculation) and is a calculation that already is audited by the Revenue Service for other purposes.

(c) *Determining the portion of the taxpayer's total workforce properly attributable to each taxable category.*—Having calculated its total workforce, the taxpayer must apportion these employees among its various business activities that have been identified with relation to the four taxable categories. All direct labor of the taxpayer (that is, all labor that is incident to and necessary for manufacturing or production operations and that can be identified or associated with specific products) is to be allocated among the four taxable categories on the basis of the products (or services) to which the labor is attributable under principles similar to those applicable under Code section 471 and Treas. Reg. § 1.471-11 in calculating inventoriables costs. Indirect labor (that is, labor that is associated with and necessary for the production activity but which is not directly identifiable in amount with respect to the

[1] While two-digit SIC Codes necessarily are broad, the taxable categories for surcharge purposes likewise are broad, thereby minimizing any company-specific distortions.

particular activity) substantially all of which is directly related, necessary for, and dedicated to particular manufacturing activities, or the provision of particular services, are allocated to such manufacturing activities or services. All other indirect labor and all labor in respect of general and administrative (G&A) activities of the taxpayer are to be allocated among the taxable categories on the same proportionate basis as the direct labor is allocated among such taxable categories.

C. EXPORT-IMPORT NEUTRALITY

To prevent imported goods and services from obtaining a competitive advantage to the extent of the Superfund surcharge, an import equalization fee will be imposed in an amount reflecting the average price increase in domestically-produced goods and services attributable to the Superfund surcharge. In general terms, this import equalization fee will be calculated as follows. Such fee will be equal to that percentage of the import value of the product as determined by a fraction, the numerator of which is the total annual amount of Superfund surcharge imposed on taxpayers within the same taxable category (A, B, C, or D) as the imported product (or service) and the denominator of which is the total value of products (or services) produced annually in the United States within that taxable category. This fraction will be determined on the basis of data from the preceding taxable year (or such earlier year as to which such data are available).

Correspondingly, the proposed legislation includes a mechanism for the rebate of the Superfund surcharge at the U.S. border in the case of exports by the U.S. taxpayers.

D. EXEMPTIONS

Agencies of federal, state and local governments and smaller businesses will be exempt from the Superfund surcharge, except to the extent that the entity generates more than 1,000 kilograms of hazardous waste per month. Organizations that are exempt from federal income tax are exempt from the tax (except to the extent that such organizations are carrying on an unrelated trade or business within the meaning of Code section 513).

E. SUNSET

The Superfund surcharge shall terminate five years after enactment.

IN MEMORY OF ROBERT E. HARRINGTON

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. WOLF. Mr. Speaker, northern Virginians were saddened to learn of the death on September 20 of Robert E. Harrington, 67, of Arlington, a retired Air Force colonel and prominent and respected civic leader in Arlington County.

Bob Harrington was active in numerous community organizations and at the time of his death was serving as the president of the Arlington County Taxpayers Association.

Mr. Speaker, the people of Arlington County have lost a true friend and leader. I extend my sympathy to Colonel Harrington's wife, Mary Virginia, and his four sons.

At this point in the RECORD, I would like to include an obituary notice published in the Northern Virginia Sun on September 23 which describes the many accomplishments of Bob Harrington.

ROBERT HARRINGTON, CIVIC LEADER, DIES

ARLINGTON.—Robert E. Harrington, a retired Air Force colonel, businessman and Arlington civic leader, died Friday evening of a heart attack. He was 67.

At the time of his death, Harrington was president of the Arlington County Taxpayers Association and chairman of the Virginia Federation of Local Taxpayer Organizations.

Harrington served in numerous advisory roles to the Arlington County government. He was a member and later chairman of the Arlington County Civil Service Commission and he chaired the county's Compensation Review Panel in 1982 after serving as a member of the Citizen's Committee on Improving Local Government.

In 1981 he was a Republican candidate for the Arlington County Board, challenging Board Member Ellen M. Bozman.

Harrington was born and raised in Pottsville, Iowa. He attended Cornell College in Mount Vernon Iowa, for two years before entering the U.S. Military Academy at West Point, N.Y. He graduated from West Point in 1943 with a commission as a second lieutenant in the Army. He was trained as an Army Air Corps pilot and flew 30 combat missions during World War II in China under the command of Maj. Gen. Claire Chenault.

Harrington's post-war experience included a tour of duty as chief of the War Plans Branch of the Strategic Air Command and assignment as U.S. Air Attache in Japan.

For the remainder of his Air Force career he served as an intelligence officer with assignments to the Joint Chiefs of Staff and the Defense Intelligence Agency in Washington. He served as director of intelligence in three major commands: the U.S. Southern Command in Panama; the Tactical Air Command at Langley Air Force Base in Virginia; and the United States Air Forces in Europe.

Harrington retired from the Air Force in 1972, when he became business manager of St. Agnes Episcopal School for Girls in Alexandria until his retirement in 1981.

Harrington received a master's degree in political science in 1962 from the University of Maryland. In 1963, he graduated from the first class of the Inter American Defense College.

His awards during his military career include the Order of Sacred Treasure in the name of the Emperor of Japan, the Air Medal with cluster and the Legion of Merit with cluster.

Harrington was a 32nd degree Mason and Shriner, on the board of directors of the West Point Society of D.C., a member of the USMA Association of Graduates and the Army Navy Country Club.

He is survived by his wife, Mary Virginia of Arlington; four sons, Robert E. Jr. of Arlington; Maj. Richard H. of Shaw Air Force Base, S.C.; Maj. Charles C. of Nellis Air Force Base, N.J.; and Capt John D. of McGuire Air Force Base, N.J.; a sister, Mrs. Hugh Hurley of Springfield; and five grandchildren.

Funeral services will be held Tuesday at 9 a.m. at the Fort Meyer Chapel, with burial to follow at Arlington National Cemetery. The family requests contributions to charity of choice in lieu of flowers. Ives-Pearson Funeral Home of Arlington is handling arrangements.

THE OCEANIC FACTS OF LIFE

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. WHITEHURST. Mr. Speaker, in "The Propeller Club Quarterly" of July 1984, there was an article by Mr. Gilven M. Slonim, president of the Oceanic Educational Foundation, entitled "Oceanic Facts of Life." Recently, Mr. Slonim sent me an updated version of that article, and at his request, I am pleased to take this opportunity to share it with my colleagues at this point in the RECORD:

THE OCEANIC FACTS OF LIFE

"Our lives and our prosperity still depend on the sea. It is a fact that we would do well to keep in mind."—Jarma Pohjanpalo, "THE SEA & MAN"

The shout "Policy, POLICY, but there is no policy!" Nor can there be policy that prods maritime potential until Americans grasp the seas' future promise. Whether we talk vitality, economy or just plain pride, all rest on sailing the seas—sealift—indeed, seafaring thought. Cargoes moving round the clock in merchant ships insure our security, create our prosperity. Trade carrying profit underwrote revolutionary scientific achievement seeking safe navigation. But these facts are not known. While Transportation looks at the maritime mosaic in one dimensional "cost", it misses the sound investment prospect in America's future.

Where in the world is the White House's understanding! How can naval supremacy emerge with crucial sealift denied? Where in OMB? For a pittance of silver, they destroy the competitive incentives to prevail at sea. Everybody knows trade's important. State, AID, Agriculture, the Treasury, GSA, and particularly, Commerce; Unfortunately, nobody, but nobody, grasps the super-significance of trade-carrying. This treasure trove remains to be etched in the landed American mind; what sparks a vibrant economy; assures strategic stability; prods science; enriches art, literature—all the humanities. The flow of fresh stimulating ideas deepens the global geographic overtones—world perspective—industrial might; all comprise the holistic dynamism which energizes the modern swiftly moving world. Comprehensive, long-view, global seafaring thought blueprints the policy pattern. Modern streamlined merchant ships spearhead foreign policy—the U.S.S.R's. A global trade carrying partner peacekeeping network is forged as cooperation and culture flow across the sea in ships.

Yet, sea-use, other than sailing, swimming, fishing and scuba remain as much a mystery to citizens as the Kanji characters that explain Japan's total oceanic dependency. But who can explain our 97 percent dependency on foreign bottoms to tote our trade? Father Edmund Walsh warned: "Dependency" starts a nation sliding to a second rate power. Let's face it: regaining a competitive high seas posture remains the cardinal tenet of policy. Yet, doleful "Requiem Mass" litany—chanted for "maritime

policy"—with the 60's 'technological-turn' to the sea brought neither policy nor public education. Isn't it high time we taught the American people the oceanic facts of life! The life blood of our society, our standard of life, our future quality of living lies 'not in the heavens'; it flows in ships across the great global seas.

Faced with a burgeoning oceanic confrontation, the U.S. moves pusillanimously to turn commercial control of the seas over to the Soviets; without contest! Who's to blame? We allow this to happen to ourselves. We forgot the sea, as man's great teacher; the master disciplinarian of all mankind. 1982 statistics show port operations bring $67 billions to the economy; 16.5% of all Virginians in port oriented jobs; U.S. agencies shipped 3.7 million tons on American flags, compared to 6.6 millions, costing $725 million, on foreign ships. Who does our government work for! This would have paid all the year's competitive maritime incentives. What a high cost policy failure!

Congressman Forsythe, before his tragic death, seeing the policy promise, called for a "massive grass-roots public Oceanic Education" imperative, maritime unity and a pooling of competitive ideas to tap the now nearly $2 trillion world trade market. But, as we have seen, Congress can't do it alone; it takes constituency. Dramatized imagery, and future commitment accounts for the President leap-frogging the more prosaic "oceanic frontier" in his hundred billions "space station"-star wars, leap for futuristic image. This despite the disproportionate sea-wealth, the sure sea-footing the Nation needs to meet real world contingencies.

World events dictate major "Sea-Change", charting a competitive course to oceanic promise, through understanding, through coherent oceanic policy. Manifestly, what is called for is a "Declaration of Maritime Independence." It is high time we stopped cursing the deep darkness of the sea; and, during this "Year of the Ocean" started lighting maritime candles to spot light the tremendous treasures of the global Uses of the Sea!

WHO'S REALLY CAUSING AIDS EPIDEMIC?

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. DANNEMEYER. Mr. Speaker, on September 30, the Salt Lake Tribune printed an editorial by Norman Podhoretz entitled "Who's Really Causing the AIDS Epidemic?" I commend this article to my colleagues.

The article follows:

WHO'S REALLY CAUSING AIDS EPIDEMIC?

When AIDS first appeared among us a few years ago, it was, not unreasonably, expected to unleash a wave of revulsion against homosexuality—or "homophobia," as it has come to be derisively called by all who believe that it is this feeling of revulsion rather than homosexuality itself which is abnormal or unnatural.

Yet while there has been a good deal of revulsion felt and expressed in private, the public response has been a meek acceptance of the idea propagated by homosexual activists that it is the rest of us who are responsible for the existence and spread of this horrible disease.

From the idea that the rest of us are to blame, it follows that we must give "top priority" to halting the spread of AIDS. This, in fact, is what the Reagan administration, speaking through the president himself, has agreed to do.

There are extraordinary implications here, but before they can be clearly brought out, a little history is to be reviewed.

At first, then as part of the campaign to saddle the whole of society with the responsibility of AIDS, homosexual activists appealed not only to our compassion but to our self-interest. Unless something was done quickly, they told us, there was a great danger that the disease would spread beyond the homosexual world and into the population at large.

AIDS, in other words, as the executive director of the Gay Men's Health Crisis insisted, was not "merely a disease of a socially disapproved life style," it was everyone's business.

But these warnings of a general epidemic quickly backfired. Instead of creating a sense among normal people of solidarity with homosexuals, they aroused the very revulsion that the activists had been trying to ward off. People began being afraid of coming into any kind of contact with homosexuals for fear that they might be infected.

At that point, and with panic gathering in the air, the strategy shifted back to an appeal for compassion. At the same time, in conjunction with the debate over allowing children with AIDS into the classroom, the scientific authorities rushed in to assure us that the disease almost certainly could not be caught by casual contact. Furthermore, they added, all the evidence showed that AIDS was still overwhelmingly confined to homosexuals and intrevenous drug users and was not spreading to the population at large.

Now the scientists have gone even further. Only last week, Dr. James O. Mason, director of the National Centers for Disease Control in Atlanta, flatly stated that no new drug or vaccine is needed to halt the spread of AIDS. "We could stop transmission of this disease today," he said, if only homosexuals (and intravenous drug users—but they are another story) were willing to observe certain precautions.

In speaking of these precautions, however, the media, with one or two exceptions like the New York Post, have, as Newsweek puts it, surrendered to "a squeamish lack of specificity." Reporters have used vague phrases like "exchange of bodily fluids" or "intimate sexual contact," and they have rarely pointed to "the correlation between AIDS and extreme promiscuity."

Curious, is it not, that in an age of ubiquitous pornography and blunt speech, it should be so hard to say in plain English that AIDS is almost entirely a disease caught by men who bugger and are buggered by dozens or even hundreds of other men every year?

Yet an amazing proportion of these men who could protect themselves and their "lovers" by giving up such "joys of gay sex" simply refuse to do so. Thus, for example, gay activists have been fighting, successfully in many cities, to prevent the closing of the bathhouses that are a main center of promiscuous buggery. And while, as one well-known gay activist says, because of AIDS "many of us who aren't celibate are almost celibate," for most others "safe sex" evidently now means using condoms and cutting down on the number partners from an average of 64 to "only" 18 per year.

Thanks to this astonishing refusal to take the necessary precautions even after they had every reason to know what might happen as a result, the number of homosexual AIDS victims has been doubling every year.

More astonishing still, not only do these men refuse to assume responsibility for their own sexual habits; they demand that society undertake a crash program to develop a vaccine (or what one activist calls "a one-tablet cure") that would allow them to resume buggering each other by the hundreds with complete medical impunity. And the politicians, from Ronald Reagan (Ronald Reagan!) on down, have rushed to accommodate this fantastic demand.

Are they aware that in the name of compassion they are giving social sanction to what can only be described as brutish degradation?

Do they realize that in thus dealing yet another blow to the increasingly fragile principle of individual responsibility, they are helping to spread a kind of AIDS in the moral and spiritual realm?

Do they understand that with the erosion of the belief that we are all free to choose, and therefore responsible for the choices we make, life becomes as empty as it must be for the men who have been cruishing the bathhouses and the "backroom bars" in search of a way to fill the void but who have been finding AIDS instead?

CONGRESSIONAL TRIBUTE TO PATRICIA S. MOSSLER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Ms. Patricia S. Mossler, one of my district's distinguished public servants, who has just retired from her position as administrative officer of the community development department of the city of Long Beach, CA. She will be honored at a reception this Friday by her friends and coworkers.

Ms. Mossler began working for the city of Long Beach, 10½ years ago as a CETA manpower trainee. Through diligence and extraordinary productivity, she rose through the ranks to become the administrative officer of the department. During her service with the city of Long Beach, she had stewardship of nearly $65 million in U.S. Department of Housing and Urban Development community development block grant funds. During her years with the city of Long Beach, the city was cited by both Presidents Carter and Reagan for exemplary use of the community development block grant funds in promoting public and private reinvestment. Ms. Mossler's work in Long Beach will be long remembered by people who as a result of her efforts have gotten jobs in the developing private sector, moved into new or rehabilitated homes, established profitable businesses, and enjoyed using new or enhanced public amenities.

In addition to her service to the city and the people of Long Beach, Ms. Mossler worked for 25 years in the private sector, and performed wartime service with the U.S. Navy.

My wife, Lee, joins me in wishing Patricia S. Mossler much happiness in the years ahead.

UPDATE ON NORTH KOREA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. COURTER. Mr. Speaker, in July I had the opportunity to go to Seoul, South Korea, in my capacity as a member of the House Armed Services Committee to address a conference on North East Asian security. I found my hosts concerned about the growing alliance between North Korea and the U.S.S.R. During the previous year, the two countries had upgraded their military accords, and North Korean President Kim Il Sung had spent nearly 2 months in the Soviet Union and Eastern Europe.

This year, Eastern European and North Korean diplomatic exchanges have been marked by the rhetoric of militant solidarity, as well as by promises of further integration and mutual enterprises for what they call "the international Communist movement."

North Korea continues to accept impressive numbers of new Soviet MIG-23 fighters. Pyongyang, the North Korean Capital, has just been host to the civil aviation officials of the U.S.S.R., Bulgaria, Cuba, Czechoslovakia, East Germany, Hungary, Poland, Vietnam, and Romania. Other high-level delegations from Ethiopia, Romania, and Poland have just left for home. Pyongyang's relations with Libya, and with the pro-Libyan regime in Malta, are better than most other Mediterranean countries would like them to be. And from President Kim has come a message of "warm congratulations and fervent fraternal greetings" to Fidel Castro.

All of this indicates that North Korea, which spends a remarkable 24 percent of its GNP on the military, should be of interest to more than just the South Koreans. The regime declares itself "internationalist" in nature, and it plays a role that is already global, and likely to expand. It is a role which security officials in the United States, Japan, and the other Asian democracies should monitor closely.

THE 75TH ANNIVERSARY OF THE GREENSBURG CHURCH OF THE BRETHREN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MURTHA. Mr. Speaker, this year marks the 75th anniversary of the Greensburg Church of the Brethren. On October 18 as part of that celebration, two charter members—Mr. Murray Bolton, Sr., and Mrs. Jennie Johnson—will be honored. Both events deserve a special comment.

Through the history of this great country, we constantly see the role that the strong church has played in that history. The church has been a cornerstone of strength and a constant source of guidance. Throughout western Pennsylvania in the 75 years that this church has existed, we have constantly seen the church's community and individual aid through times of national crisis, local unemployment, natural disaster, and individuals coping with the major changes of those years. The celebration of a 75th church anniversary, is a celebration we are all part of and can all take pride in.

And certainly the long association of Mr. Murray Bolton, Sr., and Mrs. Jennie Johnson deserves an extraordinary moment of reflection. Consider for a moment the changes these individuals have seen during their lifetimes, the growth of America during those years, the national crises that we have faced as a nation. And as a special part of their lives has been the Greensburg Church of the Brethren, they appear as examples to us of the strong national-religious-individual bond that has served our Nation so well and will continue to as we face the future.

It is a pleasure to note these events in the CONGRESSIONAL RECORD. They certainly deserve our mention, attention, and best wishes.

A MEDICARE OPTION FOR THE TERMINALLY ILL

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. TAUKE. Mr. Speaker, today under the Medicare prospective payment system and other aggressive health care cost-containment plans, doctors and hospitals are under intense pressure to discharge from the hospital patients whose care needs are no longer acute. This pressure is having a devastating effect on some terminally ill patients, their loved ones, and the health professionals who care for them, as patients and their families must be informed that Medicare will no longer cover the cost of hospitalization and alternative care must be sought.

For the majority of terminally ill patients, alternatives to remaining in the hospital are available and feasible. They include hospice care, home health care agency services, and care in skilled or long-term care facilities. But for some dying patients, these alternatives are either unavailable or not feasible. Not every family is able to have the dying person at home. A Medicare-certified hospice program or home health agency may not be available, and finding a skilled or long-term care bed may necessitate the patient's being far distant from his or her family and friends in the final days of life.

I am introducing legislation today to provide another care alternative for the imminently terminally ill and their families for whom these other options are either unavailable or not feasible. This legislation will permit imminently terminally ill Medicare patients to remain in the hospital after their level of care drops below the acute care level, with the agreement of the patient or his or her representatives, the patient's physician, and the hospital.

In order to trigger this coverage, termed "post-hospital extended care," a physician must, first, certify that the patient has a life expectancy of 10 days or less; and, second, certify that discharging the patient would impose hardship on the patient and family members. The Secretary of Health and Human Services will set reimbursement rates for these services at the amount payable to the average skilled nursing facility in the area for such services and may adjust this rate to take into account the degree to which the services provided by the hospital are more or less intensive than those furnished by the average skilled nursing facility. This coverage may be provided for no more than 30 days.

Perhaps you have on your desk, as I have on mine, letters from the families of now-deceased individuals describing their loved one's and their own anguish and confusion when informed that Medicare would cease to cover hospital care because care needs had fallen below an acute level. And perhaps physicians and hospital administrators have shared with you their anguish over feelings that the "system" leaves little choice but that of informing the dying and their families that an alternative to remaining in the hospital must be found.

I hope you will join me in cosponsoring the legislation I have introduced today to humanize, in a small but important way, the current Medicare system.

STOP UNFAIR TRADE COMPETITION

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. CHAPMAN. Mr. Speaker, as you know, America's steel industry has been devastated over the years by imported steel from countries who often subsidize their industries and who, at the same time, impose restrictive import schemes to prevent us from selling steel in their countries.

Last year, the Reagan administration announced a national policy to protect the U.S. steel industry from future unfair foreign competition. Rather than follow the International Trade Commission's recommendation to impose strict tariffs and quotas on foreign suppliers however, the President ordered trade officials to negotiate voluntary 5-year agreements with the leading steel suppliers that, optimistically, would cut foreign steel sales to 18.5 percent of the U.S. market.

Although, not yet a Member of this fine body at the time of the negotiations, I followed them very closely, knowing of the detrimental effect an inadequate and unclear policy would have on my home State of Texas, not to mention on our Nation. Last year alone, two of America's largest steel companies, one in my district, lost $174 million in revenues. More than 18,000 workers have lost their jobs. Foreign suppliers used to hold 9.2 percent of the U.S. market. That number has multiplied almost three times today.

Mr. Speaker, it is a sad fact that unfairly traded steel is not a new issue in this country. But, the administration's national policy does not go far enough to protect the suffering American industries. It is inadequate and unacceptable.

Under this policy, the foreign share of the U.S. steel market would drop by about one-third. Through voluntary restraint agreements that were negotiated with seven nations, steel imports would be limited for 5 years. Unfortunately, to meet this expected level, the decline depends not only on these nations' compliance, but largely on whether nations not covered by the restraint agreements would try to capture a larger share of the American markets.

The ITC reports that, while these seven nations have tried to adjust their supplies to comply with the agreements, foreign steel imports are still well above target. Approximately 1 million more tons of steel entered the United States in the 1984–85 period than during 1983–1984. In the first 7 months of this year, imports captured 26 percent of the U.S. market. Other nations which were left out of the restraint agreements quickly entered the market, many of them shipping illegally subsidized steel here or dumping products in the U.S. market at less than their fair price.

Figures show that imports came from 76 countries, but they included 17 suppliers who had never shipped into the United States before. Sales from Canada, alone, hit record heights.

It is clear that this current national policy is simply not fully responsive to the desperate needs of the people in this industry. It is not enforceable. We cannot negotiate with only seven countries and expect our steel imports to decline dramatically.

That is why I am introducing a bill today, which would stabilize steel imports from countries not already subject to the voluntary restraint agreements under the President's national policy. Import limits under this measure, would be set at 70 percent of each country's imports into the United States during the next 4 years. It would not override the President's policy, but it would enhance the effectiveness and give U.S. negotiators the leverage they need to achieve the President's objective of limiting steel imports to 18 percent of the domestic market. Passage of my proposal would send a message to foreign nations that we are serious in our efforts to stop unfair trade competition.

Without this bill, America will remain the world's dumping ground for steel. Without it, we will continue to lose American jobs. We will lose American tax revenues. We will lose American productivity and we will lose the American way of life.

The steel industry and American jobs can remain viable and even be strengthened in these turbulent economic times, but a more comprehensive program must be implemented. America needs a reasonable approach in our national trade policy before it gets worse.

I urge my colleagues to give close attention to this proposal.

AN AIR FORCE OFFICER'S CRITIQUE OF THE BISHOPS' PASTORAL ON NUCLEAR WAR

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. HYDE. Mr. Speaker, the National Conference of Catholic Bishops pastoral letter regarding nuclear weapons has provoked considerable discussion among American Catholics in the military. The potential national security implications of the pastoral letter take on added significance when one realizes that approximately 25 percent of the American military is Roman Catholic.

Particularly important for conscientious servicemen is the question of whether there is any conceivable circumstance where it would be morally appropriate to use nuclear weapons:

By pronouncing nuclear deterrence moral, yet defining virtually any use of nuclear weapons as immoral, the American bishops appear to have posed a moral dilemma for military personnel. How can we sustain a moral condition (deterrence), which itself depends upon a commitment to use nuclear weapons when necessary, an act that the bishops define as immoral?

Those penetrating observations are taken from an article that appeared in the July 1985 edition of the Retired Officer. Written by Maj. Bruce B. Johnston, a 1973 graduate of the Air Force Academy, this article incisively analyzes the salient moral questions regarding the use of nuclear weaponry raised by the Bishops' pastoral and I commend it to my colleagues' attention.

[From the Retired Officer, July 1985]

THE AMERICAN CATHOLIC BISHOPS AND NUCLEAR WAR: A MODERN DILEMMA

(By Maj. Bruce B. Johnston, USAF)

As military professionals, we are caught up in one of the oldest and deepest of moral dilemmas: We have attempted, and are still attempting, to build a nation on certain clear moral and social principles, yet the need to protect our nation often causes us to contemplate or take actions that directly contradict these principles.

Although the conflict between needs and ideals is manifest throughout the full spectrum of society's endeavors, it is when societies resort to war that the conflict reaches its most immediate and frightening dimensions. For the 10 millenniums prior to 1945, the conflict has been kept to manageable proportions because destruction was usually, although not always, limited by the capabilities or objectives of the opponents—even when whole peoples became involved in a conflict. Since the detonation of the first nuclear weapon in 1945, the conflict between needs and ideals has assumed a greater significance, since they gave man the ability to destroy whole peoples and societies (indeed, perhaps even civilization).

Recently, the National Conference of Catholic Bishops attempted to deal with the moral dilemma posed by nuclear weapons in its pastoral letter titled "The Challenge of Peace: God's Promise and Our Response." More specifically and to the point for men and women in the Air Force, the pastoral letter examines the morality of nuclear deterrence and the use of nuclear weapons.

Although a minority (approximately 25 percent) of the military is Roman Catholic, the relevance of the statements contained in the letter is far more extensive. For this reason, it is important that we understand the major ideas expressed by the bishops, their implications in terms of current U.S.-Soviet military capabilities, and some of the major moral problems not addressed in the letter.

The term *pastoral letter* is actually a misnomer. Containing approximately 40,000 words, the document is more like a treatise than what one would normally think of as a letter. It deals with several complex problems in addition to the nuclear issue and draws from secular as well as religious sources. Many current and former government officials, including Caspar Weinberger, Eugene Rostow, Edward Rommey, Harold Brown and others, appeared before the drafting committee.

Writing the letter took more than two years and required three major drafts before the Catholic bishops of the United States approved it by a 238–9 margin in May 1983. Four sections of the final document are particularly relevant to the Air Force mission: just war theory, use of nuclear weapons, nuclear deterrence and steps to promote peace.

JUST WAR THEORY

Western societies have wrestled with the just war concept for centuries, and the Roman Catholic Church has been a driving force in this struggle. The discussion concerning just war in the pastoral letter is worth considering because the bishops' position probably closely reflects what the American military institution would regard as just war. The letter distinguishes between when it is permissible to resort to war (*jus ad bellum*) and what is permissible in the conduct of war (*jus in bello*).

The best way to describe the letter's position on *when* it is permissible to take up arms is that it is pacific, not pacifist. The Church opposes any war of aggression and reluctantly supports defensive wars once all peace efforts have failed. The letter carefully explains that nonviolence best reflects the teaching of Jesus, but that force, including deadly force, can be justified in certain instances and that nations have a right to provide for their own defense. As Pope Pius XII stated: "A people threatened with an unjust aggression, or already its victim, may not remain passively indifferent, if it would think and act as befits a Christian."

Specific guidelines for when war is permissible include a just cause, competent authority to commit the nation, right intention, a reasonable probability of success, proportionality, comparative justice and last resort. Essentially, the nation's leaders must carefully subject the use of military force to

each just war criterion and resort to force only when the action meets all criteria.

Once a nation becomes convinced that it must resort to force to protect itself, the conduct of the war is subject to two general principles: proportionality and discrimination.

Proportionality refers to the amount of military advantage that can be obtained from a military action weighed against the amount of damage caused by it. If the damage exceeds the advantage, the act is immoral. It is worth noting that proportionality is not linked to the concept of revenge; that is, the fact that the other side commits immoral acts does not render moral similar acts on your part.

Discrimination is the ability to distinguish between combatants and noncombatants and to direct attack at the former. Of course, recognizing combatants, like recognizing beauty, is somewhat dependent on the eye of the beholder. In reality, selecting valid combatants in a conflict can vary between the extremes of defining combatants narrowly as only armed forces and considering every person, every asset and virtually everything a resource to be used in war.

World War II bombing illustrates the difficulties in making such distinctions. The British described the German bombing of Warsaw as immoral yet themselves engaged in an enormous campaign of bombing civilian targets in Germany. In the case of the British bombing the morale of the German people had been selected as the military target. Still, this campaign bothered not only religious leaders but others too, perhaps most notably the British military historian B. H. Liddell Hart, who wrote.

A new directive to Bomber Command on Feb. 14, 1942, emphasized that the bombing campaign was now to "be focused on the morale of the enemy civil population and in particular, of the industrial workers." That was to be the "primary object." Thus terrorisation became without reservation the definite policy of the British Government, although still disguised in answers to Parliamentary questions.

One is also struck by President Truman's unequivocal statement that he never had any moral reservations about dropping atom bombs on two Japanese cities.

These examples illustrate the problem of discriminating between military and nonmilitary targets, so it is not surprising that the American bishops had difficulty with the issue also. The bishops recognized that modern war requires the mobilization of significant portions of the political, social and economic sectors of a society. Nevertheless, the bishops concluded that even under the broadest definition of combatants, it is not morally permissible to consider certain classes of people as combatants (namely, children the elderly, the ill, farmers and industrial workers engaged in nonwar related endeavors).

According to the letter, such groups may never be directly attacked. Instead, one must link the concepts of proportionality and discrimination in determining how many noncombatants may be killed or injured indirectly during an attack on a valid military target before the military advantage is outweighed and the attack rendered immoral.

Because of the unprecedented potential of nuclear weapons to produce collateral death and destruction, many including the American bishops, feel that nuclear warfare raises new moral questions. In its extreme form, nuclear warfare between the superpowers could lead to the destruction of each side's civilian population. Clearly, warfare has never before posed the possibility of such a moral and physical catastrophe.

USE OF NUCLEAR WEAPONS

Faced with the immense destructive capability of nuclear weapons, the bishops attempted to reconcile the use of nuclear weapons with the two concepts of proportionality and discrimination. Where counterpopulation strikes are concerned, they concluded that such strikes are in no way morally permissible. This prohibition applies even if our own cities have been destroyed. "No Christian can rightfully carry out orders or policies deliberately aimed at killing noncombatants."

In the same category are counterforce strikes on a scale that would cause so many civilian casualties as to be virtually indistinguishable from a countervalue strike, especially given the commingling of military, political, and military significant industrial targets with civilian population centers. Thus, significant counterforce strikes are to be judged immoral in terms of both discrimination and proportionality.

It should be noted that many secular authorities also object to counterforce targeting. Their objections are largely based on the nature of the Soviet bases that would be targeted. Many Soviet military facilities are closely interspersed with civilian population centers, making high collateral damage and civilian casualties probable in a counterforce strike. Twenty-two of the 32 major air bases, some three-quarters of the IRBM and MRBM sites and more than half of the 26 ICBM fields are located west of the Ural mountains, many in densely populated areas of the Soviet Union.

Collateral damage during a counterforce strike quickly approaches that of a countervalue strike if one also includes political centers, command and control centers, and the rail network as valid military targets. In fact, U.S. strategic target planners have always recognized the possibility of collateral civilian damage when attacking military targets and during the 1950s referred to such damage as the "bonus effect."

Only a limited nuclear war in which destruction would be both discriminate and proportionate is morally acceptable, according to the pastoral letter. Moreover, the letter makes clear, the bishops have strong reservations about the ability of the superpowers to keep a conflict contained once nuclear weapons have been used, especially in a confused battlefield situation.

Thus, since there are virtually no situations in which nuclear weapons can be used and be guaranteed to remain within the bounds of acceptable morality in terms of discrimination and proportionality, the conclusions of the pastoral letter are tantamount to denying the moral acceptability of any use of nuclear weapons.

NUCLEAR DETERRENCE

If the use of nuclear weapons is essentially judged immoral, then what can be said about the national defense policy of deterrence, which rests on the possession of nuclear weapons and the unalterable determination to use them in response to a nuclear attack?

Clearly, the possession of nuclear weapons and the determination to use these weapons in a manner that is neither discriminate nor proportionate poses moral difficulties. It is somewhat surprising, therefore, that Pope John Paul II, during the U.N. Second Special Session on Disarmament in June 1982, rendered the following clearcut moral appraisal of nuclear deterrence:

In current conditions, "deterrence" based on balance, certainly not as an end in itself but as a step on the way toward a progressive disarmament, may still be judged to be morally acceptable. Nonetheless, in order to ensure peace, it is indispensable not to be satisfied with this minimum, which is always susceptible to the real danger of explosion.

Obviously, the Pope recognizes the efficacy of nuclear deterrence in preventing a nuclear war. Yet he realizes too, as do most responsible people, that nuclear deterrence is so fragile that we cannot live forever with the status quo. The pastoral letter echoes these awarenesses.

THE SEARCH FOR PEACE

Recognizing that nuclear deterrence, while morally acceptable as a temporary measure, is too dangerous to be accepted forever, the bishops offer some guidelines and steps toward achieving a more acceptable state of the world. The measures that they suggest in the letter go beyond prevention of war, encouraging positive peace making initiatives.

To begin with, there should be immediate bilateral, verifiable agreements to stop the testing, production, and deployment of new nuclear weapons. Efforts should also be directed toward a significant reduction in current nuclear arsenals, starting with counter force weapons. Simultaneously, renewed efforts to prevent nuclear proliferation and to control expanding conventional arms sales should be initiated. Nonviolent means of conflict resolution should be taught and encouraged. Finally, nations should pursue political and economic policies designed to protect human dignity and rights for every person.

Obviously, this agenda goes far beyond putting the nuclear genie back in the bottle. As the bishops acknowledge, there are significant obstacles to achieving such broad, utopian goals. How does one reconcile two opposing political systems to a reduction and eventual elimination of the nuclear threat? The bishops recognize that we face in our Soviet antagonist a political leadership whose ideology and concepts of morality are fundamentally different from those of our country. They further recognize that despite Soviet claims of good will, a better indicator of true motives is Soviet malevolent behavior in the world. Nevertheless, they believe that these circumstances must not prevent us from conducting meaningful negotiations.

Overall, the letter is well balanced, well researched, well written, and well worth reading. In preparing it, the Catholic bishops considered some of the most complex and pressing issues facing the human race today. Although the letter clarifies or can help clarify one's thinking about the moral issues involved with nuclear weapons, there are two crucial areas where the letter is inadequate.

MORALITY AND THE NEW SOLDIER

At this moment, there are thousands of American service personnel who are assigned duties related to America's nuclear arsenal and who are duty-bound to use these weapons on receipt of a lawful command to do so. It seems to me that these modern military professionals are caught in a moral dilemma of considerable dimension. If one momentarily accepts the American bishops' definition of what is moral and immoral, the dilemma becomes quite obvious:

As long as these people simply carry out their duties to provide deterrence, their actions can be viewed as moral.

However, should deterrence fail, our men and women may need to choose between following legitimate orders, in which case they would be condemned by the Church for committing immoral acts, or violating their oath and military ethic and disobeying the order to fire, in which case their refusal would be judged moral by the standards stated in the bishops' letter.

By pronouncing nuclear deterrence moral, yet defining virtually any use of nuclear weapons as immoral, the American bishops appear to have posed a moral dilemma for military personnel. How can we sustain a moral condition (deterrence), which itself depends upon a commitment to use nuclear weapons when necessary, an act that the bishops define as immoral?

Perhaps the solution to this dilemma can be found in one of two ways. First, we could abandon the concepts of proportionality and discrimination and declare the opposing population as a legitimate military target.

Essentially, this position is what the Soviets have adopted; they do not concern themselves with the concept of morality in war. Lenin simplified the whole debate for the Soviets by declaring that morality is not even to be considered in determining a course of action. This line has been followed consistently by all subsequent Soviet leaders. Thus because the Soviets have dispensed with the concept of morality and "led the way" on the matter, we could follow suit, putting aside comparisons between the moral stance of the Soviet military service and our own.

However, abandoning morality is not acceptable to Americans. We as a people do not solve moral problems by simply doing away with morality. We must look therefore, for another solution to our dilemma.

A second possible solution would be to recognize that the concepts of proportionality and discrimination must now be applied within a much larger context for nuclear weapons than for conventional arms.

The whole issue of nuclear weapons must be examined in terms of the consequences if deterrence fails. Is it possible that there is no circumstance where the military value gained by use of nuclear weapons is proportionate to the collateral destruction of nonmilitary targets?

The proportionality of the limited use of nuclear weapons to end a general confrontation as envisioned by Sir John Hackett in his popular book, *The Third World War: August 1985*, can be viewed two ways. In the strict sense, the destruction of the military targets in and around the city of Minsk, as Hackett depicts it, did not justify the attendant loss of the civilian population. This would be the position of the Catholic bishops. However, if the limited use of nuclear weapons results in the termination of the general war and an acceptable peace, then it is difficult to argue that civilian losses in a particular city are disproportionate to the military advantages gained.

The Catholic bishops deny the possibility of proportionality where limited use of nuclear weapons is concerned by stating that they cannot envision any realistic situations in which the use of nuclear weapons would remain limited. Many secular authorities agree with this thesis. If we momentarily accept this major assumption, we are left only with the proportionality of general nuclear war to consider.

It is difficult to imagine any national strategy, Soviet or U.S., that would call for the start of a general nuclear war. Nevertheless, let us assume that the United States has just endured a Soviet first strike that disarmed us significantly, destroying most of our counterstrike capability. The bishops would have us do nothing with the remaining nuclear strike force because any generalized response would be, by their definition, disproportionate and immoral.

The implication of this is clear: the United States must give up. In so doing, we would be electing to do the "moral" thing, but the result would be that a political leadership that recognizes no morality would have a military capability far greater than that of the rest of the world combined. Under these circumstances, what would become of our surviving countrymen? Furthermore, and in more general terms, what would become of our West European allies? Who can believe that they would be spared the loss of their freedom and dignity?

Viewed within this larger context, the concept of proportionality takes on new signficance. As Western military professionals, we shudder at the thought of annihilating millions of Soviet civilians. Applying the concept of proportionality in its usual sense, perhaps the value gained by destroying the military targets in Moscow would not be worth the death of several million civilians.

But if the alternative is the loss of basic human rights and dignity for hundreds of millions of our countrymen and allies, it is difficult to judge the destruction of the Soviet war-making capability as being disproportionate to the value gained by Western civilization, even assuming the death of tens of millions of Soviet civilians. Thus, in today's world, the concept of proportionality must be rethought on a global scale that considers not only the potential scope of modern warfare but the long-range results of victory or defeat.

SHAPING A PEACEFUL WORLD

The second serious deficiency in the pastoral letter is its discussion of steps that we should take (with our antagonists) to reduce the risk of war and create an acceptable, harmonious world in the future. I found two short-comings in this discussion.

First, the bishops recognize that there are great moral differences between our society and that of the Soviets. However, they do not go far enough. The differences go beyond the fact that Marxist-Leninists operate from an entirely different moral basis than we do. The dialectic that forms the foundation of their political doctrine does not allow for the exsitence of our sociopolitical system alongside their own for any extended period of time.

The point is crucial. The communists see themselves as locked in a cataclysmic struggle with Western capitalistic societies, the conclusion of which can only be the utter and complete destruction of the capitalists system. This idea within Marxist-Leninist doctrine has been constant and unchanging since Lenin established the communist state in 1917.

Furthermore, this doctrine gives the Soviet leadership a sense of being the "chosen" ones and a sense of inevitability about the ultimate triumph of their system. This attitude can be accurately described as close to an article of religious faith. It is one thing to deal with a political adversary who operates from different philosophical and moral precepts yet recognizes the right of others to live under different systems. It is quite another thing to deal with an adversary who is bent on the destruction of all other systems.

This difference is not adequately recognized by the pastoral letter. Because of this shortcoming, the whole discussion of steps to promote peace takes on an almost Pollyanna quality in its over-simplification.

A second shortcoming in the bishops' discussion of peacemaking is the lack of specifics concerning what should be done. The bishops encouraged the United States to negotiate effective arms control treaties leading to disarmament, to ratify pending treaties and to develop nonviolent alternatives. This is the usual advice that one can find in many sources, and who would disagree?

The difficult and unanswered question is how. Aside from a broad suggestion that we should take advantage of Soviet-American mutual interests, the bishops offer no proposed initiatives, no insights, no moral perspectives that shed new light on this murky issue. The shallowness of this particular section of the letter is especially disappointing since we urgently need assistance in dealing with an adversary who openly proclaims our destruction as his final goal.

By not identifying this core problem and dealing with it in their pastoral letter, the American bishops missed a chance to make a lasting and significant contribution to the problem of attaining a just and lasting peace in the modern world. We can only hope that clergy in our nation will again consider these problems and develop more useful moral constructs to guide both policymakers and soldiers as we wrestle with the frightening realities of our nuclear world.

If they chose to make the attempt, they would do well to remember these words of St. Augustine: "War and conquest are a sad principle, yet it would be still more unfortunate if wrongdoers should dominate just men."

CONSECRATION OF THE GREEK ORTHODOX CHURCH OF ST. DEMETRIOS IN JAMAICA

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today in tribute to the Greek Orthodox Church of St. Demetrios of Jamaica, NY, on the momentous occasion of the church's consecration ceremony, procession and celebration, on November 3, 1985.

St. Demetrios is the largest Greek Orthodox Church in New York. With a membership of 5,000 families, it is the fourth largest church of its kind in the United States. Since it was founded 58 years ago, the church has dedicated itself to the education, welfare, and spiritual well-being of the people of Queens, and it has become an important institution in the Jamaica community.

Mr. Speaker, the people of St. Demetrios have recognized and emphasized the importance of education. A day school, now in its 20th year, educates youngsters from prekindergarten through the eighth grade. An accompanying high school began sessions 4 years ago, and was fully accredited within its first 2 years. The quality of these classes is an impressive testament to the commit-

ment of St. Demetrios to the children of Queens.

Through its Lady's Guild, St. Demetrios has also led the religious community of Queens in many worthwhile community action programs. Indeed, the church recently hosted workshops on social issues for religious leaders from many neighborhood churches and synagogues.

St. Demetrios will celebrate its consecration with a 2-day program, beginning with vespers service on November 2. On the day of the consecration, His Eminence, Archbishop Iakovos, Primate of the Greek Orthodox Church of North and South America, will officiate along with other leading prelates and clergymen. St. Demetrios will be officially dedicated to God as an Orthodox Christian House of Worship.

Mr. Speaker, I would like to publicly commend the outstanding rector of the congregation, Father Emmanuel Pratsinakis. I would also like to congratulate the fine officers of the parish council: George Kapetanakos, president; Marina Giannakakis, first vice president; Mannie Frangas, second vice president; Constantine Efthymiou, secretary; Nicholas Flocatoulas, treasurer; and the general chairman, John Linakis. The hard work and dedication of these men and women and their congregation has touched the lives of thousands of people in Jamaica and all of Queens County.

Mr. Speaker, I call on all of my colleagues in the U.S. House of Representatives to join with me now in congratulating the Greek Orthodox Church of St. Demetrios on the auspicious occasion of the consecration of the church.

NATIONAL ASSOCIATION OF UNDERWATER INSTRUCTORS CELEBRATES ITS 25TH ANNIVERSARY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. LEWIS of California. Mr. Speaker, in early February, the National Association of Underwater Instructors began its yearlong observation of its silver anniversary. Throughout 1985, NAUI's domestic and foreign affiliates have been marking their 25th birthday with numerous special events and publications. The culminating event will take place at NAUI's International Conference on Underwater Education to be held in San Diego, CA, this November.

Recognizing a need to train diving instructors and to approve and standardize diving methods across the country, Neil Hess wrote a column entitled "The Instructor's Corner" in the first national publication devoted exclusively to diving—Skin Diver. At the same time Hess organized an instructor program called the National Diving Patrol. The year was 1951.

The fifties saw an amazing increase in public interest in the sport of diving. In 1959, the National Diving Patrol went through some reorganization, and changed its name to the National Association of Underwater Instructors, and became the official training arm of the Underwater Society of America. It was then that the idea of national standardized certification got its strongest boost. NAUI's first instructor training course was held in Houston, TX, in 1960. Fifty candidates were certified at the end of the 6-day course.

For several years during the mid-sixties, a man by the name of Al Ulrich managed NAUI on a part-time basis. In 1968 he became the first full-time general manager and he moved the headquarters to his garage in Grand Terrace, CA. Al's wife and children pitched in to help manage the growing association. Very shortly, the NAUI grew out of its garage headquarters and into a nearby office building. Eventually, due to continued growth, the NAUI took over the entire building.

Since its beginning, the association has certified approximately 8,000 instructors, who, in turn, have taught millions of people worldwide the skills of scuba diving.

NAUI has set the standard over the years for diving instruction. Its dedication to safety and simplicity have made diving an enjoyable sport for countless enthusiasts as well as for amateurs. The world of scuba diving has only benefited from NAUI's innovative attitude.

Mr. Speaker, I am extremely proud of the accomplishments of the National Association of Underwater Instructors, and, having been a diver myself, I am grateful to them for their understanding and commitment to the sport. It is, therefore, my pleasure to wish NAUI a very happy 25th birthday. Many more.

DEATH WITH DIGNITY

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Ms. SNOWE. Mr. Speaker, today the House Select Committee on Aging held a hearing on a very important topic—death with dignity.

The notion of the right-to-die is peculiar to our times. While the issue is not new, modern technology has changed our understanding of life and death. To the fear of dying we have now added the fear of dying without dignity. We have grown to view with horror the dying process more than death itself. Being left as a helpless patient in an institution, subjected to invasive treatment, even though there is no hope of recovery, is a powerful image. This fear has lead to the formation across the Nation of "right-to-die" organizations with the goal of obtaining legislation to provide the terminally ill person, who no longer is able to communicate, with some control over the dying process.

Until recently, to die was not generally conceived of as a right. To die was everyone's fate. To die "well" was to die with courage, faith and resignation. Today, to die "well" has taken on a different meaning. In the case of the terminal patient without awareness or prospect of regaining it, dying "well" means being allowed to die without being sustained by artificial means.

The "Living Will" is a declaration which allows a person to instruct his or her physician to withhold extraordinary medical treatment in the final stages of a terminal illness. These wills have been adopted in 35 States and the District of Columbia and considered by all but two of the remaining States. An example of a "Living Will" is the one adopted by my own State of Maine just last month. It reads:

If I should have an incurable or irreversible condition that will cause my death within a short time, and if I am unable to participate in decisions regarding my medical treatment, I direct my attending physician to withhold or withdraw procedures that merely prolong the dying process and are not necessary to my comfort or freedom from pain.

I think it is important to emphasize that we are not talking about leaving the patient in pain or discomfort, but rather providing only the necessary medication or equipment to make the patient comfortable during his or her final moments.

While the "Living Will" provides us with an important ingredient to assist us in decisionmaking, problems may still arise. In many situations, the living will legislation has not been sufficient to guarantee patient's rights. The next step is, therefore, to designate a family member, friend or other individual to speak for the patient if he or she is no longer able to communicate. Although all 50 States have provisions for designating a durable power of attorney, only about 10 States have extended the power into the medical context. From the patient's perspective, an agent would help to assure that an incapacitated patient receives treatment in accordance with his or her own wishes.

As it becomes more and more complex to define the biological boundaries of human life with the advance of technology, it also becomes increasingly important for the individual to have the right to determine at what point he or she wants to die and thereby maintain dignity in death.

NOTING THE RETIREMENT OF HARRY K. WILCOX

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MURTHA. Mr. Speaker, recently there was a special retirement celebration for Mr. Harry K. Wilcox to note his years of outstanding work in the health care field in Westmoreland County, PA. His contributions certainly deserve our attention and recognition.

Harry Wilcox worked at Westmoreland Hospital from April 1968 through June 1984, then at southwest health system for an additional year.

Consider for a moment the momumental health care changes—a virtual revolution in medicine—that occurred during those years. Those who were present in the forefront of health care and delivery during those years can take tremendous pride in the acomplishments they achieved and the increased and enhanced care provided for millions of Americans.

It is in the individual, daily tasks of millions of individuals that the history of America is written. No one can look at the last two decades of American medicine without knowing that its advancements will be noted in every history book of this era. During his retirement, I hope Harry Wilcox will reflect on those tremendous accomplishments and know that he carries with him our thanks and best wishes.

TRIBUTE TO A COMMUNITY MENTAL HEALTH PIONEER—PAUL J. COOPER

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. OWENS. Mr. Speaker, I rise to speak in recognition of the fact that the Government of the United States has invested billions of dollars to improve the mental health of its citizens. In exchange for this investment we have generally achieved results that are exemplary. Part of the reason for the great success of this program is the intense dedication and high degree of professionalism shown by the workers and administrators who have implemented the program throughout the Nation.

One outstanding example of the kind of magnificent, professional leader in the field of community mental health who has made the movement a success was the late Paul J. Cooper, Brooklyn regional director for the New York City Department of Mental Health.

In honor of Paul Cooper's outstanding achievements in the field of community mental health it has been proposed that the Ocean-Hill Brownsville Community Mental Health Clinic be renamed the Paul Cooper Community Mental Health Clinic. A ceremony in honor of Paul Cooper is being sponsored by the clinic on Sunday, October 11, 1985, at St. Ignatius Loyola Parish Hall on Rogers Avenue between Carroll Street and Crown Street at 3 p.m.

Paul J. Cooper served as regional administrator for the New York City Department of Mental Health from 1972 to 1982. Prior to this appointment he served as the executive director of the Brownsville Community Corp. from 1968 to 1972. During his period of service as the chief administrator of the Brownsville community action program, Paul Cooper assisted board chairlady Dorothy Deschamps and clinic director Evelyn Abelson in establishing an independent community-based mental health clinic directly licensed by the State of New York.

The clinic, which is presently located at Utica Avenue and Lincoln Place, has a staff of nearly 120 workers. It offers a variety of outpatient psychiatric services; counseling for alcoholics; and it supervises homes for the mentally retarded. The responsibilities of the clinic were recently expanded when it was awarded a contract to administer two additional homes for the mentally retarded.

From the startup of this vitally needed community-based institution until his death, Paul Cooper answered numerous calls for help and played an invaluable role in maintaining funds for the clinic during periods when the city was under great fiscal strain and eliminating many community-based operations. Paul Cooper was truly the great protector for community mental health services in the central Brooklyn communities of Brownsville, Ocean-Hill, and Crown Heights.

Paul J. Cooper was born on January 16, 1917, and died on March 29, 1984. He is survived by his wife, Annie V. Cooper. Paul Cooper was a dedicated member who served in the highest leadership positions of the Widow's Son Lodge No. 11 of the Prince Hall Masons. He also achieved the high honor of serving as the Most Worshipful Grand Master of New York State. The credo of service of his Masonic order was always reflected in the community outreach and dedication of Paul J. Cooper.

DR. SAMUEL B. GOODSON—MAN OF THE YEAR

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MOORHEAD. Mr. Speaker, on Friday, October 4, 1985, Dr. Samuel B. Goodson will be honored as the HEAR Center Man of the Year with the receipt of the Glen H. Bollinger Humanitarian Award.

Born in Canada in 1914, Dr. Goodson came to the United States as a 10-year-old boy and attended schools in Illinois and Indiana. After graduation from the University of Illinois College of Medicine in 1942, he volunteered for the service and served as a first lieutenant in the Army Air Force Medical Corps; he soon attained the rank of captain.

At the end of the war, Dr. Goodson resumed his education, then moved to California in 1952 to establish a medical practice specializing in eye, ear, nose, and throat. Two years later he became one of the founding members of the board of directors of the HEAR Center, a nonprofit organization that has freed countless children from the world of silence. The center provides training to both children and adults with hearing and/or speech problems and enables them to take an active role in their community despite deafness or hearing difficulties.

It has taken people with special skill, dedication, and responsibility to provide the needed services and achieve the goals of the HEAR Center. Dr. Goodson is such a person and he has significantly touched the lives of thousands of individuals who are deaf or hard of hearing. I am honored to add my congratulations to the many Dr. Goodson is receiving on this auspicious occasion.

THE RETIREMENT OF COL. DALE L. BRAKEBILL

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. CHAPMAN. Mr. Speaker, in all of the debate regarding America's defense requirements, little mention is made of one of the most important factors in America's defense readiness, the moral of our fighting men. There is little more important to the defense of our Nation than those human factors which determine whether our Armed Forces can meet the challenges presented them.

Over the last 30 years, U.S. Air Force has enjoyed the faithful service of one of my constituents, Col. Dale L. Brakebill. Colonel Brakebill began his Air Force career with the Reserve Officers Training Corps at Texas Christian University in 1955. Since that time, his personnel responsibilities in the Air Force have spanned the globe, from special services officer for the 5th Air Force at Nagoya and Fuchu, Japan, to executive officer to the deputy chief of staff for personnel at Headquarters U.S. Air Force, Pentagon. He has served as base commander at Travis Air Force Base, CA, in numerous capabilities at the Air Force Manpower and Personnel Center at Randolph Air Force Base in San Antonio, to his final assignment as assistant deputy chief of staff for personnel, Headquarters Air Force Logistics Command, Wright-Patterson Air Force Base, OH. Make no mistake, Mr. Speaker, that personnel management in the Air Force is a most difficult assignment. During his tenure, Colonel Brakebill has devoted hard work, commitment, and expertise to the Air Force, becoming one of its valued experts in the area of personnel management. His devotion to service has won him numerous awards and decorations, including the Legion of Merit, the Meritorious Service Medal, the Joint Service Commendation Medal, and the Air Force Commendation Medal.

It is indeed my pleasure to join Colonel Brakebill's many friends and colleagues in saluting him for his dedicated service to our Nation's defense. His dedication to duty, and willingness to go the extra mile to assure that the U.S. defense is second to none will be sorely missed. I join with the people of Mount Vernon, TX, all of Franklin County, and his fellow citizens from the First District of Texas, in saying, "Thank you, Colonel Brakebill, for a job well done."

REVEREND BRYER'S SEVENTH ANNIVERSARY AS PASTOR OF QUEENS CHURCH

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today in tribute to Rev. Irvine Alafia Bryer, Jr., on the joyous occasion of his seventh anniversary as pastor of the Hollis Avenue Congregational Church of Queens Village, NY, which will be celebrated on October 6, 1985.

Mr. Speaker, Reverend Bryer is a dynamic religious and social leader who has become an inspirational force in the Queens community.

Reverend Bryer, a Vietnam veteran, was ordained in 1974, and became pastor at the Hollis Avenue church in 1978. His energetic involvement in the New York community—as campus minister at York College in Jamaica, Queens; as a chairman of the Metropolitan Black Clergy; and as secretary of Interchurch Ministries of Queens—have led to numerous awards. He is a Benjamin Mays Fellow, and a winner of the Girl Scouts of Greater New York Service Award. Captain Bryer has even earned a U.S. Army letter of commendation for his position as chaplain of the 369 Transportation Battalion of Harlem in the New York National Guard.

Mr. Speaker, all of Reverend Bryer's activities on behalf of social justice and spiritual strength are too numerous for me to repeat now. His influence, however, has extended far beyond his congregation to touch countless people in Queens County and all of New York. He has set an impressive example of the impact that one person with sufficient dedication and courage can have.

Hollis Avenue Congregational Church will be celebrating the pastor's seventh anniversary on Sunday, October 6, 1985, with worship services, refreshments, and a banquet. Rev. Fredrick Ennette of Concord Baptist Church in Brooklyn and Rev. James Kelly of Calvary Baptist Church in Queens will be the special guest speakers to honor Reverend Bryer.

I call on all of my colleagues in the U.S. House of Representatives to join me now in expressing our appreciation to Rev. Irvine A. Bryer on this momentous occasion, and in wishing him success and happiness as he continues his invaluable contributions to the New York community.

A TRIBUTE TO RAYMOND J. KUHN, ON 80 YEARS OF EXCELLENCE

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. TRAXLER. Mr. Speaker, I rise before this distinguished body today to pay tribute to Mr. Raymond J. Kuhn, a longtime personal friend, mentor, and a remarkable individual, on the occasion of his 80th birthday.

Ray, who is a lifelong resident of Bay City MI, was schooled at Bay City St. James School and St. Joseph's Seminary in Grand Rapids. He spent 45 years with the Bay City Times, and during his distinguished career there he held positions of ever-increasing responsibility. Such positions as sports editor, wire editor, city editor, news editor in 1959, and managing editor in April of 1966.

Raymond was chosen to represent Booth newspapers at Pope Paul VI's first visit to the United States in 1965.

In 1964, Ray was awarded the Delta College Presidents Medal for Distinguished Service to the college and the Bay City community. Indeed, Ray has risen to a statute within political and journalistic communities of which few people can boast.

Accomplishing all of these activities would seem to be enough to satisfy most of us in a lifetime, but for Ray Kuhn the list of achievements goes beyond his journalism involvement.

He acted as Bay County's Civil Defense Coordinator, and taught journalism at the Northwood Institute in Midland, MI. Ray then joined the staff of the Michigan Association of Counties in 1974.

No tribute to Ray could be made acknowledging his lifelong interest in the political process. I am especially grateful for the personal counsel, friendship, and advice he gave me during my formative political years. I would not be in the Congress today but for Ray Kuhn. Ray is a lifelong Democrat who numbers many Republicans among his closest friends.

I would like to take this opportunity to thank and commend Ray for his tremendous contributions to me and to the Eighth Congressional District and to the entire State of Michigan. I am sure that as Ray celebrates this wonderful event in his life, he has many fond memories to reflect upon, and is enjoying a sense of fulfillment and accomplishment. I would like my colleagues to join with me today in wishing Ray every continued success in the future.

FRIENDS TO PARENTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. LANTOS. Mr. Speaker, in recent years the demand for infant and child care and for parent support centers for single, low-income, and teenage parents has increased dramatically. Family disharmony, poverty, unemployment, and lack of information about community resources are but a few of the problems these parents face. Some of these parents are unable to provide for their child's basic needs, some lack parenting skills, others are living at great distances from their family and friends, and still others face problems which are a threat to the welfare of both children and their parents.

I would like to call the attention of the Congress to one outstanding private organization in my congressional district which has been established to meet these important needs. In northern San Mateo County, CA, Friends to Parents was created to help, low-income, single, and teenage parents deal with the problems associated with raising children.

This group was created in 1974, and in 1976 the Infant Care Center opened with an enrollment of 14 children. Over the years since that time, the organization's programs have greatly expanded.

Friends to Parents now offers a variety of important services to aid both parents and their children. It is a nonprofit developmental day-care center for children from birth to 36 months old. The center provides subsidized child care for low-income families, a daily balanced food program for 55 infants, resource and referral services for concerned or stressed parents, special classes, and workshops.

Friends to Parents also maintains a supply of new and used infant and maternity clothing and accessories donated by individuals, private and public agencies, and businesses. Parents who are in need receive these services free of charge.

In the day-care center children are cared for while their parents are working, attending school, participating in job training programs, searching for employment, or undergoing therapy. Priority for admission is given to children who are at risk of abuse or neglect with special consideration for those from low-income families and teenage parents.

We must not overlook the special needs of these parents who require individual help. Our local communities must take the lead in meeting the needs of low-income and teenage parents. Mr. Speaker, I am delighted to commend the outstanding example of Friends to Parents.

HONORS JOHN E. LAWE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. DioGUARDI. Mr. Speaker, I rise today to honor John E. Lawe, president of the Transport Workers Union of America, AFL–CIO.

John Lawe, a native of Stokestown in County Roscommon in Ireland, came to the United States, as did my father, to share in the opportunity society that makes America unique of all nations in the world.

John started working in the New York City transit system and, under the leadership of the late Mike Quill, rose to the presidency of local 100, a position he held for nearly 10 years.

John was named president of the Transport Workers of America, AFL–CIO, this spring and will, no doubt, continue the strong and dedicated leadership that has

been a trademark of this American hero. Still active in American-Irish affairs, his record of accomplishment in the field of voluntarism is stellar.

I am proud to deliver this statement in honor of John, who will be honored as the 1985 recipient of the Distinguished Service Award of the American-Irish Association of Westchester County. He is truly worthy of this noble award. Thank you, Mr. Speaker.

IMPORTANT TRADE WITH JAPAN

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. BENNETT. Mr. Speaker, at a time when we are all looking for ways to improve America's balance of trade with Japan, our distinguished U.S. Ambassador to Japan, Mike Mansfield, has very appropriately attended an event in Tokyo to pay tribute to an American company which has enjoyed phenomenal success in marketing English language systems in Japan.

On August 6, 1985, at a banquet attended by its 600 employees, sales representatives, and guests at the Tokyo Hilton, the company celebrated 15 years of sales in Japan. Building on the success of the company's audio cassette English language programs, the Pro-English Learning System for adults, and Disney's World of English for children, the occasion also marked the introduction of the company's new video cassette system for teaching American English to the Japanese, known as In America.

I am told that sales in Japan by this company, Learning Technologies—formerly International Horizons—have to date exceeded $300 million. It is apparent that Learning Technologies has made and, with the introduction of its new product, will continue to make a substantial contribution to America's balance of trade with Japan.

Herbert Scheidel, a lifelong resident of Jacksonville, FL serves as president of Learning Technologies. It is of special interest to me that the new U.S. offices of this dynamic company have been established in Jacksonville. We wish them continued success at their new address: Oaks Plaza East, 800 Arlington Expressway, Jacksonville, FL, 32211.

Mr. Speaker, I include the remarks of Ambassador Mansfield in the RECORD:

REMARKS BY AMBASSADOR MANSFIELD TO THE INTERNATIONAL HORIZONS ANNIVERSARY BANQUET

President Scheidel, distinguished guests, it is a pleasure for me to be here tonight to congratulate International Horizons for two noteworthy achievements. One is its 15th anniversary in Japan. The other is the inauguration of a new "In America" video cassette system to promote the study of the English language. This new system, which was developed at a cost of 3.7 million dollars and which utilizes the talents of both linguists from Harvard University and television and film celebrities from the United States, is expected to greatly increase the study of the English language here in Japan.

I cannot emphasize too highly the importance of the study of foreign languages. Language is a mirror of society and when one studies the language of another country one also acquires an insight into the social and cultural dynamics of that land. Language study also enables the student to read the original written word, from literature to newspapers, thus bypassing a translation which sometimes imposes certain restrictions on the true meaning of the text. And when the study includes the spoken word as well, as International Horizons' systems do, then one acquires the confidence to speak directly with the local people, making communication even more direct and personal.

One of the more positive developments on the international scene in the post-war period has been the emergency of English as an internationally accepted language. I applaud that development because first, it brings order to the international communication field. Second, it gives American companies who have the interest and the necessary resources a headstart in producing top quality teaching aids that will facilitate the study of English in many countries like Japan. Fostering English language studies in Japan can help in turn to foster more interest in America, its culture and its products.

In closing let me congratulate President Scheidel and everybody else involved with International Horizons' activities in Japan. Your role in promoting international communications is an important one and in pursuing your business you contribute to mutual understanding between the United States and Japan. You also help to solidify the most important bilateral relationship in the world—bar none.

H.R. 3427: LEGISLATION TO ESTABLISH A MOTOR CARRIER ADMINISTRATION

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. BREAUX. Mr. Speaker, I have introduced H.R. 3427, legislation to establish a Motor Carrier Administration within the U.S. Department of Transportation. As proposed, the bill would authorize consolidation of motor carrier policy, management, and operations into one office. By purpose, the legislation is designed to improve and enhance the policy and regulatory framework of motor carrier programs, as well as to enable more efficient and effective program development and implementation, as a result of the proposed consolidation.

Intended beneficiaries of the Motor Carrier Administration are the motor carrier industry, the public, and the Federal Government.

The motor carrier industry is composed of private and for-hire trucks and buses. Daily, the industry serves the public through freight and passenger transportation. Grouping motor carrier programs into a single unit, namely the Motor Carrier Administration, would allow the industry to serve the public better and the Federal Government to work more effectively with the industry.

Unifying these programs under the Motor Carrier Administration, would facilitate administration of motor carrier productivity, safety, hazardous materials transportation, vehicle size and weights, environmental protection, and taxation issues. Just as important, program duplication could be eliminated.

A Motor Carrier Administration would allow for a better coordinated and more cohesive development and implementation of motor carrier policy, management, and operations. Identification of and solutions to problems could be improved. Industry and Government could communicate and work together more effectively and efficiently. Motor carrier operations could be made safer and more productive as the result of a consolidation, to the benefit of the public, the industry, and the Federal Government.

The concept of consolidating transportation programs and administering them under a unitary plan has precedent. Established and operational today are the Federal Aviation Administration, the Maritime Administration, and the Federal Railroad Administration.

Mr. Speaker, I call on Members of the House of Representatives to consider this legislation and to join in its sponsorship to show support for establishment of a Motor Carrier Administration.

HONORS KEVIN GERALD O'ROURKE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. DioGUARDI. Mr. Speaker, I rise today to honor Kevin Gerald O'Rourke, the 1985 recipient of the Irish Man of the Year by the American-Irish Association of Westchester County.

Kevin was among those who founded the A.I.A. and has served as president, vice president, and more recently as counsel to this organization. I am most appreciative of his work as chairman of the Irish issues committee of the A.I.A. particularly in the area of international relations.

Thanks to efforts by men such as Kevin, the continued oppression of the Irish people in the northern counties of this divided nation has received unprecedented attention.

The issues go beyond discrimination against the Catholic majority in the British-occupied counties, but also to the question of immigration, extradition of political dissidents, and the intransigence of Prime Minister Thatcher to recognize the severity of these questions.

Under Kevin's leadership, the A.I.A. has become among the premier international unity organizations in the United States. I am proud to work with Kevin on these important issues and am convinced that one day the dream of a free and a united Ire-

land will once again become a reality. Thank you, Mr. Speaker.

EDUCATION SECRETARY BENNETT ON BILINGUAL EDUCATION: MIXED UP OR MALICIOUS?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GARCIA. Mr. Speaker, recently the Secretary of Education, Mr. Bennett, proposed to deregulate Federal bilingual education. This proposal is based, not on reasonable argument, logic, or information, but on culturalist and political assumptions.

Mr. Bennett is simply wrong on his facts. For instance, as Mr. Jim Lyons of the National Association for Bilingual Education points out; in arguing against the public laws and policies he was hired to implement, Secretary Bennett cited the tragic and dangerously high dropout rates of Hispanic students as proof that Federal laws and policies were wrong. Nowhere in his speech did Bennett acknowledge the fact that most Hispanic students have never attended bilingual education classes.

Jim Lyons in the following article, further illuminates how lose with the facts Secretary Bennett is regarding bilingual education and I recommend the article to my colleagues.

EDUCATION SECRETARY BENNETT ON BILINGUAL EDUCATION: MIXED UP OR MALICIOUS?

(By James J. Lyons)

Secretary of Education William J. Bennett launched the Reagan Administration's "initiative" on bilingual education Sept. 26th. In a media-hyped speech to the Association for a Better New York, Bennett attacked the new Bilingual Education Act, passed by an overwhelming bipartisan majority in Congress last fall following three years of study, hearings, and debate. At the same time, Bennett branded as "a failure" two decades of federal policies to help educate language-minority students. Lost upon many listeners of the Secretary's lengthy address was a more fundamental message: equality of educational opportunity no longer means what it used to; language-minority students—native American, immigrant, and refugee—must be satisfied with only a partial education.

Veteran Washington observers were shocked by the vehemence of the Secretary's attack. Both prior to and immediately following the Secretary's confirmation last February, Bennett repeatedly declined to give his views on how the federal government should help communities across the land educate more than four million language-minority students who don't know English well enough to learn successfully in monolingual English classrooms. Exhibiting uncharacteristic reticence and thoughtfulness, Mr. Bennett promised that he would undertake a thorough examination of this complex and compelling issue.

In his New York address, lawyer-philosopher Bennett, who recently has taken to teaching high school American history under the doting eye of network television, recounted the development of federal bilingual education policy. In so doing, Bennett not only rewrote the history of bilingual education, but he also redefined the meaning of equal educational opportunity.

According to Bennett "the responsibility of the federal government must be to help ensure that local schools succeed in teaching non-English speaking students English, so that every American enjoys access to the opportunities of American society."

Certainly none of the members of Congress who developed and voted for the new Bilingual Education Act last year would question the importance of effectively teaching English to language-minority students. And the Hispanic leaders and advocates of bilingual education whom department officials charge are out of touch with their constituents have never discounted the importance of teaching English to language-minority students.

However, no one with an ounce of sense would say that a child who has mastered English but who has not learned mathematics, history, geography, civics and the other subjects taught in school was educated or prepared for life in this society. Why Secretary Bennett, who generally champions a rigorous comprehensive education, has so narrowly set out the purpose and goal of schooling for language-minority students is anyone's guess. It may be that Bennett finally knuckled under to U.S. English, a well-financed private lobby group which opposes use of non-English languages in public education, or for that matter, for any public purpose.

What is clear is that Bennett's narrow and unworkable definition of what constitutes equal educational opportunity is central to his confused attack on federal law and policy.

In arguing against the public laws and policies he was hired to implement, Secretary Bennett cited the tragic and dangerously high dropout rates of Hispanic students as proof that federal laws and policies were wrong. Nowhere in his 17-page speech did Bennett acknowledge the fact that most Hispanic students—indeed, most students eligible for federal bilingual education services—have never attended bilingual education classes.

And so, Secretary Bennett has declared that English-as-a-Second Language (ESL) and undefined "immersion" programs are viable alternatives to bilingual education. Yes, ESL is a sound method of teaching English to non-English-language-background students, especially when carried out by bilingual school personnel. And that is exactly why the new Bilingual Education Act now requires that every federally funded program of bilingual education provide intensive "structured English language instruction." The trouble is that ESL and so-called "immersion" programs often fail to teach anything other than English!

Prior to enactment of the federal Bilingual Education Act of 1968, language—minority students who didn't know English were universally ignored. If schooling were available at all, it was tailored to the needs of English-language-background students. A majority of the parents of limited-English-proficient students today are themselves the casualties of this earlier educational neglect.

Thanks to federal policy—enactment of the Bilingual Education Act and other compensatory education programs, the 1974 United States Supreme Court decision in Lau v. Nichols, and technical assistance to help school districts achieve civil rights compliance—the situation has improved. Because of federal encouragement and financial support, ESL and native language instructional methods have been developed, teachers have been trained, classroom materials have been prepared and published, evaluation instruments have been written and refined . . . the list goes on and on. Now, many more teachers can comprehend a student's question or even the simple plea "I don't understand" when it is delivered in the only language the child knows.

Federal education and civil rights policy have increased the number of school personnel who can communicate with non-English-speaking students and parents. It has, if you will, opened the schoolhouse door. Moreover, the new Bilingual Education Act requires that parents will receive information about the placement and progress of students in programs funded under the Act, and gives parents the right to decline placement of their childern in these programs.

Most importantly, federal bilingual education policy has made it possible for parents who don't know English to become active partners in their children's education. The principle of parent choice—championed so ardently by Secretary Bennett—is at the heart of bilingual education law and policy.

In support of his pared-down concept of equal educational opportunity, Secretary Bennett decried the "lack of flexibility" in current federal law and policy. At the same time, the Secretary conveniently ignored a number of facts. He ignored the fact that more than 300 school districts applied for the supposedly "inflexible" Transitional Bilingual Education Program grants this year, but that the department was able to fund just over 100 applications. He ignored the fact that 48 school districts and community organizations asked for seed-money grants to start Family English Literacy Programs, but that the Department made money available for only four of these programs. And he did not tell his audience that the Administration has already asked Congress to eliminate all funding for Family English Literacy Programs next year.

The Administration's budget proposal to "zero-fund" Family English Literacy Programs next year provides a clue to the question of whether Secretary Bennett is mixed-up or malicious. You see, unlike the other comprehensive education programs authorized under the Bilingual Education Act, Family English Literacy Programs have a single objective: teaching English to parents who themselves do not know English. And because Family English Literacy Programs are for adults, the law does not require any use of the parent's native language in these simple, straight-forward English instruction programs.

Since taking office, William Bennett has travelled widely and talked loosely. Some of what he says makes sense. "Parents are the first and most influential teachers of their children; they should spend more time with their children, reading to them and teaching them to read." But Mr. Bennett's message on bilingual education, coupled with facts the Secretary knew but never disclosed, does not make sense. At best he is mixed up; at worst, he is malicious.

HAPPY FISCAL NEW YEAR

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GUNDERSON. Mr. Speaker, budgetarily speaking, today is a landmark. We begin a new fiscal year—fiscal year 1986.

As we begin the new fiscal year, however, we are setting statistical records which, while noteworthy, are hardly anything to brag about.

First of all, we have exceeded an annual deficit of $200 billion for the first time in history. Worse yet, our national debt is about to exceed the $2 trillion mark—$2 trillion.

Those numbers literally boggle the mind. Let me put them in perspective for you. The world's largest debtor nation—Brazil—has a foreign debt of $83 billion. Mexico's foreign debt is $76 billion while Argentina owes other nations $28 billion.

In fact, if you add up all of the foreign debts of the world's 154 debtor nations, it comes to $782 billion. By comparison, that means that our domestic debt is almost three times the size of the foreign debt of all of the world's debtor nations. If that doesn't make every Member of this House sit up and take notice, nothing will.

Yet, Mr. Speaker, after all is said and done in the budget process for fiscal year 1986, we still anticipate budget deficits of $172 billion in fiscal year 1986, $155 billion in fiscal year 1987, and $113 billion in fiscal year 1988 by Budget Committee calculations. That's another $440 billion over 3 years. And this was the year when we were going to seriously address the deficit issue?

If recent history is any indicator, Congress is not going to get serious about the deficit unless it has no constitutional alternative. That's why, at the beginning of this new fiscal year, I am again calling upon this body to pass a constitutional amendment mandating a balanced Federal budget each year.

At the very least, we ought to set up the procedure under which a constitutional convention will occur for, if we are unwilling to pass a balanced budget amendment in this body, the issue most assuredly will be thrust upon us by the State legislatures calling for a constitutional convention. They are, in fact, but two States short of accomplishing that goal at this time.

If we want to minimize our current trade deficit, continue the downward movement of interest rates, remedy the net income problems facing our Nation's farmers, and preserve the economic recovery many sectors of our economy are experiencing presently, we must act—and act decisively—now to eliminate deficit spending.

Happy fiscal new year, Mr. Speaker. At least let's pledge to make our next fiscal year happier than the last one.

NO GREATER LOVE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FASCELL. Mr. Speaker, the Vietnam era was a period of bitterness and divisiveness for this Nation and remains, even in 1985, a matter of historical controversy. I would, however, like to call attention to a program, which I believe all Members of this body, regardless of their political orientation, can readily support. It is called No Greater Love.

No Greater Love is a national, nonpartisan, nonprofit, humanitarian organization which was established in 1971 to respond to the needs of American children who lost their fathers in the Vietnam war. Its current efforts are focussed on fostering world peace through children.

On September 17, 1985, the International Day of Peace as proclaimed by the United Nations, No Greater Love sponsored a Pledge of Peace, an international children's observance of this special day. Children representing the 15 member nations of the U.N. Security Council displayed a public commitment to fostering peace in the world by signing the Pledge of Peace as a gift and legacy to the children of the future. In a spirit of unity and love, they hoped to offer a vision that all world leaders can take to heart, and to summit meetings. Acknowledging and accepting their responsibility as the world's future adults, these children committed themselves to providing a peaceful world for their children and all the children of the future who will inherit this planet Earth. The Pledge of Peace Program has received the enthusiastic support of the U.N. Secretary General, His Excellency Javier Perez Cuellar, who was the honorary patron for the September 17 event.

The Pledge of Peace ceremony launched a worldwide effort that will see hundreds of thousands of children throughout the world signing pledges of peace during the month of October. No Greater Love plans to transfer the pledges onto a laser disk to become part of a peacetime capsule to be buried at Arlington National Cemetery for 200 years. It will also request of NASA that Sharon McAuliffe, the teacher chosen to ride the shuttle *Challenger,* carry a duplicate laser disk with her into space in January 1986.

I heartily endorse the Pledge of Peace Program and commend No Greater Love for being its sponsor. Pledge of Peace should encourage us as national leaders and decisionmakers to contemplate these children's hope and faith for a better world and to renew our national commitment to peace on their behalf.

CITY OF RYE FIRE DEPARTMENT

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to the city of Rye Fire Department which will be entering into their centennial year of service. Both volunteers as well as members courageously risk their lives in serving the public. Night and day these fine citizens serve faithfully protecting their community. I would like to wish them a joyous celebration and hope they continue the great job they are doing.

CONFRONTING THE BUDGET CRISIS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. EDGAR. Mr. Speaker, today is the first day of fiscal year 1986. Today is when we have to begin to make good to the American people on our pledge to balance the budget and bring Federal spending back under control.

To mark this auspicious occasion, I am introducing two pieces of legislation that will help the President and Congress to get a better handle on the Federal budget. It is vitally important that we begin the new fiscal year by looking at the hard numbers and choices we face to reduce and eliminate the huge budget deficits which threaten our economic future.

The first bill I am introducing today would require the President to submit and Congress to consider a balanced Federal budget. It is very similar to legislation that passed this House by a 411–11 margin almost exactly 1 year ago today—on October 2, 1984. The second bill would provide for a 2-year budget cycle, making it easier to achieve our budget deadlines and giving Congress more time for oversight of the programs funded under the budget.

The Federal budget has shown a deficit almost every year since World War II, but none has been nearly so large as the annual deficits we have been faced with since 1981. In each of the last 3 years, the Federal deficit has been nearly three times the size of any single deficit prior to 1981.

The amount of debt that the President has proposed and signed for in just the last 5 years is equal to the total national debt that was accumulated under all previous Presidents, from George Washington through Jimmy Carter. In other words, the size of the total Federal debt has more than doubled since President Reagan took office, and it will double again in the next 6 years if we do not take the necessary steps to control it.

The adverse economic consequences of this huge and growing debt are enormous:

the highest real interest rates in history, slowing economic growth, and record trade deficits resulting in the loss of millions of American jobs.

Our growing national debt guarantees much greater future Government spending because of the much higher interest costs we will have to pay every single year. The cost of interest payments on the debt next year will be $146 billion, three times the cost of interest just 6 years ago. That huge amount, almost 15 percent of the money the Government will spend, won't be used to buy anything—it will go simply to pay interest on the debt. And the annual interest payment will soar to $234 billion by 1990 if deficits are not reduced.

That's 15 percent of the budget that can't be spent to help rehabiiitate our aging infrastructure and provide a good climate for business growth.

That's 15 percent of the budget that can't be spent to help needy students attend college and train for America's future.

That's 15 percent of the budget that can't be spent to provide vitally needed health care for the very young, the very old, and the indigent.

That's 15 percent of the budget that can't be spent for job training, for science and health research, for Federal law enforcement, for air and water pollution control.

Quite frankly, Mr. Speaker, it's money we're borrowing from our children.

As a Federal Representative, it's very hard for me to go to the people of my State of Pennsylvania and tell them that we're borrowing money from their children, but we still can't commit any resources to help stop the economic downturn that has caused a steady loss of jobs in our State.

It's very hard for me to tell the people of my State that because the Federal Government is borrowing so heavily, they have to pay more for a home or a car.

While there is no substitute for the political courage necessary to balance the budget, to make the tough choices about Federal spending, we can make our job easier by passing these two bills.

The statutory balanced budget bill I am introducing today requires the President and the Congressional Budget Committees to submit balanced budgets next year. If they determine that a balanced budget is not appropriate, they must also include in the other budget a specific plan and a specific timetable for achieving a balanced budget. It's a straightforward, no nonsense requirement for both the President and Congress.

We did a passable job on attacking the deficit this year, but even tougher decisions lie ahead of us. This legislation will at last require the President to back up his rhetoric with a plan for a balanced budget; and it will require Congress to do the same or call his bluff.

Perhaps some will claim that only a constitutional amendment to balance the budget will do. To them I reply that I don't want to wait around for the passage and ratification of a balanced budget or for the uncertainties that would surround a balanced budget constitutional convention. Any constitutional amendment would require implementing legislation, and this bill does that. Why not act now?

The Biennial Budgeting Act, which I am also introducing today, will stretch out the budget process for 2 years. The act will set aside 1 year for oversight activities and work on authorization bills. Early in the second year authorization bills and a budget resolution would be passed, and work would begin on appropriation—spending—bills, with final passage of these measures before the beginning of a 2-year fiscal period.

The record of Congress in meeting budget deadlines has been pretty dismal over the past few years. Passage of budget resolutions and appropriations bills is chronically late, leading us to fund the Government by stopgap spending measures that increase the temptation to sneak excess Government spending in through the back door. Furthermore, little time has been spent on oversight of Federal programs, an activity crucial for a Government that is spending at the rate of over $2 billion per day.

Admittedly, a 2-year cycle would not be cure-all for our budget problems. It would give us a fighting chance, however, to meet our budget deadlines and conduct the sort of oversight that is essential for a lean, responsive Federal budget. This is, after all, Congress' job.

Mr. Speaker, I urge my colleagues to review these two bills and add their names as cosponsors. These are the tools we need to confront the budget crisis, and we can't begin a moment too soon.

THE YUGOSLAV AMERICAN CLUB OF SAN PEDRO CELEBRATES GOLDEN ANNIVERSARY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. ANDERSON. Mr. Speaker, I am honored to rise today and inform my colleagues that 1985 marks the 50th anniversary of the Yugoslav American Club of San Pedro, CA.

On May 6, 1926, a group of 25 Americans of Yugoslavian decent met informally to discuss plans of forming a club to benefit Yugoslav-Americans. According to the club's historian, Andy Bonacich, the goals of the fine organization are to "promote and cultivate good fellowship; higher social, intellectual, and economic standards and a true spirit of brother love; promote American patriotism and better citizenship by upholding the Constitution and the laws of the United States; promote good will and esteem toward Yugoslavia; promote folk art, music, sports, and general social organization; and to provide and maintain a home for social activities and a meeting place for the members."

The first social event of the club was a program and dance, held December 16, 1926, at the Knights of Columbus Hall to benefit the Yugoslav home fund. Later, a building committee was formed and many social events were organized and held to raise money for the building fund.

In 1934, a ground breaking was held at 17th and Palos Verdes Streets to begin construction of the original clubhouse. It was dedicated on September 30, 1935. As the membership grew, it became apparent that this facility could not possibly accommodate such growth and thus, in 1961, a second building was added to the original structure. Today, the club has 850 active members.

Mr. Speaker, the Yugoslav American Club of San Pedro is an institution in our community. Its members are actively involved in making the entire harbor area a better place to live and work and their efforts do not go unnoticed. My wife, Lee, joins me in saluting the Yugoslav American Club, and all its members, past and present, on this special occasion. We know that the club will continue to grow and be successful in all its endeavors in the years ahead.

ATTORNEY GENERAL MEESE TARGETS DOMESTIC MARIJUANA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. RANGEL. Mr. Speaker, the issue of domestically cultivated marijuana has been a priority of the Select Committee on Narcotics Abuse and Control which I chair and will continue as such throughout the 99th Congress. Increased production estimates, the violence of the growers, and the increased availability of domestic marijuana has necessitated ongoing scrutiny by the select committee. While the most recent report of the National Narcotics Intelligence Consumer Center [NNICC] indicates that domestic marijuana accounts for 11 percent of the marijuana consumed by Americans, down from last year's statistic of 15 percent, the select committee and I continue to consider the issue of domestic marijuana as a serious threat to the well-being of Americans regarding both health and law enforcement.

In the course of the 98th Congress I visited the marijuana producing regions of California and Hawaii to ascertain the severity of the marijuana problem and to obtain a local perspective on the issue. During select committee field hearings in Redding, CA, in July 1983 and during a briefing in Honolulu, HI, in January 1984, two centers for the trade, I heard first hand how the increase in marijuana production was creating unprecedented law enforcement problems, and how violence by and among growers had increased, particularly as growers sought to protect valuable high potency sinsemilla marijuana plants.

The report which issued and detailed the Redding and Honolulu data concluded that,

"There appears to be little doubt that the illicit cultivation of marijuana in the United States is a problem of great magnitude. There is equally little doubt that the efforts to stop such enterprises leaves much to be desired." I stressed at that time the need for the Federal commitment to domestic marijuana eradication to increase, specifically to providing States with more DEA funding for their eradication efforts.

This call for greater Federal involvement did not go unheeded. Attorney General Meese in a recent column in USA Today outlined the administration's most recent crackdown on domestic marijuana cultivation and some of the arguments advanced for making the eradication of domestically grown marijuana a top law enforcement priority.

Whether the "eradication blitz," as it was called by Mr. Meese, can or will be sustained for any meaningful period of time is a matter for speculation. However, if it be for but 1 week out of the year, results similar to those of this summer's campaign surely send the message to the growers and those along the chain of distribution that our laws will be enforced and that this illegal enterprise will not be tolerated.

The Attorney General in his colum offers a timely and incisive analysis of the "eradication blitz" and several of the public health and law enforcement concerns which prompted it. The numbers concerning how many plants to date have been confiscated and destroyed are impressive. I will hope that in the future, prior notification of operations such as this will be dispensed with in order to maximize the yield of the confiscated crop while minimizing the dangers to our law enforcement personnel.

The column follows:

[From the USA Today Aug. 9-11, 1985]

THESE GROWERS ARE CRIMINALS

(By Edwind Meese III)

This week federal agents joined more than 300 state and local law enforcement agencies in searching out, uprooting, and destroying marijuana plants that had been growing in hidden plots in every state.

As of Thursday, our eradication blitz had resulted in the destruction of 342,635 plants.

This effort will continue, because the Reagan administration is very serious indeed about the war on drugs, and particularly on marijuana production.

That is the message we want to send, as emphatically as possible, to criminal growers within our own borders and to governments abroad.

Marijuana is too often regarded as a "harmless" drug. Actually, recent medical studies show it has a very serious impact on health. Consider.

Its active ingredient, THC, causes disease-fighting cells in the body to grow more slowly, move more slowly, and respond poorly to invading disease.

Reaction time for motor skills, such as driving drops an average of 42 percent after smoking one marijuana cigarette.

Smoking five marijuana cigarettes a week has the same effect on the respiratory system as smoking 112 tobacco cigarettes.

Harmless? Hardly.

What's more, the criminal cultivation of marijuana is invariably accompanied by other serious crimes, including crimes of violence, as growers and their associates go to any lengths to protect their efforts to harvest, transport, and market their crop.

Those involved don't care who gets hurt in the process, thus innocent citizens can become victims of this criminal activity without any warning.

A significant fraction of the domestic crop is grown on federal lands, where people on backpacking trips, picnics, fishing or hunting expeditions can stumble onto a plot rigged with booby traps, or where growers use guns to injure those who get too close.

Trip-wired explosive devices, bear traps, punji stakes, fish hooks dangling at eye level—those are weapons of the criminal grower. We cannot permit it.

We will continue to tear up and destroy the plants wherever we encounter them. The growers should know we consider them criminals and together with state and local law enforcement agencies we will do everything in our power to send them to prison.

AIDING MEXICO

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. GARCIA. Mr. Speaker, now more than ever, we must come to the aid of Mexico. Our future is linked with theirs; we are joined to Mexico on many levels, but it is my hope that a quick response from the American people to this recent tragedy will strengthen the most important bond we have with the people of Mexico—our human ties.

The earthquake is the most visible tragedy to have befallen that country, but there are other problems that are, in their own way, just as devastating to Mexico. The debt crisis and the poverty it creates have pushed Mexico into a state of economic crisis, and if that nation is to rise above its present problems, we had better begin to aid them in any and all ways that we possibly can.

It is my hope that all Americans will now unite in their efforts to aid our friends and neighbors in Mexico. It is important to remember that by helping Mexico with its future, we are, at the same time, helping ourselves.

I would like to submit for the RECORD an excellent article by James Reston on Mexico from the September 28 edition of the New York Times.

[From the New York Times, Sept. 28, 1985]

MEXICO, O MEXICO!

(By James Reston)

WASHINGTON.—It took the recent earthquakes in Mexico—the cries of children in the rubble—to make this capital think a little more seriously about the accidents of life and death and the common problems of the Western Hemisphere.

Washington has been thinking about other things, all of them important: about disasters that might happen with the Soviet Union on earth and in outer space, for example; and about others, perhaps less important.

In fact, more hours have been spent here in recent years on the politics of Nicaragua and El Salvador than on the economic and social tangles of Mexico, which is bigger than all of continental Western Europe, with a population knocking at our door that is larger than Britain's or France's or West Germany's. The Government and people of the United States reacted with sympathy and generosity to Mexico's recent tragedy, as they usually do to human suffering. Aside from this, the earthquakes along the rim of the Pacific reminded us of our common geography and mortality, and brought us a little close to home.

But there's a problem. It seems that, like most people, we pay attention not to the causes of human tragedy but only to the consequences, and then, with the utmost but tardy good will, try to deal with them when they break out into physical violence, rebellion, anarchy and death.

It's not a new story. We ourselves tolerated slavery in our own country for a hundred years and loitered down into the terrible War Between the States before we finally got rid of that curse, the remnants of which are still with us.

Likewise, it took two world wars, which were really civil wars within Western civilization, to bring the nations that believed in personal freedom to their senses, to fetch America out of isolation, to compose the ancient enmities of France and Germany, and produce the beginnings—but only the beginnings—of a common economic and political union in Europe, and a sensible common purpose among the nations of the Atlantic and the Mediterranean.

What has been sad about all this, though understandable, is that while Washington has been preoccupied—almost transfixed—by its conflicts with Moscow on the nuclear balance of power in Europe and outer space, it has, or so it seems here, to have forgotten what was happening on its southern border in the night—namely, a population explosion, almost a dust of people fleeing from poverty across our borders, which are now beyond our control.

There is no way the United States can isolate itself from the clash of ideologies and weapons with the Soviet Union, or from the tangles of the Middle East, or the racial struggles of Africa, or the economic, financial and communications revolution of the coming century.

But in the midst of all this distracting tumult about what might happen in the military starts, we have tended to forget the human star that guided so many wanderers from the world to this continent.

The new Soviet Foreign Minister, Eduard Shevardnadze, has been here in recent days talking about a 50 percent cut in nuclear weapons, which is a good sign; but maybe we need at least a 50 percent cut in poverty in Mexico and even more in misunderstanding between Washington and Mexico City.

Everybody in Washington agrees with the Monroe Doctrine about defending the security of the Americas from invasion by alien troops and ideas from other continents.

What has been forgotten, or at least minimized in the confusion of the cold war with the Russians, is that other doctrine that Franklin Roosevelt called the Good Neighbor Policy.

This has come down in Washington to an unresolved question of philosophy, which is not Washington's favorite subject, and also to money, which is Washington's favorite subject.

And ultimately it comes down to the question of "security." Where does it lie? In more billions for weapons or more for food

in a hungry world? Or at least a little better distribution between the two?

These are the questions the tragedy of Mexico has raised here in recent days. Washington didn't produce the earthquakes or population explosion in Mexico, but they made folks here think a little more about the fire next door.

REFUGEE ASSISTANCE ILLEGALLY WITHHELD

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MINETA. Mr. Speaker, yesterday, on the last day of the Federal fiscal year, the U.S. District Court for the Northern District of California issued a temporary restraining order directing the Reagan administration to release $11.5 million in refugee assistance illegally withheld from counties with significant refugee populations. The district court's action was necessary to prevent the funds appropriated for the Refugee Entrant and Targeted Assistance Program administered by the Department of Health and Human Services from reverting to the Treasury at midnight last night.

The case before the court was filed by Congressman DON EDWARDS, other distinguished members of this body, and individual refugees who have been injured by the administration's persistent failure to release these funds despite clear congressional intent that the funds be released. I strongly support and commend Mr. EDWARDS and the other plaintiffs in this effort, and I am grateful that Mr. EDWARDS joined in this effort on behalf of the California Democratic Congressional Delegation.

Refugee-related social services costs severely impact Santa Clara County, which I represent along with my colleague, Mr. EDWARDS. Of the $11.5 million in illegally impounded funds, Santa Clara County would receive $474,157. These funds would go to support one of the most successful refugee job training programs in the country. The refugee targeted assistance program provides funds needed to assimilate recent refugees into the labor force and thereby enable these individuals to become independent and more productive members of society.

The court's decision in *Edwards* v. *Heckler* comes on the heels of a Comptroller General's ruling that the Office of Management and Budget improperly and illegally impounded $11.5 million of $89 million appropriated by Congress for fiscal year 1985 for the Refugee Entrant and Targeted Assistance Program. For the past 2 years OMB has resisted expending targeted assistance in accordance with congressional direction. In light of the U.S. District Court restraining order, the Comptroller General opinion, and intense congressional involvement, we have clearly reached the point where OMB has no reasonable alternative but to release the $11.5 million.

FEDERAL IMMIGRATION DECISIONS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FASCELL. Mr. Speaker, the Reagan administration continues to disavow Federal responsibility for the costs and impacts of Federal immigration decisions. The U.S. District Court for Northern California and the General Accounting Office have ruled that OMB must release $11.5 million in targeted assistance funds for refugee and entrant programs, yet OMB continues its illegal impoundment of these funds. Congress clearly intended that all of the money for these programs be spent.

OMB is not a fourth branch of the Federal Government and has no authority to contradict congressional intent. It seems to me that OMB is stridently and willfully ignoring congressional will. Immigration is a Federal responsibility. OMB should release the funds in dispute immediately.

CONGRESSIONAL TRIBUTE TO THE PORT OF LONG BEACH

HON. GLEN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to the Port of Long Beach, CA, which will receive the 1985 Salute to Industry Award from the Harbor Association of Industry & Commerce on November 8.

The Port of Long Beach, which is preparing for its 75th year of business, is ably administered by the five-member board of harbor commissioners of the city of Long Beach presided over by President Louise DuVall. In its 74-year history, the port has risen, most recently under the experienced leadership of Executive Director Jim McJunkin, to become the largest port on the west coast of the United States. In 1984, the port handled over 54 million tons of cargo.

In addition to its ability to handle large volumes of cargo, the port has been one of the first to modernize to meet the changes in the transportation industry. The port was a leader in introducing the handling of containerized cargo. It has 7 container terminals and 19 container cranes. In the near future, an 86-acre container terminal with four additional container cranes should be fully utilized.

In addition to its advances in container handling, the port has opened its channels to larger vessels, and has worked to develop facilities to enhance its capabilities. The port has the deepest entry channel on the west coast, which is able to handle vessels drawing 60 feet of water. The port has also worked, jointly with the adjacent Port of Los Angeles, to develop an intermodal container transfer facility and has purchased 13 acres of land in downtown Long Beach on which to construct a World Trade Center, adjacent to the recently authorized Long Beach Federal Building.

The Port of Long Beach has received the Presidential Award for Excellence in Exports and a second Presidential award for continued export excellence, the E-Star Award. The port, in addition to its excellent service to the Nation, has created 175,000 jobs and pumps $4.5 billion annually into the local economy. The amount of their contribution will more than double with the planned growth of the port under the 2020 plan, which would involve the creation of over 1,300 acres of land.

My wife, Lee, joins me in congratulating the Port of Long Beach on the receipt of the 1985 Salute to Industry Award, and in wishing the port continued success in its outstanding efforts to serve Long Beach and the Nation.

HAPPY BIRTHDAY SCHOFIELD RESIDENCE

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. LAFALCE. Mr. Speaker, this year we pay special tribute to the founders and supporters of the Schofield Residence, a not-for-profit community based health care facility which has provided needed services to the elderly in the western New York community for 75 years. The Schofield Residence operates a 120-bed skilled nursing and health related facility offering long-term health care programs and a medical day care program. We are especially indebted to Dr. Jennie Schofield, who recognized the importance of long-term care by founding the Wheel Chair Home for Incurables in 1910, now known as the Schofield Residence.

One of the most critical needs within our communities is providing health care, especially for older adults. Older people require health services greatly disproportionate to their percentage to the population. The number of persons over 65 has doubled since 1950 and will double again by 2020—the adult years for most of our children. Further, there is a staggering growth among the very old; those 85 and older will increase at double the rate of the rest of the population. While more people in this age group will be living, few will do so without the need for major levels of health care services.

The Schofield Residence, operating in the village of Kenmore, NY, has served a critical need since 1910. That need has multiplied many times over the past 75 years and has been met at every stage by the professionals and community involved at the residence. We owe a debt of gratitude to all who have contributed their skills and energies to care for older adults requiring health care services both in their own homes or at the residence.

Congress salutes the Schofield Residence as it celebrates its 75th anniversary.

TAX REFORM PLAN: UNFAIR TO SERVICE BUSINESSES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. HUBBARD. Mr. Speaker, I continue to hear from my constituents in western Kentucky and from people throughout the entire State of Kentucky about their concerns relative to the President's tax simplification proposal.

I would like to share with my colleagues at this time the letter I received from my constituent, Dr. James L. Beck, of Trover Clinic in Madisonville, KY, who has written to me about his opposition to the plan that would force certain service businesses to use the accrual method of accounting for income tax purposes.

Dr. James Beck and others who have contacted me about this plan are fearful that the "proposal would accelerate and increase the tax liabilities of individual partners of professional service firms such as physician, accounting, and engineering partnerships."

I understand his concerns, and the letter from Dr. James Beck is as follows:

TROVER CLINIC,
Madisonville, KY.

Hon. CARROLL HUBBARD, Jr.,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HUBBARD: I would like to express my opposition to the provision of the President's tax reform proposal that would force all service businesses having annual gross receipts of more the $5 million dollars to use the accrual method of accounting for the purpose of computing income tax.

This proposal would accelerate and increase the tax liabilities of individual partners of professional service firms such as physician, accounting, and engineering partnerships. Individuals in these organizations would pay income tax on services rendered before they received payment for those services. The cash method of accounting is (and has been) used by most individuals and service partnerships for computing income tax for as long as we have had an income tax system.

Forced use of the accrual method for tax purposes would impose new complexities and hardships on the internal management of service firms and consequently the individuals in those firms. It would also discriminate against individuals who organize in partnership form regardless of the individual partner's share of gross receipts. As proposed, all other individuals could continue to use the cash method.

I urge you to oppose this part of the President's tax proposal. Thank you very much for your assistance in this matter.

Sincerely,

JAMES L. BECK, M.D.

LIFE, DEATH, AND HUMAN DIGNITY

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. FORD of Tennessee. Mr. Speaker, do we as legislators have the authority to determine who shall live and who shall die? Do we as a nation have the right to take away life from a person undergoing untold amounts of pain and duress? And do we have the right to move medical resources from a person simply because one case seems more terminal than another? These questions and others were addressed today in the Select Committee on Aging hearing entitled "Dying With Dignity." Mr. Speaker, it is my belief that these decisions have to be made with the underlying belief of trying to prolong life. In most cases, this decision should be left to the individual.

While these ethical considerations raised questions that are difficult for us to answer, it is we in Congress that will ultimately take the lead on this issue. We should never make such a decision on the basis of dollars and cents. This country stands for many things, but I would like to think we would never reach a point where we decide to put dollars over life.

However, at some points, these patients are no longer able to make their own decision over the choice between the pain of living and the painlessness of death. Do we have a right to play God with the lives of others? Again, society has to determine at what point a patient reaches that stage, and who shall make that decision? Yet if a person directs that life support machinery be turned off while he or she was in good health or in a competent state, then I believe those wishes should be honored. Former Senator Javits, who testified at the hearing, has advocated that the authority to withdraw life support be granted through a living will, written when the patient is still competent. This would transfer authority to a designated relative, friend, or religious or legal adviser. While I wholeheartedly support Mr. Javits in this belief, I am still undecided as to how to act when there is no written will or similar provision. No one person should make a life or death decision on the life of another without some sort of consent from that individual.

Hopefully, through this type of hearing, our Nation can come to a better understanding of how to answer these moral and ethical questions. I want to do everything in my power to keep these patients alive. I want to give the patient every opportunity to make the choice of life over death. Unfortunately, the choices and decisions to be made in these matters are not often clear ones.

In regards to this issue, I have enclosed an op-ed piece from the New York Times authored by Mr. Javits, who articulates some of the choices that need to be made. While there are parts of Mr. Javits' plan I do not agree with, I think his views are certainly worthy of discussion, and ask that it be submitted as part of the RECORD.

[From the New York Times, Aug. 18, 1985]

LIFE, DEATH AND HUMAN DIGNITY

(By Jacob K. Javits)

I may be terminally ill. I therefore face, in an intimate and personal way, the issue of my right to die. I am happy for those who are not ill, but they are terminal too and they should think about this question as it relates to themselves and those they love as friends or family or simply fellow human beings.

The issue first received serious attention 10 years ago, when a New Jersey court granted Karen Ann Quinlan's parents' request to remove life-preserving support from their comatose daughter. There has, since then, been an intensive inquiry into the ethical and legal aspects of the right to die.

The issue is whether a terminally ill patient may confer the authority to withdraw his life support. This is generally done by means of a living will, written when the patient is still competent, that transfers authority to a designated relative, friend, physician, religious or legal adviser or to a court. Thirty-five states have now passed living-will laws, 22 of them in the last decade.

The question arises in the case of any serious illness—including cancer, heart attack and a whole range of neurological and neuromuscular diseases—that deprives the patient of the ability to decide what is to be done for him. But once illness has struck, it is often too late: the patient is often no longer competent to express a will.

Birth and death are the most singular events we experience—and the contemplation of death, as of birth, should be a thing of beauty, not ignobility. Everyone must think about dying, young and old alike, though older people are at greater risk. Given the new medical technology that can sustain life even when the brain is gone, we must also think about the right to die and the need for dignity in departing life.

Happily, my mind is still functioning, but if it should stop, I believe, I would be dead—and there would be no use in prolonging the agony. We owe it to ourselves and the ones we love to make provision for such moments. It is the highest interest of humanitarianism that we prepare for these moments with living-will laws.

The state of New York does not have a living-will law, but Governor Cuomo is contemplating one, as is the State's Health Commissioner, Dr. David Axelrod. A Task Force on Life and the Law is considering the question, and the New York courts have already decided that when the brain is no longer functioning and there is no reasonable possibility that it will resume functioning, the individual is legally dead. The implication is that life-support technology may then be withdrawn without any question that this would be considered euthanasia.

From a legal point of view, living wills are no different from wills that leave property, appoint guardians for children and establish trusts for charity, education and research. As lawyers help people make such ordinary wills, so they should help people provide for their living and dying. The individual making the will must be of sound mind and have the capacity to express his own wishes as to the disposition of his body. These wills could also provide for the contribution, for use in transplants, of bodily organs that are

no longer of any use to the individual. Lawyers should have that responsibility, too.

The authority conferred by a living will must not, of course, be abused. Nothing could be more important, after all, than the right of life—and the right not to have it terminated prematurely. In the event of flagrant abuse, or any possibility of it—when a decision may seem to defy the wishes of the individual who made the will, or when loved ones are unable to determine if it should be invoked—then, of course, the patient's relatives must have recourse to the courts.

The issue of living wills is under consideration now by the American Bar Association, the American Medical Association, the Pacific Presbyterian Medical Center of San Francisco and the Committees on the Aging in both the Senate and the House of Representatives, among other organizations. We can only hope that they will all understand the need to preserve the dignity that is most precious to an older person or anyone else who has to think imminently about dying. Surely that dignity is best served by avoiding the confusion that comes from not having a will about mortality.

Short of a living will, the best way to provide that dignity is to use the durable power of attorney to appoint an individual to make medical decisions when the patient concerned is no longer competent to make them. (This is now legal in all states, although not in the District of Columbia.) Here again, the appointed person may be a relative, physician or legal or religious adviser, and here too confusion and quarrels may be avoided by conferring the necessary authority in advance.

There is, finally, the question of money, which plays a part in even this sort of decision. Many people were shocked last year when Govenor Richard D. Lamm of Colorado urged people who has no real prospect of life to "get out of the way" and stop using resources that could be used more profitably by other people. This sounded callous, and it probably was, but it was the truth. We have not yet reached the point, even in this glorious nation, where living or dying has nothing to do with economics. That is what makes the right to die with dignity an issue of morality as well as policy and law.

Whether we are old or young, healthy or ill, we cannot go on shirking the questions of who shall live, who shall die and who shall decide.

HUMAN RIGHTS IN THE SOVIET UNION AND THE REAGAN-GORBACHEV SUMMIT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. LANTOS. Mr. Speaker, I am pleased to join with our distinguished colleague from New York, JACK KEMP, in sponsoring a series of letters to President Reagan about Soviet Jewish political prisoners. The upcoming summit meeting between President Reagan and Soviet Secretary General Gorbachev presents an ideal forum in which to stress the commitment to human rights not only of the President, but of the Congress and the American people.

If American human rights concerns are to be given the serious attention they deserve by the Soviet Union leadership, we must be certain that these concerns are highlighted when the opportunity exists to raise them. The issue of human rights must be a priority item on the President's agenda for the Geneva summit.

Over the next 3 weeks, 19 of our colleagues will place statements in the CONGRESSIONAL RECORD about individual political prisoners. Their stories are tragically similar: honest, hard-working individuals, many with wives and children, imprisoned for their refusal to turn their backs on their religion or their heritage. They are heroes—willing to suffer for a noble cause, standing up to a powerful government.

One need only scan the list of names to recognize individuals who have come to symbolize courage and compassion: Anatoly Shcharansky, Iosef Begun, Yuli Edelshtein, and many more.

The tragic element is that persecution does not end with prison bars. Their immediate physical suffering in prison is magnified by the burden placed on the families—the stigma placed on their children, who are harassed at school because of their religious practices; the financial strain when the principal breadwinner is no longer receiving an income and their wives must subsist upon manual labor and handouts from friends; the stress upon family and friends over the possibility of the government imposing an additional 3-year prison term.

Mr. Speaker, it would be irresponsible and uncaring on our part, however, to ignore that suffering, do nothing about it. We must be certain that the leaders of the Soviet Union hear our cries of outrage, that they understand our commitment to human rights, and that they know we act from conviction.

Following is the text of the letter I am sending to President Reagan concerning the political prisoner my wife, Annette, adopted for the Congressional Spouses' Committee of 21:

Hon. RONALD REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: I would like to commend you for the commitment you have demonstrated in speaking out against the unjust treatment of Soviet Jews. Your leadership has been an inspiration to us all.

I believe that your upcoming summit meeting with Secretary General Gorbachev will be a golden opportunity for you to once again underline the dedication of the American people to these brave individuals who hold fast to their religious beliefs in the face of appalling persecution.

Upon returning in January from a meeting with the refusniks in Moscow, my wife, Annette, formed the Congressional Spouse's Committee of 21, which focuses attention on the plight faced by Soviet political prisoners. The Committee of 21 pairs 21 Soviet prisoners of conscience with the same number of congressional wives.

I would like you to raise the case of one of the political prisoners during the summit in November. Lev Shefer, adopted by my wife for the Committee of 21, is a 54-year-old engineer from Sverdlovsk. He has been sentenced to 5 years strict regime prison under Article 70 of the Soviet Criminal Code for "defaming the Soviet State." The basis for the "defamation" charge was the possession of two Hebrew books.

He has been held in prison since August 1981 and was not granted an attorney until just recently. His arrest and sentencing has created an atmosphere of terror among Sverdlovsk Jews. Unfortunately, Lev Shefer is only one case in many; in Moscow alone, 95 Hebrew teachers have been called in and warned to stop their activities, or face expulsion from Moscow.

In any other country these refusniks would be esteemed for their compassion, devotion, and perseverance. However, Soviet Jews are undergoing extreme pressure and persecution from the government which should be protecting them. Please assure Secretary General Gorbachev that American commitment to Soviet Jews is not simply a passing interest; rather, our commitment is part of an overall commitment to seeing human rights play a critical role in defining the long-term peace and security of our world.

Cordially,

TOM LANTOS,
Member of Congress.

AMENDING THE CONSTITUTION BY DEFAULT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. MARKEY. Mr. Speaker, I submit for the consideration of my colleagues an insightful article written by Lawrence H. Tribe, professor of constitutional law at Harvard University. Professor Tribe has long been regarded as one of the foremost authorities on constitutional law in the United States. In his article, Professor Tribe illustrates how the delicate balance of power, achieved so expertly by our Founding Fathers, has been maintained throughout our history. Professor Tribe describes the vital role that our colleagues in the Senate will play in the continued maintenance of our Constitution, and I urge my colleagues in both bodies to read this important piece.

AMENDING THE CONSTITUTION BY DEFAULT

(By Lawrence H. Tribe)

CAMBRIDGE, MA.—Few things are taken more seriously in America than changing the Constitution: Witness the years of debate over the Equal Rights Amendment, a right to life amendment and a balanced budget amendment. Yet, we may be on the threshold of amending our basic charter without rewriting a single word—and with barely a word of debate on the pros and cons of the changes that await us.

The Federal judiciary—whose members interpret and give life to the Constitution's deliberately ambiguous phrases—is being remade in a new image, as President Reagan quietly fills nearly half the Federal judgeships in the country. Those judges are bound by existing Supreme Court precedents. But that Court, with more than half of its nine Justices already over 76 years of age, is itself becoming riper every day for Presidential court-packing on a scale that the nation has rarely seen.

What of the Senate's role in approving or rejecting the President's judicial nominees?

Even Senator Paul Simon, Democrat of Illinois, who recently voiced alarm at the marked "ideological tilt" already evident in those nominees, feels that the Senate isn't "in a position to block anyone on that basis." This common misperception of the Senate's responsibility for overseeing judicial—and especially Supreme Court—appointments is ominous. For the power of appointment can far surpass even the power of amendment in reversing the most basic legal precedents and transforming the way the Constitution shapes our lives.

The appointment of Supreme Court justices is not minor surgery but the selection of life-tenured surgeons licensed to operate on the entire body politic. Andrew Jackson put his Treasury Secretary, Roger Taney, on the Court in 1836 to destroy the Bank of the United States; 20 years later Justice Taney was still around to write Dred Scott, declaring black people to be property and making the Civil War all but inevitable. There are single-issue amendments, but there can be no single-issue justices. Picking justices on the basis of how we guess they will vote on a specific case is in itself a grave error. But picking them without regard to how we think they will approach and resolve broad issues of legal philosophy may be constitutional suicide.

Ronald Reagan tests his judicial nominees for conformity to official dogma more thoroughly than any other President ever has. Among his most trusted advisers are some who favor judges wedded to the Constitution as it looked in 1787, judges who would treat the Bill of Rights as inapplicable to the states. People otherwise loyal to the Administration have been dropped from consideration even for lower court nominations for such heresies as supporting gun control or making contributions to Planned Parenthood.

Ronald Reagan is hardly the first President to discover that his greatest legacy may be the Supreme Court justices he appoints. George Washington appointed nationalists who guaranteed the survival of the fledging Federal Government. Franklin D. Roosevelt nominated New Dealers who upheld his ambitious programs. Richard M. Nixon sought justices who would get tough on crime—and tough on crime his four appointees remain, a decade after he was driven from the White House.

Given the ages of the current Justices, there is almost sure to be a nearly complete transformation of the high Court before long. And little stands in the way so long as even opposition Senators assume that the President is entitled to confirmation of any nominees he selects if they have at least had distinguished legal careers and have left no smoking guns lying about. That assumption is utterly perverse. Surely no one would dare suggest that the President should have the power single-handedly to amend the Constitution. Yet otherwise conscientious Senators seem ready to abdicate to the White House the no less decisive power to alter the Constitution by appointment.

This concession to the President defies history as well as common sense. The Constitutional Convention of 1787 initially adopted a draft that left the choice of Supreme Court justices to the Senate alone. The current language was a compromise, lodging the power to appoint jointly in the White House and the Senate chamber: The President can nominate, but only the Senate can confirm. Those who wrote the Constitution did not envision the Senate's power of "advice and consent" as a rubber stamp.

Even the father of our country did not receive automatic confirmation of his nominees: Washington's nomination of John Rutledge was rejected not on the basis of the appointee's qualifications but because his substantive views were unacceptable to the Senate. In the two centuries since, fully one out of every five Supreme Court nominations has been derailed by the Senate.

The Senate's role as special guardian of the Supreme Court's balance and direction is even more crucial today than in 1787. As executive branch power has swelled, the need to check Presidential prerogatives has grown. Fortunately, the Senate's suitability for policing the appointment process has grown as well. Ever since the 17th Amendment provided for the Senate's popular election, it has been more diverse and accountable than the Presidency.

The Senate's 100 members represent both parties, many philosophies, many ancestries and both genders. And unlike the chief executive, whose "mandate" reflects a single snapshot of the electorate taken on one day every four years, the Senate, with its staggered terms and biennial elections, always combines three pictures of public sentiment, superimposed on one another to render a more accurate and continuous image. Even a President elected by a landslide does not represent the views of the other 40 percent of the voters.

In recent months, the Senate has not hesitated, on overtly substantive grounds, to resist White House nominees for sensitive posts in the Justice Department. It is more fitting still for the Senate to guard access to the nine seats on the Supreme Court. The judges appointed by President Reagan, or by his successor, will be handing down decisions well into the 21st century. Even if the Senate elections were not a short year away, all of us would do well to remember how much the attitudes of Senators can shape the selection of the Court that interprets our Constitution.

RETIREMENT OF REPRESENTATIVE PARREN MITCHELL

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Ms. MIKULSKI. Mr. Speaker, I knew of PARREN MITCHELL long before I ever really got to know him personally. In fact, every Baltimorean who takes his or her community seriously knows of the Mitchell family.

Most of us can never remember a time when there wasn't a member of the Mitchell family working to make civil rights a reality in our community. As executive director of the Maryland Commission on Human Rights, PARREN used to go around our State organizing and speaking out for the rights of all of our people. He traveled many times back and forth across our State even though there were restaurants where he couldn't eat, and motels where he couldn't rest.

Twenty years ago, or so, he agreed to head up the Baltimore poverty program. I was working in the program at the time. He was my boss. He was the "commander-in-chief" of our war on poverty. And I was happy to be one of his footsoldiers.

We walked together, we stood together, we marched together following the philosophies of Gandhi and Martin Luther King.

Back in the 1960's, neither of us ever thought that some of the changes we've witnessed in our lifetimes would ever come. We certainly never thought that someone who looked like him, and someone who looked like me, would ever be elected to serve in the U.S. Congress.

The fact that we have been given this opportunity to work together on Capitol Hill is a great tribute to our country and to our democracy.

We know our democracy remains free because of people like PARREN MITCHELL who challenge us to be everything we can be. Though he will be leaving the Halls of Congress, we know that a Mitchell never really retires.

We will still be able to see him. We will still be able to hear him.

I hope that in time he will turn to the fields of journalism and teaching. He's been teaching all of us for years and, as we all know, we still have a lot to learn.

COMMERCIAL AND FOREIGN CONTROL OF FEDERAL INFORMATION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. OWENS. Mr. Speaker, I will be introducing an amendment to the Labor-Health and Human Services appropriation when it comes to the floor tomorrow. The amendment would prevent any further contracting out of Federal library services under OMB Circular A-76.

Why, one might well ask, should the Congress take action to meddle in the running of a small component of an executive agency? The answer is based on the experience of the last several years with the contracting out of library services. At the Environmental Protection Agency, library services were contracted out after the EPA management had declared that the services had deteriorated and that the Government could not afford the equipment to put the library in tune with current technology. As a result of the contracting out, materials were lost and staff displaced.

The Housing and Urban Development Department library was contracted out and it is often cited by OMB as an example of the cost reduction which can occur with contracting out. What is not said is that HUD staffers are now using the Library of Congress and other Federal libraries when they need the services of a librarian. It is a simple task to retrieve materials which can be precisely identified, but HUD's new suppliers of library services are unable to locate other materials.

In addition to the problem of reduced services at HUD, there is another problem which should concern us all a bit more.

HUD's library services were contracted out to an American corporation which is a wholly owned subsidiary of a Dutch corporation. It would appear that we are contracting out jobs to foreign competitors. It is also clear that the library services employees at HUD will eventually learn to use the data bases available to them. Do we really want foreign companies to have access to Federal data bases? In many instances they will be in a position to control these Federal data bases.

The experience at the Department of Energy is also instructive. That library has been contracted out for about 2 years. DOE staffers are regularly sent to the Department of Transportation library and the National Bureau of Standards library. Granted, the DOE library seems to be functioning on less money, but it also seems to be doing less work and failing to increase the productivity of workers. Meanwhile, other Federal agencies are subsidizing the "savings" which are realized by contracting out these services.

Information is important. Access to information is access to a resource of great value. For the sake of small paper savings, we are allowing our resources and jobs to be shifted to foreign companies and we are asking that the "savings" be produced by other Federal agencies. It simply does not make sense and it must be stopped.

COLUMBUS DAY—THE SPIRIT OF DISCOVERY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1985

Mr. RODINO. Mr. Speaker, on October 14, millions of Americans all over the Nation will join in celebrating Columbus Day. In doing so, we commemorate the 493d anniversary of the discovery of America.

But there is a great deal more to Columbus Day than the remembrance of a day in history. It is a time for us all to rediscover America ourselves. It is an opportunity for us all to reaffirm our faith in the future and our willingness to face with courage and confidence the grave challenges that confront our Nation.

Seven years from now—in 1992—we will mark the 500th anniversary of the event that changed the world. As the proud author of last year's legislation to establish the Christopher Columbus Quincentenary Jubilee Commission, I look forward to this historic celebration of Columbus' voyage with great anticipation. Plans are already underway for a worldwide tribute to Columbus' great accomplishment, and I hope that it will be a time when we can truly rediscover the greatness of America as well.

Christopher Columbus heroically risked tremendous odds for something he believed in, and Columbus Day is a tribute to the courage and persistence of his spirit. That spirit has become the spirit of America. Columbus braved not only the myth and mysteries of unchartered seas, but the doubts of men to test the strong beliefs he held. He will always stand as a towering example of human achievement in the face of adversity, and serves as an inspiration to all future generations. Christopher Columbus was the embodiment of those qualities—determination, courage, faith, and vision—that have come to stand for the character of this great country.

On Columbus Day we not only honor the man who is rightly called "The Father of Immigration," but all those who came to discover America themselves after him. Although I share with my fellow Americans of Italian heritage that special pride in the achievement of the Genovese navigator, Columbus Day is a time for Americans of all ethnic backgrounds to rejoice in the diversity of our country and to appreciate the fact that we are truly a nation of immigrants. For we know that America became a great country because of the millions of individuals who followed Columbus, from all over the world, who sought a better life and were given the opportunity in this country to achieve their full potential.

This is the true meaning of Columbus Day. In the face of adversity and in the often perplexing and turbulent times in which we live, we Americans have inherited the same spirit that inspired Columbus, and we must harness that spirit and rise to meet the challenge of the future.

One American who truly embodies this Columbian spirit is my dear friend Ace Alagna, publisher of the Italian Tribune News in New Jersey, who, as he does every year, works for the success of the annual Columbus Day parade in Newark. I continue to marvel at Ace's ability to give the Columbus Day ceremonies a truly national and diverse spirit, making each year's celebration even more festive and enjoyable than the last.

This year the grand marshal for the parade will be Sergio Franchi, the great performer and star of stage, film, and television. It is especially fitting that on October 13, the day of the parade, we honor this talented artist as our grand marshal—for it was 13 years ago on this date that he became a citizen of the United States. From Christopher Columbus to Sergio Franchi—an adopted son of America, the spirit of Columbus continues to inspire all of us to newer heights and to newer discoveries.